

# KAIKŌURA DISTRICT COUNCIL FINANCE COMMITTEE MEETING

<b>Date:</b>	28 August 2019
<b>Time</b>	10.00am
<b>Location</b>	COUNCIL CHAMBERS, 96 WEST END, KAIKOURA.

## AGENDA

1. Apologies
2. Declarations of Interest
3. Matters of Importance to be raised as Urgent Business
4. Minutes to be Confirmed:  
31 July 2019 page 2
5. Urgent Business -
6. Finance Report page 4
7. Finance Statements page 9
8. Activity Report Opex and Capex page 21
9. Capital Report page 22
10. Variance Report page 23

**MINUTES OF THE KAIKŌURA DISTRICT COUNCIL FINANCE  
COMMITTEE HELD AT 11.44AM ON WEDNESDAY 31 JULY 2019, AT  
COUNCIL CHAMBERS, 96 WEST END, KAIKŌURA**

1. **PRESENT:** Councillor J Howden (Chair), Mayor W Gray, Councillors L Bond, T Blunt, C Harnett, C Mackle, D Millton and N Pablecheque,.

**IN ATTENDANCE:** A. Oosthuizen (Chief Executive), M Madden (Council Secretary)

2. **APOLOGIES:**

Nil

3. **CONFLICTS OF INTEREST.:**

Councillor Millton – Waipapa Limestone

4. **MINUTES TO BE CONFIRMED:**

Finance Committee 26 June, 2019.

Moved Councillor Pablecheque Seconded Councillor Bond

THAT the Committee:

- (a) Confirms as a true and correct record, the circulated minutes of a meeting of the Finance Committee held on 26 June, 2019.

**UNANIMOUS**

5. **URGENT BUSINESS:**

Audit and Risk Recommendations

Councillor Howden read from the draft minutes of the Audit Risk and Finance Committee, the unexpected qualifications that Ms S Poulsen and Mr P Jones had worked through. Instead of holding up adoption of annual report, we went ahead and are now taking this up as a separate issue.

Mr P Jones is contacting the Office of the Auditor General and a letter has been sent to Audit New Zealand, noting that using consultants is costly and that this matter should now be handled in house.

6. **JOINING THE LOCAL GOVERNMENT FUNDING AGENCY**

Councillor Howden spoke to the report.

The Finance Audit Risk Committee recommends to Council to join the LGFA as a non-guaranteeing borrower. Councillor Millton and Ms Oosthuizen wanted to confirm the application process. Councillor Pablecheque advised that we can change our minds at a later date to join as a guarantor but at this stage, the interest rate saving has no benefit.

Moved Councillor Howden Seconded Councillor Millton

THAT the Council:

- (a) Resolve to join to Local Government Funding agency as a non-guarantor.

**UNANIMOUS**

**7. FINANCE REPORT**

Mr J DuFour and Ms S Poulson presented the report.

Strong financial position and liquidity. Roading expenditure has caught up. Community facilities has undergone a recoding exercise from operating expense to capital being assigned correctly. Training will be ongoing.

Councillor Howden noted a risk highlighted from the FAR committee in managing accelerated Rebuild spend. Ms Oosthuizen would like to take this up with the Rebuild Infrastructure Manager.

Moved Councillor Pablecheque Seconded Councillor Bond

THAT the Committee:

- (b) Receives the Finance Report and Financial position of the Finance Committee as at 26 June 2019.

**UNANIMOUS**

**8. LOAN MOVEMENT SUMMARY**

Mr J DuFour and Ms S Poulsen presented the report.

The Loan Movement summary opening balance of \$7.5 million was repaid over time to \$1.6million closing balance in 2019. Ms Poulsen advised when we need cash to meet commitments the first port of call is to go back to loans and reinstate. Councillor Millton asked if we collected money for interest on loans that are no longer there? Ms Oosthuizen clarified that the closing balance will show that repayments have been apportioned across all loans equally. Councillor Blunt acknowledged this as an informative report.

Moved Councillor Howden Seconded Councillor Blunt

THAT the Committee:

- (c) Receives the Finance Report and Financial position of the Finance Committee as at 29 May 2019.

**UNANIMOUS**

There being no further business, the meeting concluded at 12.10pm.

**NEXT MEETING**

The next scheduled meeting of the Finance Committee is on 28 August, 2019 in the Council Chambers.

CONFIRMED

\_\_\_\_\_ Chairperson

\_\_\_\_\_ Date

<b>Report to:</b>	<b>Finance Audit &amp; Risk</b>
<b>Date:</b>	27 August 2019
<b>Subject:</b>	Finance Report to 31 July 2019
<b>Prepared by:</b>	Sheryl Poulsen, Finance Manager
<b>Input sought from:</b>	Natalie Telford, Assistant Accountant Jerome DuFour, PWC
<b>Authorised by:</b>	Angela Oosthuizen, Chief Executive

### 1. SUMMARY:

The purpose of this report is to provide the Finance Audit and Risk with an update on the financial position of the Council as at 31 July 2019.

### 2. RECOMMENDATION:

THAT the Finance, Audit & Risk Committee receives this report.

### 3. DISCUSSION:

July is the first month of the 2019/2020 financial year. The Annual Plan budgets have been loaded into the system for reporting, but further work is required to forecast the timing of various revenues and expenses throughout the year, to make the actual versus budget more meaningful.

#### Statement of Financial Position

As we enter the intense rebuild phase, our cash has dropped substantially, and we forecast to be borrowing from now on. We enter this phase with borrowings at \$1.57 million at the end of July. Cash on hand at 31 July is \$675k. During August, a claim has been made to the Crown of over \$1.3 million; we expect payment of this in September. Future claims should be more streamlined with payments expected monthly.

#### Working Capital & Liquidity

Working capital (current assets over current liabilities) is negative, with \$1.67 million in current assets and \$2.67 million in current liabilities.

Liquidity is also negative, at 0.58:1, meaning there is \$0.58 in cash for every \$1 in amounts due to be paid.

The first rates instalment has been invoiced in August, with the payment due date of 20 September, and this, combined with the earthquake funding claim, has improved both working capital and liquidity. A loan of \$2.8 million was drawn on 20 August to cover payments to suppliers.

#### Statement of Comprehensive Revenue & Expense

At the end of July 2019, there was a net deficit of \$705k, again this has improved during August with the invoicing of the rates instalment and the claim to the Crown.

### *Rates Revenue*

The rates revenue of \$61k is almost entirely rates penalties applied to overdue rates at the end of June 2019.

### *Water meter charges*

Water meters have been read at the end of June and invoiced during July, but the \$69k reported here needs to be accrued back into the 2019 financial year, as the readings are as at 30 June.

### *User fees & charges*

Lease revenues, slipway and boat parking annual fees, and cruise ship fees have been invoiced out for the year – the budget has been loaded as 1/12<sup>th</sup> so this will be corrected for the next report to make the variances more meaningful.

