VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
Together With Independent Auditor's Report

BSC
BERT SMITH & CO.
CERTIFIED PUBLIC ACCOUNTANTS
& MANAGEMENT CONSULTANTS

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SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Virgin Islands Economic Development Authority
St. Thomas, U.S. Virgin Islands

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the Virgin Islands Economic Development Authority (the "Authority"), a component unit of the Government of the United States Virgin Islands, which comprise the consolidated statement of net position as of and for the year ended September 30, 2024, and the related consolidated statement of revenues, expenses and changes in net position, and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise the Authority's basic consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the consolidated financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control—related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14, the schedule of the Authority's proportionate share of the net pension liability on page 33 and the Authority's schedule of contributions on page 34 be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and, although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the Authority's basic consolidated financial statements. The combining schedule of net position, the combining schedule of changes in revenues, expenses and changes in net position on pages 47 and 48, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) on page 40 is presented for the purpose of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic consolidated financial statements or to the basic consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining schedule of net position and the combining schedule of revenue, expense and changes in net position is fairly stated, in all material respects, in relation to the basic consolidated financial statements as a whole.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the consolidated financial statements present only the Virgin Island's Economic Development Authority's financial position and the changes in financial position and cash flows and do not purport to, and do not, present fairly the financial position of the Government of the U.S. Virgin Islands as of September 30, 2024, and changes in the financial position of the Government of the U.S. Virgin Islands for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Report on Summarized Comparative Information

We have previously audited the Authority's September 30, 2023, consolidated financial statements, and our report dated September 12, 2025, expressed an unqualified opinion thereon. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 10, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

Bert Smith &Co.

Washington, D.C.
August 10, 2026

INTRODUCTION

The Virgin Islands Economic Development Authority (the "Authority") is a semi-autonomous government instrumentality responsible for the promotion and enhancement of economic development in the U.S. Virgin Islands.

The Authority is the umbrella organization that 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 Authority operates under one Governing Board ("Board") in order to achieve maximum efficiency of operation to avoid 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 Authority is funded primarily by allotments through the Office of Management and Budget via the Department of Finance based on an approved budget authorized by the Legislature of the Virgin Islands.

As management of the Authority, we offer the readers of the Authority's consolidated financial statements this narrative overview and analysis of the Authority's financial activities of the Authority for the year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the Authority's consolidated financial statements. This overview and analysis are required by accounting principles generally accepted in the United States of America ("GAAP"), and the Governmental Accounting Standards Board ("GASB") Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Government.

OVERVIEW OF THE FINANCIAL STATEMENTS

The consolidated financial statements consist of four parts: management's discussion and analysis, the financial statements, notes to the financial statements, and supplementary schedules. The Authority is a component unit of the Government of the U.S. Virgin Islands and follows enterprise fund reporting. The consolidated financial statements, therefore, are presented in a manner similar to that of a private business, using the economic resources measurement focus and the accrual basis of accounting.

- ***The Consolidated Statement of Net Position:*** This statement includes all of the Authority's assets, deferred outflows of resources and deferred inflows of resources, and liabilities. It provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). The assets and liabilities are presented in order of liquidity. The resulting net position presented in these statements is displayed as restricted or unrestricted.

- ***The Consolidated Statement of Revenues, Expenses, and Changes in Net Position:*** All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the activities of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all of its costs through appropriations and the services it provided.

- ***The Consolidated Statement of Cash Flows:*** The primary purpose of this statement is to provide information about the Authority's net cash used in operating activities, capital and related financing activities, and provide information regarding the sources and uses of cash and the changes in the cash balance during the reporting period.

- ***Notes to the Financial Statements:*** The notes to the consolidated financial statements provide additional information that is essential to the full understanding of the data provided in the financial statements.

- ***Supplementary Information:*** The supplementary information represents the combining financial activities of the major fund groups.

2024 FINANCIAL HIGHLIGHTS

- Total assets and deferred outflows of resources were $74,348,027 at September 30, 2024, compared to $87,777,831 at September 30, 2023, a decrease of $13,429,804, or 15%.

- Total liabilities and deferred inflows of resources were $77,730,536, compared to $93,461,657 in the prior year, a decrease of $15,731,121, or 17%.

- The Authority's total net position improved by $2,301,317, moving from a deficit of $5,683,826 at September 30, 2023 to a deficit of $3,382,509 at September 30, 2024.

- Operating revenues totaled $4,526,720, compared to $6,988,814 in Fiscal Year 2023. Operating expenses totaled $9,793,143, compared to $8,319,467 in Fiscal Year 2023.

- Non-operating revenues totaled $7,908,913, an increase of $1,610,805, primarily due to higher government appropriations and interest income.

Condensed Consolidated Statements of Net Position as of September 30, 2024 and 2023

	2024	2023	Variance	% Variance
Assets				
Current Assets	$ 41,115,233	$ 25,465,701	$ 15,649,532	61%
Noncurrent Assets	29,867,105	57,687,215	(27,820,110)	-48%
Capital Assets, net	547,959	430,792	117,167	27%
Leased Assets	423,116	564,108	(140,992)	-25%
Total Assets	71,953,413	84,147,816	(12,194,403)	-14%
Deferred Outflows of Resources	2,394,614	3,630,015	(1,235,401)	-34%
Total Assets and Deferred Outflows of Resources	$ 74,348,027	$ 87,777,831	$ (13,429,804)	-15%
Liabilities				
Current Liabilities	$ 1,148,642	$ 1,731,983	$ (583,341)	-34%
Noncurrent Liabilities	68,369,882	81,451,205	(13,081,323)	-16%
Total Liabilities	69,518,524	83,183,188	(13,664,664)	-16%
Deferred Inflows of Resources - Leases	1,866,490	2,070,959	(204,469)	-10%
Deferred Inflows of Resources – Pension	6,345,522	8,207,510	(1,861,988)	-23%
Total Liabilities and Deferred Inflows of Resources	$ 77,730,536	$ 93,461,657	$ (15,731,121)	-17%
Net Position				
Net Investment in Capital Assets	$ 547,959	$ 430,792	$ 117,167	27%
Restricted	12,608,892	16,983,646	(4,374,754)	-26%
Unrestricted	(16,539,360)	(23,098,264)	6,558,904	28%
Total Net Position	$ (3,382,509)	$ (5,683,826)	$ 2,301,317	40%

CURRENT ASSETS

Current assets support the Authority's near-term operations and include cash and cash equivalents, investments, receivables, prepaid and other assets.

As of September 30, 2024, current assets increased by $15,649,532, or 61%, rising from $25,465,701 in Fiscal Year 2023 to $41,115,233 in Fiscal Year 2024. The increase was primarily driven by growth in current investments, which increased by $20,016,225, or 2,090%, from $957,562 to $20,973,787. This reflects management's strategy to move available resources from traditional cash holdings into higher-yield investment accounts and treasury-type instruments while preserving sufficient resources for operational and programmatic needs.

In contrast, cash and cash equivalents decreased by $3,273,794, or 16%, from $20,265,842 in Fiscal Year 2023 to $16,992,048 in Fiscal Year 2024. The decrease was primarily attributable to the planned use of resources for strategic and economic development initiatives during the fiscal year, including the South Shore Shipyard Feasibility Study and the development of a global marketing and branding campaign aligned with the Authority's broader Vision 2040 strategic plan, a long-term economic development framework guiding the Territory's growth priorities through 2040. The feasibility study evaluated opportunities to develop a shipyard facility within the South Shore Trade Zone as a means of generating revenue, spurring supporting business activity, and expanding economic growth in the Territory. The campaign focused on promoting the South Shore Trade Zone, enhancing investment attraction efforts, engaging new investment leads, and increasing visibility within the Vision 2040 targeted industries. The decrease also reflects reimbursable grant disbursements under the Authority's Technical Assistance Program (TAP) and State Trade Expansion Program (STEP), where program costs are incurred before reimbursement is received. Available funds were also transferred into current investments to improve earnings.

Net receivables decreased by $962,033, or 47%, from $2,050,713 in Fiscal Year 2023 to $1,088,680 in Fiscal Year 2024. The decrease was primarily due to collections received during the fiscal year and the write-off of a non-performing loan guarantee in the State Small Business Credit Initiative Program (SSBCI) portfolio. This reduction was partially offset by new receivables from newly onboarded Economic Development Commission (EDC) beneficiaries and increased Economic Development Park Corporation (EDPC) activity, including full-year tenant occupancy and CPI-based rent adjustments under existing lease agreements. Prepaid and other assets increased by $39,005, or 44%, from $87,998 to $127,003, primarily due to the timing of prepaid expenses and other short-term assets. Lease receivables decreased by $169,871, or 8%, from $2,103,586 to $1,933,715, reflecting normal lease amortization and scheduled lease revenue recognition under GASB Statement No. 87. Overall, the Authority's current asset position reflects active cash and investment management, strategic use of resources, and continued support for operations and program delivery.

NONCURRENT ASSETS

Non-current assets primarily consist of restricted resources associated with federally funded gap financing, lending, and economic development programs. As of September 30, 2024, non-current assets totaled $29,867,105, compared to $57,687,215 as of September 30, 2023, representing a decrease of $27,820,110, or 48%. The decrease was primarily attributable to restricted cash and cash equivalents, which declined by $35,092,934, or 72%, from $48,494,511 in Fiscal Year 2023 to $13,401,577 in Fiscal Year 2024. The reduction was largely driven by activity within the VI Slice Moderate-Income Homeownership Program and the State Small Business Credit Initiative (SSBCI) Program.

Under the VI Slice Program, restricted funds were utilized to provide gap financing assistance to eligible moderate-income, first-time homebuyers by providing up to $200,000 per household to support home purchase, rehabilitation, or construction. Assistance issued through the program is initially recorded as a loan receivable and remains outstanding until applicable occupancy and forgiveness requirements are satisfied. Under the program terms, the no-interest second mortgage converts to a grant after 10 (ten) years if the borrower maintains the home as their primary residence. As a result, program activity reduced restricted cash balances while increasing restricted loan receivables. Restricted cash was further reduced by the return of a significant portion of VI Slice funds to the Office of Management and Budget at OMB's request for reprogramming.

