



# FISCAL YEAR 2023 4TH QUARTER REVENUE & EXPENDITURE REPORT

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## CONTENT AND PURPOSE

This quarterly report provides an overview of the Territory's actual General Fund revenues and expenditures for the fourth quarter of FY2023, compared to FY2022. It highlights notable trends observed during this period.

The purpose of this public quarterly report is twofold. First, it ensures that the Territory consistently monitors revenues and expenditures, enabling proactive responses to unexpected changes or emerging trends. Second, it enhances the Government's efforts to increase financial transparency. The Office of Management and Budget (OMB) believes the Government must remain accountable to taxpayers for the efficient and effective use of public funds. These reports provide the information necessary for taxpayers to hold the Government to that standard.

Although the Territory experienced a decline in collections for most major revenue categories over the past year, except for Property Tax, the pace of collections in the fourth quarter of FY2023 increased compared to the same period in FY2022. This report focuses on the performance of major revenue and expenditure categories within the General Fund. Information on other major funds, including fund balances and the legislative authority establishing them, is available in the Budget Book published on the OMB website. Future reports will also include analysis of collections and expenditures beyond the General Fund.

## TIMEFRAME AND LIMITATIONS

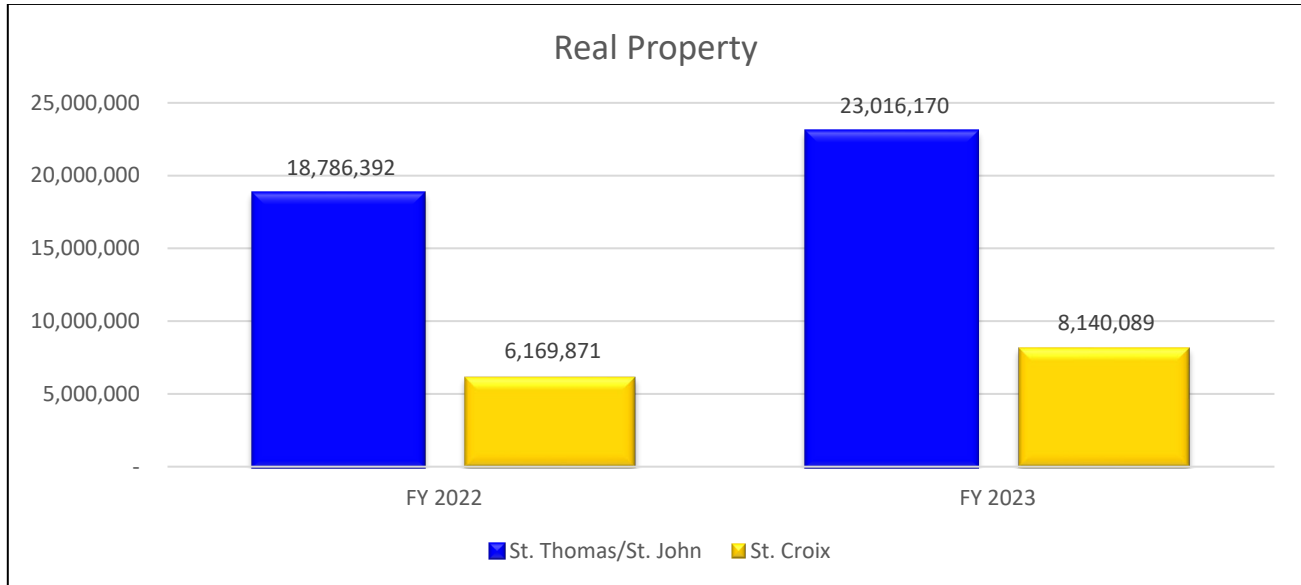
The information and data presented in this report are the most accurate available as of the date of publication. However, this report is not an audited financial statement; all figures are preliminary and subject to revision. For final, audited figures, please refer to the Financial Audit Report issued by the Department of Finance.

## SUMMARY OF MAJOR REVENUE CATEGORIES OF GENERAL FUND

This report focuses on the major tax revenue categories: Real Property, Individual Income, Corporate Income, Excise, and Gross Receipts taxes. These sources have historically represented the primary contributors to the General Fund. Non-operating revenues are also considered, where relevant, to provide a comprehensive view of the Territory's General Fund collections, particularly transfers into the Fund.