Building consent fees start the year already well up on budget (\$48k worth of building consents against a forecast budget of \$16k for the month). August is already particularly strong as well, with \$30k worth of building consent fees as at the date of writing this report.

### *Grants & subsidies*

The OpShop has fundraised for the Memorial Hall, with \$40,000 raised from the community. No claims were made for other grants and subsidies during July – the budgets have been loaded as 1/12<sup>th</sup> so this will be revised for next month.

### *Interest & other revenue*

Other revenue includes petrol tax, waste minimisation levy and infringement fees.

### *Personnel expenses*

Employee costs are \$21k less than forecast, largely due to the recruitment of various new positions still in progress.

### *Financing expenses*

Loan interest costs are lower than budgeted due to the early repayment of debt, as discussed above. Budgets have been loaded as 1/12<sup>th</sup> at this stage and will be forecasted out for the year.

### *Other expenses*

This report shows that “Other Expenses” are underspent by \$245k. The Variance Analysis pages in this report highlight several areas of underspend – mainly Finance & IT, Earthquake, and Community Facilities.

The main reasons for the variances are end of year accruals and prepayments yet to be processed, such as insurance. These adjustments are being made as we prepare the Annual Report, so will be corrected for next month’s report.

The above figures may differ from the variances in the Variance Analysis pages due to those pages including all expense types (personnel, depreciation and financing expenses), whereas the above commentary is referring to “other expenses” only, as per Statement of Comprehensive Revenue & Expense.

#### **Revenue and Expenditure Variances**

In summary, revenue is under budget by \$1.44m with several forecasting adjustments required to the timing throughout the year. Similarly, expenses are currently reporting as under budget by \$285k with end of year financial adjustments and budget timing to be reviewed. Further information is provided in the Variance Analysis in Appendix 1.

#### **Statement of Cash Flows**

The total cash position has decreased to \$675k in July. Cash flow from operations is positive, which shows that our day to day operations are viable. The decrease in cash is the result of the intense rebuild phase, with over \$3 million in capital work paid out during July. During July we did raise a loan of \$800k to meet the payments on the 20<sup>th</sup>, but that was repaid almost immediately with the receipt of some significant debtors (NZTA etc).

#### **Budget Performance (Revenue YTD and Expenditure YTD by Activity)**

These are graphic representations of the Statement of Activity Performance and you can see at a glance how activities are performing against budget and in comparison with each other. This month this report is almost meaningless because the budgeted revenue for the earthquake event dwarfs all other revenues, and needs to be reforecast to match expected timing of the claims.

#### **Revenue & Expenditure Types YTD – by Category**

Over 56% of our revenue is sourced from fees and charges – this will change significantly in next month’s report because of the rates instalment and earthquake funding claims. In July there was almost zero from rates and grants.

Capital work is more than half of our expenditure and is likely to continue at this level with the rebuild now kicking into full swing.

## GLOSSARY OF TERMS: Items on the Statement of Financial Position

Cash & cash equivalents	Bank accounts and term deposits that mature within 90 days.
Trade & other receivables	Debtors and rates accounts (the amount that our ratepayers and customers owe us).
Prepayments & inventory	Bills we have paid in advance (such as insurance), plus stock items.
Other financial assets	Term deposits that mature after 90 days.
Non-current assets held for sale	Investment property that the council intends to sell within 12 months
Intangible assets	Carbon credits and computer software (Ozone)
Forestry assets	The standing value of trees grown specifically for logging
Investment property	Any property that is owned with the intention of generating a return (e.g. Pyne's building and north wharf buildings).
Property, plant & equipment	All other assets – roads, wharves, water and sewer infrastructure, land, buildings, vehicles, furniture, art works, library books, etc
Trade & other payables	Bills we haven't paid yet, and other amounts we must pay within 12 months (refundable bonds, GST, ECan's share of rates revenue, etc).
Employee liabilities	Annual leave owing to employees
Borrowings – current	Loans that must be repaid within 12 months.
Other liabilities – current	Development contributions held for the civic centre.
Provisions	Landfill aftercare provision – an estimate of the cost that will be incurred to secure and cap the site once the landfill is closed.
Borrowings – non current	The balance of loans that don't need to be repaid within 12 months.
Other term debt	Environment Canterbury's share of Marlborough Regional Forestry debts, held on behalf.
Public equity	A type of equity which records accumulated surpluses and deficits, and other movements in equity not recorded below.
Asset revaluation reserve	A type of equity which records movements in property, plant and equipment values.
Special funds & reserves	A type of equity which records funds set aside for specific purposes (such as grants, targeted rates, development contribution funds, etc)

## 4. FINANCIAL IMPLICATIONS AND RISKS:

Monthly monitoring and reporting on the Council financials is required as there is a risk that the Council's financial position could deteriorate with an increase in debt levels; lowered credit rating; revenue flows are lower than budgeted and expenditure is higher than projected.

## 5. COMMUNITY OUTCOMES SUPPORTED:

The work is in support of all community outcomes.



We value, protect and enhance Kaikōura's unique natural environment and biodiversity and sustainably manage disposal of waste.



Our community is resilient, safe and well and has their essential needs met



Our infrastructure, housing and community facilities are easily accessible, cost effective and able to withstand our natural hazards.



Our District is economically diverse, attractive to investment and provides certainty around business and employment continuity.



Our community participates in decisions and planning in a way that benefits our future.



Residents and visitors enjoy an improved quality of life in our District.

## 6. SIGNIFICANCE OF DECISION:

This decision is not considered significant in terms of Council's Significance and Engagement Policy.

## 7. RELEVANT LEGISLATION:

The Local Government Act 2002 states that a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region.