SSBCI activity also contributed to the decrease in restricted cash and cash equivalents, as funds were utilized to support approved loan guarantee activities and certain program balances were transferred into investment instruments to optimize returns while maintaining compliance with applicable program restrictions and investment guidelines. The SSBCI program, funded through the U.S. Department of the

Treasury, provides the Territory with up to $57.8 million over a ten-year period to expand small business access to capital through loan guarantees, collateral support, loan participation, and performance bond assistance administered by VIEDA's Economic Development Bank (EDB). Restricted investments increased by $5,621,008, or 103%, from $5,467,622 in Fiscal Year 2023 to $11,088,630 in Fiscal Year 2024. This increase reflects management's continued strategy to allocate available restricted resources into investment and treasury-type instruments to maximize returns within permitted investment parameters. Certain investment balances were also reclassified between current and non-current categories based on maturity dates and liquidity considerations.

Restricted loan receivables, net, increased by $1,651,816, or 44%, from $3,725,082 to $5,376,898. The increase was primarily driven by additional VI Slice gap financing assistance issued during the fiscal year, as well as new lending activity extended through the EDB. Since the program's launch in January 2023, VI Slice has assisted more than 35 Virgin Islands families in achieving homeownership, reflecting strong and sustained demand across the Territory. These balances will remain recorded as receivables until repayment or satisfaction of applicable program forgiveness requirements.

Overall, the change in non-current assets reflects the utilization, return, investment, and reclassification of restricted resources consistent with program requirements, funding directives, and management's strategy to enhance earnings while continuing to advance the Authority's economic development mission.

CURRENT LIABILITIES

Current liabilities decreased by $583,341, or 34%, from $1,731,983 at September 30, 2023, to $1,148,642 at September 30, 2024. The reduction in current liabilities, combined with growth in current assets, strengthened the Authority's short-term liquidity position during Fiscal Year 2024.

The decrease was primarily attributable to a reduction in accounts payable of $635,366, or 54%, from $1,180,640 to $545,274. The decline reflects the Authority's settlement of outstanding vendor and contractual obligations prior to fiscal year-end. The timing of the annual Board-approved transfer from the EDC Industrial Promotion Fund to support the Economic Development Commission (EDC) program operations also contributed to the reduction in outstanding liabilities at year-end.

Accrued expenses decreased by $27,876, or 16%, from $169,907 to $142,031, primarily due to fewer payroll-related liabilities outstanding at fiscal year-end. Interest payable declined by $3,809, or 17%, from $22,054 to $18,245, reflecting lower accrued interest obligations as of September 30, 2024.

These decreases were partially offset by an increase of $85,015, or 41%, in the current portion of compensated absences, which rose from $205,206 to $290,221. The increase reflects higher annual leave balances accrued by employees during the fiscal year that had not been utilized as of September 30, 2024. The current portion of lease liabilities remained relatively stable, decreasing slightly by $1,574, from $127,236 to $125,662. While current liabilities remain manageable, the Authority's long-term obligations, particularly its pension liability and unearned program revenues, represent more significant components of its overall liability structure, as discussed below.

NONCURRENT LIABILITIES

A substantial portion of non-current liabilities represents deferred program resources tied to restricted grant and economic development activities rather than traditional debt obligations.

Non-current liabilities totaled $68,369,882 at September 30, 2024, compared to $81,451,205 at September 30, 2023, representing a decrease of $13,081,323, or 16%. Unearned revenue remained the largest component of non-current liabilities at $47,492,026, a decrease of $11,838,662, or 20%, from $59,330,688 in the prior year. This balance represents funds received for programmatic purposes that had not yet been recognized as revenue at fiscal year-end. The decrease reflects the return of a portion of VI Slice Moderate-Income Homeownership Program funds to the Office of Management and Budget at OMB's request for reprogramming, as well as revenue recognized for eligible program expenditures during the fiscal year. These expenditures are primarily related to VI Slice gap financing assistance, South Shore Trade Zone and marketing initiatives, and SSBCI program activity. The reduction in unearned revenue was partially offset by new funding received for the Historic Preservation Subgrant Program, administered through the Virgin Islands State Historic Preservation Office (VISHPO) within the Department of Planning and Natural Resources (DPNR). The program supports the repair, restoration, and preservation of hurricane-damaged historic properties throughout the Territory.

The net pension liability decreased by $1,103,790, or 5%, from $20,864,475 to $19,760,685, reflecting updated actuarial assumptions and revised proportionate share calculations required in accordance with GASB Statement No. 68. This obligation represents the Authority's proportionate share of the Government Employees' Retirement System (GERS) net pension liability and, at $19,760,685, remains the second largest component of non-current liabilities, representing approximately 29% of the total. Management continues to monitor this obligation closely, as changes in actuarial assumptions, investment returns, and plan demographics can cause material fluctuations in the reported liability from year-to-year.

Non-current lease liabilities decreased by $121,853, from $450,624 to $328,771, reflecting the scheduled amortization of lease obligations recorded under GASB Statement No. 87. Long-term compensated absences increased by $10,256, or 5%, from $222,599 to $232,855, reflecting a higher balance of accumulated employee leave carried over at fiscal year-end that is not expected to be utilized or paid within the next twelve months.

Other non-current liabilities, including security deposits, relief revolving funds, and loan payable balances, remained relatively consistent with the prior year. Taken together, the reduction in both current and non-current liabilities contributed to the improvement in the Authority's overall net position.

NET POSITION

Net position represents the residual interest in the Authority's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources and is reported in three components: net investment in capital assets, restricted net position, and unrestricted net position.

At September 30, 2024, the Authority reported a total net position deficit of $3,382,509, compared to $5,683,826 at September 30, 2023, an improvement of $2,301,317, or 40%, during the fiscal year.

Net investment in capital assets increased by $117,167, or 27%, from $430,792 to $547,959, primarily reflecting capital additions during the fiscal year, including vehicles, furniture and equipment associated with the Nisky office build-out, and information technology enhancements, partially offset by depreciation.

Restricted net position decreased by $4,374,754, or 26%, from $16,983,646 to $12,608,892, primarily reflecting restricted resources used, invested, or reclassified during the fiscal year in accordance with applicable funding agreements and program requirements. These resources remain restricted and are not available for general operations.

Unrestricted net position improved by $6,558,904, from a deficit of $23,098,264 to a deficit of $16,539,360, reflecting the combined effect of appropriations, investment income, program revenue recognition, and liability reductions during the fiscal year.

The Authority's unrestricted net position continues to be affected by two key factors. First, the net pension liability is a long-term actuarial obligation reported in the financial statements under GASB Statement No. 68; however, it is important to highlight that it is not paid from the Authority's day-to-day operating budget. Second, a significant portion of the Authority's funding is received through government appropriations and restricted grants, which generally cannot be recognized as revenue until the funds are spent for approved program purposes. As a result, the Authority continues to report a deficit in unrestricted net position, even though its overall financial position improved by $2,301,317, or 40%, during Fiscal Year 2024. Management will continue pursuing investment income optimization, revenue diversification, and cost management to reduce the deficit over time.

Condensed Consolidated Statements of Revenues, Expenses, and Changes in Net Position for the Years Ended September 30, 2024 and 2023

	2024	2023	Variance	% Variance
Operating Revenues	$ 4,526,720	$ 6,988,814	$(2,462,094)	-35%
Operating Expenses	(9,793,143)	(8,319,467)	(1,473,676)	18%
Operating Loss before Depreciation	(5,266,423)	(1,330,653)	(3,935,770)	296%
Depreciation	(189,248)	(229,178)	39,930	17%
Gain or (Loss) on Lease	(10,933)	-	(10,933)	100%
Right-of-Use Amortization	(140,992)	(116,161)	(24,831)	21%
Operating Loss	(5,607,596)	(1,675,992)	(3,931,604)	235%
Net Non-operating Revenues	7,908,913	6,298,108	1,610,805	26%
Changes in Net Position	2,301,317	4,622,116	(2,320,799)	-50%
Net Position, Beginning of Year	(5,683,826)	(10,305,942)	4,622,116	45%
Net Position, End of Year	$(3,382,509)	$(5,683,826)	$ 2,301,317	40%

OPERATING REVENUES

Operating revenues primarily consist of federal grant activity, program application and processing fees, rental income, lending-related revenue, and other economic development program revenues.

Operating revenues decreased by $2,462,094, or 35%, from $6,988,814 in Fiscal Year 2023 to $4,526,720 in Fiscal Year 2024. This decrease was primarily attributable to a $3,053,162, or 60%, reduction in federal grant revenue, which declined from $5,131,133 to $2,077,971. The decline reflects the conclusion of the Small Business Innovative Grant Program in the prior fiscal year and the absence of related funding activity in Fiscal Year 2024. Despite the decline in federal grant revenue, the Authority continued to administer multiple federally funded programs during Fiscal Year 2024, including the VI Slice Moderate Income Homeownership Program, hurricane repair initiatives at the Virgin Islands Industrial Park, the State Trade Expansion Program (STEP), the Technical Assistance Program (TAP), and the State Small Business Credit Initiative (SSBCI) 2.0. These programs supported estate planning, homeownership assistance, infrastructure improvements, business technical assistance, export promotion, and small business financing initiatives throughout the Territory.

Partially offsetting the decline in grant revenue, application and processing fees increased by $210,150, or 30%, from $699,950 to $910,100. The increase was primarily driven by approved applicants activating their EDC tax benefit certificates and completing the onboarding process as new Economic Development Commission (EDC) beneficiaries. The increase also reflects new EDC beneficiary applications and continued demand for programs such as the Hotel Development Act (HDA) and STARS Programs.

Interest income from loans increased by $233,831, or 137%, from $170,183 to $404,014, reflecting improved borrower payment performance, increased lending activity, and continued collection efforts within the Authority's lending portfolio. Lease revenue increased by $27,748, or 4%, from $755,295 to $783,043, primarily due to sustained tenant occupancy at the William D. Roebuck Industrial Park, including full year occupancy by certain tenants and CPI based rent adjustments under existing lease agreements.

Fees and Fines assessed for noncompliance under the EDC program increased by $51,358, reflecting enhanced compliance monitoring, reporting reviews, and enforcement activity during the fiscal year.

Other operating income declined by $35,909, or 21%, from $171,957 to $136,048, primarily due to lower bad debt recovery payments, partially offset by increased common area maintenance charges associated with EDPC operations. Lease interest income increased by $58,579, to $118,875, reflecting interest recognized in accordance with GASB Statement No. 87 on lease receivables recorded at the present value of future lease payments.

