

**7.4 2020/2021 YEAR END FINANCIAL FORECAST****File Number:** COUI - 1400**Author:** Brent Chamberlain, Chief Financial Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Year End Financial Commentary

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**RECOMMENDATION****That, having considered all matters raised in the report, the report be noted.****PURPOSE**

The purpose of this report is to inform Councillors about Council's expected year-end financial position. Due to the timing of the next Finance and Infrastructure Committee meeting, this report is presented to Council.

**SIGNIFICANCE AND ENGAGEMENT**

This report is provided for information purposes only and has been assessed as not significant.

**BACKGROUND**

Over the past month officers have been completing a forecast for the last quarter of the financial year to give a predicted year-end financial position. This forecast aligns with the financial reports provided to Council throughout the financial year but aims to give more specifics to where Council expects to be at end of financial year, and seeks to provide Council line of sight ahead of any formal carry forward, financial surplus/deficit and Annual Report discussions.

**DISCUSSION**

**Attached** to this report is a full Council Funding Impact Statement (FIS) which covers 9 months of actuals, and 3 months of forecast to give a predicted year end position, as well as 9 individual Activity FIS.

Activity	2021 Forecast Surplus/(Deficit)	Required Action
Community & Leadership	(\$3,176)	Small deficit funded from prior year reserves
Planning & Regulatory	\$0	Balanced
Land Transport	\$249,974	Surplus to be carried forward for future years
Solid Waste	(\$181,007)	Deficit to be loan funded
Drinking Water	(\$403,582)	Deficit to be loan funded
Wastewater	\$0	Balanced
Stormwater	\$0	Balanced
Recreation & Community Facilities	(\$27,925)	Small deficit funded from prior year reserves
Overheads	\$0	Balanced
<b>TOTAL COUNCIL</b>	<b>(\$365,717)</b>	

In this cover report, Officers seek to provide explanation on key forecasted activity overspends, or activity that we expect Council will be interested in.

## General Commentary

The main difference between this report, and the financial reports Councillors have seen throughout the year is the way the unspent grants and carry forwards have been treated.

Up to seeing this report Councillors have been told we have received \$5.5m of 3 waters stimulus funding back in October. And while this was true, technically until Council delivers the promised capital asset that this funding was given for, Council hasn't satisfied the obligation to Central Government that comes with this funding. Therefore \$2m of this revenue has been treated as liability (an unfilled obligation back to government) and the only \$3.5m as revenue because by year end we will have spent \$3.5m delivering the program promised.

With the economic stimulus money Council has received, officers have worked on the assumption that this will be fully spent by year end.

Carry forwards are what the Council refers to when it talks about funding it has rated for in one year, but due to delays it doesn't spend it on the project/program it rated for until the following year.

Typically this is mainly applicable to targeted rates, where the rate revenue is specific to project/program and can't be used for anything else. For example Drinking Water Rates can only be used for Drinking Water program delivery. This ensures that the funds taken for a specific subset of rate payers is used for that subset of rate payers benefit.

Last year there was delay in delivering the Land Transport roading program, and Land Transport Rates were carried forward to this year. While much of this catch up has occurred, Land Transport again will have some unspent funds and will need to carry forward \$250k. These funds are unavailable to fund Drinking Water and Solid Waste's shortfall as these are funded from different rate types.

Other activities will have small surpluses and deficits that can be funded from their carry forwards.

The two activities that will have sizeable deficits at year end are Solid Waste and Drinking Water.

## Solid Waste

While Solid Waste's revenue will be approximately \$111k up on budget for the year, their operating costs will be \$415k up leaving a deficit. Remembering within operating costs, Council has incurred costs disposing of tyre and concrete piles that had built up in prior periods (that is the Council received the revenue in prior years for their receipt, but hadn't paid for their disposal till this year). Council has also had one off costs undertaking operational reviews leading up to the Long Term Plan.

Fortunately, Council has managed to claw back some of the operational overspend in its capital program, so the overall deficit will be in the vicinity of \$181k.

