



2021 ANNUAL REPORT

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An Overview of FY 2021

The purpose of this annual public report on the Territory's revenues is twofold. Firstly, it ensures that the Territory is consistently monitoring its revenues and expenditures to allow for proactive responses to unanticipated changes or emerging trends. Secondly, this report lends credibility to the Government's efforts at increasing transparency of the Territory's finances. It is the Office of Management and Budget's (OMB) belief that the government is accountable to its taxpayers to use revenues collected in an efficient and effective manner. This report provides taxpayers with the information they need to hold the government to this standard.

This report will highlight any notable trends as well as some initial insight into the post COVID-19 as safety protocols were lifted in Sept. 2020. In FY 2021, the Territory's economy began to stabilize led by the growth in our tourism industry, business community, and under the prudent fiscal policies established by executive leadership with the adoption of the FY 2021 balanced budget. With a balanced budget funding was allocated for funding community services and the development for capital projects focused on increasing sustainability and supporting the Territory's growing business community with a focus for promoting diversity.

The Territory saw an overall decrease of 3% in Total Operating Income. Specifically, Total Taxes decreased by 3% and Other Revenues decreased by 9%. The most notable decrease is found in Real Property Tax by 40% and Miscellaneous Revenues by 68%. Increases are found in Corporate Income by 6%, Excise and Trade by 973%, and Stamp Tax by 38%.

The Total Revenues as of September FY2021 was \$1.5B compared to \$928.3M for FY2020. From a cash flow perspective, at the end of the fourth quarter FY 2021, specifically the week ended October 1, 2021, the Territory had a Total Operating Cash Flow of flow of \$7 M, Net Cash Flow of \$29M and a positive cash balance of \$161.0 M with 59 days cash on hand.

The information provided in this report is the most accurate available as of the date of composition. Furthermore, the report does not purport to be audited financial statements and as such, the numbers are preliminary and subject to change. The information provided here are not final. For final numbers, please refer to the Financial Audit Report from the Department of Finance.

This annual report will focus entirely on the performance of the major revenue and expenditure categories for the General Fund. For all other major funds, a listing of the fund balance and legislative authority establishing those funds can be found in the Budget Book published on OMB's website. Subsequent iteration of the report will endeavor to include analysis of collections beyond the General Fund and a comparable exploration of the Territory's expenditures from said funds. The major revenue categories explored here are Real Property, Individual Income, Corporate Income, Excise Tax and Gross Receipts. These revenue streams have historically been the most significant contributors to the General Fund. Revenues outside operating income are considered to the extent they provide a complete picture of the Territory's General Fund collections; specifically, the transfers to the General Fund.

FY 2021 Financial Revenue

Detail of Financial Revenue

General Fund Revenue Detail	FY 2021 Legislative Appropriation	FY 2021 Preliminary Actuals
Income Taxes		
Individual Income	\$407,081,888	\$447,616,304
Corporate Income	\$60,700,000	\$72,532,012
Total Income Taxes	\$467,781,888	\$520,148,316
Other Taxes		
Real Property	\$53,000,000	\$35,688,234
Payment in lieu of Taxes	-	-
Trade & Excise	\$3,540,429	\$20,225,140
Gross Receipts	\$250,077,717	\$237,935,898
Inheritance Tax		-
FSC Franchise	\$152	-
Corporate Franchise	\$1,625,128	\$4,175,370
Stamp Tax	\$9,825,611	\$13,281,124
Total Other Taxes	\$318,069,037	\$311,305,765
Other Revenues		
Malpractice Insurance	\$3,954	4,313
Licenses	\$3,115,870	\$3,970,142
Fees & Permits	\$6,582,468	\$6,970,817
Lime Tree (Refinery)	\$14,000,000	\$2,379,405
Lime Tree Terminal Fee	\$11,000,000	\$9,440,934
Franchise Fees	\$802,337	\$725,752
U.S. Customer Duties	\$3,462,488	\$1,083,015
All Other	\$12,796,787	\$12,417,433
Miscellaneous Service Charge	\$1,318,705	\$1,916,560
Total Other Revenues	\$53,082,609	\$38,908,371
Total Gross Revenue*	\$838,933,534	\$870,362,452

*Does not include Refund, Transfers In, Transfers Out, Revenues from Anticipated Projects or Other Financing Sources

