



| Committee on Finance | Part 2

Legislature USVI

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0:00:00 them um that will help us in our opportunities to capture persons that travel there to purchase tickets and and to reconcile them so there are some collaborations that between both both um offices that moving forward yeah it gave us a great opportunity to get to know them they to know us and develop mutual relationships and friendships very well um in the post audit report in the section for professional professional services and contracts uh that's on page eight um can you uh provide me with some more details uh you have listed here your audit fees um who do you contract or contracted for audits albert smith and associates all right uh legal consultation um we haven't contracted anyone we're able to very um utilize the generousness of um our board chair whoever she has as a legal counselor has helped us but recently i've been dealing with um michelle baker on our government house okay so these figures that i see here are these projected for fy 23 or these are for fy 22. fy 23. fy 22. 23 23 23. uh okay and um professional consultation eighty thousand dollars um that's we have at least one person that we um retain to assist us in developing our um who you said i'm sorry sorry woosley and associates is the name okay um and all that money that money isn't for that contract we just budgeted for in case we needed to deal with multiple um contractors we hired him to assist us in developing the technical scope of our remote draw our um mou and with tnl and stuff like that we also had contracted um throughout this fiscal year um with canadian banknote they did our um actual study for us to give us some information that we can use to develop our price point structures and stuff like that so what was appropriated for foie 22 and what are your actuals for uh professional services contracts um are you two minutes um the number exactly of miss

0:02:30 proctor are you there anyway be there uh one minute i think miss proctor okay she's still there go ahead yes professional services maybe while you looked at let me ask the director on base can you please elaborate a little bit what is that eighty seven thousand dollars i'd be very happy to yield to my id director to speak to that enoch noel uh director of i.t can you read a question for me on base has professional services contract for eighty seven thousand dollars yeah so we are currently trying to replace our current system that we use for our pos and our onboarding system um what this system will do is basically replace what we have now and the one you have now how long you've had it uh how long do we have

that oh five six years yeah just trying to bring it up to up to speed with the technology all right so information technology consultation for sixty four thousand dollars is that connected to the on base or that's something separate no that's something separate okay what what that consultation is for that's a off-site i.t vendor that we uh we use who's a vendor uh smart point smart point does she have the information for me for professional contracts that again yes for professional services we have paid sixty three thousand nine hundred and eighteen dollars for fiscal year 2022 does fall how much i'm sorry sixty three thousand nine hundred and eighteen dollars this far uh and how much was appropriated

0:04:32 for fiscal year 2022 yes i want to believe it was about the same amount same amount as 445 000 that you're talking for fy 23. no no no no no you talking the aggregate total yes no no because um we just added on base um the the costs for janitorial services went up um no excuse me for fiscal year 2022 our total professional services budget was 339 960 dollars okay so you have some money good chunk left back no you you keep referring this is 23 that you're looking at no no no no okay so okay so you asked for the total professional services what i gave you was just the cost for professional services thus far fy 22. fy 22 got you uh for training now uh give me a little breakdown also for and the post audit report uh training section here well let's jump to what what shows up in exhibit nine time and page nine star private investigation can you elaborate what is that for director um jacobs good morning senator could you repeat that question stars private investigation what are their duties and responsibilities stars private investigations they're based out of texas they act on our behalf at the igt secure facility in texas in the event that we have to go into lockdown as a part of the um powerball process very well well thank you very much i don't want to abuse my time thank you mr chair

0:06:19 thank you senator carrion senator carla joseph a pleasant good day mr chairman can you hear me yes we can mr chairman can you hear me yes we can okay wonderful a pleasant good day mr chairman my colleagues as well as the listening and viewing audience and also the testifiers i just want to say that you are doing a really good job i try my very best to encourage everyone uh during my discussions on the committee on finance even though i'm not a member so that you could have that level of encouragement because i know it's not easy to work that you do i'm going to focus most of my questioning relative to one the scholarships that have been awarded for fiscal year 2022 director in your comments on page eight you mentioned that you had 56 applicants for financial scholarships what was the aggregate amount awarded to all of these individuals um organizations sorry i didn't um calculate we were budgeted for that portion of our program to the tune of three hundred thousand dollars um i don't okay so i'd have to get that back to you specifically can miss proctor miss proctor doesn't have that information available at her fingertip sure um director and marketing miss mergers has the information here good morning mc joseph can you repeat your question please senator joseph no miss proctor miss um victoria's gonna answer it okay hi good good morning oh good afternoon victoria burgess director of marketing and