Officers will continue to monitor costs, and try to bring the budget deficit back but the reality is Council will have to fund any shortfall through drawing additional solid waste debt, or applying some non-solid waste reserves to meet the shortfall.

## Drinking Water

As mentioned earlier the 3 Waters stimulus funding has now been matched to expenditure, so what is left is the true business as usual operation.

Ignoring the stimulus grant, drinking water revenue is largely on budget. However, operating costs have been under pressure all year with significant levels of water leaks across our network due to aged infrastructure. While Officers have signalled the likelihood of an overspend in drinking water throughout the year, we cannot confirm that this is the area where we are projecting the largest deficit.

The capital spend for the year also reflects this story. Council will spend 1.555m on asset renewals, but only budgeted to undertake \$0.832m this year. Remembering that Council (in a typical year, and not the first 5 years of the next Long Term Plan) rates for renewals means that this over delivery of renewals is also contributing to the rating deficit.

Overall Council is forecasting a deficit of \$403k, which is less than the over delivery of renewals. Officers will be recommending that some of renewal debt funding from year 1 of the Long Term Plan be brought forward to cover this larger than planned renewal program.

### **Annual Report 2020/2021 Process**

The annual report process from here is as follows:

- Ernst and Young are scheduled to be on site to commence their audit process with a preliminary audit on the 14-18 June. This is to check Council's internal controls and systems that they will later be relying on to produce the annual accounts.
- 30 June is the end of Council's financial year.
- 1 July Council invoices out the last of the work it undertook/services it provided prior to 30 June.
- 20 July Council pays the last of the supplier invoices for materials/services provided to Council prior to 30 June.
- July/August Officers prepare year end accounting entries, year end work papers, and the draft annual report.
- Ernst and Young are back on site 23 August – 3 September to audit the draft annual report
- 16 September Risk and Assurance meet with auditors to discuss audit findings, and audit clearance given
- 23 September Council Adopts the Annual Report

### **IMPLICATIONS ASSESSMENT**

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

### **NEXT STEPS**

Officers will continue to take necessary steps and minimise the expected budget deficits between now and year end, and whatever shortfalls result will be brought back to Council after year end to decide on the appropriate action, as part of the Annual Report 2020/2021 process.

### **RECOMMENDATION**

**That, having considered all matters raised in the report, the report be noted.**

Central Hawkes Bay District Council  
30 June 2021 Forecast  
Funding Impact Statement Report



