

***Ashburton District Council
Financial Variance Report
for the period ending
31 May 2021***

Variances greater than \$100,000 are highlighted in **red bold**. If the variance is permanent an explanation is provided.

F (favourable variance) means that either actual revenue is greater than budget or actual expenditure is less than budget.

U (unfavourable variance) is **when** actual revenue is less than budget or actual expenditure is greater than budget.

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Income and Expenditure - Overview

For period ending 31 May 2021

\$70.25 M Actual YTD Operating Income	\$72.30 M Forecast Full Year Operating Income	\$2.05 M Variance Operating Income	97% % of Forecast Operating Income
\$54.99 M Actual YTD Operating Expenditure	\$66.61 M Forecast Full Year Operating Expenditure	\$11.62 M Variance Operating Expenditure	83% % of Forecast Operating Expenditure
\$45.89 M Actual YTD Capital Income	\$29.72 M Forecast Full Year Capital Income	-\$16.16 M Variance Capital Income	154% % of Forecast Capital Income
\$33.65 M Actual YTD Capital Expenditure	\$63.01 M Forecast Full Year Capital Expenditure	\$29.36 M Variance Capital Expenditure	53% % of Forecast Capital Expenditure
\$43.60 M Actual YTD Loans Repaid	\$4.25 M Forecast Full Year Loans Repaid	-\$39.34 M Variance Loans Repaid	1025% % of Forecast Loans Repaid

Income and Expenditure – Summary

For period ending 31 May 2021

	Actual YTD	Full Year Forecast	Variance	Percentage of Forecast
Revenue				
Rates	34,449,338	37,519,966	3,070,628	92%
Fees and Charges	8,066,194	9,407,491	1,341,297	86%
Subsidies and Grants	14,168,116	10,485,274	(3,682,842)	135%
Finance Income	326,077	268,693	(57,384)	121%
Other Revenue	4,211,158	4,979,477	768,319	85%
Other Sales	1,368,301	1,170,051	(198,250)	117%
Development / Financial Contributions	577,549	530,850	(46,699)	109%
Gain on Sale of Assets	4,956,015	3,893,500	(1,062,515)	127%
Vested Assets	2,129,580	4,048,000	1,918,420	53%
Total Revenue	70,252,328	72,303,303	2,050,975	97%
Operating Expenditure				
Payments to Staff and Suppliers	38,583,677	48,698,200	10,114,524	79%
Finance Costs	1,469,950	1,731,849	261,899	85%
Other Expenses	243,715	184,306	(59,409)	132%
Depreciation	14,690,545	15,994,610	1,304,065	92%
Total Expenditure	54,987,887	66,608,965	11,621,078	83%
Net operating surplus (deficit)	15,264,442	5,694,338	-9,570,104	268%
Capital Income				
Loans Raised	38,600,001	24,523,706	(14,076,295)	157%
Land Sales	7,285,404	5,100,000	(2,185,404)	143%
Other Asset Sales & Disposals	0	100,000	100,000	0%
Total Capital Income	45,885,404	29,723,706	(16,161,698)	154%
Capital Expenditure				
Infrastructural Assets	11,235,070	18,596,985	7,361,915	60%
Cyclic Renewals	10,827,770	12,941,670	2,113,900	84%
Land	448,011	0	(448,011)	0%
Plant	105,287	375,840	270,553	28%
Additions/Alterations	8,362,590	22,089,271	13,726,680	38%
Other Assets	2,670,079	9,006,242	6,336,163	30%
Total capital expenditure	33,648,807	63,010,008	29,361,201	53%
Loan Repayments	43,596,353	4,251,471	(39,344,882)	1025%
Total capital to be funded	31,359,756	37,537,773	6,178,017	84%

Note: The majority of Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Transportation – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Footpaths	1,333,229	1,718,051	(384,822)	78%	No
Roading	15,217,692	17,455,952	(2,238,260)	87%	No
	16,550,921	19,174,003	(2,623,082)	86%	
Operating Expenditure					
Footpaths	1,075,013	1,294,554	219,540	83%	No
Roading	12,043,219	13,254,007	1,210,788	91%	No
	13,118,233	14,548,561	1,430,328	90%	
Capital Income					
Footpaths	0	20,897	(20,897)	0%	
Roading	287,000	3,649,010	(3,362,010)	8%	Yes
	287,000	3,669,907	(3,382,907)	8%	
Capital Expenditure					
Footpaths	1,620,371	2,007,814	387,443	81%	Yes
Roading	10,909,060	18,335,180	7,426,120	59%	Yes
	12,529,431	20,342,994	7,813,563	62%	
Loan Repayments					
Footpaths	0	59,086	59,086	0%	
Roading	287,000	62,000	(225,000)	463%	No
	287,000	121,086	(165,914)	237%	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	824,013	1,325,000	500,987	62%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Transportation – Capital Income

Roading **\$3,362,010U**

Reason for variance

Due to progress of the CBD Revitalisation Project, capital income requirements will be lower than budgeted. Information to quantify this was unavailable at the time of writing this report.

Transportation – Capital Expenditure

Footpaths **\$387,443F**

Reason for variance

Due to the progress of the CBD Revitalisation Project, currently information suggests a portion of the above variance of renewal and capital expenditure will be unspent at 30 June, and will be the subject of a carryover request. Information to quantify this was unavailable at the time of writing this report.

Roading **\$7,426,120F**

Reason for variance

Renewal and capital expenditure as above, is dependent on the progress of the CBD Revitalisation Project. Unsubsidised and subsidised works will be unspent at 30 June, and will be the subject of a carryover request. Information to quantify this was unavailable at the time of writing this report.