0:08:07 public relations so it's still morning it's still morning it's still morning it's still morning it's still morning we had a long break but we're still in the day yes correct all right so to answer your question you were inquiring about our sponsorship budget we allocated 224 595.90 from that scholarship fund what was the amount that's available in the scholarship fund 300 000 is how much we allocate to the fund and the amount that i told you is what we allocated what we spent repeat that amount for me that total amount 224 595.90 and so you have a remaining balance of how much do you plan to what's your remaining balance and do you plan to award any of the other applicants who have applied for this uh scholarship so the scholarship run it's it's closed currently we've exceeded the uh the time frame from which it runs so we'll reopen that for the next fiscal and what is the time frame quickly what is the the time frame for what what is the time frame to apply for the scholarship repeat this time frame time free when does the scholarship open and when does the scholarship my time is running no problem it opens october 1st and when does it end in sept uh actually ends the in september however we have yeah we've exceeded the application amount and just for further clarification senator joseph um we generally have applicants that send in applications months in advance so before we close out we try to approve them so that we make sure we not only expend the money but ensure that the opportunities are i understand i understand but

0:10:04 you look like you have some money left back there that's why i was asking because you have a balance and your employee represented it would be closed in september but um i was wondering if there were more persons who were scheduled to be awarded so that all the money can be used up because that's what you want to do especially if you have that money allocated i'm gonna just move on um let's go to the horse racing improvement fund i noted in your actually it's miss proctor's testimony you have given you uh mandatory transfers that were given are supposed to be made i don't know if this was covered during our break because of technical issues but i want to i would like to get a rundown uh education initiative fund how much have you actually transferred and are you up to date with a transfer to this okay so so the mandatory transfers take place generally quarterly um the educational initiative fund at 15 percent of those revenues is 1.6 same thing for pharmaceutical assistant 1.6 to date we've also given the grs 1 million 73 000 and the horse racing okay do you one one million seventy three thousand dollars for grs okay and what about the horse racing improvement fund have you given them all of the money that you're supposed to have given them over the fiscal years we had but we

made a lump sum uh transfer of i think in excess of about 380 000 uh maybe a month or two ago but um based on what mr proctor is showing here um we did a transfer 14.82 to the horse racing improvement fund okay so my my question would be then mr williams and miss proctor do you owe does the uh lottery owe any money that it

0:12:04 is mandated to transfer to any of these four farms not to my knowledge i don't think we owe anyone it's a matter of this yeah what would it since this was part of miss proctor's testimony could she verify for monifeta joseph we have made all the monetary transfers in terms of horse racing thus far we only paid for the injured horses to golden age ranch that's the one that's a 14 000 that was paid out for quarter one to golden age ranch and you're supposed to pay how much in each quarter to golden age ranch well presently golden age round the sender requests into the department of agriculture and once they give me the approval then the payment is made so second quarter until quarter outstanding because i haven't gotten approval to make payment so it's only like 28 000 that we have for golden age ranch and um as soon as we get the okay from department of agriculture the other payment will be made sorry all right um my time has been called uh mr chairman um i do have you may conclude okay thank you thank you kindly mr chairman i wanted to ask uh regarding some of the new uh types of gaming you indicated in the committee on government operations last year that you were planning to bring uh to the system which would be additional revenue generating mechanism have you been able to get any headway on that director we're making it way as i stated in my testimony earlier we had to we met with the caribbean lottery and their regional offices in barbados because it was my hope like you said to had have those games that are competitive to the illegal games online by now but

