



## LGO AND PSC GET EXECUTIVE BUDGET INCREASES

ST. THOMAS--The Committee on Finance, chaired by Senator Kurt A. Violet, reconvened budget hearings on Thursday in the Earl B. Ottley Legislative Hall, St. Thomas on the proposed FY 2020 Executive Budget for the Government of the Virgin Islands.

In the morning session, the Committee took testimony from the Office of the Lieutenant Governor (LGO) with invited testifier, Claudette Farrington, Director of Business and Financial Management on behalf of Lieutenant Governor, Tregenza Roach and VI Public Services Commission (PSC) with its Executive Director, Donald Cole.

Director Farrington said that FY 2020 General Fund Budget recommendation for the LGO is \$8,672,221. This consists of \$5,331,585-Personnel Services and \$2,166,776-Fringe Benefits with \$1,173,860 for Professional Services and Other Services and Charges for contractual purposes for Corporation and Trademark, Tax Assessor, and other divisions.

Additionally, she said, LGO administers to Other Local Funds such as: Corporation Division Revolving Fund-\$396,087; Tax Assessor's Revolving Fund-\$479,861; Financial Services Fund-\$5,665,526; Data Access Fund-\$25,000; and Recorder of Deeds Revolving Fund-\$200,000.

She pointed out that Federal Grant (VI State Health Insurance Assistance Program) funds of approximately \$57,881 will be used to support educational outreach services offered to Medicare recipients.

She added that LGO Division of Real Property Tax-Office of the Tax Collector in FY 2018 collected a total of \$17.0 million in delinquent taxes and as of June 30, 2019, \$19 million was collected in real property taxes, of which \$15.9 million was for delinquent taxes.

Regarding the Division's accomplishment, the Committee was told that the Territory's Unclaimed and Property Program was implemented and in 2019, 33 Unclaimed and Abandoned Property claims have been received, processed, and paid in the amount of \$337,944.62. She added that during 2018, 83 claims were received, processed, and paid in the total amount of \$483,229.96.

According to Director Farrington, LGO continues to pursue available methods to maximize the collections of revenues. In FY 2019, total collections are projected to be \$100.3 million and total collections for FY 2020 are estimated at \$100.7 million.

She further informed committee members that LGO was impacted territory wide from the disasters of 2017, which catapulted them into assessment and recovery after continued clean-up efforts to restore their offices to some semblance of normalcy.

Donald Cole, Executive Director, VI Public Services Commission (PSC) said in his presentation that their budget is one hundred percent funded through assessments from the utilities it regulates. Therefore, the Commission's financial health is dependent on the continued growth and viability of those utilities and customers.

According to the Executive Director, PSC is requesting approval of FY 2020 budget in the amount of \$1,795,764.59. It reflects an increase of \$15,789.14 from FY 2019 appropriation. He told the Committee that WAPA had prepared a Management Audit and an Integrated Resources Plan that could save ratepayers \$50,000,000 per year by replacing its inefficient, outdated, and oversized generation plants.

He pointed out that as of May 31, 2019, the Commission has collected and remitted to the Department of Finance, Public Services Commission Revolving Fund approximately \$1,350,252.18. The uncollected revenue for FY 2019 stands at \$429,723.27 and is expected to be fully collected within the accounting period, thereby matching the PSC appropriation for FY 2020.

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