



Retirees to be Elected to the GERS Board of Trustees

Administrator, Austin L. Nibbs, wishes to advise retirees that in accordance with Act 6764 (Reform Act of 2005), two retiree representatives are to be elected to serve on the GERS Board of Trustees. Retirees will be elected by their peers and must meet specific educational requirements. Below is an outline of the new election process:

- Eligibility requirements state that only retirees of the Government who are members of the System are eligible to vote and seek election to the Board.
- One (1) retiree from each district shall be elected by retirees to serve on the Board.
- Each candidate for the Board of Trustees shall have at least five years experience and at least a bachelor's degree in any of the following: investment banking; economics; finance; insurance; law; medicine; accounting; actuarial science; taxation; real estate appraisal or brokerage and securities trading.

Nomination Petition

- Candidates shall complete a nomination petition in order to be eligible to seek election to the Board. Candidates must secure ten (10) signatures of retired members for the petition to be valid for submittal to the GERS. Such petition must be submitted to GERS at least sixty (60) days prior to the election or at a date prescribed by the Administrator.
- Each petition must be accompanied with evidence that satisfy the educational and experience requirements above.
- The petitions shall be available for distribution at least ninety (90) days prior to the date of the election at the GERS offices in both districts or at a date prescribed by the Administrator.

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Semi-Annual Investment Managers' Review

The semi-annual Investment Managers' Review was held Monday, April 26 through Wednesday, April 28 at the GERS offices on St. Thomas. Over the three days, the Board of Trustees met with the 15 investment managers that manage assets on behalf of the Plan. The managers reviewed their portfolios for the period ending December 31, 2009.

For calendar year 2009, the S & P 500 returned 26.5%, lead by lower quality/higher beta stocks. In addition, global equity markets rebounded, and in particular, emerging markets equities returned almost 80% for the year.

Overall, the investment managers were positive about the global economy relative to our meetings in September of last year. In general, the managers believed the economic recovery is on more solid footing and the chances of a double dip recession are remote. However, there are still areas of concern, namely the high level of global government debt and current unemployment levels in the US and abroad.

The fixed income managers stated their belief that inflation in the U.S. appears to be under control. The economic concerns noted above do not make inflation an immediate concern.

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Campaign

The candidates may utilize any form of media, brochures or ads to promote their candidacy. All campaign paraphernalia must be removed no later than three (3) days after the election (*V. I. law governs the placement of campaign materials on public property*).

Candidates may have access to the list of eligible voters upon their request.

Retirees may only vote for candidates seeking election to the Board in their respective district.

Voting

Voting will be conducted via Mail-In Ballot. Election ballots will be mailed to eligible voters and contain a unique Personal Identification Number (PIN) to ensure that only one vote is cast for each candidate.

Please note the following timeline:

June 28, 2010 – Petitions Available

July 28, 2010 – Due date for petitions

July 28, 2010 – August 20, 2010 – Due diligence conducted on petitions and qualifications statements/ experience of the candidates


August 22, 2010 – August 27, 2010 – Candidates are advised of the results of the due diligence process and results are posted in the print media and on GERS' website

September 30, 2010 – Ballots mailed to retirees

October 30, 2010 – Return mail ballots due

January 2011 – First Board Meeting

For more information regarding the election process or to request a petition packet, please contact the Administrator's office at (340) 776-7703 extension 4900.

Let your voice be heard — 

Is Your Address Current?

If you have relocated or changed your Mailing Address, it is imperative that you alert our office.

Kindly obtain and complete a Change of Address form in our office or submit the change to us in writing.

It is important that we are able to communicate any GERS related news that may or will affect you.

Notably, retiree elections to the GERS Board of Trustees will be held for the first time this October. Voting will be via mail; thus, it is important that we have your current address on file.

Please Note: In an effort to prevent fraud, if any two (2) checks or payment stubs are returned to the GERS by the Postal Service, GERS will hold any future annuity checks until the mailing address is updated in our file.

Benefit Payment Dates

Retirement benefit payments and direct deposit dates are the 15th and the end of each month. *If special circumstances should arise, dates may be adjusted accordingly.*

Below is the upcoming quarterly benefit payment schedule:

July 15 August 13 September 15

July 30 August 31 September 30

If you have not signed up for Direct Deposit as yet, sign up today. It is safe, easy and convenient!