0:14:01 um so what is your new projected time frame by the third quarter of fy 23. thank you kindly mr chairman thank you so much for the leeway i appreciate it let me just say something that's a help thank you senator joseph director williams yeah i just want to help um the senator to appreciate that um in terms of transfers um based on title 32 there's a series of transfers that we are required to make of that one specific to agriculture and to golden age ranch it's three percent of revenues that are generated through of vlt games and of that three percent i think it's either one uh point seven point seven five percent of one percent that um that those numbers come from thank you so much senator james you're recognized good afternoon testifiers good afternoon i just say good morning testifiers good morning to the people of the u.s virgin islands i see here i was comparing the fy 2022 to the fy 2023 and no way shape or form i'm saying individuals don't deserve more but can you justify the increase when it comes to janitorial services if i'm not mistaken i was reading the fy 2022 budget i was comparing it to this year and i think i saw an increase can you speak to the justification for that yes simply costs of um supplies costs of doing business payroll and stuff like that um required an increase for janitorial services okay just want to make sure and it was made mentioned that in your testimony that you're working on a creation of a

0:15:51 vl lottery app at what cost are you have you already purchased no we haven't um ms burgess is working on that at present i i don't know what the cost is going to be that's right ms burgess all right to answer your question we're actually in development process for gathering research we've been consistent um but gradual in our transition and implementation of technology into our services um we wanted to make sure that our customers are and our dealers are comfortable and take coming along on this journey um thus far we did a series of focus groups where we invited dealers and customers to come in and to speak to them about the development of the app and their comfort level we've also been tracking our analytics to ensure that people are actually using the technologies that we added for instance the qr codes that you see on our tickets now we're making sure that people are actually using them to scan their tickets and check their winnings as well as tracking it on our website so we now feel comfortable enough to take that leap so we're talking with our lottery partners in several states right now talking that have went ahead and created an app and did that you know went through this process so we're just gathering information and the next step will be to put out an rfp for those services good stuff and as far as an assessment of how this will increase our overall revenues as we speak about a fy 2023 budget because i'm i'm hoping and praying that this will be done in f-way 2023 that's the objective yes so as far as an assessment have you conducted an assessment to find out okay just to give us a projection of our revenues and increase well let me let me say this um with our traditional lottery sales right now um generally peaking somewhere is about 54 percent the fact that we don't have an online or subscription sales process to supplement that subscription sales using this thing um hopefully with the app and by developing that we can capture a younger um market as well too you know my hope anyway is to once we um are able to accomplish that is to take our revenue our average revenue per draw up to 72 percent good stuff i'm happy to know that you're thinking out of the box and you're digitizing government i'm all for that and i see here where you made mention you project a 10 percent an approximately 10 increase in revenues on southland gaming and an additional 756

0:18:21 7.56 increase on caribbean lottery how were you able to come up with these numbers those are numbers that generally come from the contractors but simply something gaming by the fact that they opened pirate club in st john that will bump their revenues as well okay thank you for placing that on the record and i saw where you mentioned and you completed

an audit for f1 2020 as far as the process for f1 2021 when will you be able to start that process um best practices say every three years that you do audits but um the division of uh investigation and security they along with uh my draw manager they will they continue to do like spontaneous checks they'll go to the different retailers and look at brand items randomly select equipment two minutes to look and see and to ensure that cash in cash out um is consistent we also utilize the valley connect system is a multi-connect system that gives us um accurate information as to which uh to to each piece of vlt machine and the status on the equipment so there's multiple ways to um ensure and enforce that and i want us to stick right there when it comes to southland gaming i know director jacobson you the last time you came before us you made mention that some of the the machines were offline can you speak to the status of that as it contributes to revenues i know you made mention a good amount of machines were down what's the status of that good morning lamar jacobson director of security and investigations yes senator um as the director mentioned we go out on a regular basis to make sure that these machines that are down are back up so i can't give you an exact number but i can tell you we have made significant progress in making sure majority of the machines in the retailers are up and running and let me just add to that um one of those major retailers that the equipment is down is windward passage you know that's a huge um situation but they have a legal situation between them and southland giving for dollars owed to southland giving that's

