



Internal Notice

The islands of the Dutch Caribbean, namely St. Maarten, Curacao and Aruba have been in negotiations with the Netherlands to secure financing as a result of the affect COVID 19 has placed on the economy of St. Maarten. The securing of the financing has been tied to certain criteria which directly includes the Government owned companies.

During a meeting with the Council of Ministers on Thursday, May 28, 2020 to discuss some of the conditions of the agreement, the representatives of the Government owned companies were asked to submit a proposal to reduce the personnel costs by 12.5%, using the 2020 approved budget and a six month time period as the basis.

In attempting to minimize the financial effect on the employees, the Managing Board looked at the total personnel costs prior to considering the reduction of salaries, vacation allowance or bonus. The reduction in the personnel costs have been applied to other personnel related costs such as tuition, daily allowance, vacancies, gifts, celebration and the alcohol free program, travel and lodging, and miscellaneous and other personnel expenses.

This translates that these budgeted personnel related costs will no longer be able to be used for the balance of this financial year. The proposal will be submitted to the Minister of Finance on Wednesday and once the proposal is accepted, the Managing Board would have fulfilled its requirements and the NV GEBE Corporate Budget 2020 will be adjusted to reflect these changes.

See table 1 and table 2 for a synopsis of the process used by the Managing Board. An Executive Management Team meeting was held on Monday, June 01, 2020, during which the process was explained in detail. If you require any further explanation, please contact your Manager for information.

Table 1

Total Personnel Cost 2020	35,680,630.00	
12.5% - Total Personnel Cost 2020		4,460,078.75
Reduction based on 6 months		2,230,039.38

Table 2

Budget		Real Cost	Difference
Tuition	405,200.00	54,937.58	350,262.42
Daily allowance	210,280.00	21,627.83	188,652.17
Travel & lodging GEBE	461,490.00	35,548.69	425,941.31
Misc oth. Pers. Exp.	95,349.00	0.00	95,349.00
Gifts/Celebration/Alcohol Program	140,895.00	0.00	140,895.00
Vacancies	1,089,408.00	0.00	1,089,408.00
Total			2,290,507.90


Kenrick Chittick
Managing Board

June 1, 2020