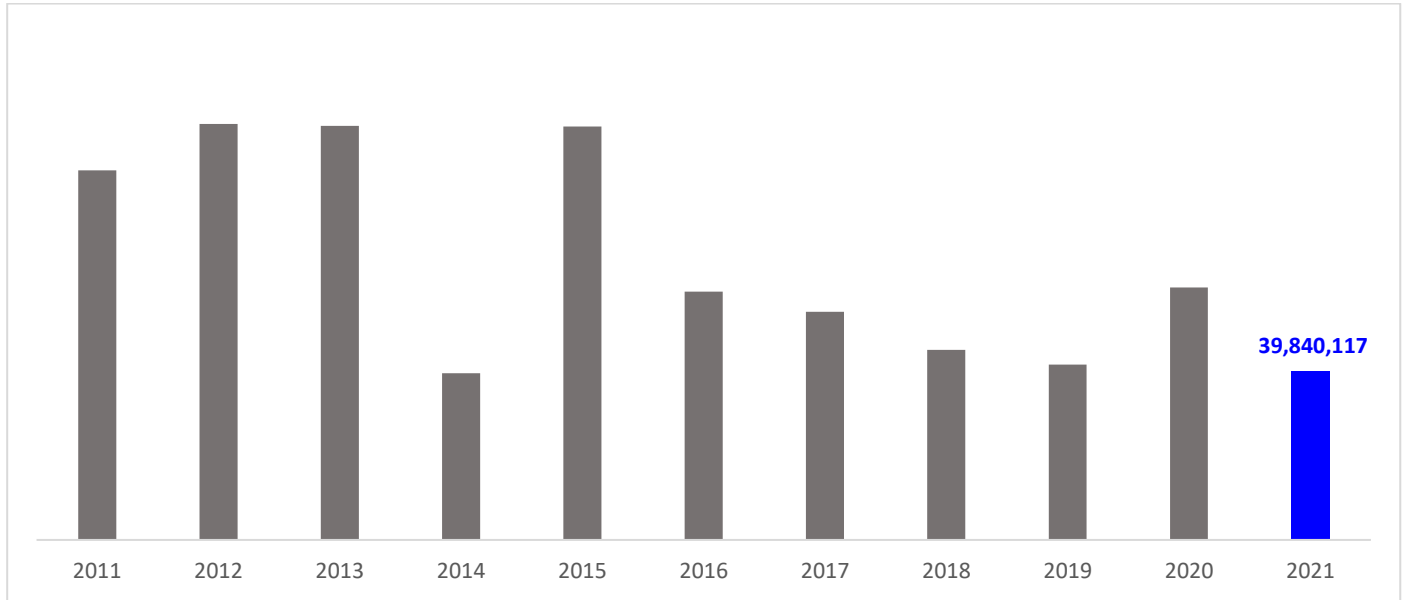
Revenue Summary by Category

Revenue Summary by Category	FY 2021 Legislative Appropriation	FY 2021 Preliminary Actuals
Income Taxes	\$467,781,888	\$520,148,316
Other Taxes	\$318,069,037	\$311,305,765
Other Revenues	\$53,082,609	\$38,908,371
Transfers In	\$76,336,675	\$66,616,533
Transfers Out	(\$76,634,649)	(\$77,271,996)
Other Financing Sources	\$56,870,208	\$74,489,296
Total Gross Revenues*	\$838,933,534	\$870,362,452
Total Net Revenues	\$900,343,742	\$ 859,196,288

*Does not include Refund, Transfers In, Transfers Out, Revenues from Anticipated Projects or Other Financing Sources

General Fund Revenue (5) Major Categories

Real Property (2011-2021)



Real Property

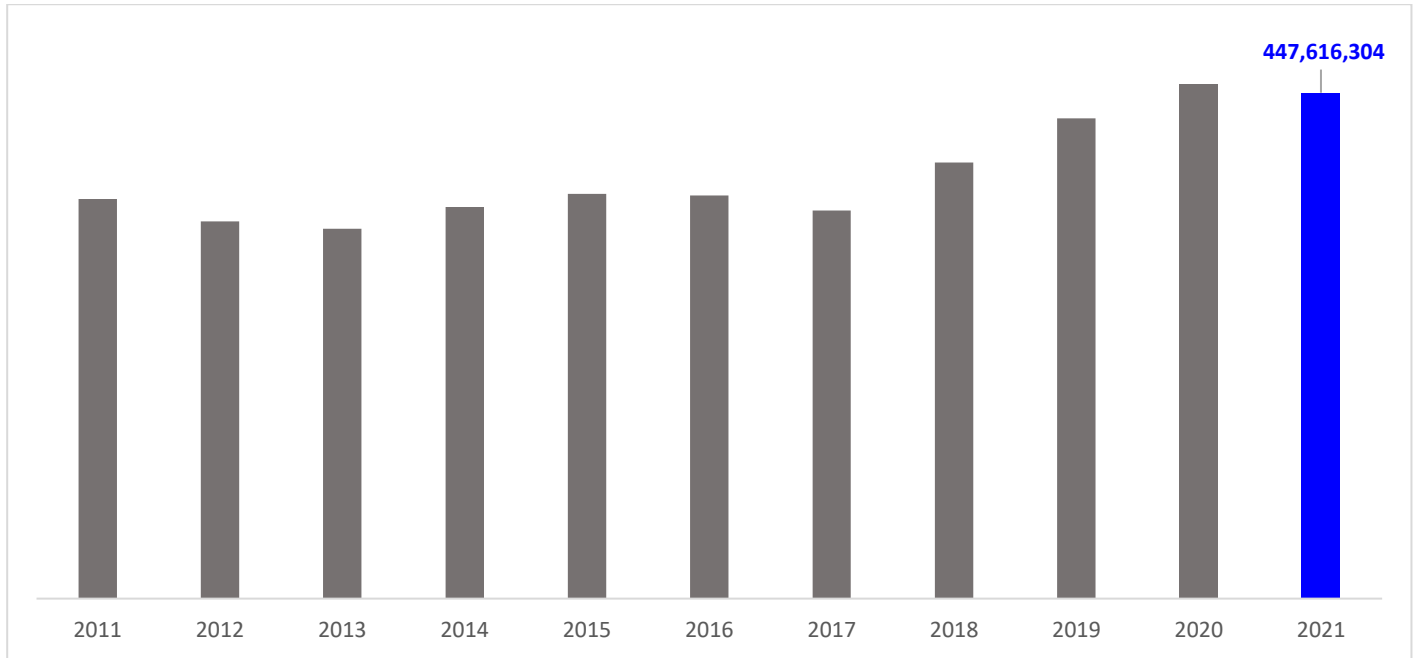
St. Thomas
FY 2021 vs FY 2020

-39%

St. Croix
FY 2021 vs FY 2020

-20%

Individual Income (2011-2021)