0:20:36 why they're offline thank you for placing that on the record and as far as your enforcement officers i know you have some vacancies as far as making the position more attractive have you come up with any incentives i know i spoke to whatchamacallit fort authority they're working on um sign-on bonuses certain things to make it more attractive as far as getting individuals to fill a position because as you take on more responsibility in the gaming world i want to make sure that you have the adequate workforce so can you speak to what you're doing to attract individuals so two things we spoke to earlier increase in salary to make their salaries more competitive and i'm going to we have probably some of the best benefits lottery does we pay a hundred percent um health insurance for our employees so compare that to any other agency and limit where you get okay just want to make sure that um you can be able to fill those vacancies and mr jacobson can be successful in his um endeavors as he seek to improve the overall division or agency and mr chain with your indulgence indulgence can i ask one last question you may proceed as far as training i know you made mention of conferences and what have you but when people see conferences they see it as we're going on vacation but i really wanted to place on the record what is the real return on investment how that has contributed to the overall training to make sure that we have a proper workforce to be able to recruit uh retain them and to be able to enforce can you speak to that and that would be my last question mr chair so we'll answer it in two parts if you don't mind um i'll just use pds for example naspl that's professional development series most of those courses are online and those courses are designed specifically to like accounting administration and stuff like that especially um specifically to enforcement i'm going to yield to um director jacobson yes well relative to

0:22:44 the give back on these trainings you could see the proof is in the pudding you have arrests being made officers are now able to go out in the field accurately have surveillance operations they come back they write almost perfect documents that they're able to present before the courts to make sure we're able to have our charges stick and that's what we continue to do with these trainings thank you so much senator james senator fred gregory you recognize thank you mr chair can you hear me yes we can okay good morning colleagues and good morning to the testifiers good morning i have a few questions um do you generate interest income mr proctor and i say yes or no good morning senator fred gregory yes we do okay so i'm not seeing where in the post-it report i'm not seeing your interest income i think that's very important information for us so if you can take some time and let us know what your interest income look like for fy 22 and what you're projecting for 23 i would appreciate that um i want to go to your non-operating revenue do you have do you have any outstanding loans no loans okay so i'm seeing a negative interest of 85 600 uh on page four of the post-it report could you please go to that page i need to understand what that negative is that should be a positive because it's um it should be funds coming into so it's probably placed in the wrong category on the post-it report so let me know that now i want to go back to the conversation that my colleague from st st thomas spoke about earlier with the respective um

0:24:48 mandated transfers that the transfers that are mandated by statute now um the transfer to the special education initiative fund i know that your your your numbers fluctuate annually what is that um obligation based on the law um for the educational initiative fund is 15 i think how the breakdown works i think it's um 246 11 4 or 246 11 8 246 11 1 or 2 speaks of transferring um 15 okay so so i'm seeing in the law that is 35 between the traditional games and the compensation from contractors now it's 15 for um the education initiative fund and 10 to the grs 15 that comes from where 15 of your operating revenues after or before expenses 15 based on how the law is structured it speaks to under sections um 246 a um 11 it says the apportionment of the total accrued revenues and then it goes under 11i it says we should transfer 20 percent of the net income from lottery of all games authorized under the chapter and then we jump over to under that same um category says that of of that 50 allocated to the general fund shall be utilized by the the department of education uh 25 uh shall be from that um for veterans affairs so it's not less than 20 from our games right

i'm sorry not less than 20 percent so if i calc if we calculate these numbers

0:26:46 from the traditional games and the compensation from the contractors we're going to come back to this number that you have here it's two different um sections in the code um and that's one of the things we want to clarify what you guys let me speak allow me to speak allow me to signify something senator fred gregory yes the mandated transfers of taken from the compensator from contractors not from our traditional lottery numbers but that's 25 percent based on the section of the code i'm reading and that 3093 the virginia's initiative fund only if there's been an amendment to it i really think that at some point and the point is now that the revenue expense the non-operating revenue expenses we need to get it right because i do not believe that it's right and the reason what that what gave me the impetus to ask this question is let's talk about the transfers to the grs retirees bonus what is your obligation to the transfers to the retirees bonus two minutes ten percent under section four it speaks to giving the grs ten percent but then if you go further down into the legislation under section j it speaks to the transfer of not less than 2.2 million so that is exactly exactly exactly so that's where the issue is so arbitrarily what's happening is from an arbitrary perspective you are transferring less money on an annual basis your obligation is not less than 2.27 so it's 10 percent and and not less than 2.2 so if if your 10 files less than a 2.2 then you got to give the 2.2 if it falls more then you could bring it in as at what number you want to bring it in not less than a 2.2 you have you have not been giving the lottery i mean the grs what they should be getting based on

