



HAL GHARGHUR LOCAL COUNCIL

Annual Budget

2011

Table of Contents

Overview and Summary	1
Estimates for Income and Expenditure	2
Capital Expenditure Estimates	5
Cash Budget	6

1.0 Overview and Summary

The estimates for 2011 we are presenting cover the last full 12 months of this legislature since in March 2012 an election is due to be held in our locality. We therefore view the coming 12 months as a period during which the projects currently in progress are concluded and our operations, including our policies are procedures, are reinforced and consolidated.

Our major challenge is undoubtedly the completion of the resurfacing of roads under the Public Private Partnership scheme which commenced in 2010 and to date 3 roads have been completed. During 2011 we intend to finalise the remaining 3 roads namely, the second part of *Triq Ghaxqet l-Ghajj*, part of *Triq San Gwann* and *Triq tal-Ferha*. Our participation in this scheme has placed significant burden on our financial resources in particular, after commencement of works, it transpired that our original estimates were on the low side, when compared to the actual total costs based on the rates quoted in the tender of the successful bidder. Moreover, we had no option but to finance certain costs relating to the upgrading of the water main and house services in *Triq San Gwann*.

During 2011 it is estimated that our share of the capital expenditure relating to the resurfacing of roads (including settlement of Professional fees) is estimated at c. Euro 160K. The sum of Euro 63K will be received from the Central Government, being the final tranche of its share of funding while the rest, c. Euro 100K, will have to be forked out from our resources. The balance we are bringing forward from 2010 will enable us to meet this commitment. Against this scenario we are fully aware of the need to monitor closely our expenditure given the tight parameters involved. At this stage the position is still rather fluid and we will be able to confirm with certainty only upon completion of all the roads when the final invoices are received. We intend also to request the Central Government to increase its share of funding mainly since certain expenses, such as those relating to the upgrading of the WSC network, were not contemplated to form part of the PPP scheme and if any had to be financed by the utility provider.

The annual financial allocation from the Central Government has remained practically unchanged. The total projected income of Euro 395K includes the retained funds brought forward from 2010 of Euros 110K and the Government' share under the PPP of Euros 63K mentioned above.

Emoluments and related expenses have increased to Euros 80K representing c. 37% of our annual allocation and follow the Contractual expenses as the second major item of re-current expenditure. We do not expect any major variances in our Contractual expenses considering that major contracts such as that for the collection of household waste have been reviewed in 2010.

During 2010 we invested heavily in our locality and concluded several projects such as the installation of new benches and lanterns in our main square, the refurbishment of our public lavatory, the installation of photovoltaic panels on our premises etc. During 2011 we are not projecting any major capital expenditure in addition to that under the PPP unless we manage to secure additional funding from other sources such as the UIF.

Our track record and the success we achieved in the past give us the courage to weather the coming difficult 12 months with confidence and determination. We will monitor closely the position and take the necessary steps as required to ensure that our liquidity will remain sufficient to support our cashflow requirements. More importantly we will continue to deliver an excellent service to our residents and to take further initiatives which will contribute to improve further the quality of life of our community.

Mario Gauci
Mayor
Hal Gharghur

2.0 Estimates for Income and Expenditure**2.1 Consolidated Estimates of Income and Expenditure**

ACCT NO.	DESCRIPTION	BUDGET	FORECAST	BUDGET	VAR	VAR
		2010	2010	2011	BUD-BUD	BUD-FOR
		€	€	€	€	€
2	Income					
0000	Government	293,300.00		278,748.00	(14,552.00)	278,748.00
0020	Bye-laws	4,500.00		6,002.00	1,502.00	6,002.00
0090	Investment	700.00		250.00	(450.00)	250.00
0100	General			110,000.00	110,000.00	110,000.00
	TOTAL	298,500.00		395,000.00	96,500.00	395,000.00
1	Expenditure					
1000	Personal emoluments	65,000.00		80,500.00	(15,500.00)	(80,500.00)
2000	Operations and maintenance	167,500.00		159,500.00	8,000.00	(159,500.00)
7000	Capital Expenditure	66,000.00		155,000.00	(89,000.00)	(155,000.00)
	TOTAL	298,500.00		395,000.00	(96,500.00)	(395,000.00)
	Balance					

Notes:

- General Income Budget 2010 refers to the balance brought forward from the previous Financial Year.

