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In Concerning Development, New GERS Chairman Removes Nellon Bowry as Chair of Budget and Investment Committee

GERS / **Published On October 12, 2022 04:44 AM /**

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**The Gov't Employees' Retirement System St. Croix headquarters. By. ERNICE GILBERT/
V.I. CONSORTIUM**

The new chairman of the Government Employees' Retirement System, Dwayne A. Callwood, has removed former Chairman Nellon Bowry as chair of GERS's Budget and Investment Committee, another concerning development coming on the heels of a [recent cash infusion](#) into the system by the government of the Virgin Islands of \$158 million.

Mr. Bowry, who only this month [resigned his position as board chairman](#) following a decision by the board to approve a pay increase of \$250,000 for GERS Administrator Austin Nibbs, is the

most knowledgeable board member on matters of finance. Mr. Bowry's most recent government role prior to the GERS chairmanship was director of the Office of Management and Budget during the Mapp administration.

Mr. Callwood's decision came as part of a committee assignments action, and Mr. Bowry was reassigned to lead a development committee. The new assignments became effective Tuesday, according to the committee assignments document obtained by the Consortium.

On October 4, Mr. Bowry resigned from the GERS chairmanship in protest of a \$70,000 salary increase for Mr. Nibbs.

Mr. Nibbs [in January 2021](#) announced his plan to retire. However, the board has been unable to find a suitable replacement and has asked the long-serving executive to stay until a new administrator is found. At the time, Mr. Nibbs was making \$140,000, and as part of his decision to stay, the board increased his salary to \$180,000 along with allowance for travel and housing.

But during a Board of Trustees meeting held on Sept. 22, trustees went into executive session and voted to increase Mr. Nibbs's salary to \$250,000, representing an increase of \$70,000 before accounting for housing and travel expenses.

Mr. Bowry during the Oct. 4th meeting said he'd explained to the trustees in a memorandum on Sept. 23 his reasons for not supporting the pay increase from \$180,000 to \$250,000, and he requested a Sept. 28 special meeting. According to Mr. Bowry, the board did not invalidate his reasons for being against the increase, but they nonetheless stuck to their decision.

On Oct. 4th, Mr. Bowry said he decided to resign from the chairmanship because the board's decision to increase the salary by a quarter of a million dollars, along with travel and housing cost, "is logically indefensible and fiscally irresponsible." It was also significantly more than Mr. Nibbs had requested or was willing to accept, Mr. Bowry said.

Board member Ronald Russell, the former St. Croix senator, defended the salary increase, contending that it is still below what CEOs at WAPA and the Juan F. Luis Hospital are compensated. He said these executives at the aforementioned government entities make over \$300,000, and that Mr. Nibbs — who has served well over a decade at the pension system — was being underpaid. Mr. Russell also argued that the hefty salary increase could be financed with funds from the \$158 million infusion of cash into GERS from the securitization agreement.

Mr. Bowry stuck to his stance that the increase was unjustifiable. Following his resignation, the board replaced him with Mr. Callwood.

Once news of Mr. Bowry's resignation and Mr. Nibbs's salary increase circulated, senators immediately protested the raise and called for board members who approved the raise to be removed.

Senator Novelle Francis criticized the GERS Board of Trustees, [deeming the board's action](#) "irresponsible and contrary to their fiduciary responsibilities to act in the best interests of the system."

"Just a few months ago, the GERS was on the brink of insolvency," Mr. Francis reminded. "The recent infusion of cash mandated by Act 8540 and future deposits will stabilize the system and ensure its continuity for many years to come. However, this cash infusion does not give the GERS Board permission to make decisions that clearly show that they are not acting as good stewards of

the pension system and the community's trust.”

Senator Kenneth Gittens [sought to file a lawsuit against the board](#). He also chastised board members who approved the raise and called for their removal.

“By granting a \$70,000 raise to the System Administrator in a closed meeting this week, I have lost faith in the current Board of Trustees to act in the best interest of the people of the Virgin Islands,” Mr. Gittens said. “This is an unconscionable action given that we just narrowly averted disaster at GERS due in part to poor management and bad investment decisions. GERS was not saved as a result of any action by the Board nor its leadership. No one at GERS deserves to be rewarded at this time.”

Mr. Callwood was unable to be reached Tuesday.

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