Sources of Operating	2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	13,379,846	13,949,676	13,949,917	(239)	⊗	
Targeted rates	7,413,116	7,494,008	7,503,245	(9,237)	⊗	
Subsidies and Grants for Operating Purposes	4,496,855	6,973,671	3,203,221	3,770,450	⊕	Unbudgeted external funding - 3 Waters Reform operational, Economic Development Work Creation, He Ringa Whanau Ora. Unspent Grant money moved to "Revenue in Advance" to be carried forward to 2021/22.
Fees, charges	3,781,277	4,725,635	4,336,604	389,031	⊕	Consents and Solid Waste up on budget, offset by Municipal Theatre (impacted by Covid) and Trade Waste
Interest and dividends from investments	214,937	206,458	92,294	114,164	⊕	Interest on additional Term Deposits we are holding
Local authorities fuel tax, fines, infringement fees and other receipts	491,666	511,509	231,365	280,144	⊕	Includes \$280k of NZTA FAR adjustment back pay
<b>TOTAL</b>	<b>29,777,697</b>	<b>33,860,959</b>	<b>29,316,646</b>	<b>4,544,313</b>	⊕	
<b>Applications of Operating</b>						
Payments to staff	5,567,072	5,682,402	5,949,174	266,772	⊕	Savings across multiple activities due to vacancies
Payments to suppliers	17,320,029	21,300,403	16,780,543	(4,519,866)	⊗	Includes the expenditure of unbudgeted water reform and economic recovery monies, plus overspends in water (leak repairs) and solid waste (disposal of historical tyre and concrete dumping).
Finance costs	364,078	457,289	419,390	(37,899)	⊗	Started the year with higher debt than budgeted, but funds invested so additional costs matched by additional interest income.
Other operating funding applications	0	0	0	0		
<b>TOTAL</b>	<b>23,251,180</b>	<b>27,440,094</b>	<b>23,149,107</b>	<b>(4,290,987)</b>	⊗	
<b>Net Operating Cash Flows</b>	<b>6,526,517</b>	<b>6,420,865</b>	<b>6,167,539</b>	<b>253,326</b>		
<b>Sources of Capital</b>						
Subsidies and grants for capital expenditure	5,507,054	17,551,999	25,754,618	(8,202,619)	⊗	Unbudgeted external funding - 3 Waters Reform, Nga Tipuna, offset by Land Transport.
Gross proceeds from sale of assets	18,811	20,183	34,661	(14,478)	⊗	Sale of fleet vehicle
Development and financial contributions	92,097	187,718	106,972	80,746	⊕	Good level of Development across Waipawa, Waipukurau and Takapau, Otane has slowed for now.
Increase (decrease) in debt	18,000,000	1	7,847,275	(7,847,274)	⊗	Still holding Term Deposits and 3 waters reform money, no new debt required till 2021/22 financial year.
<b>TOTAL</b>	<b>23,617,962</b>	<b>17,759,900</b>	<b>33,743,526</b>	<b>(15,983,626)</b>	⊗	
<b>Applications of Capital</b>						
to meet additional demand	0	0	0	0		
to improve the level of service	12,439,478	11,017,347	11,747,779	730,432	⊕	Includes unbudgeted spend on Nga Ara Tipuna, offset by unspent across 3 waters
to replace existing assets	7,324,211	18,942,954	26,225,030	7,282,076	⊕	Unspent mainly in Land Transport and Waste Water
Increase (decrease) in reserves	(468,641)	(1,584,036)	2,125,876	3,709,912	⊕	Consuming prior year carryforwards in land transport, and various other reserves
Increase (decrease) of investments	10,849,431	(3,829,783)	(187,620)	3,642,163	⊕	Reflects the unbudgeted 3 Waters Reform money being received, meaning Council hasn't consumed it's cash reserves.
<b>TOTAL</b>	<b>30,144,479</b>	<b>24,546,482</b>	<b>39,911,065</b>	<b>15,364,583</b>	⊕	
<b>Net Capital Cash Flows</b>	<b>(6,526,517)</b>	<b>(6,786,583)</b>	<b>(6,167,539)</b>	<b>(818,943)</b>		
<b>Grand Total</b>	<b>0</b>	<b>(364,717)</b>	<b>0</b>	<b>(364,717)</b>		<b>Overall Deficit. Deficit in Solid Waste \$181k and Drinking Water \$403k will likely require debt funding, surplus in land transport \$250k to be carried forward to future years capital program delivery.</b>

Community & Leadership				
Sources of Operating	2020 Actuals	2021 Forecast	2021 Budgets	Bud Var
General rates, uniform annual general charges and rates penalties	1,321,213	1,404,870	1,406,380	(1,510)
Targeted rates	0	0	0	0
Subsidies and Grants for Operating Purposes	468,658	2,718,886	197,782	2,521,104
Fees, charges	85,388	41,990	28,898	13,092
Interest and dividends from investments	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0
<b>TOTAL</b>	<b>1,875,259</b>	<b>4,165,746</b>	<b>1,633,060</b>	<b>2,532,686</b>
<b>Applications of Operating</b>				
Payments to staff	614,725	543,466	575,092	31,626
Payments to suppliers	837,636	3,143,909	729,941	(2,413,968)
Finance costs	0	0	0	0
Other operating funding applications	307,010	342,737	343,122	385
<b>TOTAL</b>	<b>1,759,371</b>	<b>4,030,112</b>	<b>1,648,155</b>	<b>(2,381,957)</b>
<b>Net Operating Cash Flows</b>	<b>115,887</b>	<b>135,634</b>	<b>(15,095)</b>	<b>150,729</b>
<b>Sources of Capital</b>				
Subsidies and grants for capital expenditure	681,164	2,126,836	0	2,126,836
Gross proceeds from sale of assets	0	0	0	0
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	0	0	0	0
<b>TOTAL</b>	<b>681,164</b>	<b>2,126,836</b>	<b>0</b>	<b>2,126,836</b>
<b>Applications of Capital</b>				
to meet additional demand	0	0	0	0
to improve the level of service	681,164	2,265,646	0	(2,265,646)
to replace existing assets	24,044	0	0	0
Increase (decrease) in reserves	91,845	0	(15,095)	(15,095)
Increase (decrease) of investments	0	0	0	0
<b>TOTAL</b>	<b>797,052</b>	<b>2,265,646</b>	<b>(15,095)</b>	<b>(2,280,741)</b>
<b>Net Capital Cash Flows</b>	<b>(116,888)</b>	<b>(136,810)</b>	<b>15,095</b>	<b>(193,803)</b>
<b>Grand Total</b>	<b>(1)</b>	<b>(1,176)</b>	<b>0</b>	<b>(1,176)</b>