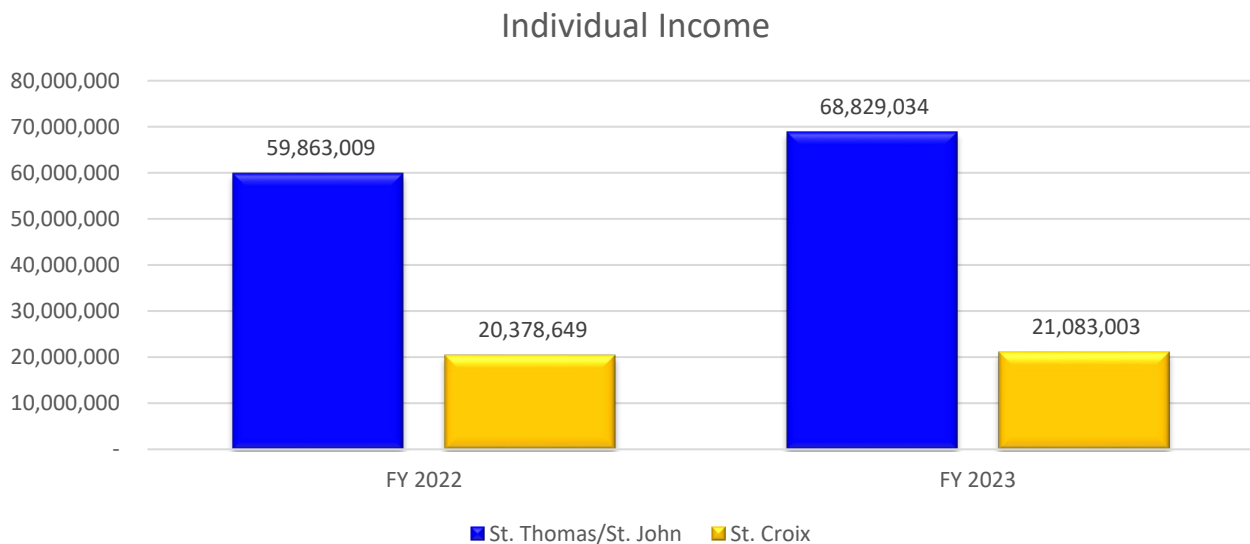
## REAL PROPERTY TAX

Compared to the fourth quarter of FY 2022, tax collections in the fourth quarter of FY 2023 increased by 25%. Collections rose in both districts: the St. Thomas–St. John district saw a 23% increase, while St. Croix experienced a 32% increase over the same period.