Drinking Water – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Group Water Supplies	4,555,846	4,696,088	(140,242)	97%	No
Methven/Springfield Water Supply	195,170	223,104	(27,934)	87%	
Montalto Water Supply	167,467	195,770	(28,303)	86%	
Lyndhurst Water Supply	16,922	18,604	(1,681)	91%	
Barhill Water Supply	4,384	5,203	(819)	84%	
	<u>4,939,790</u>	<u>5,138,768</u>	<u>(198,979)</u>	<u>96%</u>	
Operating Expenditure					
Group Water Supplies	4,241,206	4,565,843	324,637	93%	No
Methven/Springfield Water Supply	179,475	225,923	46,449	79%	
Montalto Water Supply	204,790	198,558	(6,232)	103%	
Lyndhurst Water Supply	7,936	5,556	(2,380)	143%	
Barhill Water Supply	2,310	1,778	(532)	130%	
	<u>4,635,717</u>	<u>4,997,658</u>	<u>361,941</u>	<u>93%</u>	
Capital Income					
Group Water Supplies	7,674,095	2,678,140	4,995,955	287%	Yes
Methven/Springfield Water Supply	95,361	422,473	(327,112)	23%	Yes
Lyndhurst Water Supply	159,540	0	159,540	0%	No
Barhill Water Supply	49,302	0	49,302	0%	
	<u>7,978,298</u>	<u>3,309,908</u>	<u>4,877,685</u>	<u>241%</u>	
Capital Expenditure					
Group Water Supplies	970,792	3,940,651	2,969,859	25%	Yes
Methven/Springfield Water Supply	31,514	578,202	546,688	5%	Yes
Montalto Water Supply	0	209,295	209,295	0%	Yes
	<u>1,002,305</u>	<u>4,728,148</u>	<u>3,725,843</u>	<u>21%</u>	
Loan Repayments					
Group Water Supplies	7,674,095	478,806	(7,195,289)	1603%	No
Methven/Springfield Water Supply	95,361	25,699	(69,662)	371%	
Montalto Water Supply	0	11,020	11,020	0%	
Lyndhurst Water Supply	159,540	13,048	(146,492)	1223%	No
Barhill Water Supply	45,655	3,425	(42,230)	1333%	
	<u>7,974,651</u>	<u>531,998</u>	<u>(7,442,653)</u>	<u>1499%</u>	
<i>The above financials include the following:</i>					
Development Contributions	158,426	150,423	(8,003)	105%	
<i>The above financials do not include the following:</i>					
Vested Assets	143,291	402,000	258,709	36%	

The above financials do not include appropriations - to and from activities

Note: The majority of Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Drinking Water – Capital Income

Group Water Supplies **\$4,995,955F**

Reason for variance

This shows a favourable variance due loans being moved from internal to external lending during the year. Expenditure on asset additions report below forecast. This due to the reasons outlined below under Capital Expenditure Group Water Supplies. As a result loans budgeted to be raised in this financial year will be lower than originally budgeted.

Methven/Springfield Water Supply **\$327,112U**

Reason for variance

Expenditure on asset additions report below forecast. This is due to the reasons outlined below under Capital Expenditure Methven/Springfield Water Supply. As a result loans required to be raised in this financial year will be lower than originally budgeted.

Drinking Water – Capital Expenditure

Group Water Supplies **\$2,969,859F**

Reason for variance

The forecast favourable variance in this area will now be in the order of \$2.4 million. This is due to the deferral of the raw water trunk main renewal (\$578,000) in Methven pending a final decision on the upgrade path (as previously reported), rescheduling of the portion of the asset renewal programme (\$780,000) due to the Town Centre Revitalisation project, and the delayed commencement of the Methven Reservoir (\$999,000), a tender for which has recently been awarded. The trunkmain project has been rebudgeted in 2021/22, the other projects will be the subject of a request for carryover funding.

Methven/Springfield Water Supply **\$546,688F**

Reason for variance

The total favourable variance is now expected to be around \$480,000. Due to a decision to re-scope and re-budget the treatment upgrade project as part of the draft LTP(\$362,000), and asset renewals (\$205,000) which have now been impacted by the response to the May flood event and ongoing recovery works. The asset renewals will be the subject of a request for carryover funding.

Montalto Water Supply **\$209,295F**

Reason for variance

Due to decision to re-scope and re-budget the treatment upgrade project as part of the draft LTP, \$210,000 will be unspent at 30 June.

Wastewater – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Wastewater	7,965,068	4,204,619	3,760,449	189%	Yes
Methven Wastewater	268,009	290,755	(22,746)	92%	
Rakaia Wastewater	270,226	299,134	(28,909)	90%	
	<u>8,503,303</u>	<u>4,794,509</u>	<u>3,708,795</u>	<u>177%</u>	
Operating Expenditure					
Ashburton Wastewater	3,289,666	3,920,760	631,094	84%	No
Methven Wastewater	251,758	284,707	32,950	88%	
Rakaia Wastewater	249,579	300,397	50,818	83%	
	<u>3,791,002</u>	<u>4,505,864</u>	<u>714,862</u>	<u>84%</u>	
Capital Income					
Ashburton Wastewater	6,184,759	5,164,666	1,020,093	120%	No
Methven Wastewater	271,669	8,268	263,401	3286%	No
Rakaia Wastewater	141,312	0	141,312	0%	No
	<u>6,597,740</u>	<u>5,172,934</u>	<u>1,424,806</u>	<u>128%</u>	
Capital Expenditure					
Ashburton Wastewater	6,054,431	7,617,371	1,562,940	79%	Yes
Methven Wastewater	0	167,016	167,016	0%	Yes
Rakaia Wastewater	0	77,955	77,955	0%	
	<u>6,054,431</u>	<u>7,862,342</u>	<u>1,807,911</u>	<u>77%</u>	
Loan Repayments					
Ashburton Wastewater	6,184,759	758,511	(5,426,248)	815%	No
Methven Wastewater	271,669	12,112	(259,557)	2243%	No
Rakaia Wastewater	141,312	45,818	(95,494)	308%	
	<u>6,597,740</u>	<u>816,441</u>	<u>(5,781,299)</u>	<u>808%</u>	