Operational Variance driven by Economic Stimulus, Capital Variance Driven by Nga Ara Tipuna, Small deficit to be funded from reserves

Planning & Regulatory				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
698,804	810,497	823,308	(3,811)	
0	0	0	0	
0	0	0	0	
1,361,400	1,902,301	1,393,029	509,272	
(24,839)	6,569	17,000	(10,431)	
<b>2,035,365</b>	<b>2,728,367</b>	<b>2,233,337</b>	<b>495,030</b>	
1,073,585	954,768	1,054,363	99,595	
628,462	1,579,988	1,318,678	(261,310)	
5,813	16,926	34,722	17,796	
528,809	671,985	584,996	(86,989)	
<b>2,436,668</b>	<b>3,223,667</b>	<b>2,992,759</b>	<b>(230,909)</b>	
<b>(401,303)</b>	<b>(495,299)</b>	<b>(759,422)</b>	<b>264,123</b>	
0	0	0	0	
0	0	0	0	
0	0	0	0	
246,667	495,299	759,422	(264,123)	
<b>246,667</b>	<b>495,299</b>	<b>759,422</b>	<b>(264,123)</b>	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
(154,637)	0	0	0	
(154,637)	0	0	0	
<b>491,304</b>	<b>495,299</b>	<b>759,422</b>	<b>(264,123)</b>	
<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Consenting Revenues and Outsourcing costs exceeding budgets. Timing of District Plan sees cost and debt coming in under budget.

Land Transport				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
6,562,476	6,856,353	6,853,686	2,667	
0	0	0	0	
3,844,106	3,081,611	2,901,758	179,853	
39,829	51,806	35,652	16,156	
0	0	0	0	
163,672	460,511	161,965	298,646	
<b>10,610,083</b>	<b>10,450,283</b>	<b>9,952,961</b>	<b>497,322</b>	
261,834	438,005	428,742	(9,263)	
5,749,807	4,651,253	4,518,529	(132,724)	
0	0	0	0	
1,506,685	1,674,358	1,676,237	1,879	
<b>7,516,327</b>	<b>6,763,616</b>	<b>6,623,508</b>	<b>(140,107)</b>	
<b>3,091,756</b>	<b>3,686,668</b>	<b>3,329,453</b>	<b>357,215</b>	
4,418,994	12,895,979	17,654,618	(4,797,639)	
0	0	0	0	
(309)	103	3,000	(2,897)	
0	0	0	0	
<b>4,418,685</b>	<b>12,897,082</b>	<b>17,657,618</b>	<b>(4,800,536)</b>	
0	0	0	0	
1,197,163	1,600,945	1,600,954	9	
5,809,733	15,499,191	20,655,000	5,155,809	
503,545	(806,360)	(1,268,883)	(462,523)	
0	0	0	0	
<b>7,510,441</b>	<b>16,293,776</b>	<b>20,987,071</b>	<b>4,693,295</b>	
<b>(3,091,756)</b>	<b>(3,436,668)</b>	<b>(3,329,453)</b>	<b>(107,241)</b>	
<b>0</b>	<b>249,974</b>	<b>0</b>	<b>249,974</b>	