OPERATING EXPENSES

Operating expenses increased by $1,473,676, or 18%, from $8,319,467 in Fiscal Year 2023 to $9,793,143 in Fiscal Year 2024.

The increase was primarily driven by personnel costs, which increased by $2,478,982, or 405%, from $612,458 to $3,091,440. This change was largely attributable to noncash pension accounting adjustments required under GASB Statements No. 68. Staffing levels, salaries, and employee benefits remained relatively consistent year over year; therefore, the increase reflects retirement and post-employment benefit accounting adjustments rather than operational payroll growth.

Professional services increased by $579,879, or 68%, from $858,363 to $1,438,242. The increase was mainly driven by consulting and strategic planning support associated with the Authority's economic development initiatives, including the global marketing strategy and the South Shore Trade Zone Shipyard Feasibility Study. These efforts were intended to strengthen the Territory's competitive position, support investment attraction initiatives, and evaluate future opportunities related to trade, logistics, commercial expansion, and industrial development on St. Croix.

Uncollectible receivables increased by $871,298 due to an allowance recorded for a nonperforming loan guarantee within the SSBCI portfolio. The increase primarily reflects a specific credit-related adjustment within the SSBCI portfolio. Gain or loss on lease increased by $10,933 due to a lease termination.

Travel expenses increased by $50,846, or 82%, from $61,663 to $112,509, reflecting increased programmatic, operational, and business development-related travel during the fiscal year, including economic development outreach and strategic partnership activities. General and administrative expenses increased by $42,783, or 4%, from $1,095,733 to $1,138,516, reflecting routine administrative, technology, facility, and operational support costs necessary to support ongoing program and organizational activities.

Partially offsetting these increases, federal grant expenditures decreased by $3,053,162, or 60%, from $5,131,133 to $2,077,971. The decrease was mainly due to the conclusion of the Small Business Innovative Grant Program, which represented a significant portion of grant-related expenditures during the prior fiscal year. During Fiscal Year 2024, grant expenditures continued under other federally funded initiatives, including VI Slice operating activity, FEMA-funded hurricane-related roof reconstruction projects at the Virgin Islands Industrial Park on St. Thomas, State Trade Expansion Program (STEP) and Technical Assistance Program (TAP) activities, and State Small Business Credit Initiative (SSBCI) 2.0 program operations.

Occupancy costs decreased by $31,727, or 17%, from $185,320 to $153,593, primarily due to lower facility-related and operational occupancy costs during the fiscal year. Advertising and promotional expenses decreased slightly by $4,278, or 1%, from $335,547 to $331,269, reflecting relatively consistent marketing and outreach activity compared to the prior fiscal year.

NON-OPERATING REVENUES AND EXPENSES

Non-operating revenues consist primarily of government appropriations, investment income, and other revenues not directly generated from the Authority's core operating activities. Government appropriations are reported as non-operating revenues due to their legislative authorization and designation for specific public and programmatic purposes. These resources remain critical to the Authority's financial stability and its ability to deliver economic development programs throughout the Territory.

In Fiscal Year 2024, total non-operating revenues increased by $1,610,805, or 26%, from $6,298,108 in Fiscal Year 2023 to $7,908,913 in Fiscal Year 2024. This was primarily driven by government appropriations, which increased by $1,157,681, from $6,014,709 to $7,172,390. The increase in government appropriations reflects the timing of revenue recognition as eligible expenditures were incurred and applicable program requirements were satisfied during the fiscal year. Fiscal Year 2024 activity included appropriations associated with the Farmers and Fishermen Revolving Program, strategic marketing initiatives, and South Shore Trade Zone activities, partially offset by a slight decrease in direct cost appropriations.

Interest income increased by $519,213, from $58,531 in Fiscal Year 2023 to $577,744 in Fiscal Year 2024. The increase reflects management's strategy to improve returns on available funds through treasury-type instruments and other interest-bearing investment accounts while maintaining appropriate liquidity and compliance with applicable investment requirements.

Other income decreased by $68,474, from $226,788 in Fiscal Year 2023 to $158,314 in Fiscal Year 2024. The decrease was primarily due to administrative fee revenue recognized in the prior fiscal year for administering the Innovation Grant Program, which did not recur in Fiscal Year 2024. This decrease was partially offset by increased activity associated with the SSBCI Loan Fund, STEP-related program activity, and Historic Preservation Enterprise Zone Commission (EZC) initiatives recognized during Fiscal Year 2024.

Interest expense and finance charges remained minimal due to the Authority's limited long-term borrowing activity. The operating deficiency before depreciation and amortization was $5,266,423. After depreciation and right-of-use asset amortization, the operating loss totaled $5,607,596. The $7,908,913 in non-operating revenues more than offset this operating loss, resulting in a positive change in net position of $2,301,317 for Fiscal Year 2024. This result demonstrates the important role of appropriations and investment income in supporting the Authority's overall financial sustainability.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, increased by $117,167, or 27%, from $430,792 at September 30, 2023, to $547,959 at September 30, 2024. The increase was primarily attributable to capital additions during the fiscal year, including vehicles to support Authority operations, furniture and equipment associated with the Nisky office build-out, and enhancements to information technology infrastructure.

These additions support operational efficiency, technology modernization, and ongoing program activity, and were partially offset by depreciation recognized during the fiscal year.

Right-of-use assets, net, decreased by $140,992, or 25%, from $564,108 at September 30, 2023, to $423,116 at September 30, 2024. The decrease was primarily due to current-year amortization of lease assets recognized under GASB Statement No. 87.

Capital Assets at Year-end
Net of Accumulated Depreciation

	2024	2023
Building & Building Improvements	$ 9,509,937	$ 9,509,937
Leasehold Improvements	867,890	867,890
Equipment	1,653,827	1,580,873
Furniture & Fixtures	604,834	513,973
Vehicles	611,745	469,145
Leasehold Equipment	20,584	20,585
Total Costs	13,268,817	12,962,403
Less: Accumulated Depreciation	(12,720,858)	(12,531,611)
Net Capital Assets	$ 547,959	$ 430,792

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

CONSOLIDATED STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2024
(With Comparative Totals for 2023)

	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and Cash Equivalents	$ 16,992,048	$ 20,265,842
Investments	20,973,787	957,562
Other Receivables, net	1,088,680	2,050,713
Prepaid and Other Assets	127,003	87,998
Lease Receivables	1,933,715	2,103,586
Total Current Assets	41,115,233	25,465,701
Noncurrent Restricted Assets:		
Restricted Cash and Cash Equivalents	13,401,577	48,494,511
Restricted Investments	11,088,630	5,467,622
Restricted Loans Receivable, net	5,376,898	3,725,082
Total Noncurrent Restricted Assets	29,867,105	57,687,215
Capital Assets, net	547,959	430,792
Right-of-Use Asset, net	423,116	564,108
Total Assets	71,953,413	84,147,816
Deferred Outflows of Resources	2,394,614	3,630,015
Total Assets and Deferred Outflows of Resources	$ 74,348,027	$ 87,777,831
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts Payable	$ 545,274	$ 1,180,640
Accrued Expenses	142,031	169,907
Compensated Absences	290,221	205,206
Interest Payable	18,245	22,054
Loan Payable – Current	27,209	26,940
Lease Liability – Current	125,662	127,236
Total Current Liabilities	1,148,642	1,731,983
Noncurrent Liabilities:		
Compensated Absences	232,855	222,599
Security Deposits	74,487	74,487
Unearned Revenue	47,492,026	59,330,688
Relief Revolving Funds	400,000	400,000
Loan Payable – Noncurrent	81,058	108,332
Net Pension Liability	19,760,685	20,864,475
Lease Liability – Noncurrent	328,771	450,624
Total Noncurrent Liabilities	68,369,882	81,451,205
Total Liabilities	69,518,524	83,183,188
Deferred Inflows of Resources – Leases	1,866,490	2,070,959
Deferred Inflows of Resources – Pension	6,345,522	8,207,510
Total Liabilities and Deferred Inflows of Resources	$ 77,730,536	$ 93,461,657
NET POSITION		
Net Position:		
Net Investment in Capital Assets	$ 547,959	$ 430,792
Restricted Net Position	12,608,892	16,983,646
Unrestricted Net Position	(16,539,360)	(23,098,264)
Total Net Position	$ (3,382,509)	$ (5,683,826)

The accompanying notes are an integral part of these consolidated financial statements.

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Totals for 2023)

	2024	2023
Operating Revenues:		
Application and Processing Fees	$ 910,100	$ 699,950
Lease Revenue	783,043	755,295
Interest Income from Loans	404,014	170,183
Grant Revenue – Federal	2,077,971	5,131,133
Grant Revenue – Non-Federal	45,311	-
Fees and Fines	51,358	-
Other Operating Revenue	136,048	171,957
Lease Interest Income	118,875	60,296
Total Operating Revenues	4,526,720	6,988,814
Operating Expenses:		
Personnel Costs	3,091,440	612,458
General and Administrative	1,138,516	1,095,733
Occupancy	153,593	185,320
Advertising	331,269	335,547
Professional Services	1,438,242	858,363
Travel	112,509	61,663
Grant Expenditures – Federal	2,077,971	5,131,133
Grant Expenditures – Non-Federal	530,878	-
Lease Interest Expense	47,427	39,250
Uncollectible Receivables	871,298	-
Total Operating Expenses	9,793,143	8,319,467
Operating Loss Before Depreciation	(5,266,423)	(1,330,653)
Depreciation	(189,248)	(229,178)
Loss on Lease	(10,933)	-
Right-of-Use Amortization	(140,992)	(116,161)
Operating Loss	(5,607,596)	(1,675,992)
Nonoperating Revenues (Expenses):		
Government Appropriations	7,172,390	6,014,709
Interest Income	577,744	58,531
Other Income	158,314	226,788
Interest Expenses and Finance Charges	465	(1,920)
Total Nonoperating Revenues	7,908,913	6,298,108
Changes in Net Position	2,301,317	4,622,116
Net Position, Beginning of the Year	(5,683,826)	(10,305,942)
Net Position, End of Year	$ (3,382,509)	$ (5,683,826)

The accompanying notes are an integral part of these consolidated financial statements.

