

5.2 QUARTERLY FINANCIAL REPORTING FOR DECEMBER 2018

File Number: COU1-1410

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Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Quarterly Financial Report December 2018

PURPOSE

Provide Council with a summary of Council's second quarter financial performance for the 2018/19 financial year.

RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2018/19 financial year be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

This report is to supply Council with a summary of the financial performance of Council and highlights the key financials for the second quarter for the year ended 30 June 2019.

The report contains a Financial Overview for Whole of Council and the Groups of Activities, Treasury Report and Rates Debt Information.

This Financial Report is for the 6 months to 31 December 2018. Overall, the Surplus for Operational Funding is behind operating budget by \$33k, which includes a revenue increase in Fees and Charges of \$106K and Payment to Staff and Suppliers being above budget by \$94k. Employment Costs are \$174k above budget and other expenses are above budget by \$86K. Details of the variances can be found in the Executive Summary within the attached report.

FINANCIAL AND RESOURCING IMPLICATIONS

Officers will continue to monitor and manage the finances of Council.

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 delegated authority for any decisions made;
- 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;
- Any decisions made are consistent with the Council's plans and policies; and
- 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

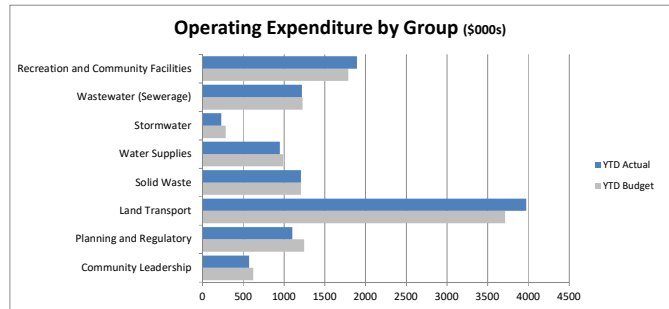
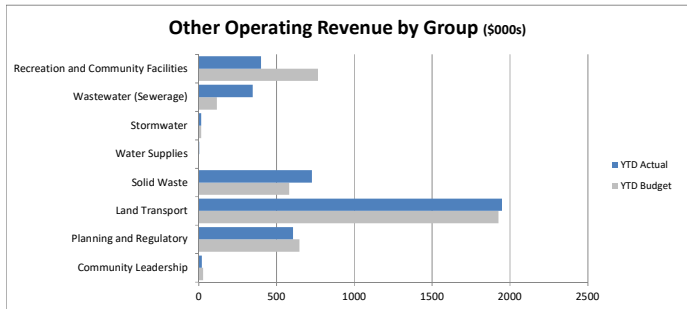
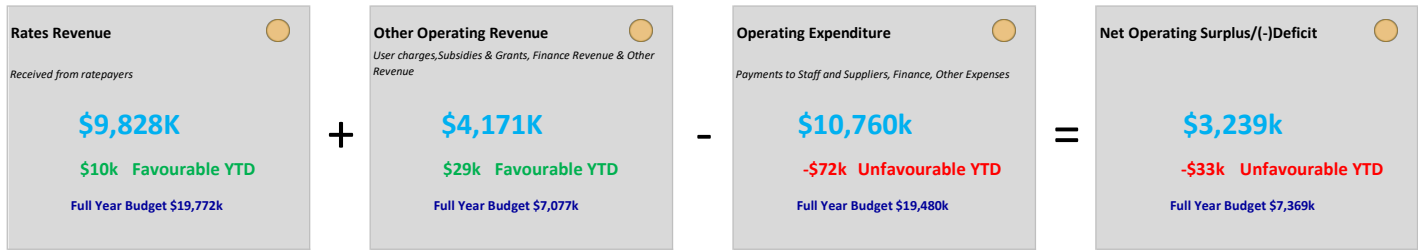
Officers will continue to monitor and management the finances of Council.

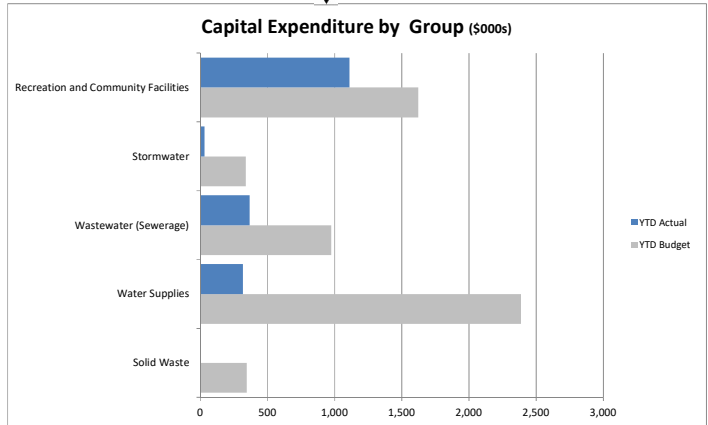
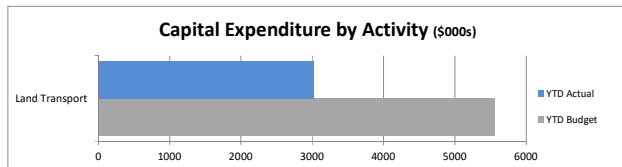
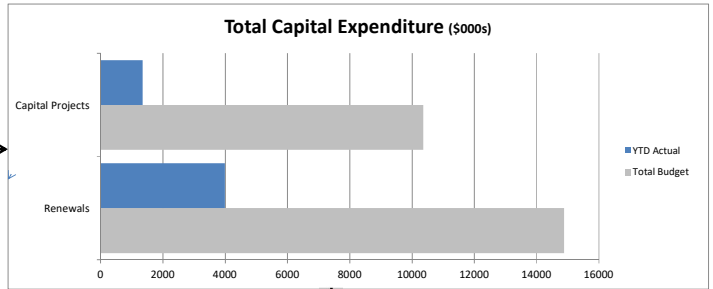
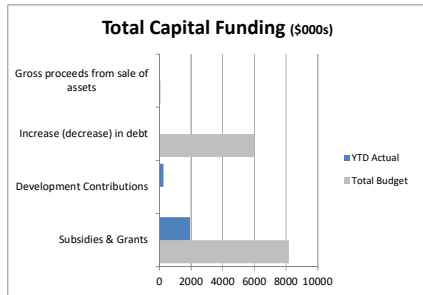
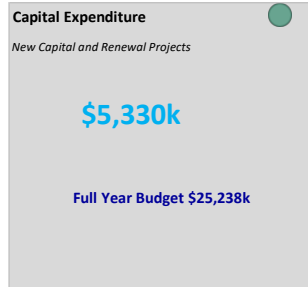
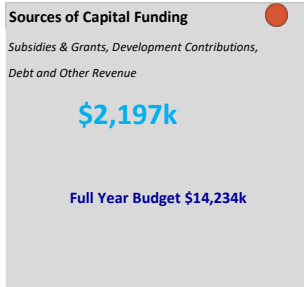
RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2018/19 financial year be noted.

Central Hawke's Bay District Council - Whole of Council

Funding Impact Statement - Operational As at 31 December 2018 Key Indicators





Central Hawke's Bay District Council: Funding impact statement 2018/19

Whole of Council

As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018	2019	2019	2019	2019	2019	2019
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	12,609	12,884	12,884	6,438	6,424	(13)	0%
Targeted rates	6,526	6,888	6,888	3,381	3,404	23	1%
Subsidies and grants for operating purposes	3,905	2,598	3,313	1,900	1,908	8	0%
Fees, charges	2,946	2,950	2,950	1,586	1,693	106	7%
Interest and dividends from investments	170	125	125	63	106	43	68%
Local authorities fuel tax, fines, infringement fees and other receipts	430	306	689	592	464	(128)	-22%
Total operating funding	26,586	25,751	26,849	13,960	13,999	39	
Applications of operating funding							
Payments to staff and suppliers	19,675	17,972	19,241	10,570	10,663	(94)	-1%
Finance costs	120	239	239	120	97	22	18%
Other operating funding applications	0	(183)	0	0	0	0	0%
Total applications of operating funding	19,795	18,028	19,480	10,690	10,760	(72)	
Surplus (deficit) of operating funding	6,791	7,723	7,369	3,270	3,239	(33)	
Sources of capital funding							
Subsidies and grants for capital expenditure	4,771	4,387	8,174	3,423	1,939	(1,484)	-43%
Development and financial contributions	95	22	22	11	258	247	2245%
Increase (decrease) in debt	0	4,798	5,971	602	0	(602)	-100%
Gross proceeds from sale of assets	103	67	67	33	0	(33)	-100%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	4,969	9,274	14,234	4,069	2,197	(1,872)	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	1,054	7,977	10,356	5,105	1,345	3,760	74%
to replace existing assets	9,033	9,134	14,882	6,481	3,985	2,495	38%
Increase (decrease) in reserves	1,466	0	(3,521)	(2,424)	(3,525)	1,101	-45%
Increase (decrease) of investments	207	(115)	(115)	(58)	(306)	249	-429%
Total application of capital funding	11,760	16,996	21,602	9,104	1,499	7,605	
Surplus (deficit) of capital funding	(6,791)	(7,722)	(7,368)	(5,035)	698	5,733	
Funding balance	0	1	1	(1,765)	3,937	5,700	

