

Written questions member's Islandcouncil for the Executive Council/ Government Commissioners.
(art.159, lid 1 WolBES/ art. 46 RvO Islandcouncil)

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QUESTIONS:

- 1. Debieuze Debiteuren (pag 9/16):** USD 937k has been written off. Is this only a result of invoices that have expired (verjaringstermijn) or is this also caused due to an incomplete/poor administration, whereby receivables are not booked correctly? [This has only to do with invoices that have expired.](#)
- 2. The annual account including the accountant's report has been finalized.** Why hasn't this report been shared with the Island Council. Can the Island Council still receive a copy? [AR 2019? The Annual Report was provided to the BC. They will have to inform the IC.](#)
- 3. In one year time an enormous backlog in the administration has been dealt with. (page 14).** Where did this backlog come from taking into consideration that the intervention started already in february 2018 and more than one million dollars have been paid to an accountancy firm to improve the financial administration? [The backlog has to do with previous years. Four annual reports \(2017, 2018, 2019, and 2020\) have been finalized in 2020 and 2021. Next to this, we ended the contract with this accountancy firm as from preparation annual report 2019. The Finance department produced that report themselves, with a little help from the accountancy firm due to lack of proper administration of information concerning Annual reports 2017 and 2018.](#)
Has the output of the aforementioned accountancy firm been evaluated and if so, what was the outcome of this evaluation? [See above. We stopped the cooperation.](#)
- 4. Bijzondere uitkeringen (page 8).** An amount of USD 109.8 million has been mentioned as the total amount received in special allowances. Over what period of time has this amount been received? [This has been received as from 2016.](#)
- 5. Bijzondere uitkeringen (page 19).** It is noted that these special allowances are a crucial part of the financing of the public entity for various policy initiatives. Most, if not all, of these policy initiatives should actually be financed through the regular budget of the OLE consisting of own income and the free allowance. What steps are being taken to have the free allowance increased for the OLE to become less dependent on those special allowances? [Free allowance is based on the number of people, size of the municipality and activities. Other income must be generated by the municipality itself.](#)

6. **Overspending of special allowances:** More than 2 million dollars in total have been overspent on a number of special allowances. One can read that these overspendings may have to be financed out of the regular budget of the OLE. To what extent and in which year will this have an effect on the regular budget and how will this be absorbed? It looks like the figures show more than 2 million dollars overspending on a number of special allowances. When these projects are completed, administrative bookings will take place to offset this negative balance in the project administration. These projects have no consequences for the local budget. After finalizing the projects, an official report must be sent to the Ministry. They will decide if the money they gave to the OLE has been spent in a proper way, according to the project plan. If this is not done in a proper way, the Ministry may decide that we have to repay the money. When a project has a budget overspending, OLE is responsible for covering the costs. Unless we ask for an extra special allowance, and receive extra money, from the Ministry.

7) What is the reason that the salary cost of Francis/v. Rij has been overspent with USD 159.192? Previously the Central Government financed the salaries of the Government Commissioners. This has changed at the end of the year 2020 which affected the regular budget in 2021. Due to the change it might seem that the budget was exceeded but in reality it has not. A budget amendment needs to take place. One of the changes in the change management plan for Finance is to work accordingly to the Decree Budget and Reporting (*Besluit Begroting en Verantwoording*). Government Commissioners are a budget neutral item in the budget. Effective 2021 the Ministry of the Interior and Kingdom Relations has decided to exclude the addition to the free allowance of the salary costs for Government Commissioners, to be provided to the OLE by other means. From 2021, a special allowance will be provided by the Ministry of the Interior to the Public Entity to cover the budgeted salary costs of the Government Commissioners. Due to the fact that this decision was made after the 2021 budget has been finalized, it could not be included in the budget for 2021. The Public Entity has therefore included this budget change in the 1st Implementation Report. How did the Public Entity implement the budget change? The special benefits that the OLE receives are processed within the project administration. For each special allowance, the finance department created a separate project. In 2021, after receipt of the special allowance, the OLE has to cover salary costs for the government commissioners, created a project for the amount of the special allowance (\$385K). The special payment is recognized as income in our project administration. The income, free allowance, which OLE has included in the budget of the operation, to offset the salary costs of government commissioners, OLE has written off. In addition, we have the budgeted salary costs, via a budget change in the 1st implementation report, posted to ZERO. With this we have the costs and benefits, in the operating budget, set to ZERO and a gain booked in the project administration. The budgeted salary costs for the government commissioners are charged to the project. At the end of fiscal year 2021, the salary costs will correspond to the amount OLE has received special allowance, and the balance on the project will be ZERO. Because the budgeted salary costs are spread over various salary ledger accounts, is a comparison between the budgeted salary costs and the special allowance.