The above financials include the following:

Capital Services Contribution	385,843	316,897	(68,946)	122%
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The above financials do not include the following:

Vested Assets	181,294	1,551,000	1,369,706	12%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Wastewater – Operating Income

Ashburton Wastewater **\$3,760,449F**

Reason for variance

During November a grant of \$3,990,000 (excl. GST) was received from Department of Internal Affairs as an incentive for Three Waters Reform. This is the first of 2 grants to be spent on the Ashburton Wastewater Relief Sewer project.

Wastewater – Capital Expenditure

Ashburton Wastewater **\$1,562,940F**

Reason for variance

A significant accelerated work schedule is underway on the Ashburton Relief Sewer project but due to consenting delays a favourable variance of least \$600,000 will now remain unspent at 30 June. Due to diversion of resources to the CBD project, it is also now unlikely that all projects on the wider renewal programme (non-CBD) will be progressed. This will result in a further favourable variance of ~\$380,000. The affected projects will be the subject of a request for carryover funding and the renewal projects will be combined with the 2021/22 programme.

Methven Wastewater **\$167,016F**

Reason for variance

Due to diversion of resources to the CBD project, it is now unlikely that all projects on the wider renewal programme (non-CBD) will be progressed. This will result in a favourable variance of ~\$80,000. The affected projects will be the subject of a request for carryover funding and combined with the 2021/22 programme.

Stormwater – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Stormwater	1,003,622	1,080,038	(76,416)	93%	
Methven Stormwater	56,497	63,665	(7,168)	89%	
Rakaia Stormwater	14,321	18,589	(4,267)	77%	
Hinds Stormwater	2,255	2,885	(630)	78%	
Rural Stormwater	47,526	50,000	(2,474)	95%	
	<u>1,124,222</u>	<u>1,215,176</u>	<u>(90,955)</u>	<u>93%</u>	
Operating Expenditure					
Ashburton Stormwater	727,389	1,089,864	362,475	67%	No
Methven Stormwater	50,592	64,230	13,638	79%	
Rakaia Stormwater	14,455	18,799	4,344	77%	
Hinds Stormwater	4,128	2,885	(1,243)	143%	
Rural Stormwater	2,394	50,000	47,606	5%	
	<u>798,959</u>	<u>1,225,777</u>	<u>426,819</u>	<u>65%</u>	
Capital Income					
Ashburton Stormwater	1,931,852	547,182	1,384,670	353%	No
Methven Stormwater	161,953	0	161,953	0%	No
	<u>2,093,805</u>	<u>547,182</u>	<u>1,546,623</u>	<u>383%</u>	
Capital Expenditure					
Ashburton Stormwater	814,851	755,817	(59,034)	108%	
	<u>814,851</u>	<u>755,817</u>	<u>(59,034)</u>	<u>108%</u>	
Loan Repayments					
Ashburton Stormwater	1,931,852	241,760	(1,690,092)	799%	No
Methven Stormwater	161,953	7,539	(154,414)	2148%	No
	<u>2,093,805</u>	<u>249,299</u>	<u>(1,844,506)</u>	<u>840%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	155,829	770,000	614,171	20%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Stockwater – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Stockwater	1,006,095	1,186,700	(180,605)	85%	No
	<u>1,006,095</u>	<u>1,186,700</u>	<u>(180,605)</u>	<u>85%</u>	
Operating Expenditure					
Stockwater	1,105,088	1,187,404	82,315	93%	
	<u>1,105,088</u>	<u>1,187,404</u>	<u>82,315</u>	<u>93%</u>	
Capital Income					
Stockwater	0	340,010	(340,010)	0%	Yes
	<u>0</u>	<u>340,010</u>	<u>(340,010)</u>	<u>0%</u>	
Capital Expenditure					
Stockwater	75,501	377,010	301,509	20%	Yes
	<u>75,501</u>	<u>377,010</u>	<u>301,509</u>	<u>20%</u>	
Loan Repayments					
Stockwater	0	9,174	9,174	0%	
	<u>0</u>	<u>9,174</u>	<u>9,174</u>	<u>0%</u>	

The above financials include the following:

0	0	0	0%
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The above financials do not include the following:

0	0	0	0%
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The above financials do not include appropriations - to and from activities

Capital Income

Stockwater

\$340,010F

Reason for variance

Expenditure on asset additions report below forecast due to the reasons outlined below. As a result loans required to be raised in this financial year will be lower than originally budgeted.

Stockwater – Capital Expenditure

Stockwater Supplies

\$301,509F

Reason for variance

The project relates to the construction of fish-screens on four Stockwater intakes. We are continuing to explore options to close the relevant intakes and avoid the need for these structures. Note: Due to changes in the fish-screening requirements, the budget requirements for a compliant structure, if ultimately required, will be significantly greater than the budget indicated here. This is expected to remain a favourable variance at 30 June.