0:28:46 your and your gent your um your your income after expenses because i see that your net income that's lost annually you have you there is additional resources that you are leaving on the books i think a turn uh senator joseph was trying to drive home that point this section here we all need to understand this a little more i see that there is a challenge with it and we need to get this right this not less than and this over this and out of that is creating an issue you can't arbitrarily come with a 10 percent it's 2.7 million dollars that you're supposed to be transferring to the grs 2.2 million annually 10 percent but not less than 2.2 so your budget that you have here you are you have 1.99 1.1 1.3 you way below the number okay so i'm gonna set to that right um we've had this conversation before um as recent as yesterday i was talking to the legal council and yes you're right we need to clarify some of this legislation because you're giving two bites of the apple to grs and um maybe we are our understanding is incorrect but we need this is part of what my testimony spoke to my time will run out um my good cousin time but let me share with you right we we ain't given two bites of the apple this is why i disagree mr chair can i wrap up please you may conclude yes um we're not giving two bites of the apple it says 10 but not less than 2.2 million so it depends on the revenues that you generate in that particular year it's the interpretation is very very clear and then you have times when you're leaving the table leaving on the table 2.4 million dollars but you didn't give grs

0:30:33 their due we got clear this up you ordered government money and let me ask you another question transfers to the government do you have an obligation to transfer any money into the government of the virgin islands it's supposed to be 20 after um net income after we perform right and you and you have zero so you're not you're not transferring any money you can't walk away on the table with a net income and not transferring any money to the government yeah you can't what's what's happening here um we have to watch this very closely this should not be occurring i'm gonna wrap up because my time has been called but there's a lot of discrepancies in how these funds are being transferred based on what i see i don't know if it's it's correct in your books but what's in front of us is very confusing and i know for sure you have not been giving grs it's due and the other the education initiative fund same thing i don't understand what's happening with um your numbers it's it's confusing so our job is to make sure that we understand it and if i don't understand it i'm certain that my other colleagues don't understand it that this is not clear and then you have a projection for 2023 of 22.3 million but in 2022 as of 6 30 you already showed 19.2 million dollars so your numbers are woefully low your your projections are very low in fy 21 yet you have 24.5 million what's it why is it with the the the numbers i need to wrap up i'm done i'm done i just this needs to be cleared up i mean i will be rushing to clear this up but it's a matter that requires clarity um mr chair director williams or miss proctor like i just said before i understand what point of inquiry with the chairman but but the idea that

0:32:26 i think i'm not an attorney number one number two i think a lot of this um the transfers definitely need to be addressed we started to look at it from the very first day i got there i've been trying to figure through some of this stuff but um in talking with legal counsel um in the governor's office we hope to help to clarify some of this stuff maybe we need to sit down collectively and work through it but you know i hear everything she's saying but you know that's one interpretation we may have another the point uh thank you point of increase and is that joseph yes mr chairman just to follow up with uh the senate president which was really on point there because if you're not paying the government employees retirement system is do you have money that you have sitting in cds how you don't uh and the interest earned from those to look at uh making sure those mandated transferred are made to those required funds again senator i don't know else to explain this as i did already we are we need to review the legislation um you know we all may have different interpretations it's it's really clear you have no less no it is clear there's no need listen there's no need to complicate

something that is very clear even i i'm just saying it's very clear so i don't see how you as the executive director are not adhering to the law and as required as mandated transfer thank you so much mr chairman for the time thank you senator joseph uh mr jacobs is there