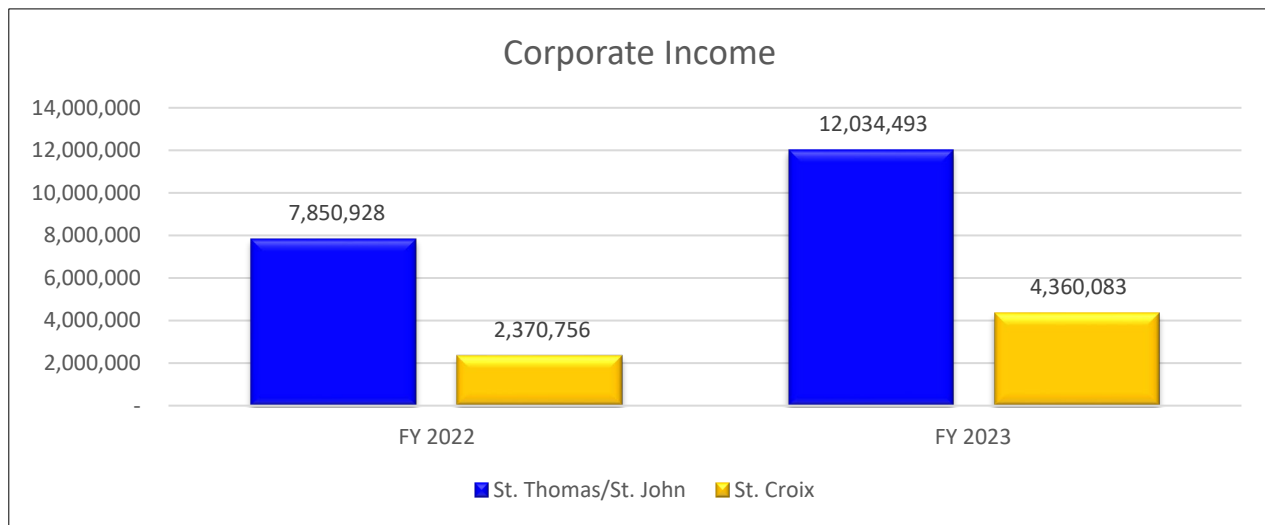
## INDIVIDUAL INCOME

Individual Income collections increased by 12% in the fourth quarter of FY 2023, compared to the same period in FY 2022. District One (STT/STJ) saw a 15% growth, while collections in STX experienced a 3.5% rise.



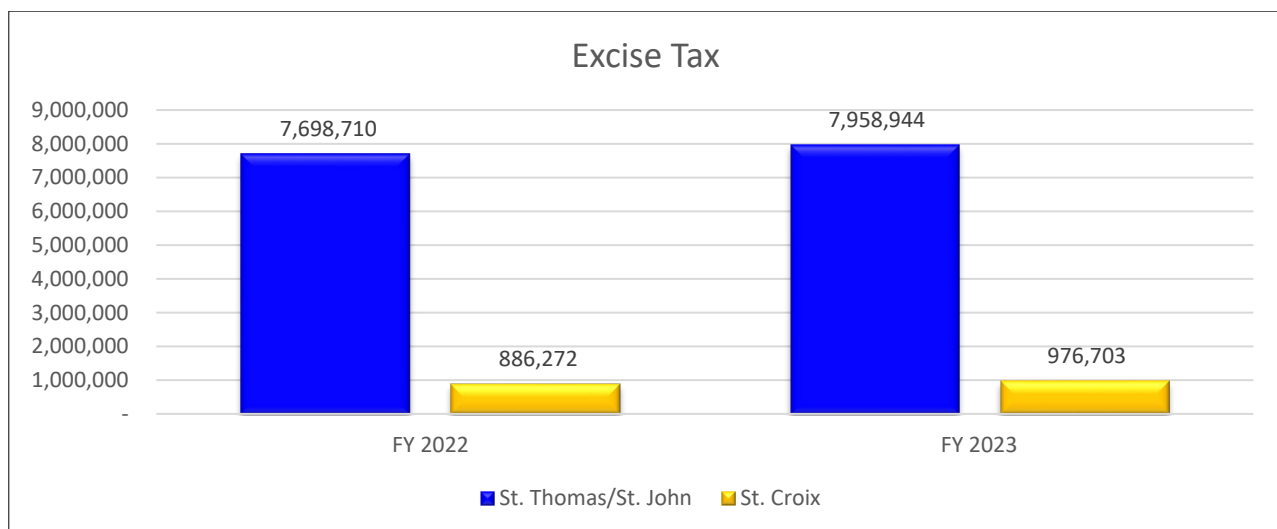
## CORPORATE INCOME

Corporate Income collections for the fourth quarter of FY 2023 have risen by 60% compared to the same period in FY 2022, primarily due to the timing of substantial payments received during this quarter. This timing discrepancy has led to skewed data when comparing the fourth quarter to both the third and second quarters. The STT/STJ District experienced a 53% increase, while the STX District saw an 84% rise in fourth-quarter collections for FY 2023 compared to the second quarter of FY 2022.



