

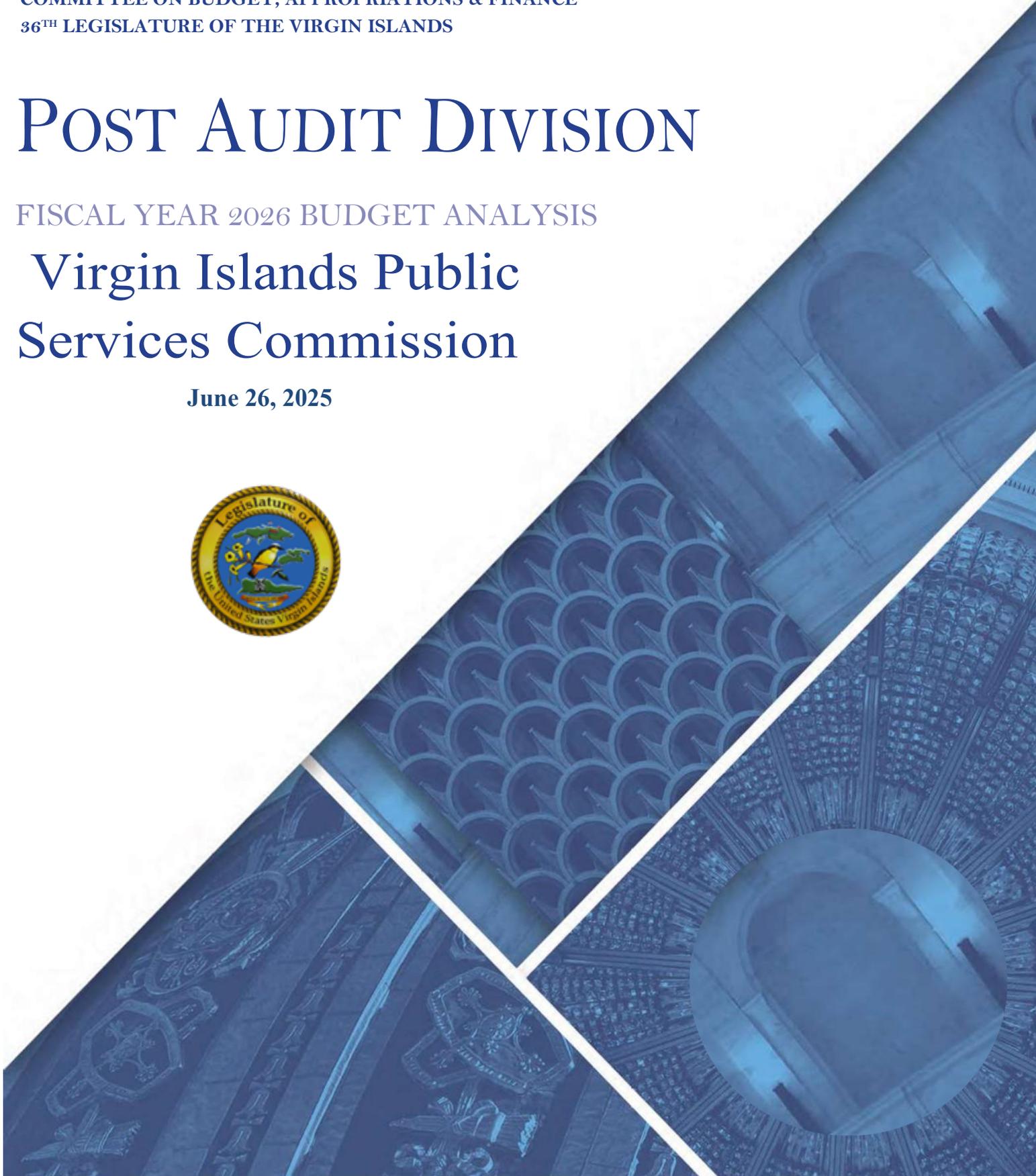
COMMITTEE ON BUDGET, APPROPRIATIONS & FINANCE
36TH LEGISLATURE OF THE VIRGIN ISLANDS

