

VIRGIN ISLANDS PUBLIC FINANCE AUTHORITY



TESTIMONY ON BILL NO. 36-0196

COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE

36TH LEGISLATURE OF THE VIRGIN ISLANDS

TUESDAY, NOVEMBER 4, 2025

EARL B. OTTLEY LEGISLATIVE CHAMBERS

ST. THOMAS, VIRGIN ISLANDS

10:00 A.M.

BY:

NATHAN SIMMONDS

DIRECTOR OF FINANCE AND ADMINISTRATION

VIRGIN ISLANDS PUBLIC FINANCE AUTHORITY

GOOD MORNING, HONORABLE NOVELLE E. FRANCIS, JR., CHAIRMAN OF THE COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE, MEMBERS OF THE COMMITTEE ON BUDGET, APPROPRIATIONS, AND FINANCE, OTHER MEMBERS OF THE 36TH LEGISLATURE, THE MEDIA, LADIES AND GENTLEMEN IN THE LEGISLATIVE CHAMBERS AND THE LISTENING AND VIEWING AUDIENCE. I AM NATHAN SIMMONDS, DIRECTOR OF FINANCE AND ADMINISTRATION OF THE VIRGIN ISLANDS PUBLIC FINANCE AUTHORITY.

AT YOUR REQUEST, I AM HERE TODAY TO PROVIDE TESTIMONY WITH RESPECT TO BILL NO. 36-0196, WHICH WOULD APPROPRIATE THE SUM OF \$10,000,000, OR SO MUCH OF THAT SUM AS IS NECESSARY, IN THE FISCAL YEAR ENDING SEPTEMBER 30, 2026, FROM THE EXCESS OF FUNDS CONTAINED IN THE DEBT SERVICE RESERVE FUND FOR THE GROSS RECEIPTS TAXES REVENUE BONDS, TO FUND THE FOLLOWING PROJECTS:

(A) FIRST, TO THE VIRGIN ISLANDS PORT AUTHORITY, (1) THE SUM OF \$2,000,000 FOR THE DEMOLITION OF THE ADELITA CANCRYN JUNIOR HIGH SCHOOL, AND (2) THE SUM OF \$6,000,000 FOR THE DREDGING OF THE HARBOR FOR MARITIME ACCESS PROJECTS.

(B) SECONDLY, THE SUM OF \$2,000,000 TO THE DEPARTMENT OF PUBLIC WORKS FOR THE COMPLETION OF THE LEONARDO “NARDO” TROTMAN DRIVE EXPANSION PROJECT.

AS OF AUGUST 31, 2025, THE MOST RECENT VALUATION REPORT RECEIVED FROM THE TRUSTEE, THE BANK OF NEW YORK MELLON, THE DEBT SERVICE RESERVE FUND HAS AN EXCESS FUND BALANCE OF \$30,505,495.79.

PURSUANT TO ACT 8787, \$17,000,000 WAS APPROPRIATED FOR THE DREDGING OF THE CHARLOTTE AMALIE HARBOR, LEAVING A REMAINING AVAILABLE BALANCE OF \$13,505,495.79 AS EXCESS EARNINGS. WITH THE APPROVAL OF BILL 36-0196, THE REMAINING BALANCE IN THE FUND WILL BE \$3,505,495.79. THESE EXCESS FUNDS, WILL REMAIN AS A CUSHION TO PROTECT THE VALUE OF THE INVESTMENTS IN THE EVENT OF INTEREST RATE CHANGES.

THE VIRGIN ISLANDS PUBLIC FINANCE AUTHORITY SUPPORTS THIS BILL APPROPRIATING EXCESS DEBT SERVICE RESERVE FUNDS FOR THE AFOREMENTIONED PROJECTS.

MR. CHAIRMAN, THIS CONCLUDES MY TESTIMONY. I AM AVAILABLE TO RESPOND TO QUESTIONS WITH RESPECT TO THE DEBT SERVICE RESERVE FUND.

Committee on Budget, Appropriations, and Finance
Nathan Simmonds, Director of Finance and Administration
Virgin Islands Public Finance Authority
November 4, 2025

THANK YOU.