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Totals for 2023)

	2024	2023
Cash Flows from Operating Activities		
Cash Received from Application and Processing Fees	$ 943,530	$ 587,246
Cash Received from Tenants	839,232	817,133
Cash Received from Fees and Fines & Other Operating Income	1,752,580	366,007
Cash Received from Grant – Federal and Non-Federal	2,123,282	5,131,133
Cash Paid for Program Expenditure	(2,608,849)	(5,131,133)
Cash Paid for Goods and Services	(4,132,081)	(3,655,381)
Cash Paid to Employees for Services	(4,726,546)	(2,609,228)
Net Cash Provided by (Used in) Operating Activities	(5,808,852)	(4,494,223)
Cash Flows from Noncapital Financing Activities		
Cash Received from Primary Government	7,172,390	6,014,709
Unearned Revenue	(11,838,662)	40,501,032
Other Receipts	100,005	224,871
Net Cash (Used in) Provided by Noncapital Financing Activities	(4,566,267)	46,740,612
Cash Flows from Capital and Related Financing Activities		
Net Principal Payments	(27,005)	(26,545)
Acquisition of Property and Equipment	(306,415)	(31,530)
Principal Portion of Lease Payments	(75,586)	(103,430)
Net Cash Used in Capital and Related Financing Activities	(409,006)	(161,505)
Cash Flows from Investing Activities		
Loans Issued/Collections Restricted Loan Receivable (Net)	(2,523,114)	(726,767)
Purchases of Investment Securities	(25,637,233)	(23,083)
Interest and Dividends on Investments	577,744	58,529
Net Cash Used in Investing Activities	(27,582,603)	(691,321)
Net (Decrease) Increase in Cash and Cash Equivalents	(38,366,728)	41,393,563
Cash and Cash Equivalents, Beginning of Year	68,760,353	27,366,790
Cash and Cash Equivalents, End of Year	$ 30,393,625	$ 68,760,353
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating Loss	$ (5,607,596)	$ (1,675,992)
Adjustments to Reconcile Operating Loss to Net Cash used in Operating Activities		
Depreciation	189,248	229,178
Loss on Lease	10,933	-
Amortization	140,992	116,161
Provision for Doubtful Accounts	871,298	-
Changes in Assets and Liabilities:		
(Increase) Decrease in Assets:		
Accounts Receivable	962,033	(263,860)
Prepaid Expenses	(39,005)	46,107
Lease Receivable	169,871	176,565
Deferred Outflows of Resources – Pensions	1,235,401	1,730,280
(Decrease) Increase in Liabilities:		
Accounts Payable and Accrued Expenses	(663,242)	645,813
Compensated Absences	95,271	(71,061)
Net Pension Liability	(1,103,790)	(7,732,916)
Deferred Inflows of Resources – Pension	(1,861,988)	4,076,927
Deferred Inflows of Resources – Leases	(204,469)	(1,780,489)
Security Deposit	-	5,362
Interest Payable	(3,809)	3,702
	$ (5,808,852)	$ (4,494,223)

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- ***Governance:*** The Virgin Islands Economic Development Authority (the "Authority"), was created on December 21, 2000, as an umbrella authority to assume, integrate and unify the functions of the Government Development Bank, the Economic Development Commission, the Economic Development Park Corporation (formerly known as the Industrial Development Park Corporation) and the Small Business Development Agency under an executive board, which consists of seven members appointed by the Governor. The Authority is a public corporation and a semi-autonomous instrumentality of the Government of the Virgin Islands and operates under the provisions of Act of 6390, approved by the Twenty-third Legislature of the United States Virgin Islands. The general purposes and functions of the Authority were previously carried out by the Government Development Bank for the United States Virgin Islands which was created originally in 1978 by Act No. 902 and subsequently amended in 1995 and 1996.

  The mission of the Authority is to accelerate the economic development of the Virgin Islands by providing financial and technical assistance to industrial and commercial enterprises to create and save jobs in the community. In this regard, the Authority is authorized, among other things, to make loans to eligible small business enterprises.

  The Authority is a component unit of the Government of the Virgin Islands and as such, its financial statements are included in the Comprehensive Annual Financial Statements of the Central Government.

- ***Economic Dependency:*** The Authority's sustainability depends primarily on appropriations from the Government of the Virgin Islands. In addition, it earns income from application fees, processing fees, compliance fees, and rental income from its Economic Development Park facilities. During fiscal year ended September 30, 2024, the Authority received appropriations totaling $7,172,390 from the Government of the Virgin Islands, which approximates 91% of its nonoperating revenue.

- ***Basis of Presentation:*** Net Position – Generally accepted accounting principles for state and local governments require that resources be classified for accounting and reporting purposes into the following three net position categories:

  - Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and cost of construction or improvement of those assets.
  - Restricted Net Position – Net position subject to externally imposed stipulations.
  - Unrestricted Net Position – Net position that is not subject to imposed stipulations. Unrestricted net position may be designed for specific purposes by the action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

  The Authority first considers restricted amounts to having been spent when an expenditure is incurred for purposes for which both restricted and unrestricted net position is available.

  The Authority's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board. The Authority uses the economic resources measurement focus and follows the accrual basis of accounting whereby revenue is recorded when earned and expenses are recorded when incurred.

The Authority distinguishes between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing business operations. Operating expenses include costs and losses resulting from services, administrative expenses, and depreciation expense. All other revenues and expenses are reported as nonoperating revenues and expenses. Nonoperating revenues consist of government appropriations, interest generated from restricted and unrestricted investments in short-term investment instruments, other income, and lease interest income. Nonoperating expenses consist of interest expense and finance charges.

- ***Separate Funds:*** The accounts of the Authority are organized on the basis of funds, each of which is considered to be a separate accounting entity. All transactions are recorded in a separate set of self-balancing accounts, which include assets, liabilities, fund net assets, revenues and expenses.

  During fiscal year ended September 30, 2024, the Authority maintained eleven (11) accounting divisions and ten (10) major funds which constitute major transactions of the Authority.

  The following is a summary of these funds:

  - **Government Development Bank Fund (GDB)** accounts for the locally funded Micro Loan Program. This fund accounts for interest income from the operating account and certificates of deposits, local government appropriations, and administrative costs. The Authority's administration and processing of loan applications on behalf of the Virgin Islands Department of Agriculture and the Virgin Islands Energy Office also occur within this fund. Those transactions have, however, been excluded from the Authority's financial statements.

  - **Economic Development Commission Fund (EDC)** accounts for application, activation and annual compliance fees. Local government appropriations are also accounted for in this account together with related administrative costs.

  - **Small Business Development Agency (SBDA)** accounts for the Federal Economic Development Administration Loan Funds from the U.S. Department of Agriculture, Farmers and Fishermen Local Loans, Frederiksted Revolving Loan Fund and the SBDA Direct Loan Fund. Appropriations from the central government and administrative costs are also accounted for under this fund. The SBDA legislation does not allow interest earned from its loan portfolio to be used for administrative purposes. The interest income is restricted and is used for issuing new loans.

  - **Economic Development Park Corporation (EDPC)** accounts for the activities conducted by the EDPC. The EDPC was established in March 1984 to acquire, operate, and improve industrial parks in order to provide suitable sites for the location of industries to the Virgin Islands. The EDPC accounts for rental and investment income, and administrative costs associated with its operation. The EDPC does not receive any appropriations from the local government.

  - **Intermediary Relending Program (IRP)** accounts for loans that are funded by the United States Department of Agriculture Rural Development Program. The interest income earned from these loans is applied to the program's administrative costs.

  - **Enterprise Zone Commission (EZC)** accounts for funds committed to the task of offering incentives to businesses that invest in severely economically depressed designated areas of St. Thomas and St. Croix. As a result, employment opportunities are provided to residents of the areas so designated. This program also includes activities related to the State Trade and Export Promotion Grant Program (STEP). The STEP program is funded by a federal grant from U.S. Small Business Administration. The program objectives are to increase the number of small businesses that are exporting, and to increase the value of exports for those small businesses.

- **Economic Development Authority (Authority)** accounts for loans that are funded through U.S. Department of Agriculture.

- **Tax Increment Financing (TIF)** this fund allows projects to be financed by pledging the increases in tax revenues that can be reasonably anticipated to be collected by the government once the financed project or activity is completed.

- **Economic Development Management (EDM)** this account was established to record all administrative costs associated with the day-to-day operations of the Authority.

- **State Small Business Credit Initiative (SSBCI)** this fund was established by the Small Business Jobs Act of 2010 by the Federal Government to Collateral Support Program, the Credit Guarantee Program, and the Payment, Surety and Performance Bond Program.

- **Disaster Small-Midsized Enterprises Incubator Program –** The Authority was awarded a Federal grant in the amount of $1,000,000 that is matched with $200,000 of local funding for the establishment of an incubator program on the island of St. Croix. The program promotes resource collaborations between the local government and other community-based institutions to create an avenue to spark economic viability and sustainability.

• ***Cash and Cash Equivalents:*** Cash flows, cash and cash equivalents are defined as cash on hand, demand deposits, certificate of deposits with financial institutions and all highly liquid investments available for current use with an initial maturity of three months or less.

• ***Revenue Recognition:*** The Authority incurs expenditures on various grants and contracts from the Federal government. The Authority is reimbursed for qualifying and allowable expenditures incurred, consistent with the terms of the grants. Revenue is recognized in the year in which the revenue is charged. The Authority's revenue consists of application fees, fees and fines and revenue from leases.

• ***Unearned Revenue:*** The Authority's unearned revenue is reported as a long-term liability and represents obligations for federal and other grant funds for which we have received cash in advance of providing services. The Authority satisfies performance obligations as services are rendered.

• ***Deferred Outflows/Inflows of Resources:*** In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of the net position that applies to future period (s) and is not recognized as an outflow of resources (expense/expenditure) until the future date occurs.

  In addition to assets, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period (s) and will not be recognized as an inflow of resources (revenue) until that time.

• ***Investments:*** Investments in marketable securities or other short-term investments of cash with readily determinable fair values are reported at their fair values in the Authority's statement of net position.

• ***Restricted Cash and Cash Equivalents:*** This consists of cash and cash equivalents to be used for specific purposes as specified by legislation or by a grant agreement.