Central Hawke's Bay District Council - Whole of Council

Executive Summary

As at 31 December 2018

Financial Performance - Operating

Council shows a \$3.239m surplus against a budgeted surplus of \$3.270m. December is 50% through the year and the result shows that Council has spent 55.4% of the expenditure budget and received 52.1% of the budgeted income. Personnel Costs is \$174k above budget and includes \$145k of one off expenditure and \$50K of costs for 3 Waters that is yet to be transferred to capital expenditure. Other Expenses are over budget by \$84K which is primarily from the grant for the AW Parsons pool being paid in December 2018 when it was phased for January 2019. Interest income is tracking higher than budgeted as more cash is held due to the reduced capital expenditure. Most other variances are favourable being underspent budgets or timing differences between budget allocations and actual expenditure.

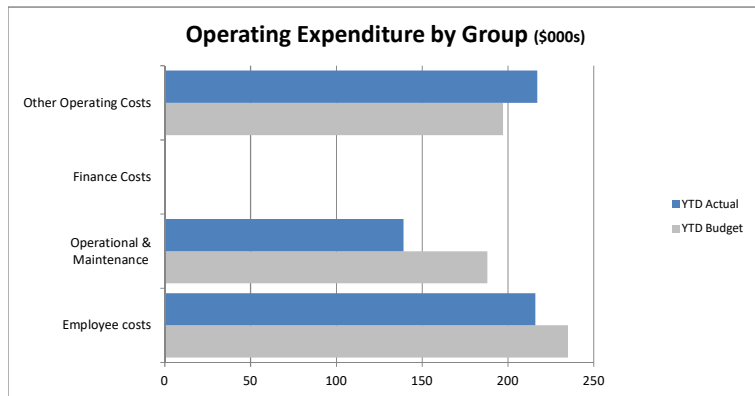
A reforecast of budgets will be conducted by Council officers in February and will formally be reported to Council as part of the March Quarter Reporting.

Financial Position- Capital

Council borrowing remains behind budget as budgeted capital expenditure is lower than budgeted. Based on current phasing of the capital budgets, we were budgeted to have spent 46.01% of the capital budget. As of 31 December we have spent 21.12%. As part of the reforecasting that will be completed for the February reporting, managers will spend time re-evaluating the capital budgets to assess what is realistically possible to complete. Capital projects for Water have already been reviewed and are included in the project reporting. The cash balance also reflects the reduction in capital expenditure as cash is held in short term deposits with the view of paying for capital expenditure. This will be reviewed following the reforecast in February.

Community Leadership
As at 31 December 2018

<p>Operating Revenue -1</p> <p>\$600K</p> <p>-\$7k Unfavourable YTD</p> <p>Full Year Budget \$1,203k</p>	-	<p>Operating Expenditure 8</p> <p>\$571k</p> <p>\$49k Favourable YTD</p> <p>Full Year Budget \$1,229k</p>	=	<p>Net Surplus/(-)Deficit 6</p> <p>\$29k</p> <p>\$42k Favourable YTD</p> <p>Full Year Budget -\$26k</p>	<p>Capital Expenditure 0</p> <p>\$0k</p> <p>\$0k Favourable YTD</p> <p>Full Year Budget \$0k</p>
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Central Hawke's Bay District Council: Funding impact statement 2018/19
Community Leadership
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	896	1,157	1,157	579	581	2	0%
Targeted rates	27	0	0	0	0	0	0%
Subsidies and grants for operating purposes	40	46	46	28	19	(9)	-32%
Fees, charges	0	0	0	0	0	0	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	963	1,203	1,203	607	600	(7)	
Applications of operating funding							
Payments to staff and suppliers	798	938	948	480	407	73	15%
Finance costs	0	0	0	0	0	0	0%
Other operating funding applications	275	281	281	140	164	(24)	-17%
Total applications of operating funding	1,073	1,219	1,229	620	571	49	
Surplus (deficit) of operating funding	(110)	(16)	(26)	(13)	29	42	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	0	0	0	0	0	0	0%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	0	0	0	0	0	0	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	0	0	0	0	0	0%
to replace existing assets	0	0	0	0	0	0	0%
Increase (decrease) in reserves	(110)	(15)	(25)	(10)	(10)	0	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	(110)	(15)	(25)	(10)	(10)	0	
Surplus (deficit) of capital funding	110	15	25	10	10	0	
Funding balance	0	(1)	(1)	(3)	39	42	

Explanation of changes between Annual Plan and Total Operating Budget

Payment to Staff and Suppliers

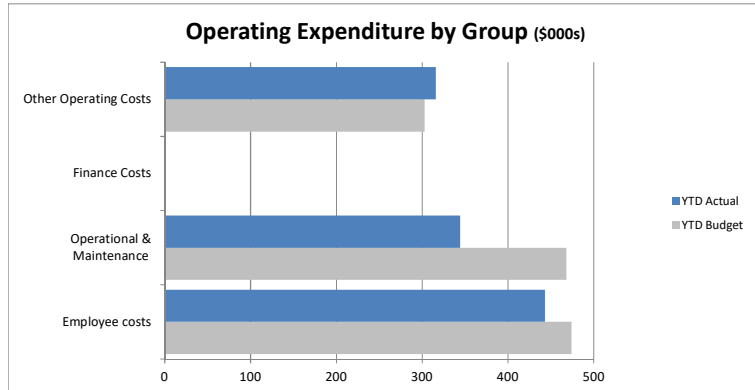
Addition of grant for Hawke's Bay Biodiversity Trust approved by Council from Reserves - \$10k

Explanation of Variance to YTD Budget

Variances are based on timing of phasing of budgets and invoicing. Expected to be within budgets.

**Planning and Regulatory
As at 31 December 2018**

<p>Operating Revenue -4</p> <p>\$966K</p> <p>-\$40k Unfavourable YTD</p> <p>Full Year Budget \$1,785k</p>	-	<p>Operating Expenditure 11</p> <p>\$1,103k</p> <p>\$142k Favourable YTD</p> <p>Full Year Budget \$2,110k</p>	=	<p>Net Surplus/(-)Deficit 6</p> <p>-\$137k</p> <p>\$102k Favourable YTD</p> <p>Full Year Budget -\$325k</p>	=	<p>Capital Expenditure 100</p> <p>\$0k</p> <p>\$20k Favourable YTD</p> <p>Full Year Budget \$82k</p>
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Central Hawke's Bay District Council: Funding impact statement 2018/19
Planning and Regulatory
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	1,177	721	721	360	361	1	0%
Targeted rates	0	0	0	0	0	0	0%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	951	1,048	1,048	633	588	(45)	-7%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	9	16	16	13	17	4	31%
Total operating funding	2,137	1,785	1,785	1,006	966	(40)	
Applications of operating funding							
Payments to staff and suppliers	1,781	1,298	1,627	1,003	821	182	18%
Finance costs	0	2	2	1	0	1	100%
Other operating funding applications	413	481	481	241	282	(41)	-17%
Total applications of operating funding	2,194	1,781	2,110	1,245	1,103	142	
Surplus (deficit) of operating funding	(57)	4	(325)	(239)	(137)	102	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	0	78	78	(2)	0	2	-100%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	0	78	78	(2)	0	2	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	82	82	20	0	20	100%
to replace existing assets	0	0	0	0	0	0	0%
Increase (decrease) in reserves	(56)	0	(329)	(321)	(375)	54	-17%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	(56)	82	(247)	(301)	(375)	74	
Surplus (deficit) of capital funding	56	(4)	325	299	375	76	
Funding balance	(1)	0	0	60	238	178	

Explanation of changes between Annual Plan and Total Operating Budget

Payment to Staff and Suppliers

Addition of Carry Forward for District Plan Review \$329k from Reserves

Explanation of Variance to YTD Budget

Operating Income

Fees & Charges are lower than budget and includes:

Building Control - lower than budget by \$55k - a review of charging and expenses will be conducted in January/February.