Individual Income

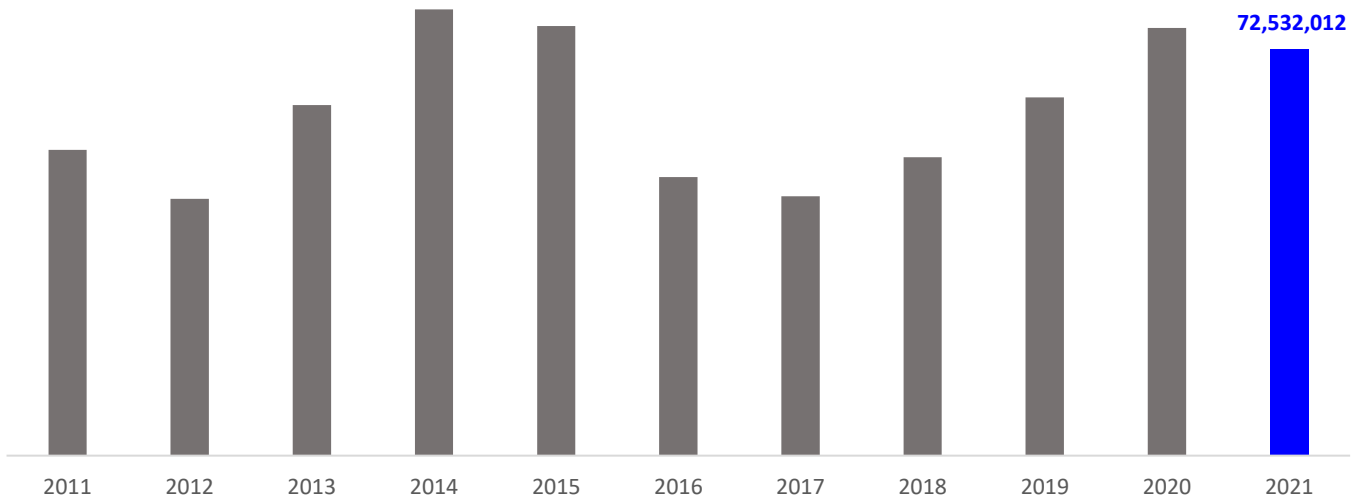
St. Thomas
FY 2021 vs FY 2020

6%

St. Croix
FY 2021 vs FY 2020

-16%

Corporate Income (2011-2021)



Corporate Income

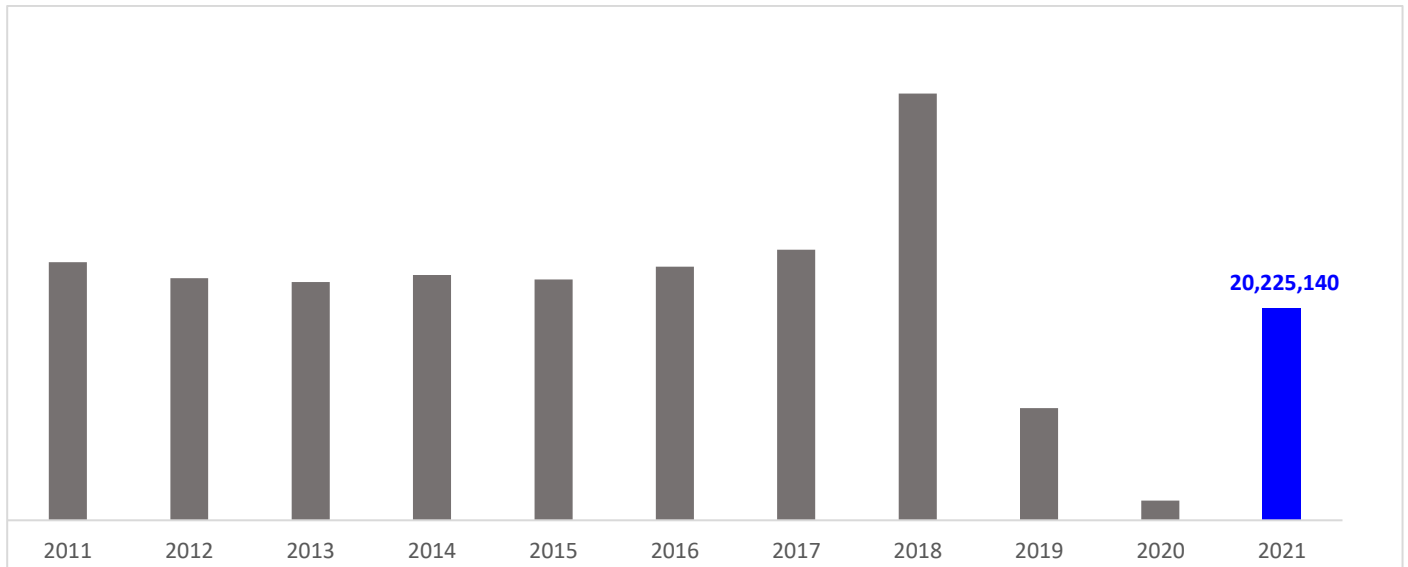
St. Thomas
FY 2021 vs FY 2020

-7%

St. Croix
FY 2021 vs FY 2020

-0.4%

Excise Tax (2011-2021)



Excise Tax

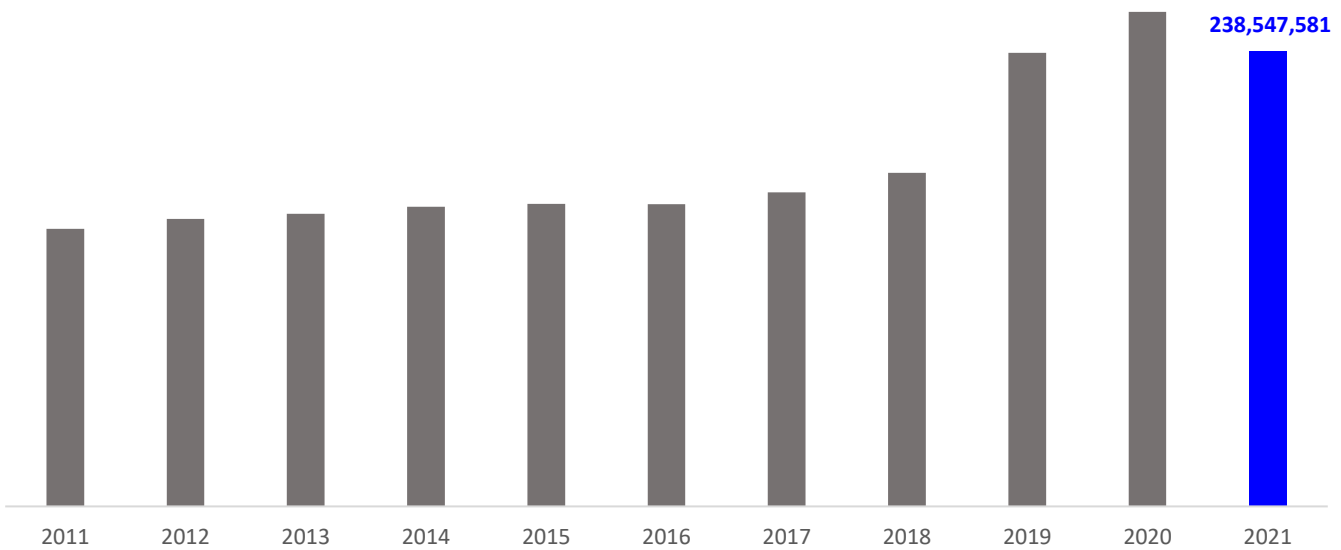
St. Thomas
FY 2021 vs FY 2020

885%

St. Croix
FY 2021 vs FY 2020

1911%

Gross Receipts (2011-2021)