- ***Accounts Receivables:*** Accounts Receivables are reported net of estimated allowances for uncollectible amounts. The Authority provides for uncollectible amounts when a specific need for an allowance is indicated. Provision for uncollectible amounts charged to operating expenses is the amount necessary to report the net amount at its estimated realizable value. In determining the adequacy of the allowance, management considers the composition of the various factors including economic factors, historical loss experience, and value and sufficiency of collateral in the current level of the allowance.

- ***Capital Assets:*** The Authority capitalizes all capital assets that have a unit cost of more than $500. The property and equipment is capitalized and depreciated using the straight-line method over the assets estimated useful lives. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extends the life of the assets are not capitalized.

  Depreciation has been provided using the straight-line method. The estimated economic lives of the Authority's property and equipment varied as follows:

Equipment and Furniture and Fixtures	3-5 Years
Vehicles	5 Years
Buildings and Leasehold Improvements	5-27 Years

- ***Leases:*** GASB Statement No. 87, *Leases*, defines a lease as a legally binding contract that conveys control of the right-to-use another entity's nonfinancial asset (underlying asset) as specified in the contract for a period of time. This contractual arrangement requires the lessee (the party who is renting or leasing the asset) to pay the lessor (the party who owns or controls the asset) for use of the asset over a specified period of time. The Authority engages in contractual arrangements both as a lessee and lessor.

  Lessee
  As a lessee, the Authority recognizes a lease liability and an intangible right-to-use asset. The lease liability is measured at the present value of future payments expected to be paid during the lease term. Lease liabilities are subsequently reduced by the principal portion of lease payments made. The lease asset is measured as the initial lease liability. The right-to-use leased asset is amortized over the shorter of the lease term of the useful life of the underlying asset. The Authority utilizes the interest rate that is implicitly defined within the lease agreement as the discount rate. If one is not readily determinable, the Authority utilizes the incremental borrowing rate as an alternative. The Authority monitors changes in circumstances that would require remeasurement of its lease liability and will remeasure the lease liability and the right-to-use asset if certain changes occur that are expected to significantly affect the amount of the lease liability.

  Lessor
  As a lessor, the Authority recognizes a lease receivable and deferred inflows of resources. The lease receivable is measured at lease commencement, based on the present value of future lease payments expected to be collected during the lease term. Lease receivables are subsequently reduced by the principal portion of lease payments received. The deferred inflows of resources are measured at the initial amount of the lease receivable. Deferred inflows of resources are recognized as revenue over the life of the lease term. The Authority utilizes the interest rate that is implicitly defined within the lease agreement as the discount rate. If one is not readily determinable, the Authority utilizes the incremental borrowing rate as an alternative. The Authority monitors changes in circumstances that would require remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

- ***Compensated Absences:*** The Authority has recognized the liability for annual leave, which is payable to employees upon separation. Sick leave balances are not paid out upon termination, however liability for the balances exists in the event an employee transfers to another government agency; such liability is recognized at the time of the transfer. The liability for both amounts is calculated based on the Authority's salary rates in effect at the statement of net position date.

- ***Use of Estimates:*** The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

- ***Comparative Information:*** The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail or reclassifications to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended September 30, 2023 from which the summarized information was derived.

- ***Reclassifications:*** Certain prior year amounts may have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

NOTE 2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at September 30, 2024:

	Unrestricted	**Restricted**	**Total**
Cash and Cash Equivalents	$16,992,048	$13,401,577	$30,393,625

Custodial credit risk is the risk that in the event of bank failure the Authority's deposits may not be returned to it. Cash consists of cash on hand held by depository institutions and trustees in the Authority's name. During the fiscal year, including the final date of the period, September 30, 2024, accounts at each financial institution were insured by the Federal Deposit Insurance Corporation up to $250,000. Cash in excess of this limit are $28,238,109 and are fully collateralized.

Restricted Cash and Cash Equivalents: The restricted cash and cash equivalents at September 30, 2024 consisted of the following:

Micro Credit Loan Program	$ 1,910,486
Farmers and Fishermen Loan Fund	189,060
Frederiksted Revolving Loan Fund	97,192
Performance Bonding Loan Fund	2,391,994
Intermediary Relending Loan Fund	126,877
SBDA Revolving Loan Fund	571,246
SBDA Administration Loan Fund I	170,998
SBDA Administration Loan Fund II	264,895
SSBCI Grant	6,958,536
VI Slice Moderate - Income Homeownership Program	720,293
	$13,401,577

The restrictions above relate to revolving loan funds established through legislation to offer direct assistance to various industries and businesses and to aid in the creation of economic opportunities within the United States Virgin Islands.

NOTE 3 INVESTMENTS

The Authority categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Governmental Accounting Standards Board Statement No. 72 Fair Value Measurement and Application requires the fair value measurement in accordance with the three input levels. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- **Level 1 –** observable market inputs that are unadjusted quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2 –** inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly (for example, quoted prices for similar assets or liabilities in active markets).
- **Level 3 –** inputs to the valuation methodology are unobservable and significant to the fair value measurement (including the Authority's own assumptions in determining the fair value of Investments).

At September 30, 2024, the Authority's investments consisted of money market funds and certificate of deposits.

Investments	Fair Value Total	Level 1	Level 2
Certificates of Deposits	$13,808,114	$13,808,114	$ -
Money Market Funds	18,254,303	-	18,254,303
	$32,062,417	$13,808,114	$18,254,303

NOTE 4 RESTRICTED NET POSITION FOR LOAN PROGRAMS AND OTHER FUNDS

The restricted net position at September 30, 2024, consists of the following:

Micro Credit Loan Program	$ 1,170,711
Farmers and Fishermen Loan Fund	210,136
Frederiksted Revolving Loan Fund	97,192
Performance Bonding Loan Fund	4,025,040
Intermediary Relending Loan Fund	18,610
SBDA Revolving Loan Fund	1,011,135
SBDA Administration Loan Fund I	207,131
SBDA Administration Loan Fund II	538,028
SSBCI Grant	2,719,484
VI Slice Moderate - Income Homeownership Program	2,611,425
	$12,608,892

NOTE 5 LOANS RECEIVABLE

Restricted Loans receivable as of September 30, 2024 was as follows:

Loan Principal	$ 5,847,750
Less Allowance for Doubtful Accounts	(470,852)
Net Loans Receivable	$ 5,376,898

The loans bear interest rates ranging from 4% to 12%. The majority of the allowance for doubtful accounts is attributed to Small Business Development Agency and Government Development Bank loans which were assumed by the Authority at its inception.

NOTE 6 OTHER RECEIVABLES

The other receivables balance as of September 30, 2024:

	Other Receivables	Allowance	Other Receivables, net
SSBCI Receivable	$ 5,625	$ -	$ 5,625
Interest Receivable	2,543	-	2,543
GDB Receivable	61,638	(45,604)	16,034
EDC Fees & Charges	425,860	(70,730)	355,130
Rent Receivable	349,876	-	349,876
Grant Receivable-Board Up & Scrape and Paint Program	40	-	40
Tax Increment Financing Fund	30,015	(30,015)	-
Economic Development Management	386,838	(31,611)	355,227
Receivable - Slice	4,415	-	4,415
Receivable - Taxi-Tour Bus	(210)	-	(210)
Total	$ 1,266,640	$ (177,960)	$ 1,088,680

Provision for uncollectible accounts was $177,960 in fiscal year 2024.

NOTE 7 CAPITAL ASSETS

Capital assets are composed of the following at September 30, 2024:

	Beginning Balance	Additions	Retirement	Ending Balance
Capital Assets				
Building and Building Improvements	$ 9,509,937	$ -	$ -	$ 9,509,937
Leasehold Improvements	867,890	-	-	867,890
Equipment	1,580,873	72,954	-	1,653,827
Furniture and Fixtures	513,973	90,861	-	604,834
Vehicles	469,145	142,600	-	611,745
Leasehold Equipment	20,584	-	-	20,585
Total Capital Assets	12,962,402	306,415	-	13,268,817
Accumulated Depreciation				
Building and Building Improvements	(9,296,912)	(72,665)	-	(9,369,577)
Leasehold Improvements	(809,110)	(8,222)	-	(817,332)
Equipment	(1,421,886)	(82,458)	-	(1,504,344)
Furniture and Fixtures	(513,972)	(4,543)	-	(518,515)
Vehicles	(469,145)	(21,360)	-	(490,505)
Leasehold Equipment	(20,585)	-	-	(20,585)
Total Accumulated Depreciation	(12,531,610)	(189,248)	-	(12,720,858)
Capital Assets, net	$ 430,792	$ 117,167	$ -	$ 547,959

Depreciation expense for the year ended September 30, 2024 totaled $189,248.

NOTE 8 LOANS PAYABLE

The Authority entered into an Intermediary Relending Program loan agreement (IRP) with the United States Department of Agriculture Rural Business Cooperative Services on April 21, 1998. This agreement requires the repayment of the approved loan principal of $670,530 to begin after three (3) years in twenty-seven (27) equal annual installments. An interest rate of 1% accrues on the outstanding balance. As of September 30, 2024, the outstanding loan balance was $108,267.

As of September 30, 2024, the outstanding loan balance is comprised of the following:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Loan Payable	$ 135,272	$ -	$ 27,005	$ 108,267	$ 27,209

Future minimum payments to the U.S. Department of Agriculture are as follows:

2025	$ 27,209
2026	27,482
2027	27,756
2028	25,820
Total	$ 108,267

NOTE 9 COMPENSATED ABSENCES

Compensated absences balance as of September 30, 2024 was $523,076 of which $290,221 is due within a year.

NOTE 10 LEASES

The Authority, as lessor, leases commercial properties it owns through the Economic Park Development Corporation. The terms of the leases vary from one to five years, with monthly payments dependent on the amount of square footage occupied and the location of the property.

The leases require monthly payments for varying terms. The Authority recognized $783,043 and $118,875 in lease revenue and interest income, respectively, during the fiscal year ended September 30, 2024. As of September 30, 2024, lease receivables totaled $1,933,715 and deferred inflows of resources totaled $1,866,490.