# KEY INDICATORS

AS AT 31 JULY 2019

## FINANCIAL STATEMENT MEASURES

### OPERATING RESULT

*operating surplus/(deficit)*

**-\$0.70m**

\$1,158k unfavourable v/s year-to-date budget of \$453k

### OPERATING COSTS

*costs to deliver existing levels of service*

**\$1.15m**

\$285k favourable v/s year-to-date budget of \$1.44m

### TOTAL EXTERNAL BORROWING

*total borrowings from bank*

**\$1.57m**

\$7,887k favourable v/s full year budget of \$9.5m

### INTEREST ON DEBT

*cost to service debt*

**\$8k**

\$19k favourable v/s year-to-date budget of \$27k

### CAPITAL EXPENDITURE

*cost of new &/or replacement of assets*

**\$1.23m**

\$24.1m favourable v/s year-to-date budget of \$25.4m

### DEVELOPMENT CONTRIBUTIONS

*received for district growth*

**\$2.6k**

\$3.5k unfavourable v/s year to date budget of \$6k

## LONG TERM PLAN MEASURES

### DEBT AFFORDABILITY BENCHMARK

*financing expenses as a % of rates*

**12.4%**

2.4% unfavourable v/s council approved limit of 10.0%

### EBID

*earnings before interest and depreciation*

**\$0.52m**

\$1,177k unfavourable v/s year-to-date budget of \$0.66m

### BALANCED BUDGET BENCHMARK

*revenue equal or greater than expenses*

**39%**

61% unfavourable v/s council benchmark of 100%

### BORROWINGS TO EQUITY

*Term loans as a % of equity*

**0.96%**

4.13% favourable v/s full year budget of 5.09%

## STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2019

	BUDGET to year end \$	ACTUAL 31/07/2019 \$	ACTUAL 31/07/2018 \$
<b>ASSETS</b>			
<i><u>Current assets</u></i>			
Cash & cash equivalents	500,000	675,705	3,929,774
Trade & other receivables	3,956,000	871,664	441,557
Prepayments & inventory	98,000	119,677	1,790
<b><i>Total current assets</i></b>	<b>4,554,000</b>	<b>1,667,046</b>	<b>4,373,121</b>
<i><u>Non-current assets</u></i>			
Intangible assets	-	138,819	183,905
Forestry assets	2,583,000	2,279,178	2,279,178
Investment property	2,513,000	1,465,000	1,465,000
Property, plant & equipment	187,767,000	162,465,215	157,944,389
<b><i>Total non-current assets</i></b>	<b>192,863,000</b>	<b>166,348,212</b>	<b>161,872,473</b>
<b>TOTAL ASSETS</b>	<b>197,417,000</b>	<b>168,015,258</b>	<b>166,245,594</b>
<b>LIABILITIES</b>			
<i><u>Current liabilities</u></i>			
Trade & other payables	1,658,000	1,980,621	768,509
Employee liabilities	180,000	267,703	263,520
Borrowings – current	658,000	419,622	1,166,862
<b><i>Total current liabilities</i></b>	<b>2,496,000</b>	<b>2,667,946</b>	<b>2,198,891</b>
<i><u>Non-current liabilities</u></i>			
Provisions	-	471,549	471,549

Borrowings – non current	8,736,000	1,148,182	2,089,555
Other term debt	565,000	353,730	353,730
<b><i>Total non-current liabilities</i></b>	<b>9,301,000</b>	<b>1,973,460</b>	<b>2,914,833</b>
<b>EQUITY</b>			
Public equity	121,488,000	93,809,631	91,567,649
Asset revaluation reserve	62,234,000	65,120,549	65,120,549
Special funds & reserves	1,898,000	4,443,671	4,443,671
<b><i>Total equity</i></b>	<b>185,620,000</b>	<b>163,373,852</b>	<b>161,131,870</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>197,417,000</b>	<b>168,015,258</b>	<b>166,245,594</b>

## STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

FOR THE PERIOD ENDED 31 JULY 2019

	BUDGET 2019 \$	ACTUAL YTD 31/07/2019 \$	BUDGET YTD 31/07/2019 \$	VARIANCE 31/07/2019 \$
<b>REVENUE</b>				
Rates revenue	7,668,000	61,362	3,188	58,174
Water meter charges	130,000	69,201	-	69,201
User fees & charges	1,551,000	254,821	178,324	76,497
Grants & subsidies	21,870,000	49,602	1,695,250	(1,645,648)
Development contributions	81,000	2,611	6,118	(3,507)
Interest revenue	19,000	116	-	116
Other revenue <sup>1</sup>	787,000	9,601	7,439	2,162
<b>Total revenue</b>	<b>32,106,000</b>	<b>447,314</b>	<b>1,890,319</b>	<b>(1,443,005)</b>
<b>EXPENSES</b>				
Personnel	3,593,000	306,141	327,201	(21,060)
Depreciation	2,173,000	181,048	181,050	(2)
Financing expenses	316,000	7,627	26,786	(19,159)
Other expenses	10,350,000	657,105	902,074	(244,969)
<b>Total expenses</b>	<b>16,432,000</b>	<b>1,151,921</b>	<b>1,437,111</b>	<b>(285,190)</b>
<b>Operating surplus/(deficit)</b>	<b>15,674,000</b>	<b>(704,607)</b>	<b>453,208</b>	<b>(1,157,815)</b>
<b>OTHER COMPREHENSIVE REVENUE</b>				

<sup>1</sup> Other Revenue includes Marlborough Regional Forestry joint venture revenue, penalties on overdue leases, and petrol tax.