Gross Receipts

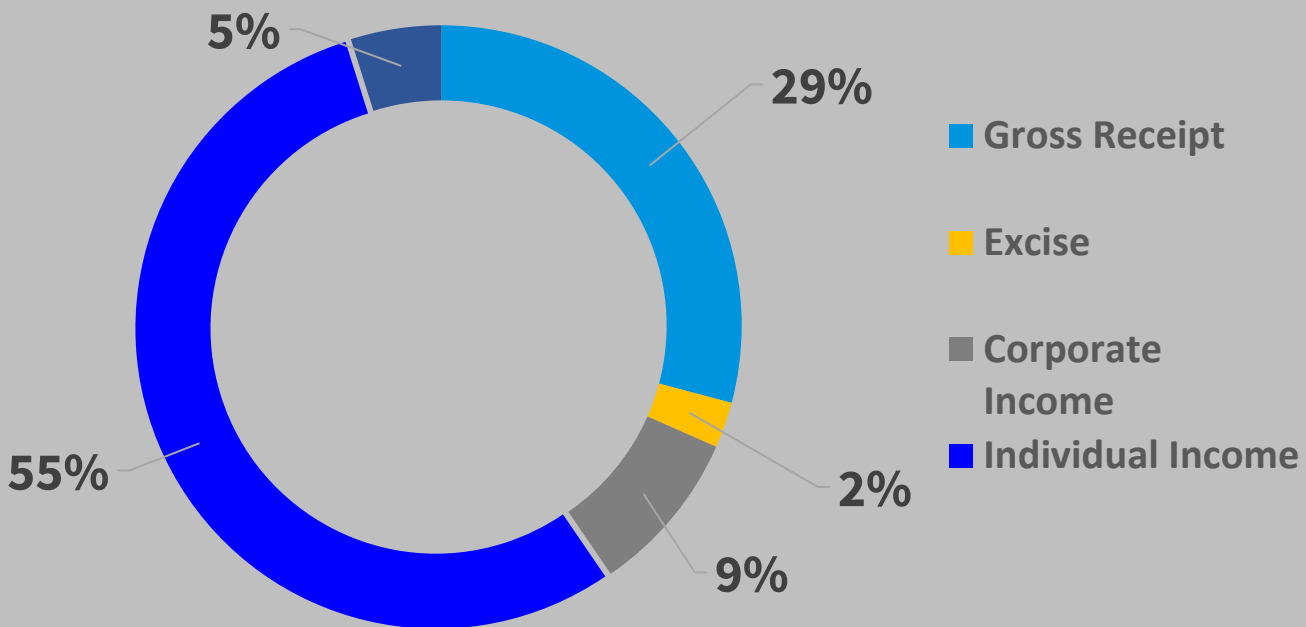
St. Thomas
FY 2021 vs FY 2020

11%

St. Croix