Waste Reduction & Recycling – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Refuse Collection	2,237,355	2,413,495	(176,140)	93%	No
Refuse Management	3,616,745	4,348,529	(731,785)	83%	No
	<u>5,854,099</u>	<u>6,762,024</u>	<u>(907,924)</u>	<u>87%</u>	
Operating Expenditure					
Refuse Collection	2,153,857	2,413,495	259,638	89%	No
Refuse Management	3,668,207	4,348,529	680,322	84%	No
	<u>5,822,064</u>	<u>6,762,024</u>	<u>939,961</u>	<u>86%</u>	
Capital Income					
Refuse Collection	0	37,777	(37,777)	0%	
Refuse Management	232,532	206,457	26,075	113%	
	<u>232,532</u>	<u>244,234</u>	<u>(11,702)</u>	<u>95%</u>	
Capital Expenditure					
Refuse Collection	37,228	126,519	89,291	29%	
Refuse Management	3,407	348,588	345,181	1%	Yes
	<u>40,635</u>	<u>475,107</u>	<u>434,472</u>	<u>9%</u>	
Loan Repayments					
Refuse Collection			0	0%	
Refuse Management	232,532	35,183	(197,349)	661%	
	<u>232,532</u>	<u>35,183</u>	<u>(197,349)</u>	<u>661%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Waste Reduction & Recycling – Capital Expenditure

Refuse Management

\$345,181F

Work on two projects has been held up due to supply and time delay issues falling out of Covid impacts on suppliers. Wet weather has also been a factor in holding up onsite works. Both projects are underway, but will not be completed until late August. These are the Cardboard Bunker Roof and the new Hinds Recycling Drop off yard. Both projects will be subject to a carryover request.

Recreation Facilities – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Ashburton Museum	1,133,177	1,240,211	(107,033)	91%	No
Library	1,235,423	1,341,781	(106,358)	92%	No
Recreation Facilities and Services	6,218,877	6,229,670	(10,793)	100%	
	<u>8,587,478</u>	<u>8,811,661</u>	<u>(224,184)</u>	<u>97%</u>	
Operating Expenditure					
Ashburton Museum	977,146	1,290,720	313,574	76%	No
Library	1,225,210	1,341,883	116,673	91%	No
Recreation Facilities and Services	5,671,627	6,560,500	888,872	86%	Yes
	<u>7,873,983</u>	<u>9,193,103</u>	<u>1,319,119</u>	<u>86%</u>	
Capital Income					
Recreation Facilities and Services	128,000	170,000	(42,000)	75%	
	<u>128,000</u>	<u>170,000</u>	<u>(42,000)</u>	<u>75%</u>	
Capital Expenditure					
Ashburton Museum	5,101	13,080	7,979	39%	
Library	124,909	137,645	12,736	91%	
Recreation Facilities and Services	66,164	247,000	180,836	27%	Yes
	<u>196,173</u>	<u>397,725</u>	<u>201,552</u>	<u>49%</u>	
Loan Repayments					
Recreation Facilities and Services	128,000	13,386	(114,614)	956%	No
	<u>128,000</u>	<u>13,386</u>	<u>(114,614)</u>	<u>956%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Recreation Facilities – Operating Expenditure

Recreation Facilities and Services

\$888,872F***Reason for variance***

The variance was an effort to balance the budget. The most significant area of underspend is in salaries due to decreased income and reduced electricity costs as a result of lower facility utilisation.

Recreation Facilities – Capital Expenditure

Recreation Facilities and Services

\$180,836F***Reason for variance***

The cyclic renewal project, replacement of the bookings and membership software system was delayed due to COVID-19 and now has a “go live” date of 13th July 2021. A carry forward will be requested for this.

Recreation & Community Services – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Public Conveniences	474,034	512,232	(38,198)	93%	
Elderly Persons Housing	490,477	521,897	(31,420)	94%	
Memorial Halls	283,432	308,180	(24,748)	92%	
Reserves and Camping Grounds	663,972	741,485	(77,513)	90%	
Reserve Boards	547,228	659,954	(112,726)	83%	Yes
Community Safety	269,843	294,001	(24,158)	92%	
	<u>2,728,985</u>	<u>3,037,750</u>	<u>(308,765)</u>	<u>90%</u>	
Operating Expenditure					
Public Conveniences	537,505	543,608	6,103	99%	
Elderly Persons Housing	712,054	690,955	(21,099)	103%	
Memorial Halls	585,279	692,330	107,051	85%	No
Reserves and Camping Grounds	729,744	841,485	111,742	87%	No
Reserve Boards	577,036	657,297	80,261	88%	
Community Safety	279,557	294,001	14,445	95%	
	<u>3,421,174</u>	<u>3,719,676</u>	<u>298,502</u>	<u>92%</u>	
Capital Income					
Public Conveniences	0	173,558	173,558	0%	No
Reserves and Camping Grounds	0	30,000	30,000	0%	
	<u>0</u>	<u>203,558</u>	<u>203,558</u>	<u>0%</u>	
Capital Expenditure					
Public Conveniences	97,932	303,328	205,396	32%	No
Elderly Persons Housing	5,320	95,000	89,680	6%	
Memorial Halls	71,164	0	(71,164)	0%	
Reserves and Camping Grounds	30,914	130,000	99,086	24%	
Reserve Boards	20,217	10,649	(9,568)	190%	
	<u>225,547</u>	<u>538,977</u>	<u>313,430</u>	<u>42%</u>	
Loan Prepayments					
Reserve Boards	0	40,000	40,000	0%	
	<u>0</u>	<u>40,000</u>	<u>40,000</u>	<u>0%</u>	
<i>The above financials include the following:</i>					
Development Contributions	591	0	(591)	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	242,141	0	(242,141)	0%	

The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Recreation & Community Services – Operating Income

Reserve Boards

\$112,726U

Reason for variance

Operating income for the Reserve Board reports a permanent variance due to the impact of Covid-19. Operating income variances include:

Tinwald Reserve Board reporting a reduction of Camping Fees income.

Tinwald Reserve Board reporting a reduction of Rental income.