What has caused the overspending on “onverharde wegen” with USD 677,810 and which projects does this special allowance cover? There is no overspending on the project. The project has been executed under two separate decrees with shared cost. One decree was issued by the ministry of BZK and the other decree is issued by the ministry of I &W. The decree from the ministry of BZK was issued under the umbrella of the hurricane relief project with 1.1 m euros. In the ‘wegen program’ St. Eustatius it was highlighted that the 1.1 m euros provided by under the hurricane relief funds was insufficient and the difference would be compensated out of the Project Wegenonderhoud 2018. What is also important is that because the project is still not closed administratively, the extra costs is yet to be transferred to the project code of Project Wegenonderhoud 2018. This loss will therefore not have any consequences for the local budget.

What is the reason that the renovation of Smoke Alley Road became USD 815,901 more expensive than budgeted? The amount of USD 815,901 is not an overspending but this amount is showing the actual expenses incurred so far for the project. The total expenses for this project will be covered from the budget of another project, namely the project for Nature Conservation. This project is still ongoing, but in its final stage. When the project is completed, the booking will take place to offset this negative balance in the project administration. This project also have no consequences for the local budget.

The roaming animals project has been overspent with USD 393,666. What has caused this overspending? Is this project still ongoing and if so:

- what will be the final overspending?
- when will the project be completed?

The EC decided in 2020 to start with the project, even though there was no ordination from the Ministry at that time. OLE is in negotiation with the Ministry about the funding for this project. At short notice, we expect to have a positive decision from the Ministry. The total amount of the overspending will be \$ 615K. This will only occur if the Ministry is not willing to finance the project. By the end of the 3rd quarter if no communication is received from the Ministry, it would be wise to take this loss in the budget amendment in the 3rd quarter report.

- 7. The COS (new government administration building) project is having some delay.** This delay is caused because it requires an amendment to the spatial plan. Is this amendment part of the total overhaul of the spatial plan or only aimed at the site where the building is to be constructed? In the valid Spatial Development Plan (SDP), the land that is acquired for the realization of the COS and the GVP school is zoned " residential – to be detailed". This means that in accordance with art. 31 of the SDP, the Executive Council has to adopt a detailed development plan (uitwerkingsplan) before building permit can be issued. The draft detailed spatial plan was prepared by Rho Advisors and was, as stipulated in art. 3.2.4 of the SDP, but for public inspection for a period of 15 days. Since no appeals were submitted, the Executive Council decided on the detailed development plan in their meeting of June 22nd 2021. This was ahead of the planning of the procedure to get the land transferred from the present owners to the OLE. Contrary to a review of the SDP, that needs the approval of the Island Council, the Executive Council can decide on a detailed development plan. This is because the conditions are already included in the SDP. The procedures establish the detailed development plan were

solely aimed at the plot of that is intended for the COS and the GVP school and is separate from the review of the SDP that is presently in process.

8.

When is expected that the amendment of Spatial development plan will be completed? The expected amendment is expected to be completed in Q4 of 2021 with a possible expansion into Q1 of 2022.

9. **The funding for the harbor boat the Waterman has been depleted and the boat is still not operational.** This is an ongoing saga which runs now for at least two decades.

When will finally a permanent decision be made about the future of the Waterman and the operations of a harbor boat?

We received funding for the reparation of the harbor boat the Waterman. With this funding, a mechanic from Saba has been paid in advance. However, the mechanic has not carried out the reparation to date. This is mainly because of objections he has imposed because of the current Covid-19 situation and related health concerns. We do realize that it is undesirable that the boat is still not operational and that something has to be done about this situation. Therefore, we are simultaneously investigating two different trajectories.

First, we will investigate together with the legal department whether we can send the mechanic an “ingebrekestelling”. If he does not reply to this letter or still cannot fulfill his obligations, he will be considered in default (“in verzuim”) and we can dissolve the contract. In that case, we will search for another mechanic that can repair the harbor boat on short notice.

Secondly, as the Waterman is currently 42 years and therefore almost at the end of its lifespan (in a timespan of two years you will have a higher cost of ownership compared to a new vessel), we are looking into an alternative. This alternative is potentially selling the Waterman and buying a new and more sustainable harbor boat. We are currently looking into several financing possibilities to buy a new boat.