POST AUDIT DIVISION

FISCAL YEAR 2026 BUDGET ANALYSIS

Virgin Islands Public Services Commission

June 26, 2025



COMMITTEE ON BUDGET, APPROPRIATIONS & FINANCE
36TH LEGISLATURE OF THE VIRGIN ISLANDS

POST AUDIT DIVISION

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TABLE OF CONTENTS

TITLE	PAGE NUMBER
DEPARTMENT OVERVIEW	1
VI PUBLIC SERVICES COMMISSION AT A GLANCE	2
FUND FLOW ANALYSIS	2
FISCAL YEAR 2026 BUDGET SUMMARY	2-3
EXPENDITURES	3-4
PERSONNEL SERVICES	4
RENTALS	5
PROFESSIONAL SERVICES CONTRACTS	5
VEHICLE LISTING	5
PUBLIC SERVICES COMMISSION REVOLVING FUND	6
SUMMARY	7
APPENDIX I. PERSONNEL LISTING	8

DEPARTMENT'S OVERVIEW

The **Public Services Commission (PSC)** was established under *Title 30, Virgin Islands Code, Section 137(a)* within the **Department of Public Works** for administrative purposes, and under *Title 30, Virgin Islands Code, Section 273* within the **Department of Licensing and Consumer Affairs** for budgetary purposes only.

The PSC is a **semi-autonomous body** that operates under the provisions of *Title 30, Virgin Islands Code, Chapter 1*. It has a broad mandate to ensure that consumers receive **safe and reliable utility services at reasonable rates**, with **minimal adverse impact on the environment**.

The PSC is further mandated by **Act No. 6548**, which amended *Title 30, Virgin Islands Code, Section 20*, to:

- Conduct **rate investigations** of all regulated utilities **every five years**.
- Hold **formal hearings** as required under subsection (a), either:
 - On its own initiative, or
 - Upon receiving a **reasonable complaint** against any public utility, including the **Water and Power Authority**, regarding:
 - Rates, tolls, charges, schedules, or services;
 - Terms and conditions of payment;
 - Joint rates or services;
 - Service adequacy, availability, or discriminatory practices;
 - Inaccurate or erroneous billing.

In such cases, the Commission may, at its discretion, initiate an investigation **with or without notice**, as it deems necessary or convenient. However, **no order** affecting the rates, tolls, charges, schedules, regulations, or acts complained of shall be issued **without a formal hearing**.

The PSC consists of **nine (9) members**:

- **Seven (7) voting Board members**
- **Two (2) non-voting or ex-officio members**

The members are as follows:

Name	Position	Island	Date of Expiration
Pedro K. Williams, Esq	Chairman	STX	2/2019
David Hughes	Vice-Chairman	STX	2/2019
Clement Magras	Board Member	STT	11/2020
Laura Nichols-Samms	Board Member	STX	12/2020
Raymond J. Williams	Board Member	STJ	7/2017
Senator Cala Joseph	Ex-Officio Member	STT	
Senator Hubert Frederick	Ex-Officio Member	STX	
VACANT	Member	STT	
VACANT	Member	STT	

PSC AT A GLANCE

Act No. 8900 Appropriated **\$2,079,296** to the Public Services Commission. The Commission did not receive any additional funding for FY 2025.

FUND FLOW ANALYSIS

The Commission’s Fiscal Year 2025 fund flow analysis outlines the PSC’s budget across five key components: appropriations, allotted amount, obligations, expenditures and balance available; and notes that the obligations reflect commitments made through June 24, 2025.

Dept.	Fund Source	Appropriation	Allotted as of June 24, 2025	Obligated	Expended as of June 24, 2025	Balance	Remarks
PSC	PSC Revolving Fund	\$2,079,296	\$1,559,472	\$1,291,002	\$1,094,248	\$985,048	\$519,824 unallotted/\$196,754 obligated but not spent

Exhibit I

For Fiscal Year 2026, the Public Services Commission received a total appropriation of \$2,079,296. As of June 24th, \$1,559,472 has been allotted, representing 75% of the total appropriation. Obligations to date total \$1,291,002, which is 83% of the funds allotted. Expenditures amount to \$1,094,248; accounting for 85% of the total obligated funds and 52.6% of the total appropriation.

Although the data reflects a steady expenditure pace, \$519,824 (25%) of the appropriation has yet to be allotted and 15% of the obligated funds remain unspent. There’s room for improved fund utilization as the fiscal year progresses.

