



Legislature of the Virgin Islands

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POST AUDIT DIVISION

October 16, 2026

MEMORANDUM:

TO: Senator Novelle E. Francis, Jr.
Chairperson
Committee on Budget, Appropriations, and Finance
36th Legislature

FROM: Post Audit Division

SUBJECT: **Bill No. 36-0335** – An act appropriating \$600,000 from the St. Croix Capital Improvement Fund to the Virgin Islands Department of Planning and Natural Resources to provide the remaining funding necessary for the Frederiksted Fish Market Rehabilitation Project

1 ***Be it enacted by the Legislature of the Virgin Islands:***

2 **SECTION 1.** Notwithstanding the use restrictions of title 33 Virgin Islands Code, subtitle 3,
3 chapter 111, section 3087, subsection (a), the sum of \$600,000 is appropriated in the fiscal
4 year ending September 30, 2027, from the St. Croix Capital Improvement Fund to the Virgin
5 Islands Department of Planning and Natural Resources to provide the remaining funding
6 necessary for the Frederiksted Fish Market Rehabilitation Project conducted by the Nature
7 Association of the Virgin Islands.

BACKGROUND

The Nature Association of the Virgin Islands (NAVI) is a 501(c)(3) nonprofit organization based in Christiansted, St. Croix, dedicated to protecting, conserving, and promoting the responsible use of the Virgin Islands' natural and cultural resources. NAVI supports the work of the Department of Planning and Natural Resources, including the Division of Fish and Wildlife and the Division of Territorial Parks and Protected Areas.

The proposed project aims to rehabilitate and modernize the Frederiksted Fish Market, a longstanding waterfront gathering place where local fishermen bring their catch and residents purchase fresh seafood.

The measure seeks to create a fully functional, modernized waterfront facility while preserving the market's traditional open-air atmosphere. See *Appendix I* for a visual rendering of the proposed improvements.

ANALYSIS

Bill No. 36-0335 proposes a \$600,000 appropriation from the St. Croix Capital Improvement Fund to the Virgin Islands Department of Planning and Natural Resources for the remaining funding needed to rehabilitate the Frederiksted Fish Market, by the Nature Association of the Virgin Islands.

Based on the figures provided, the project already has ***\$1.332 million in federal funding***, against an estimated total project cost estimation of ***\$1.6 million to \$1.9 million***. The proposed appropriation would represent approximately ***31.6%–37.5% of total project costs***, depending on the final project cost. Combined with the federal award, total identified funding would be ***\$1.932 million***, which is sufficient to cover the stated cost range *if the \$600,000 appropriation is fully required and no other funding is already committed*.

The principal financial issue is to determine whether \$600,000 is needed, *when the stated funding gap is estimated at \$300,000–\$600,000*, and whether the project has sufficient cost controls to prevent the appropriation from becoming the beginning of additional General Fund or capital-fund requests.

The St. Croix Capital Improvement Fund was established as a separate fund in the Treasury of the Virgin Islands, with monies to be appropriated by law exclusively for capital improvement projects on St. Croix and to remain available until expended for the purposes for which they are appropriated. As of July 9, 2026, the balance in fund balance was ***\$1,432,756.82***, the proposed \$600,000 appropriation would consume approximately ***41.87% of the fund's current balance***, leaving approximately ***\$832,756.82*** before accounting for any other pending commitments, deposits, or expenditures.

Honorable Novelle E. Francis, Jr.
Bill 36-0335 – Frederiksted Fish Market Rehabilitation Project
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Description	Amount
Dedicated Project Funding (Federal)	\$1,332,000
Estimated Project Cost	\$1.6-1.9 million
Calculated Funding Gap	\$268,000-\$568,000
Requested Appropriation (GVI)	\$600,000

CONCLUSION

Bill No. 36-0335 proposes to appropriate \$600,000 from the St. Croix Capital Improvement Fund to the Virgin Islands Department of Planning and Natural Resources to provide the remaining funding needed to complete the Frederiksted Fish Market Rehabilitation Project, undertaken by the Nature Association of the Virgin Islands. The appropriation is for Fiscal Year 2027 and is authorized notwithstanding the existing use restrictions imposed under Title 33, Virgin Islands Code, Subtitle 3, Chapter 111, Section 3087(a). The project is intended to rehabilitate the fish market and may contribute to local economic development, support the fishing and seafood industries, and revitalize the Frederiksted area.

Based on the estimated project costs, the proposed \$600,000 appropriation exceeds the calculated funding gap by approximately \$32,000 at the high end and \$332,000 at the low end, providing a modest cushion under the higher-cost scenario but potentially resulting in excess funding under the lower-cost scenario unless costs increase or additional eligible work is identified. Further documentation is needed to substantiate the project budget and verify the funding source for the stated federal award. Of particular concern is the absence of a long-term operating and maintenance plan identifying anticipated recurring costs and their proposed funding sources. The facility's ice-making, desalination, seawater intake, storage, and laboratory systems may generate significant ongoing expenses that should be addressed to ensure the project's long-term financial sustainability.



Theodora Philip, DBA
Post Auditor

APPENDIX I



APPENDIX II

GOVERNMENT OF THE VIRGIN ISLANDS
STX CAPITAL IMPROVEMENT FUND - 273 3030/3031
 July 9, 2026

Beginning Balance from F/Y ' 24		\$ 5,376,278.90
Revenues F/ Y ' 24	-	
Expenses F/ Y '24	<u>(350,000.00)</u>	
Net Activity F/ Y ' 24		<u>(350,000.00)</u>
Ending Balance 9/30/24		<u>5,026,278.90</u>
Beginning Balance from F/Y ' 25		5,026,278.90
Revenues F/ Y ' 25	-	
Expenses F/ Y '25	<u>(3,059,546.48)</u>	
Net Activity F/ Y ' 25		<u>(3,059,546.48)</u>
Ending Balance 9/30/25		<u>1,966,732.42</u>
Beginning Balance from F/Y ' 26		1,966,732.42
Revenues F/ Y ' 26	-	
Expenses F/ Y '26	<u>(190,060.00)</u>	
Net Activity F/ Y ' 26		<u>(190,060.00)</u>
Ending Balance as of 07/09/2026		<u>\$ 1,776,672.42</u>
Budgeted Balance- Unobligated Budget		-
Encumbrances		(343,915.60)
Payment in Process		-
Requisitions		-
Available for Budget		<u>\$ 1,432,756.82</u>

Note: This unaudited balance includes appropriations and encumbrances available but not yet expended .

DOF - General Ledger
JL-07-09-2026