FY 2021 vs FY 2020

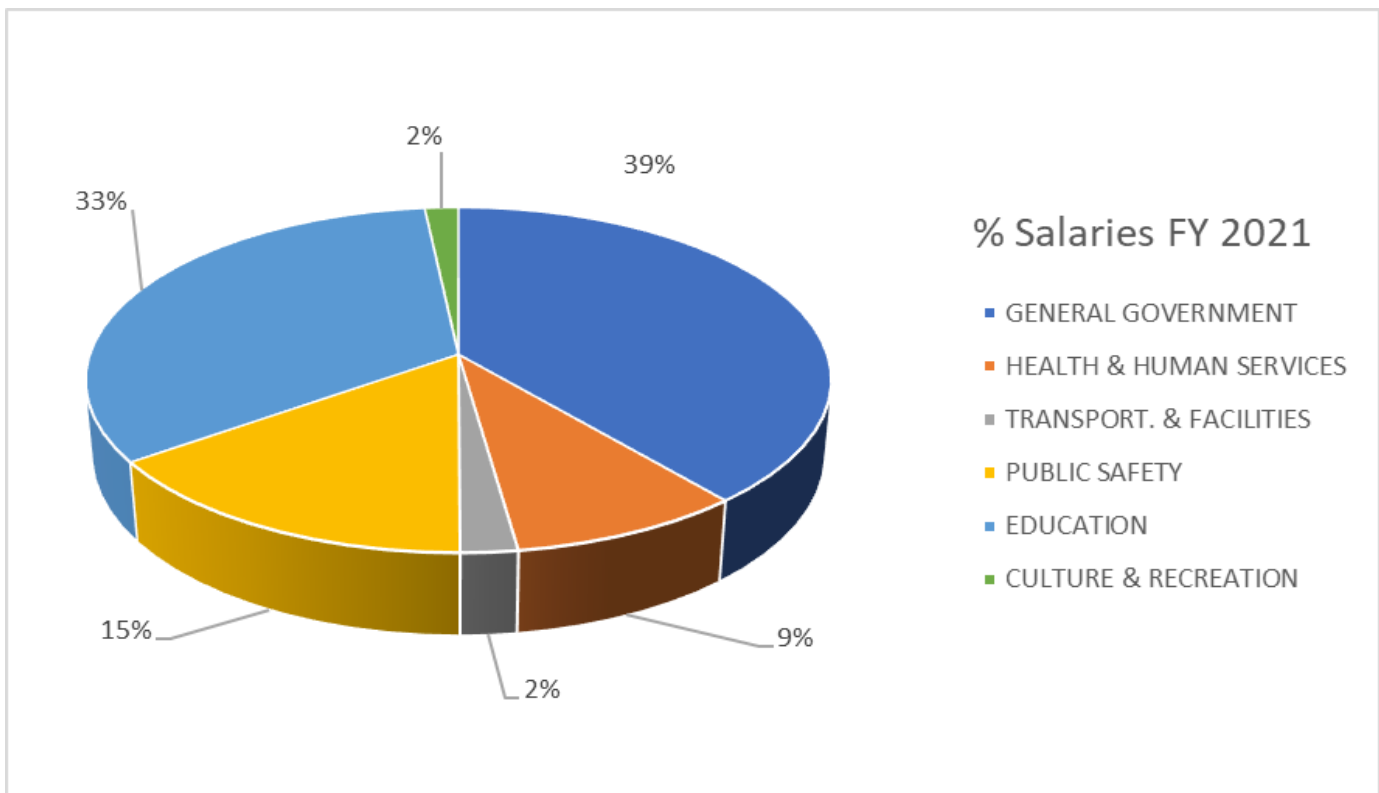
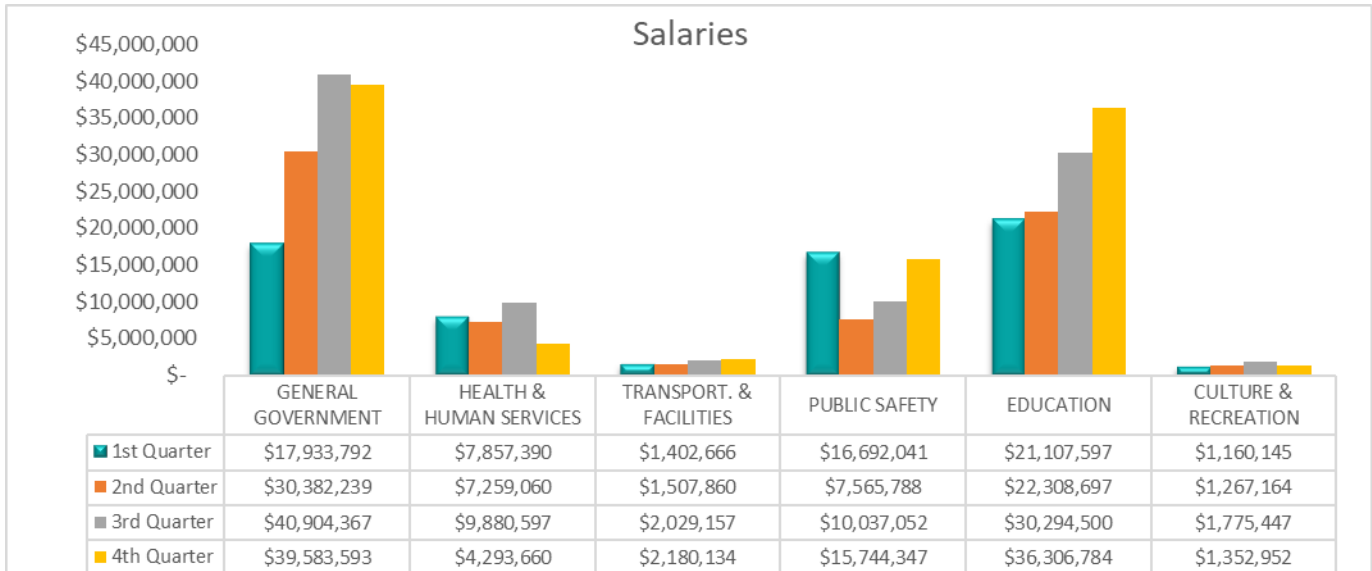
-32%