FISCAL YEAR 2026 BUDGET SUMMARY

The Governor has recommended a PSC Revolving Fund appropriation of **\$2,079,291** for FY 2026. PSC’s three (3) year Financial Summary is displayed in *Exhibit II*

Description	FY 2024 Actuals	FY 2025 Revised Budget	FY 2025 Budget Act# 8900	FY 2026 Recommendation	Variance	% Change
PSC Revolving Fund:						
Personnel Services	\$939,958	\$ 1,036,714	\$ -	\$1,011,354	\$1,011,354	100.00%
Fringe Benefits	383,984	438,825	-	418,369	418,369	100.00%
Supplies	63,105	94,080	-	81,030	81,030	100.00%
Other Services	514,901	786,386	-	447,038	447,038	100.00%
Utility Services	18,578	36,000	-	36,000	36,000	100.00%
Capital Projects	41,900	45,500	-	85,500	85,500	100.00%
Lump Sum		-	2,079,296	-	(2079,296)	-100.00%
Total PSC Revolving	1,962,426	2,437,505	2,079,296	2,079,291	(5)	-
Grand Total Funds	\$1,962,426	\$2,437,505	\$2,079,296	\$ 2,079,291	\$(5)	-

Exhibit II

EXPENDITURES

Exhibit III display the FY 2024, FY 2025 actual expenditures as of March 31, 2025, and the agency's requested appropriation for FY 2026.

EXPENDITURES ACCORDING TO PSC Line Item	FISCAL PERIOD		FY 2026 Request
	Oct. 1, 2023- Sep. 30, 2024	Oct. 1, 2024- March 31, 2025	
Personnel Services			
Classified Employee Salaries	\$-	\$-	\$-
Unclassified Employee Salaries	687,544	323,909	935,529
Temp/Part Time Salaries	5,218	-	-
Overtime Salaries	-	-	-
Lump Sum Payments	38,681	50	20,000
Other Differential Comp	16,610	-	-
Fees & Compensation NOC	6,927	3,774	55,825
Holiday Pay	56,043	36,849	-
All Other:			
Sick Pay	19,086	6,107	-
Accrued Leave Pay	31,839	18,580	-
Administrative Leave Pay	18,351	14,965	-
Funeral	-	-	-
Jury Service	-	-	-
Sub-Total	880,299	404,234	1,011,354
Fringe Benefits			
Employer Contr. Retirement	151,394	68,866	175,240
F.I.C.A.	54,181	25,035	62,704
Medicare	12,672	5,855	14,665
Health Insurance Premium	139,957	68,718	163,800
Workers Comp. Premiums	1,568	1,960	1,960
All Other	-	-	-
Sub-Total	359,773	170,434	418,368
Supplies			
Office Supplies	6,928	3,390	10,650
Operating Supplies	834	2,521	4,500
Small Tools/Minor Equipment	15,114	1,676	4,310
All Other:			
Professional Reference Books & Periodicals	13,037	7,182	14,070
Repairs & Maintenance Supplies	-	-	300
Vehicle Supplies	2,720	1,600	8,000
Food & Catering	21,988	315	19,200
Clothing & Cloth Material	1,369	1,270	2,000
Data Processing Software	1,113	59,745	18,000
Sub-Total	63,105	77,699	81,030
Other Services & Charges			
Professional Services	20,160	6,484	72,163
Communication	29,285	10,231	38,456
Travel	34,144	13,133	120,187
Transportation - Not Travel	579	122	550
Advertising & Promotion	19,623	390	10,500
Insurance	8,300	-	8,500
Repairs & Maintenance	51,933	356	20,012
Rental- Land/Building	128,724	53,820	128,585
Rental - Machines/ Equipment	442	-	500
Training	5,853	3,705	18,725

EXPENDITURES ACCORDING TO PSC	FISCAL PERIOD		
Security	1,467	129	1,980
All Other:			
Credit Card Expenses	-	3,300	-
Automotive Repairs & Maintenance	1,393	278	6,380
Travel/ Cash Advance	22,601	18,628	-
Purchase Bulk Airline Tickets	11,064	10,000	-
Membership Dues	-	6,234	-
Other Services NOC	18,145	2,121	20,500
Sub-Total	353,714	128,931	447,038
Capital Outlay			
Machinery & Equipment	41,900	-	85,500
Building & Improvement	-	-	-
All Other	-	-	-
Sub-Total	41,900	-	85,500
Utility Services			
Electricity	18,578	15,645	36,000
Water	-	-	-
Sub-Total	18,578	15,645	36,000
Total Expenses	\$1,717,369	\$796,943	\$2,079,291

Exhibit III

PERSONNEL SERVICES

The Agency submitted a personnel listing totaling 13 positions at a projected cost of **\$935,529**, which is **\$75,825 below its FY 2025** appropriation for the Personnel Services line item, indicating a modest cost savings and alignment with prior year funding levels.