*Estimates of Income and Expenditure (cont.)***2.2 Detailed Estimates of income**

ACCT NO.	DESCRIPTION	BUDGET	FORECAST	BUDGET	VAR	VAR
		2010	2010	2011	BUD-BUD	BUD-FOR
		€	€	€	€	€
2	Income					
0000	Government					
0001	Annual	213,300.00		212,000.00	(1,300.00)	212,000.00
0002	Supplementary					
0003	Special needs			63,748.00	63,748.00	63,748.00
0004	Public/government delegations					
0015	Other	80,000.00		3,000.00	(77,000.00)	3,000.00
		293,300.00		278,748.00	(14,552.00)	278,748.00
0020	Bye-Laws					
0021	Community Services					
0036	Contraventions	2,000.00			(2,000.00)	
0056	Sponsorships					
0066	General	2,500.00		6,002.00	3,502.00	6,002.00
		4,500.00		6,002.00	1,502.00	6,002.00
0090	Investment					
0091	Bank interest	700.00		250.00	(450.00)	250.00
0096	Government securities					
		700.00		250.00	(450.00)	250.00
0100	General					
0110	Donations					
0120	Contributions			110,000.00	110,000.00	110,000.00
				110,000.00	110,000.00	110,000.00
TOTAL		298,500.00		395,000.00	96,500.00	395,000.00

Notes:

*Estimates of Income and Expenditure (cont.)***2.3 Detailed Estimates of Expenditure**

ACCT NO.	DESCRIPTION	BUDGET	FORECAST	BUDGET	VAR	VAR
		2010	2010	2011	BUD-BUD	BUD-FOR
		€	€	€	€	€
1	Expenditure					
1000	Personal Emoluments					
1100	Mayor's allowance	6,500.00		8,850.00	(2,350.00)	(8,850.00)
1150	Councillors' Allowance	6,000.00		6,400.00	(400.00)	(6,400.00)
1200	Employee salaries and wages	46,000.00		52,300.00	(6,300.00)	(52,300.00)
1300	Bonuses	3,500.00		5,500.00	(2,000.00)	(5,500.00)
1400	Income supplements					
1500	Social Security contributions	4,000.00		5,080.00	(1,080.00)	(5,080.00)
1600	Allowances	500.00		950.00	(450.00)	(950.00)
1700	Overtime			1,420.00	(1,420.00)	(1,420.00)
		66,500.00		80,500.00	(14,000.00)	(80,500.00)
2000	Operations and maintenance					
2100	Utilities	6,500.00		8,000.00	(1,500.00)	(8,000.00)
2200	Materials and supplies	3,600.00		2,200.00	1,400.00	(2,200.00)
2300	Repair and upkeep	11,700.00		11,000.00	700.00	(11,000.00)
2400	Rent	4,000.00		3,500.00	500.00	(3,500.00)
2500	National / International memberships	500.00		500.00		(500.00)
2600	Office services	4,500.00		2,500.00	2,000.00	(2,500.00)
2700	Transport	400.00		100.00	300.00	(100.00)
2800	Travel	4,000.00		3,000.00	1,000.00	(3,000.00)
2900	Information services	4,000.00		5,200.00	(1,200.00)	(5,200.00)
3000	Contractual services	90,500.00		86,000.00	4,500.00	(86,000.00)
3100	Professional services	8,500.00		22,000.00	(13,500.00)	(22,000.00)
3200	Training	1,000.00		500.00	500.00	(500.00)
3300	Community and hospitality	16,000.00		13,000.00	3,000.00	(13,000.00)
3400	Incidental expenses	500.00			500.00	
3600	Local Enforcement Expenditure	1,300.00		2,000.00	(700.00)	(2,000.00)
		157,000.00		159,500.00	(2,500.00)	(159,500.00)
7000	Capital Expenditure					
7001	Acquisition of property					
7100	Construction	40,000.00		150,000.00	(110,000.00)	(150,000.00)
7200	Improvements	26,000.00		5,000.00	21,000.00	(5,000.00)
7300	Equipment	10,000.00			10,000.00	
7500	Special programmes					
		76,000.00		155,000.00	(79,000.00)	(155,000.00)
TOTAL		299,500.00		395,000.00	(95,500.00)	(395,000.00)

Notes:

3.0 Capital Expenditure Estimates**3.1 Capital Expenditure Estimates**

Acct. No. Project No.	Capital Expenditure Project Description	2010 - CARRY OVER		2011 - BUDGET		2011
		ACCNT €	PROJECT €	ACCNT €	PROJECT €	ACCNT TOTAL €
7001	Acquisition of property					
7100 7101	Construction Roads Resurfacing			150,000.00	150,000.00	150,000.00
7200 7243	Improvements Others			5,000.00	5,000.00	5,000.00
7300	Equipment			0.00		
7500	Special programmes			0.00	0.00	
		0.00		155,000.00		155,000.00