Public Health - lower than budget by \$22k due to phasing will be on budget at year end.

Land Use and Subdivision - above budget by \$35k with the increase in consents being processed

Operating Expenditure

The Payment to Staff and Suppliers is lower than budgeted by \$182k and includes:

Under budget

District Planning - \$82k - behind based on phasing of expenditure.

Expected to be \$110k over budget by the end of the year when a decision of how this will be funded will be required by Council.

Animal Control - \$24k - based on requirements this will be on budget for the year.

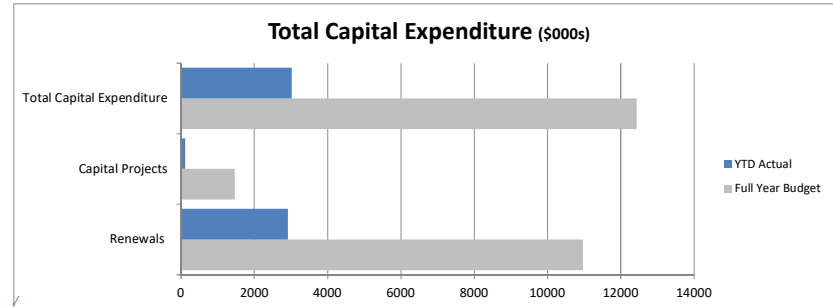
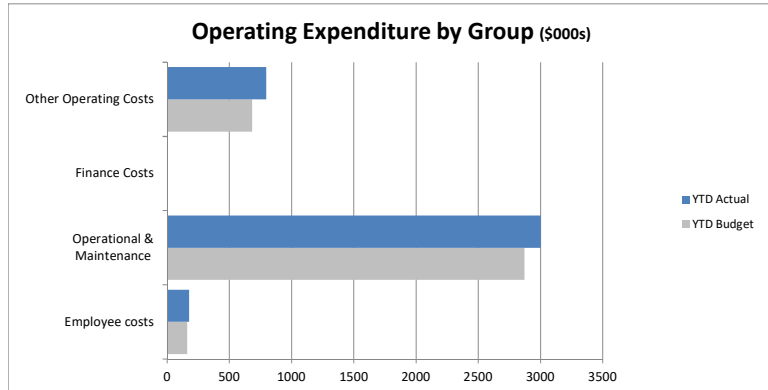
Compliance - \$79k - Review of Compliance has been completed with outcomes to be determined and implemented and Territorial Authority Officer yet to be appointed.

Over budget

Land Use and Subdivision - \$19k - consultants processing consents which is offset by income.

Land Transport
As at 31 December 2018

Operating Revenue	1	-	Operating Expenditure	-7	=	Net Surplus/(-)Deficit	-6	=	Capital Expenditure	45
\$5,165K			\$3,973k			\$1,192k			\$3,027k	
\$28k Favourable YTD			-\$257k Unfavourable YTD			-\$229k Unfavourable YTD			\$2,526k Favourable YTD	
Full Year Budget \$9,800k			Full Year Budget \$6,663k			Full Year Budget \$3,137k			Full Year Budget \$12,435k	



Central Hawke's Bay District Council: Funding impact statement 2018/19
Land Transport
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	6,243	6,426	6,426	3,213	3,216	3	0%
Targeted rates	50	0	0	0	0	0	0%
Subsidies and grants for operating purposes	3,798	2,483	3,198	1,837	1,854	18	1%
Fees, charges	28	18	18	9	13	4	44%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	213	158	158	79	82	3	4%
Total operating funding	10,332	9,085	9,800	5,138	5,165	28	
Applications of operating funding							
Payments to staff and suppliers	6,578	4,488	5,317	3,043	3,186	(143)	-5%
Finance costs	3	0	0	0	0	0	0%
Other operating funding applications	1,062	1,163	1,346	673	787	(114)	-17%
Total applications of operating funding	7,643	5,651	6,663	3,716	3,973	(257)	
Surplus (deficit) of operating funding	2,689	3,434	3,137	1,422	1,192	(229)	
Sources of capital funding							
Subsidies and grants for capital expenditure	4,771	4,387	8,174	3,423	1,939	(1,484)	-43%
Development and financial contributions	1	3	3	2	1	0	0%
Increase (decrease) in debt	(47)	0	0	0	0	0	0%
Gross proceeds from sale of assets	80	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	4,805	4,390	8,177	3,425	1,940	(1,484)	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	341	1,000	1,471	761	110	651	86%
to replace existing assets	7,347	6,809	10,964	4,792	2,917	1,875	39%
Increase (decrease) in reserves	(195)	16	(1,120)	(1,128)	(1,136)	8	-1%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	7,493	7,825	11,315	4,425	1,891	2,534	
Surplus (deficit) of capital funding	(2,688)	(3,435)	(3,138)	(1,000)	49	1,050	
Funding balance	1	(1)	(1)	422	1,241	821	

Explanation of changes between Annual Plan and Total Operating Budget

Operating Subsidies and Grants - \$715k

- Movement of Subsidy Overhead included in Annual Plan Capital budgets based on NZTA requirements - 129k
- June Flood reallocation of subsidy - 78k
- September Flood event included in operating budgets - \$507k

Payment to staff and suppliers - \$829k

- Portion of June Flood event that is Opex - \$131
- Portion of September Flood event that is Opex - \$683

Other Operating Funding Applications - \$183k

- Movement of Overhead included in Annual Plan Capital budgets based on NZTA requirements into Opex

Capital Subsidies and Grants - \$3,787k

- Subsidy for footpaths renewal and new now being funded - \$471k
- Funding for June Flood Event - \$464k
- Less movement of subsidy Overhead included in Annual Plan Capital budgets based on NZTA requirements - (\$118k)
- Funding for September Flood Event - \$2,974k

Capital Expenditure - \$4,626k

- Increase in Footpath budget based on NZTA funding - \$471k
- Remaining June flooding event expenditure - \$774k
- Less movement of Overhead included in Annual Plan Capital budgets based on NZTA requirements - (\$183k)
- Emergency works September flood capital works \$3,572k

Increase (decrease) in reserves - \$1,136

- Remaining June flooding event funding carried forward from 2017/18 - \$362k
- September flooding event from carry forwards and reserves - \$774k

Explanation of Variance to YTD Budget

Operating Expenditure

The Payment to Staff and Suppliers is higher than budgeted and includes:

Under budget

Sealed Pavement Maintenance - \$233k - spend delayed due to response to other events. This will be completed by the end of the financial year.

Over budget

Emergency Management funding - \$240k - more operational required than originally forecast with a reduction in Capital Expenditure.
Environmental Maintenance - \$134k - this is largely reactive work and has been increased due to the changes from weather events. It includes preventative tree maintenance or felling. Any overspend will be covered by decreases in other operational areas.

Capital Expenditure

This is currently \$2.5m underspent
Please see the programme breakdown for variances

Central Hawke's Bay District Council: Renewal Update 2018/19

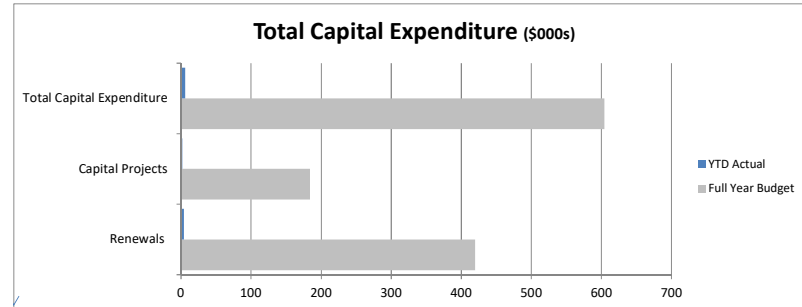
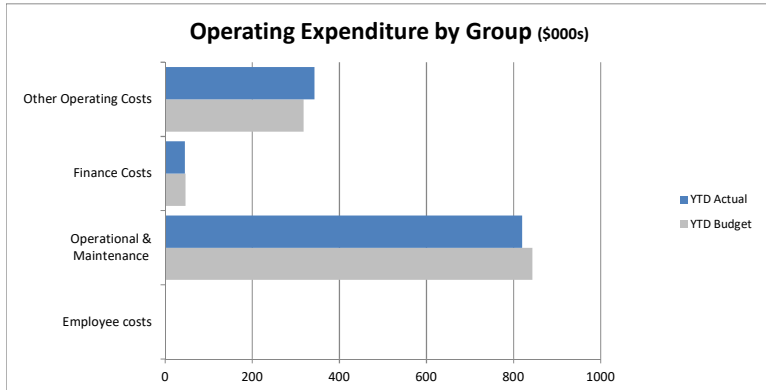
Land Transport

