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MINUTES OF A SPECIAL MEETING OF THE TWELFTH ANGUILLA
EXECUTIVE COUNCIL HELD ON WEDNESDAY 15th DECEMBER 2021 AT 9.30 AM

- PRESENT: Her Excellency the Governor, Ms Dileeni Daniel-Selvaratnam
Acting Deputy Governor, Mr Karim Hodge
- The Honourable Premier and Minister for Finance and Health,
Dr Ellis Webster
- The Honourable Minister for Social Development, Cultural Affairs,
Youth Affairs, Gender Affairs, Education and Library Services,
Ms Dee-Ann Kentish-Rogers
- The Honourable Minister for Home Affairs, Immigration, Labour,
Human Rights, Constitutional Affairs, Information and Broadcasting,
Lands and Physical Planning, and Acting Premier Mr Kenneth Hodge
- The Honourable Minister for Infrastructure, Communications,
Utilities, Housing and Tourism, Mr Haydn Hughes
- The Honourable Minister for Economic Development, Commerce,
Information Technology, Environment and Natural Resources,
Mr Kyle Hodge
- The Honourable Attorney General, Mr Dwight Horsford
- Clerk to Executive Council, Mrs Angela Hughes
- IN ATTENDANCE: Hon Parliamentary Secretary for Economic Development,
Mrs Quincia Gumbs-Marie
Hon Special Ministerial Assistant to the Hon Minister for Social
Development/Education, Mr Merrick Richardson
Financial Specialist, Mr Stephen Turnbull
PS, Finance, Mrs Kathleen Rogers
PAS, Finance, Ms Marisa Harding-Hodge
PS Health, Mr M Foster Rogers
PS, EDCITENR, Mrs Chanelle Petty-Barrett

PS, MICUHT, Mr Karim Hodge
PS, Home Affairs, Dr Aidan Harrigan
Budget Director, Ms Shona Proctor
Budget Officer, Ms Jamila Gumbs
Chief Project Officer, Mrs Anthea Ipinson

EX MIN 21/412

EX MEMO 21/272 REVISED 2022 BUDGET ESTIMATE & FORWARD ESTIMATES FOR 2023 TO 2024

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

Council first considered the Budget on December 7, 2021 in Ex Min 21/391.

Council:

- 1) noted that the EC\$20 million CDB Policy Based Loan is ready for disbursement and has been requested;
- 2) noted the Contingency Plan, which provides a mechanism for cost savings if 2022 projections cannot be met, it details areas of discretionary spending which can be cut if revenues are 30% below cash flow projections for two consecutive months. The plan contains a three tier response mechanism. Council approval is required for the commencement of the cost saving measures and the re-establishment of curtailed functions;
- 3) approved the Contingency Plan, for onward submission to the UKG, subject to an amendment to include a narrative on the introduction of the GST and the plan for implementation of the Companies Registry system;
- 4) agreed that the Ministry of Social Development expenditure of EC\$54,000 for the rental of office space would be accommodated by making a transfer from the COVID-19 response head;
- 5) noted the proposed 2022 Budget Estimates and the areas of increase and reduction for each Ministry. The claims against

Government baseline should be reviewed with a view to increasing it;

6) noted the forward budget estimates for 2023 and 2024; and

7) agreed the 2022 Budget, as follows:

i.	Recurrent Revenue:	EC\$237,662,656
ii.	Recurrent Expenditure:	EC\$224,584,237
iii.	Recurrent Surplus/(Deficit):	EC\$13,078,419
iv.	Capital Grants/Revenue:	EC\$0
v.	Capital Expenditure:	EC\$2,000,000
vi.	Capital Deficit	EC\$(2,000,000)
vii.	Overall Balance (before amortization):	EC\$11,078,419
viii.	Debt Amortization:	EC\$35,697,892
ix.	Overall Surplus/Deficit (after amortization):	EC\$(24,619,473)
x.	Financing:	EC\$13,500,000
	To include:	
	CDB (PBL)	EC\$13,500,000
	CDB (ACC)	EC\$0
	Other Revenue	EC\$0
	Opening Sinking Fund Balance	EC\$0
xi.	Cumulative Balance after Financing	EC\$(11,119,473)

Action: HON, DG; PERM SECS; MINS OF GOV'T

EX MIN 21/413

EX MEMO 2021/273 PROPOSED SUPPLEMENTARY BUDGET (PSB) NO.2 FOR 2021

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

The Ministry of Finance prepared a Supplementary Appropriation to reflect the changes owing to various demands on the recurrent budget. It facilitates the reprioritization of projected expenditure savings, as agreed with Ministries and Departments to accommodate the payment of expenditure arrears.