0:34:20 sports game minutes in damas lamar jacobs director of security and investigations i would be honest and say illegally yes have they been told to stop to cease and desist immediately yes senator have we been able to determine how much revenues have not been contributed to this government by those illegal sport gaming machines that have been in st damas for quite a while we have not done a study on the um the sports gaming as of yet we only have done the illegal lottery games such as pali and um bolita but we have not done one on the sports betting okay that's that's not necessarily on our preview but um i think again that too is something that needs to be clarified where does some of those games there there are no pass sport gaming legislation passed by this body sports gaming hasn't been passed by this body if you have establishments where you can bet on baseball basketball etc um then those games are illegal yeah that we recognize if those games are being conducted by one of the contractors of the government of the virgin islands they need to be told to stop and they should be penalized i don't can't remember all the clauses of the contract but all games by the contractors and the vi lottery games must be approved by via lottery they can't go outside the scope of the contract that they have so we need to look as to whether or not um their action is is a possible fine because if we just we pass sports gaming legislation that has been submitted and all entities need to wait you know you you can't just do what you want because when you do what you want then we're not collecting any monies off of

0:36:18 those games nor do we know how much those games are generated so i think we need to do a deep dive we know um who has been conducting those games and we need to find out well you know exactly how much monies have you been able to um accumulate from these illegal games and what is going to be the position of the government of the virgin islands in reference to getting our share and stopping the operation until sports gaming is fast i have a point of inquiry please point of increase senator fred gregory thank you i don't think any of my questions were answered and that's very frustrating um i'm gonna go back to the net income slash loss uh when the lottery has in net income in any given fiscal year what do you do with your net income because the lottery is not in the business of for profit correct that's your turn uh um so what do you do with your net mr proctor good morning senator fred gregory after we have been audited and it's deemed that we have a net income 20 of that net income is paid to the department of finance so when was your last audit well our last audit was fiscal year 2020 and it showed us in a negative fall uh showed us as a loss all right thank you thank you senator fred gregory senator giddens uh thank you mr chair i just wanted to follow up on um the numbers that uh director c had for me um i stepped out so if you could get those numbers if you already gave me i could get them again please he hasn't so you can put it on the record director uh i want to also clarify that i said we have three um entertainment

0:38:13 centers is actually two one is under construction in tutu park mall but one was 73 uh had 73 machines um but uh the parrot club in st john is 73 machines on crown bay uh on st emas is 76. i i was um miss um i was incorporating with our circle but that's not an entertainment center it's a big lake one but they did that's uh a retailer 76 76 76 thank you thank you thank you senator graff senator gettens thank you uh mr chair good morning to all good morning sorry about that i was just writing a note let me first thank you for your upcoming change in your what you call it your motto your slogan where you're saying i am vi lottery vi lottery is me because god knows i can't understand the other one that when you play the vi lottery everybody wins because i want to know what happened to me honestly and a lot of people want to know what happened to them too but uh nevertheless uh this is our vi lottery and i will continue to support i appreciate that i i want to

0:40:04 make my pitch again though that to embrace or to further embrace the integrity of the game that we probably look at going to i think is like the ball drop uh system which i have spoken to you about we travel we had dinner we talk about it and we continue to go but i really think that this will really uh make people embrace the integrity of the game where they can actually see those ball drop and not for the computer to randomly uh pick these numbers and and i'm saying that's just me making a pitch but a lot of people feel the same way i wanted to ask you though um where are your activity centers uh let's start with saint croix first your your your offices in sunny isle um so you just have one okay uh you're not returning you're not having any satellite offices back in in the town of christian set of frederick said no we can't afford it and i guess that's car savings to you well not just a car so it'll become a expense or a greater expense for us if we were to satellite out there okay uh and what is your what are your activity centers on saint thomas we just have one in sub base not a base and um on princess gara downtown the forest location okay and saint john we don't have an office you don't have one no are you looking into having even a satellite office yeah my island of saint john my marketing director

