

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

Issue : Vaststelling jaarrekening 2020 Openbaar Lichaam Sint Eustatius
Date question : Tuesday, October 12, 2021
Sender : F. E. A. Spanner
Date answer : **(within 15 days)**
Responsible Com./Gov.Com. : C. Toet
Responsible editor :

QUESTIONS:

1. A major part of improving our financial management is reducing the backlog in financial statements. In the introduction (page 1) is mentioned that financial statements over several years has been delivered. Please indicate the dates that these financial statements were delivered starting from 2015 to 2020.
2015:
2016: 30 April 2019
2017: 23 October 2020
2018: 03 November 2020
2019: 30 June 2021
2020: 17 September 2021
2. Could you explain what is meant by "reeds opgeleverde GVP schoolgebouwen" (page 7)? The renovation of the GvP school has not yet started. This is excluding the GVP school buildings. "exclusief overige reeds opgeleverde GVP schoolgebouwen".
3. Participations "deelnemingen" (page 8)? In 2020 Eutel NV recorded a small profit of \$ 161,354 while STUCO NV recorded a loss of \$ 50,576. In 2019 STUCO NV recorded a loss of \$ 91,219. What is the main reason for the short fall of STUCO NV and are further losses projected for this year. In the annual report from STUCO is stated that the loss is caused by extra costs for maintenance of the water supply system.

What steps are they taking to curb this situation? That is something that STUCO has to take responsibility for.

What is the agreement for the different entities to provide their financial statements to OLE? Every year STUCO, Eutel and the other participations have to deliver their annual statements. And they apply to this every year.

Do these companies provide their financial statements on-time? They deliver the annual reports every year after they have finalized their audit. We keep up the conversation with the companies to see if it is possible to deliver the annual statements earlier, but they also have deadlines where they have to apply to according the law.
4. Other receivables "overige vorderingen" (page 9) USD 2.5 million was transferred to STUCO NV for amongst others expansion of the underground distribution network. Please explain what percentage of the total electrical distribution network should be underground at the completion

of this project?

The project has finished in 2021 and 33 km is underground. 7 km is remaining above the ground. Are there other projects in execution or being requested from the European Development fund. Please provide a list.

We don't have a list from the projects that relates to STUCO. We will address this and come back on this subject at a later stage.

5. On page 10 you find information regarding (not) earmarked liquidity at the end of the year. Could you explain how and where this money (\$ 65,450,909) is stored?
This money is stored at a bank account at CFT, but is only available for Statia. We can make payments from this bank account when necessary.
Is this money earning interest or can it be invested? No, we don't earn interest on the money that is stated on this bank account and we can only use it for projects that relates to special allowances. In principle how is not-earmarked liquidity created? We receive money from the ministry (BZK) as free allowance. This amount, together with the money we receive from taxes, leges, harbor fees etc. is not-earmarked liquidity. However also our expenses, from OLE, have to be paid from these not-earmarked liquidity. The money that is left from this amount is the not-earmarked liquidity. Earmarked liquidity are the special allowances we receive.
6. What can the IC or Executive Council do to earmark the \$ 4,765,152?
We can earmark the amounts that are now not-earmarked liquidity but this can result in a shortage in money to pay our costs. If we earmark this money, we are not allowed to use it for regular business.
Can the not earmarked funds be used for new projects for example via a budget amendment (page 25)? Yes, that is possible. But a budget amendment is only approved after approval by the CFT and the Ministry of BZK. After the approval the money can be used for the budget amendment.
7. The positive result of 2020 is \$966,844 (page 11). Is it possible to reserve part of this amount for the strategic land purchase as proposed by land policy St. Eustatius 2020?
That is possible, but for now the executive council will decide where the money will be used for. We, as finance, proposed to use this money to strengthen our general reserve for future losses.
8. Pension provision former government authorities (page 12). Since 2017 the provision has been raised to \$ 450,000. Are all former government authorities who has requested this pension also receiving their pension payments, or are there backlogs in payment of pension to anyone in this group? There is no backlog from our side. We are awaiting a decision how to move on regarding this issue. As long as we don't receive any information, the provision will remain on our balance sheet.
If there are backlogs please inform when you expect these backlogs to be cleared? See above.
How many persons are receiving this benefit and what is the yearly total cost for government?
9. Land (grond) page 15. In the income statement presented no income amounts are mentioned for land. Please explain why?
The amount has been reported under different items. The total revenue of Land for 2020 is \$ 244,763.
10. Solvency ratio (page 27). The weakening solvency ratio is caused by the increasing "doeluitkeringen". Could you provide an overview of the doeluitkeringen received over 2016 to 2020? See page 39-43 of the annual report. This is an overview of received special allowances.
11. Stichting Wegenfonds (page 29). What actions has been taken in the past year to force the foundation to give account for the funding they received?
There hasn't been any administration where we can look at for this foundation.
What are you planning to do in 2021 to solve this issue? Currently we are busy of cancelling the

foundation as soon as possible.

What are the amounts of the debt and fines that the Tax Office BCN has on the Public Entity and the Stichting Wegenfonds? In total \$ 55k. These fines and debts can be brought back to zero when we lose the business, because the foundation is dormant since 2012.

Are the current or former members of the board of the foundation personally liable for the unresolved debts and fines of the Stichting Wegenfonds or is government liable? No that is not the case.

12. Abstention of judgment "oordeelonthouding" BDO (page 49). The number of objections raised by the external accountant is going down but still remain worrisome. No progress has been achieved in many areas in 2020 and probably in 2021 as well. Instead of questioning every objection it seems more prudent to focus on the execution of the "Plan van aanpak op weg naar rechtmatig en doelmatig financieel beheer op Sint Eustatius". Could you inform us of the state of execution of this plan? What has been completed and what is left to be done and what is the projected time frame?