Economic Development – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Commercial Property	7,947,220	6,498,264	1,448,956	122%	Yes
Business & Economic Development	603,951	480,353	123,597	126%	No
District Promotion	247,909	264,509	(16,600)	94%	
Forestry	190,156	333,786	(143,630)	57%	Yes
	<u>8,989,236</u>	<u>7,576,912</u>	<u>1,412,324</u>	<u>119%</u>	
Operating Expenditure					
Commercial Property	4,689,912	5,344,669	654,757	88%	No
Business & Economic Development	499,811	602,913	103,102	83%	No
District Promotion	362,271	264,510	(97,761)	137%	
Forestry	280,631	359,765	79,133	78%	No
	<u>5,832,624</u>	<u>6,571,856</u>	<u>739,232</u>	<u>89%</u>	
Capital Income					
Commercial Property	26,583,221	14,741,550	11,841,671	180%	Yes
	<u>26,583,221</u>	<u>14,741,550</u>	<u>11,841,671</u>	<u>180%</u>	
Capital Expenditure					
Commercial Property	8,723,991	18,558,150	9,834,159	47%	Yes
	<u>8,723,991</u>	<u>18,558,150</u>	<u>9,834,159</u>	<u>47%</u>	
Loan Repayments					
Commercial Property	14,297,818	2,113,154	(12,184,664)	677%	No
	<u>14,297,818</u>	<u>2,113,154</u>	<u>(12,184,664)</u>	<u>677%</u>	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Economic Development – Operating Income

Commercial Property

\$1,448,956F

Reason for variance

There is permanent positive difference expected to operating income of approximately \$1,500,000 by the end of June. This is a result of a sales and rental income being higher than anticipated.

Economic Development – Operating Expenditure

Forestry

\$143,630U

Reason for variance

The Council is undertaking unbudgeted log sales following wind storm damage to trees near Fairton. It was assessed that clear felling of the affected plantation was required. The approximate proceeds from these sales in the 2020/21 financial year are expected to be \$120,000, a favourable variance will therefore result at year end for log sales. Income from interest will be well below budget levels meaning total forestry income is still likely to lower than expected.

Economic Development – Capital Income

Commercial Property

\$11,841,671F

Reason for variance

Property Sales of \$3.5 million have been delayed and therefore gain on sales is delayed until these sales are completed.

Loans required to be raised in this financial year will be lower than originally budgeted. This due to the reasons outlined below under Capital Expenditure Commercial Property.

Economic Development – Capital Expenditure

Commercial Property

\$9,834,159F

Reason for variance

Council has set aside \$1 million for the further development of a commercial property which will see this occur in the 2021-22 year along with \$2 million for work on the Art Gallery/Museum which is yet to be completed in full. It was expected that \$6.4 million would be spent on the New Library and Civic Building before the end of this financial year. This may not occur due to a later building start than was originally anticipated as well as a reprogramming of works due to delays in getting some materials. This will be subject to a carryover request.

Parks & Open Spaces – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Cemeteries	422,470	453,533	(31,063)	93%	
Parks and Recreation	4,028,208	3,922,303	105,905	103%	No
	<u>4,450,678</u>	<u>4,375,836</u>	<u>74,842</u>	<u>102%</u>	
Operating Expenditure					
Cemeteries	319,337	417,093	97,756	77%	
Parks and Recreation	3,262,761	3,521,603	258,842	93%	No
	<u>3,582,098</u>	<u>3,938,696</u>	<u>356,598</u>	<u>91%</u>	
Capital Income					
Cemeteries	1,605,448	50,496	1,554,952	3179%	
Parks and Recreation	0	1,173,927	(1,173,927)	0%	Yes
	<u>1,605,448</u>	<u>1,224,423</u>	<u>381,025</u>	<u>131%</u>	
Capital Expenditure					
Cemeteries	42,116	89,496	47,380	47%	
Parks and Recreation	1,812,670	2,988,757	1,176,087	61%	Yes
	<u>1,854,786</u>	<u>3,078,253</u>	<u>1,223,467</u>	<u>60%</u>	
Loan Repayments					
Cemeteries	1,605,448	2,121	(1,603,327)	75693%	
Parks and Recreation	0	33,724	33,724	0%	
	<u>1,605,448</u>	<u>35,845</u>	<u>(1,569,603)</u>	<u>4479%</u>	

The above financials include the following:

Development Contributions	400	0	(400)	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Parks & Open Spaces – Capital Income

Parks and Recreation

\$1,173,927U***Reason for variance***

Expenditure on asset additions report below forecast, due to the reasons outlined below under Capital Expenditure. As a result the majority of the budgeted lending will not be required this financial year.

Parks & Open Spaces – Capital Expenditure

Parks and Recreation

\$1,272,683F***Reason for variance***

As at the end of June it is expected \$500,000 will be under spent due to the Domain Upgrade only commencing now. The delayed start on the New Library and Civic Centre will result in an \$112,000 permanent difference. These projects will be the subject of a carry forward request.