0:41:55 is constantly in my case to getting a van that we can do satellite stuff with but there's some other pieces that come along with that you know you have to have bathrooms you have to have security there's a whole bunch of other things so we

can make it happen we can make it happen yeah sure we can make it let's let's let's let's make it happen for us in johnnians and just to let you know we're looking um at hopefully by the end of our contractual agreement in st namaster going back to franklin building where um we just got the authorization to do a technical assessment of the the structure there and potentially repair it and move back there and then rent out um the additional space but you'll be that's a rental again it's our government owned property the the franklin building yes okay so let's hurry up and do that because i would really love to see more government buildings being on their own this government spends too much money on people property uh refurbishing it and and leaving our buildings totally dilapidated look at our buildings in the downtown areas again i'm gonna make my pitch because we're gonna start doing these uh town hall meetings because i do think that we need to address the historic preservation restrictions within our downtown areas so that we can be able to rebuild these buildings in our downtown area and just simply ask for the same facade there's only certain buildings or certain structures within our downtown areas that needs to be historically preserved and just if you don't mind to that exact point so where we are in the um scotia bank property in st damas we attempted to erect an awning to protect our dealers but because of the restrictions you can't put up they disapproved so we have to take it down imagine that yeah and i keep telling them that this thing has changed over time because when all this historic preservation restrictions came in uh you didn't have um these advocates for for persons with disabilities and whatnot so a lot of these buildings to include our building what we call the people's building or even government house and whatnot those houses didn't have elevators they didn't have uh wheelchair ramps and whatnot and we had

0:44:12 to do what we had to do in order to accommodate people so you know it's just a matter of uh the mind changes now you have uh contractors uh who operates uh vlt's uh in the st thomas and john district what are they doing to address the uh problem gaming issues okay so great um question um they have we well now we the contractors are part of a problem gaming association just recently um mr pickering and i had a conversation about that they are about to um which mr pickering marvin pickering from the casino commission nice so they're they're looking at agm the american gaming association and there's a meeting i believe next week that we're going to be participating in along with our contractors to try to have um not necessarily a central but to have some product that can help us in assisting us with problem gaming i am comforted in just knowing that you and mr pickering are having conversations and we we travel to quite a few conferences together as well oh you're in alignment though right you're traveling and conducting business now uh time let me get uh if i may close out just at the enforcement uh section i i want to say to you mr jacobs continue to do the good work that you're doing i am publicly proud of what you're doing i saw the um the video that was played earlier i want to suggest to the lottery division that you all do uh public service announcement advising people how to report illegal uh gaming that's going on in the territory so that they can become friends of the lottery as you saying i am vi lottery lottery vi is me so let's uh extend that and i want to leave you uh mr jacobs matthew 5:9 blessed are the peacemakers for they shall be called the children of god just remember that and i say that

0:46:35 because you know i i am not comforted in in calling individuals out of their names and especially when it's a young virgin islander doing their utmost best and i saw this young man come to where he's at today as a matter of fact i recruited him into government from casino from dv casino hotel and i i just couldn't sit here today and allow that to to go over we can't continue to do that to our own thank you for your service and continue to make all of us proud thank you mr thank you thank you davila just real quick to the last point you made about um a mechanism victoria you want to speak about that uh victoria burgess director of marketing and public relations currently on our website we went ahead and uploaded a tool so that people can anonymous anonymously leave tips so if you see something you can go on to our website click on anonymous tips and you can leave that information it goes directly to mr jacobs jacobs as well as myself we also have a tip line where you can call to leave that information correct and they will be in the commercials that we are going to launch thank you so much for that information point of angry senator gregory yes uh senator um please allow the testifiers to answer the two questions that i asked um in my and during my time which was one that was tied to um the 2023 budget projections of 22 000 versus 22 million versus the 24 in 21 and the 19 as of uh 6 30 2022 and i also asked about that interest

0:48:34 income this is all on page four of the post audit report four of eleven and i also asked about that negative uh interest that's noted there i need to understand if they understand what this is or have pools at it provide us with what this is since they say they don't have any loans please you might go ahead and answer the first one first which is the operate why is the operating revenues projections for 2023 reduced to 22.3 million when we are already seeing in as of as of june of um 2022 some 19.2 or 19.3 million dollars um it's still morning senator fred gregory for physical year 21 and 22 um 23 23 budget was budgeted as is as i said in my testimony for physical year 22 when we budgeted there was it had the one million dollar drawing in there so that was the budgeted that was in that budgeted amount and as for the 19 the two the nine million that we budgeted for traditional games we tried to keep it yes we went up a little from last year but we try to keep it at a minimum because right now we have been faced with a lot we come into the endemic phase of kobe we got

monkey pops we got different stuff so we didn't want to make the budget for our traditional games too high and we wouldn't be able to make that goal because we see and so some drawings we have where the director say we up to 54 percent we might go sometimes to 58 but then we fall back down to 50. so we don't want a budget too high as i said for the traditional games and we don't make it yet in our compensation from our contractors there has been an increase and the numbers that are used for the budget comes directly from the compensation from the contractors themselves they give me their budgeted figures for the interest income that total includes

