



FY2017 BUDGET: OFFICE OF LIEUTENANT GOVERNOR, MAGENS BAY AUTHORITY, VI ENERGY OFFICE

ST.THOMAS—The Committee on Finance, chaired by Sen. Clifford F. Graham, held a budget hearing Tuesday, to receive testimony from the Office of the Lieutenant Governor, Magens Bay Authority and the Virgin Islands Energy Office relative to appropriations for the upcoming fiscal year.

Claudette Farrington, Director of Business and Financial Management at the Office of the Lieutenant Governor, shared the General Fund Budget Recommendation for FY 2017 is \$9,783,714.

“The budget represents an increase of about three point something million dollars, 3.1, of which \$1,131,000, you said in your testimony, is attributed to salary increases and two million is for the computerization of the Division of Corporation,” explained Sen. Graham.

The Committee Chair asked officials if this meant that the entity was operating without computers or if systems simply needed to be upgraded.

Delbert Hewitt, Chief of Staff for the OLG said that the latter was true.

“We’re going to digitize for that whole web based system so that customers can go online,” he said. The digitization would alleviate the inconvenience of having to visit the office, Hewitt added.

Officials testified that there were approximately 19 funded, vacant positions within the Office of the Lieutenant Governor.

Sen. Kurt A. Vialet, the Committee Vice-Chair, suggested that those funds be used for the computerization or to gain a head start for FY 2017.

“The numbers are not coming in, the way that we expected [them] to. So we’re going to be having some severe shortages when it comes to revenues versus expenditures,” he said. “A lot of the areas that are looking for additional monies—the monies are just not going to be there.”

Sen. Vialet added that after using revenues to accommodate and sustain the raises that were given, not much is left in funding to meet other fiscal needs across government agencies.

“With the recent bond market turning a bit [negatively] toward the Virgin Islands, there is a great possibility that we [won’t] be able to float any bonds and that was a big part of making sure that we have the balanced budget for the year going forward, he said. “So a lot of those areas, are going to be areas [where] we have to become really creative,” he said.

The Committee also received testimony from Magens Bay Authority officials.

“The budget of the Magens Bay Authority for fiscal year 2017 shows revenues of: \$2,448,500.00 and expenditures of an equal amount. No Government allocations were received for both Parks in FY 2016. The anticipated total cost for personal services for fiscal 2017 is: \$1,766,799.67. This amount represents: 72.2% of our total expenses,” testified Hubert Brumant, General Manager of the Authority.

Senators discussed improving concession offerings at both Magens Bay Park and Smith Bay Park as well as the possibility of including Coki Point Beach in the purview of the Magens Bay Authority.

Later Elmo D. Roebuck, Jr., Director at the Virgin Islands Energy Office, shared the Fiscal Year 2017 Budget appropriation for the Virgin Islands Energy Office of \$1,286,180. The amount, which is \$84,602 more than the FY16 budget ceiling based on OMB recommendations represents a 6.58% budget increase.

Sen. Graham pointed out however that the increase was slight as it predominantly covered salary increases. At press time, legislators continued to question officials from the VI Energy Office.

Senators present included Committee Chair Clifford F. Graham, Committee Vice-Chair Kurt A. Vialet, and Committee Members Marvin A. Blyden, Myron D. Jackson, Positive T.A. Nelson, Tregenza A. Roach and Sammuell L. Sanes. Non-committee member, Senator Nereida Rivera O'Reilly was also present via Skype.



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