At 31 December 2018

	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	Forecast to June 30th	Under/ (Over) By Year End	Comments
	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	
Account Name	Adopted Annual Plan Budget 2018/19	Operating Budget Total 2018/19	YTD Operating Budget 2018/19	YTD Actuals	YTD Variance	Forecast to June 30th	Under/ (Over) By Year End	
Subsidised MINOR EVENTS	300	293	141	63	79	293	0	
Subsidised EMERGENCY REINSTATEMENT	0	4,491	1,305	688	617	4,491	0	Smaller capital works from Sept and December 18 flooding events have been completed. The approx. 20 remaining larger works are being designed and procured. This work has been forecast to be completed by end of June.
Subsidised UNSEALED ROAD METALLING	475	479	235	369	-134	479	0	Ahead of the work programme. This will be on budget .
Subsidised SEALED ROAD RESURFACING	1,364	1,422	930	1,332	-402	1,422	0	Programme is ahead of schedule and almost complete. Will be within budget at year end
Subsidised DRAINAGE RENEWAL	1,207	936	593	200	393	936	0	Work is programmed for later in the year
Subsidised SEALED ROAD REHAB	1,890	899	-103	160	-263	899	0	programme has been delayed due to resource shortage work contract to be released later in year. The handover between the old and new consultant has meant delays and the proposed contract is being reviewed for completeability
Subsidised STRUCTURES RENEWAL	900	1,883	1,439	31	1,407	1,883	0	Due to the storm events requiring available resources to complete the storm recovery work, sub structure renewals have been delayed. A review of the programme will be completed and further detail provided to Council on any possible delays to the programme.
Subsidised ENVIRONMENTAL RENEWAL	0	0	0	0	0	0	0	
Subsidised TRAFFIC SERVICES RNWLS	177	210	112	55	57	210	0	This is reactive work and is spent as required.
Subsidised FOOTPATH RENEWALS	0	300	113	10	103	300	0	In the first 1/2 of the year, the footpath policy has been reviewed and following the outcome the programme of work will be issued to market for completion by the end of June.
Subsidised PREVENTATIVE MAINTENANCE	0	0	0	0	0	0	0	
Subsidised REPLACE BRIDGES AND STRUCTURES	50	50	0	0	0	50	0	This is to investigate the bridge network to determine the remaining life of our most vulnerable bridges. This will be completed by financial year end.
Subsidised PAVEMENT & TRAFFIC FACILITIES	540	540	396	0	396	540	0	This is programmed for later in the year. It will be completed by end of the financial year
Subsidised FOOTPATH NEW	0	478	239	0	239	478	0	In the first 1/2 of the year, the footpath policy has been reviewed and following the outcome the programme of work will be issued to market. Any unspent money will be carried over to 2019/20 for completion.
Subsidised MINOR CAP IMPVTS	300	293	76	32	43	293	0	Some safety work has been completed. The programme will be completed by the end of the financial year.
Subsidised VEGETATION RESILIENCE IMPROVEMENTS	110	110	51	78	-27	110	0	Ahead of budget due to work being completed early. Will be on budget by the end of the financial year.
Subsidised CAPITAL RENEWAL	0	0	0	0	0	0	0	
Unsubsidised ROAD LEGALISATION COSTS	0	0	0	3	-3	0	0	
Unsubsidised ANNUAL EMERGENCY REINST RNWL	145	0	0	0	0	0	0	Transferred to Emergency Reinstatement for the September Flooding Event
Unsubsidised CAPITAL RENEWAL	0	0	0	0	0	0	0	
Unsubsidised FOOTPATH RENEWALS	301	0	0	5	-5	0	0	
Unsubsidised BRIDGE REPLACEMENTS	51	51	26	0	26	0	51	To be reserved for councils share of future bridge replacements
Unsubsidised WALKING & CYCLING	0	0	0	0	0	0	0	
Unsubsidised CARPARK RNWL	0	0	0	0	0	0	0	
Total	7,809	12,435	5,553	3,027	2,526	12,384		

Solid Waste
As at 31 December 2018

<p>Operating Revenue 12</p> <p>\$1,441K</p> <p>\$149k Favourable YTD</p> <p>Full Year Budget \$2,583k</p>	-	<p>Operating Expenditure 0</p> <p>\$1,208k</p> <p>\$0k Unfavourable YTD</p> <p>Full Year Budget \$2,326k</p>	=	<p>Net Surplus/(-)Deficit 6</p> <p>\$233k</p> <p>\$149k Favourable YTD</p> <p>Full Year Budget \$257k</p>	=	<p>Capital Expenditure 99</p> <p>\$6k</p> <p>\$339k Favourable YTD</p> <p>Full Year Budget \$604k</p>
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Central Hawke's Bay District Council: Funding impact statement 2018/19
Solid Waste
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	1,318	1,193	1,193	597	598	2	0%
Targeted rates	240	231	231	116	116	0	0%
Subsidies and grants for operating purposes	52	52	52	26	26	0	0%
Fees, charges	1,143	1,107	1,107	554	701	147	27%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	2,753	2,583	2,583	1,293	1,441	149	
Applications of operating funding							
Payments to staff and suppliers	1,863	1,835	1,835	963	931	32	3%
Finance costs	95	94	94	47	45	2	4%
Other operating funding applications	316	397	397	198	232	(34)	-17%
Total applications of operating funding	2,274	2,326	2,326	1,208	1,208	0	
Surplus (deficit) of operating funding	479	257	257	85	233	149	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	0	0	0%
Increase (decrease) in debt	(97)	78	78	(53)	(52)	1	-2%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	(97)	78	78	(53)	(52)	1	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	184	184	92	2	90	98%
to replace existing assets	78	93	420	252	4	249	99%
Increase (decrease) in reserves	304	59	(267)	(327)	(327)	0	0%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	382	336	337	17	(321)	339	
Surplus (deficit) of capital funding	(479)	(258)	(259)	(70)	269	340	
Funding balance	0	(1)	(2)	15	502	489	

Explanation of changes between Annual Plan and Total Operating Budget

Replace Existing Assets - Inclusion of Carry Forward of \$327k from Reserves

Explanation of Variance to YTD Budget

Operating Income

Fees and Charges- \$147k

Income for Solid Waste is over budget in Fees and Charges by Extra Landfill Income both local and out of district - \$80k
Carbon Credit Income - \$49k - this is in junction with the increase in landfill income.

Operating Expenditure

Payments to Staff and Suppliers is under budget by \$31k across a variety of expenditure.

Capital Expenditure

This is currently underspent by \$339k
Details of the capital projects is on the Project sheet.

Central Hawke's Bay District Council: Project Update 2018/19

Solid Waste

At 31 December 2018

Reforecast Budget included carryforwards

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				
SW 18 Landfill Leachate Disposal	180	184	2	2	144	40	●	The detailed project plan has been created and options are being considered in early February, with the consenting process starting in February. The Regional Council have been consulted and have provided guidance. It is expected that the storage will be completed this financial year, with the project to be completed this calendar year.
SW 19 Landfill Cell Capping		80	0	0	80	0	●	The will be completed this financial year to ensure the Landfill Leachate project can be completed.
SW 19 Closed Dump Minor Renewals	32	31	0	0	31	0	●	Planning to be completed by end of February with works to be completed this financial year.
SW 19 Landfill Minor Renewals	25	25	0	0	25	0	●	Planning has been completed and works to commence in February. Will be completed this financial year.
SW 19 Litter Bins Minor Renewals	5	5	0	0	5	0	●	
SW 19 Recycling Minor Renewals	6	6	4	4	6	0	●	
SW 19 Transfer Station Minor Renewals	26	26	0	0	26	0	●	Minor renewal upgrades including upgrades to the Waipukurau transfer station and Takapau Drop Off Centre will be completed by the end of the financial year.
Total	274	357	6	6	317	40		