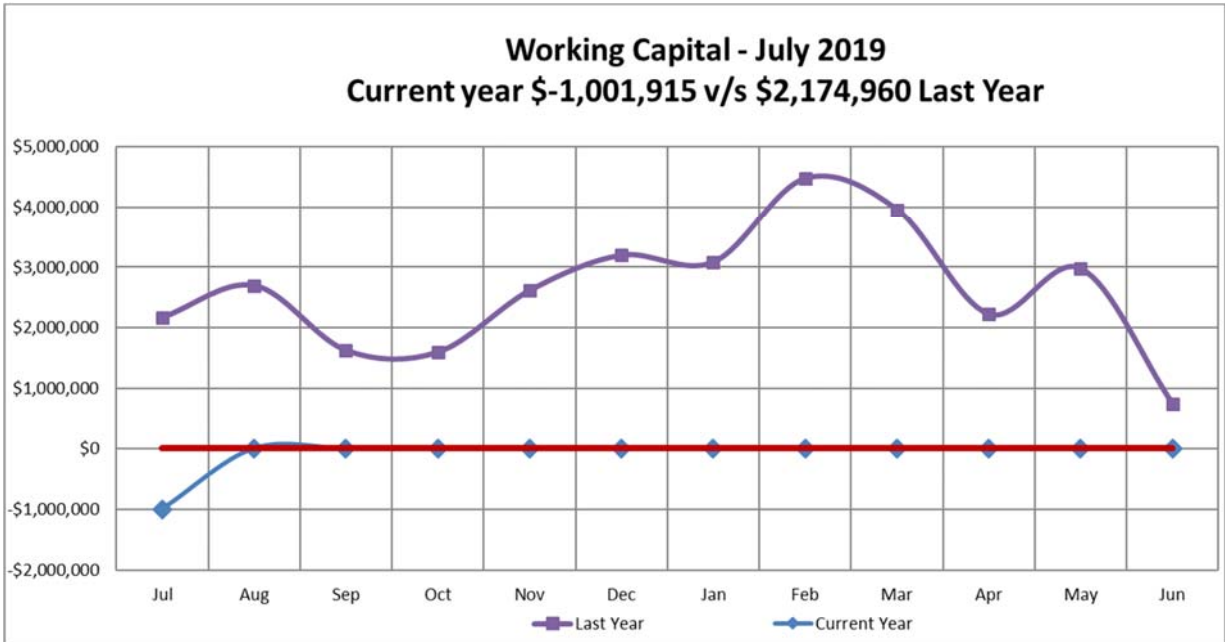
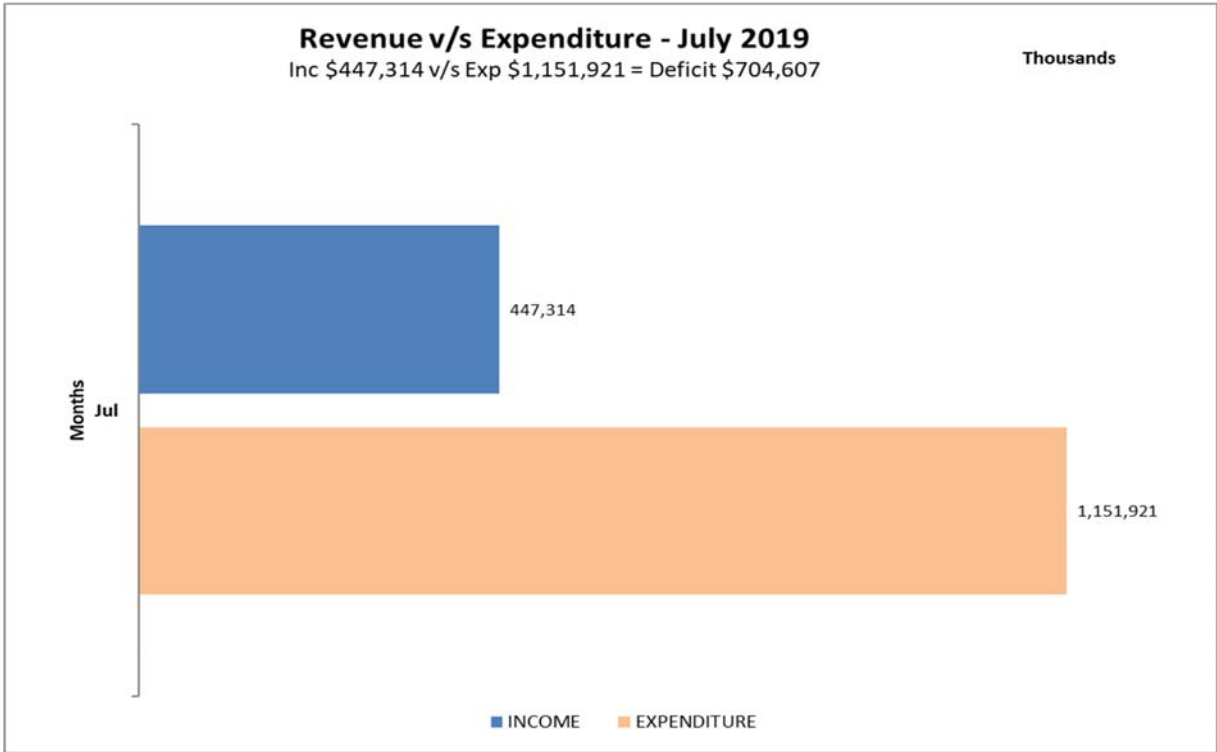
Gains/(losses) on revaluation	-	-	-	-
Vested assets	-	-	-	-
ECAN share of MRF profit/loss	-	-	-	-
<b><i>Total other comprehensive revenue</i></b>	-	-	-	-
<b>TOTAL COMPREHENSIVE REVENUE</b>	<b>15,674,000</b>	<b>(704,607)</b>	<b>453,208</b>	<b>(1,157,815)</b>

## STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 JULY 2019

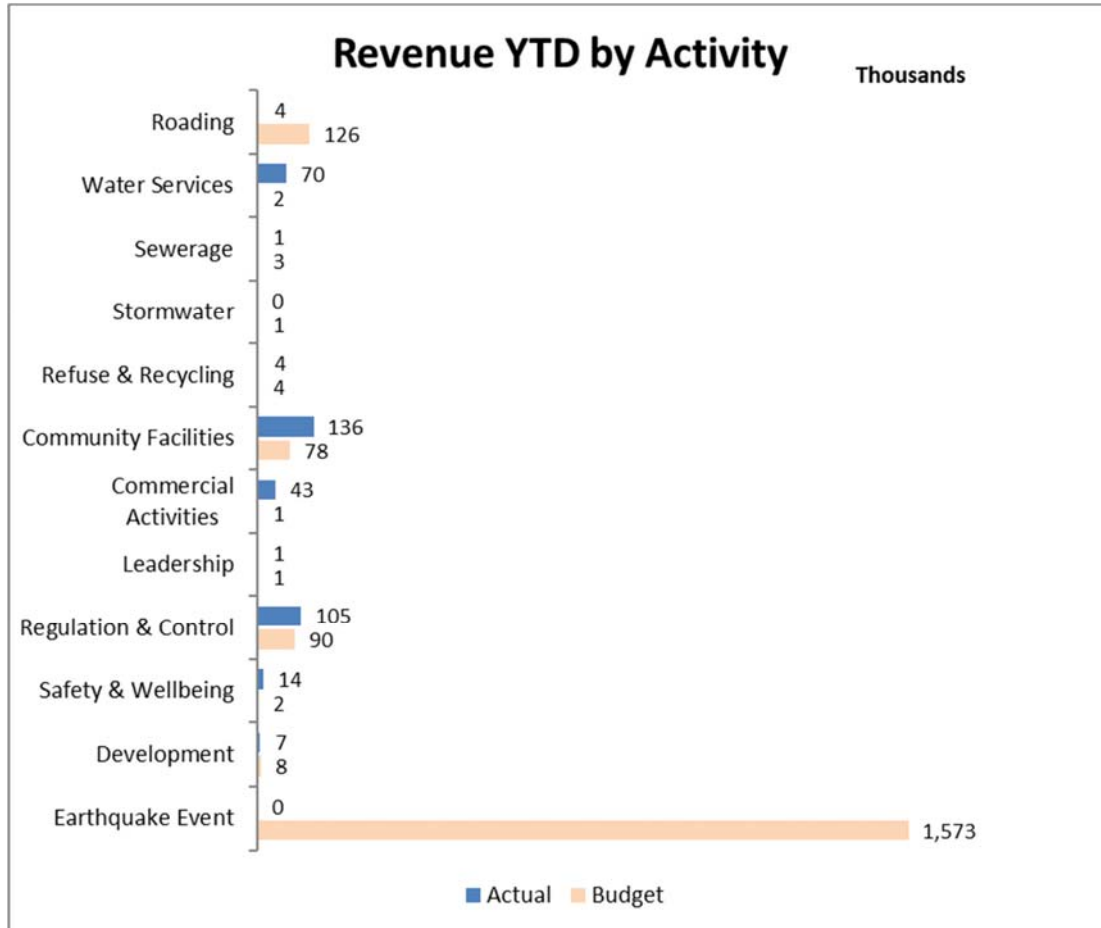
	<b>BUDGET to year end \$</b>	<b>ACTUAL 31/07/2019 \$</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from rates	7,667,969	193,988
Interest received	19,379	116
Receipts from other revenue	23,141,878	1,125,168
Payments to employees & suppliers	(14,152,516)	406,614
Interest paid	(316,335)	(7,627)
Goods & services tax (net)	-	76,266
<b>Net Cash from Operating Activities</b>	<b>16,360,375</b>	<b>1,794,525</b>
<b>INVESTING ACTIVITIES</b>		
Grants received for capital work		40,000
Purchase of investment property	(337,500)	-
Sale of forestry	-	-
Purchase of property, plant & equipment	(25,061,231)	(3,087,714)
Purchase of forestry assets	-	-
Purchase of intangible assets	-	-
Payment into term deposits	-	-
<b>Net Cash from Investing Activities</b>	<b>(25,398,731)</b>	<b>(3,047,714)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowing	5,402,175	-

