



## **BUDGET EXPLANATION ASSEMBLY OF THE EUCC 14.05.2021**

The information below is a brief explanation of the 2019 & 2020 reconciliation budget and the new budget of the EUCC for 2021.

### **1 – GARDENING:**

**Reconciliation 2019 / 2020:** The difference comes from the CPI and workers agreement which changes every year from 1<sup>st</sup> January, and it is of application in the contract from 1<sup>st</sup> February. In 2020 the increase was the same applied in 2019 which was higher than 5%.

**Budget 2021:** The amount included is based on the contract with STV from 31<sup>st</sup> January 2018. It includes an increase due to the CPI and the workers agreement.

### **2 – GARDENING IMPROVEMENTS:**

**Reconciliation 2019 / 2020:** The expense of this line comes from planting on several areas of the EUCC as well as purchasing gravel and Christmas lighting.

**Budget 2021:** As in previous years, the amount of 10.000 € has been considered.

### **3 – IRRIGATION WATER FOR LOCAL AUTHORITY LAND:**

**Reconciliation 2019 / 2020:** As every year, the amount included for 2019 & 2020 was based on the estimation provided by STV. The rains in both years helped with the EUCC areas. The lack of water from ACUAMED is also a factor of the low consumption.

**Budget 2021:** The amount for 2021 has been adjusted to 2020 actual consumption.

### **4 – PLAGUE FUMIGATION:**

**Reconciliation 2019 / 2020:** In line with the budget.



**Budget 2021:** The contract was due for renewal the 31.12.2020. Following the Procurement Policy, a new 5-year contract has been agreed with Control Natural de Plagas.

The difference in 2021 compare with 2020 is due to the increase of the products in the market and as well as the 20% of the contract that must be paid in advanced.

## 5 - ELECTRICITY STREET & PERIMETER LAMPS PLUS VIDEO:

**Reconciliation 2019 / 2020:** The expense in both years are very close to the estimated amount budgeted.

**Budget 2021:** The expense in 2020 has been considered for the 2021 budget.

## 6 – REPLACE BULBS OF STREET & PERIMETER LAMPS & CHERRY PICKER:

**Reconciliation 2019 / 2020:** The expenditure includes the replacement of bulbs in different lamps of the complex.

**Budget 2021:** The amount for 2021 is an estimation as in previous years.

## 7 – RUBBISH COLLECTION AND STREET CLEANING:

**Reconciliation 2019 / 2020:** Apart from the CIP and workers agreement increase, which has been higher than 5%, we also must consider the recycling tax, which in 2019 was higher than in previous years. And in 2020 we have seen the lowest recycling charge in the last 5 years.

Month / Mes	2016	2017	2018	2019	2020
January / Enero	435,03	627,00	723,22	759,70	708,59
February / Febrero	489,23	759,94	799,15	731,17	682,25
March / Marzo	535,89	650,17	673,08	741,71	646,88
April / Abril	612,69	780,35	814,26	865,51	827,13
May / Mayo	723,24	1.015,55	956,18	1.199,67	599,84
June / Junio	699,56	910,16	923,00	1.180,11	589,68
July / Julio	733,66	997,32	1.016,63	984,81	597,20
Agosto / August	1.139,96	1.469,91	1.464,86	1.643,35	901,26
Septiembre / September	1.521,15	1.671,92	1.799,18	1.878,92	1.016,04
October / Octubre	802,92	1.030,50	975,71	1.159,04	769,17
November / Noviembre	820,88	994,40	1.110,25	882,44	661,93
Diciembre / December	649,31	750,08	885,40	803,42	663,80
<b>Total €</b>	<b>9.163,52</b>	<b>11.657,30</b>	<b>12.140,92</b>	<b>12.829,85</b>	<b>8.663,77</b>



**Budget 2021:** The amount for this year is based on the 5 years contract plus an estimated 3% increase due to the CPI and workers agreement. Also, 10.000 € for the recycling tax.

## 8 – TV & BROADBAND:

**Reconciliation 2019 / 2020:** A2Z did not apply the 1, 2 % CPI increase expected for 2019 & 2020.

**Budget 2021:** The amount for the 2021 budget comes from the 6-year contract with A2Z signed the 8<sup>th</sup> June 2016. The amount is the same as in 2020. Even though they should increase the CPI every year based on the contract, they have never done so.

## 9 – DEBT PROVISION COMMERCIAL AREA FROM 1-1-2018 TO 31-12-2018:

**Budget 2021:** The debt of the commercial area (Town Centre) in 2018 was of 11.956, 00 €. Therefore, this is the amount provisioned in the 2021 budget.

## 10 – PROVISION LONG TERM REPAIRS AND RENEWALS:

**Reconciliation 2019 / 2020:** Below you can find a chart with the breakdown of the long-term repairs and renewals undertaken in 2019 & 2020.

<b>Long Term Repairs and Renewals</b>	<b>2019 expense</b>	<b>2020 expense</b>
Repair Underground rubbish containers	31.193,98	30.336,36
Roads and Sidewalks repairs	3.054,70	-
Slope Phase 7 & Workers Compound	191.540,50	4.081,00
Road Cleaning Heavy Rains	50.411,79	16.099,78
Balance kept for the Repairs Provision	-	19.482,86
<b>Total</b>	<b>276.200,97</b>	<b>70.000,00</b>

The balance from 2020 budget (19.482, 86 €) has been kept for the Repairs Provision.

**Budget 2021:** The long-term repairs and renewals provisions considered for 2021 is as shown below.



Description	Amount to be provisioned in 2021
Tree roots repairs	10.000,00
Roads and Sidewalks repairs	10.000,00
Wall El Casón	15.000,00
Road Cleaning Heavy Rains	20.000,00
Hard Standing	20.000,00
Reservoir	15.000,00
<b>Total provisioned</b>	<b>90.000,00</b>

In addition, we have brought forward repair provision of 66.416, 68 € for unspecified repairs which might be necessary.

## 11 – EUCC RESERVE FUND:

**Reconciliation 2019 / 2020:** Reserve Fund as of 31/12/2019 was 52.588, 63 €.

Reserve Fund as of 31/12/2020 was 101.468, 84 € which is above the 10% Reserve Fund we must hold.

**Budget 2021:** The projected result for 2021 is 16.705, 29 €.

**May we remind you that the 2020 account have not been fully reconciled.**