

**PREPARED STATEMENT OF
ELISA G. HODGE, CONTROLLER, VINGN, INC.
BEFORE THE SENATE COMMITTEE ON
GOVERNMENT OPERATIONS, VETERANS AFFAIRS,
AND CONSUMER PROTECTION
36TH LEGISLATURE OF THE VIRGIN ISLANDS
June 23, 2025**

Good Day Honorable Avery L. Lewis, Chairman of the Committee on Government Operations, Veterans Affairs, and Consumer Protection, Honorable Senators, and those listening and viewing online. I am Elisa G. Hodge, Controller at viNGN, Inc. Thank you for the opportunity to join viNGN President & CEO, Stephan Adams, to give testimony on behalf of viNGN.

As a Virgin Islander, I am keenly aware of many of the challenges the GERS has faced over the years. Consequently, I would be remiss if I did not take this opportunity to commend Governor Bryan, the Legislature, GERS, and Government of the VI officials for the steps they have taken to stabilize the GERS system and for other ongoing efforts.

Like many Virgin Islanders with family members who rely on GERS retirement benefits for financial support, I know firsthand the importance of the GERS and their reliance on GERS pension benefits for their economic survival.

As the chief fiscal officer for viNGN, Inc., I have a fiduciary duty to determine the impact certain financial transactions would have on the Company as an ongoing concern. Often, when evaluating an opportunity, the pros and the cons or the advantages and disadvantages are identified, understood, and considered. In the case of Bill No. 36-0066, this is not so. While the Legislature of the Virgin Islands finds that it is in the best interest of the GERS that employees of all government entities, including the wholly owned subsidiaries of the Public Finance Authority, be included as member of the GERS or subject to GERS, based on plan cost evaluations and operational considerations, we strongly disagree and oppose Bill No. 36-0066.

Bill No. 36-0066 does not provide actuarial analyses to demonstrate our 24 employees would not be harmed and would be better off with GERS; neither does it outline the benefits to employees from mandatory enrollment in GERS compared to their current plans. Additionally, to my knowledge, prior to this hearing, there have been no engagement with viNGN to understand our challenges or to how a significant change in employee benefits with an employer match increase of over a half million dollars would impact our operations. Notwithstanding the fact that the bill solely focuses on GERS interests, it is not in viNGN's or its employees' best interest to be subject to the GERS for all the points outlined in Mr. Adams' testimony which I fully support.

GERS membership threatens the viability of viNGN which would ultimately result in it having outstanding payments like some other agencies. More importantly, it would divert funds away from reinvesting in our infrastructure. While FEMA funding assists greatly in rebuilding portions of our network after the 2017 hurricanes, there are significant infrastructure upgrades needed to our network that are necessary to protect from future damages. Our quest to become EBITA

profitable, that is positive Earnings Before Interest, Taxes, Depreciation and Amortization, is driven by our desire to remain independent (non-reliant on PFA or GVI) and to undertake rebuilding and resiliency infrastructure projects, which are capital intensive.

Further, GERS participation would prevent implementation of viNGN's mandate to provide affordable broadband services leaving us unable to address the concerns of our customers to lower broadband pricing. viNGN has pursued a revenue diversification strategy in hope of generating additional revenues, while reducing costs, to offset the changing broadband landscape. Any gains we hope to make to address other objectives would go towards payment of the 26.5% GERS match that would increase benefits costs by more than 1100%, which is unsustainable.

For these reasons and more, participation in GERS seems more like a burden than a benefit. It would not only destabilize viNGN but fail to achieve its intended objective of stabilizing the GERS.

Therefore, I respectfully urge the Committee on Government Operations, Veterans Affairs and Consumer Protection to amend Bill No. 36-0066 to exempt viNGN from enrollment in GERS.

Again, thank you for the opportunity to speak and for your attention during my testimony.

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