Lease Liability

The Authority entered into contractual arrangements as a lessee for an office building. The Authority leases office space, under a five-year lease term for office and common area spaces with increases in rent on the 2nd and 4th anniversaries equal to the percentage of the cost-of-living increase for the preceding year, based upon the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor Bureau of Labor Statistics. Lease expense for the year ending September 30, 2024 was $140,992. As of September 30, 2024, the statement of net position includes the following amounts related to leases:

Leased Assets:	
Building	$650,948
Less Accumulated Amortization	(227,832)
Leased Assets, Net of Amortization	$423,116
Lease Liability:	
Current	$125,662
Non-Current	328,771
Total Lease Liability	$454,433

The aggregate future lease payments below summarize the remaining future undiscounted cash flows for operating leases as of September 30, 2024, and a reconciliation to operating lease liabilities reported on the statement of financial position:

Date	Principal	Interest	Total
September 30, 2025	$ 125,662	$ 33,473	$ 159,135
September 30, 2026	136,769	22,366	159,135
September 30, 2027	148,858	10,277	159,135
September 30, 2028	43,144	557	43,701
	$ 454,433	$ 66,673	$ 521,106

NOTE 11 UNEARNED REVENUE

The $47,492,026 unearned revenue reflected in the financial statements includes unexpended funds for various programs. Included in unearned revenue is $939,405 which represents advance funds received from VIPFA in fiscal year 2009. The unearned revenue will be reduced as additional loans are made in the future. Additional funds of $8,143 represent unexpended funds for the EZC STEP grant program and $509,075 relates to the energy efficient program which EDA administers on behalf of the Virgin Islands energy office.

Also included in unearned revenue is $12,920,121 which was not expended as of September 30, 2024, from the grant funds received in fiscal year 2012 from the United States Department of Treasury for the State Small Business Credit Initiative, $2,000,000 in increased funding from the Government of the Virgin Islands for the construction of a state of the art, certified, clean kitchen facility on St. Croix and $2,306,341 which represents amounts not expended for grants. The Authority also has unearned amounts of $10,336,198 for the VI Slice Moderate-Income Homeownership Program—a Territory-wide initiative that helps eligible residents achieve homeownership. This grant is funded through the Office of Management and Budget under the American Rescue Plan Act (ARPA) and $18,472,743 for the State Small Business Credit Initiative (SSBCI) 2.0 Program. This multi-year grant, issued by the U.S. Department of the Treasury, is designed to expand access to capital for small businesses throughout the Territory.

NOTE 12 FEDERAL GRANT EXPENDITURES

Federal grant expenditures for the year ended September 30, 2024, totaled $2,077,971. The Authority received federal funding from the Federal Emergency Management Agency (FEMA) for the restoration of buildings damaged by Hurricanes Maria and Irma in 2017. These grants are administered by the Virgin Islands Office of Disaster Recovery (VIODR) and the Virgin Islands Territorial Emergency Management Agency (VITEMA) on behalf of the Authority. The Authority receives and records the FEMA funds related to construction activity, and the related construction expenditures are included in the Authority's financial statements. However, architectural, engineering, and project management costs are paid and recorded directly by the VIODR. Accordingly, those costs are not included in the Authority's financial statements but are included on the Authority's Schedule of Expenditures of Federal Awards for the year ended September 30, 2024.

NOTE 13 PENSION PLAN

The Authority follows the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This Statement establishes financial reporting standards for state and local governments for pensions.

Plan Description

The Authority's employees are members of the Employees' Retirement System of the Government of the U.S. Virgin Islands ("GERS"), cost sharing multiple employer defined benefit, public employee retirement system as defined by GASB 68. The system was established by the Government to provide retirement, death and disability benefits to its employees. All of the Authority's full-time regular employees are mandated to participate in the retirement plan administered by GERS.

The Authority's part-time employees who regularly work more than 50% of the normal work period, and full-time regular employees who at the time of employment are under age 55 years with one year of government service are eligible to participate in the system. Effective January 1, 2015, the Authority's required contribution was 20.5% of the member's annual salary. Prior to that date, the percentage was 17.5%. Effective January 1, 2017, member contributions were 11 and 11.5% for Tier I and Tier II employees. Prior to that, member contributions were 10 and 10.5% for Tier I and Tier II employees, respectively. Total amount of the Authority's covered payroll for the year ended September 30, 2024 was $2,263,469.

Plan descriptions, funding policies, and a schedule of employee required and paid contributions for the defined benefit plans are presented in the Virgin Islands Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. The ACFR also provides detailed historical trend information showing the progress in accumulating sufficient assets to pay benefits when due. In addition, GERS issues a publicly available report that includes financial statements and required supplementary information.

This report may be obtained from the Employees Retirement System of the Government of the Virgin Islands, GERS Complex, 3438 Kronprindsens Gade, St. Thomas, VI 00802.

NOTE 14 NET PENSION LIABILITY

Net Pension Liability

Effective July 1, 2014, the Authority implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Following is a description of the pension plan and accounting for pension expense, liabilities, and deferred outflows/inflows of resources.

Plan Description and Benefits

Full time employees of the Authority are members of the Government Employees' Retirement System of the Virgin Islands (GERS), a cost sharing multiple-employer, defined benefit pension plan (the plan) established as of October1,1959 in accordance with Title 3, Chapter 27 of the Virgin Islands Code to provide retirement, death, and disability benefits. Benefits may be extended to beneficiaries of plan members. The plan covers all employees of the Government, including the Authority, except employees compensated on a contract fee basis, casual, per diem or provisional and part-time employees who work less than 20 hours per week. Persons over the age of 55 may opt out of the plan by providing formal notification to the plan. Vesting of benefits occurs after 10 years of service. Benefits may be extended to beneficiaries of plan members.

There are two tiers within the plan:

Tier I: Employees hired prior to September 30, 2005
Tier II: Employees hired on or after October 1, 2005

Regular employees who have completed 30 years of credited service or have attained age 60 with at least 10 years of credited service are eligible for a full-service retirement annuity. Members who are considered "safety employees" as defined in the Code are eligible for full retirement benefits when they have earned at least 20 years of service or have reached the age of 55 with at least 10 years of credited service. Regular and safety employees who have attained age 50 with at least 10 years of credited service may elect to retire early with a reduced benefit.

The semi-monthly annuity benefit payment is determined by applying a stipulated benefit ratio to the member's average compensation. Average compensation for Tier I members is determined by averaging the five highest years of credited service within the last ten years of service, subject to the maximum salary limitations in effect during such service.

Average compensation for Tier II members is determined by averaging the most recent five years of credited service within the last ten years of service, subject to the maximum salary limitations in effect during the service. The maximum annual salary that can be used in this computation is $65,000, except for senators and judges, whose annual salary is used.

Funding and Contribution Policy

Contributions to GERS are established by the Board of Trustees of GERS. The Government's required employer contribution for Tier I and Tier II members was 23.5% of the member's annual salary.

Effective January 1, 2017, Tier I member contributions increased by 1% to 11% of annual salary for regular employees.

Effective January 1, 2017, Tier II member contributions increased by 1% to 11.5% of annual salary for regular employees.

Prior to June 29, 2000, member contributions were refundable without interest upon withdrawal from employment before retirement. Effective July 1, 2009, GERS' Board of Trustees approved an effective annual interest rate on refunded contributions of 2% per annum.

Both the Plan and the Authority have a September fiscal year end. GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Valuation Date:	September 30, 2023
Measurement Date:	September 30, 2023
Measurement Period:	October 1, 2022 – September 30, 2023

The Authority's proportionate share of employer contributions recognized by GERS was $527,285 for the Plan's fiscal year ended September 30, 2023.

Pension Liabilities and Expense and Deferred Outflows/Inflows of Resources

The actuarial calculated net pension liability is calculated for Economic Development Authority (EDA) and Economic Development Park Corporation (EDPC) separately. As of September 30, 2024, the actuarial calculated net pension liability for EDA's and EDPC's proportionate share of the net pension liability of the Plan was $18,575,044, and $1,185,641, respectively. The net pension liability of the Plan is measured as of September 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2023. Actuarially determined proportionate share information from GERS was estimated by management based on an average five-year respective share of the Authority's contributions to the Plan relative to all contributions to the Plan.

At September 30, 2023, EDA's and EDPC's proportion was 0.4700% and 0.0300% percent respectively, which was a decrease of 0.0079% and 0.0017%, respectively, from its proportion measured as of September 30, 2022.

For the year ended September 30, 2023, the Authority recognized a net pension expense of $(578,602) and $(36,932). The negative expense reflects the overall impact of favorable changes in the plan's assumptions, investment performance or employer proportion as required by GASB 68.

Following is a schedule of deferred outflows/inflows of resources allocated to EDM in the computation of net pension liability:

	Deferred Outflows by Resources	Deferred Inflows of Resources
Change in assumptions	$ 1,526,095	$4,742,941
Difference between expected and actual experience	37,323	1,221,850
Net difference between projected and actual earnings on pension plan investments	102,232	-
Contributions made subsequent to measurement date	580,196	-
	$ 2,245,846	$ 5,964,791

Amounts reported as deferred outflows, exclusive of contributions made after the measurement date, will be recognized in pension expense as follows:

Year ending September 30,	
2024	$ (537,636)
2025	$ (1,138,772)
2026	$ (1,139,243)
2027	$ (1,437,043)
2028	$ (46,447)

Following is a schedule of deferred outflows/inflows of resources allocated to EDPC in the computation of net pension liability:

	Deferred Outflows by Resources	Deferred Inflows of Resources
Change in assumptions	$ 97,410	$ 302,741
Difference between expected and actual experience	2,384	77,990
Net difference between projected and actual earnings on pension plan investments	6,523	-
Contributions made subsequent to measurement date	42,451	-
	$ 148,768	$ 380,731

Amounts reported as deferred outflows, exclusive of contributions made after the measurement date, will be recognized in pension expense as follows:

Year ending September 30,	
2024	$ (34,317)
2025	$ (72,688)
2026	$ (72,718)
2027	$ (91,726)
2028	$ (2,965)

Actuarial Assumptions

A summary of the actuarial assumptions and methods used to calculate the total pension liability as of September 30, 2023, is provided below. Refer to September 30, 2023 actuarial valuation report for a complete description of all other assumptions, which can be found on GERS' website.

