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ADMINISTRATOR'S 2017 MESSAGE

Greetings and Happy New Year to our members and their families! It is my sincere hope that this new year finds our members in good spirits and the best of health.

It is always good to look ahead at what the future may bring, but I would first like to reflect on this past year as history will show that it was perhaps, one of the more eventful times in the life of our retirement system. Notwithstanding the many challenges we faced, our resolve to serve our members and to preserve the Fund, was met with vigor and perseverance.

We are very proud of the efforts and contributions of the GERS staff who worked tirelessly to satisfy our

members. We are also grateful for the Board of Trustees and our advisors for their advice and leadership, as we took every opportunity to engage, educate and empower our membership. Further, through ongoing dialogue and collaboration with the Legislature, as well as stakeholder groups, we were able to effect critical changes in the law which governs the System.

One might say that the current challenges facing the System are insurmountable, as we are facing much uncertainty regarding the future of the System. Our commitment to you is to always keep you abreast of what is going on, so that you can ask the right questions and make informed decisions. No matter the challenges, we will remain focused and committed to collecting over \$1 billion of contributions that are due to the System, paying the retirees their annuities, and selecting the necessary investment choices that are required based on the health of the Fund.

There is still a lot of work ahead, and no one knows for sure what the future will bring. What we do know however,

is that the GERS team will continue to render the best possible service to all of our members.

Shortly, there will be volunteer opportunities and educational initiatives afforded to our members. We want you to get first-hand, credible information to better understand and to be more informed about the System. If you are interested or would like to learn more, contact our Public Information office at (340) 776-7703 or communications@usvigiers.com. Let us come together as a GERS team to effect positive and workable changes for the System.

Again, I wish you a New Year filled with warm moments and cherished memories, but most of all, good health. May the gift of hope, love and happiness be yours in 2017!

GERS CONTRIBUTION RATE INCREASE

Effective January 1, 2017, employee contribution rates will increase by 1% in accordance with the GERS Board of Trustees directives and the Virgin Islands Code. [\(continued on pg. 2\)](#)



FACTS & STATS

Below is a snapshot of GERS's retiree population by annuity range and age as of the **November 30, 2016** retiree distribution. The data are based on the average age of the annuitant, the annual annuity and the total number of annuitants.

AGE RANGE	COUNT
Under 50	83
60-65	1524
50-59	1022
66-70	1797
71-75	1705
76-80	1108
Over 80	1283

ANNUITY RANGE	COUNT
Under \$10,000	1029
\$10,001 - \$20,000	1910
\$20,001 - \$25,000	1043
\$25,001 - \$30,000	978
\$30,001 - \$35,000	812
\$35,001 - \$40,000	636
\$40,001 - \$45,000	570
\$45,001 - \$50,000	554
\$50,001 - \$55,000	471
\$55,001 - \$60,000	273
\$60,001 - \$65,000	135
Over \$65,001	111

TOTAL RETIREES 8,522
TOTAL RETIREE PAYROLL \$10.1 MIL

TOTAL PORTFOLIO ASSETS

As of December 31, 2016

\$870,844,187.50

Assets include stocks, bonds, alternatives.

TOTAL RETURN FOR QUARTER ENDING

As of December 31, 2016

-0.12%

AVERAGE RETURN

Since 1981

8.81%

Note: Return numbers exclude member loans and GERS office buildings. They are however included in the total portfolio assets.

TIER I Members

- Regular employees* – 11%
- Early Retirement Program members (Hazardous Employees) * – 13%
- Legislators - 12% of annual salary
- Judiciary - 14% of annual salary

Virgin Islands Economic Stability Act (VIESA): Act No. 7261, section 7(k), required that the contribution rate for Tier I employees, who had 30 years or more of credited service and elected not to retire, would be increased an additional 3% of their salary effective October 1, 2011. The increase included all classes of Tier I members. Further, in accordance with the November 20, 2014 Board of Trustees' resolution, the Board increased the employee contributions for all members who elected not to retire under Act No. 7261 by 1% each year effective January 1, 2015.

Consequently, the rates for members who come under this act are:

- Regular employees* - 14%
- Early Retirement Program members (Hazardous Employees) * – 16%
- Legislators - 15% of annual salary
- Judiciary – 17% of annual salary

Tier II Members

- Regular employees* – 11.5%
- Early Retirement Program members (Hazardous Employees) * – 13.625%
- Legislators – 14% of annual salary
- Judiciary – 15% of annual salary pursuant to Title 3 of the VI Code, Chapter 28A; section 770(1). (Judiciary rates became effective October 26, 2015.)

* The maximum compensation amount to be used for contributions by regular and hazardous members shall be \$65,000.

Employer contributions remain the same at 20.5%. (Effective February 5, 2015).



Upon receipt of your 1099R Form from the Government Employees' Retirement System, you should call or visit your accountant or the Bureau of Internal Revenue office for assistance in filing your taxes. By law, you are required to file taxes on your annuity payments. The actual portion for which you are paying taxes is attributable to your employer's share of contribution and investment income - which are not pre-taxed.