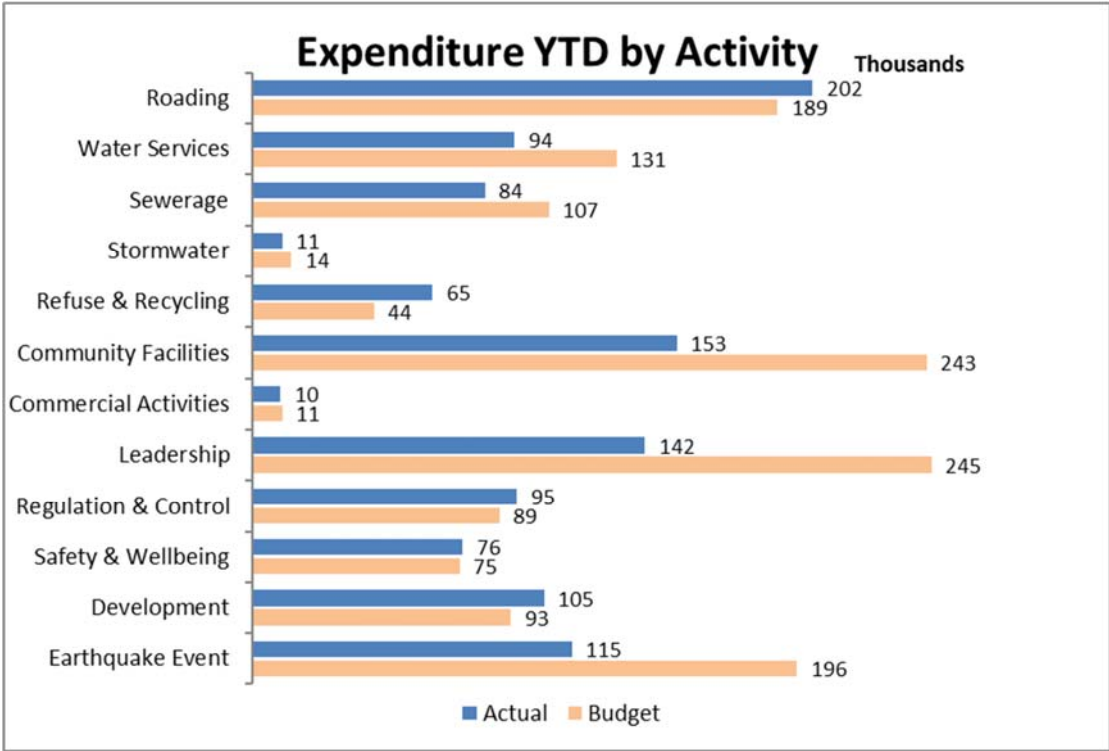
Repayment of borrowings	(305,403)	(11,806)
<b>Net Cash from Finance Activities</b>	<b>5,096,772</b>	<b>(11,806)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(3,941,584)</b>	<b>(1,264,994)</b>
<b>OPENING CASH</b>	<b>4,501,946</b>	<b>1,940,699</b>
<b>CLOSING CASH BALANCE</b>	<b>560,362</b>	<b>675,705</b>



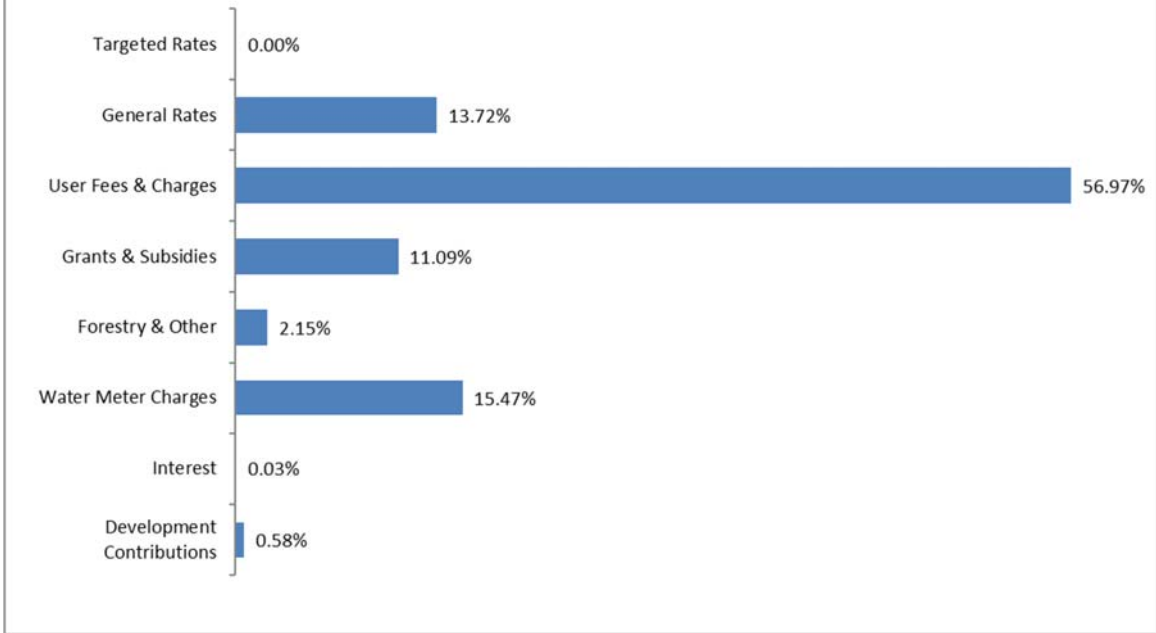


Working capital is calculated by subtracting current liabilities from current assets, and is an indicator of our ability to pay our commitments to suppliers when payments fall due. Please refer to the Finance Report narrative for more information.

