



***“HELPING TO SPUR AN  
ECONOMIC REVOLUTION”***

***ANNUAL BUDGET***

**FISCAL YEAR**

***2017***

***U.S. Virgin Islands Economic  
Development Authority***

**U.S. VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY**

**FISCAL YEAR 2017 BUDGET**  
**October 1, 2016 – September 30, 2017**

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## U.S.VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY

### FISCAL YEAR 2017 BUDGET October 1, 2016 – September 30, 2017

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July 11, 2016

The Honorable Clifford F. Graham  
Chairman, Committee on Finance  
31<sup>st</sup> Legislature of the U.S. Virgin Islands  
Capital Building, P.O. Box 1690  
St. Thomas, U.S. Virgin Islands 00804

**Re: U.S. Virgin Islands Economic Development Authority's FY 2017 Budget Submission**

Dear Senator Graham:

I am pleased to submit the U.S. Virgin Islands Economic Development Authority's ("USVIEDA" or "Authority") Fiscal Year 2017 ("FY 2017") budget request for consideration by the 31<sup>st</sup> Legislature's Committee on Finance. The USVIEDA's FY 2017 General Fund request is \$4,998,515, which is an increase of \$198,515 or 4% over the FY 2016 appropriation level.

The Authority's plan for FY2017 represents a rapid transformation in our approach to accomplishing the organization's objectives. It compels us to think differently, and to challenge ourselves in providing higher levels of service that were not thought possible before. It also compels us to expend the Authority's limited resources in areas that yield the greatest returns. We cannot continue to do business the same way and expect different results.

It is with this level of exuberance and confidence that we present this budget. It reflects the belief that FY2017 will serve as the catalyst to spur an economic revolution. This means inducing changes in many aspects of our society and transcending the artificial boundaries of narrowly defined economic dimensions. These include recognizing the role of culture and entertainment, understanding the importance of delivering superior services, and being actively engaged in entrepreneurial activities for new and emerging businesses to name a few.

The challenges that confront us today are no different from those of yesterday; the difference in our approach is that we have embarked on a path of scrutinizing every mechanism that has the potential to increase the living standards of our residents. This budget represents a new frontier, which will enable us to confront the future with renewed enthusiasm.

We look forward to dialogue with you and the rest of your colleagues during the budget hearing process.

Respectfully,

Wayne Biggs, Jr.  
Acting Chief Executive Officer



**U.S. VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY  
FISCAL YEAR BEGINNING OCTOBER 1, 2016**

Principal Officials

**Governing Board**

<b><u>Board Member</u></b>	<b><u>Position</u></b>
José A. Penn	Chairman
Philip Payne	Vice Chairman
Avery Lewis	Secretary
Haldane Davies, PhD.	Member
Juan Figueroa, Sr.	Member
Catherine Hendry, Esq.	Member
Simon B. Jones-Hendrickson, PhD.	Member

**Senior Management Team**

Wayne L. Biggs, Jr., Acting Chief Executive Officer

Tracy Lynch Bhola, Esq., General Counsel

Ernest Halliday, CPA, CGMA, Director, Administration & Finance

Margarita Benjamin, Director, Economic Development Commission, Applications Unit

Claude S.M. Gerard, Director, Economic Development Commission, Compliance Unit

Nadine Marchena Kean, Director, Enterprise Zone Commission

Sharmane Brookes, Director, Economic Development Bank

Mark Finch, Industrial Park Superintendent, Economic Development Park Corporation



## **Mission Statement**

**The U.S. Virgin Islands Economic Development Authority (USVIEDA) is a semi-autonomous governmental agency responsible for the promotion and enhancement of economic development in the United States Virgin Islands. The USVIEDA strives to foster positive public/private sector partnerships for the enhancement of economic growth and development.**

## Scope and Overview

The U.S. Virgin Islands Economic Development Authority (“USVIEDA” or “Authority”) is a semi-autonomous governmental instrumentality responsible for the development, promotion and enhancement of the economy of the U.S. Virgin Islands.

The USVIEDA is the umbrella organization which assumes, integrates, and unifies the functions of the following subsidiary entities: the Economic Development Bank (“EDB”), the Economic Development Commission (“EDC”), the Economic Development Park Corporation (“EDPC”), and the Enterprise Zone Commission (“EZC”).

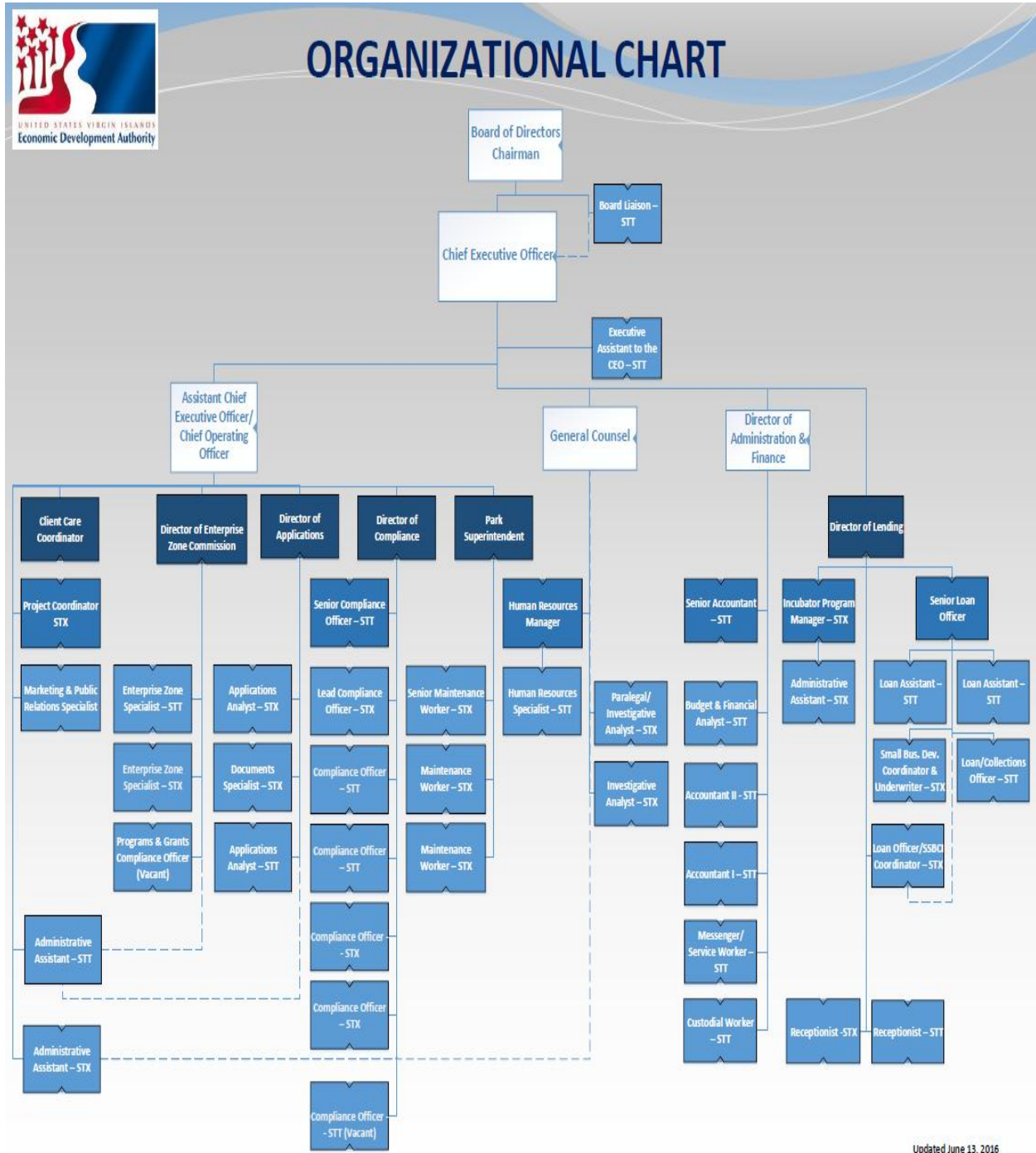
The USVIEDA operates under one Governing Board (“Board”) in order to achieve maximum efficiency of operation by avoiding duplication of services, positions, and responsibilities; to reduce expenses of personnel, physical plant and operations; and to develop comprehensive programs for the economic development of the U.S. Virgin Islands.

The USVIEDA is a vehicle by which the U.S. Virgin Islands Government develops and nurtures the economic growth of the Territory. According to the legislation which governs the USVIEDA, the Authority shall be governed by a seven (7) member board. Of the seven (7) members, three (3) shall not be employees of the Government of the Virgin Islands or the Government of the United States and shall be appointed by the Governor, with the advice and consent of the Legislature, for a term of three (3) years. Of the three (3) non-governmental employees, one must be a resident of St. Thomas, one must be a resident of St. John, and one must be a resident of St. Croix. Three (3) members shall be cabinet-level appointees. One (1) member shall be appointed from either the Board or executive staff of the Employees Retirement System of the Government of the Virgin Islands, Virgin Islands Port Authority, or the University of the Virgin Islands.





USVIEDA Organizational Chart



Updated June 13, 2016

## Accounting System and Financial Reporting Roles and Responsibilities



The USVIEDA is a component unit of the U.S. Virgin Islands Government and follows enterprise fund accounting and reporting. The financial statements are presented in a manner similar to that of a private business, using the economic resources measurement focus and the accrual basis of accounting.

Management prepares a plethora of financial and statistical reports, including the Financial Statements with Supplementary Information (annual audit), and is responsible for the integrity and objectivity of management and financial reporting. Management prepares Reports in accordance with Generally Accepted Accounting Principles (“GAAP”) in the United States of America, applying certain estimates and judgments as required.

The USVIEDA employs internal controls designed to provide reasonable assurance of integrity and reliability of financial reporting and to safeguard, verify, and maintain accountability of assets. Such controls derive from established written policies and procedures and are implemented by trained, skilled personnel. The USVIEDA’s employment policy prescribes that all employees maintain the highest ethical standards and conduct business practices in a manner above reproach.

The USVIEDA engages the services of outside auditors to perform an annual independent audit of its financial statements. The objective of an audit is to express an opinion on the financial statements in accordance with Generally Accepted Accounting Principles (GAAP).

The USVIEDA’s Governing Board formulates the vision and fulfills its responsibility for oversight and administration of the Authority’s practices and governance through actions of the full Board as well as through its committees. The Board’s Finance Committee is responsible for reviewing the annual budgets, making recommendations, and advising the full Board on major financial issues and decisions.

## **USVIEDA Direct and Indirect Cost Allocations**

The USVIEDA's activities are classified into two broad categories – operational and administrative – and all expenses of the USVIEDA are attributed to both operational and administrative units, either as direct or indirect costs.

An operational unit is a division with the responsibility of carrying out organizational mandates. The operational divisions include the Economic Development Bank (“EDB”), the Economic Development Commission (“EDC”), the Enterprise Zone Commission (“EZC”) and the Economic Development Park Corporation (“EDPC”).

An administrative unit is a department that provides support to the operational units in fulfilling their mandates. The administrative departments include the USVIEDA Governing Board, Executive Office, Administration and Finance, Human Resources (“HR”), Legal, Marketing/Public Relations, and Economic Development Management (“EDM”).

A direct cost is a cost that can be identified specifically with a unit and can be directly traced with relative ease and a high degree of accuracy. An indirect cost, on the other hand, is a cost that is incurred in common with other units and cannot be traced to any specific unit. Indirect costs, therefore, are distributed to both the operational and administrative units through an internal allocation process or indirect cost rate.

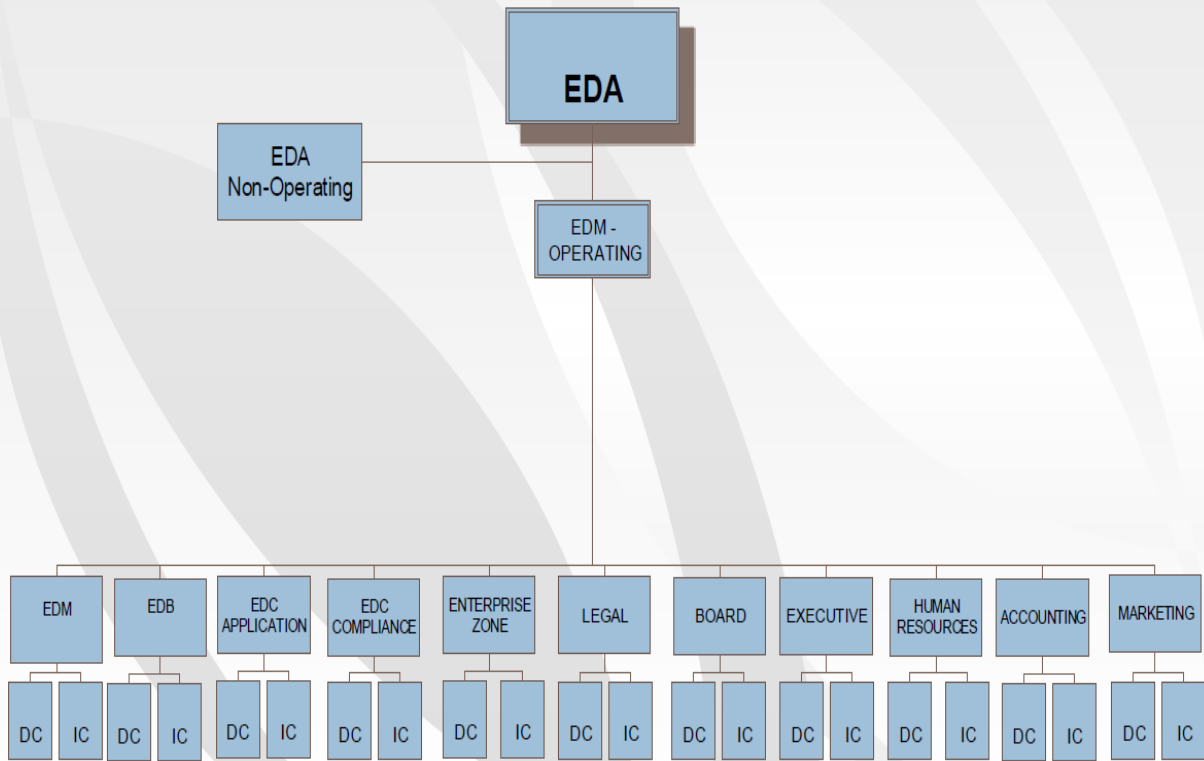
All operating indirect costs are budgeted and expensed in the Economic Development Management department that is part of the administrative grouping. At the end of a period, the indirect costs accumulated in the EDM department are distributed to all operational and administrative units based on a pre-determined allocation rate.

At the end of a fiscal period when all direct costs are posted and all indirect costs are allocated from the EDM department, each operational and administrative unit will be able to determine its total operating cost.

The total direct and indirect costs for each administrative unit are considered indirect costs to the operational units and are allocated to the operational units using a pre-determined allocation method. By the end of this process, the total cost to operate each operational unit or division within the USVIEDA can be determined.

# VI Economic Development Authority

## Cost Accounting Structure



**Legend:**

DC = Direct Cost  
 IC = Indirect Cost

## **Goals, Objectives, Performance Measurement, and Performance Evaluation**

Goals, objectives, performance measurements, and performance evaluations establish the strategic framework for the USVIEDA's operations.

A goal is the end result to be accomplished and answers this question: "What is the purpose in the big picture?" For the USVIEDA, the purpose is the creation of good jobs to improve the standard of living for residents and the expansion of the tax base of the Government.

Objectives are the action steps taken to carry out the big picture and serve as benchmarks to measure performance. Each objective has these four (4) fundamental characteristics.

- Be measurable;
- Identify a target of program activity;
- Set a timeframe for completion; and
- Provide an expected direction of change.

Performance measurement is the ongoing monitoring and reporting on program accomplishments compared to the pre-established goals and objectives as outlined by each unit. We recognize that the development of performance measurements requires careful thought and planning and includes the following basic ingredients: objectivity, relevance, reliability, validity, and indicators of degrees of success.

Performance Evaluations are critical, especially in periods of scarce resources, and provide a means of assessing how well a unit is performing. Evaluations answer key goal-related questions, such as:

- 1) Are stakeholders getting what they deserve?
- 2) Are taxpayers getting their money's worth?
- 3) Are those we serve better off?
- 4) Can the service we provide be improved?

The achievability of the USVIEDA's goals and the fulfillment of objectives rest with supervisors and their subordinates, and the budget provides the financial resources to do so. The execution of performance measurement and evaluation functions in ensuring that scarce resources are used in the most efficient manner for the benefit of residents, is of utmost importance.

## **Annual Budget Calendar and Processes**

The budget formulation process is designed to allow the USVIEDA to fulfill its mission by aligning goals, priorities, and objectives with financial resources and then evaluate actual achievements relative to anticipated outcomes.

### **December – January**

The budget formulation process begins with the development of revenue and expenditure projections for the upcoming fiscal year. These projections are presented to the USVIEDA Governing Board's Finance Committee with a comparison and analysis of past trends (i.e. appropriations, allotments, and expenditure levels) in addition to other financial data to justify and support the budget recommendation.

During this period, the USVIEDA's Governing Board outlines the priorities, goals and objectives of the Authority for the upcoming fiscal year. This forms the basis for the development of the budget and determines the final budget amount to be submitted to the Office of Management & Budget for consideration and inclusion in the Government of the Virgin Island's annual operating budget submission to the Legislature.

### **February**

The USVIEDA's budget staff establishes budget ceilings for each division and department within the USVIEDA consistent with the priorities, goals, and objectives as outlined by the USVIEDA Governing Board. This information is communicated to each division or department head through a budget call that provides instructions and guidance for preparing the budget. The budget staff conducts budget orientation sessions with lead members of each division and department in order to provide an overview of the budgeting process and to address budgetary concerns.

### **March – April**

The budget staff holds individual budget review discussions with all division and department heads to discuss areas of concerns, goals, and new initiatives, or programs the departments desire to implement for the upcoming fiscal year. At this meeting, each division or department has the opportunity to justify its needs before the Chief Executive Officer and Assistant Chief Executive Officer/Chief Operating Officer. After discussions, revisions may be made and the budget schedules are updated accordingly. The proposed budget is presented to the USVIEDA Governing Board for consideration and final approval before submission to the Legislature's Post-Audit Division.

### **April – June**

Communication is maintained with the Post-Audit Division in its analysis of the budget while the USVIEDA's budget staff researches and gathers data and conducts round-table sessions with the internal department and division heads before preparing the first draft of the Chief Executive Officer's budget presentation to the Finance Committee of the Legislature.

## **Annual Budget Calendar and Processes continued**

### **July – August**

The Chief Executive Officer, accompanied by the Assistant Chief Executive Officer/Chief Operating Officer, and the Director of Administration and Finance, defends the USVIEDA budget recommendation before the Finance Committee of the Legislature.

