

## **PUBLIC EMPLOYEES RELATIONS BOARD REQUESTS OVER A MILLION DOLLARS FOR FY 2018**

**Date :** August 3, 2017

St. Thomas – The Committee on Finance, chaired by Sen. Kurt Vialet, held a meeting at the Capitol Building on Thursday, to receive testimony on an overview of the Fiscal Year 2018 Budget from the Public Employees Relations Board (PERB).

For FY 2018, the governor’s recommended budget for PERB is \$1,106,370. The budget breakdown is as follows: \$654,000 for personnel services, \$274,521 for fringe benefits, \$16,800 for utilities, \$10,000 partially covers supplies, \$154,049 will partially assist with other services, charges, and professional services.

Zandra Peterson, Executive Director and Certified Officer of PERB stated that PERB needs an additional appropriation and allotment of \$208,620. If approved, this will bring the FY 2018 budget request to \$1,314,990. “The additional monies will assist the Board in continuing to serve the employees of the Government of the Virgin Islands while maintaining a positive relationship with our vendors,” added Director Peterson.

“We are in a new financial era. The budget that was sent down by the governor demonstrates prudence and it shows that we are going in the right direction fiscally. Realistically speaking, maintaining the solvency of the government without harming private entities is our paramount for FY 2018,” said Sen. Brian Smith.

According to the post audit report, the cost of Communication/Broadband has increased from \$3,700 to \$6,000 and the telephone services has increased from \$9,000 to \$15,000. Sen. Blyden asked, “Can you expound on that?” In response, Director Peterson stated that both services were expanded and the telephone system was upgraded.

Sen. DeGraff inquired, "How would you quantify savings for the government?" Director Peterson said, "Consolidating the work load amongst the staff, maintaining the same fees for car rental services for the past ten years, and board members conducting in-house hearings are some of our cost saving measures."

Separately, Yarah Farrington, Administrative Assistant for the V.I. Labor of Management Committee (VILMC) stated that governor's recommended budget for FY 2018 is \$158,000. This is a decrease in comparison to the FY 2017 Budget of \$175,000. The breakdown is as follows: \$96,000 for personnel, \$5,000 for supplies, \$62,800 for other services and charges, and \$16,200 for Health Insurance and fringe benefits.

Despite the governor's recommendation, VILMC is requesting \$22,000 more bringing their FY 2018 budget request to \$180,000. Defending the proposed budget, Joseph Gumbs, Former Vice Chair of the Labor Management Committee stated that the additional funds will help VILMC to continue operating from October 1, 2017, to September 30, 2018.

Sen. Violet said, "For FY 2018, we have to operate within the confines of what was recommended by the governor because of the fiscal condition of the Territory." He added that one cost saving measure would be to utilize more office space on St. Croix because of the cost of rent on St. Thomas is much higher.

Sen. Blyden suggested that another way to reduce expenses is to combine government services.

He asked, "Is it possible to consolidate the services of PERB and VILMC?" Avery Lewis, Labor Co-Chair of the VILMC stated that the entities should not be combined because the services that PERB provides are much more expanded. "VILMC assists with the decision-making process with management, promotes and prepares rank and file employee involvement and address the employment environment," said Lewis.

In addition to PERB and VILMC, The Office of Veterans Affairs also shared their budget request.

The FY 2018 budget request general fund appropriations are \$790,344. The will cover approximately \$346,344 for personnel salaries and fringe benefits, \$27,000 for operating expenses, \$300,000 to cover medical travel and death benefits and \$117,000 of projected non-appropriated funds that will be from the Virgin Islands Lottery and Taxi-Cab Commission; according to Patrick Farrell, Director of the Virgin Islands Office of Veterans Affairs.

Committee members who are present: Kurt Violet, Marvin Blyden, Nereida Rivera-O'Reilly, Brian Smith, Tregenza Roach, Dwayne DeGraff. Non-committee members present: Myron Jackson.

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