Land Transport impacted by PGF Route 52 and spending last years carry forwards, however will result in \$249k to carry forward to 2022

Solid Waste				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
1,317,095	1,226,576	1,196,250	30,326	
297,066	373,546	372,781	765	
50,372	131,069	53,164	77,905	
1,493,706	1,715,124	1,712,847	2,277	
0	0	0	0	
0	0	0	0	
<b>3,158,239</b>	<b>3,446,315</b>	<b>3,335,042</b>	<b>111,273</b>	
162,048	161,593	155,316	(6,277)	
2,372,941	2,589,393	2,174,847	(414,546)	
37,458	38,937	44,254	5,317	
444,020	500,061	500,621	560	
<b>3,016,466</b>	<b>3,289,985</b>	<b>2,875,038</b>	<b>(414,947)</b>	
<b>141,773</b>	<b>156,330</b>	<b>460,004</b>	<b>(363,875)</b>	
0	20,000	0	20,000	
0	0	0	0	
0	0	0	0	
99,708	(12,849)	45,687	(58,536)	
<b>99,708</b>	<b>7,151</b>	<b>45,687</b>	<b>(38,536)</b>	
0	0	0	0	
621,468	120,700	174,194	53,494	
84,901	88,509	91,748	3,239	
(464,889)	135,280	239,749	104,469	
0	0	0	0	
<b>241,481</b>	<b>344,489</b>	<b>505,691</b>	<b>161,202</b>	
<b>(141,773)</b>	<b>(197,337)</b>	<b>(460,004)</b>	<b>122,667</b>	
<b>0</b>	<b>(191,887)</b>	<b>0</b>	<b>(191,887)</b>	

Ahead of budget, but costs include clearing tyres and concrete received in previous years and S17 costs. Leaves a deficit of \$182k.

Drinking Water				
Sources of Operating	2020 Actuals	2021 Forecast	2021 Budgets	Bud Var
General rates, uniform annual general charges and rates penalties	0	0	0	0
Targeted rates	3,155,798	3,401,432	3,416,220	(14,788)
Subsidies and Grants for Operating Purposes	0	297,119	0	297,119
Fees, charges	4,667	10,990	3,120	7,870
Interest and dividends from investments	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0
<b>TOTAL</b>	<b>3,160,466</b>	<b>3,709,540</b>	<b>3,419,340</b>	<b>290,200</b>
Applications of Operating				
Payments to staff	0	0	0	0
Payments to suppliers	1,849,178	2,321,388	1,522,166	(799,222)
Finance costs	112,173	195,130	346,566	151,436
Other operating funding applications	514,040	578,123	703,120	124,997
<b>TOTAL</b>	<b>2,475,392</b>	<b>3,094,641</b>	<b>2,571,852</b>	<b>(522,789)</b>
<b>Net Operating Cash Flows</b>	<b>685,074</b>	<b>614,899</b>	<b>847,488</b>	<b>(232,589)</b>
Sources of Capital				
Subsidies and grants for capital expenditure	263,131	1,811,762	2,200,000	(388,238)
Gross proceeds from sale of assets	0	0	0	0
Development and financial contributions	84,796	116,641	50,000	66,641
Increase (decrease) in debt	4,804,374	1,465,310	2,869,828	(1,411,518)
<b>TOTAL</b>	<b>5,152,301</b>	<b>3,383,713</b>	<b>5,119,828</b>	<b>(1,733,115)</b>
Applications of Capital				
to meet additional demand	0	0	0	0
to improve the level of service	5,867,200	2,905,129	4,382,277	1,477,148
to replace existing assets	215,518	1,555,065	832,039	(723,026)
Increase (decrease) in reserves	(245,344)	(58,000)	750,000	808,000
Increase (decrease) of investments	0	0	0	0
<b>TOTAL</b>	<b>5,837,375</b>	<b>4,402,194</b>	<b>5,964,316</b>	<b>1,562,122</b>
<b>Net Capital Cash Flows</b>	<b>(685,074)</b>	<b>(1,018,481)</b>	<b>(847,488)</b>	<b>(119,895)</b>
<b>Grand Total</b>	<b>(0)</b>	<b>(404,292)</b>	<b>(0)</b>	<b>(403,823)</b>

While Council has received 3 Waters Reform Money, unspent money has been treated revenue in advance, leaving behind the true operational variance caused by high level of water leaks and completing higher level of renewals than rated for.