### **October**

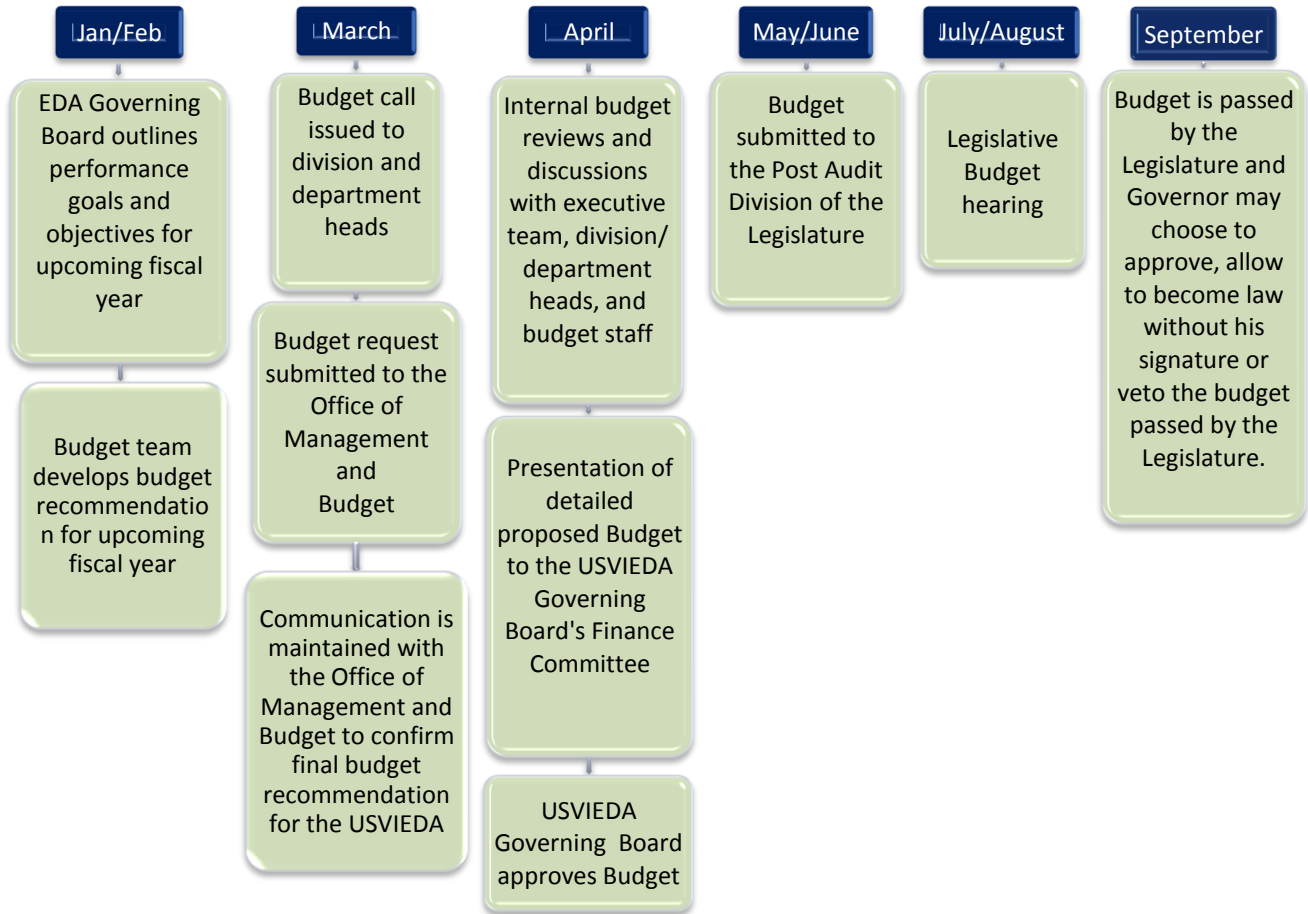
Once the budget is passed by the Legislature and approved by the Governor, the USVIEDA is legally authorized to request quarterly allotments from the Department of Finance through the Office of Management and Budget.

### **Twelve (12) Months Monitoring (October – September)**

Actual revenues and expenditures are monitored throughout the year and are compared and analyzed against the budget to ensure that resources are managed in accordance with the budget plan and are consistent with the goals and objectives of the organization. On a quarterly basis, financial reports and analyses are presented to the Finance Committee of the USVIEDA's Governing Board detailing the sources and uses of funds compared to the budget and comparing actual revenues and expenses with the same period in the previous fiscal year. When necessary, and on an ongoing basis, the budget staff offers recommendations for policy review to senior staff and management to improve overall financial integrity and efficiency.

## Annual Budget Calendar and Processes, continued

### Budget Calendar Overview





## **1.0 USVIEDA Administrative Departments**

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The administrative departments within the USVIEDA provide support to the operational divisions in ensuring that the USVIEDA meets its statutory and legal mandates and requirements.

### **1.1 USVIEDA's GOVERNING BOARD**

#### **Functional Statement**

The powers of the USVIEDA rest in the hands of a governing board, which sets the vision and acts on behalf of the organization. The Board is responsible for establishing all operating policies, hiring a Chief Executive Officer ("CEO"), approving all major contracts, overseeing overall policy decisions, providing oversight, and most importantly ensuring that the organization complies with all applicable laws.

#### **Operational Goal(s)**

Collaborates with management in exploring opportunities for the USVIEDA by playing a vital role in assisting management in its understanding, potential implications and adaptation to a changing global environment.

#### **Fiscal Year 2016 Objectives**

- Participate in marketing events and activities;
- Develop policies for the implementation of various strategic financing tools (i.e. U.S. Government's Employment Based ("EB-5") program, New Market Tax Credit program, Tax Increment Financing Expansion, Hotel Development Act);
- Review and approve annual operating budget;
- Review and evaluate quarterly financial performances; and
- Conduct performance review of Chief Executive Officer and Board Assessment.

#### **FY 2016 Accomplishments as of April 30, 2016**

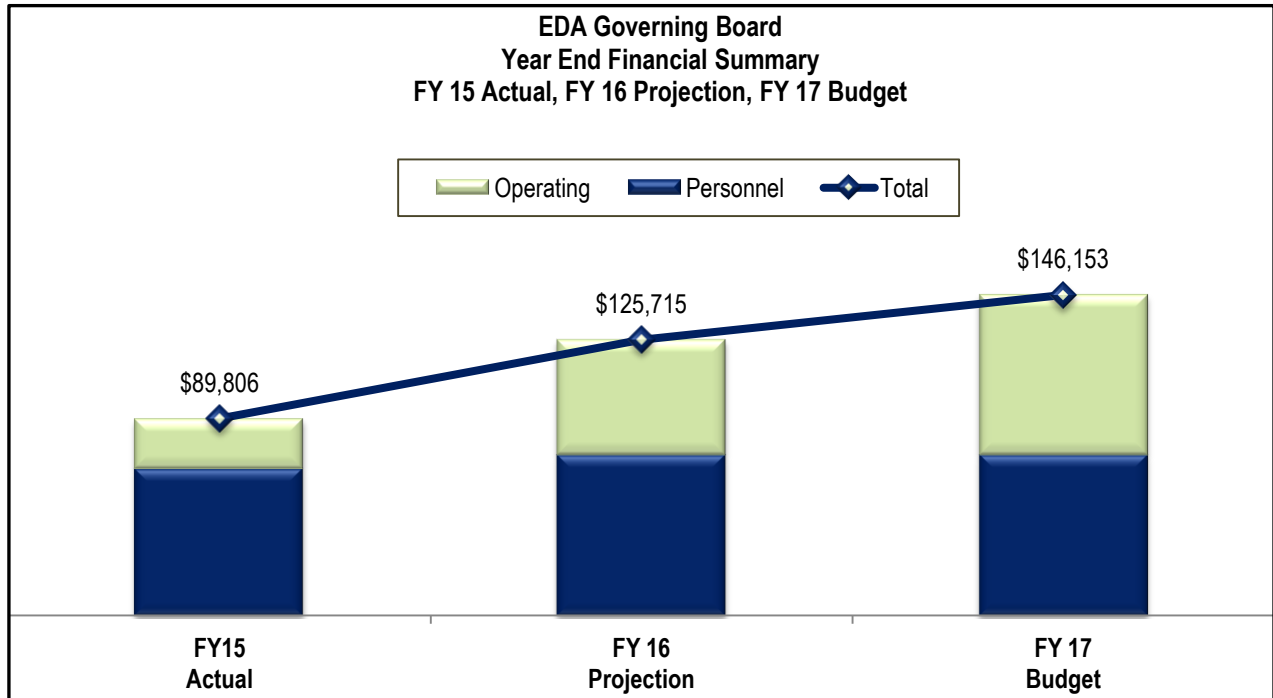
- Adopted resolutions to amend the USVIEDA's Bylaws, created the Enterprise Zone Community Redevelopment & Revitalization Fund, and approved the Enterprise Zone Commission Town and Neighborhood Plans;
- Participated in the "V.I. Advocacy Day on the Hill" with the VI Delegate to Congress;
- Discussed the energy-efficiency and micro-grid infrastructure at the William D. Roebuck Industrial Park with the VI Delegate to Congress and other Washington stakeholders;
- Attended International Economic Development Council Seminars and Leadership Summits;
- Appointed members of the Board to the USVIEDA Finance and the Enterprise Zone Committees; and
- Approved twenty-five (25) EDC applicants, eight (8) EDB commercial loans, and four (4) EZC tax credit applications.

### **Fiscal Year 2017 Objectives**

- Attract businesses and industries that are complimentary and supportive of those within the Territory;
- Gain additional employment opportunities, attract capital investment, create wealth, and diversify the economic base;
- Promote an economic climate that increases the quality and quantity of job opportunities and the overall economic well-being of the Territory and residents; and
- Support local business activities by promoting the revitalization and development of the downtown economy and encouraging development in existing commercial, manufacturing, and industrial areas.

VI Economic Development Authority  
Board of Directors  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> <b>10/1/14-9/30/15</b>	<b>FY16-Actual</b> <b>10/1/15-4/30/16</b>	<b>FY16-Projected</b> <b>5/1-9/30/16</b>	<b>Total Proj. Exp.</b> <b>10/1/15-9/30/16</b>	<b>FY17-Budget</b> <b>10/1/16-9/30/17</b>
<b>Personnel Expenses</b>					
Salaries - Unclassified	52,729	31,131	25,869	57,000	57,000
Fica	3,564	1,930	1,604	3,534	3,534
Medicare	834	451	375	827	827
Group Insurance	46	15	-	15	-
Retirement	9,637	6,382	5,303	11,685	11,685
<b>Total Personnel Expense</b>	<b>66,809</b>	<b>39,909</b>	<b>33,152</b>	<b>73,061</b>	<b>73,046</b>
<b>Operating Expenses</b>					
Bank Charges	271	-	-	-	-
Catering Services	-	252	300	552	2,200
Supplies	789	831	150	981	500
Dues & Subscriptions	990	350	825	1,175	1,155
Employee Relations	90	235	200	435	200
Parking	20	10	10	20	-
Professional Development	12,215	16,180	10,000	26,180	42,000
Software Agreement		3,252	-	3,252	3,252
Board Attendance Fee	4,650	4,787	5,000	9,787	10,800
Travel	666	4,273	3,500	7,773	8,000
Communication	3,306	1,250	1,250	2,500	5,000
<b>Total Operating Expense</b>	<b>22,997</b>	<b>31,419</b>	<b>21,235</b>	<b>52,654</b>	<b>73,107</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>89,806</b>	<b>71,329</b>	<b>54,387</b>	<b>125,715</b>	<b>146,153</b>



## 1.2 Executive Office

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### Functional Statement

The Chief Executive Officer (“CEO”) and the Assistant Chief Executive Officer (“ACEO”)/Chief Operating Officer (“COO”) provide overall leadership and direction in the planning, development, and administration of policies governing the operation of the USVIEDA. This office ensures that responsibilities established by statute and policy directives are executed at the highest level.

### Operational Goal(s)

Direct and monitor the activities of the USVIEDA in a manner that ensures assets of the organization are safeguarded and optimized, and maintain a positive work climate that is conducive to attracting, retaining, and motivating a diverse group of top quality performers.

### Fiscal Year 2016 Objectives

- Initiate and strengthen existing partnership collaborations;
- Update the rules and regulations for the Sustainable Tourism Through Arts-Based Revenue Streams Act (“STARS Act”), Economic Development Bank (“EDB”), Economic Development Commission (“EDC”), Enterprise Zone Commission (“EZC”), Hotel Development Act, and Youth Recreational Incentive Act;
- Develop legislative proposals in support of economic development; and
- Continue to support economic diversification initiatives in the Broadband, Maritime & Marine, and Arts-Based industries.

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Resumed the USVIEDA’s Task Force meetings addressing issues or concerns of stakeholder government agencies relative to the administration and improvement of the VI Economic Development Commission Program;
- Conducted an informational session with members of the 31<sup>st</sup> Legislature of the Virgin Islands to increase their understanding of the functions of the USVIEDA;
- Participated in the “Virgin Islands Advocacy Day on the Hill” in Washington, DC discussing critical government programs and benefits that directly impact the Territory;
- Discussed the Department of Energy micro-grid and energy-efficient infrastructure with the VI Delegate to Congress and the US Department of Interior to gain support for the project;
- Drafted rules and regulations for the STARS Act;
- Partnered with the Department of Tourism to promote the STARS Program at the South by Southwest Music, Film, and Interactive Festival; and
- Submitted proposed EDC and EZC amendments to Act No. 7651 to the Office of the Governor.

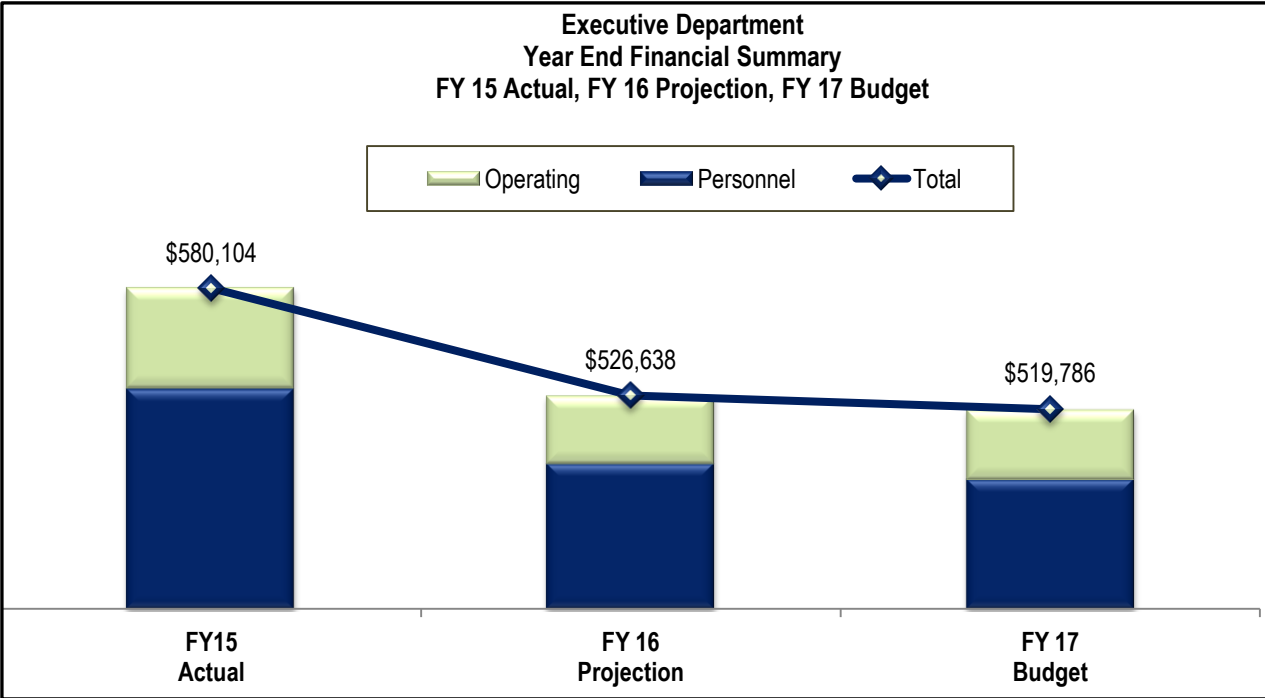
**Fiscal Year 2017 Objectives**

- Launch a local public relations and marketing campaign informing the community about the programs and services offered by the USVIEDA;
- Continue to strengthen existing partnership collaborations with government agencies and private sector stakeholders;
- Revise and/or finalize rules and regulations for the Economic Development Bank, Enterprise Zone Commission, the Hotel Development Act, and the Youth Recreational Incentive Act;
- Support economic development and diversification initiatives in the Broadband, Maritime & Marine, and Arts-Based industries; and
- Conduct an economic impact analysis study of the EDC Beneficiary Program on the Territory.

Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 16 (as of 4/30/16)	Planned FY 17
No. of existing partnership collaborations	2	15	12	15
No. of economic development initiatives	3	7	6	7

VI Economic Development Authority  
Executive Office  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	FY15-Actual 10/1/14-9/30/15	FY16-Actual 10/1/15-4/30/16	FY16-Projected 5/1-9/30/16	Total Proj. Exp. 10/1/15-9/30/16	FY17-Budget 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	66,149	67,723	56,277	124,000	37,000
Salaries - Unclassified	349,977	156,397	108,603	265,000	335,000
Fica	29,998	14,105	10,223	24,328	23,064
Medicare	7,015	3,250	2,391	5,640	5,394
Group Insurance	15,579	8,978	8,978	17,956	26,718
Retirement	61,311	27,926	27,926	55,851	57,810
<b>Total Personnel Expense</b>	<b>530,030</b>	<b>278,378</b>	<b>214,397</b>	<b>492,776</b>	<b>484,986</b>
<b>Operating Expenses</b>					
Bank Charges	50	75	-	75	50
Supplies	1,124	23	350	373	500
Catering Services	-	120	-	120	-
Dues & Subscriptions	6,920	-	7,355	7,355	7,475
Employee Relations	772	-	200	200	375
Postage & Delivery	39	47	150	197	150
Parking	60	10	-	10	-
Printing & Publication	190	-	500	500	250
Professional Development	13,250	5,397	3,500	8,897	11,000
Professional Services	252	-	-	-	-
Travel	21,634	7,313	5,000	12,313	10,000
Communication	5,785	1,622	2,200	3,822	5,000
<b>Total Operating Expense</b>	<b>50,075</b>	<b>14,608</b>	<b>19,255</b>	<b>33,863</b>	<b>34,800</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>580,104</b>	<b>292,986</b>	<b>233,652</b>	<b>526,638</b>	<b>519,786</b>



## 1.3 Administration and Finance Department

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### Functional Statement

The Administration and Finance Department provides financial planning, accounting, and reporting. It is responsible for establishing relationships with external auditors, financial institutions, the Post-Audit Division of the Legislature, and others within the financial community. It takes a leading role in developing proposals and policies on strategic issues that affect the long-term financial integrity and competitiveness of the USVIEDA. Establishment of financial and operational policies and procedures for organization-wide guidance and internal control falls within this unit.

### Operational Goal(s)

Provide quality customer and stakeholder services while practicing responsible stewardship of resources and aspire to excellence in financial and administrative practices to reduce costs and improve overall efficiency.

### Fiscal Year 2016 Objectives

- Update the accounting software to current version to improve operational efficiencies;
- Complete the Fiscal Year 2015 Financial Audit by March 2016;
- Work collaboratively with unit heads and the executive team in the computerization of operational and administrative processes;
- Evaluate existing USVIEDA programs to offer recommendations for improved program delivery;
- Reduce operating costs by 5 – 10% compared to previous year by developing strategies to improve operational efficiencies; and
- Work closely with units receiving federal funds to ensure adherence to operational and reporting requirements.

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Analyzing MAS 500 software update in determining cost-benefit relationship;
- Fiscal Year 2015 audit in its final stage with the final report due by June 15, 2016;
- Continued the collaboration to computerize operational and administrative processes;
- Continued evaluation of programs' deliverables; and
- Prepared and submitted routine financial reports.

### Fiscal Year 2017 Objectives

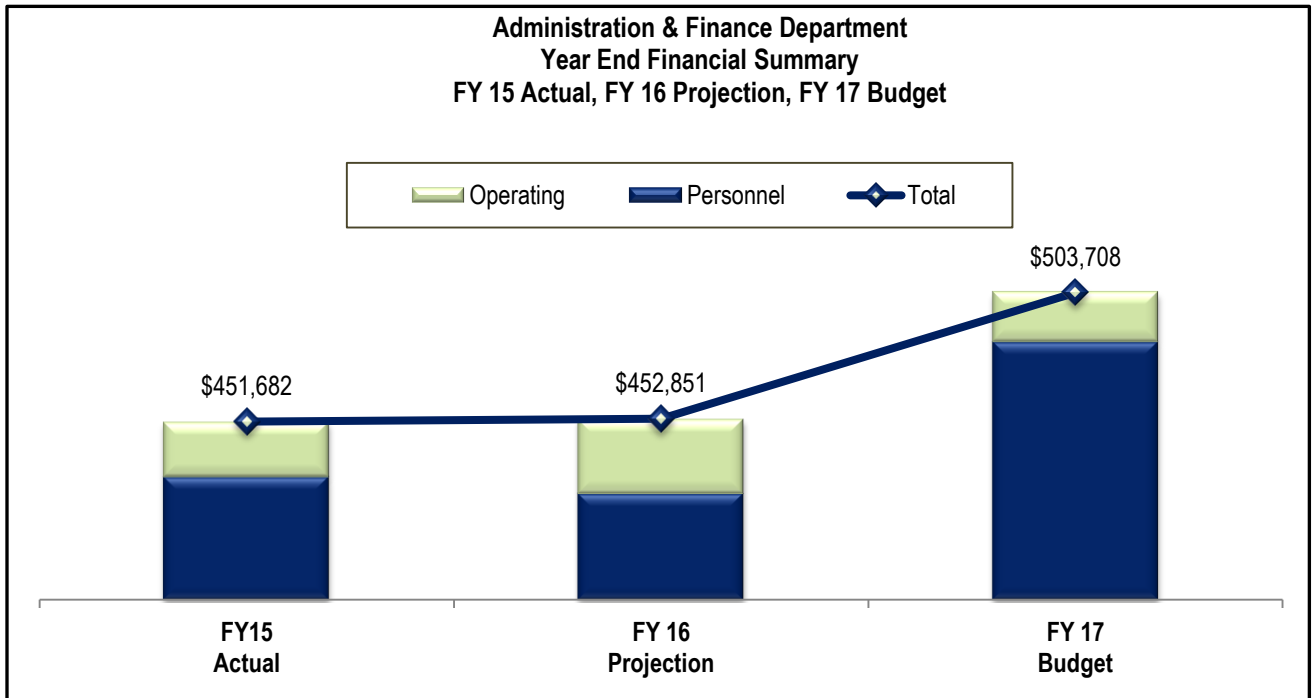
- Complete the Fiscal Year 2016 audit by March 30, 2017;
- Provide staff training in the area of data analysis and reporting;
- Present quarterly financial reports to the Finance Committee of the Board by the 15<sup>th</sup> of the month following the end of quarter; and
- Ensure that non-financial information accompanying financial reports are submitted on time to local and federal agencies.

