

The Virgin Islands Consortium

G.E.R.S. Board Votes To Cease Paying Retirement Benefits; Motion Fails

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ST. CROIX -- G.E.R.S. board member Edgar Ross mocked fellow board members for failing to approve a motion that he brought at a meeting Thursday morning that would cease retirement payments to retirees until the employer -- the Government of the Virgin Islands, which G.E.R.S. contends owes the system billions of dollars -- paid what it owes.

If G.E.R.S. Board of Directors were to strictly follow V.I. law, the board would not pay out benefits to retirees until the employer becomes current on its debt: "[G.E.R.S.] shall not pay benefits to an employee unless his and the employer's contributions adequately finance benefits and related costs," reads [Title 3, Chapter 27 of Virgin Islands Code](#).

Mr. Ross said the government has been getting a free pass because G.E.R.S. continues to pay benefits, while the government was only partially meeting its obligation of fully paying into the system. And he scorned members who voted against the motion, calling them chickens for doing so.

Mr. Ross, who is also a retired judge, said the board has been "sitting on its backside," while Government House looked on laughing at the system. He said the motion yesterday was to send a strong message to the government, including senators, that the pension system is headed to catastrophe, and that he would not be held liable for its demise.

At a Public Services Commission meeting yesterday where the board [denied W.A.P.A. its rate increase request](#), retired track coach Eurman Fahie -- a vocal retiree advocate -- reminisced on Thursday morning's G.E.R.S. board meeting, lamenting that had the board approved Mr. Ross' motion, retirees would be left out in the cold, in misery.

Yet, although the board failed to pass the motion, as some members feared a disastrous outcome, they all agreed that a strong message needed to be sent to the government. Board Administrator Austin Nibbs said legislators' piecemeal attempts to help the system, though not harmful, were inadequate, and suggested that senators did not understand the severity of the problem the system faces.

G.E.R.S. has accumulated a deficit of over \$67 million this year alone. In 2015, employer contributions needed to adequately fund the system was \$200 million, but the government only paid \$75 million. Last year, [the system requested \\$600 million](#), which would only push the problem down the road some 30 years, but at least it would buy G.E.R.S. more time to allow new contributors' benefits to kick in with changes already made to the system, while longtime members would have already been out as a result of mortality.

But the Mapp administration said the G.V.I. [could not meet the request](#), and even if it did, expending that amount on only one government-owned entity would severely hurt every other branch of government — including essential services indelible to the daily operations of the territory, according to Dept. of Finance Commissioner Valdamier Collens.

Only Mr. Ross and board member Leona Smith voted in favor of the motion to suspend benefits; while members Michael McDonald and Carol Callwood voted against. Board member Desmond Maynard was absent.