



**THE UNITED STATES VIRGIN ISLANDS
OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE
Charlotte Amalie, V.I. 00802
340-774-0001**

**EXECUTIVE ORDER NO. 502-2020
GOVERNOR OF THE VIRGIN ISLANDS OF THE UNITED STATES**

BY THE AUTHORITY VESTED IN ME as Governor of the U.S. Virgin Islands by the Revised Organic Act of 1954, as amended, and the law of the U.S. Virgin Islands, it is hereby **ORDERED** as follows:

WHEREAS, on October 1, 1959, the U.S. Virgin Islands (USVI) established a retirement system, the Government Employees Retirement System (GERS), for all employees of the Government of the USVI pursuant to Title 3, Chapter 27, Sections 701-741 (3 V.I.C. §§ 701 – 741), for the payment of retirement annuities, disability annuities, and other benefits to said officials and employees, and to their dependents and beneficiaries, after stated periods of service and upon fulfillment of certain conditions in order to provide an income reserve for personnel upon old age, death, disability and termination of employment; and

WHEREAS, the GERS is managed and operated by a Board of Trustees, pursuant to 3 V.I.C. § 715, comprised of seven members and the Director of Personnel of which consist of members of the Central Labor Council, retirees of GERS, and active member of GERS, who appoint a treasurer and legal counsel, and all of who are assisted with administering the business of the System by an Administrator who employs assistant administrators, accountants, clerical, professional and technical support staff; and

WHEREAS, the existing GERS system, Board, and Administrator oversight are in need of critical review and overhaul for the benefit and protection of current and future retirees, and government employees; and

WHEREAS, the GERS has projected that the retirement system will collapse by 2023 or sooner due to the systems inability to pay full annuities and use its core corpus investment principal to pay current retirees; and

WHEREAS, on April 2, 2020, the District Court ordered the payment of \$63,143,506.00 to GERS by the Government of the Virgin Islands (GVI) in seven equal installments occurring every 30 days, beginning May 3, 2020, which the central government is not able to meet; and

WHEREAS, the collapse of the retirement system would have grave impacts on the lives of current and future retirees, the government, and the general USVI economy; and

WHEREAS, it is essential to implement and develop new solutions to prevent the collapse of GERS or replace the system that is currently in place and inoperable on an expedited basis;

NOW THEREFORE, there shall be established an Advisory GERS Funding Task Force comprised of and tasked with the following:

Composition of Funding Task Force:

- A. The Task Force shall be comprised of twelve (12) members appointed by the Governor, upon his sole discretion and selection.
- B. One member shall be recommended by the Delegate to Congress.
- C. Two members of the Legislature shall be recommended by the Senate President.
- D. The Task Force members shall, collectively, have demonstrated competence in the areas of public or private finance, banking, public planning, accounting, law, retirement and estate planning, tax advice, securities, real estate development, and household administration. At least one member of the Task Force shall be a retiree of the USVI Government; and at least one member of the Task Force shall be an employee of the Government of the VI for less than 8 years or no older than age 35.
- E. The Task Force shall meet monthly or more frequently when requested by the Governor, and continuously until its Mission is completed.

Mission of the Funding Task Force:

- A. The Task Force shall be an advisory committee to the Governor.
- B. The Task Force shall create a GERS Funding Plan.
- C. Task Force shall utilize all tools and advisory services reasonably necessary to determine the failures of the current retirement system and to structure a new functional model for GERS and outline this model and steps to implement a new GERS within the GERS Funding Plan.
- D. The Task Force shall explore options for short-term bail-out or temporary options and more permanent restructuring of the retirement system that incorporates and applies to current and future retirees, and outline these options, and steps to implement these options within the GERS Funding Plan.
- E. The Task Force shall explore amendment of the current GERS law and propose language or recommendations for drafting new GERS provisions or amending current law within the GERS Funding Plan.
- F. The Task Force shall come up with funding measures for payment of GERS obligations and the elimination of future obligations within the GERS Funding Plan, along with a budget and explanation of expenses for drafting and executing the GERS Funding Plan, which shall be submitted in draft to the Governor no later than 30 days from composition of the Task Force.
- G. The Task Force may utilize professional persons and advisers from the Government of the VI and from the private sector to assist with the creation of the GERS Funding Plan and use their resources to reduce the cost of formulation and implementation of the Plan.
- H. The Task Force shall research, investigate, craft, design, and prepare the GERS Funding Plan for presentation to the Governor.

Compensation

Upon approval by the Governor, and to provide statistical analyses, relevant data and solutions the Task Force may utilize such officers, academic or professional experts and other professionals as deemed necessary, prescribe their duties, fix their compensation and provide for reimbursement of their expenses within amounts available therefor by appropriation. The Task Force members shall not be compensated.

Time Frame

Once all Task Force members are appointed by the Governor, the Task Force shall have a period of four months from the date of composition to complete the initial GERS Funding Plan. Should additional time be needed, the members of the Task Force may submit a written request for such time to the Governor.

Effective Date:

This Executive Order shall be effective and enforceable upon execution and appointment of all Task Force members and remain in place until the creation and presentation of the GERS Funding Plan or until rescinded by the Governor.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Government of the United States Virgin Islands to be affixed at Christiansted, St. Croix, Virgin Islands, this 22nd day of June, A.D., 2020.



A handwritten signature in blue ink, appearing to read "Albert Bryan, Jr.", written over a horizontal line.

Albert Bryan, Jr.
Governor

ATTEST:

A handwritten signature in blue ink, appearing to read "Tregenza A. Roach", written over a horizontal line.

Tregenza A. Roach, Esquire
Lieutenant Governor