Unallocated carry forwards

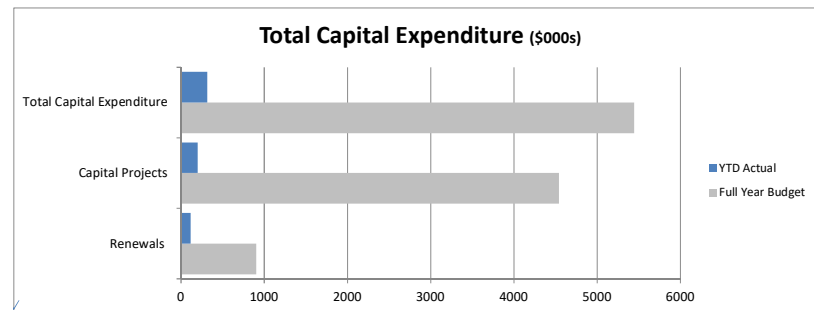
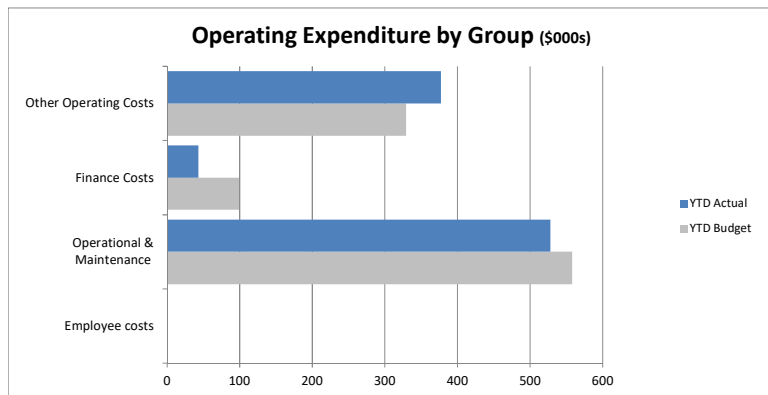
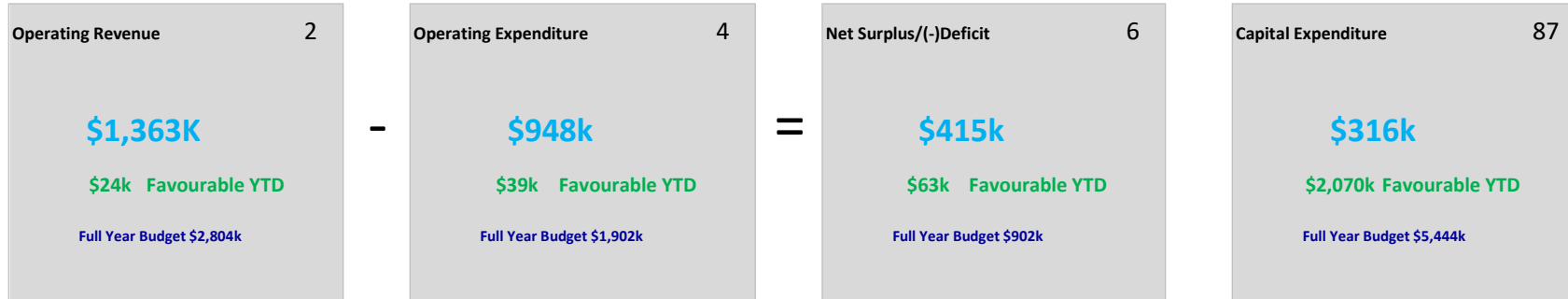
246

Agreed to Total Operating Budget 2019

603

- Achieved
- On track
- May not be met
- Deferred

Water Supplies
As at 31 December 2018



Central Hawke's Bay District Council: Funding impact statement 2018/19
Water Supplies
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	2,766	2,804	2,804	1,339	1,360	21	2%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	3	0	0	0	3	3	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0%
Total operating funding	2,769	2,804	2,804	1,339	1,363	24	
Applications of operating funding							
Payments to staff and suppliers	1,124	1,195	1,195	633	608	26	4%
Finance costs	92	199	199	99	43	56	57%
Other operating funding applications	644	508	508	254	297	(43)	-17%
Total applications of operating funding	1,860	1,902	1,902	986	948	39	
Surplus (deficit) of operating funding	909	902	902	353	415	63	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	48	5	5	3	141	139	4633%
Increase (decrease) in debt	46	3,836	4,120	93	(61)	(154)	-166%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	94	3,841	4,125	96	80	(15)	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	355	3,990	4,541	2,085	200	1,885	90%
to replace existing assets	312	603	903	301	116	185	61%
Increase (decrease) in reserves	339	150	(418)	(48)	(568)	520	-1083%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	1,006	4,743	5,026	2,338	(252)	2,590	
Surplus (deficit) of capital funding	(912)	(902)	(901)	(2,242)	332	2,575	
Funding balance	(3)	0	1	(1,889)	747	2,638	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - \$850k - Inclusion of \$568k from Carry Forward from Reserves and Loans Carried Forward of \$284k

Explanation of Variance to YTD Budget

Operating Income

Metered Water Rates are higher than budget by \$21K

Capital Expenditure

The Spend in Capital Expenditure is below budget by \$2,070k. Details of the capital projects is on the Project sheet.

Central Hawke's Bay District Council: Project Update 2018/19

Water Supply

At 31 December 2018

Reforecast Budget included carryforwards

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				
WS 17 Waipukurau SH2 Pump Station Upgrade	308	850	34	0	850	0	●	Land purchase has been done. Reallocation of budgets approved by Council. Working on finalising design and construction to start in early 2019 for completion by 30 June 2019
WS 16 Waipukurau UV Treatment SH2	0	530	528	59	530	0	●	Project has been completed, awaiting final payment
WS 18 Waipukurau Peel St Water Main Replacement	0	91	95	7	91	0	●	Work has been completed
WS 17 Porangahau Treatment Plant Upgrade	0	220	10	5	220	0	●	This project is budgeted in total as \$1.032m with funding in 19/20 of \$814K. Currently under tender with a supplier to be selected by the end of February. \$220k for this year is expected to be spent by the end of the financial year with the remainder of the project to be completed by 30 September 2019.
WS 18 Waipukurau Second Supply	2,046	2052	28	22	511	1,541	●	Design, testing underway, Test supply on track to be drilled in January 2019. It is expected that the total project budget of \$5.7 million will be spent over 2019/20 and 2020/21.
WS 17 Waipukurau Porritt Upgrade	0	65	34	34	65	0	●	90% complete, all water network works complete, only final reinstatement to complete, due to be done by end of Jan 2019
WS 19 Takapau Treatment Improvement	767	680	8	8	680	0	●	Currently under tender with a supplier to be selected by the end of February. Following tender a review of budget requirements will be done. However it is expected to be spent this financial year.
WS 18 Otane Land Development	155	155	94	70	155	0	●	Site works completed and awaiting final claim. Expected to be on budget

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				
WS 19 Otane Alternative Water Supply	1,023	939	42	42	376	563	●	Design underway and on track to be finalised by February 2019. Physical work is expected to start in June 2019. Balance of the funding will be carried over to completed the project in 2019/20.
WS 19 Waipukurau Shortfalls Fire Fight Improve Modelling		30	0	0	30	0	●	Currently creating model and works programme this is due to be completed by the end of January 2019, will then form 7 year programme and tender out accordingly, first chunk to be complete by 30 June 2019
District renewals as required	603	395	69	69	395	0	●	
Total	4,902	6,007	942	316	3,903	2,104		

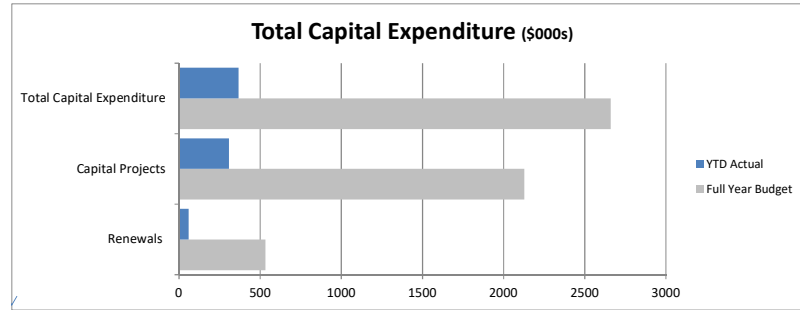
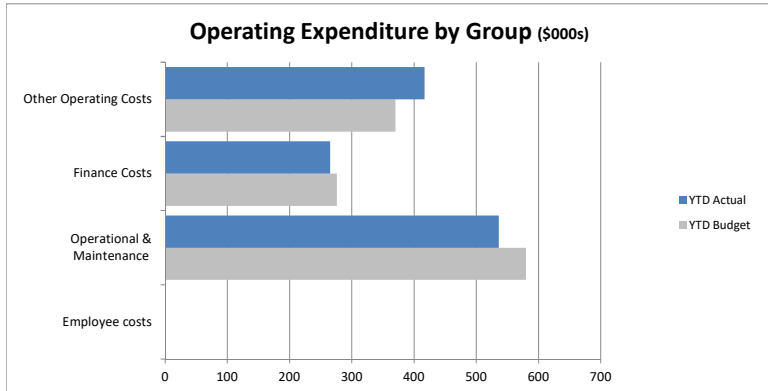
Capital Expenditure In Work In Progress For Previous Years -626
Carry Forward for Porangahau not added to Total Operating Budget -215
Budget yet to be allocated to projects 277