Inflation Rate:	2.50%
Salary Increases:	5.00% including inflation
Actuarial Cost Method:	Entry Age Normal
Investment Rate of Return:	6.00%
Municipal Bond Yield:	4.09%
Discount Rate:	4.87%
Mortality Table:	Pub-2010

Investment Rate of Return

The expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2024, are summarized as follows:

Asset Class	Target Allocation	[1] Long-Term Expected Real Rate of Return
Domestic Equity	45%	6.39%
Developed Markets	14%	6.49%
Emerging Markets	6%	7.79%
Core Fixed Income	20%	1.59%
High Yield Fixed Income	10%	3.39%
Cash	5%	0.79%
Total	100%	

[1] Real rates of return are net of inflation.

Discount Rate

The discount rate used to measure the total pension liability was 4.87% as of September 30, 2023. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate. Based on those assumptions, the plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the expected rate of return on plan investments of 6.00% was applied to all periods of projected benefit payments that are covered by projected assets. For periods where projected future benefit payments are not covered by projected assets, the yield on a 20-year AA Municipal Bond index was applied. As of September 30, 2023, that rate was 4.09%.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's allocated proportionate share of the net pension liability (NPL) for the plan, calculated using the discount rate of 4.87% as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (3.87%) or 1% higher (5.87%) than the current rate.

EDA Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

1% Decrease Share of NPL @ 3.87%	Share of NPL @ 4.87%	1% Increase Share of NPL @ 5.87%
$20,968,937	$18,575,044	$16,573,284

EDPC Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

1% Decrease Share of NPL @ 3.87%	Share of NPL @ 4.87%	1% Increase Share of NPL @ 5.87%
$1,338,443	$1,185,641	$1,057,869

Detailed information about pension plan's fiduciary net position is available in the separately issued GERS financial report.

NOTE 15 COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Authority has various outstanding commitments at September 30, 2024, which includes outstanding loan commitments in the process of being approved by the Board of Directors which are not reflected on the statement of net assets.

The Authority asserts that there have not been any material claims, suits or complaints filed nor are any pending against the Authority. In the opinion of management, all other matters which are asserted or unasserted are without merit and would not have a significant effect on the financial position or results of operations if they were disposed of unfavorably.

NOTE 16 RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters for which the Authority has commercial insurance coverage. Annual premium payments are made in proportion to the anticipated exposure to the liability losses assessed.

NOTE 17 INSURANCE RECOVERIES

Certain properties of the Authority sustained damage as a result of hurricanes Irma and Maria. The Authority's properties are insured under an umbrella policy owned by the Government of the U.S. Virgin Islands. The Authority has expended certain sums on repairs and expects to incur substantial costs in future periods. The allocated insurance recovery from the Government-wide insurance policy has not been received as of the date of this report.

NOTE 18 SUBSEQUENT EVENTS

The Authority's management has evaluated subsequent events through August 10, 2026, the date the financial statements were available to be issued. The accompanying financial statements recognize the effects of subsequent events that provided evidence about conditions that exist at the balance sheet date, including the estimates inherent in the process of preparing financial statements. The accompanying financial statements do not recognize the effect of subsequent events that did not exist at the balance sheet date, but disclosures of such events, if any, are included in the accompanying notes.

REQUIRED SUPPLEMENTARY INFORMATION

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITIY

LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion Share of the Net Pension Liability	0.5000%	0.5096%	0.5337%	0.5500%	0.5600%	0.5935%	0.5994%	0.5868%	0.6044%	0.5569%
Proportionate Share of the Net Pension Liability	$19,760,685	$20,864,475	$28,597,391	$31,769,521	$29,762,028	$24,765,971	$26,256,361	$27,147,208	$24,609,495	$18,803,107
Covered-Employee Payroll	$2,263,469	$2,188,619	$2,293,724	$ 2,264,666	$ 2,236,567	$ 2,402,395	$ 2,404,022	$ 2,130,222	$ 2,149,268	$ 2,106,050
Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	873%	953%	1247%	1403%	1331%	1031%	1092%	1274%	1145%	892%
Plan Fiduciary Net Position as Percentage of the Total Pension Liability	10.33%	8.91%	8.23%	8.23%	9.16%	11.32%	16.18%	16.54%	19.58%	27.02%

The schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The amounts presented for each fiscal year are as of the measurement date (September 30 of the previous fiscal year.)

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS

LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	$1,559,790	$1,843,590	$1,930,777	$2,055,618	$2,048,499	$1,647,137	$1,604,852	$1,450,324	$1,209,343	$1,056,524
Contributions in Relation to the Contractually Required Contribution	527,285	526,296	528,113	517,748	509,651	484,158	450,946	528,992	437,513	388,619
Annual Contribution Deficiency (Excess)	$1,032,505	$1,317,294	$1,402,664	$1,537,870	$1,545,848	$1,162,979	$1,153,906	$ 921,332	$ 771,830	$ 677,905
Covered Employee Payroll	$2,263,469	$2,188,619	$2,293,724	$2,264,666	$2,236,567	$2,402,395	$2,404,022	$2,130,222	$2,149,268	$2,106,050
Contributions as a Percentage of Covered Employee Payroll	23.30%	24.05%	23.02%	22.86%	22.47%	20.15%	18.76%	24.83%	20.36%	18.45%

**The schedule is intended to show a 10-year trend. Additional years will be reported as they become available. The amounts presented for each fiscal year are as of the latest fiscal year.*

REPORTS REQUIRED BY THE UNIFORM GUIDANCE

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Virgin Islands Economic Development Authority
St. Thomas, U.S. Virgin Islands

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Virgin Islands Economic Development Authority (the "Authority"), which comprise the statement of net position as of September 30, 2024, and the related statements of revenues, expenses and, changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated August 10, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bert Smith & Co.

Washington, D.C.
August 10, 2026

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Virgin Islands Economic Development Authority
St. Thomas, U.S. Virgin Islands

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Virgin Islands Economic Development Authority (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended September 30, 2024. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bert Smith & Co.

Washington, D.C.
August 10, 2026

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass Through Grantor/Program or Cluster	Federal Assistance Listing Number	Total Federal Expenditures
U.S. Department of Interior		
Economic, Social, and Political Development of the Territories	15.875	$ 44,313
Historical Preservation Fund Grants-In-Aid	15.904	117,603
Total U.S. Department of Interior		**$ 161,916**
U.S. Department of Treasury		
Pass-Through from the US Virgin Islands Office of Management and Budget		
Coronavirus State and Local Fiscal Recovery Funds	21.027	$ 118,404
Total U.S. Department of Treasury		**$ 118,404**
U.S. Small Business Administration		
State Trade Expansion Program	59.061	$ 188,536
Total U.S. Small Business Administration		**$ 188,536**
Department of Homeland Security		
Pass-Through from the Virgin Islands Territorial Emergency Management Agency		
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	$ 1,355,262
Total Department of Homeland Security		**$ 1,355,262**
Total Expenditures of Federal Awards		**$ 1,824,118**

The accompanying notes are an integral part of this schedule.

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Virgin Islands Economic Development Authority under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Virgin Islands Economic Development Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Virgin Islands Economic Development Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 FEDERAL INDIRECT RATE

The Authority uses an approved cost allocation program for federal programs.

NOTE 4 DISASTER GRANTS – PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)

After a presidentially declared disaster, the Federal Emergency Management Agency (FEMA) provides Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with repair, replacement, or restoration of disaster-damaged facilities. FEMA expenditures are included in the Schedule when eligible expenditures are incurred, and the project worksheets (PWs) are approved.

NOTE 5 FEMA GRANT EXPENDITURES

The FEMA grant expenditures noted on the SEFA include expenditures recorded by the Authority and expenditures administered by the Virgin Islands Office of Disaster Recovery (VIODR) and the Virgin Islands Territorial Emergency Management Agency (VITEMA) on behalf of the Authority. See note 12 of the financial statements for further detail.

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material Weakness(es) identified?	No
• Significant Deficiency(ides) identified?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
• Material Weakness(es) identified?	No
• Significant Deficiency(ies) identified?	No
Type of auditor's report issued on compliance for major federal programs.	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	Yes

Identification of Major Federal Programs:

Assistance Listing Number	Name of Federal Program
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as a low-risk auditee?	No

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section II – Financial Statement Findings

NONE

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section III – Federal Award Findings

Finding Number:	2024-001
Prior Year Finding Number:	2023-001
Compliance Requirement:	Special Tests and Revisions – Data Collection Form and Single Audit Reporting Package
Program:	Disaster Grants – Public Assistance – (Presidentially Declared Disasters)
CFDA #:	97.036
Agency:	Virgin Islands Territorial Emergency Management Agency
Award #:	FEMA 4535-DR, FEMA 4340-DR
Award Years:	04/27/2021 – 07/31/2027 04/20/2021 – 09/30/2026 04/08/2020 – 08/31/2026 04/26/2021 – 12/31/2025 05/04/2021 – 12/31/2035 06/03/2021 – 09/30/2026
Criteria:	2 CFR 200.512 requires that an entity's single audit is to be submitted the earlier of thirty days after the receipt of the auditor's report or nine months after the end of the audit period to the Federal Audit Clearinghouse (FAC).
Condition:	The Economic Development Authority (the Authority) audited financial statements for the September 30, 2024, year-end was not submitted to the Federal Audit Clearinghouse within the stipulated nine months after year-end.
Questioned Costs:	$-0-
Context:	This is a condition identified based on review of Uniform Guidance requirements and the grant agreements.
Effect:	The project is not in compliance with the reporting compliance of the Office of Management and Budget for non-profit, state and local government entities.
Cause:	There were transitions in financial personnel, which resulted in delays in the audit process.
Recommendation:	We recommend that the Authority meet the reporting deadline by establishing an audit timeline to ensure that the reporting package is submitted to the FAC annually within the required timeframe.
Views of Responsible Management Official and Corrective Action Plan:	Management concurs with finding. See Current Year Corrective Action Plan.

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)
CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

2024-001: ***Data Collection Form and Single Audit Reporting Package***

VIEDA Response: The Authority recognizes the importance of timely Single Audit submissions to maintain compliance and low-risk auditee status. Delays in completing the audit process affected the FY2024 and FY2025 cycles, and residual timing challenges may impact the FY2026 deadline. To address this matter, the Authority has implemented process improvements including a formal Single Audit calendar, monthly progress monitoring, and cross-training of staff. These measures are intended to support full compliance beginning with the FY2027 audit cycle.