Key Performance Indicators (KPI)	Actual FY15	Target FY16	Actual FY 16 (as of 4/30/16)	Planned FY 17
Completion date of financial audit	5/2015	3/2016	5/2016	3/2016
No. of Board Finance Committee meetings held	2	2	0	4



VI Economic Development Authority  
Administration & Finance Department  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> 10/1/14-9/30/15	<b>FY16-Actual</b> 10/1/15-4/30/16	<b>FY16-Projected</b> 5/1-9/30/16	<b>Total Proj. Exp.</b> 10/1/15-9/30/16	<b>FY17-Budget</b> 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	209,171	120,463	102,836	223,299	246,899
Salaries - Unclassified	99,027	49,154	40,846	90,000	90,000
Fica	17,859	10,516	8,908	19,425	20,888
Medicare	4,176	2,459	2,083	4,543	4,885
Group Insurance	44,466	20,933	19,075	40,009	57,536
Retirement	54,793	25,922	19,588	45,510	63,140
<b>Total Personnel Expense</b>	<b>429,492</b>	<b>229,448</b>	<b>193,337</b>	<b>422,785</b>	<b>483,348</b>
<b>Operating Expenses</b>					
Supplies	358	850	300	1,150	500
Dues & Subscriptions	985	119	200	319	300
Employee Relations	143	246	200	446	250
Postage & Delivery	820	263	100	363	250
Professional Development	1,353	4,272	-	4,272	3,000
Software Agreement	7,128	8,357	9,632	17,989	10,810
Professional Services	5,025	1,434	800	2,234	3,500
Travel	1,564	1,342	750	2,092	750
Communication	4,814	600	600	1,200	1,000
<b>Total Operating Expense</b>	<b>22,190</b>	<b>17,483</b>	<b>12,582</b>	<b>30,065</b>	<b>20,360</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>451,682</b>	<b>246,932</b>	<b>205,919</b>	<b>452,851</b>	<b>503,708</b>



## 1.4 Human Resources (HR) Department

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### Functional Statement

The Human Resources (“HR”) Department is responsible for talent management and workforce development, which includes staff recruitment, position classification, benefits counseling, and employee and labor relations.

### Operational Goal(s)

Provide an organizational framework to strategically develop and retain a workforce capable of promoting the economic development initiatives of the USVIEDA.

### Fiscal Year 2016 Objectives

- Cultivate a high performance organizational culture that enhances productivity and efficiency;
- Provide professional development in team building, progressive discipline, and leadership development; and
- Implement a wellness program that encourages employees to focus on key health behaviors such as increasing physical activity, improving eating habits, and reducing stress.

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Filled two (2) vacant and two (2) temporary positions;
- Offered mandatory monthly staff training through an online Learning Management System;
- Collaborated with the University of the Virgin Islands to provide accounting and financial management training for selected employees;
- Provided webinar trainings for employees of Human Resources and Legal Department through Lorman Education Services;
- Organized the employee appreciation and service award ceremony that included employee team building exercises;
- Worked with CIGNA in coordinating the annual biometric screenings for employees;
- Worked with Thrive Chiropractics in coordinating a wellness presentation “How to Stay Young” for employees; and
- Created three (3) new policies: Recording Workplace Conversations Without Consent, Email Usage, and Excess Annual Leave and Disposition.

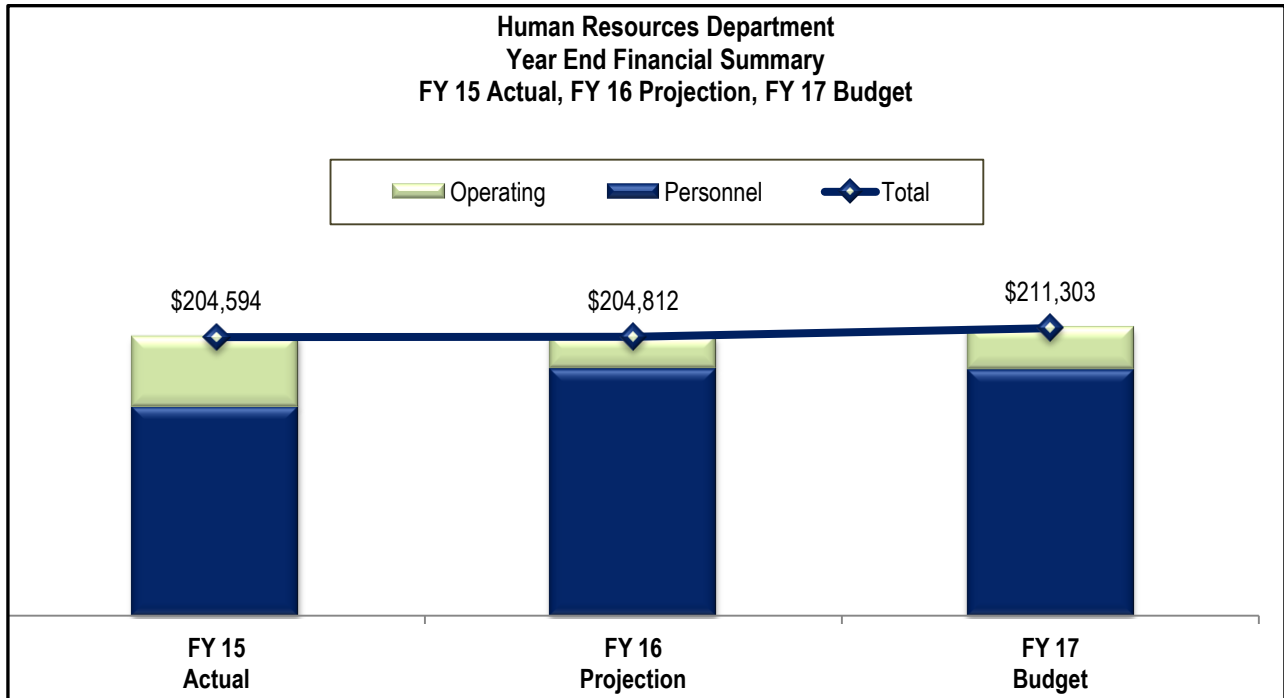
### Fiscal Year 2017 Objectives

- Increase employee performance and productivity by providing professional development opportunities;
- Develop the organizational culture by creating focus groups to identify issues and recommend solutions;
- Coordinate mandatory trainings for employees to include Sexual Harassment Awareness, Proper Use of Fire Extinguishers, Hazardous Communication, Conflict Resolution Management, and Progressive Discipline;
- Provide professional development to improve leadership and team building skills on a quarterly basis; and
- Continue the USVIEDA Wellness Program to improve employee health and wellness.

Key Performance Indicators (KPI)	Actual FY 15	Target FY16	Actual FY 16 (as of 4/30/16)	Planned FY 17
Percentage of employee annual evaluations completed	64%	100%	TBD	100%
No. of professional development trainings offered to increase employees' performance and productivity	7	13	5	13
No. of trainings offered to improve employees leadership and team building skills	2	6	2	8
No. of employee relations initiatives undertaken	7	6	3	8

VI Economic Development Authority  
 Human Resources Department  
 Year End Financial Summary  
 FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> 10/1/14-9/30/15	<b>FY16-Actual</b> 10/1/15-4/30/16	<b>FY16-Projected</b> 5/1-9/30/16	<b>Total Proj. Exp.</b> 10/1/15-9/30/16	<b>FY17-Budget</b> 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	60,652	32,999	27,421	60,420	60,420
Salaries - Unclassified	55,124	39,596	32,904	72,500	72,500
Fica	6,780	4,501	3,740	8,241	8,241
Medicare	1,586	1,053	875	1,927	1,927
Group Insurance	9,532	5,954	6,829	12,783	11,799
Retirement	19,909	14,202	11,509	25,711	25,711
<b>Total Personnel Expense</b>	<b>153,582</b>	<b>98,304</b>	<b>83,278</b>	<b>181,582</b>	<b>180,598</b>
<b>Operating Expenses</b>					
Advertising & Promotion	3,115	1,298	2,702	4,000	4,000
Supplies	1,985	102	250	352	500
Catering	3,285	513	500	1,013	-
Dues & Subscriptions	11,048	-	780	780	780
Employee Relations	24,130	11,266	2,500	13,766	15,000
Parking	10	10	30	40	50
Professional Development	4,377	465	750	1,215	7,375
Travel	2,737	728	750	1,478	2,500
Communication	325	287	300	587	500
<b>Total Operating Expense</b>	<b>51,011</b>	<b>14,668</b>	<b>8,562</b>	<b>23,230</b>	<b>30,705</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>204,594</b>	<b>112,972</b>	<b>91,840</b>	<b>204,812</b>	<b>211,303</b>



## 1.5 Legal Department

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### Functional Statement

The Legal Department provides a broad range of legal services for the USVIEDA that includes, providing legal analysis, preparing and reviewing legal documents, and conducting background investigations on prospective employees and EDC applicants. In addition, it provides legal and policy guidance to the USVIEDA's Governing Board, drafts legislation, and develops rules and regulations as a result of legislative mandates.

### Operational Goal(s)

Ensure that the USVIEDA is in compliance with all applicable laws, institute measures to prevent litigation and loss of assets, and maintain the USVIEDA's legal image in the public.

### Fiscal Year 2016 Objectives

- Enhance the quality of investigative reports by using the National Crime Information Center ("NCIC") database;
- Explore expanded access to the Department of Licensing and Consumer Affairs' database;
- Update computer software to enhance the processing of legal documents;
- Conduct ongoing assessments of internal procedures and implement measures to improve the security of sensitive information;
- Implement or amend internal USVIEDA policies and procedures;
- Review, draft or amend Board policies, motions and resolutions; and
- Prepare contracts necessary to accomplish the mandates of the USVIEDA.

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Continued the review, amendment and implementation of USVIEDA's policies, procedures, and resolutions;
- Improved the quality of background investigative reports to include, among other things, utilization of the Better Business Bureau database in the of review of applications for tax incentives, loans, and human resources;
- Continued the drafting or review of EDC certificates, motions, resolutions, evaluation reports, and letters for legal sufficiency;
- Drafted a Legal Department Internet Use Policy;
- Drafted amendments to the USVIEDA's Bylaws;
- Drafted Rules and Regulations and application for the STARS Act;
- Completed or amended eleven (11) background investigation reports for the Virgin Islands Economic Development Commission;
- Completed eight (8) background investigation reports for the Economic Development Bank for the United States Virgin Islands;
- Completed nine (9) background investigation reports for the Human Resources Department;
- Prepared four (4) professional service contracts; and
- Drafted six (6) lease agreements, which are in various stages of the negotiation process.

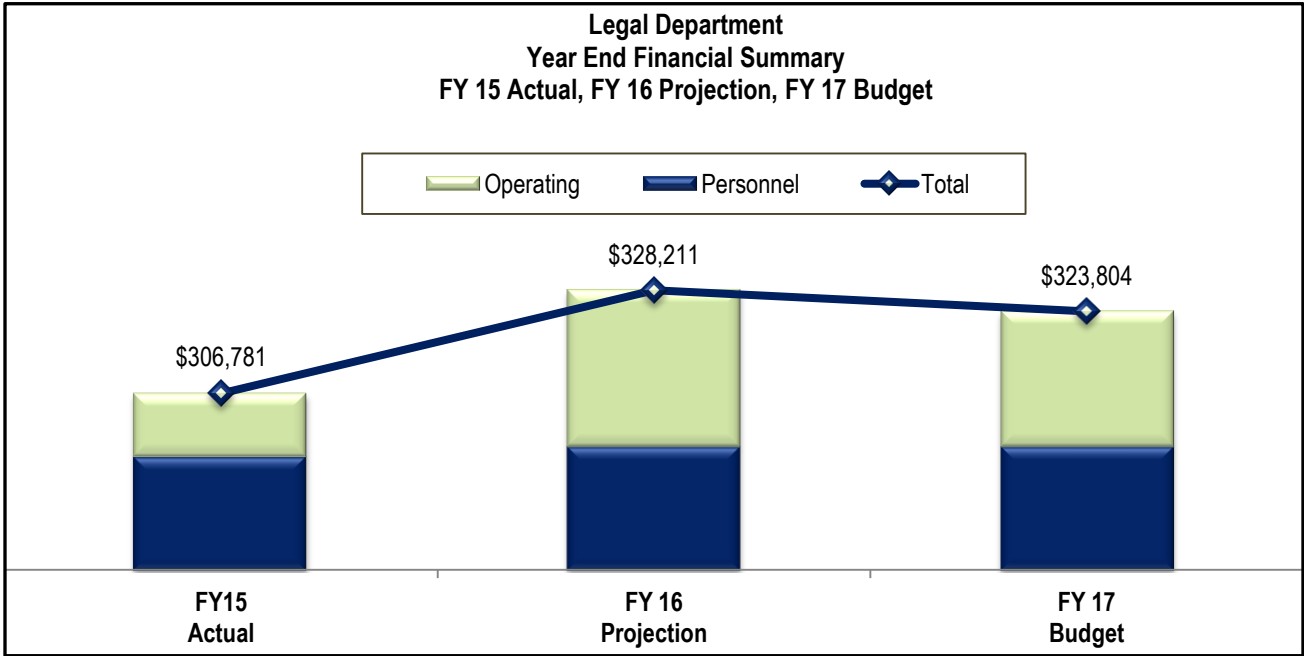
## Fiscal Year 2017 Objectives

- Continue to enhance the quality of investigative reports by pursuing legislation and collaborative agreements providing for government-to-government sharing of criminal justice information using the NCIC database, which operates under a shared management concept between the FBI and federal, state, and local users;
- Continue efforts to secure expanded access to the Department of Licensing and Consumer Affairs' database;
- Coordinate professional training for Legal Department staff with the National Association of Professional Background Screeners or similar certifying entity;
- Continue to explore software updates to enhance the processing of legal documents;
- Continue to explore file management systems and record retention policies for the USVIEDA;
- Continue drafting or amending internal USVIEDA policies and procedures;
- Continue to draft or amend USVIEDA Governing Board's policies, resolutions, motions and orders; and
- Continue to prepare and review for legal sufficiency, agreements that are necessary to accomplish the mandates of the USVIEDA.

Key Performance Indicators (KPI)	Actual FY 15	Target FY16	Actual FY 16 (4/30/16)	Planned FY 17
No. of policies drafted, reviewed, or amended	24	10	5	10
No. of collaborative agreements reviewed, drafted or amended	3	4	5	4
Percentage of background investigation reports for HR applicants	100%	100%	100%	100%
Percentage of background investigations for new, modification or extension applications completed	100%	100%	100%	100%

VI Economic Development Authority  
 Legal Department  
 Year End Financial Summary  
 FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> 10/1/14-9/30/15	<b>FY16-Actual</b> 10/1/15-4/30/16	<b>FY16-Projected</b> 5/1-9/30/16	<b>Total Proj. Exp.</b> 10/1/15-9/30/16	<b>FY17-Budget</b> 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	102,333	58,439	48,561	107,000	107,000
Salaries - Unclassified	117,403	60,077	49,923	110,000	110,000
Fica	12,395	7,348	6,106	13,454	13,454
Medicare	2,899	1,718	1,428	3,147	3,147
Group Insurance	22,330	13,473	13,245	26,718	26,718
Retirement	36,174	19,786	15,474	35,260	35,260
<b>Total Personnel Expense</b>	<b>293,535</b>	<b>160,841</b>	<b>134,738</b>	<b>295,579</b>	<b>295,579</b>
<b>Operating Expenses</b>					
Supplies	630	508	200	708	500
Dues & Subscriptions	804	13,308	6,692	20,000	20,000
Employee Relations		-	225	225	225
Parking	10	-	-	-	-
Professional Development	7,620	5,420	3,500	8,920	4,500
Travel	3,572	780	1,500	2,280	2,500
Communication	610	204	296	500	500
<b>Total Operating Expense</b>	<b>13,246</b>	<b>20,220</b>	<b>12,413</b>	<b>32,632</b>	<b>28,225</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>306,781</b>	<b>181,060</b>	<b>147,150</b>	<b>328,211</b>	<b>323,804</b>



## **1.6 Marketing / Public Relations Department**

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### **Functional Statement**

The key responsibility is to promote the U.S. Virgin Islands as the best place for businesses to invest, to create opportunities for residents, and to grow the tax base of the Government.

### **Operational Goal(s)**

Utilize various marketing tools to expand or increase the number of local businesses and to attract new companies to the Territory.

### **Fiscal Year 2016 Objectives**

- Increase media coverage for the Economic Development Commission program through a national public relations campaign;
- Recruit EDC Ambassadors to help market the U.S. Virgin Islands and its tax-incentive program; and
- Build partnerships with other government and semi-autonomous agencies that broaden USVIEDA's outreach and build awareness of the U.S. Virgin Islands' competitive tax-incentive program.

### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

- Promoted the U.S. Virgin Islands in eight (8) marketing missions;
- Updated existing USVIEDA's web site with a hard launch expected by June 2016 ;
- Developed new advertising and promotional materials for key international events and media; and
- Continued to develop the EDC Ambassador Network Program as a source for new investment opportunities.

### **Fiscal Year 2017 Objectives**

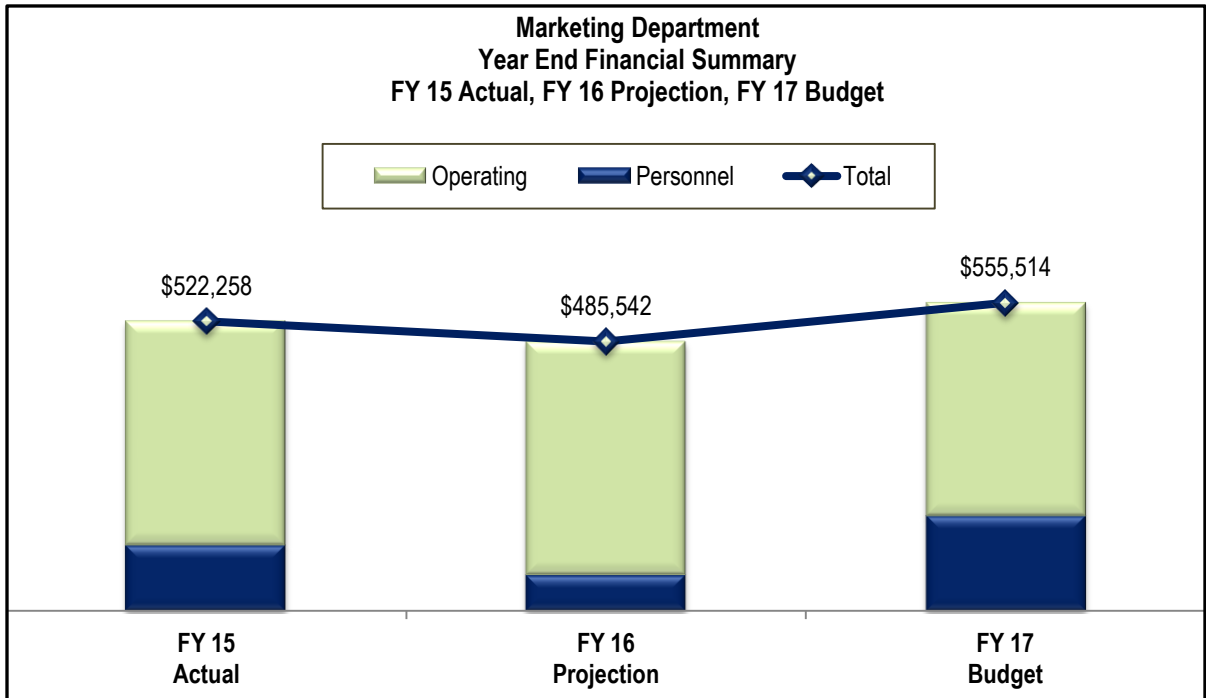
- Increase EDC applications by 10% through our marketing initiatives;
- Increase strategic advertising in key local sites and targeted media; and
- Continue building partnerships to form marketing alliances that broaden USVIEDA's outreach and build awareness of the USVIEDA's programs and offerings.



Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 16 (as 4/30/16)	Planned FY 17
No. of targeted marketing events held and/or attended	4	10	8	12
No. of site visits made by potential EDC beneficiaries	5	15	7	20

VI Economic Development Authority  
Marketing Department  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> <b>10/1/14-9/30/15</b>	<b>FY16-Actual</b> <b>10/1/15-4/30/16</b>	<b>FY16-Projected</b> <b>5/1-9/30/16</b>	<b>Total Proj. Exp.</b> <b>10/1/15-9/30/16</b>	<b>FY17-Budget</b> <b>10/1/16-9/30/17</b>
<b>Personnel Expenses</b>					
Salaries - Classified	60,373	25,314	21,036	46,350	46,350
Salaries - Unclassified	31,512	-	-	-	80,000
Fica	4,263	1,570	1,304	2,874	7,834
Medicare	997	367	305	672	1,832
Group Insurance	8,008	2,977	2,923	5,900	11,799
Retirement	13,257	5,189	4,312	9,502	22,827
<b>Total Personnel Expense</b>	<b>118,410</b>	<b>35,417</b>	<b>29,880</b>	<b>65,297</b>	<b>170,642</b>
<b>Operating Expenses</b>					
Advertising & Promotion	170,239	135,365	89,237	224,602	165,000
Bank Charges	75	-	150	150	150
Supplies	3,594	-	500	500	500
Employee Relations	248	-	250	250	200
Postage & Delivery	2	-	350	350	1,500
Printing & Publication	5,534	2,025	3,000	5,025	5,000
Professional Development	1,012	-	-	-	3,000
Professional Services	211,767	86,171	100,000	186,171	207,023
Travel	11,377	1,697	1,500	3,197	2,500
<b>Total Operating Expense</b>	<b>403,849</b>	<b>225,258</b>	<b>194,987</b>	<b>420,244</b>	<b>384,873</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>522,258</b>	<b>260,675</b>	<b>224,867</b>	<b>485,542</b>	<b>555,514</b>



## 1.7 Economic Development Management (EDM)

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### Functional Statement

This unit acts as the “catch-all” for all operating revenues and indirect costs for the USVIEDA. The activities associated with custodial and messenger services are also part of this unit’s costs. The management of this unit falls within the Administration and Finance Department and is identified as a separate unit to aid in financial reporting and analysis.

### Operational Goal(s)

Identify and properly record items of operating revenues and costs to assist management in making financial decisions and to reduce office/vehicle maintenance issues to a minimum level.

### Fiscal Year 2016 Objectives

- Continue to properly classify items of operating revenues and costs as a basis to providing better analysis and recommendations.

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Budget & Financial Analyst and Accounts Payable Accountant continue to work together to ensure that revenues and expenses are correctly classified and recorded; and
- Ensured that direct and indirect costs were correctly charged to the Incubator grant and USVIEDA was properly reimbursed for expenses incurred on behalf of the program.

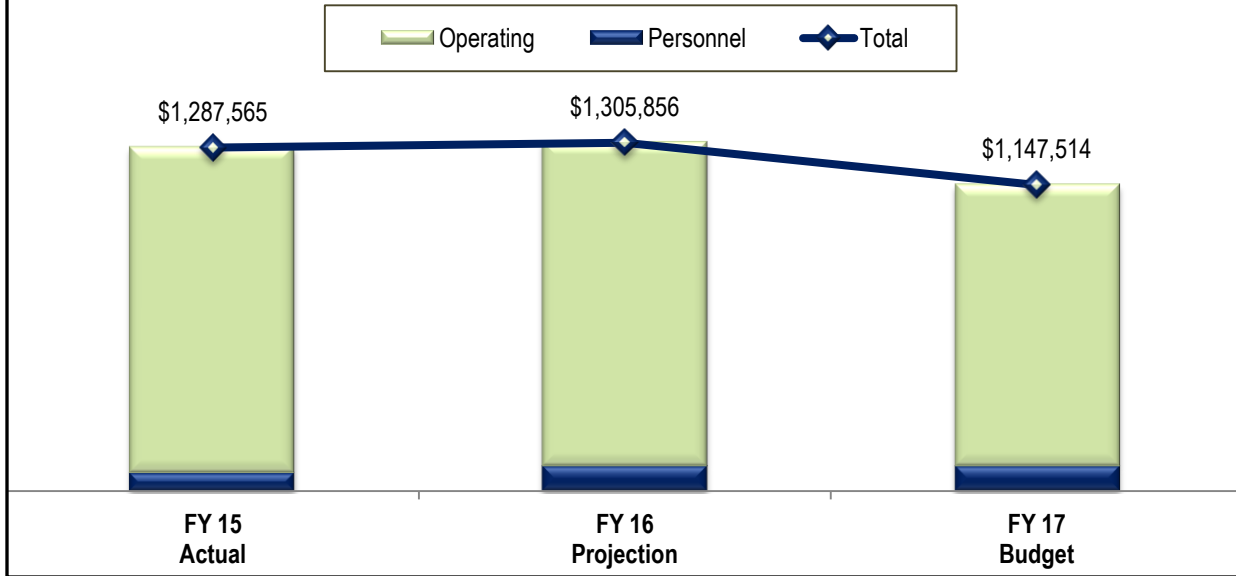
### Fiscal Year 2017 Objectives

- Reduce indirect costs by at least 10% of amount budgeted;
- Improve relations with service vendors to help ensure prompt service response; and
- Develop and implement procedures to reduce the number of issues relative to office and vehicle up-keep and maintenance.

Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 16 (as of 4/30/16)	Planned FY 17
Percentage decrease in indirect cost compared to budgeted total	-	-	-	10%
Percentage reduction in calls relating to office/vehicle issues	-	-	-	25%

VI Economic Development Authority Economic Development Management Year End Financial Summary FY 15 Actual, FY 16 Projected, and FY 17 Budget					
	FY15-Actual 10/1/14-9/30/15	FY16-Actual 10/1/15-4/30/16	FY16-Projected 5/1-9/30/16	Total Proj. Exp. 10/1/15-9/30/16	FY17-Budget 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	44,912	30,684	25,497	56,181	56,181
Fica	2,284	1,814	1,581	3,395	3,483
Medicare	528	445	370	815	815
Group Insurance	11,597	8,225	12,593	20,818	20,818
Retirement	7,242	6,290	5,227	11,517	11,517
<b>Total Personnel Expense</b>	<b>66,562</b>	<b>47,458</b>	<b>45,268</b>	<b>92,726</b>	<b>92,814</b>
<b>Operating Expenses</b>					
Advertising & Promotion	9,075	10,394	5,316	15,710	5,500
Auto Expense	28,255	5,639	7,500	13,139	12,500
Bank Charges	2,630	1,695	3,000	4,695	5,500
Employee Incentive Program	-	-	25,000	25,000	25,000
Supplies	60,123	16,126	17,000	33,126	36,300
Unemployment Insurance	28,979	12,530	15,000	27,530	30,000
Interest and Penalty	1,824	-	-	-	-
Labor	11,761	2,125	8,500	10,625	12,000
Catering Services	19,232	6,749	7,500	14,249	15,000
Custodial Services	17,583	9,584	10,500	20,084	18,000
Incubator Program Expense	4,317	-	-	-	-
Donations & Contributions	33,625	21,350	17,000	38,350	20,000
Drinking Water	1,694	864	864	1,728	2,000
Dues & Subscription	23,482	1,350	2,500	3,850	8,000
Employee Relations	39,687	10,553	3,000	13,553	10,000
Repairs	83,156	35,262	30,000	65,262	64,000
Postage & Delivery	10,078	6,896	5,000	11,896	7,600
Parking	20	59	60	119	200
Printing & Publication	1,798	5,699	7,000	12,699	9,700
Professional Development	1,013	10,287	4,500	14,787	-
Garbage Removal	3,739	225	225	450	500
Miscellaneous	(1,318)	93	500	593	-
Software Agreement	5,117	-	-	-	-
Meeting Space Rental	675	-	-	-	1,600
Insurance	42,433	4,258	46,000	50,258	46,000
Professional Services	308,222	135,999	191,158	327,157	292,100
Business Relations	3,505	-	-	-	-
Travel	24,186	828	23,000	23,828	25,000
Communication	64,028	26,269	27,000	53,269	52,500
Electrical	106,466	36,990	47,000	83,990	85,000
Water	1,854	568	600	1,168	1,576
Rent	235,980	137,550	105,891	243,441	244,124
Capital Outlay	47,783	97,575	5,000	102,575	25,000
<b>Total Operating Expense</b>	<b>1,221,003</b>	<b>597,516</b>	<b>615,614</b>	<b>1,213,130</b>	<b>1,054,700</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>1,287,565</b>	<b>644,974</b>	<b>660,882</b>	<b>1,305,856</b>	<b>1,147,514</b>

Economic Development Management  
Year End Financial Summary  
FY 15 Actual, FY 16 Projection, FY 17 Budget



## **2.0 USVIEDA Operational Divisions**

### **2.1 V.I. Economic Development Commission Division**

#### **Functional Statement**

The Economic Development Commission (“EDC”) Division is comprised of the Applications Unit, which is the first point of contact for a business seeking economic development benefits, and the Compliance Unit, which monitors beneficiaries in ensuring that they are in compliance with the terms and conditions of their Certificates (Agreements) and other requirements of the law.

#### **2.1.1 Applications Unit**

##### **Operational Goal(s)**

Review and analyze EDC applications in order to assist the USVIEDA’s Governing Board in deliberations during public hearings in consideration of applicants’ requests to receive EDC benefits.

##### **Fiscal Year 2016 Objectives**

- Create an EDC online public access portal to provide information on job/internship opportunities, EDC Beneficiary Certificates, Eligible Supplier Beneficiary products and services;
- Establish an EDC e-Hotline that provides an interactive link between the EDC, its stakeholders and the general public;
- Process a minimum of twenty-five (25) new applications for EDC benefits with anticipated job opportunities for 250 full-time employees;
- Host semi-annual town hall meetings to educate the public on the benefits of the EDC program to the Territory;
- Conduct semi-annual educational outreach seminars to inform high school students on career opportunities within the EDC Program; and
- Develop and implement an electronic application/compliance case management system.

##### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

- Reviewed and analyzed twelve (13) applications, including four (4) new, one (1) transfer, five (5) extensions, and three (3) modifications;
- Made presentations on the Application Process at the USVIEDA’s Informational Session for the 31<sup>st</sup> Legislature of the Virgin Islands;
- Conducted educational outreach seminars for students at the high schools on career opportunities within the EDC Program; and
- Began Instituting a Client Survey form as part of the EDC inquiry and application process.

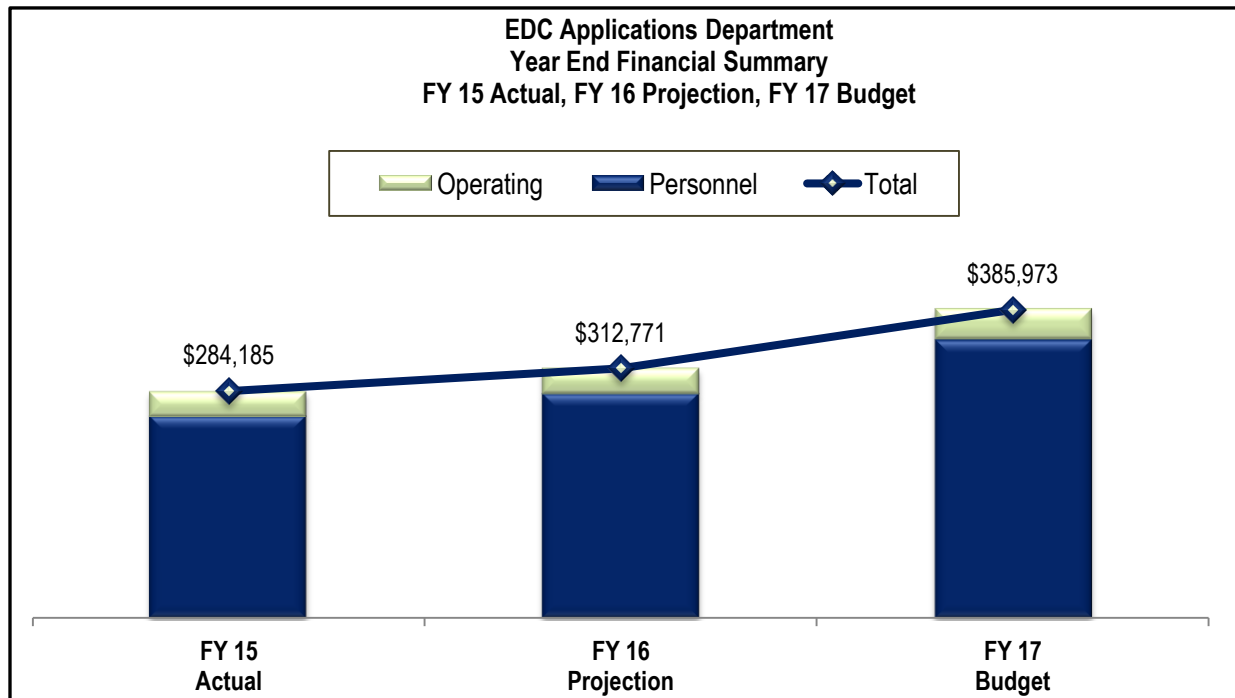
## Fiscal Year 2017 Objectives

- Process an application for EDC benefits within forty-five (45) working days of receipt;
- Review EDC applications within ten (10) working days for completeness and notify applicant within fifteen (15) working days of application status;
- Submit notice to EDC applicants within ten (10) working days of Board decision meetings;
- Complete EDC Application Client Survey form as part of the EDC inquiry and application process; and
- Participate in community outreach programs such as: EDC 45<sup>th</sup> Anniversary Event, EDC Career Fair, other Target Markets, and Consultants Seminar.

Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 2016 (as of 4/30/16)	Planned FY 2017
Avg. time to complete analysis of an EDC application for Public Hearing	88 days	75 days	27 days	45 days
Avg. time to complete analysis of an EDC application for EDC Decision Meetings	47 days	45 days	29 days	30 days
Avg. time to process an Eligible VI Supplier application	38 days	30 days	20 days	30 days
No. of community outreach program completed	0	4	7	8

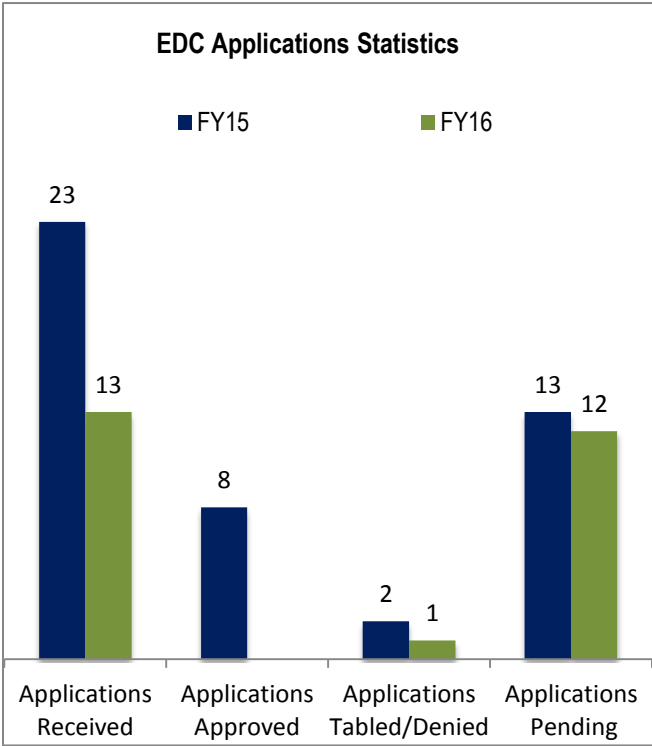
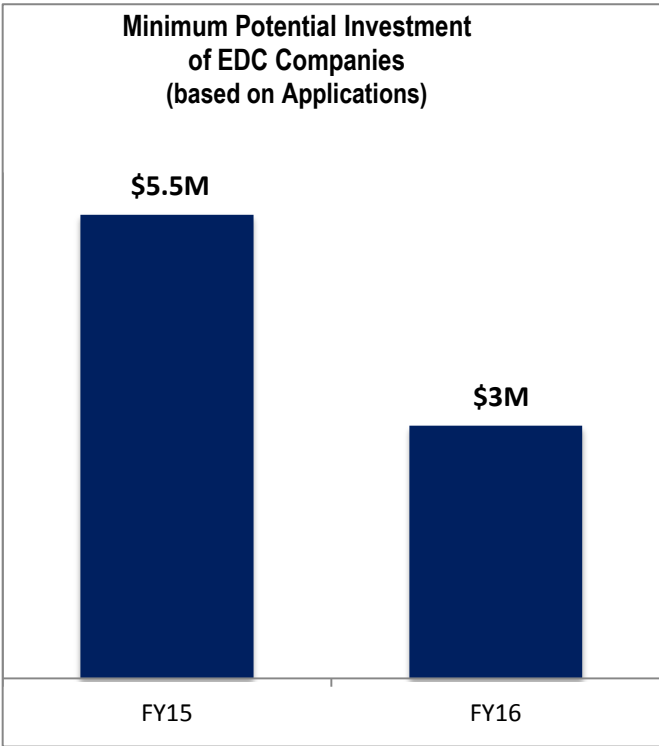
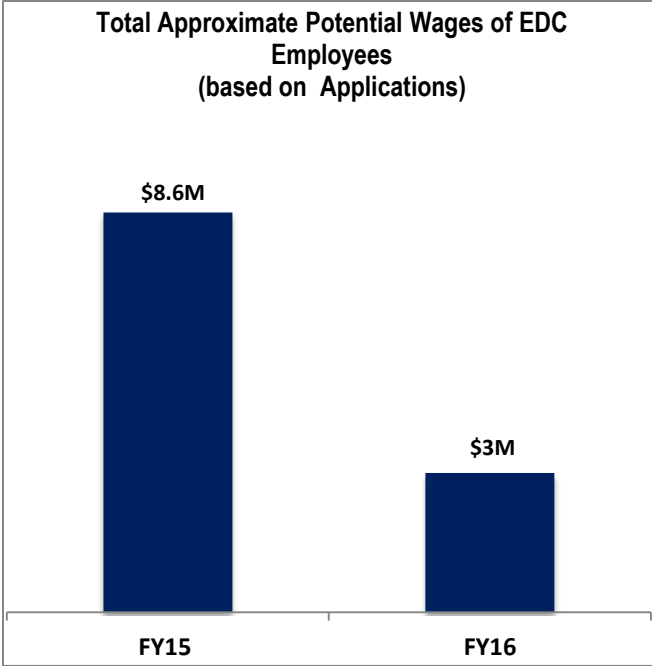
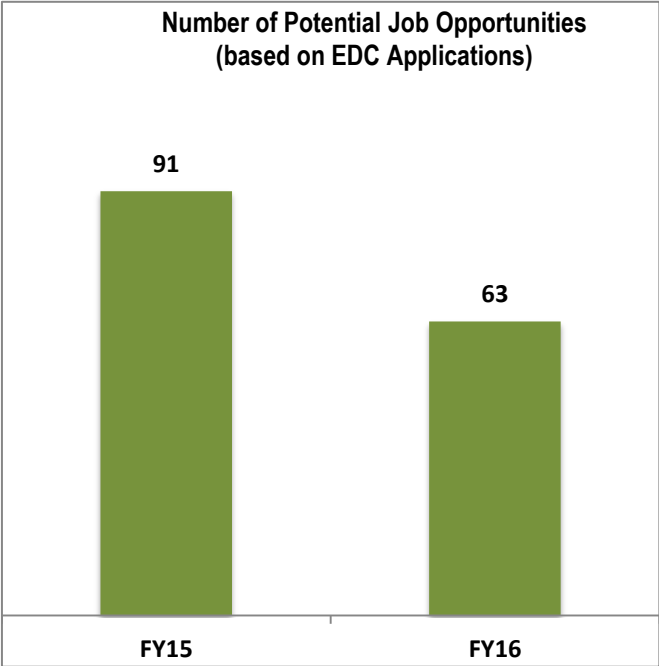
VI Economic Development Authority  
 EDC Applications Unit  
 Year End Financial Summary  
 FY 15 Actual, FY 16 Projected, and FY 17 Budget

	FY15-Actual 10/1/14-9/30/15	FY16-Actual 10/1/15-4/30/16	FY16-Projected 5/1-9/30/16	Total Proj. Exp. 10/1/15-9/30/16	FY17-Budget 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	109,131	60,758	66,000	126,758	162,057
Salaries - Unclassified	68,486	43,692	36,308	80,000	80,000
Fica	7,282	6,476	6,343	12,819	15,008
Medicare	2,645	1,515	1,483	2,998	3,510
Group Insurance	29,200	15,744	24,333	40,077	40,077
Retirement	35,581	17,549		17,549	46,547
<b>Total Personnel Expense</b>	<b>252,325</b>	<b>145,734</b>	<b>134,467</b>	<b>280,201</b>	<b>347,198</b>
<b>Operating Expenses</b>					
Advertising & Promotion	12,686	5,113	7,500	12,613	12,500
Supplies	2,249	501	350	851	500
Catering	-	856	800	1,656	1,500
Professional Development	-	-	200	200	6,000
Dues & Subscription	165	165	-	165	175
Parking	10	20	-	20	-
Postage & Delivery			250	250	250
Printing & Publication			1,250	1,250	1,250
Meeting Space Rental		1,300	600	1,900	1,300
Professional Services	13,903	5,160	5,000	10,160	10,000
Travel	2,434	1,875	1,200	3,075	4,800
Communication	412	215	215	430	500
<b>Total Operating Expense</b>	<b>31,860</b>	<b>15,205</b>	<b>17,365</b>	<b>32,570</b>	<b>38,775</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>284,185</b>	<b>160,939</b>	<b>151,832</b>	<b>312,771</b>	<b>385,973</b>





**U.S. Virgin Islands Economic Development Authority  
EDC Applications Unit  
Statistical Data (Based on new applications)**



## **2.1.2 Compliance Unit**

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### **Functional Statement**

The Compliance Unit helps to ensure the integrity of the Economic Development Program, assists beneficiaries in meeting the requirements of their agreements and report findings of non-compliance to the EDC Governing Board, which has the legal authority to assess fines and penalties.