Notes:

Cash Budget

4. Cash Budget

ACCNT No.	DESCRIPTION	QTR 1	QTR 2	QTR 3	QTR 4	TOTAL
		JAN-MAR 2011 €	APR-JUN 2011 €	JUL-SEP 2011 €	OCT-DEC 2011 €	2011 €
2	Income					
0000	Government					
0001	Annual	53,000.00	53,000.00	53,000.00	53,000.00	212,000.00
0002	Supplementary	0.00	0.00	0.00	0.00	0.00
0003	Special needs	63,748.00	0.00	0.00	0.00	63,748.00
0004	Public/government delegations	0.00	0.00	0.00	0.00	0.00
0015	Other	0.00	3,000.00	0.00	0.00	3,000.00
0020	Bye-Laws					
0021	Community services	0.00	0.00	0.00	0.00	0.00
0036	Contravention of bye-laws	0.00	0.00	0.00	0.00	0.00
0056	Sponsorships	0.00	0.00	0.00	0.00	0.00
0066	General services	1,000.00	3,002.00	1,000.00	1,000.00	6,002.00
0090	Investment					
0091	Bank interest	0.00	0.00	0.00	250.00	250.00
0096	Government securities	0.00	0.00	0.00	0.00	0.00
0100	General					
0110	Donations	0.00	0.00	0.00	0.00	0.00
0120	Contributions	0.00	0.00	0.00	0.00	0.00
	TOTAL	117,748.00	59,002.00	54,000.00	54,250.00	285,000.00
1	Expenditure					
1000	Personal Emoluments					
1100	Mayor's Allowance	2,212.50	2,212.50	2,212.50	2,212.50	8,850.00
1150	Councillor's Allowance	0.00	3,200.00	0.00	3,200.00	6,400.00
1200	Employee salaries and wages	13,075.00	13,075.00	13,075.00	13,075.00	52,300.00
1300	Bonuses	364.00	405.00	364.00	4,367.00	5,500.00
1400	Income supplements	0.00	0.00	0.00	0.00	0.00
1500	Social Security contributions	1,270.00	1,270.00	1,270.00	1,270.00	5,080.00
1600	Allowances	237.50	237.50	237.50	237.50	950.00
1700	Overtime	355.00	355.00	355.00	355.00	1,420.00
2000	Operations and maintenance					
2100	Utilities	2,000.00	2,000.00	2,000.00	2,000.00	8,000.00
2200	Materials and supplies	550.00	550.00	550.00	550.00	2,200.00
2300	Repair and upkeep	2,750.00	2,750.00	2,750.00	2,750.00	11,000.00
2400	Rent	0.00	2,000.00	1,500.00	0.00	3,500.00
2500	National/International memberships	125.00	125.00	125.00	125.00	500.00
2600	Office Services	625.00	625.00	625.00	625.00	2,500.00
2700	Transport	25.00	25.00	25.00	25.00	100.00
2800	Travel	0.00	0.00	3,000.00	0.00	3,000.00
2900	Information services	2,300.00	300.00	2,300.00	300.00	5,200.00
3000	Contractual services	21,500.00	21,500.00	21,500.00	21,500.00	86,000.00
3100	Professional services	7,000.00	5,000.00	5,000.00	5,000.00	22,000.00
3200	Training	125.00	125.00	125.00	125.00	500.00
3300	Community and hospitality	2,250.00	2,250.00	6,250.00	2,250.00	13,000.00
3400	Incidental expenses	0.00	0.00	0.00	0.00	0.00
3600	Local Enforcement Expenditure	500.00	500.00	500.00	500.00	2,000.00
7000	Capital Expenditure					
7001	Acquisition of property					0.00
7100	Construction	150,000.00	0.00	0.00	0.00	150,000.00
7200	Improvements to property	1,000.00	0.00	4,000.00	0.00	5,000.00
7300	Equipment	0.00	0.00	0.00	0.00	0.00
7500	Special programmes	0.00	0.00	0.00	0.00	0.00
	TOTAL	208,264.00	58,505.00	67,764.00	60,467.00	395,000.00
	SURPLUS/DEFICIT	(90,516.00)	497.00	(13,764.00)	(6,217.00)	(110,000.00)
	BROUGHT FORWARD	110,000.00	19,484.00	19,981.00	6,217.00	110,000.00
	CARRY FORWARD	19,484.00	19,981.00	6,217.00	0.00	0.00