Community Governance & Decision Making– Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Council	2,206,530	2,405,643	(199,112)	92%	No
Methven Community Board	94,276	98,929	(4,652)	95%	
Youth Council	69,162	56,087	13,075	123%	
Community Grants Funding	1,875,838	2,075,733	(199,895)	90%	No
Water Zone Committee	214,486	213,502	984	100%	
	<u>4,460,292</u>	<u>4,849,893</u>	<u>(389,601)</u>	<u>92%</u>	
Operating Expenditure					
Council	2,036,184	2,405,846	369,661	85%	No
Methven Community Board	84,274	118,413	34,138	71%	
Youth Council	66,882	56,087	(10,795)	119%	
Community Grants Funding	1,409,893	1,469,603	59,710	96%	No
Water Zone Committee	90,887	360,502	269,615	25%	Yes
	<u>3,688,119</u>	<u>4,410,450</u>	<u>722,330</u>	<u>84%</u>	
Capital Income					
Water Zone Committee	379,360	0	379,360	0%	
	<u>379,360</u>	<u>0</u>	<u>379,360</u>	<u>0%</u>	
Capital Expenditure					
Methven Community Board	1,057	0	(1,057)	0%	
	<u>1,057</u>	<u>0</u>	<u>(1,057)</u>	<u>0%</u>	
Loan Repayments					
Community Grants Funding	0	130,996	(130,996)	0%	No
Water Zone Committee	379,360	18,000	361,360	2108%	
	<u>379,360</u>	<u>148,996</u>	<u>230,364</u>	<u>255%</u>	

The above financials include the following:

Development Contributions	420,000	490,000	70,000	86%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Community Governance & Decision Making – Operating Expenditure

Water Zone Committee (District Water Management) \$269,615F

Reason for variance

This budget area includes investigations to support actions under the Surface Water Strategy. A number of projects are about to get underway but it is now unlikely the entire budget will be expended at 30 June. Any remaining favourable variance will be the subject for a request for carry over funding.

Environmental Services – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Environmental Health	481,287	505,478	(24,191)	95%	
Building Regulation	1,767,304	2,240,418	(473,114)	79%	No
Emergency Management	180,749	197,089	(16,341)	92%	
Liquor Licensing	210,379	191,317	19,063	110%	
Land Information Memorandum	169,234	118,046	51,188	143%	
Parking	263,169	328,857	(65,688)	80%	
Animal Control	468,901	460,306	8,595	102%	
Resource Consents	581,676	626,463	(44,787)	93%	
Planning	545,109	592,231	(47,122)	92%	
	<u>4,667,808</u>	<u>5,260,205</u>	<u>(592,397)</u>	<u>89%</u>	
Operating Expenditure					
Environmental Health	426,830	505,516	78,686	84%	
Building Regulation	1,918,388	2,240,557	322,169	86%	No
Emergency Management	141,632	197,096	55,464	72%	
Liquor Licensing	145,777	191,316	45,540	76%	
Land Information Memorandum	107,774	118,046	10,273	91%	
Parking	235,570	328,870	93,300	72%	
Animal Control	383,881	460,319	76,439	83%	
Resource Consents	618,757	593,820	(24,936)	104%	
Planning	349,452	496,840	147,388	70%	No
	<u>4,328,059</u>	<u>5,132,381</u>	<u>804,322</u>	<u>84%</u>	
Capital Expenditure					
Emergency Management	12,400	14,000	1,600	89%	
Parking	22,340	52,034	29,694	43%	
Animal Control	341	0	(341)	0%	
	<u>35,081</u>	<u>66,034</u>	<u>30,953</u>	<u>53%</u>	
Loan Repayments					
Animal Control	0	8,800	8,800	0%	
Planning	0	128,109	128,109	0%	No
	<u>0</u>	<u>136,909</u>	<u>136,909</u>	<u>0%</u>	
<i>The above financials include the following:</i>					
Development Contributions	0	0	0	0%	
<i>The above financials do not include the following:</i>					
Vested Assets	0	0	0	0%	

The above financials do not include appropriations - to and from activities

Miscellaneous, Dividends & Internal Overheads – Income & Expenditure Report

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	Permanent Variance
Operating Income					
Non Allocated	1,457,990	186,916	1,271,074	780%	No
Dividends	(415,469)	0	(415,469)	0%	Yes
New Library and Civic Centre	410,904	574,185	(163,281)	72%	No
Leadership Team	1,379,075	1,510,905	(131,830)	91%	No
People & Capability	794,718	989,081	(194,363)	80%	No
Information Systems	2,839,564	3,114,860	(275,296)	91%	No
Customer Services	492,530	567,026	(74,496)	87%	No
Treasury	1,020,159	1,274,208	(254,049)	80%	No
Rates	536,383	697,909	(161,526)	77%	No
Community Relations	590,388	759,795	(169,407)	78%	No
Communications	552,655	615,601	(62,946)	90%	No
Property Administration	993,353	1,162,049	(168,696)	85%	No
Service Delivery	3,816,455	3,443,217	373,238	111%	No
Parks Administration	2,659,050	3,194,989	(535,939)	83%	No
Plant Operations	791,212	973,920	(182,708)	81%	No
	17,918,966	19,064,661	(1,145,695)	94%	
Operating Expenditure					
Non Allocated	168,507	186,916	18,409	90%	
New Library and Civic Centre	410,904	574,011	163,107	72%	No
Leadership Team	1,379,075	1,510,905	131,831	91%	No
People & Capability	794,717	991,305	196,588	80%	No
Information Systems	2,839,564	3,276,278	436,714	87%	Yes
Customer Services	492,530	567,437	74,908	87%	No
Treasury	1,020,169	1,274,694	254,525	80%	No
Rates	618,094	697,935	79,841	89%	No
Community Relations	590,388	765,171	174,783	77%	No
Communications	552,655	615,652	62,997	90%	No
Property Administration	993,392	1,162,150	168,758	85%	No
Service Delivery	3,816,455	3,443,509	(372,946)	111%	No
Parks Administration	2,659,107	3,195,357	536,251	83%	No
Plant Operations	867,140	973,920	106,779	89%	No
	17,202,697	19,235,242	2,032,544	89%	
Capital Income					
Plant Operations	0	100,000	(100,000)	0%	No
	0	100,000	(100,000)	0%	
Capital Expenditure					
New Library and Civic Centre	11,473	10,000	(1,473)	115%	
Information Systems	407,055	1,010,000	602,945	40%	Yes
Service Delivery	51,650	0	(51,650)	0%	
Plant Operations	76,645	761,451	684,806	10%	Yes
	546,823	1,781,451	1,234,628	31%	

The above financials include the following:

Development Contributions	0	0	0	0%
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The above financials do not include the following:

Vested Assets	0	0	0	0%
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The above financials do not include appropriations - to and from activities

Miscellaneous, Dividends & Internal Overheads – Operating Income

Dividends **\$415,469U**

Reason for variance

Ashburton Contracting Limited dividend income will be down by approximately \$200,000 as at 30 June compared to budget due to the impact of COVID-19. Interest income is also below budgeted levels because the number investments has decreased since the budget was set, and the interest rate the budget was originally forecast at has decreased.