Public Services Commission			Position Classification				Adjustments
Fiscal Year 2026			Unclassified		Classified		
Fund Name	Pos #	FY 2026 Budget	Pos #	Total	Pos #	Total	Total
PSC Revolving Fund – 6032	13.00	\$935,529	13.00	\$935,529	-	\$-	\$-
Grand Total	13.00	\$935,529	13.00	\$935,529	-	\$-	\$-

Public Services Commission			Position Classification				Adjustments
Fiscal Year 2025			Unclassified		Classified		
Fund Name	Pos #	FY 2025 Budget	Pos #	Total	Pos #	Total	Total
PSC Revolving Fund – 6032	13.00	\$1,036,714	13.00	\$960,889	-	\$-	\$75,825
Grand Total	13.00	\$ 1,036,714	13.00	\$960,889	-	\$-	\$75,825

Exhibit IV

For FY 2026, key personnel changes include the following:

**FY 2026 Public Services Commission – Personnel Activity
Unclassified Positions (Fund 6032)**

Actions	Position Title	Salary
Removed	Complaint Officer	\$45,000
Vacant	Utility Staff assistant	\$45,000

RENTALS

Exhibit V displays PSC’s current leases

Lessor	Address	Annual Rent	Square Ft	Payments to Date	Term
Lab Management LLC	Parcel No. BA C Lot No. 1 1003 Estate Ross Barbel Plaza, St. Thomas VI	\$69,574	4,148	\$22,844	July 01,2024- July 31, 2026
Zefo’s Enterprises	Plot No 3 Estate Carlton Suite 1 ^a , Western Quarter Frederiksted, St. Croix VI	54,000	3,000	18,000	October 01,2023- October 31, 2025
Prime Storage	9160 Estate Thomas, St. Thomas	5,011	100	1,718	December 01,2024- December 31, 2026
Total		\$128,585	7,248	\$42,562	

Exhibit V

PROFESSIONAL SERVICES CONTRACTS

Exhibit VI displays the PSC’s Professional Service Contracts.

Vendor	Amount	Period	Purpose	Type of Service	Payment to Date
ADT	\$1313	Annually	Provides Security Services	Security	\$494
ADT	167	Annually	Provides Security Services	Security	44
Cleave Wilson d/b/a Wilson Janitorial Services	7,977	Annually	Provides Custodial Services	Custodial	2,070
Ocean Pest Control	248	Biannually	Provides Exterminating Services	Exterminating	248
VI Cleaning LLC	7,800	Annually	Provides Custodial Services	Custodial	-
Total	\$17,505				\$2,856

Exhibit VIII

VEHICLE LISTING

PSC has a total of 4 vehicles (2 in STT/STJ, & 2 in STX). *Exhibit IX* displays the PSC’s vehicle listing. The gasoline charges for both districts are \$4,345 and maintenance charges are \$2,014.

Year	Make	Model	Source	Condition	Office	Plate No.
2023	Chevrolet	Blazer	General	New	STT	PSC-1
2024	Chevrolet	Blazer	General	New	STT	PSC-4
2017	Dodge	Caravan	General	Poor	STX	PSC-3
2020	Chevy	Equinox	General	Good	STX	PSC-5

Exhibit IX

PUBLIC SERVICES REVOLVING FUND

The Public Services Commission Revolving Fund is a special fund established to support the operational and regulatory activities of the PSC. It is primarily funded through assessments and fees collected from regulating the utility services.

As of **April 11, 2025**, the **Department of Finance** reported a **total fund balance available for budgeting** of **\$811,356.45**.

This fund enables the PSC to fulfill its mandate independently by financing **personnel costs, professional services, and administrative expenses**.

In accordance with *Title 30, Virgin Islands Code, Section 25(a)*, fees are assessed against **public utilities and cable television companies**, initially capped at **\$300,000**. However, the **Legislature increased the ceiling to \$2,500,000** through **Act No. 7233**.

The fund is **administered by the Commissioner of Finance** as a **separate and distinct account** within the **Treasury of the Virgin Islands**. *Exhibit X* lists the Estimated Fee Schedule assessed for FY 2026.