### **Operational Goal(s)**

Build and maintain good relations with beneficiaries to ensure the integrity of the EDC program.

### **Fiscal Year 2016 Objectives**

- Conduct a consultants' forum in May 2016 and beneficiary summits in August 2016;
- Complete twenty (20) compliance reviews and eighty (80) outreach/beneficiary care visits;
- Implement standard operating procedures for employees in the Compliance Unit to include quality assurance standards and code of ethics;
- Develop and implement an electronic compliance case management system to work in conjunction with other units within the organization; and
- Evaluate the Cost Benefit Analysis Model and enhance it to perform updated analyses.

### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

- Submitted first draft of Compliance Handbook to the Legal Department for review;
- Updated Compliance Unit web page on USVIEDA's website;
- Developed an electronic database to replace current paper/file based system;
- Developed a template of inactive beneficiaries to terminate their benefits; and
- Participated in the Community Education Initiative for high school students relative to USVIEDA's programs and services.

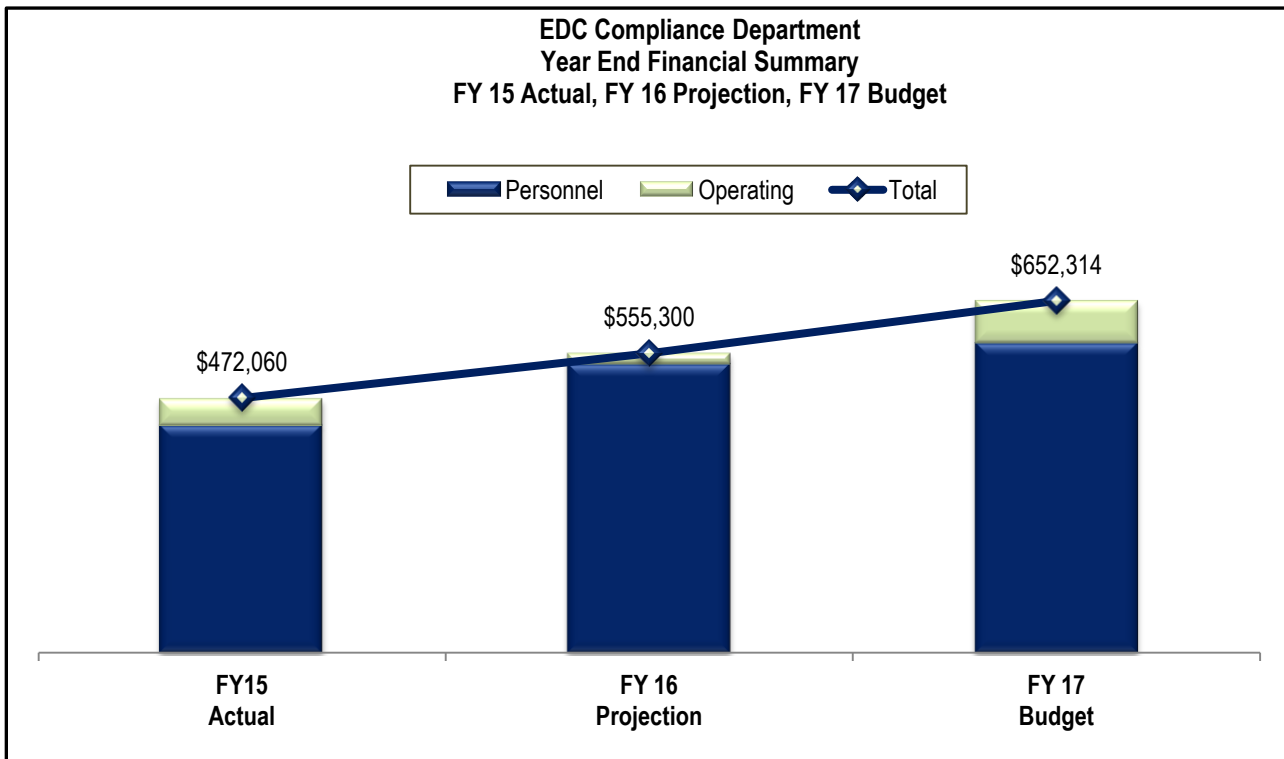
### **Fiscal Year 2017 Objectives**

- Host EDC beneficiary summits in both districts in August 2017;
- Partner with the Applications Unit in upgrading the Cost Benefit Analysis Model;
- Implement the EDC Compliance Handbook for Beneficiaries; and
- Terminate inactive EDC beneficiaries and charge-off receivables.

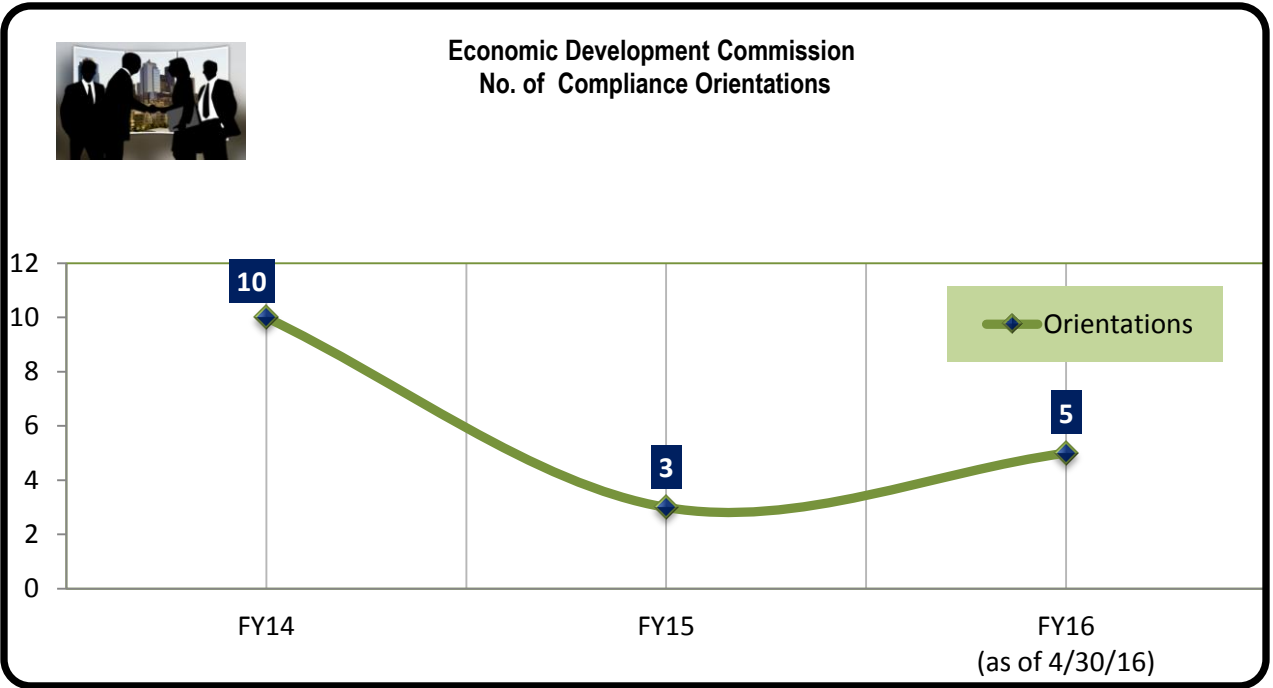
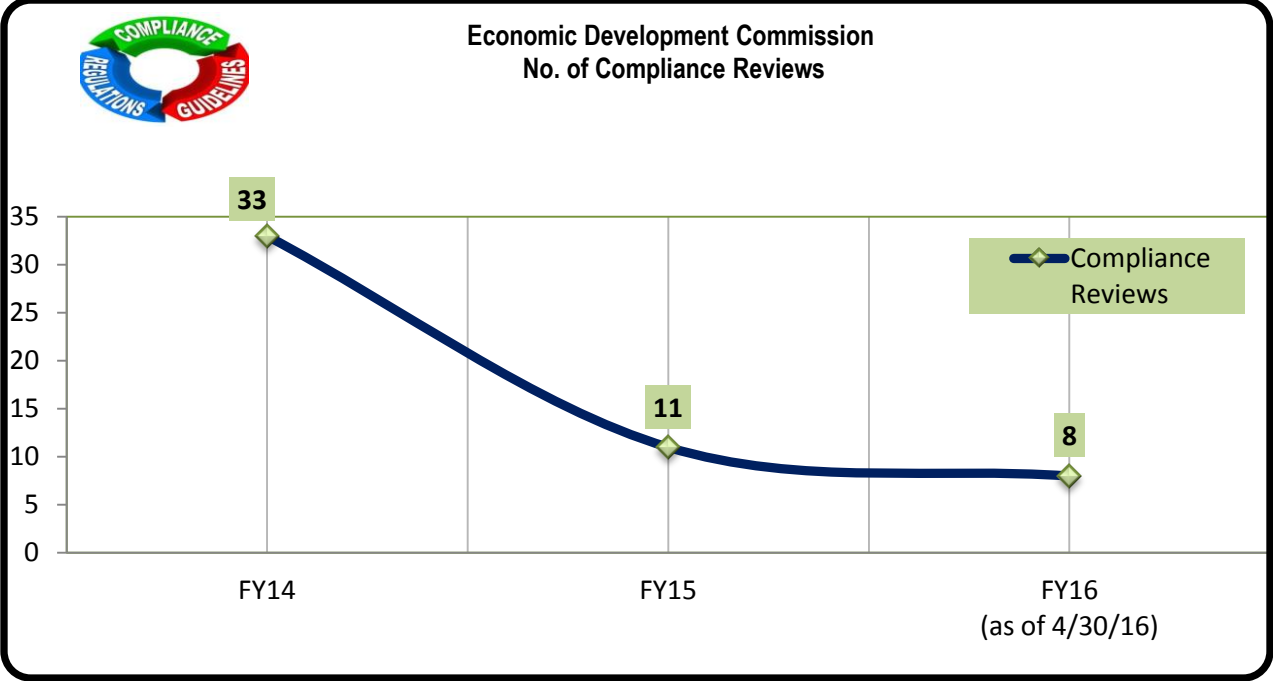
KEY PERFORMANCE INDICATORS (KPI)	Actual FY 15	Target FY16	Actual FY 2016 (as of 4/30/16)	Planned FY 17
No. of compliance reviews completed	11	25	15	30
Percentage of non-compliance cases resolved	72%	80%	70%	85%
Number of inactive cases closed	1	8	1	15

VI Economic Development Authority  
EDC Compliance Unit  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> <b>10/1/14-9/30/15</b>	<b>FY16-Actual</b> <b>10/1/15-4/30/16</b>	<b>FY16-Projected</b> <b>5/1-9/30/16</b>	<b>Total Proj. Exp.</b> <b>10/1/15-9/30/16</b>	<b>FY17-Budget</b> <b>10/1/16-9/30/17</b>
<b>Personnel Expenses</b>					
Salaries - Classified	265,828	157,077	147,239	304,316	334,478
Salaries - Unclassified	48,394	40,962	34,038	75,000	75,000
Fica	19,078	12,278	11,239	23,518	25,388
Medicare	4,462	2,872	2,629	5,500	5,937
Group Insurance	29,475	20,052	24,859	44,910	49,717
Retirement	54,135	40,473	40,395	80,868	81,893
<b>Total Personnel Expense</b>	<b>421,372</b>	<b>273,714</b>	<b>260,398</b>	<b>534,112</b>	<b>572,414</b>
<b>Operating Expenses</b>					
Advertising & Promotion	12,919	3,397	2,000	5,397	40,000
Supplies	2,092	1,200	350	1,550	1,000
Dues & Subscription	660	-	165	165	2,000
Employee Relations	-	-	600	600	600
Postage & Delivery	-	50	-	50	300
Parking	-	30	-	30	-
Printing & Publication	45	-	800	800	1,500
Professional Development	4,796	-	-	-	9,000
Miscellaneous	14	-	-	-	-
Professional Services	25,854	3,790	3,500	7,290	20,000
Travel	4,148	3,376	1,500	4,876	5,000
Communication	161	215	215	430	500
<b>Total Operating Expense</b>	<b>50,688</b>	<b>12,058</b>	<b>9,130</b>	<b>21,188</b>	<b>79,900</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>472,060</b>	<b>285,771</b>	<b>269,528</b>	<b>555,300</b>	<b>652,314</b>



U.S. Virgin Islands Economic Development Authority  
EDC Compliance Department  
Statistical Data



## **2.2 Economic Development Bank (EDB)**

---

### **Functional Statement**

The Government Development Bank and the Small Business Development Agency were merged and renamed the Economic Development Bank (“EDB”) through Act No. 7632 passed by the Legislature in 2014. The EDB provides financial resources that include loan guarantees, medium and long-term credit, and equity infusions to minority, small and medium sized businesses located in the U.S. Virgin Islands to allow these businesses to maintain economic stability and grow into mainstream commercial banking customers.

### **Operational Goal(s)**

Assist small and medium-sized businesses to access capital by providing financial resources and technical and managerial assistance, thereby facilitating employment opportunities and economic growth.

### **Fiscal Year 2016 Objectives**

- Reduce the loan delinquency rate by 10% through aggressive collection efforts, including legal action, and the restructuring, modification, and reclassification of loan accounts;
- Increase the loan capacity by approving twenty (20) in-house credit quality loans and \$1.8M loan guarantees;
- Provide professional development for staff in the areas of credit administration and collections;
- Partner with local banks to promote the State Small Business Credit Initiative (“SSBCI”) Loan Program;
- Collaborate with other related government agencies to promote loan programs and services; and
- Implement Phase II of the Sun Power Energy Program grant.

### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

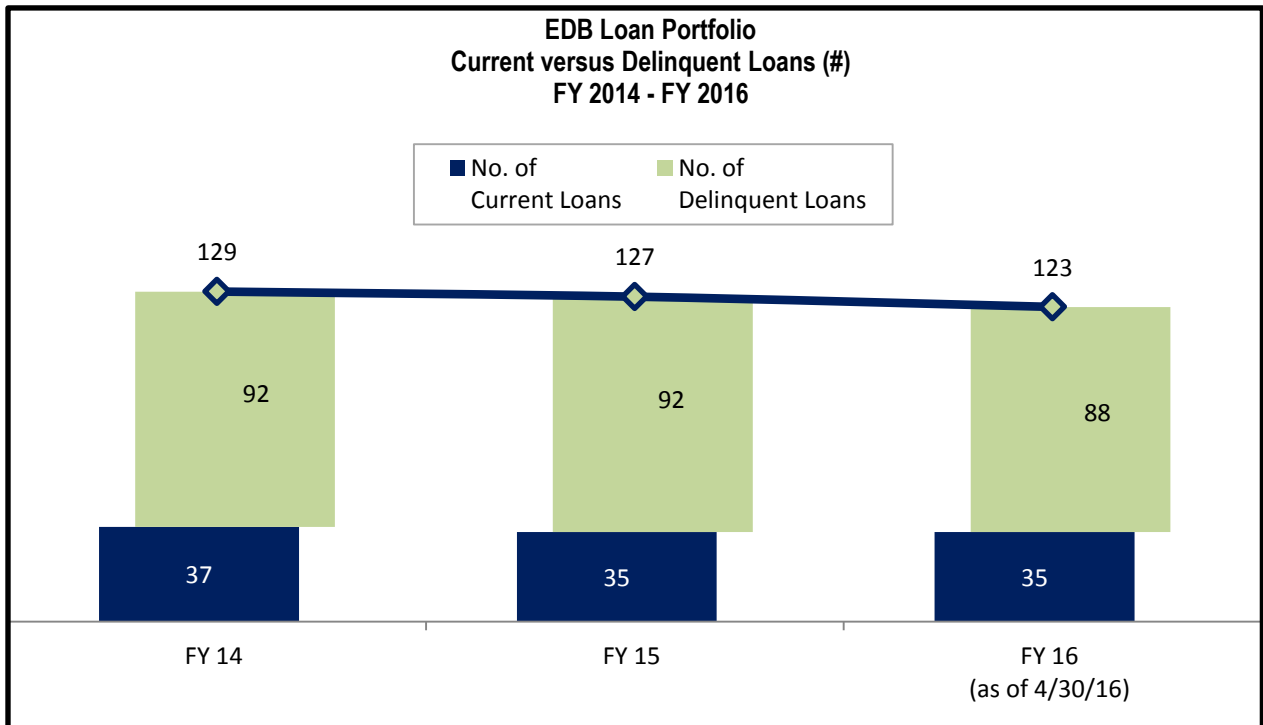
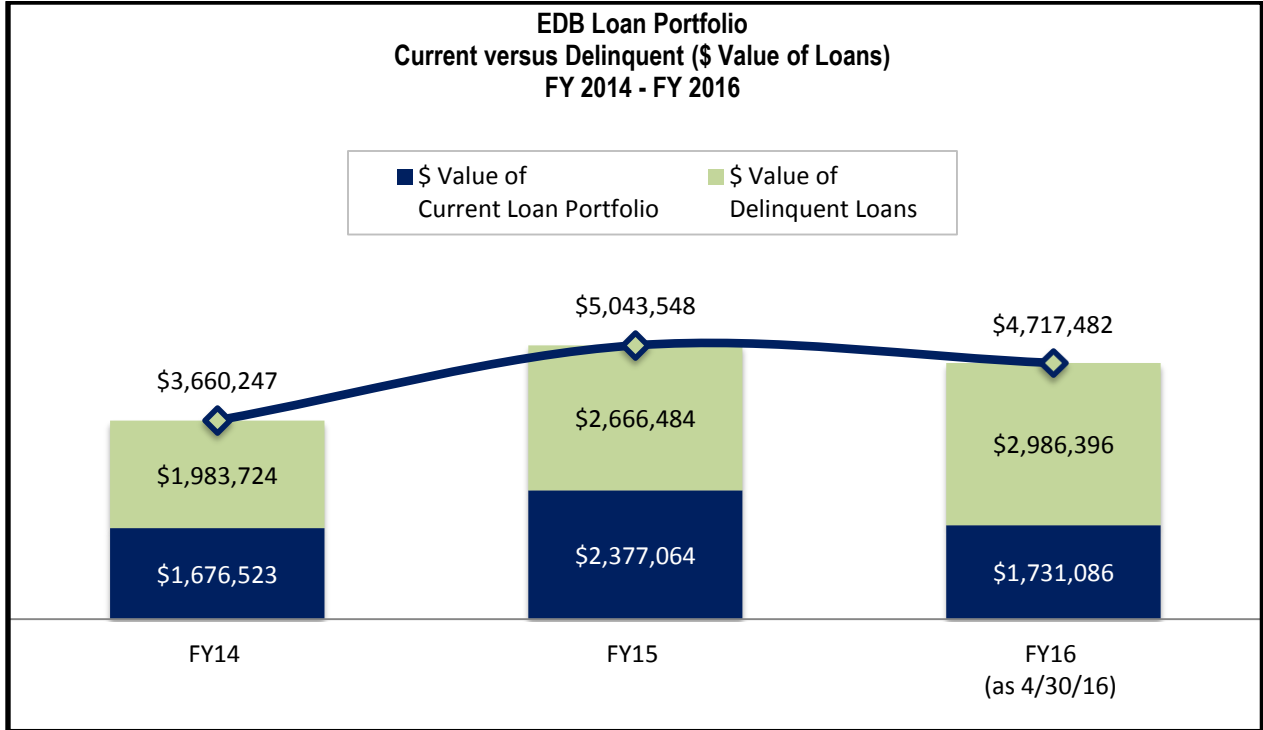
- Requested third tranche of \$4.4M in SSBCI loan guarantee funds from the US Dept. of Treasury;
- Launched the Loan Amnesty Program in an effort to collect on chronically delinquent loans;
- Collected \$74K on matured loans and received \$8K from judgments in small claims courts;
- Conducted outreach and relationship building activities with the Small Business Development Center (“SBDC”), Small Business Administration (“SBA”), and USVIEDA Staff;
- Reinstated staff visits to St. John, servicing prospective and existing clients and bolstering door-to-door collection efforts; and
- Provided educational sessions and workshops to the general public on EDB’s loan programs.