Miscellaneous, Dividends & Internal Overheads - Operating Expenditure

Information Systems **\$436,714F**

Reason for variance

Staff costs through vacancies through periods of the year, conference and associated expenses and underspend on consultancy due to delays in the capital and other works program.

Miscellaneous, Dividends & Internal Overheads – Capital Income

Plant Operations **\$100,000U**

Reason for variance

This budgeted amount is for Capital Income from plant sales and relates to the vehicle replacements outlined below under Plant Operations Capital Expenditure. As a result of delayed vehicle purchases, vehicle sales could not take place this year.

Miscellaneous, Dividends & Internal Overheads - Capital Expenditure

Information Systems **\$602,945F**

Reason for variance

Completion of planned works has taken longer to complete than anticipated, which has had a knock-on effect to other capital works. Commitments currently stand at \$179,989 covering expenditure for network, desktop and mobile hardware, but a permanent variance is forecasted. This is primarily due to the planned delivery of a new telephone system, which has been delayed while service infrastructure has been made available by the nominated supplier and the completion of other internal projects. This will be subject to a carryover request.

Plant Operations

\$684,806F

Reason for variance

Due to delays obtaining new vehicles this will remain unspent at 30 June 2021, however this spend has been committed (i.e. we have ordered the vehicles). As such, the variance in the plant operations capital expenditure will be subject to a carryover request.

Loan Repayments

For period ending 31 May 2021

	Actual YTD	Forecast Full Year	Variance	Percentage of Forecast	
Loan Repayments	43,596,353	4,251,471	(39,344,882)	1025%	No

Note: Loans Raised and Loan Repayments net off against each other due to loans being moved from Internal to external lending.

Balance Sheet

As at 31 May 2021

	YTD Actual	2020 Actual
Public Equity		
Ratepayers Equity	479,358,258	461,136,000
Revaluation Reserves	251,921,301	250,814,000
Funds and Reserves	58,049,542	58,203,000
	789,329,100	770,153,000
Non-Current Liabilities		
External Loans	70,735,696	42,135,695
Other Term Liabilities	3,729,525	4,410,997
	74,465,221	46,546,692
Current Liabilities		
Trade Creditors	1,805,019	8,813,000
GST	(381,703)	(584,060)
Deposits & Bonds	1,030,816	842,719
Other Current Liabilities	2,120,828	585,649
Accrued Liabilities	2,915,900	3,752,000
	7,490,861	13,409,308
Total Equity & Liabilities	871,285,182	830,109,000
Fixed Assets	146,368,399	149,787,113
Infrastructural Assets	628,709,179	640,130,966
Work in Progress	47,240,984	16,514,412
Advances	86,285	181,550
Shares	8,192,015	7,342,015
Current Assets		
Cash & Bank	33,395,658	7,346,000
Cash Investments	1,000,000	2,137,000
Receivables	3,490,025	4,368,544
Provision for Doubtful Debts	(94,321)	(94,321)
Stock	69,507	70,461
Accruals	1,900,500	1,602,777
Other Current Assets	926,952	722,483
	40,688,320	16,152,944
Total Assets	871,285,182	830,109,000

Net Debt and Borrowings

As at 31 May 2021

Net Debt



External Borrowing

	Year to Date Amount	Yield %	Maturity
Local Government Funding			
LGFA 2017	5,000,000	0.92 Floating	15-Apr-23
LGFA 2018	2,000,000	0.81 Floating	17-Jan-22
LGFA 2020	5,000,000	0.87 Floating	14-Apr-22
LGFA 2020 Coupon	5,000,000	0.83 Floating	15-Apr-24
LGFA 2020 Coupon	5,000,000	1.23 Fixed	15-Apr-27
LGFA 2020	10,000,000	0.91 Floating	15-Apr-26
LGFA 2020 Coupon	5,000,000	0.97 Fixed	15-Apr-27
LGFA 2021	10,000,000	0.54 Floating	15-Oct-21
LGFA 2021	7,000,000	0.72 Floating	15-Apr-25
LGFA 2021 Coupon	16,600,000	2.01 Fixed	15-May-28
	70,600,000		
Total External Funding	70,600,000		
Debt Premium / Discount	135,695		
Total External Debt	70,735,695		

Borrowing by Activity

As at 31 May 2021

Activity	External Borrowing	Internal Borrowing
Community Facilities & Support		276,688
Commercial Property	35,115,864	4,105,474
Wastewater	17,392,940	-
Drinking Water	9,435,991	-
Environmental Services	146,201	960,623
Stormwater	3,025,603	-
Cemeteries	1,605,448	-
Water Resources	379,360	-
Arts & Culture	2,376,000	-
Refuse and Recycling	523,594	-
Stockwater	184,000	-
Roading	287,000	788,000
Footpaths	-	803,336
Recreation Facilities	128,000	20,898
Civic Building	-	43,794
Reserve Boards	-	770,000
Total	70,600,001	7,768,812