0:50:39 our interest income our sundry miscellaneous patches overages and unclaimed prices from cls that's how we come back to that total okay all right um i thank you for your responses i i i guess the real answer as it relates to your revenues projections is that you are budgeting very conservatively because i can't see how you hit the 24.5 in 21 and you're looking at 22.3 in fy 2023 and as of 2020 what what is what is your revenues as of today i do apologize senator fred gregory but i do not have those numbers with me because as of presently i'm out on sick leave i'm just here doing the budgetary and that's why i'm not there in person i have been out from july so i don't have those numbers with me currently well thank you for your service and thank you for doing what you have to do while you're sick but we need to have clearer numbers as as we um you know have these discussions on our budget thank you for the time mr chair um mr chairman i have a point of inquiry just as a follow-up and i i want to really one you haven't been center joseph wait until you recognize center joseph you recognize to your point of inquiry i was waiting mr chairman thank you um i wanted to ask ms proctor ms proctor i noted that in the meeting that was held by the committee and government operations you had indicated several or the or the um the executive director indicated several accounts that have interest there and you had three certificate of interest i'm sorry three certificate of deposits and that amount including the statement savings account total 6.8 million would you be able to tell us how much interest you have earned on this money being uh in these accounts that's what i have there out of june 30th we wish we received

0:52:58 two thousand six hundred seventy eight dollars in interest two thousand six hundred seventy eight dollars in interest okay thank you you're welcome well thank you so much and looking at the figures as to what you have collected thus far as of june 30th eight million five hundred twenty one three or four in the traditional games and you have three months left um it is clear that you're going to collect way more than nine million one hundred and sixty thousand so um and then the 2023 projections it did decrease that you're being very very conservative easily you're going to collect more than ten million dollars do you expect that excuse me a second second can i make a statement the budget was prepared from april of 2022 and um it was okay so so so i was actually looking at the actuals with april when i made the budget so then can you resubmit page five to tell us exactly what you're projecting can you resubmit what you think is going to be your 2023 projection for ticket sale compensation from contractors based on your june 30th number um we should have a clearer picture as to what we'll be able to um project for next fiscal year agreed yep sir yes okay so if we can have that resubmission so if we can just go back and do um the revenue expenses if you could submit that to us um we'll

0:54:49 we'll send that to you in the writing and if we could get it before page four and five page four yeah yes so um then we'll have a clear idea so i think we're going to be able to generate uh back to those 2021 um numbers that we had uh because i think that 2022 is going to come in um pretty close to what we had for 20 and i think senator gregory said it best our numbers are definitely conservative you know prefer to be on a conservative side and to say we're going to generate 14 million and then you'll ask me well how come they don't generate 14 million well i mean if not but we we're hoping that with all these games and um with the proper monitoring and everything else that we're going to be seeing a small increase um every year so let's see where we go from there but i'm going to allow you to put a closing statement on the record um now because we have the next entity um that is ready all right thank you very much um senator viala and the finance committee um we come here before you to present a budget of earnings revenues expenses stuff like that um i do agree that as i said in my testimony we got to look at the legislation um there might be different understandings or interpretations of what that is that's one of the things i absolutely intend to clarify and and get down to this body um there are some other sections as well but overall you know i think the vi lottery is a very healthy operation and healthy organization and despite what any naysay i may say tell them match up and come right with us we are doing what we're chartered to do from day one and we'll continue to do that and i want to thank you guys for having us down here this morning thank you so much director williams the committee of finance will take a five minute recess

0:56:51 so so and and and and and and and and and and and and and and so and and you and and you and and and and
you and
and and and and and and Thank you. Thank you.