



# Translation of: Advice pertaining to first draft budget amendment Sint Eustatius 2026

Original title: Advies eerste ontwerpbegrotingswijziging Sint Eustatius 2026

*In case of differences in interpretation between the English translation and the Dutch version of the text, or in legal proceedings or escalation procedures pursuant to applicable regulations, the original Dutch version shall always be leading.*

Dear Ms. Francis,

## **Introduction**

On May 13, 2026, the Board of financial supervision of Bonaire, Sint Eustatius and Saba (Cft) received the first draft budget amendment (OBW) of Sint Eustatius for the budgetary year 2026. On June 3, 2026, the Cft received additional information that was needed for an adequate assessment. In consultation with Sint Eustatius, the Cft's statutory period for issuing an advice started on June 3, 2026. By means of this letter, Sint Eustatius receives the Cft's advice pertaining to the first OBW.<sup>1</sup> Substantiating figures have been included in the annex.

## **Conclusion**

The budgeted balance decreases to USD 0.1 million, which means that for the time being, the amended budget meets the central budgetary standard set forth in the Act on Finances BES. For some of the amendments, the substantiation is insufficient. The Cft observes that part of the amendments is of a structural nature, however, the budget amendment does not contain a multi-annual estimate.

## **Subsequent steps**

The Cft recommends Sint Eustatius to modify the following elements of the OBW before submitting it to the Island Council:

- Add the additional information to the first OBW of 2026.
- Add a multi-annual estimate to the first OBW of 2026, to provide insight into which part of the amendments has a structural effect on the budgetary balance. In any case, provide further clarification of the increase of the personnel expenses.

Furthermore, the Cft recommends Sint Eustatius to further clarify the increase of the tourist tax in the second implementation report of 2026, in order to conclude whether this is in line with the budget.

## **Explanatory statement**

### Personnel expenses

The personnel expenses increase by USD 1.4 million, due to Collective Labor Agreement related increases. A part thereof that is not further specified relates to incidental expenses. At the request of the Cft, additional information was submitted on the multi-annual effect of the modification of the personnel expenses. Even with the more detailed explanation, it is still insufficiently clear to the Cft which part of the increase of the personnel expenses has a structural effect in the year 2027 and subsequent years.

#### Tourist tax

In the OBW, the income from tourist tax has doubled to USD 0.3 million. According to the additional information, the modification is based on a revised estimate. In more detailed information that was sent afterwards, the revised estimate is not sufficiently explained. It shows that a change is made from a cash basis to an accrual basis, and the figures are calculated on the basis of online information. It is not further explained which sources or information have been used, and why an accrual basis is now preferable, which complicates the assessment of the degree of reality of the estimate. In the context of the second UR, the Cft will assess if the realized income is in line with the budget.

#### Multi-annual estimate

Part of the proposed modifications is of a structural nature and will therefore have an effect in the coming years. This goes for the personnel expenses as well as for parts of the income, including the increase of the local levies and the free allowance. Therefore, the Cft recommends Sint Eustatius to provide a multi-annual clarification of the consequences of the modifications by means of a multi-annual estimate, so as to clarify which part of the modifications is structural.

Trusting to have provided you with sufficient information.

Sincerely,

The Chair of the Board of financial supervision of Bonaire, Sint Eustatius and Saba

[signature]

Hans Hoogervorst

A copy of this letter was sent to:

The Head of Finance of the Public Entity Sint Eustatius

## **Annex 2: Endnotes**

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<sup>1</sup> Article 21, second paragraph, Act on Finances of the Public Entities Bonaire, Sint Eustatius and Saba (*Wet financiën openbare lichamen Bonaire, Sint Eustatius en Saba* – FinBES Act).