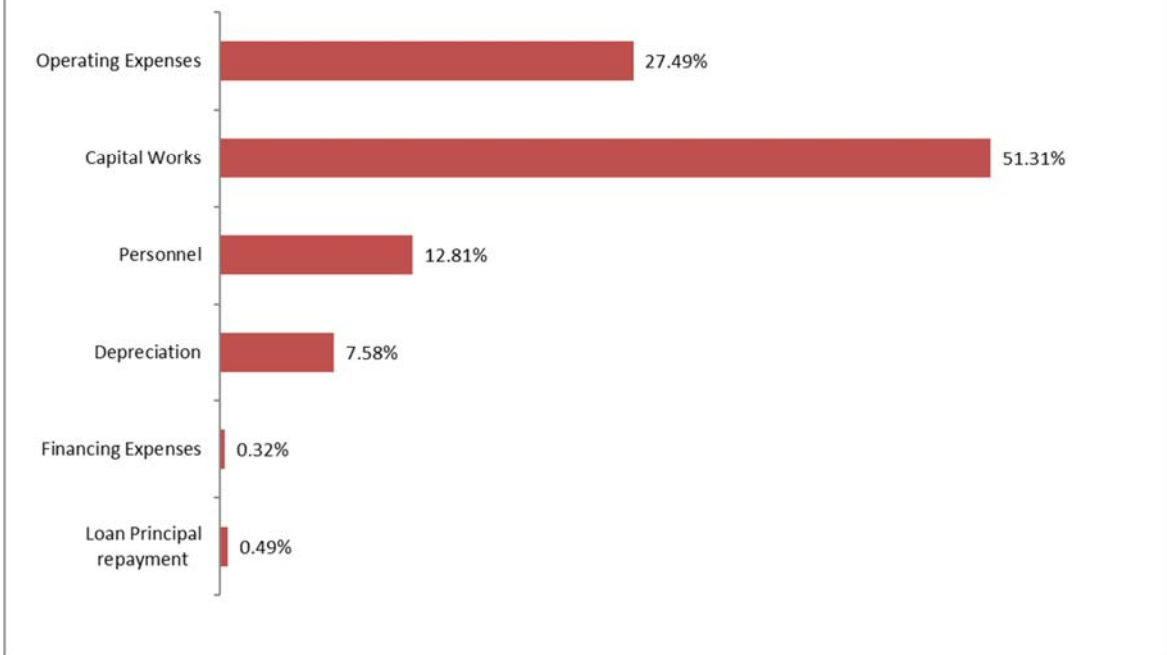




### Revenue YTD by Category

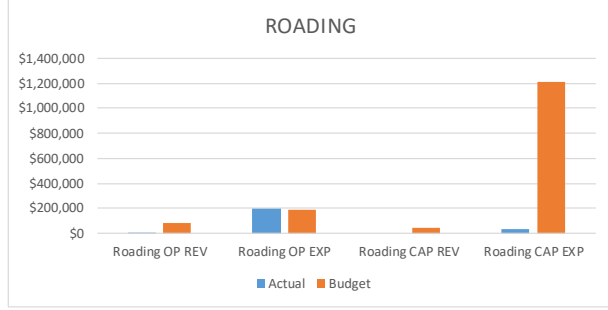


### Expenditure YTD by Category

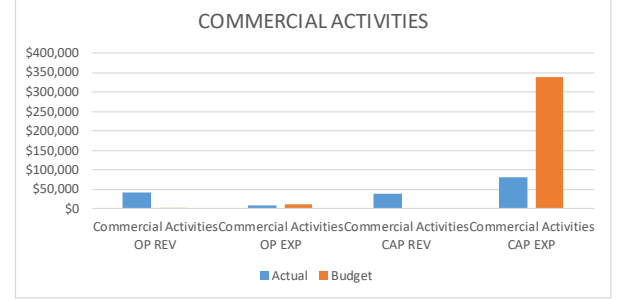




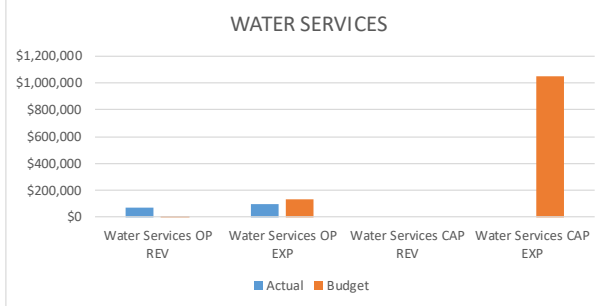
ROADING	Actual	Budget	Actual % of Budget	\$ Jul Variance
Roading OP REV	\$3,923	\$84,480	4.64%	\$80,557
Roading OP EXP	\$201,998	\$189,415	106.64%	-\$12,583
Roading CAP REV	\$0	\$41,339	0.00%	\$41,339
Roading CAP EXP	\$29,870	\$1,214,117	2.46%	\$1,184,247



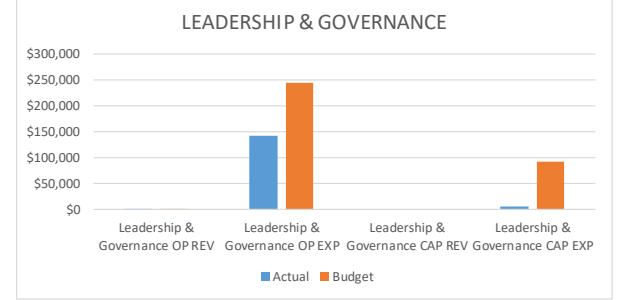
COMMERCIAL ACTIVITIES	Actual	Budget	Actual % of Budget	\$ Jul Variance
Commercial Activities OP REV	\$42,627	\$1,260	3383.07%	-\$41,367
Commercial Activities OP EXP	\$10,036	\$10,648	94.25%	\$612
Commercial Activities CAP REV	\$40,000	\$0	0.00%	-\$40,000
Commercial Activities CAP EXP	\$82,409	\$337,500	24.42%	\$255,091



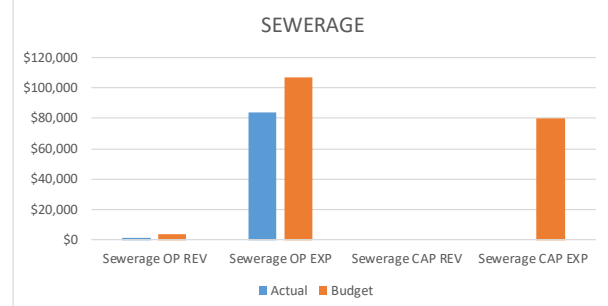
WATER SERVICES	Actual	Budget	Actual % of Budget	\$ Jul Variance
Water Services OP REV	\$70,006	\$2,256	3103.11%	-\$67,750
Water Services OP EXP	\$94,496	\$131,317	71.96%	\$36,821
Water Services CAP REV	\$0	\$0	0.00%	\$0
Water Services CAP EXP	\$0	\$1,051,200	0.00%	\$1,051,200



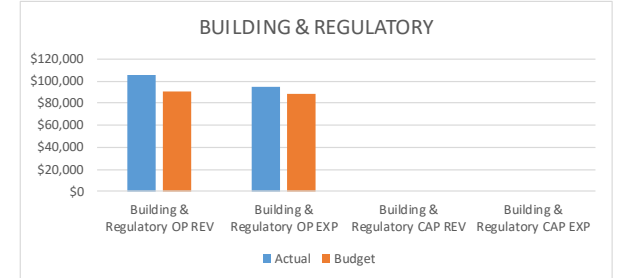
LEADERSHIP & GOVERNANCE	Actual	Budget	Actual % of Budget	\$ Jul Variance
Leadership & Governance OP REV	\$1,393	\$1,250	111.44%	-\$143
Leadership & Governance OP EXP	\$141,516	\$244,893	57.79%	\$103,377
Leadership & Governance CAP REV	\$0	\$0	0.00%	\$0
Leadership & Governance CAP EXP	\$6,860	\$92,413	7.42%	\$85,553