### Fiscal Year 2017 Objectives

- Reduce the loan delinquency rate to 50% of the loan portfolio through aggressive collection efforts including legal action, loan restructuring, modifications, and reclassifications;
- Increase the loan portfolio by \$1.8M in credit quality loans;
- Provide professional development for staff in credit administration and collections;
- Continue partnering with local banks to promote the SSBCI Loan Program;
- Continue collaborating with other related government agencies to promote loan programs and services; and
- Continue implementation of Phase II of the Sun Power Energy Program grant in conjunction with the VI Energy Office.

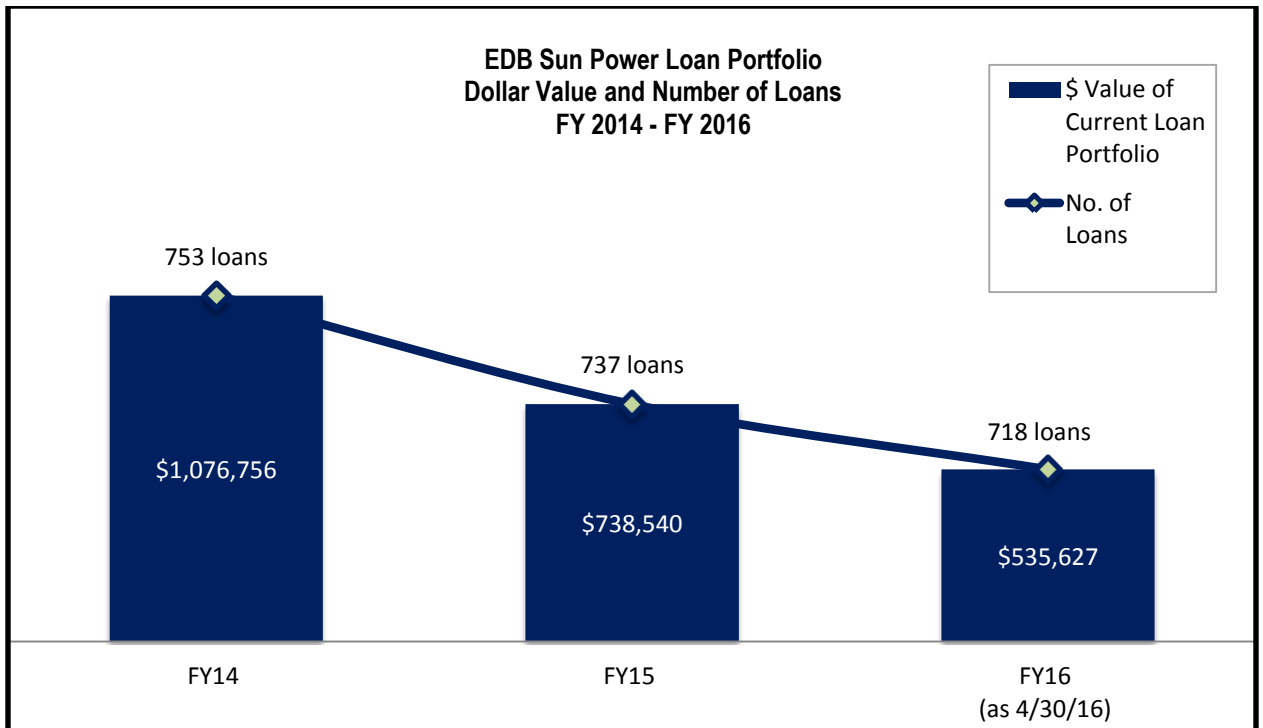
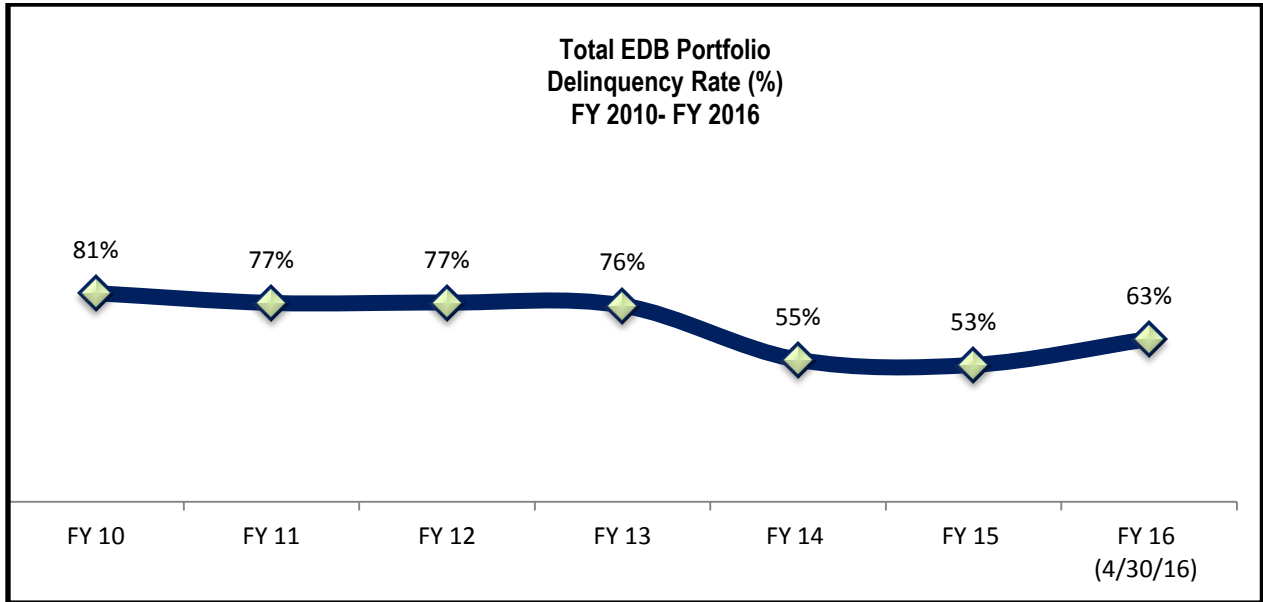
Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 16 (as of 4/30/16)	Planned FY 17
Percentage of delinquent loans	53%	56%	63%	50%
Payment received on all loans	\$872K	\$875K	\$609K	\$900K
Dollar value of SSBCI loan guarantees committed	\$4.8	\$1.8M	\$3.1M	\$1.8M
No. of new loan applications /guarantees processed	17	20	10	20

**U.S. Virgin Island Economic Development Authority  
Economic Development Bank (EDB)  
Statistical Data**

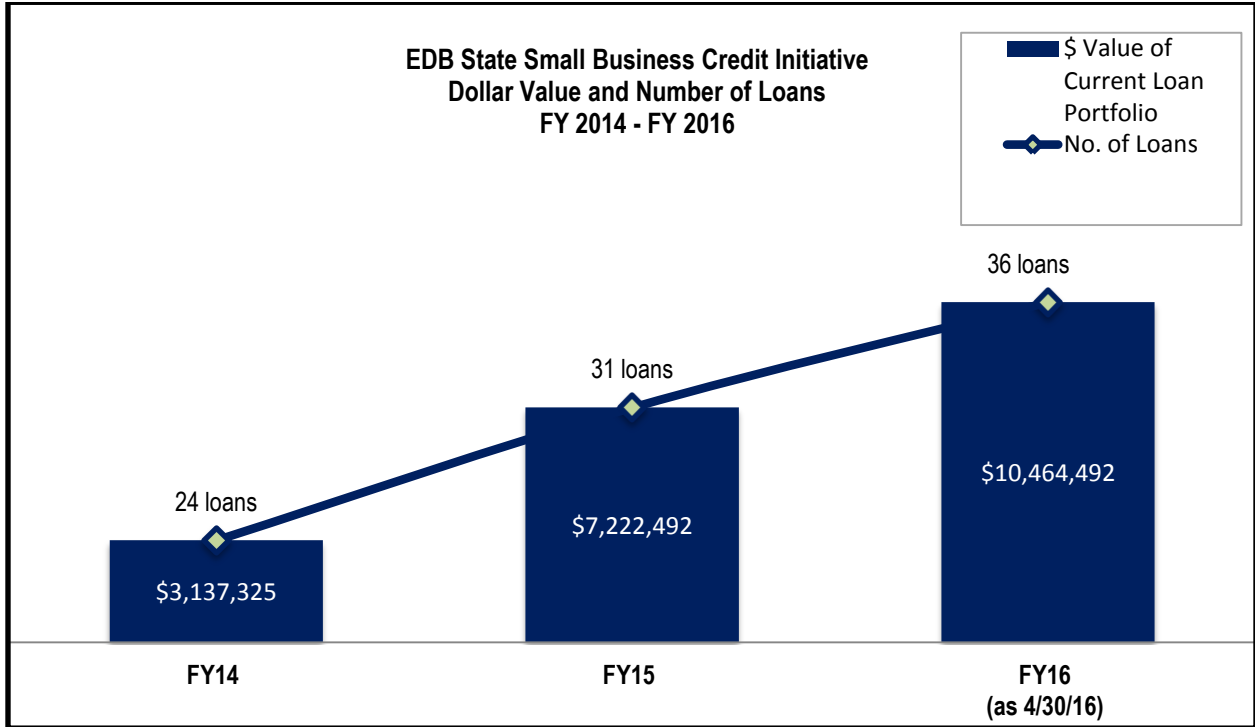




**U.S. Virgin Island Economic Development Authority  
Economic Development Bank (EDB)  
Statistical Data**

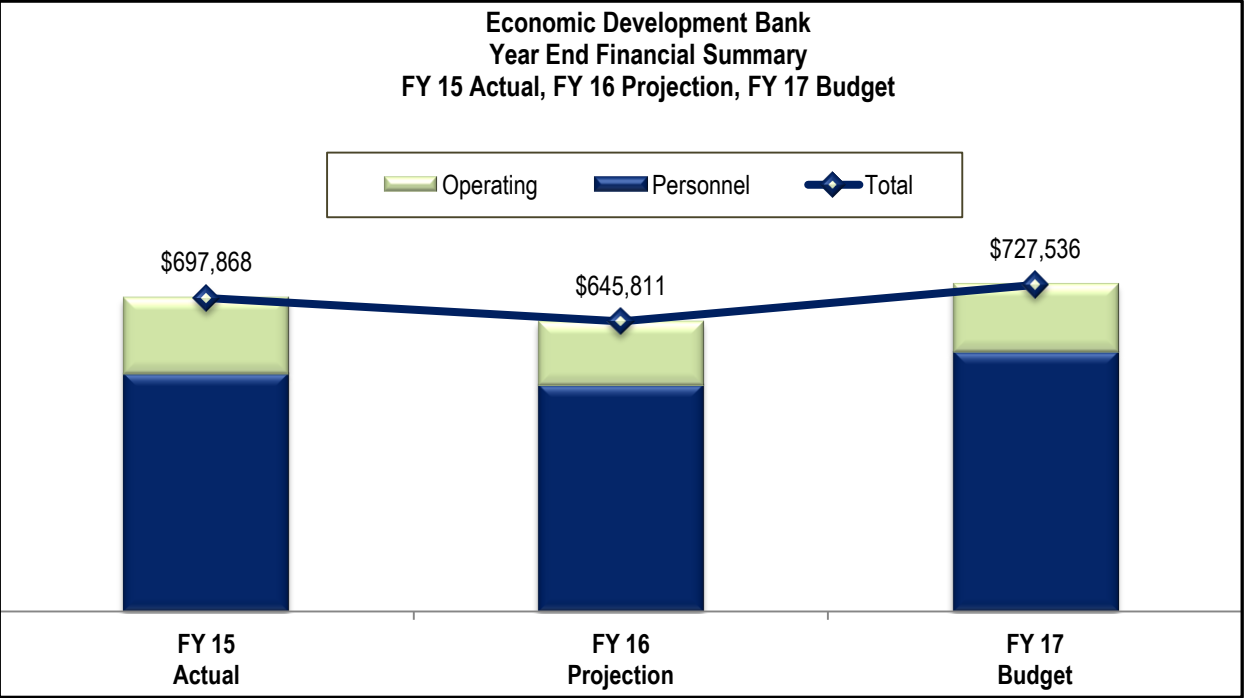


U.S. Virgin Island Economic Development Authority  
Economic Development Bank (EDB)  
Statistical Data



VI Economic Development Authority  
 Economic Development Bank  
 Year End Financial Summary  
 FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> <b>10/1/14-9/30/15</b>	<b>FY16-Actual</b> <b>10/1/15-4/30/16</b>	<b>FY16-Projected</b> <b>5/1-9/30/16</b>	<b>Total Proj. Exp.</b> <b>10/1/15-9/30/16</b>	<b>FY17-Budget</b> <b>10/1/16-9/30/17</b>
<b>Personnel Expenses</b>					
Salaries - Classified	244,489	141,319	85,143	226,462	277,555
Salaries - Unclassified	139,894	82,906	45,094	128,000	128,000
Fica	22,852	13,902	8,075	21,977	25,144
Medicare	5,344	3,251	1,888	5,140	5,881
Group Insurance	45,969	26,805	19,620	46,425	59,335
Retirement	69,369	37,451	37,451	74,902	80,064
<b>Total Personnel Expense</b>	<b>527,918</b>	<b>305,634</b>	<b>197,271</b>	<b>502,905</b>	<b>575,979</b>
<b>Operating Expenses</b>					
Advertising & Promotion	8,309	1,232	500	1,732	5,800
Supplies	2,711	366	250	616	1,500
Labor	24,402	-	-	-	-
Catering	-	144	150	294	1,000
Credit Report	1,683	840	843	1,683	1,683
Dues & Subscriptions	300	300	-	300	300
Employee Relations	281	-	200	200	675
Courier Service	8,400	5,030	3,370	8,400	8,400
Postage & Delivery	449	206	75	281	600
Parking	40	-	20	20	100
Professional Development	1,513	14,116	-	14,116	9,000
Miscellaneous	828	-	-	-	-
Software Agreement	11,300	-	11,300	11,300	11,300
Insurance	9,699	-	9,699	9,699	9,699
Professional Services	89,492	25,977	65,000	90,977	96,000
Travel	9,728	1,461	750	2,211	4,500
Communication	815	577	500	1,077	1,000
<b>Total Operating Expense</b>	<b>169,950</b>	<b>50,249</b>	<b>92,657</b>	<b>142,906</b>	<b>151,557</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>697,868</b>	<b>355,883</b>	<b>289,928</b>	<b>645,811</b>	<b>727,536</b>



## **2.2.1 Incubator Program**

---

### **Functional Statement**

The Incubator Program sets out to provide a facility where entrepreneurs can receive assistance and services they need to create sustainable businesses within the Territory. The program also promotes resource collaborations between our local government and other community-based organizations.

### **Operational Goal(s)**

To engage, support, and assist entrepreneurs to build sustainable businesses throughout the territory.

### **Fiscal Year 2016 Objectives**

- Increase the number of entrepreneurs in emerging and developing business sectors;
- Provide business support and technical assistance to young entrepreneurs and growing businesses with the start-up or expansion of their business;
- Assist startups in finding possible sources of financing;
- Maintain a working database of available community organizations that provide support services for entrepreneurs;
- Close out the UAVIEDA's Disaster Small-Midsize Enterprises Incubation Program grant; and
- Identify expat entrepreneurs to invest and mentor local entrepreneurs.

### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

- Closed-out the USVIEDA's Disaster Small-Midsize Enterprises Incubation Program;
- Expended entire \$1.2M USVIEDA's Disaster Small-Midsize Enterprises Incubation Program grant;
- Provided consultations to entrepreneurs on developing their business and/or expansion ideas;
- Three (3) Incubator Program participants received nominations for the St. Croix Chamber of Commerce Annual Award Gala, with two (2) participants winning in their respective area; and
- Participated in the Community Education Initiative for high school students relative to USVIEDA's programs and services.

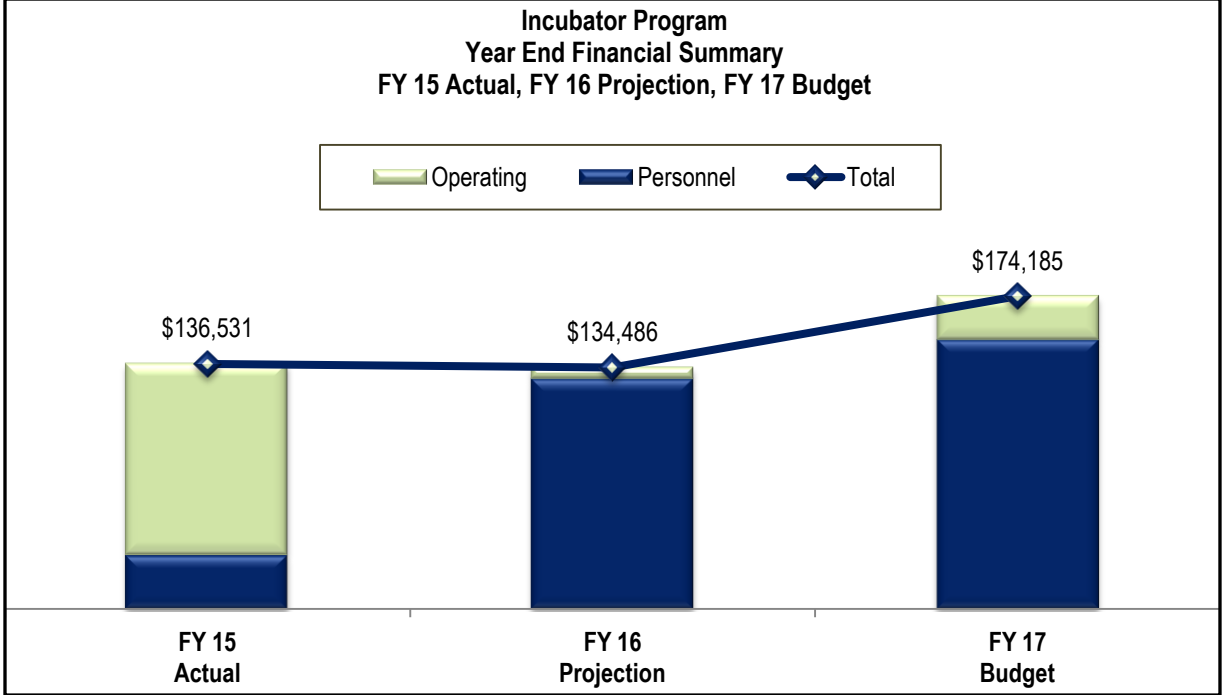
### **Fiscal Year 2017 Objectives**

- Host the Young CEO Camp;
- Work collaboratively with the Small Business Development Center to present entrepreneurial workshops and seminars;
- Create an Angel Investor Network as a means of providing investment capital for startups and established business seeking to expand; and
- Manage the USVIEDA's \$2M Disaster Loan Fund.