Agreed to Total Operating Budget 2019 5,443

- Achieved
- On track
- May not be met
- Deferred

Wastewater
As at 31 December 2018

Operating Revenue	14		Operating Expenditure	1		Net Surplus/(-)Deficit	6		Capital Expenditure	62
\$1,897K		-	\$1,218k		=	\$679k		=	\$367k	
\$229k Favourable YTD			\$8k Favourable YTD			\$237k Favourable YTD			\$609k Favourable YTD	
Full Year Budget \$3,336k			Full Year Budget \$2,369k			Full Year Budget \$967k			Full Year Budget \$2,660k	



Central Hawke's Bay District Council: Funding impact statement 2018/19
Wastewater
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	2,952	3,101	3,101	1,550	1,551	0	0%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	353	235	235	117	146	29	25%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	200	0	0	0	200	200	0%
Total operating funding	3,505	3,336	3,336	1,667	1,897	229	
Applications of operating funding							
Payments to staff and suppliers	1,502	1,309	1,309	696	656	40	6%
Finance costs	535	552	552	276	265	11	4%
Other operating funding applications	533	508	508	254	297	(43)	-17%
Total applications of operating funding	2,570	2,369	2,369	1,226	1,218	8	
Surplus (deficit) of operating funding	935	967	967	441	679	237	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	45	10	10	5	111	106	2120%
Increase (decrease) in debt	(19)	661	1,488	(105)	(210)	(105)	100%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	26	671	1,498	(100)	(99)	1	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	292	1,074	2,127	709	308	401	57%
to replace existing assets	367	533	533	266	59	208	78%
Increase (decrease) in reserves	304	31	(195)	(70)	(225)	155	-221%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	963	1,638	2,465	905	142	764	
Surplus (deficit) of capital funding	(937)	(967)	(967)	(1,005)	(241)	765	
Funding balance	(2)	0	0	(564)	438	1,002	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - increase of \$1,053k - Inclusion of \$225k from Carry Forward from Reserves and Loans Carried Forward of \$828k

Explanation of Variance to YTD Budget

Operating Income

Fees and Charges are above budget by \$28k from extra trade waste income

Operating Expenditure

Payments to staff and suppliers is \$40K below budget based on monitoring management of expenditure. Expected to be on budget by year end.

Capital Expenditure

The Spend in Capital Expenditure is below budget by \$609k. Details of the capital projects is on the Project sheet

Central Hawke's Bay District Council: Project Update 2018/19

Wastewater

At 31 December 2018

Reforecast Budget included carryforwards

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				
WW 18 Otane Treatment Plant Upgrade	1,353	1,353	150	77	210	1,143	●	Project on hold, whilst Otane is considered in the wider WWTP projects, Resource consent extension and I&I studies to be done as part of this project to assist with consent and plant development in future - incorporated into WWTP project scope
WW 19 Otane Resource Consent Extension		40	0	0	40	0	●	Resource consent submitted to regional council, CHBDC to supply further information
WW 19 Otane WWTP I&I Study		80	0	0	80	0	●	Reduction management plan underway, study to be tendered likely for Feb 2019
WW 17 Waipawa Great North Road Stage 2	272	120	0	0	0	120	●	Project deferred, budget not sufficient for scope of project, waiting on proposed development on GNR for requirements. \$60k budget will be reallocated to Wastewater requirements
WW 18 Takapau Resource Consent	105	105	30	6	53	52	●	3 year consent extension granted by HBRC to 31 October 2021, works for new consent to commence in early 2019
WW 19 Takapau treatment upgrade	831	831	0	0	0	831	●	Likely will not be used until 20/21 consent requirement, work will start on requirements to get the Consent in early 2019
WW 18 Otane Land Development	0	200	174	138	200	0	●	Siteworks completed. Awaiting final claim. Expected to be on budget.
WW 18 Waipukurau Mt Herbert Landscaping	0	122	110	6	122	0	●	This is the final planting and fencing plus minor improvements for the completion of the Mt Herbert Pump Station completed last year. Will be completed this year
WW 19 Waipukurau Waipawa Treatment Investigation	0	300	62	62	300	0	●	In hand progressing as expected, working towards BPO by April 2019
WW 19 Waipawa Main Trunk Renewal	1,770	1,770	18	18	511	1,259	●	Concept design under review. Procurement plan proposed for council meeting in February 2019. On track for construction to commence in June 2019 and be complete by the middle Nov 2019. \$1.2m is in 2019/20 budget as per LTP
District Wide renewals	338	120	59	59	120	0	●	Reactive expenditure on renewals for plants etc. Expected to be spent in the financial year
Total	4,669	5,041	603	366	1,636	3,405		

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				

Previous Year Capital Expenditure in WIP

-238



Achieved

Funding from future years included in Projects

-2083



On track

Funding yet to be identified for Great North Road

-60



May not be met

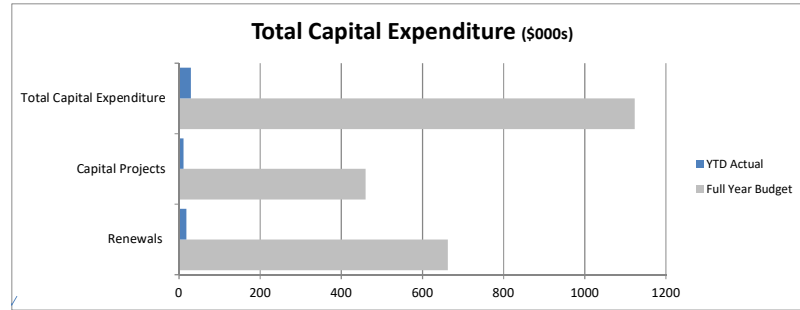
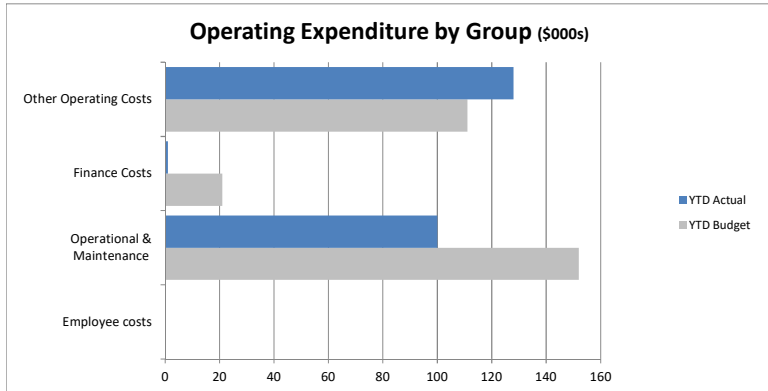
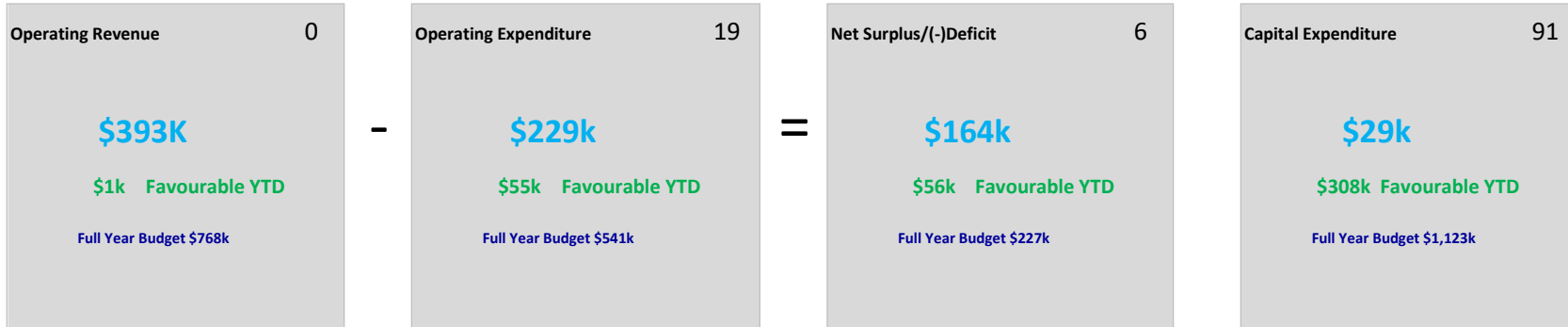