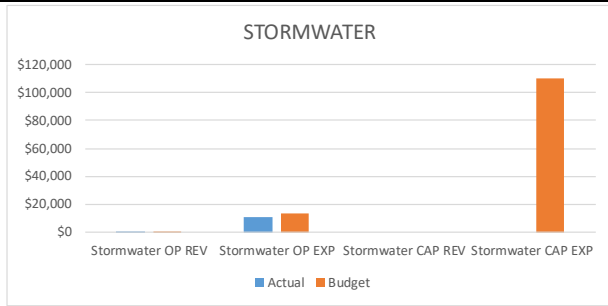
SEWERAGE	Actual	Budget	Actual % of Budget	\$ Jul Variance
Sewerage OP REV	\$877	\$3,480	25.21%	\$2,603
Sewerage OP EXP	\$83,754	\$106,983	78.29%	\$23,229
Sewerage CAP REV	\$0	\$0	0.00%	\$0
Sewerage CAP EXP	\$0	\$80,000	0.00%	\$80,000



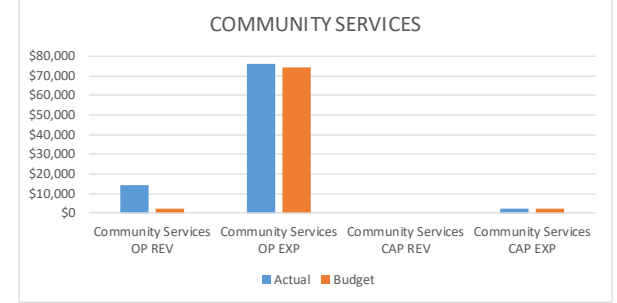
BUILDING & REGULATORY	Actual	Budget	Actual % of Budget	\$ Jul Variance
Building & Regulatory OP REV	\$105,304	\$90,461	116.41%	-\$14,843
Building & Regulatory OP EXP	\$95,398	\$88,990	107.20%	-\$6,408
Building & Regulatory CAP REV	\$0	\$0	0.00%	\$0
Building & Regulatory CAP EXP	\$0	\$0	0.00%	\$0



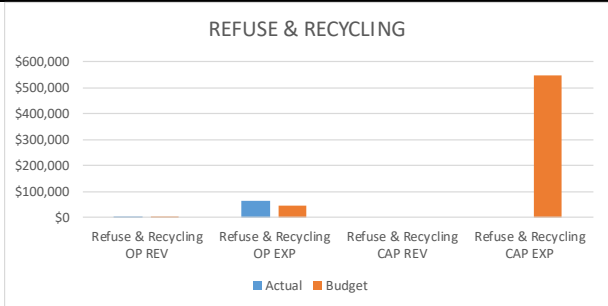
STORMWATER	Actual	Budget	Actual % of Budget	\$ Jul Variance
Stormwater OP REV	\$337	\$818	41.20%	\$481
Stormwater OP EXP	\$10,668	\$13,849	77.03%	\$3,181
Stormwater CAP REV	\$0	\$0	0.00%	\$0
Stormwater CAP EXP	\$0	\$110,257	0.00%	\$110,257



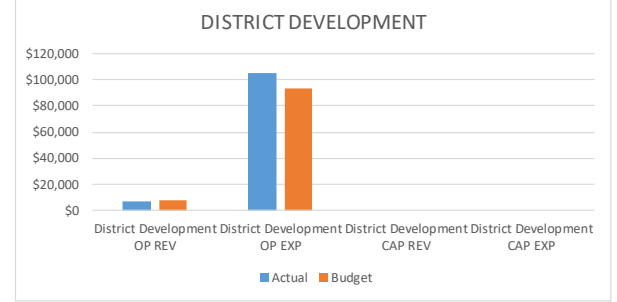
COMMUNITY SERVICES	Actual	Budget	Actual % of Budget	\$ Jul Variance
Community Services OP REV	\$14,193	\$2,374	597.83%	-\$11,819
Community Services OP EXP	\$75,822	\$74,543	101.72%	-\$1,279
Community Services CAP REV	\$0	\$0	0.00%	\$0
Community Services CAP EXP	\$2,619	\$2,190	119.59%	-\$429



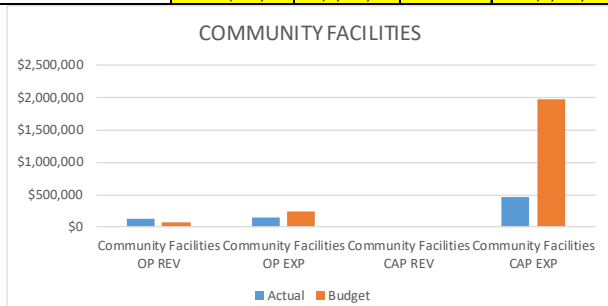
REFUSE & RECYCLING	Actual	Budget	Actual % of Budget	\$ Jul Variance
Refuse & Recycling OP REV	\$4,065	\$3,500	116.15%	-\$565
Refuse & Recycling OP EXP	\$64,824	\$43,731	148.23%	-\$21,093
Refuse & Recycling CAP REV	\$0	\$0	0.00%	\$0
Refuse & Recycling CAP EXP	\$0	\$545,000	0.00%	\$545,000



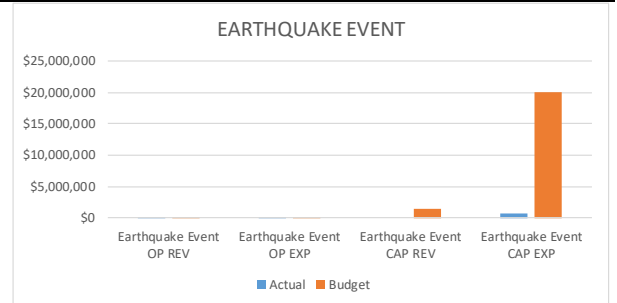
DISTRICT DEVELOPMENT	Actual	Budget	Actual % of Budget	\$ Jul Variance
District Development OP REV	\$6,857	\$8,166	83.96%	\$1,309
District Development OP EXP	\$105,104	\$93,073	112.93%	-\$12,031
District Development CAP REV	\$0	\$0	0.00%	\$0
District Development CAP EXP	\$0	\$0	0.00%	\$0



COMMUNITY FACILITIES	Actual	Budget	Actual % of Budget	\$ Jul Variance
Community Facilities OP REV	\$136,180	\$77,711	175.24%	-\$58,469
Community Facilities OP EXP	\$153,177	\$243,329	62.95%	\$90,152
Community Facilities CAP REV	\$0	\$0	0.00%	\$0
Community Facilities CAP EXP	\$455,442	\$1,973,000	23.08%	\$1,517,558