Percentage of (5) Major Tax Categories Collections for FY 2021

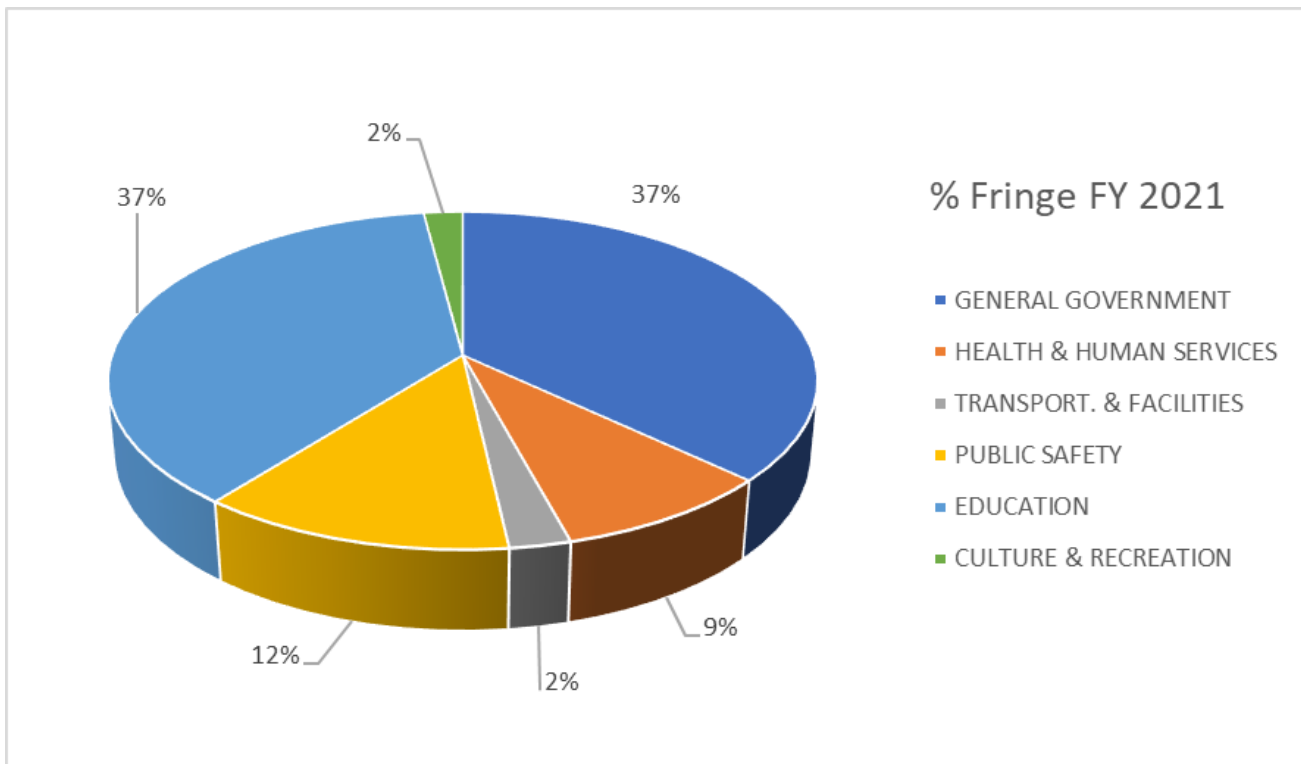
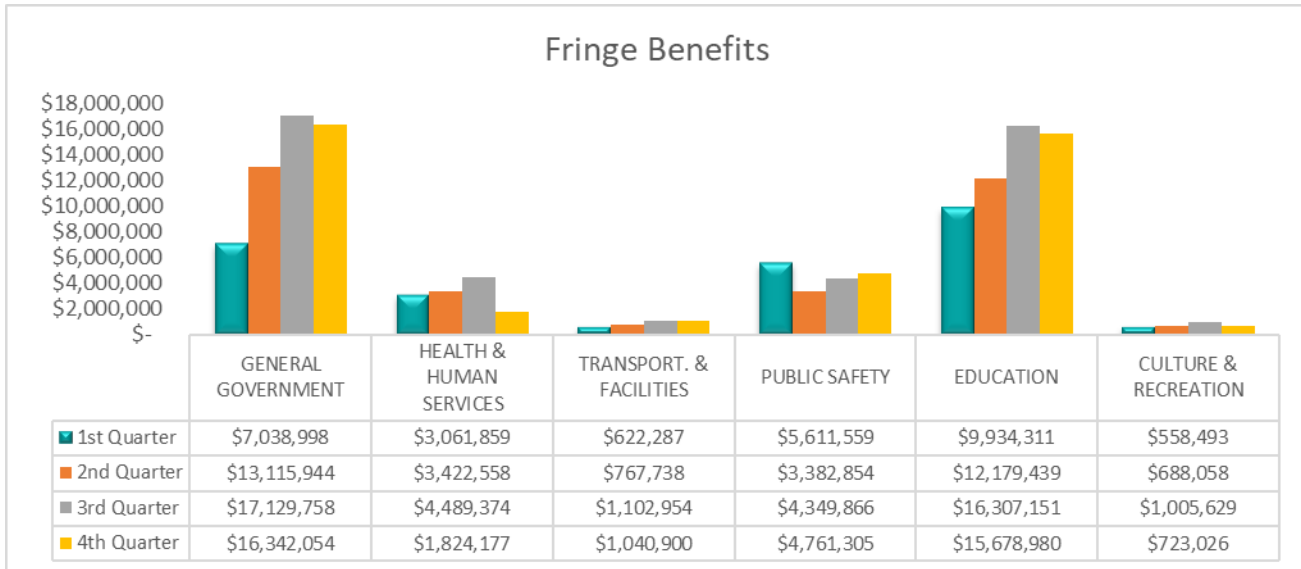