UTILITY	GROSS OPERATING REVENUES	RATIO	FY 2025 ESTIMATED FEES
VI Water & Power Authority	\$ 212,697,585.10	72.79%	\$ 1,513,567.97
Innovative/Vitelco	15,528,619.41	5.31%	110,502.53
VI Waste Management Authority	43,735,503.00	14.97%	311,224.30
Innovative C-TV STT/STJ	8,001,317.28	2.74%	56,937.82
Innovative C-TV STX	5,492,311.99	1.88%	39,083.60
Varlack Ventures INC	3,518,473.89	1.20%	25,037.66
Transportation Services, INC.	3,223,222.50	1.10%	22,936.63
TOTAL	\$ 292,197,033.17	100%	\$ 2,079,290.51

Exhibit X

SUMMARY

The Virgin Islands Public Services Commission (PSC) FY 2026 Governor’s recommended budget is as follows:

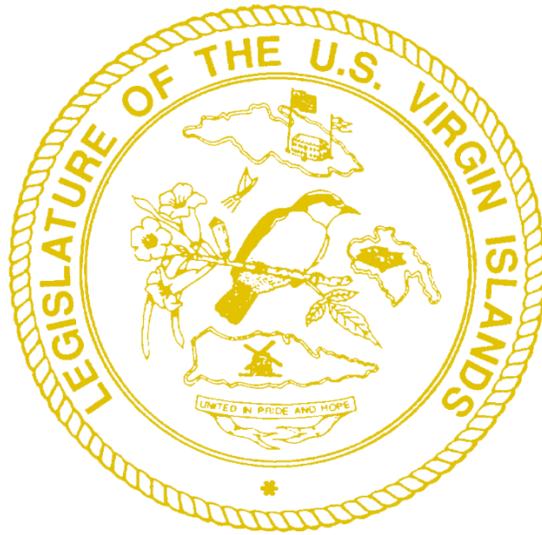
\$2,079,291	Governor's General Fund Recommendation
2,079,291	Total Governor's Recommendation
\$2,079,291	FY 2026 Total Operating Budget



Theodora Philip, DBA
Post Auditor

APPENDIX I
PERSONNEL LISTING

Position Title	Status	Salary FY 2025	FTE	Salary FY 2026	Variance FY 26-FY25	FTE
FUND 6032						
UNCLASSIFIED						
ASSISTANT EXECUTIVE DIRECTOR	FILLED	\$85,000	1.00	\$85,000	-	1.00
GENERAL COUNSEL	FILLED	140,000	1.00	140,000	-	1.00
ACCOUNT MAINTENANCE OFFICER	FILLED	79,349	1.00	79,349	-	1.00
HR PERSONNEL & IT MANAGER	FILLED	77,500	1.00	77,500	-	1.00
ASST ACCOUNT MAINTENANCE OFFICER	FILLED	72,860	1.00	65,000	(7,860)	1.00
PUBLIC COMMUNICATION COORDINATOR	FILLED	61,000	1.00	61,000	-	1.00
LEGAL SUPPORT SPECIALIST	FILLED	-	-	53,500	53,500	1.00
ADMINISTRATIVE OFFICER I	FILLED	45,000	1.00	40,000	(5,000)	1.00
UTILITY STAFF ASSISTANT	FILLED	45,000	1.00	45,000	-	1.00
EXECUTIVE DIRECTOR	FILLED	125,000	1.00	125,000	-	1.00
INDUSTRIAL ENGINEER III	FILLED	72,980	1.00	72,980	-	1.00
ADMINISTRATIVE OFFICER II	FILLED	46,200	1.00	46,200	-	1.00
COMPLAINT OFFICER	FILLED	45,000	1.00	-	(45,000)	-
SUB TOTAL		894,889	12.00	890,529	(4,360)	12.00
UNCLASSIFIED						
LEGAL SUPPORT SPECIALIST	VACANT	66,000	1.00	-	-	-
UTILITY STAFF ASSISTANT	VACANT	-	-	45,000		1.00
SUB TOTAL		66,000	1.00	45,000		1.00
ADJUSTMENTS						
NOC FEES & COMPENSATION		55,825		-		
LUMP SUM		20,000		-		
SUB TOTAL		75,825		-		
FUND 6032 TOTAL		\$1,036,714	13.00	\$935,529		13.00
GRAND TOTAL		\$1,036,714	13.00	\$935,529		



COMMITTEE ON BUDGET, APPROPRIATIONS & FINANCE
- POST AUDIT DIVISION -

P.O. Box 1690
Emancipation Garden Station
St. Thomas, Virgin Islands 00840
Phone: (340) 774-2478