Puerto Rico Law Requires New Birth Certificate

Under a new law passed by the Government of Puerto Rico (Law 191 of 2009), **all Puerto Rico birth certificates issued before July 1, 2010 will be invalidated.**

The new law aims to combat fraud and protect the identity and credit of all persons born in Puerto Rico. This was a collaborative effort between the U.S. Department of State and the U.S. Department of Homeland Security to address the fraudulent use of Puerto Rico-issued birth certificates to unlawfully obtain U.S. passports, Social Security benefits, and other federal services.

For retirement purposes, we encourage our members to secure new certificates as a birth certificate is required for processing retirement applications. GERS will not accept invalid Puerto Rico birth certificates after September 1, 2010.

For more information on the new law, and how to request a new birth certificate, visit www.prfaa.com/birthcertificates.

Source: VI Daily News, Saturday, May 8

GERS Quarterly Activity Calendar

Board Meetings

July 29—St. Thomas
9:30 a.m.

August 19—St. Croix
9:30 a.m.

September 1, 2, 3 (Investment Mgrs. Mtg.)—St. Croix
9:00 a.m.

Retirement Workshops

“Count Down to Retirement”

July 8 (STC)

July 14 (STT)

“Pre-Retirement”

September 9 (STT)

September 16 (STC)

Board meetings and workshops are held at the GERS offices on St. Thomas & St. Croix unless otherwise indicated.

GERS Construction Loan— “Making Homeownership Possible”

Planning to build that *fabulous* house overlooking the beach? Well, GERS has a loan to make your dream home a reality.



GERS' residential mortgage program is intended to promote home ownership by GERS members as well as to provide financial assistance towards improvement of existing homes. We lend up to \$250,000.00 for construction of new homes or for making improvements to existing homes.

Approval of Construction Loans – an easy process!

- Our Debt-to-Income Ratio is 45% compared to 35% for other lenders.
- An applicant must be a contributing member of GERS for 5 years or more or a retiree who is receiving an annuity.
- The applicant must submit a Deed evidencing his/her ownership of the land on which the home is to be constructed or improved.
- We finance up to 90% of the market value of the completed project, as verified by our appraiser.
- We require the approved plans and permits along with a detailed estimate from a licensed contractor.
- The maximum amount is \$250,000.00 and repayment may not extend beyond 30 years or age 70 of the borrower, whichever is applicable.
- Exceptions are provided for wooden structures which may not extend beyond 15 years.
- Credit life insurance payment is included in the repayment which ensures that if the member dies, the entire loan or a substantial portion of the loan will be paid off and his/her heirs will not be left with a large debt.

There are a few things you should consider before you venture into this commitment:

- Start getting your documents in order. Know where your deed is and make sure that the land is free and clear of any encumbrances.
- Pay off any delinquent accounts or make arrangements with your creditors to do so.



Contributing today, for a better tomorrow!

GERS Update

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- Make sure that you have an approved plan in hand that meets all specifications of the V. I. Code. This includes all permits- earth change, electrical and plumbing.
- Make sure that your contractor is licensed to do business in the territory. You should have an itemized estimate from your contractor.
- Know exactly how much you wish to borrow and get pre-qualified by one of our mortgage officers for the loan. You should factor in any cost overruns, taxes, miscellaneous and transportation—this includes everyday transport of work crew, to and from job site.

Once you have considered most or all of these things, you are well on your way. For more detailed information, we encourage you to call our offices to speak to one of our mortgage loan officers.

Thank you for allowing us to serve you!

Semi-annual Investment Managers Review continued from page 1

Regarding specific manager issues, the Trustees are monitoring several concerns:

- Transitioning the Brandywine portfolio from a separate account to a commingled vehicle.
- Monitoring the potential organizational change at Silvant as Sun Trust Bank officially announced it was in talks to sell Ridgeworth, Silvant's parent, to Henderson Global Investors.
- Monitoring the organizational change at Global Currents where support functions are transitioning to ClearBridge, another investment boutique of parent LeggMason. At this time, there will be no changes to the investment team and Global Currents will remain autonomous.
- PIMCO requested the use of derivatives to help enhance portfolio returns and mitigate risk.

The next Investment Managers' review is scheduled for September 2010.