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Bryan's Financial Team Admits Retroactive Wage Allocation Was Used for Regular Payroll, Other Commitments

OMB reports only 10 percent of allocated funds for retroactive wages disbursed to Virgin Islanders

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OMB Director Jenifer O'Neal, center, lead Gov. Bryan's financial team during Friday's Senate hearing. To her immediate left is Finance Commissioner Kevin McCurdy, and her immediate right BIR Director Joel O'Neal. By. V.I. LEGISLATURE

The Government of the Virgin Islands has once again used monies allocated for a specific purpose to fill in spending gaps, the Office of Management and Budget revealed.

In an update that disturbed members of the Senate Committee on Budget, Appropriations and Finance, OMB Director Jenifer O'Neal revealed that only 10 percent of the \$25 million allocated for the [payment of retroactive wages](#) had been disbursed to recipients as of January 19.

During Friday's committee meeting, Ms. O'Neal confirmed that as per Act 8770, the entire \$25 million was processed and released for the payment of retroactive wages, however only \$2.5 million of that sum had been paid to 972 Virgin Islanders. This leaves 7,951 current and retired government workers still awaiting monies owed to them. "As with all payments by the GVI, the administration is heavily dependent on cash collections due to the cyclical nature of our revenue collections," Ms. O'Neal said by way of explanation.

"This is wrong," declared committee chair Senator Donna Frett-Gregory. Senator Novelle Francis reminded the government's finance team that the law required the disbursement of the full \$25 million by December 31, 2023. However, Department of Finance Commissioner Kevin McCurdy seemed to skate past the legality concerns, instead telling legislators that matters of biweekly payroll, running the hospitals and helping to fund the V.I. Waste Management Authority took precedence over retroactive payments.

This explanation did not mollify Ms. Frett-Gregory. She reminded Ms. O'Neal that legislators had received assurance from OMB that American Rescue Plan Act funds were available to be transferred to the general fund to satisfy the requirements for retroactive payments. "We made a good-faith pledge when we signed off on this legislation to say 'yes'. We were given the comfort level that this money would be made available. Now, we're hearing a different song," Ms. Frett-Gregory said.

She took umbrage to Mr. McCurdy's explanation that the allocation "was used for other purposes" and would be fulfilled "once we have cash", chastising the financial team for making empty promises with "such conviction." Ms. Frett-Gregory clarified that she had no issue with the GVI taking care of its necessary obligations, but reminded the team that "you came before this institution and pledged, and this is where we made the decision we made."

According to the budget committee chair, the central government is doing a disservice to the people of the USVI with these partial payments. "Why would we pit our citizens against each other? We give some, we ain't give the rest the bulk of the money," she said. Similarly, lawmakers expressed concern about when exactly the almost 8,000 awaiting retroactive payments would finally receive the promised sums. "You spent the money [and] processed your transactions, not realizing that portions of this money should have been left back to cover this commitment," Ms. Frett-Gregory pointed out.

Senator Marise James, for her part, reminded the financial team that "we can't break a promise to the people." Senator Diane Capehart sought to remove culpability for the financial debacle from the senators. "It is not the legislature's fault," she declared, encouraging OMB and the Department of Finance to "do good" to those awaiting payment.

Senator Kenneth Gittens maintained that "we don't have a money problem in this government. We have a money management problem." He sought to learn from the governor's finance team "who should be held accountable for violating Act 8770." He asserted that the decision to use the monies for other payments was "outside of the law."

The financial team did not provide a definite timeline for fulfilling their responsibility when it comes to making good on retroactive wages, but according to Ms. O'Neal, the Bryan

administration remains “committed to making payments” and promised that another \$2.5 million worth of payments would be made “probably in the next two weeks.” “We're gonna keep pushing until we get it paid off,” she affirmed.

Her personal goal for the completion of retroactive payment, said Ms. O’Neal, is the end of February. Central government previously drew the ire of lawmakers when they admitted to using monies out of the general fund to fund WAPA’s debt to VITOL [without authorization](#) from the Legislature. Although lawmakers at the time fretted that the action contravened local law, ultimately no sanctions were taken against any member of the GVI finance team.

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