EARTHQUAKE EVENT	Actual	Budget	Actual % of Budget	\$ Jul Variance
Earthquake Event OP REV	\$83	\$100,933	0.08%	\$100,850
Earthquake Event OP EXP	\$115,128	\$196,340	58.64%	\$81,212
Earthquake Event CAP REV	\$0	\$1,472,291	0.00%	\$1,472,291
Earthquake Event CAP EXP	\$649,006	\$19,968,962	3.25%	\$19,319,956



\$	CAPITAL PROJECTS -YTD Jul 2019/20	Budget 2020	Actual YTD July	Act v/s Bud	\$ Variance
J00003	South Bay Harbour-Gen Capex	300,000		0%	300,000
J00004	Office Furniture & Equipment	14,000		0%	14,000
J00005	Footpath Renewals	140,000		0%	140,000
J00006	Computers & Hardware	40,000	6,860	17%	33,140
J00008	Vehicle purchase	38,413		0%	38,413
J00010	Book Purchases	26,284	2,602	10%	23,682
J00011	DVD's	-	17	0%	-17
J00013	Pensioner Flats Upgrade	-	1,506	0%	-1,506
J00022	Stormwater Renewals	10,257		0%	10,257
J00027	Urban Water- Reticulation	400,000		0%	400,000
J00028	Urban Water- Facilities	3,000		0%	3,000
J00030	Ocean Ridge - Facilities	73,000		0%	73,000
J00032	East Coast - Facilities	7,200		0%	7,200
J00034	Kincaid Water - Facilities	23,000		0%	23,000
J00036	Fernleigh Water - Facilities	3,000		0%	3,000
J00038	Peketa Water - Facilities	225,000		0%	225,000
J00040	Oaro Water - Facilities	50,500		0%	50,500
J00042	Sewerage - Facilities	40,000		0%	40,000
J00044	Stormwater - Facilities	100,000		0%	100,000
J00055	New Recycling Stations	45,000		0%	45,000
J00059	Airport Runway Resealing	150,000		0%	150,000
J00063	Resource Recovery Centre Imprv	500,000		0%	500,000
J00071	SCADA UPGRADE	97,500		0%	97,500
J00072	New Pump Mackles Bore	50,000		0%	50,000
J00075	Streetlights - LED Conversion	96,917		0%	96,917
J00082	Urban Water - Facilites	159,000		0%	159,000
J00211	Unsealed Pavement Renewals 211	180,000	21,192	12%	158,808
J00212	Sealed Pavement Renewals 212	300,000		0%	300,000
J00213	Kerb & Channel Renewals 213	100,000		0%	100,000
J00214	Pavement Rehabilitation 214	307,200		0%	307,200
J00222	Traffic Service Renewals 222	38,000	8,678	23%	29,322
J00341	Minor Improvements 341	52,000		0%	52,000
J04412	CF Cuddon Building	337,500	82,409	24%	255,091
J04414	CF Former DC Building	60,000		0%	60,000
J04416	CF Memorial Centre	750,000	453,936	61%	296,064
J04417	CF Tennis Courts	100,000		0%	100,000
J04418	CF Drill Hall	38,000		0%	38,000
J04420	CF Swimming Pool	200,000		0%	200,000
J04421	CF Amphitheatre & Bridge	85,000		0%	85,000
J04425	CF Airport Terminal	100,000		0%	100,000
J04431	CF Pensioner Flats	30,000		0%	30,000
J04435	CF Wakatu Quay	100,000		0%	100,000
J04436	CF Airport Hangars	60,000		0%	60,000
	<b>BAU Programme</b>	<b>5,429,771</b>	<b>577,200</b>	<b>11%</b>	<b>4,852,571</b>
	<b>EQ Programme</b>	<b>19,968,962</b>	<b>649,006</b>	<b>3%</b>	<b>19,319,956</b>
	<b>TOTAL</b>	<b>25,398,733</b>	<b>1,226,206</b>	<b>5%</b>	<b>24,172,527</b>

<b>INCOME JUL-19 YEAR TO DATE</b>	<b>Actual</b>	<b>Budget</b>	<b>% Variance</b>	<b>\$ Jul Variance</b>
Roading	\$3,923	\$125,819	-96.88%	-\$121,896
Water Services	\$70,006	\$2,256	3003.11%	\$67,750
Sewerage	\$877	\$3,480	-74.79%	-\$2,603
Stormwater	\$337	\$818	-58.80%	-\$481
Refuse & Recycling	\$4,065	\$3,500	16.15%	\$565
Community Facilities	\$136,180	\$77,711	75.24%	\$58,469
Commercial Activities	\$42,627	\$1,260	3283.07%	\$41,367
Leadership & Governance	\$1,393	\$1,250	11.44%	\$143
Building and Regulatory	\$105,304	\$90,461	16.41%	\$14,843
Community Services	\$14,193	\$2,374	497.83%	\$11,819
District Development	\$6,857	\$8,166	-16.04%	-\$1,309
Earthquake Event	\$83	\$1,573,224	-99.99%	-\$1,573,141
Interest	\$108	\$0	0.00%	\$108
Rates	\$61,362	\$0	0.00%	\$61,362
<b>Gross Operating Revenue</b>	<b>\$447,314</b>	<b>\$1,890,319</b>	<b>-76.34%</b>	<b>-\$1,443,005</b>
Less Capital Subs & Grants	-\$40,000	-\$1,513,630	16.15%	
<b>Net Operating Revenue</b>	<b>\$407,314</b>	<b>\$376,689</b>	<b>8.13%</b>	<b>\$30,625</b>

<b>EXPENDITURE JUL-19 YEAR TO DATE</b>	<b>Actual</b>	<b>Budget</b>	<b>% Variance</b>	<b>\$ Jul Variance</b>
Roading	\$201,998	\$189,415	6.64%	\$12,583
Water Services	\$94,496	\$131,317	-28.04%	-\$36,821
Sewerage	\$83,754	\$106,983	-21.71%	-\$23,229
Stormwater	\$10,668	\$13,849	-22.97%	-\$3,181
Refuse & Recycling	\$64,824	\$43,731	48.23%	\$21,093
Community Facilities	\$153,177	\$243,329	-37.05%	-\$90,152
Commercial Activities	\$10,036	\$10,648	-5.75%	-\$612
Leadership & Governance	\$141,516	\$244,893	-42.21%	-\$103,377
Building and Regulatory	\$95,398	\$88,990	7.20%	\$6,408
Community Services	\$75,822	\$74,543	1.72%	\$1,279
District Development	\$105,104	\$93,073	12.93%	\$12,031
Earthquake Event	\$115,128	\$196,340	-41.36%	-\$81,212
Bad Debt	\$0	\$10,000	-100.00%	-\$10,000
	<b>\$1,151,921</b>	<b>\$1,447,111</b>	<b>-20.40%</b>	<b>-\$295,190</b>