Council Investments

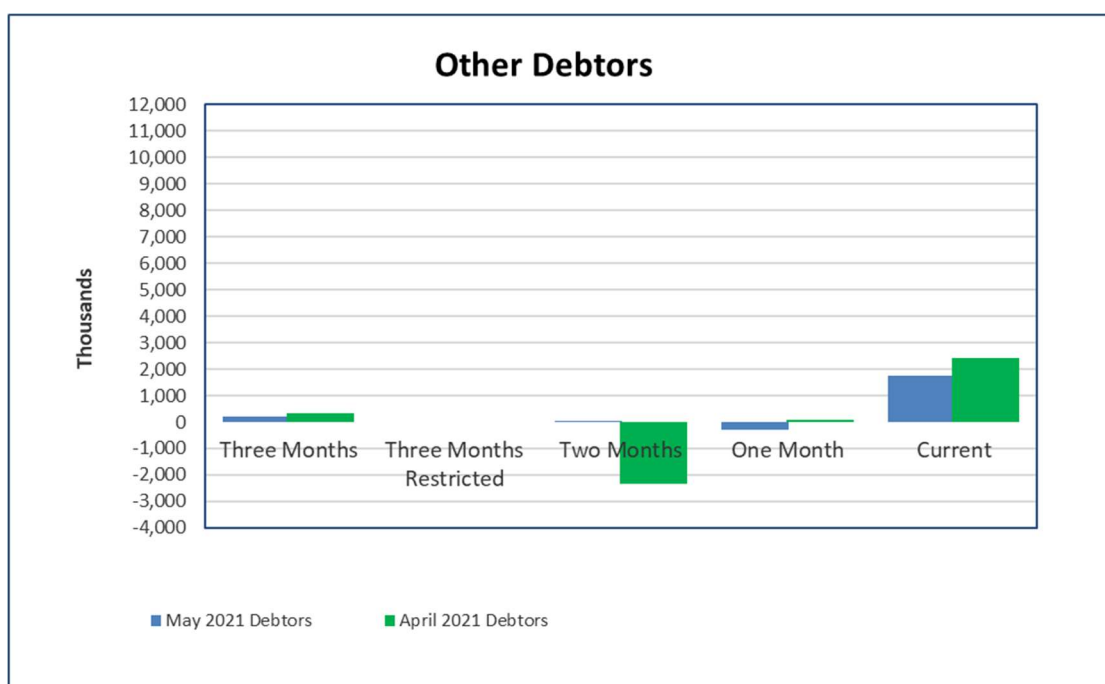
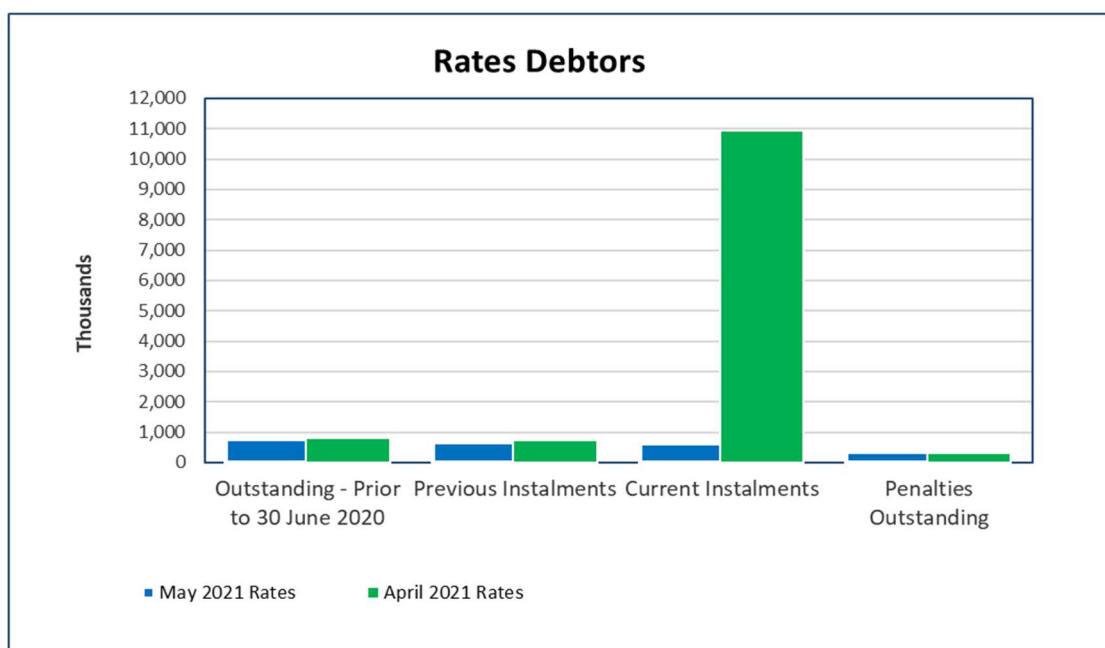
As at 31 May 2021

Listed below are the current significant investments held by Council.

Local Authority Stock and Bonds	Principal	Coupon Rate	Yield (when purchased)	Maturity
Bonds				
Bank of New Zealand	1,000,000	4.10%	4.10%	15-Jun-23
	1,000,000			
Advances				
Eastfield Investments	86,285			
	86,285			
Shares				
Ashburton Contracting Ltd	4,500,000			
NZ Local Govt Co-op Shares	53,215			
RDR Management	30,000			
Transwaste Canterbury Ltd	480,000			
ATS	500			
Electricity Ashburton Rebates	1,300			
LGFA Equity	1,362,000			
Eastfield Investments	1,765,000			
	8,192,015			

Receivables Summary (Including Prior Month Comparative)

As at 31 May 2021



The credit balance in Current Other Debtors relates to revenue that is yet to have a debtor invoice raised in the Property & Rating System.