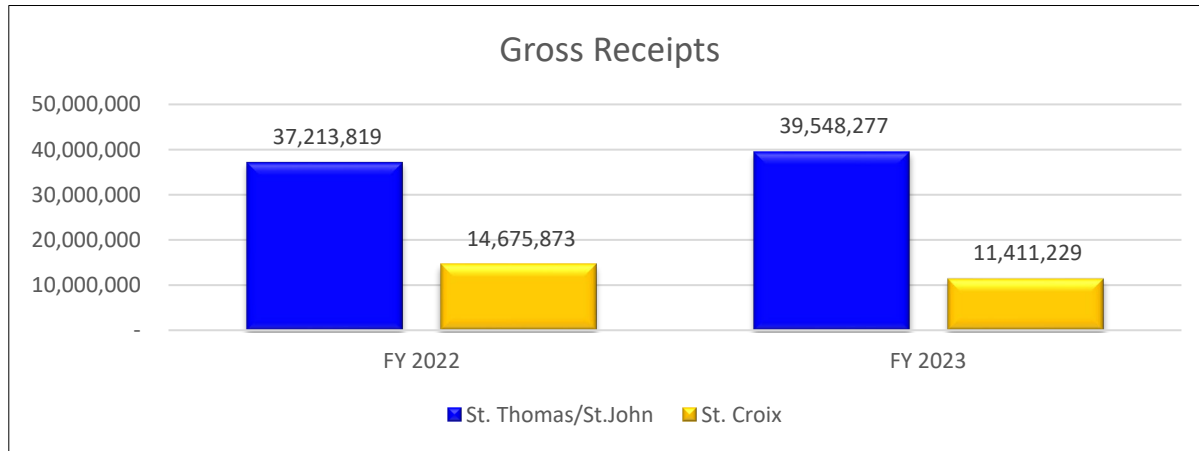
## TRADE AND EXCISE

Trade and Excise Tax collections at the end of the fourth quarter of FY 2023 showed an overall increase of 4% compared to FY 2022. The STT/STJ District experienced a 3% rise in collections, while the STX District saw a 10% increase compared to the previous fiscal year.



## GROSS RECEIPTS

Gross Receipts Tax (GRT) collections for the fourth quarter of FY 2023 decreased by 2% compared to FY 2022. The STT/STJ District saw a 6% increase, while the STX District experienced a 22% decline.

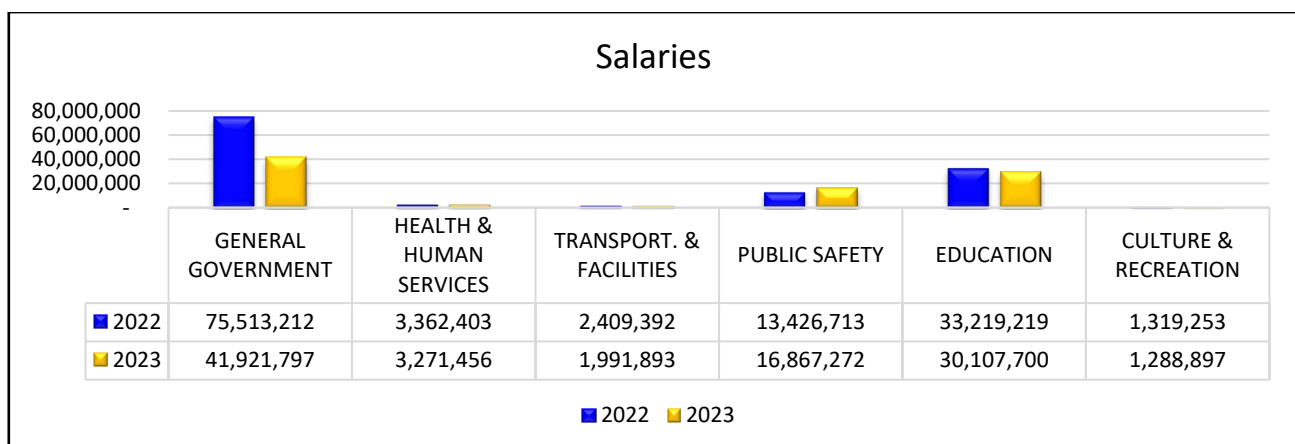


## EXPENDITURES

As in previous iterations of this report, the expenditures presented reflect amounts appropriated for the General Fund. Expenditures are analyzed by budget category, aligned with the respective government functions. While the data provides insights into expenditure trends, it is important to note that these expenditures are cyclical and subject to fluctuation. Additionally, while salary data tends to be more predictable and suitable for analyzing impacts, caution is advised due to the preliminary nature of the information.