Deferred

Agreed to Total Operating Budget 2019

2,660

Stormwater
As at 31 December 2018



Central Hawke's Bay District Council: Funding impact statement 2018/19
Stormwater
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0%
Targeted rates	491	752	752	376	377	1	0%
Subsidies and grants for operating purposes	0	0	0	0	0	0	0%
Fees, charges	0	0	0	0	0	0	0%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	16	16	16	0	0%
Total operating funding	491	752	768	392	393	1	
Applications of operating funding							
Payments to staff and suppliers	243	335	335	182	132	50	27%
Finance costs	3	41	41	21	1	19	90%
Other operating funding applications	114	165	165	82	96	(14)	-17%
Total applications of operating funding	360	541	541	285	229	55	
Surplus (deficit) of operating funding	131	211	227	107	164	56	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	0	0	0	0	1	1	0%
Increase (decrease) in debt	(8)	450	450	225	(4)	(229)	-102%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	(8)	450	450	225	(3)	(228)	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	0	460	460	230	11	219	95%
to replace existing assets	64	215	663	108	18	89	82%
Increase (decrease) in reserves	60	(15)	(447)	16	(261)	277	1731%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	124	660	676	354	(232)	585	
Surplus (deficit) of capital funding	(132)	(210)	(226)	(129)	229	357	
Funding balance	(1)	1	1	(22)	393	413	

Explanation of changes between Annual Plan and Total Operating Budget

Capital Expenditure - increase of \$448k - Inclusion of \$284k from Carry Forward from Reserves and \$163k from Stormwater Reservers

Explanation of Variance to YTD Budget

Operating Expenditure

Payments to staff and suppliers is \$50K below budget based on monitoring management of expenditure. Expected to be on budget by year end.

Capital Expenditure

Capital Expenditure is under budget by \$308k
Details of the projects is included on the Project Sheet.

Central Hawke's Bay District Council: Project Update 2018/19

Stormwater

At 31 December 2018

Reforecast Budget included carryforwards

Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
	\$000	\$000	2019 \$000	2019 \$000				
Waipurukau Helicoil Pipe work		445	0	0	445	0	●	Out for tender which closes 14 February. Physical works expected to start in April with works completed by 30 June 2019.
Waipukurau Nelson Gaisford Detention Catchment System		195	0	0	195	0	●	Concept design report received in January with procurement planned for March 2019. Will be completed by 30 June 2019
Waipukurau Russell Park Storm water outlet		83	0	0	83	0	●	Concept design report received in January with procurement planned for March 2019. Will be completed by 30 June 2019
Waipukurau Service Land Overflow		336	11	11	336	0	●	Concept design report received in January with procurement planned for March 2019. Will be completed by 30 June 2019
District Minor Renewals	62	75	30	18	75	0	●	Reactive expenditure on renewals. Expected to be spent in the financial year
Total		1,134	41	29	1,134	0		

- Achieved
- On track
- May not be met
- Deferred

Capital Expenditure In Work In Progress For Previous Years

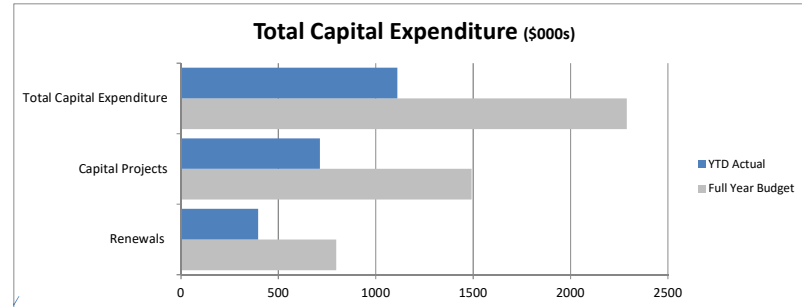
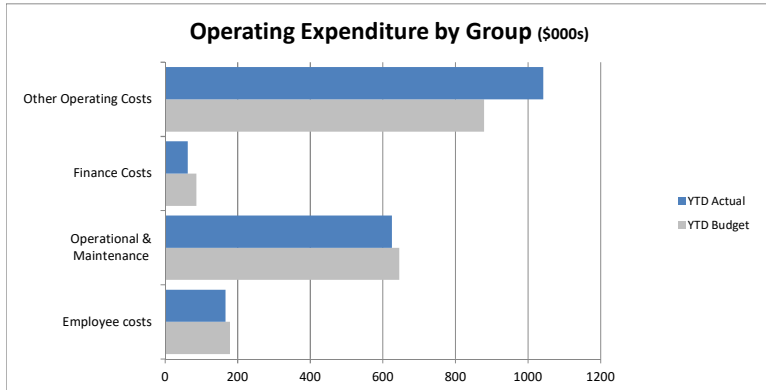
-11

Agreed to Total Operating Budget 2019

1,123

Recreation and Community Facilities
As at 31 December 2018

<p>Operating Revenue -15</p> <p>\$2,084K</p> <p>-\$361k Unfavourable YTD</p> <p>Full Year Budget \$4,415k</p>	-	<p>Operating Expenditure -6</p> <p>\$1,895k</p> <p>-\$108k Unfavourable YTD</p> <p>Full Year Budget \$3,216k</p>	=	<p>Net Surplus/(-)Deficit -6</p> <p>\$189k</p> <p>-\$469k Unfavourable YTD</p> <p>Full Year Budget \$1,199k</p>	<p>Capital Expenditure 32</p> <p>\$1,110k</p> <p>\$512k Favourable YTD</p> <p>Full Year Budget \$2,289k</p>
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Central Hawke's Bay District Council: Funding impact statement 2018/19
Recreation and Community Facilities
As at 31 December 2018

	Full Year Actuals	Annual Plan	Total Operating Budget	YTD Operating Budget	YTD Actuals	YTD Variance	YTD Variance %
	2018 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000	2019 \$000
Sources of operating funding							
General rates, uniform annual general charges and rates penalties	2,945	3,359	3,359	1,680	1,685	5	0%
Targeted rates	0	0	0	0	0	0	0%
Subsidies and grants for operating purposes	14	16	16	9	9	0	0%
Fees, charges	466	542	542	273	242	(31)	-11%
Interest and dividends from investments	0	0	0	0	0	0	0%
Local authorities fuel tax, fines, infringement fees and other receipts	6	131	498	483	148	(335)	-69%
Total operating funding	3,431	4,048	4,415	2,445	2,084	(361)	
Applications of operating funding							
Payments to staff and suppliers	2,116	2,253	2,272	1,316	1,382	(66)	-5%
Finance costs	126	173	173	86	62	24	28%
Other operating funding applications	496	771	771	386	451	(66)	-17%
Total applications of operating funding	2,738	3,197	3,216	1,788	1,895	(108)	
Surplus (deficit) of operating funding	693	851	1,199	657	189	(469)	
Sources of capital funding							
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0%
Development and financial contributions	1	4	4	2	2	0	0%
Increase (decrease) in debt	56	740	802	32	(62)	(94)	-294%
Gross proceeds from sale of assets	0	0	0	0	0	0	0%
Lump sum contributions	0	0	0	0	0	0	0%
Total sources of capital funding	57	744	806	34	(60)	(94)	
Applications of capital funding							
Capital expenditure							
to meet additional demand	0	0	0	0	0	0	0%
to improve the level of service	66	1,187	1,492	1,208	714	494	41%
to replace existing assets	637	541	797	414	396	18	4%
Increase (decrease) in reserves	47	(134)	(284)	(242)	(255)	14	-6%
Increase (decrease) of investments	0	0	0	0	0	0	0%
Total application of capital funding	750	1,594	2,005	1,380	855	526	
Surplus (deficit) of capital funding	(693)	(850)	(1,199)	(1,346)	(915)	432	
Funding balance	0	1	0	(689)	(726)	(37)	

Explanation of changes between Annual Plan and Total Operating Budget

Local authorities fuel tax, fines, infringement fees and other receipts - \$367k Increase in donations to cover increase in costs and expectation of timing of receipt for Waipawa Pool Project
 Payment to Staff and Suppliers - \$19k - Addition of Carry Forward for Libraries from Reserves
 Capital Expenditure - increase of \$561k - Inclusion of \$217k from Carry Forward from Reserves, Loan Funding carried forward of \$141k and increase in Pool costs of \$204k covered by donations.

Explanation of Variance to YTD Budget

Operating Income

Fees and Charges are lower than budgeted by \$30k and includes:
 Retirement Housing - under budget by \$17k - expected to be \$40k behind budget by year end.
 Property and Buildings - under budget by \$13k - expected to be \$10K under budget primarily due to St Johns Building not able to be rented.
 Other receipts are behind budget due to the phasing of the community funding expected for the Waipawa Pool. This will be rephased as part of the reforecast in February. It is expected to be on budget by the end of the year.