Wastewater				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
0	0	0	0	0
3,271,898	2,935,142	2,931,895	3,247	
0	630,786	0	630,786	
275,873	364,045	417,324	(53,279)	
0	0	0	0	
185,000	0	0	0	
<b>3,732,771</b>	<b>3,929,973</b>	<b>3,349,219</b>	<b>580,754</b>	
0	0	0	0	
1,281,105	2,091,570	1,458,696	(632,874)	
244,447	308,283	374,821	66,538	
623,454	710,801	674,995	(35,806)	
<b>2,149,006</b>	<b>3,110,653</b>	<b>2,508,512</b>	<b>(602,141)</b>	
<b>1,583,765</b>	<b>819,320</b>	<b>840,707</b>	<b>(21,387)</b>	
0	0	0	0	
0	736,422	5,900,000	(5,163,578)	
0	0	0	0	
7,739	67,159	50,000	17,159	
1,937,803	2,495,639	4,363,451	(1,867,812)	
<b>1,945,542</b>	<b>3,299,220</b>	<b>10,313,451</b>	<b>(7,014,231)</b>	
0	0	0	0	
0	0	0	0	
3,127,284	3,923,594	4,995,281	1,071,687	
262,425	394,946	3,458,877	3,063,931	
139,598	(200,000)	2,700,000	2,900,000	
0	0	0	0	
<b>3,529,307</b>	<b>4,118,540</b>	<b>11,154,158</b>	<b>7,635,618</b>	
<b>(1,583,765)</b>	<b>(819,320)</b>	<b>(840,707)</b>	<b>21,387</b>	
0	0	0	0	
0	0	0	0	

While Council has received 3 Waters Reform Money, unspent money has been treated revenue in advance, leaving behind the true balanced operational budget.

Stormwater				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
0	0	0	0	
688,354	783,889	782,349	1,540	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
0	0	0	0	
<b>688,354</b>	<b>783,889</b>	<b>782,349</b>	<b>1,540</b>	
0	0	0	0	
302,969	188,131	312,373	124,242	
6,466	9,328	17,150	7,822	
184,591	207,892	208,123	231	
<b>494,026</b>	<b>405,351</b>	<b>537,646</b>	<b>132,295</b>	
<b>194,328</b>	<b>378,538</b>	<b>244,703</b>	<b>133,835</b>	
0	0	0	0	
0	0	0	0	
0	0	0	0	
396	3,115	0	3,115	
226,266	(1,310)	178,957	(180,267)	
<b>226,662</b>	<b>1,805</b>	<b>178,957</b>	<b>(177,152)</b>	
0	0	0	0	
0	0	0	0	
393,955	13,723	198,041	184,318	
398,414	604,160	225,619	(378,541)	
(371,380)	(237,539)	0	237,539	
0	0	0	0	
<b>429,990</b>	<b>380,344</b>	<b>423,660</b>	<b>43,316</b>	
<b>(184,328)</b>	<b>(378,538)</b>	<b>(244,703)</b>	<b>(133,835)</b>	
0	0	0	0	
0	0	0	0	

Under budget operationally, also spent less on capital assets which is reflected in the lack of new debt required this year.