Council:

- 1) noted the expenditure reductions, shortfalls and savings;
- 2) noted that the approved Capital Budget for 2021 is EC\$2,872,000. As at the end of November 2021, capital expenditure totaled EC\$2,424,729, approximately 85% of the total approved budget. There is one change to the capital budget which is the reallocation of the unspent balance from the land acquisition account to miscellaneous projects in order to facilitate the completion of year-end projects and fulfil counterpart commitments;
- 3) approved the Portfolio allocations as identified in Table 1, column F below;

GOVERNMENT OF ANGUILLA 2021 ESTIMATES OF RECURRENT EXPENDITURE AND CAPITAL SUMMARY OF APPROPRIATIONS SCHEDULE									
PROGRAM	MINISTRY	A	B	C	D	E	F	G	
		2021	2021	2021	2021	2021	2021	2022	
		APPROVED	REVISED	SUPPLEMENTARY	Expected	End of Year	SUPPLEMENTARY	SUPPLEMENTARY	
		BUDGET	BUDGET	BUDGET	Shortfall/Savings	Projection	BUDGET	BUDGET w/ Arrears	
			(Post Supp. #1)	NO. 1	Difference		NO. 2	NO. 2	
					(B-E)				
	PART 1 - RECURRENT EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	
001R	HE THE GOVERNOR	28,810,840	28,915,738	28,633,338	475,088	28,440,650	28,915,738	30,242,545	
350R	MINISTRY OF HOME AFFAIRS, LABOUR, IMMIGRATION, INFORMATION AND BROADCASTING	8,963,220	8,516,772	8,316,772	322,775	8,193,997	8,516,772	8,762,899	
450R	MINISTRY OF FINANCE AND HEALTH	108,092,690	109,709,929	105,922,373	10,999,436	98,710,493	109,709,929	105,535,362	
550R	MINISTRY OF SOCIAL DEVELOPMENT	51,615,945	46,673,706	46,675,211	398,496	46,275,210	46,673,706	47,609,334	
650R	MINISTRY OF INFRASTRUCTURE, COMMUNICATIONS UTILITIES, HOUSING AND NATURAL RESOURCES	20,518,395	21,527,732	21,527,732	(0)	21,527,732	21,527,732	23,027,814	
750R	MINISTRY OF ECONOMIC DEVELOPMENT	8,710,117	10,197,466	10,195,961	1,505	10,195,961	10,197,466	10,363,389	
	TOTAL RECURRENT EXPENDITURE	226,711,207	225,541,343	221,271,387	12,197,300	213,344,043	225,541,343	225,541,343	

Notes:
HE, The Governor: Savings mainly in Training \$475,088. Overall shortfall in Depts. PE and Goods &
Ministry of Home Affairs: Savings in Consultancy and Rental of Assets \$322,775
Ministry of Finance: Savings mainly in Claims Against Gov't and Restricted Expenditure \$10,999,436
Ministry of Social Development: Savings in mainly Public Assistance, however, in PE there is a shortfall due to under expenditure reported in Education Supplementary #1 \$398,496
Ministry of Infrastructure: Net effect of savings and shortfall
Ministry of Economic Development: Net effect resulting in a minute savings of \$1,505

- 4) authorized the Attorney General's Chambers to work with the Ministry of Finance to draft a Bill for Supplementary Appropriation for tabling at the next session of the House of Assembly; and
- 5) approved the payment of the following outstanding obligations:
 - a) Civil Servants/Deferred salaries (half payment) \$ 2,344,447.95
 - b) Public Service Pension Fund \$ 2,766,844.41
 - c) ECSC Contribution - 2021 \$ 1,069,369.92

Action: HON, DG; PERM SECS; MINS OF GOV'T

EX MIN 21/414

EX MEMO 2021/274 ACTUARIAL REVIEW OF THE PUBLIC SERVICE PENSION FUND (PSPF)

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

On 1 January 2004, the Public Service Pension Fund became the sole pension scheme for Government employees and certain government agencies. The Pension Fund is a contributory fund and all contributors receive benefits upon retirement, resignation or death. Under section 29 of the Pensions Act an actuarial review is required every 3 years, a review was conducted on December 31, 2020. The review highlighted sustainability issues and that unless changes are made to contributions or benefits the fund is forecast to be depleted by 2028. Several recommendations were made to mitigate this risk and improve sustainability of the Fund. The PSPF proposes that the recommendation to establish a formal funding policy that will determine when and by how much contribution rates should be increased should be followed.

Council:

- 1) approved a 1% increase in GOA Employer Contributions to the PSPF to 4% commencing 1st January 2022;
- 2) noted that the Statutory Bodies have been advised to make a similar 1% increase in employer contributions commencing 1st January 2022;
- 3) instructed the Attorney General's Chambers to draft an amendment to the Pensions Act to give effect to the proposed increased contribution;
- 4) noted the actuarial review of the Pension Fund as at December 31, 2020; and
- 5) instructed the Attorney General's Chambers to prepare the actuarial review report for tabling at the next session of the House of Assembly.
- 6) noted that legal advice and employee consultation is required before any further decisions in relation to the other actuarial recommendations to the PSPF can be made.

Action: HON, DG; PERM SECS; MINS OF GOV'T

EX MIN 21/415

EX MEMO 2021/244 AND EX MEMO 2021/249 UNIVERSAL SOCIAL LEVY AND MONEY TRANSMISSION LEVY

Hon Parliamentary Secretary for Economic Development, Hon Special Ministerial Assistant to the Hon Minister for Social Development/ Education and Financial Specialist remained.

Council:

- 1) approved the final draft Bill for a Universal Social Levy, 2021 and the final draft Bill for a Money Transmission Levy, 2021; and
- 2) instructed the Attorney General's Chambers to prepare the Bills for tabling at the next session of the House of Assembly.

Action: HON, AG