KEY PERFORMANCE INDICATORS (KPI)	Actual FY 15	Target FY16	Actual FY 2016 (as of 4/30/16)	Planned FY 17
No. of entrepreneurs assisted	40	25	11	30
No. of businesses in developing industries	-	2	1	5
No. of jobs created or retained	44	6	0	10

VI Economic Development Authority  
Incubator Program  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	FY15-Actual 10/1/14-9/30/15	FY16-Actual 10/1/15-4/30/16	FY16-Projected 5/1-9/30/16	Total Proj. Exp. 10/1/15-9/30/16	FY17-Budget 10/1/16-9/30/17
<b>Personnel Expenses</b>					
Salaries - Classified	10,394	16,872	16,077	32,949	38,000
Salaries - Unclassified	11,930	26,640	25,385	52,025	60,000
Fica	1,183	2,698	2,571	5,268	6,076
Medicare	279	631	601	1,232	1,421
Group Insurance	2,611	7,021	11,799	18,821	23,598
Retirement	3,640	8,920	8,500	17,420	20,090
<b>Total Personnel Expense</b>	<b>30,036</b>	<b>62,782</b>	<b>64,932</b>	<b>127,714</b>	<b>149,185</b>
<b>Operating Expenses</b>					
Advertising & Promotion	1,390	-	650	650	3,500
Supplies	476	-	200	200	1,500
Repairs	353	-	-	-	-
Professional Development	139	-	-	-	3,000
Incubator Grant Match	47,669	-	-	-	-
Meeting Space Rental	-	-	800	800	1,500
Professional Services	54,905	2,007	1,000	3,007	7,000
Travel	-	365	1,000	1,365	500
Communication	1,042	-	500	500	3,250
Utilities	521	-	250	250	4,750
<b>Total Operating Expense</b>	<b>106,495</b>	<b>2,372</b>	<b>4,400</b>	<b>6,772</b>	<b>25,000</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>136,531</b>	<b>65,154</b>	<b>69,332</b>	<b>134,486</b>	<b>174,185</b>



## **2.3 Enterprise Zone Commission**

---

### **Functional Statement**

The Enterprise Zone Commission (“EZC”) was created by the Legislature of the U.S. States Virgin Islands with the passage of Act No. 6294 and amended by Act No. 7589, which mandates the revitalization of designated blighted and severely distressed areas in the U.S. Virgin Islands that were once socially and economically vibrant communities. The EZC provides tax incentives and economic development benefits that relax or eliminate fiscal and regulatory constraints that hinder economic growth and encourages collaboration between public, private, and non-profit entities on the revitalization of affected communities.

### **Operational Goal(s)**

Promote growth through revitalization activities and public/private partnerships to revitalize and sustain community self-sufficiency and involvement.

### **Fiscal Year 2016 Objectives**

- Continue to utilize all existing funds and seek additional funds to implement programs of the EZC Strategic Plan and Zone Community Plans;
- Increase efficiency in services offered to our clients through streamlining document processes and staff training; and
- Evaluate and improve the effectiveness of existing programming.

### **Fiscal Year 2016 Accomplishments as of April 30, 2016**

- Provided leadership guidance in the approval of the Christiansted, Frederiksted, Garden Street, and Upstreet Town Plans;
- Activated the Community Town Plan Exemption Program;
- Approved four (4) applications representing \$1.275M in potential investments;
- Awarded a \$20K historic preservation grant for rehabilitation work in the Enterprise Zones;
- Conducted stakeholders meetings and beneficiary conferences to strengthen partnerships with the non-profit community, private sector, and government in meeting program mandates; and
- Offered improved service to clients by streamlining the documentation processes.

### **Fiscal Year 2017 Objectives**

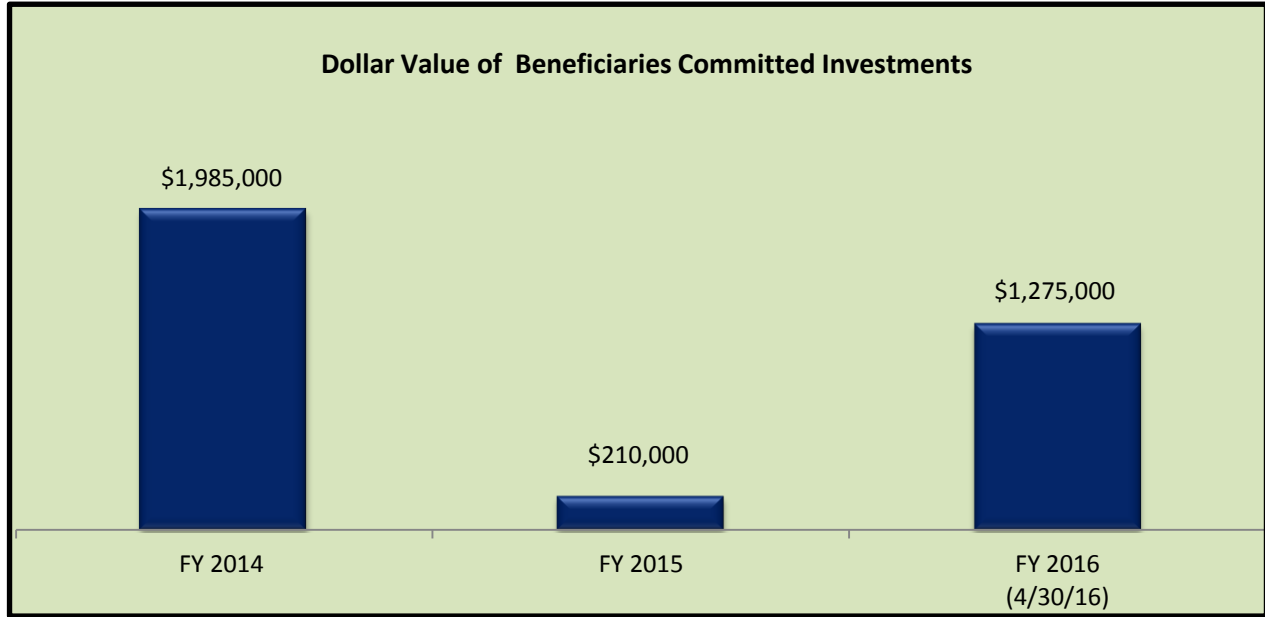
- Host an International Business Expo;
- Complete the goals of the EZC 5-Year Strategic Plan; and
- Implement core provisions of the EZC Section of the Community and Town Plans to include marketing, application analysis, and program compliance.

KEY PERFORMANCE INDICATORS (KPI)	Actual FY 15	Target FY16	Actual FY 2016 (as of 4/30/16)	Planned FY 17
No. of collaborative partners	24	30	25	27
No. of properties surveyed	950	975	-	800
No. of applications for rehabilitation/board up received	3	5	4	8



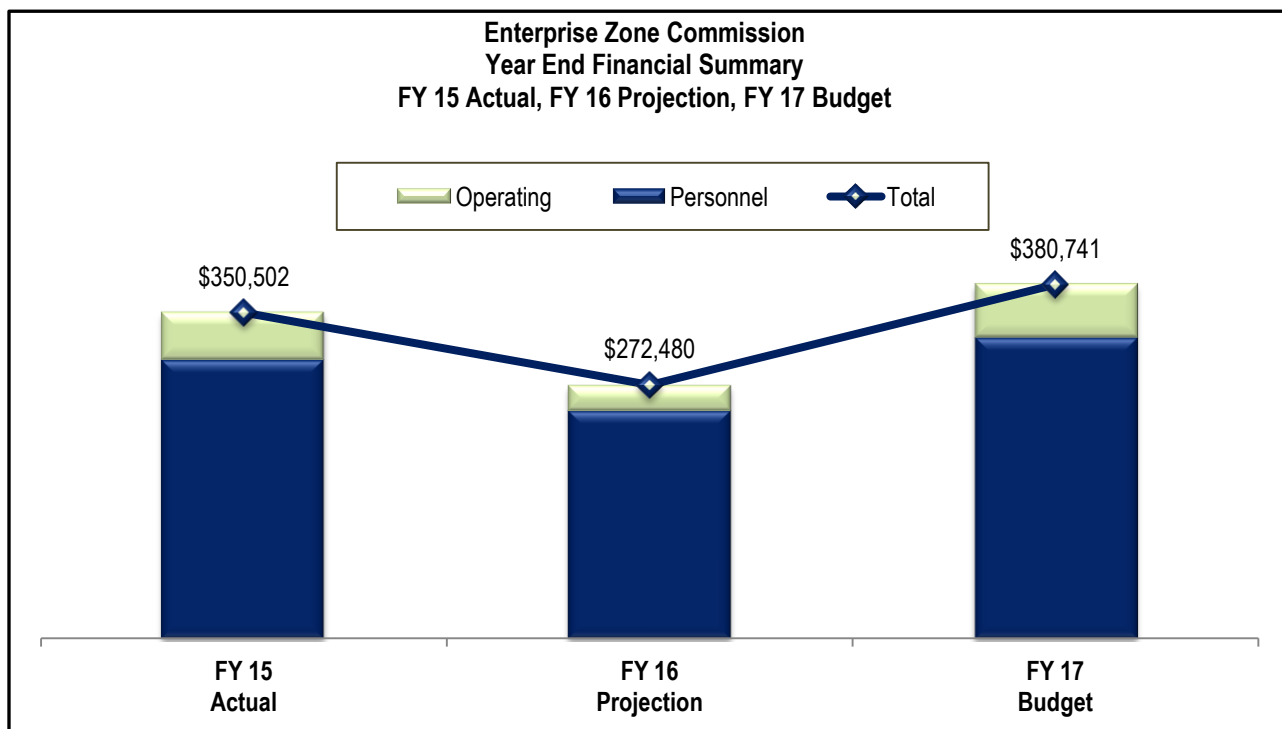
U.S. Virgin Island Economic Development Authority  
Enterprise Zone Commission (EZC)  
Statistical Data

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VI Economic Development Authority  
Enterprise Zone Commission  
Year End Financial Summary  
FY 15 Actual, FY 16 Projected, and FY 17 Budget

	<b>FY15-Actual</b> <b>10/1/14-9/30/15</b>	<b>FY16-Actual</b> <b>10/1/15-4/30/16</b>	<b>FY16-Projected</b> <b>5/1-9/30/16</b>	<b>Total Proj. Exp.</b> <b>10/1/15-9/30/16</b>	<b>FY17-Budget</b> <b>10/1/16-9/30/17</b>
<b>Personnel Expenses</b>					
Salaries - Classified	132,059	56,646	36,448	93,093	142,649
Salaries - Unclassified	91,816	49,154	40,846	90,000	90,000
Fica	12,937	6,560	4,792	11,352	14,424
Medicare	3,026	1,534	1,121	2,655	3,373
Group Insurance	19,566	8,526	7,782	16,309	29,626
Retirement	39,643	16,470	14,515	30,986	42,568
<b>Total Personnel Expense</b>	<b>299,047</b>	<b>138,890</b>	<b>105,504</b>	<b>244,394</b>	<b>322,641</b>
<b>Operating Expenses</b>					
Advertising & Promotion	11,087	1,044	1,500	2,544	7,000
Supplies	1,110	158	200	358	1,000
Labor	-	1,240	3,000	4,240	-
Catering Services	7,003	2,290	2,500	4,790	3,000
Employee Relations	-	-	-	-	500
Parking	20	2	10	12	-
Printing & Publication	-	280	600	880	1,500
Professional Development	220	-	-	-	4,500
Miscellaneous	369	35	-	35	25,000
Meeting Space Rental	675	-	-	-	2,100
Professional Services	26,049	5,330	3,500	8,830	10,000
Travel	4,513	4,467	1,500	5,967	3,000
Communication	411	215	215	430	500
<b>Total Operating Expense</b>	<b>51,456</b>	<b>15,061</b>	<b>13,025</b>	<b>28,086</b>	<b>58,100</b>
<b>Total Department Expense (Direct Cost Only)</b>	<b>350,502</b>	<b>153,951</b>	<b>118,529</b>	<b>272,480</b>	<b>380,741</b>



## 2.4 Economic Development Park Corporation

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### Functional Statement

The Economic Development Park Corporation (“EDPC”) is chartered as a public corporation to acquire and operate industrial parks in the U.S. Virgin Islands and to complement activities of the Economic Development Commission (“EDC”). The EDPC is self-supported by revenues generated from its tenants. The EDPC has two locations, one on St. Croix known as William D. Roebuck Industrial Park and the other on St. Thomas located in Estate Contant.

### Operational Goal(s)

Support economic development by offering available space for commercial use to both EDC and non-EDC prospective tenants; and to promote good relations with tenants.

### Fiscal Year 2016 Objectives

- Increase tenant occupancy by at least thirty percent (30%);
- Develop long and short term preventative maintenance programs;
- Improve tenant relationships to encourage retention and expansion of their services; and
- Reduce outstanding receivables by at least sixty percent (60%).

### Fiscal Year 2016 Accomplishments as of April 30, 2016

- Repaired the cistern and high roof in building one (1) at the William D. Roebuck Industrial Park;
- Installed electronic swing gates at the entrance of the William D. Roebuck Industrial Park;
- Developed and implemented a preventative maintenance schedule;
- Renewed a lease agreement with one (1) new tenant;
- Completed a lease agreement with one (1) new tenant; and
- Negotiating lease agreements with two (2) prospective tenants.

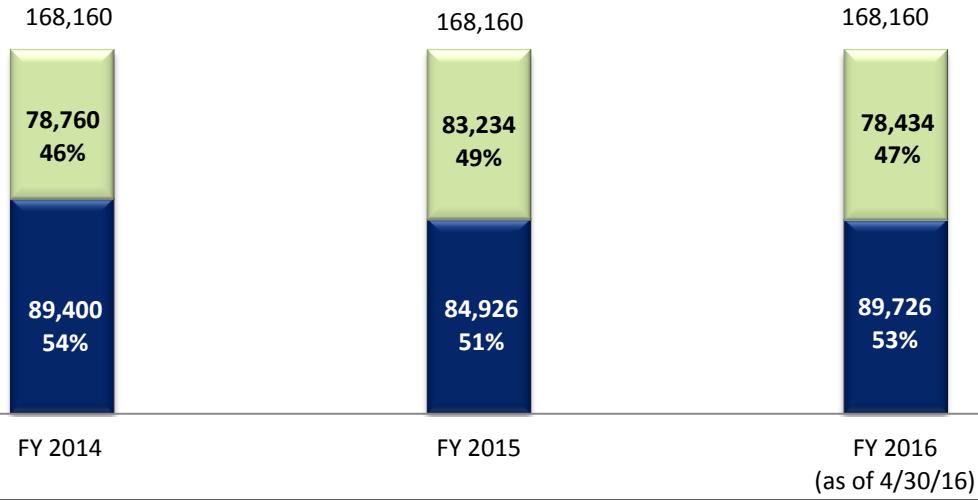
### Fiscal Year 2017 Objectives

- Develop and implement a 5-year capital project budget;
- Complete a micro grid investment audit of the William D. Roebuck Industrial Park;
- Lease 75% of rentable space; and
- Work with tenants in fostering good relations.

Key Performance Indicators (KPI)	Actual FY 15	Target FY 16	Actual FY 16 (as of 4/30/16)	Planned FY 17
No. of capital projects completed	1	5	3	6
Percentage of rentable space occupied	51%	75%	53%	75%

**Economic Development Park Corporation  
Occupancy / Vacancy Rate (Square Footage)  
St. Thomas & St. Croix**

■ Square Footage Vacant     ■ Square Footage Occupied

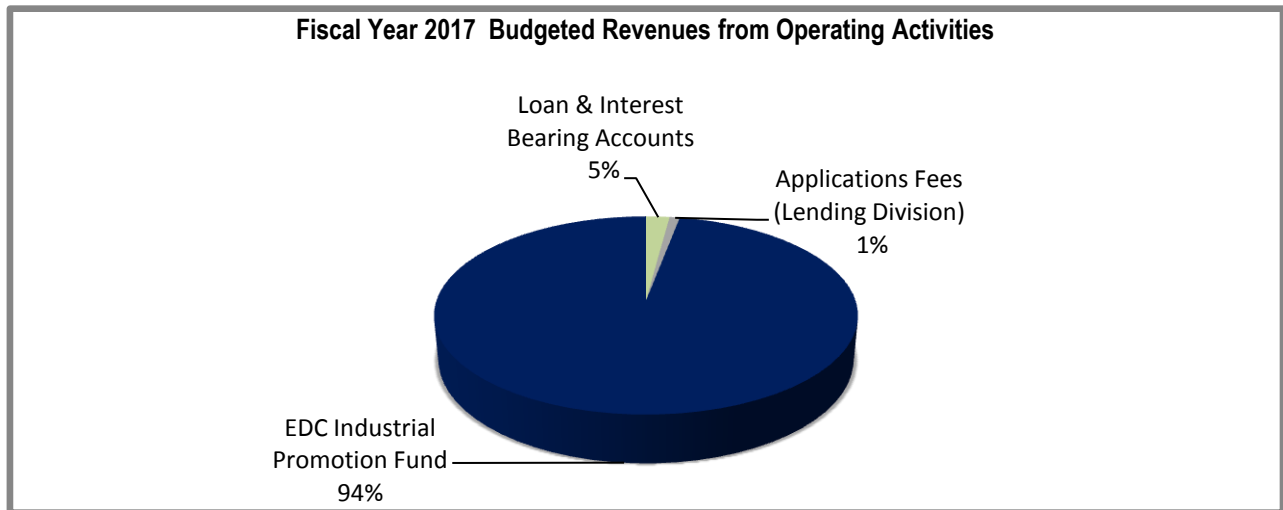


### 3.0 Financial Information

#### 3.1 Revenues

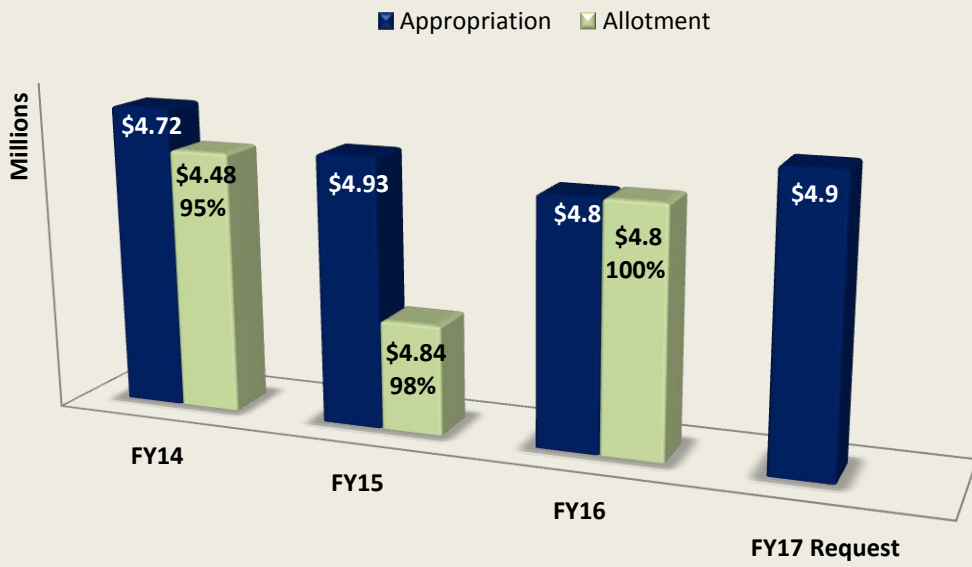
The USVIEDA’s revenue is derived from two (2) primary sources: government allotments and internally generated revenues.

Internally generated revenues include activation, application, and compliance fees received from EDC beneficiaries. These amounts are deposited into the EDC Industrial Promotion Fund. Annually, an amount is transferred from this fund to help support the EDC budget. Other internally generated revenues consist of non-restricted income that include income from interest bearing accounts and amounts collected in loan originating and loan application fees.