Estimated Completion Date: Ongoing

Contact: Kelly Thompson Webbe, Chief Financial Officer

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section II – Federal Award Findings (By Program)

Finding #:	2023-001
Federal Program Name:	Coronavirus State and Local Fiscal Recovery Funds
CFDA #:	21.027
Compliance Requirement:	Data Collection Form and Single Audit Reporting Package
Current Status:	On-Going

OTHER SUPPLEMENTARY INFORMATION

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

COMBINING SCHEDULE OF NET POSITION
AS OF SEPTEMBER 30, 2024
(With Comparative Total for 2023)

	EDB	EDC	EDM	EDPC	EZC	IRP	SSBCI	USE	Eliminations	2024	2023
ASSETS											
Current Assets:											
Cash and Cash Equivalents	$ 27,710	$ 1,860,032	$ 4,945,560	$ 789,907	$ 441,783	$ -	$ 8,927,056	$ -	$ -	$ 16,992,048	$ 20,265,842
Investments	-	87,340	1,824,175	1,504,068	2,043,874	-	15,514,330	-	-	20,973,787	957,562
Receivable, net	(9,012)	355,130	386,838	350,059	40	-	5,625	-	-	1,088,680	2,050,713
Due from Other Fund	2,577,345	2,565,088	852,723	1,304	21,797	-	-	-	6,018,257	-	-
Prepaid & Other Assets	-	-	111,681	15,322	-	-	-	-	-	127,003	87,998
Lease Receivables	-	-	-	1,933,715	-	-	-	-	-	1,933,715	2,103,586
Total Current Assets	2,596,043	4,867,590	8,120,977	4,594,375	2,507,494	-	24,447,011	-	6,018,257	41,115,233	25,465,701
Non-Current Assets:											
Restricted Cash & Cash Equivalents	5,880,272	-	-	-	-	126,877	6,958,536	435,892	-	13,401,577	48,494,511
Restricted Investments	11,088,630	-	-	-	-	-	-	-	-	11,088,630	5,467,622
Restricted Loan Receivable, net	5,077,458	-	(51,134)	-	-	68,704	-	281,870	-	5,376,898	3,725,082
Total Non-Current Assets	22,046,360	-	(51,134)	-	-	195,581	6,958,536	717,762	-	29,867,105	57,687,215
Capital Assets, net	71,460	-	284,957	191,542	-	-	-	-	-	547,959	430,792
Right of Use Asset, net	-	-	423,116	-	-	-	-	-	-	423,116	564,108
Total Assets	24,713,863	4,867,590	8,777,916	4,785,917	2,507,494	195,581	31,405,547	717,762	6,018,257	71,953,413	84,147,816
Deferred Outflows of Resources	-	-	2,245,846	148,768	-	-	-	-	-	2,394,614	3,630,015
Total Assets and Deferred Outflows of Resources	$24,713,863	$4,867,590	$ 11,023,762	$ 4,934,685	$2,507,494	$195,581	$31,405,547	$717,762	$ 6,018,257	$ 74,348,027	$ 87,777,831
LIABILITIES											
Current Liabilities:											
Accounts Payable	$ 2,327	$ 47,500	$ 407,907	$ 26,942	$ 15,191	$ 1,502	$ 43,355	$ 550	$ -	$ 545,274	$ 1,180,640
Accrued Expenses	-	-	132,497	9,534	-	-	-	-	-	142,031	169,907
Compensated Absences - Current	-	-	275,001	15,220	-	-	-	-	-	290,221	205,206
Interest Payable	18,245	-	-	-	-	-	-	-	-	18,245	22,054
Due to Other Fund	458,973	10	5,090,886	450,645	-	-	17,743	-	6,018,257	-	-
Note Payable - Current	-	-	-	-	-	27,209	-	-	-	27,209	26,940
Lease Liability - Current	-	-	125,662	-	-	-	-	-	-	125,662	127,236
Total Current Liabilities	479,545	47,510	6,031,953	502,341	15,191	28,711	61,098	550	6,018,257	1,148,642	1,731,983
Non-Current Liabilities:											
Compensated Absences	-	-	216,341	16,514	-	-	-	-	-	232,855	222,599
Security Deposit	-	-	-	74,487	-	-	-	-	-	74,487	74,487
Deferred Revenue	11,275,603	-	1,797,078	509,075	2,517,406	-	31,392,864	-	-	47,492,026	59,330,688
Relief Revolving Funds	400,000	-	-	-	-	-	-	-	-	400,000	400,000
Loan Payable	-	-	-	-	-	81,058	-	-	-	81,058	108,332
Net Pension Liability	-	-	18,575,044	1,185,641	-	-	-	-	-	19,760,685	20,864,475
Lease Liability - Non-Current	-	-	328,771	-	-	-	-	-	-	328,771	450,624
Total Non-Current Liabilities	11,675,603	-	20,917,234	1,785,717	2,517,406	81,058	31,392,864	-	-	68,369,882	81,451,205
Total Liabilities	12,155,148	47,510	26,949,187	2,288,058	2,532,597	109,769	31,453,962	550	6,018,257	69,518,524	83,183,188
Deferred Inflows of Resources – Leases	-	-	-	1,866,490	-	-	-	-	-	1,866,490	2,070,959
Deferred Inflows of Resources – Pension	-	-	5,964,791	380,731	-	-	-	-	-	6,345,522	8,207,510
Total Liabilities and Deferred Inflows of Resources	$12,155,148	$ 47,510	$ 32,913,978	$ 4,535,279	$2,532,597	$109,769	$31,453,962	$ 550	$ 6,018,257	$ 77,730,536	$ 93,461,657
NET POSITION											
Invested in Capital Assets, net of related debt	$ 71,460	$ -	$ 284,957	$ 191,542	$ -	$ -	$ -	$ -	$ -	$ 547,959	$ 430,792
Restricted Net Position	9,176,774	-	(51,134)	-	-	18,610	2,719,484	745,158	-	12,608,892	16,983,646
Unrestricted Net Position	3,310,481	4,820,080	(22,124,039)	207,864	(25,103)	67,202	(2,767,899)	(27,946)	-	(16,539,360)	(23,098,264)
Total Net Position	$12,558,715	$ 4,820,080	$ (21,890,216)	$ 399,406	$ (25,103)	$ 85,812	$ (48,415)	$717,212	$ -	$ (3,382,509)	$ (5,683,826)

VIRGIN ISLANDS ECONOMIC DEVELOPMENT AUTHORITY
(A Component Unit of the Virgin Islands Government)

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Total for 2023)

	EDB	EDC	EDM	EDPC	EZC	IRP	SSBCI	USE	2024	2023
Operating Revenues										
Application and Processing Fees	$ -	$ 859,000	$ 51,100	$ -	$ -	$ -	$ -	$ -	$ 910,100	$ 699,950
Rental Income	-	-	-	783,043	-	-	-	-	783,043	755,295
Interest Income from Loans	401,341	-	-	-	-	2,673	-	-	404,014	170,183
Grant Revenue - Federal	115,904	-	2,500	1,217,793	350,452	-	391,322	-	2,077,971	5,131,133
Grant Revenue - Non-Federal	-	-	45,311	-	-	-	-	-	45,311	-
Fees and Fines	-	51,358	-	-	-	-	-	-	51,358	-
Other Operating Income	16,130	-	-	109,480	-	-	-	10,438	136,048	171,957
Lease Interest Income	-	-	-	118,875	-	-	-	-	118,875	60,296
Total Revenue	533,375	910,358	98,911	2,229,191	350,452	2,673	391,322	10,438	4,526,720	6,988,814
Operating Expenses										
Personnel Costs	-	-	2,834,956	256,484	-	-	-	-	3,091,440	612,458
General and Administrative	10,689	77	878,636	248,991	-	-	123	-	1,138,516	1,095,733
Occupancy	-	-	111,044	42,549	-	-	-	-	153,593	185,320
Advertising	-	-	328,614	2,655	-	-	-	-	331,269	335,547
Professional Services	-	-	1,380,477	12,145	45,620	-	-	-	1,438,242	858,363
Travel	-	-	106,740	5,769	-	-	-	-	112,509	61,663
Grant Expenditure - Federal	115,904	-	2,500	1,217,793	350,452	-	391,322	-	2,077,971	5,131,133
Grant Expenditure – Non-Federal	-	-	530,878	-	-	-	-	-	530,878	-
Lease Interest Expense	-	-	47,427	-	-	-	-	-	47,427	39,250
Uncollectible Receivables	-	-	-	-	-	-	871,298	-	871,298	-
Total Operating Expenses	126,593	77	6,221,272	1,786,386	396,072	-	1,262,743	-	9,793,143	8,319,467
Excess (Deficiency) of Revenues from Operations Before Depreciation and Other Assets	406,782	910,281	(6,122,361)	442,805	(45,620)	2,673	(871,421)	10,438	(5,266,423)	(1,330,653)
Depreciation	12,892	-	71,243	105,113	-	-	-	-	189,248	229,178
Gain or (Loss) on Lease	-	-	-	10,933	-	-	-	-	10,933	-
ROU Amortization	-	-	140,992	-	-	-	-	-	140,992	116,161
Operating Income (Loss)	393,890	910,281	(6,334,596)	326,759	(45,620)	2,673	(871,421)	10,438	(5,607,596)	(1,675,992)
Non-Operating Revenues (Expenses)										
Government Appropriation	-	-	7,172,390	-	-	-	-	-	7,172,390	6,014,709
Interest Income	25,253	-	70,682	7,151	43,949	-	430,709	-	577,744	58,531
Other Income	7,348	-	106,165	-	-	447	29,642	14,712	158,314	226,788
Interest Expense & Finance Charges	-	1,998	-	-	(75)	(1,458)	-	-	465	(1,920)
Total Non-Operating Revenues (Expenses)	32,601	1,998	7,349,237	7,151	43,874	(1,011)	460,351	14,712	7,908,913	6,298,108
Change in Net Position	426,491	912,279	1,014,641	333,910	(1,746)	1,662	(411,070)	25,150	2,301,317	4,622,116
Net Position, Beginning of Year	12,132,224	3,907,801	(22,904,857)	65,496	(23,357)	84,150	362,655	692,062	(5,683,826)	(10,305,942)
Net Position, End of Year	$12,558,715	$4,820,080	$ (21,890,216)	$ 399,406	$ (25,103)	$85,812	$ (48,415)	$717,212	$ (3,382,509)	$ (5,683,826)