Operating Expenditure

The Payment to Staff and Suppliers is over budget by \$66k and includes Parks and Reservers over budget \$104K - this is timing of the payment for Pools which were paid in December but phased in January.
 Remaining expenses expected to be on budget.

Capital Expenditure

Capital Expenditure is under budget by \$512k
 Details of the projects is included on the Project Sheet.

Central Hawke's Bay District Council: Project Update 2018/19
Recreation and Community Facilities
At 31 December 2018

Reforecast Budget included carryforwards

Activity	Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
		\$000	\$000	2019 \$000	2019 \$000				
Parks Reserves and Swimming Pools	Russell Park Projects	82	174	4	100	174	0	●	Work is complete on the construction of an unsealed carpark. The balance of works is currently being scoped for completion in March 2019
	Camping Grounds Waipukurau Toilets	61	61	0	0	0	61	●	Project is unlikely to commence this calendar year. Insufficient budget for scope of works. Full scope in light of future lease sale needs to be completed first.
	Waipawa Pool	900	1185	801	720	1185	0	●	Works underway. Full details available in the 6 weekly Organisational Report. This will be completed by the end of the financial year
	Waipawa Pool Sewer Upgrade		33	42	42	42	-9	●	A review of the Sewer Upgrade project requirements is being conducted.
	Minor renewals	165	156	10	10	156	0	●	Will be spent as required.
	Total		1208	1609	857	872	1609	52	
Public Toilets	New Te Paerahi Toilet	60	60	0	0	60	0	●	Dependent on receiving funding from Tourism Infrastructure Fund. Next funding round not expected until March 2019.
	Minor Renewals	36	36	7	7	36	0	●	Will be spent as required.
	Total	96	96	7	7	96	0		
Retirement Housing	Minor Renewals	36	36	11	11	36	0	●	Depends on refurbishments required when tenants vacate. Funded from Retirement Housing Reserves.
Libraries	Books Renewals	88	88	37	40	88	0	●	Expected to be on Budget
	Minor Renewals	11	11	0	0	11	0	●	Expected to be on Budget
	Kotui Software	51	51	51	51	51	0	●	Project complete.
	Total	150	150	88	91	150	0		

Activity	Project	LTP Project Budget	Reforecast Budget	Total Cost to Date	This Year Actual	Forecast for June 30 2019	Under/ (Over) By Year End	Status	Comments or Risks
		\$000	\$000	2019 \$000	2019 \$000				
Theatres and Halls	CHB Municipal Theatre		74	12	9	74	0	●	Quotes currently being received. Works expected to commence in March 2019. Will be completed by financial year end.
	Minor Renewals	132	213	31	31	213	0	●	Planning work for this still underway. Expected to be completed by the end of the year.
	Settlers Museum Painting	11	25	0	0	25	0	●	Works programmed and planned for implementation in early 2019.
	Total	134	312	43	40	312	0		
Cemeteries	Minor Renewals	29	41	5	5	41	0	●	Planning underway for works in the new year.
Properties and Buildings	Council Chamber upgrade		61	61	51	61	0	●	Works complete.
	Minor renewals	77	93	34	34	93	0	●	To be spent through year as required.
	Total	77	154	95	85	154	0		
Total		1730	2398	1106	1111	2398	52		

Capital Expenditure From Previous Years in WIP

-109

- Achieved
- On track
- May not be met
- Deferred

Agreed to Total Operating Budget 2019

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Interim Treasury Report

As at 31 December 2018

Cash and Cash Investment Balance

	Full Year Actuals 2017/18 \$000	Total Annual Plan Budget 2018/19 \$000	YTD Actual \$000	YTD Variance \$000
Cash and Cash Equivalents	3,956	2,453	4,693	2,241
Bonds and Stock	2,362	3,135	2,052	(1,083)
Total	6,318	5,587	6,745	1,158

We are retaining liquid cash to meet operational and capital spending requirements especially for the 3 waters projects and the flooding events.

Debt Position

	Full Year Actuals 2017/18 \$000	Total Annual Plan Budget 2018/19 \$000	YTD Actual \$000	YTD Variance \$000
Secured Loans - Less than 12 months	710	727	811	83
Secured Loans - Greater than 12 months	2,027	6,980	1,965	(5,015)
Total	2,737	7,707	2,776	(4,931)





Borrowing is being monitored while we manage our short and long term cash facilities. Borrowings are expected to increase in the third quarter of the financial year as the capital projects start physical works.

Finance Costs

	Full Year Actuals 2017/18 \$000	Total Annual Plan Budget 2018/19 \$000	YTD Actual \$000	YTD Variance \$000
Finance Costs	120	239	97	(142)

Below budget due to low borrowings based on timing of capital expenditure.

Compliance with Liability Management Policy

Item	Limit	Actual	Policy
External term debt + committed bank facilities + unencumbered cash/cash equivalents to existing external debt	>130%	397%	
Net Interest on External Debt / Total Revenue	<10%	0.05%	
Net Interest on External Debt / Annual Rates Income	<20%	0.08%	
Total debt per head of population	\$2,000	\$209	

Council is within policy limits.

Reserve Funds

Special Funds	Full Year Actuals 2017/18 \$000	YTD Actual \$000	Movement YTD \$000
Reserves held for Emergency Purposes	3,490	3,245	(245)
Reserves held for Future Asset Purchases	2,463	2,433	(30)
Reserves held for Future Operational Purposes	839	839	0
Reserves held for Other Funds	43	59	16
Total	6,835	6,577	(258)

Reserves held for Future Asset Purchases

Biodiversity Funding \$10k has been transferred from Rural Fire.

Porangahau hall War Memorial project \$20k has been transferred from Ward funds

Reserves held for Other Funds

Funding of \$16k from tree felling in the Te Aute Drainage Scheme has been credited to their reserve.

Reserves for Emergency Purposes

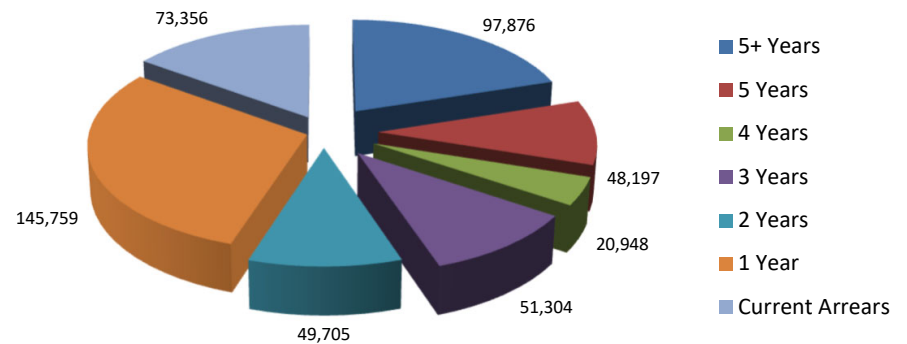
The September Flood event saw \$245k transferred to cover the extra expenses.

Central Hawke's Bay District Council Rates Debt Information At 31 December 2018

	Jun-18	Dec-18	Movement
5+ Years	111,145	97,876	-13,269
5 Years	55,569	48,197	-7,372
4 Years	28,348	20,948	-7,400
3 Years	63,218	51,304	-11,914
2 Years	71,578	49,705	-21,873
1 Year	367,637	145,759	-221,878
Current Arrears	0	73,356	73,356
Total	697,494	487,145	-210,349

There are total rates arrears outstanding of \$487,145. This has reduced by \$202,032 since September 2018. All debt is actively managed by the rates department and a break down of how this is achieved is in the next table.

Rates Balances as at 31 December 2018



	Jun-18	Dec-18	Count	Movement
With Bank	6,775	14,851	7	8,076
With Debt Collectors	81,045	48,520	11	-32,525
Under Arrangement	142,988	97,193	229	-45,795
Remaining Arrears	215,932	8,014	200	-207,918
Maori Land	250,754	245,212	13	-5,542
Total	697,494	413,789	460	-283,705

The rates department consistently manage ratepayer debt by ensuring new debt is brought to the attention of the ratepayer quickly. The Rates officers have found that direct phone calls are a very efficient and personable way to contact our ratepayers and this is proving to be well received with more arrangements being accepted and newer debt reducing at a steady rate.

Other Rates Information

Rates emailed to ratepayers 15% (14% Jun 18)

Ratepayers on direct debit 39% (39% Jun 18)