Recreation & Community Facilities				
2020 Actuals	2021 Forecast	2021 Budgets	Bud Var	
3,539,059	3,637,482	3,644,293	(6,811)	
0	0	0	0	
133,719	114,200	50,517	63,683	
520,646	639,298	745,734	(106,496)	
155,637	44,524	51,000	(6,476)	
<b>4,349,062</b>	<b>4,435,443</b>	<b>4,491,544</b>	<b>(56,101)</b>	
0	0	0	0	
404,238	482,089	419,002	(63,087)	
2,251,595	2,541,923	2,550,201	8,278	
72,901	96,440	98,045	1,605	
863,097	932,692	933,741	1,049	
<b>3,591,831</b>	<b>4,063,144</b>	<b>4,000,989</b>	<b>(62,155)</b>	
<b>757,231</b>	<b>382,299</b>	<b>490,555</b>	<b>(108,256)</b>	
0	0	0	0	
143,765	0	0	0	
0	0	0	0	
(525)	700	3,972	(3,272)	
(247,443)	(119,043)	200,067	(319,110)	
<b>(104,203)</b>	<b>(118,343)</b>	<b>204,039</b>	<b>(322,382)</b>	
0	0	0	0	
0	0	0	0	
343,850	150,313	397,032	246,719	
344,505	470,070	603,730	133,660	
(35,326)	(328,502)	(306,168)	22,334	
0	0	0	0	
<b>653,028</b>	<b>291,881</b>	<b>694,594</b>	<b>402,713</b>	
<b>(757,230)</b>	<b>(410,234)</b>	<b>(490,555)</b>	<b>80,331</b>	
0	0	0	0	
1	(97,816)	0	(27,826)	

On Budget operationally, also spent less on capital assets which is reflected in the lack of new debt required this year. Small deficit to be funded from reserves.

Overheads				
Sources of Operating	2020 Actuals	2021 Forecast	2021 Budgets	Bud Var
General rates, uniform annual general charges and rates penalties	(58,802)	4,900	26,000	(21,100)
Targeted rates	0	0	0	0
Subsidies and Grants for Operating Purposes	0	0	0	0
Fees, charges	(232)	140	0	140
Interest and dividends from investments	214,637	206,458	92,294	114,164
Local authorities fuel tax, fines, infringement fees and other receipts	12,196	(95)	1,500	(1,596)
<b>TOTAL</b>	<b>168,999</b>	<b>211,402</b>	<b>119,794</b>	<b>91,608</b>
Applications of Operating				
Payments to staff	3,050,643	3,102,482	3,316,659	214,177
Payments to suppliers	1,846,337	2,192,848	2,195,112	2,264
Finance costs	(115,180)	(207,755)	(496,168)	(288,413)
Other operating funding applications	(4,971,706)	(5,618,649)	(5,624,955)	(6,306)
<b>TOTAL</b>	<b>(189,907)</b>	<b>(531,074)</b>	<b>(609,352)</b>	<b>(78,278)</b>
<b>Net Operating Cash Flows</b>	<b>358,006</b>	<b>742,476</b>	<b>729,146</b>	<b>13,330</b>
Sources of Capital				
Subsidies and grants for capital expenditure	0	0	0	0
Gross proceeds from sale of assets	18,811	20,183	34,661	(14,478)
Development and financial contributions	0	0	0	0
Increase (decrease) in debt	10,932,626	(4,313,046)	(567,137)	(3,745,909)
<b>TOTAL</b>	<b>10,951,437</b>	<b>(4,292,864)</b>	<b>(532,476)</b>	<b>(3,760,388)</b>
Applications of Capital				
to meet additional demand	0	0	0	0
to improve the level of service	207,394	37,296	0	(37,296)
to replace existing assets	184,670	331,014	358,017	27,003
Increase (decrease) in reserves	67,947	(88,915)	26,273	115,168
Increase (decrease) of investments	10,649,431	(3,629,763)	(167,620)	3,642,163
<b>TOTAL</b>	<b>11,309,443</b>	<b>(3,560,388)</b>	<b>196,670</b>	<b>3,747,058</b>
<b>Net Capital Cash Flows</b>	<b>(358,006)</b>	<b>(742,476)</b>	<b>(729,146)</b>	<b>(13,330)</b>
<b>Grand Total</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>

Balanced Budget