Expenditures

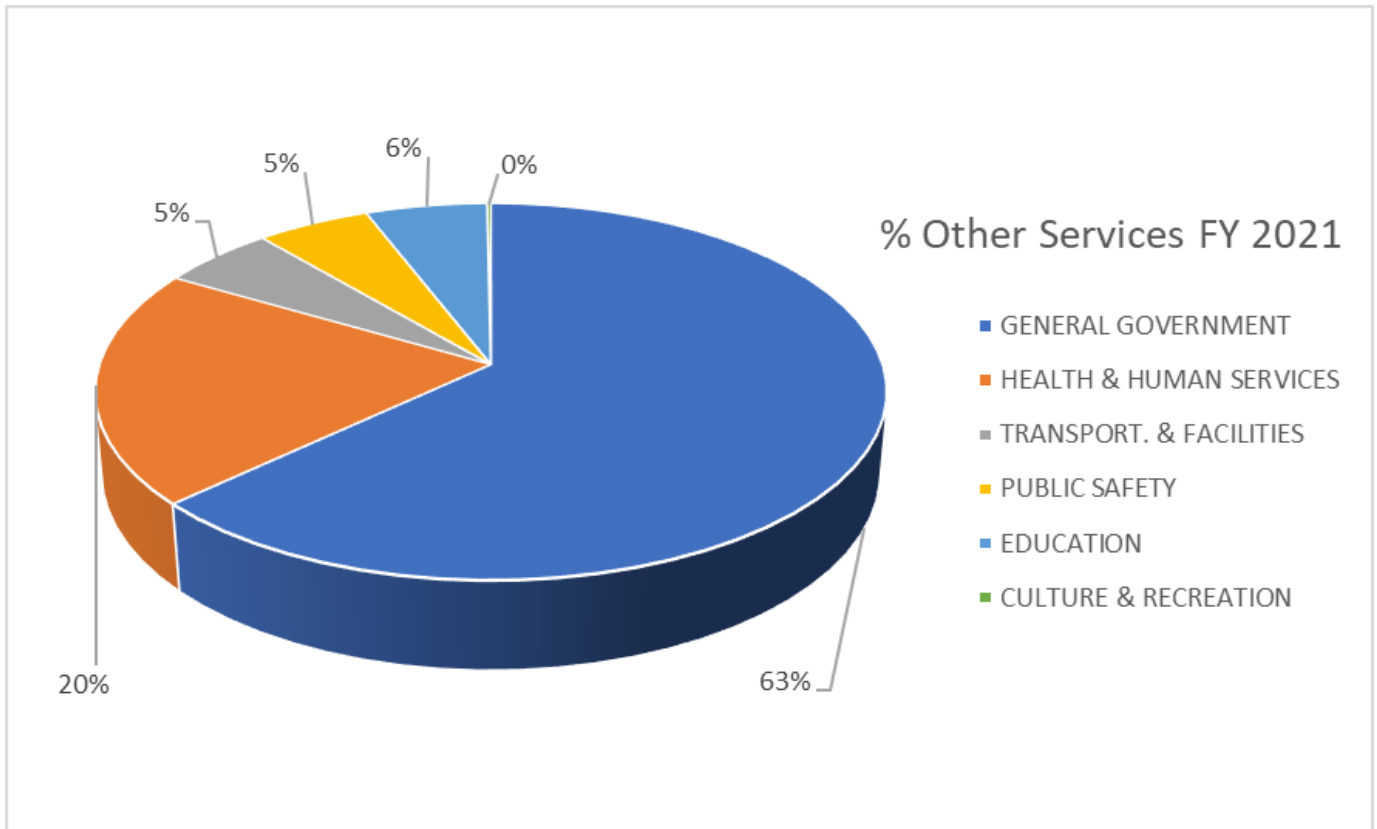
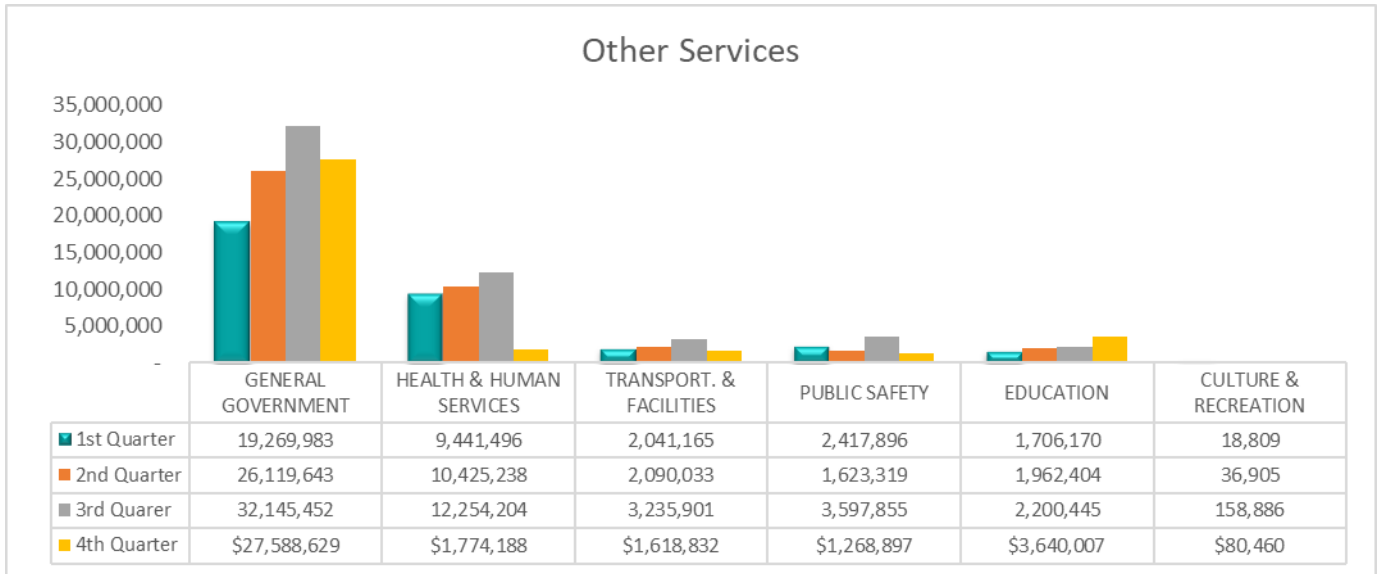
Salaries (October 2020- September 2021)