Kindly refer to Title 3, VIC Chapter 27 and 28A regarding the laws governing the System. Also, for a detailed explanation of applicable tax laws, or more information on IRB's taxpayer assistance program, contact the VI Bureau of Internal Revenue at (340) 715-1040 on St. Thomas, or (340) 773-1040 on St. Croix.

CONGRATULATIONS TO OUR OUTSTANDING EMPLOYEES OF 2016

During the annual Employee Recognition and Holiday Social, the winners of the "Employee of the Quarter" were announced.

First Quarter - March

- Julia Abramson – STT
- Kemba Martin-Morgan – STX

Second Quarter - June

- Hester Griffin – STT
- Kemba Martin-Morgan – STX

Third Quarter - September

- Pamela Krigger – STT
- Natalie Moorehead – STX

Fourth Quarter - December

- TeWanna Eddy – STT
- Natalie Moorehead – STX

From amongst the selected quarterly winners, GERS employees in attendance voted by secret ballot for the Employees of the Year.

AND THE WINNERS ARE...

PAMELA KRIGGER (ST. THOMAS)

Financial Management Support Specialist

Joined GERS: February 14, 2005 as an Administrative Specialist

Education: Bachelors – Journalism & Business Management; Georgia State University & University of Miami

Current Duties: Performs all administrative functions in the Accounting & Finance Division/Office of the CFO; supervises the Purchasing Unit; assists with the preparation of our annual audit and budget; point of contact for all banking issues and transactions; assists with the development of policies and procedures within the Division.

Special Projects: Co-coordinator, GERS 50th Anniversary Committee; Member of the GERS Strategic Planning Taskforce (2015-2020) – focus area: Operational Efficiency & Excellence

Personal: Proud mother of one son, PJ, who is a Junior at the University of Miami majoring in Business Technology & Marketing; three daughters: Lisa – freshman and honor student at Peter Gruber International Academy. Lena and Lynae - also honor students at the Joseph Sibilly Elementary School.

Hobbies: Playing tennis, reading, spending time with friends and family.

Greatest Joy: “My Children”

Credits: “My faith in God, the love, wisdom and support provided from my family; most importantly, my (late) mother Wistaria Alicia Lewis-Krigger, my determination to always treat all others with kindness and, most importantly, respect, and, finally, to always put forth my best effort.”



KEMBA MARTIN-MORGAN (ST. CROIX)

Senior Loan Servicing Officer II

Joined GERS: February 24, 2003

Education: Master’s Degree in Public Administration from the University of the Virgin Islands; Bachelor’s Degree in Management; and an Associate’s Degree in Accounting from Northwood University in West Palm Beach, Florida. Bilingual - Spanish/English.

Current Duties: Services all loans in the Government Employees’ Retirement System Loans Portfolio. Keeps track of all mortgages that have expired, have been cancelled, and also sends letters requesting proof of insurance. Interacts with all insurance providers in the U.S. Virgin Islands, other government agencies and members who have loans with GERS on a daily basis. Provides loan payoffs on auto, personal, retiree, mortgage, and land to clients and requesting financial institutions. Posts cash payments to loans and enters payroll deductions in the ERP System. She has been able to step in and perform the duties of any position in the Loan Servicing Department.

Personal: Single mother of two handsome boys, both attending the St. Croix Central High School. Vernon Morgan III - age 17- presently a senior and Danté Morgan - age 14 - a freshman.

Hobbies: Cooking and spending time with her family & friends, playing dominoes, enjoying the beautiful beaches, and watching her sons play sports.

Greatest Joy: “My sons, Vernon III and Donte’ Morgan. They are the reason I wake up in the morning and why I keep pushing every day of the year.”

Credits: “I credit my parents and my entire support system for always keeping me grounded and focused. I thank them for being the village that watches over my sons and me every day, even when the concept of “it takes a village to raise a child” has been lost. I want to thank my GERS family for voting for me as their Employee of Year for 2016. It is an honor to represent all the hard working employees of this organization.”



A note from the Group Health Insurance Office

The Group Health Insurance Office advises that effective January 1, 2017 V.I. Government retirees residing in the continental United States will experience a plan change to the Medicare Advantage Plan which will provide uniformity in coverage.

For more details, contact the Group Health Insurance Office at (340) 714-5000.



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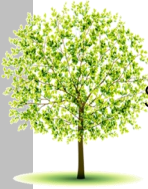
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Upcoming Events

FEB	15 th	---	RETIREE PAY DAY
	23 rd	St. Croix	Board Meeting
	28 th	---	RETIREE PAY DAY
MAR	1 st & 2 nd	St. Croix	Investment Manager's Meeting
	15 th	---	RETIREE PAY DAY
	???	St. Thomas	Financial Planning Workshop*
	22 nd	St. Thomas	Pre-Retirement Workshop*
	30 th	---	RETIREE PAY DAY

* Visit our website to view the 2017 workshop schedule in its entirety.

SAVE THE TREES...RECEIVE YOUR NEWSLETTER ELECTRONICALLY

Send an email to kcallendar@usvigiers.com...type **SIGN ME UP** in the subject line. Please include your name in the email.

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8am - 5pm

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UPDATE



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