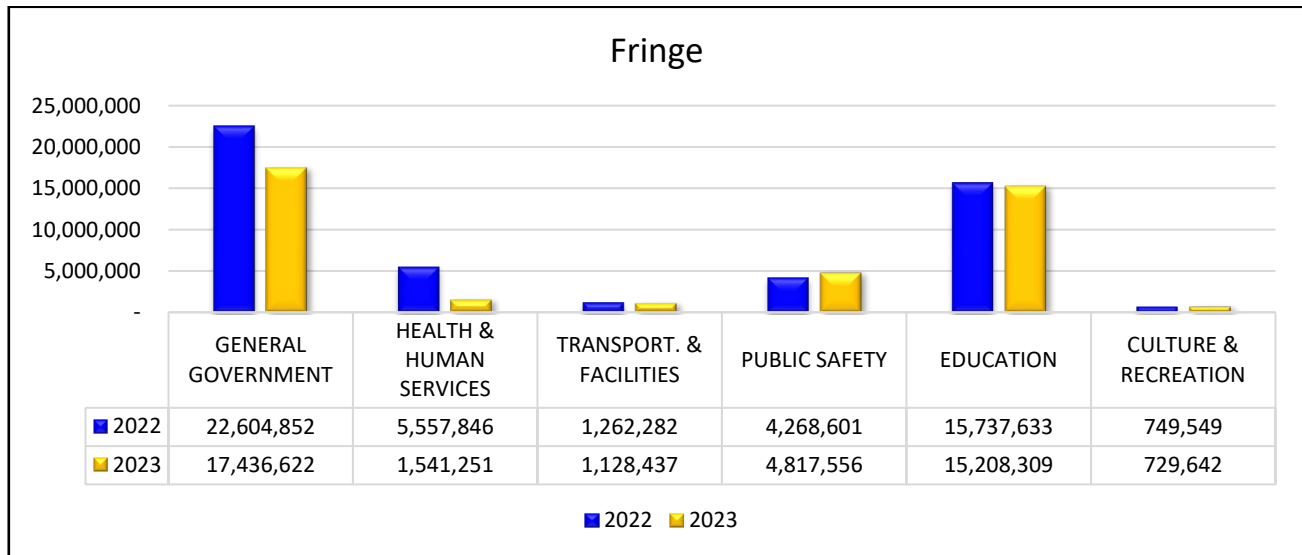
## SALARIES

Actual salaries across all government functions decreased by 26% in the fourth quarter of FY 2023. Notable reductions were observed in General Government (44%), while Public Safety saw an increase of 26%.