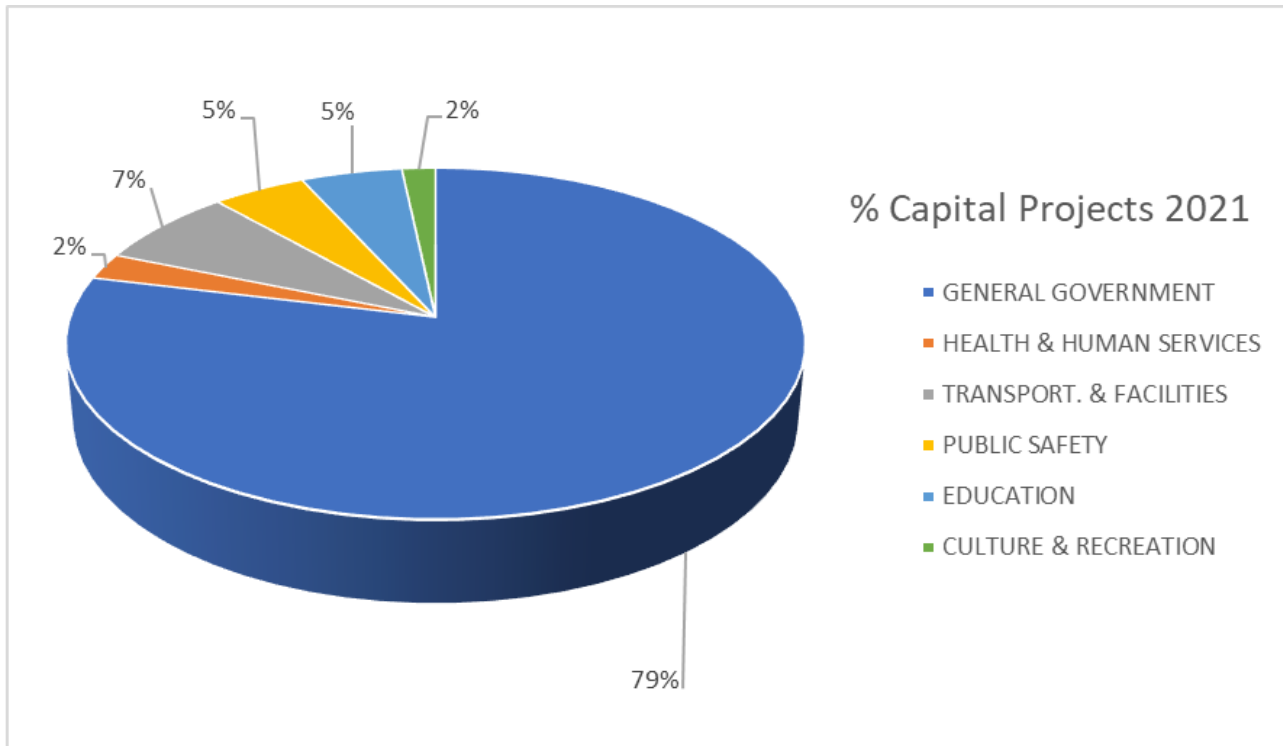
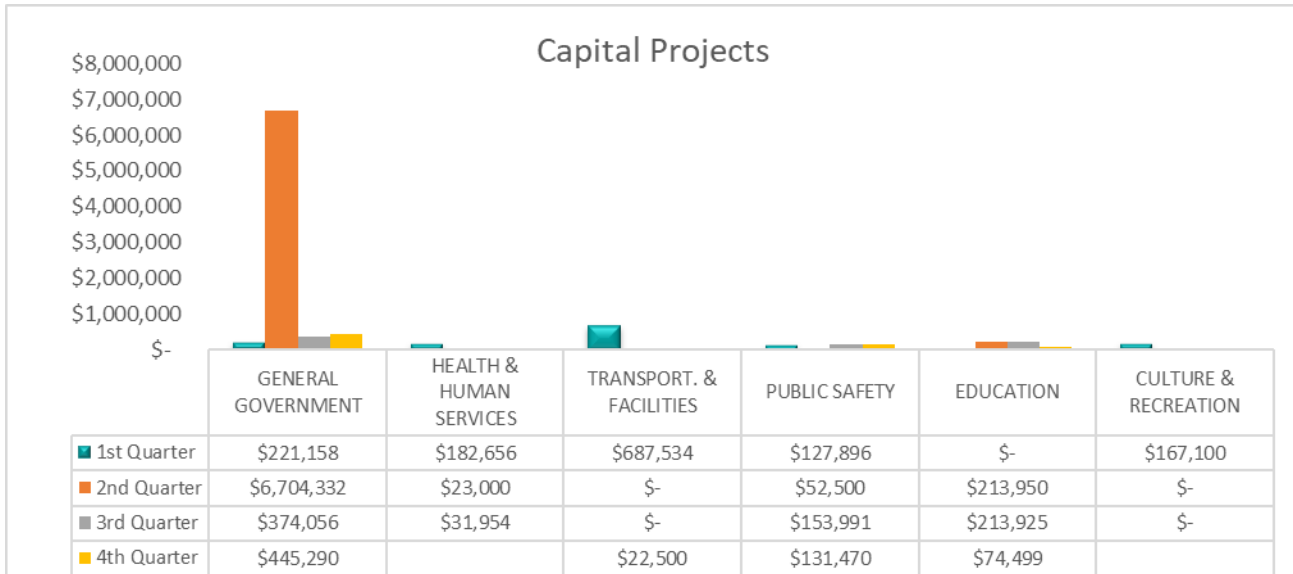
Fringe (October 2020- September 2021)



Other Services (October 2020- September 2021)

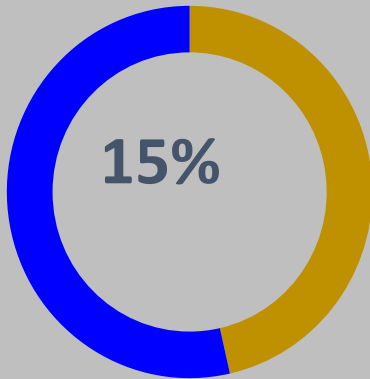


Capital Projects (October 2020- September 2021)

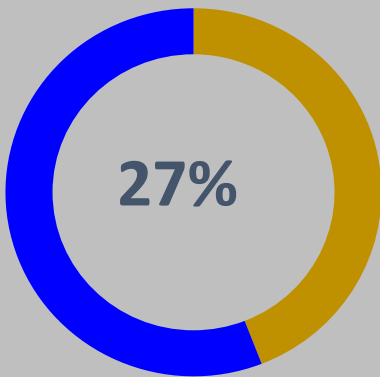


Expenditures

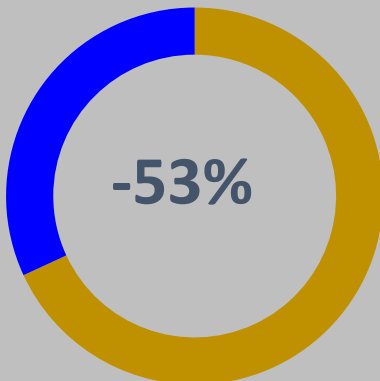
FY 2021 vs FY 2020



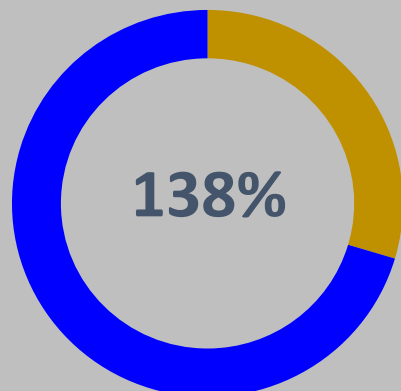
Salaries increased by 15%



Fringe increased by 27%



Other Services decreased by 53%



Capital Projects increased by 138%