REVENUES	Actual FY15	Actual 10/1/15-4/30/16	Projected 5/1-9/30/16	Total Projected FY16	Budgeted FY17
Loan and Interest Bearing Accounts	\$ 15,605	\$ -	\$ 15,000	\$ 15,000	\$ 15,000
Loan Origination / Application Fees	3,866	6,210	3,000	9,210	6,500
Transfer : EDC Industrial Promotion Fund	505,000	505,000	0	505,000	703,515
Other Revenue	38,676	16,263	5,000	21,263	5,000
EDA Operating Reserve	153,624				
<b>Total EDA Revenues</b>	<b>\$ 716,770</b>	<b>\$ 527,473</b>	<b>\$ 23,000</b>	<b>\$ 550,473</b>	<b>\$ 730,015</b>
<b>Plus:</b>					
Government Allotment	\$ 4,667,520	\$ 3,540,023	\$ 1,259,977	\$ 4,800,000	\$ 4,998,515
<b>Total Budgeted Revenue</b>	<b>\$ 5,384,290</b>	<b>\$ 4,067,496</b>	<b>\$ 1,282,977</b>	<b>\$ 5,350,473</b>	<b>\$ 5,728,530</b>

**Appropriation and Allotment Comparisons  
Historical Data (FY 2010 - FY 2016)**

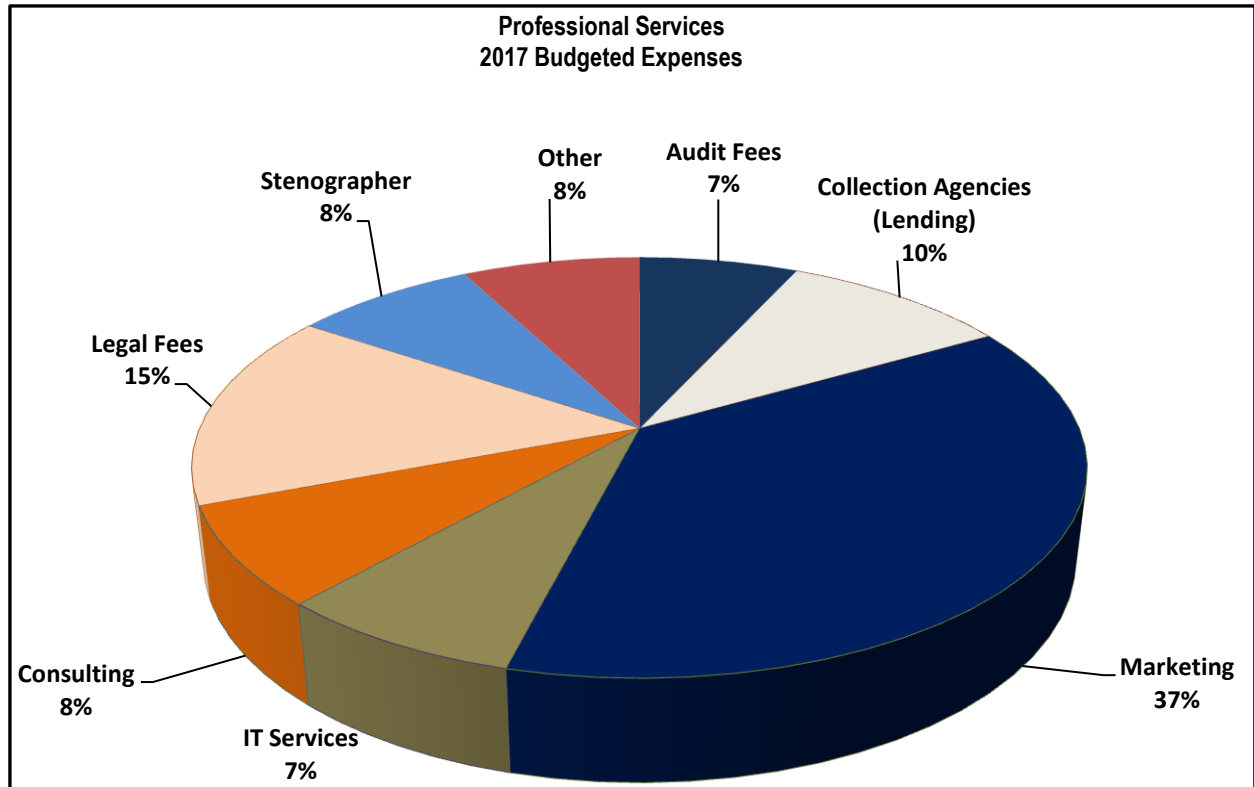


### 3.2 Expenditure Comparisons for FY15, FY16 Projected and FY17 Budgeted

LEGISLATURE OF THE VIRGIN ISLANDS  
POST AUDIT DIVISION  
EXPENDITURES BY PRIME ACCOUNTS

DEPARTMENT/AGENCY/OFFICE NAME: Fiscal Period	Actual	Actual Expenditures	Proj. Expenditures	Total Proj. Expenditures	PROJECTED
	2015	10/1/15-4/30/16	5/1-9/30/16	FY 2016	Budget 2017
<b>PERSONNEL SERVICES</b>					
CLASSIFIED EMPLOYEE SALARIES	1,305,492	768,293	632,535	1,400,828	1,508,589
UNCLASSIFIED EMPL. SALARIES	1,066,292	579,708	439,816	1,019,525	1,177,500
TEMP/PART TIME SALARIES					
OVERTIME SALARIES					
LUMP SUM PAYMENTS					
NIGHT DIFFERENTIAL COMP					
OTHER DIFFERENTIAL COMP					
FEES & COMPENSATION NOC					
HOLIDAY PAY					
ALL OTHER					
<b>SUB-TOTAL</b>	<b>2,371,783</b>	<b>1,348,001</b>	<b>1,072,351</b>	<b>2,420,353</b>	<b>2,686,089</b>
<b>CAPITAL OUTLAYS</b>					
MACHINERY & EQUIPMENT	47,783	97,575	5,000	102,575	25,000
VEHICLES					
ALL OTHER					
<b>SUB-TOTAL</b>	<b>47,783</b>	<b>97,575</b>	<b>5,000</b>	<b>102,575</b>	<b>25,000</b>
<b>FRINGE BENEFITS</b>					
EMPLOYER CONTR. RETIREMENT	404,690	226,560	190,200	416,760	499,111
F.I.C.A.	140,476	83,697	66,486	150,183	166,538
MEDICARE	33,790	19,546	15,549	35,095	38,948
HEALTH INSURANCE PREMIUM	238,379	138,704	152,036	290,741	357,741
WORKERS COMP. PREMIUMS					
UNIFORM ALLOWANCE					
ALL OTHER					
<b>SUB-TOTAL</b>	<b>817,335</b>	<b>468,507</b>	<b>424,271</b>	<b>892,778</b>	<b>1,062,338</b>
<b>SUPPLIES</b>					
OFFICE SUPPLIES	77,240	20,665	20,100	40,765	44,800
OPERATING SUPPLIES					
SMALL TOOLS/MINOR EQUIPMENT					
ALL OTHER					
<b>SUB-TOTAL</b>	<b>77,240</b>	<b>20,665</b>	<b>20,100</b>	<b>40,765</b>	<b>44,800</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
PROFESSIONAL SERVICES	735,469	265,867	369,958	635,825	645,623
COMMUNICATION	81,710	31,455	33,291	64,746	70,250
TRAVEL	86,558	28,503	41,950	70,453	69,050
TRANSPORTATION - NOT TRAVEL					
ADVERTISING AND PROMOTION	228,819	157,843	109,405	267,248	243,300
PRINTING AND BINDING	7,567	8,004	13,150	21,154	19,200
INSURANCE	52,133	4,258	55,699	59,957	55,699
REPAIRS AND MAINTENANCE	83,509	35,262	30,000	65,262	64,000
RENTAL- LAND/BUILDING	235,980	137,550	105,891	243,441	244,124
RENTAL - MACHINES/EQUIPMENT					
TRAINING	47,507	56,137	22,250	78,387	96,375
SECURITY					
ALL OTHER	402,056	135,440	166,681	302,121	311,355
<b>SUB-TOTAL</b>	<b>1,961,308</b>	<b>860,320</b>	<b>948,274</b>	<b>1,808,594</b>	<b>1,818,976</b>
<b>UTILITY SERVICES</b>					
ELECTRICITY	106,987	36,990	47,250	84,240	89,750
WATER	1,854	568	600	1,168	1,576
<b>SUB-TOTAL</b>	<b>108,841</b>	<b>37,558</b>	<b>47,850</b>	<b>85,408</b>	<b>91,326</b>
<b>TOTAL EXPENSES</b>	<b>5,384,290</b>	<b>2,832,626</b>	<b>2,517,847</b>	<b>5,350,473</b>	<b>5,728,530</b>
<b>Appropriation/Allotment</b>	<b>4,667,520</b>	<b>3,540,023</b>	<b>1,259,977</b>	<b>4,800,000</b>	<b>4,998,515</b>
<b>EDA Revenue</b>	<b>716,770</b>	<b>527,473</b>	<b>23,000</b>	<b>550,473</b>	<b>730,015</b>
<b>Total Projected (Actual) Revenues</b>	<b>5,384,290</b>	<b>4,067,496</b>	<b>1,282,977</b>	<b>5,350,473</b>	<b>5,728,530</b>

### 3.3 Professional Services Breakdown in Detail



Professional Services	FY 2015 Actual	FY 2016 Projected	FY 2017 Budgeted
Audit Fees	\$ 42,000	\$ 45,000	\$ 45,000
Collection Agencies (Lending)	65,418	63,000	65,000
Consulting	107,961	67,530	50,000
IT Services	54,485	50,000	50,000
Legal Fees	117,144	90,708	100,000
Marketing	209,633	242,000	207,023
Stenographer	42,093	45,000	52,000
Website Maintenance	25,710	20,050	26,100
Other	16,120	12,537	50,500
Incubator Grant Match	54,905	-	-
<b>Total</b>	<b>\$ 735,469</b>	<b>\$ 635,825</b>	<b>\$ 645,623</b>

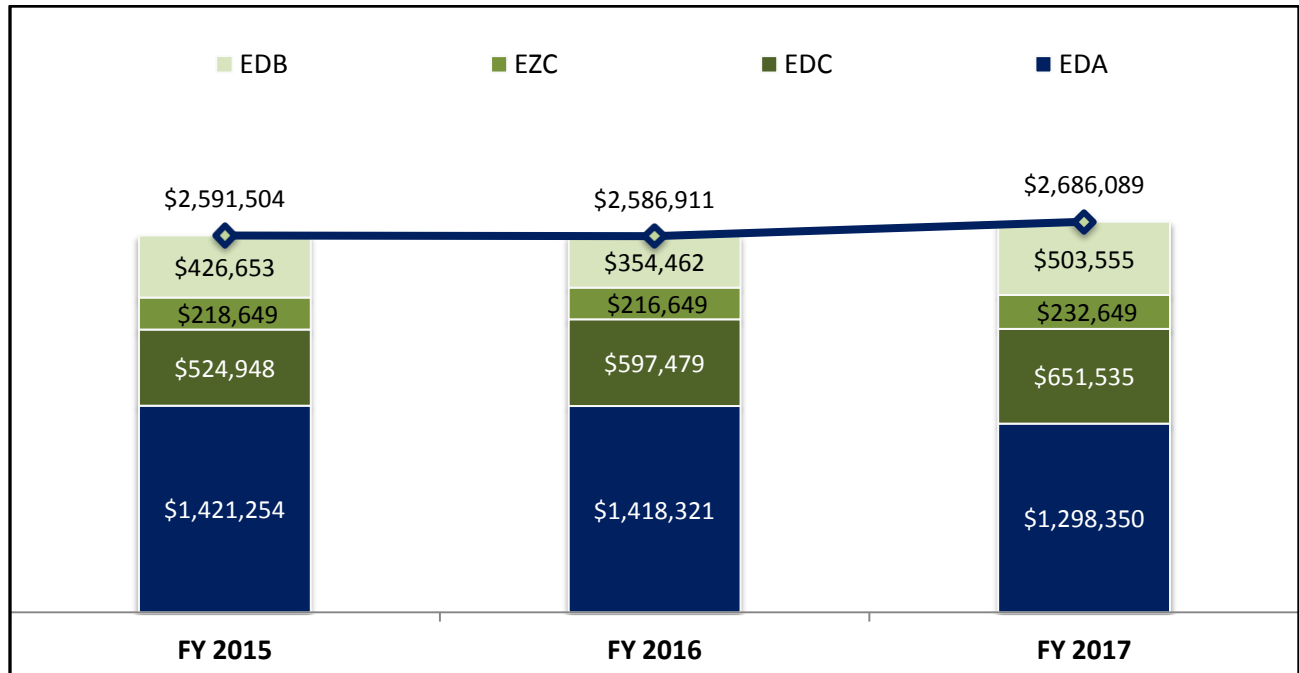


### 3.4 Personnel Service Cost Breakdown by Department and Classification

Personnel cost is the single largest component of the Authority’s operating budget, representing approximately sixty-five percent (65%) of the total operating expenses in the FY2017 budget.

FY 2017 Personnel Cost by Department						
Department	Positions (#)	Unclassified Amount	Positions (#)	Classified Amount	Total Positions (#)	Total Salary Amt
EDA	9	744,500	12	553,850	21	1,298,350
EDC	2	155,000	10.5	496,535	12.5	651,535
EZC	1	90,000	3.5	142,649	4.5	232,649
EDB	3	188,000	8	315,555	11	503,555
<b>Total</b>	<b>15</b>	<b>1,177,500</b>	<b>34</b>	<b>1,508,589</b>	<b>49</b>	<b>2,686,089</b>

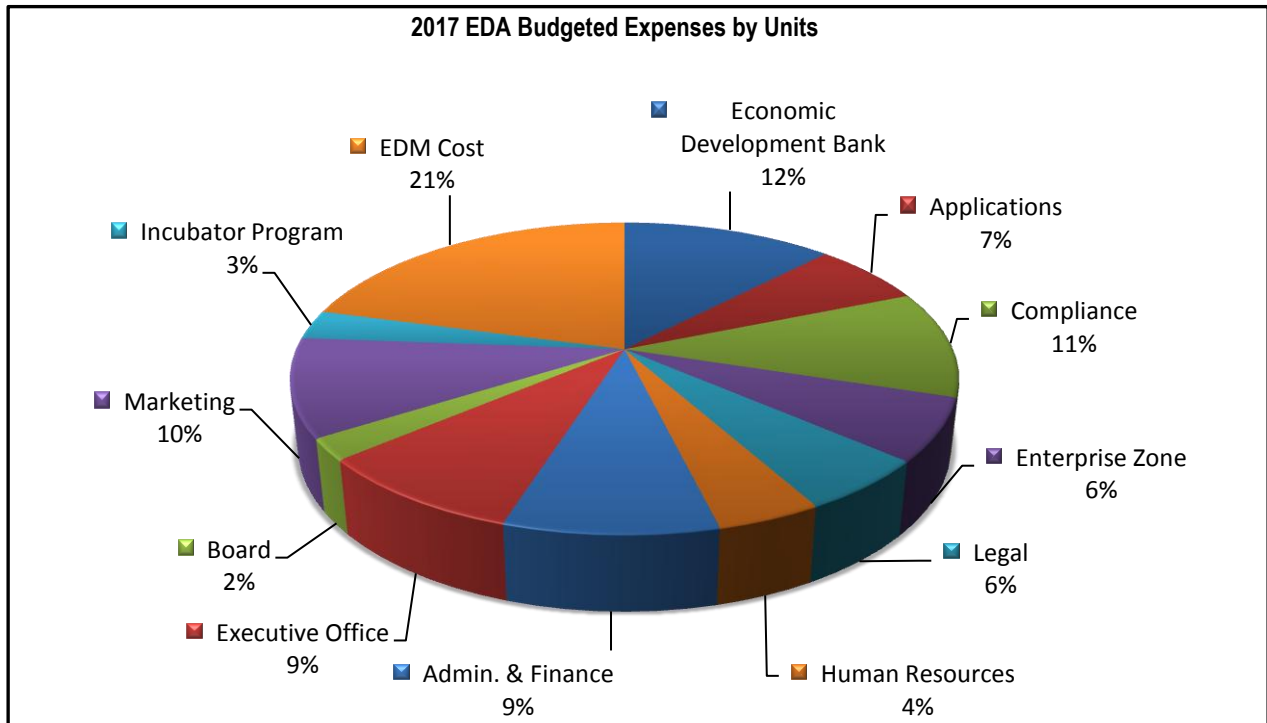
### Budget Comparison of Personnel Service Cost (FY 2015 – FY 2017)



### 3.5 Budget Summary

- ◆ FY 2017 budgeted revenue is \$5,728,530.
  - Internally generated revenue is \$730,015.
  - Recommended appropriation is \$4,998,515.
- ◆ FY 2017 budgeted expenses total \$5,728,530.

Division / Department	Personnel Costs	Operating Expense	Total
Economic Development Bank	\$ 575,979	\$ 151,557	\$ 727,536
EDC Applications Department	\$ 347,198	\$ 38,775	\$ 385,973
EDC Compliance Department	\$ 572,414	\$ 79,900	\$ 652,314
Enterprise Zone Commission	\$ 322,641	\$ 58,100	\$ 380,741
Legal Department	\$ 295,579	\$ 28,225	\$ 323,804
Human Resources	\$ 180,598	\$ 30,705	\$ 211,303
Administration & Finance	\$ 483,348	\$ 20,360	\$ 503,708
Executive Office	\$ 484,986	\$ 34,800	\$ 519,786
Board of Directors	\$ 73,046	\$ 73,107	\$ 146,153
Marketing Department	\$ 170,642	\$ 384,873	\$ 555,514
Incubator Program	\$ 149,185	\$ 25,000	\$ 174,185
EDM - Indirect Cost	\$ 92,814	\$ 1,054,700	\$ 1,147,514
<b>Total Fiscal Year 2016 Budgeted Expense</b>	<b>\$ 3,748,428</b>	<b>\$ 1,980,102</b>	<b>\$ 5,728,530</b>



#### 4. Other Supplemental Information

##### A. Vehicle Listing for USVIEDA

Presently, the USVIEDA has thirteen (13) vehicles. Ten (10) were purchased with USVIEDA funds and three (3) with Economic Development Park Corporation funds.

Year	Make	Model	Assigned Use	Fund Source	Island
2013	Chevrolet	Traverse	Executive - USVIEDA	USVIEDA Fund	St. Thomas/St. John District
2007	Toyota	Rav4	Executive - USVIEDA	USVIEDA Fund	St. Thomas/St. John District
2007	Toyota	Rav4	General	USVIEDA Fund	St. Thomas/St. John District
2002	Honda	CRV-LX	General	USVIEDA Fund	St. Thomas/St. John District
2015	Chevrolet	Colorado	General	USVIEDA Fund	St. Thomas/St. John District
2007	Toyota	Rav4	General	USVIEDA Fund	St. Croix District
2005	Chevrolet	Trail Blazer	General	EDPC Fund	St. Croix District
2005	Honda	CRV-LX	General	EDPC Fund	St. Croix District
2007	Toyota	Rav4	General	USVIEDA Fund	St. Croix District
2005	Chevrolet	Colorado	General	USVIEDA Fund	St. Croix District
2016	Chevrolet	Traverse	Executive - USVIEDA	USVIEDA Fund	St. Croix District
2015	Chevrolet	Equinox	Park Superintendent	USVIEDA Fund	St. Croix District
2016	Chevrolet	Colorado	General	EDPC Fund	St. Croix District

##### B. Listing of Real Property being rented or leased by the USVIEDA

Lessor	Address	Sq. Ft.	Annual Rent	Lease Terms	Use
B&W Realty Investments, Ltd.	Nisky Shopping Center Second Floor, Suite 620 St. Thomas	6,800	\$176,746	5 Years	Office Space
VI Economic Development Park Corp.	116 King Street Frederiksted, St. Croix	4,088	\$49,464	Month to Month	Office Space
Crown Holdings	18B-2 Lindberg Bay St. Thomas	2,000	\$17,914	5 Years	Storage Space

## Glossary of Selected Terms

**Budget:** An estimate of income and expenditure in the planning, monitoring, and evaluation of financial activities.

**Capital Outlay:** Expenditures made for the acquisition of assets that exceed \$500 in cost and has a service life of more than a year.

**Direct Cost:** A cost that can be identified or traced with relative ease and a high degree of accuracy to a particular Unit.

**Fringe Benefits:** The Various types of non-wage compensations such as retirement contributions, F.I.C.A., health insurance, and uniform allowance provided to employees.

**Insurance:** Cost to cover the risk of a contingency or uncertain loss and include personal injury, directors' and officers' liability and auto.

**Indirect Costs:** A cost incurred in common with other Units that cannot be traced to any one particular Unit.

**Key Performance Indicator (KPI):** A quantitative or qualitative factor that measures program results against planned outcomes.

**Personnel Service:** The gross salary amounts paid to full-time, part-time, and temporary employees.

**Professional Development:** Employer sponsored training to improve or enhance employees' job-related skills. Costs include airfare, hotel accommodation, and registration fees.

**Rent:** Compensation paid for the use of office or storage space.

**Repairs and Maintenance:** Costs incurred to maintain or upkeep buildings and equipment in good working conditions.

**Office Supplies:** All materials required by employees to perform their daily tasks. Examples include pens, paper and other stationery items.

**Travel:** Costs of airfare, ferry service, per diem, ground transportation, and hotel accommodations for employees travel between islands.

**Utilities:** This expense includes electricity, water, telephone, cell phones, and internet service costs.