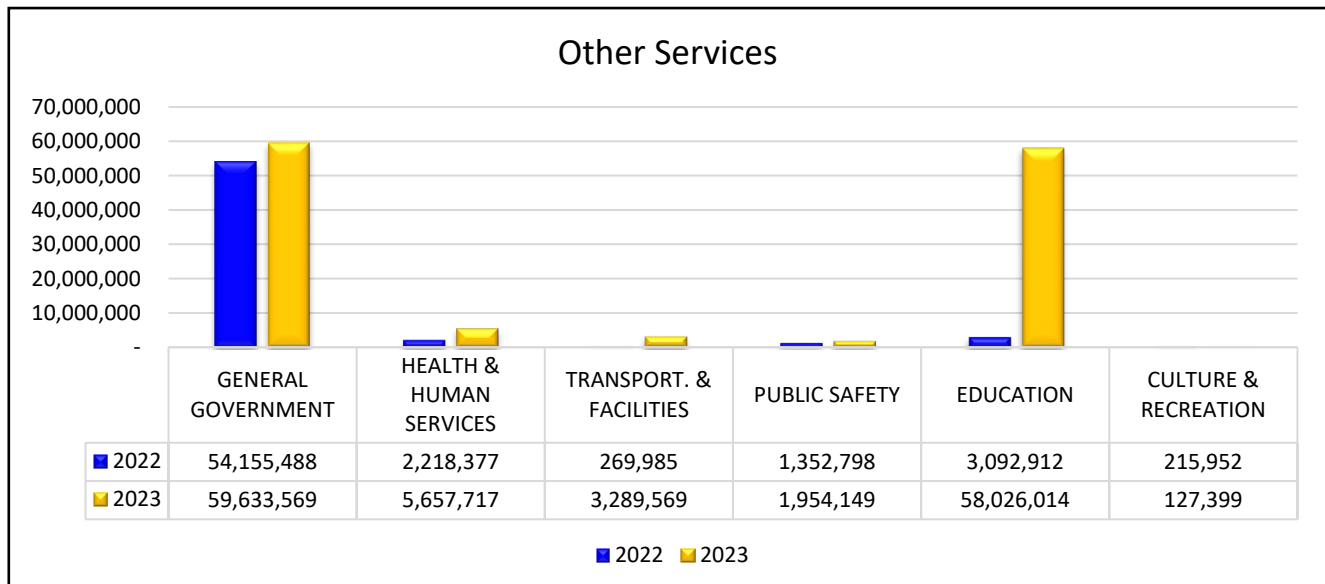
## FRINGE BENEFITS

Total Fringe Benefits decreased by 19% in the fourth quarter of FY 2023 compared to the same period in FY 2022. All categories saw a decline, except for Public Safety, which experienced a 13% increase.



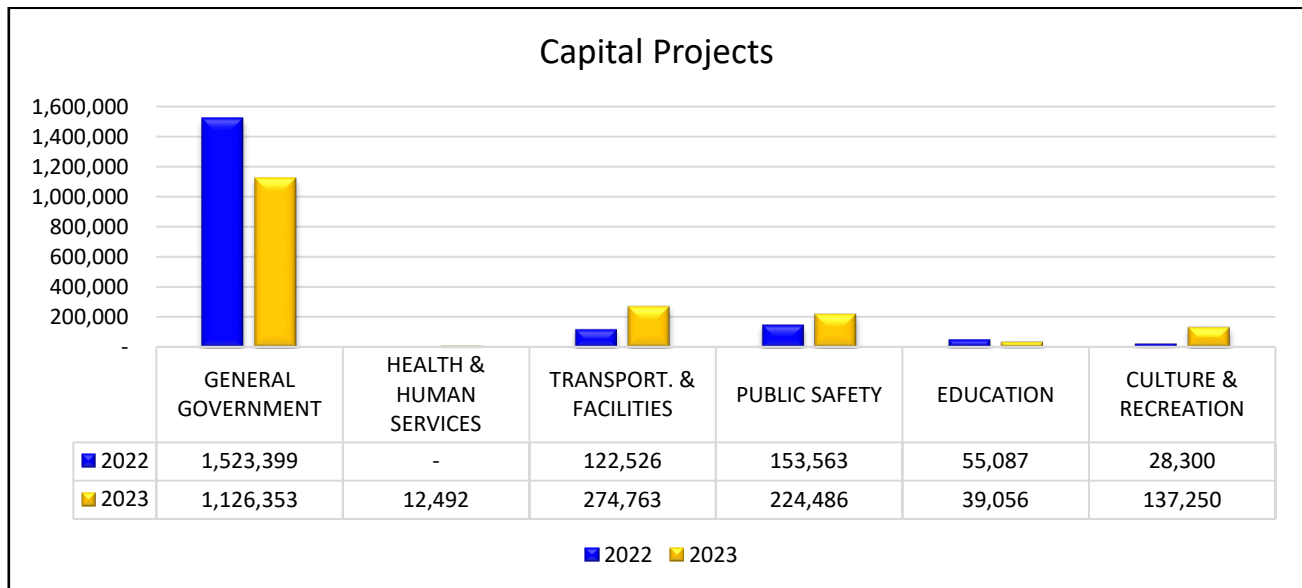
## OTHER SERVICES

Other Services experienced a significant overall increase of 110% in the fourth quarter of FY 2023 compared to the same quarter in FY 2022. A notable rise occurred in Education, which saw an increase of 1,776%



## CAPITAL PROJECTS

Capital projects decreased 4% in the fourth quarter of FY 2023 as compared to FY 2022. A notable decrease was found in Public Safety and General Government.



## SUMMARY

In summary, the Territory's Total Operating Income for the fourth quarter and comparing fiscal YTD through June FYD increased by 0.4% compared to the fourth quarter FYD 2022. Specifically, increases occurred in Real Property Tax, 25%, Individual Income, 12%, Cooperative Tax 60% and Trade Excise Tax, 4%. while decreases in Gross Receipts, 2%. Total Other Revenues increased by 118%. Overall, this represented a 2% increase in Total Revenue collections for FYD 2023 when compared to FYD 2022.