

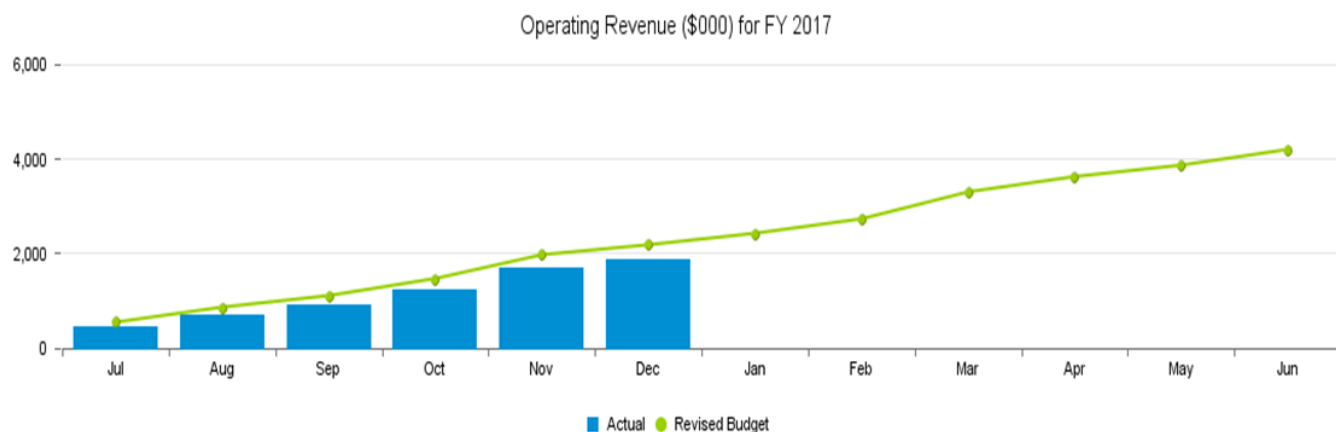
Appendix C – Ōtara-Papatoetoe Local Board Financial Performance

Financial Summary

Account	Year to Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,857	2,179	(322)	4,146	4,146
Operating revenue (LDI)	0	0	0	50	50
Operating expenditure (ABS)	7,435	7,641	206	15,023	14,987
Operating expenditure (LDI)	496	458	(38)	1,826	1,826
Operating expenditure (LGS)	523	523	0	1,047	1,047
Net Cost of Service	6,597	6,443	(154)	13,700	13,664
Capital expenditure	912	1,802	890	4,135	3,926

Net cost of service year to date ending December 2016 was \$6.6m, which is only \$154k overspent when compared with budget of \$6.44m. Operating expenditure is under budget by 2%, but as operating revenue is 15% behind budget, particularly in recreation services, this affects overall cost of service.

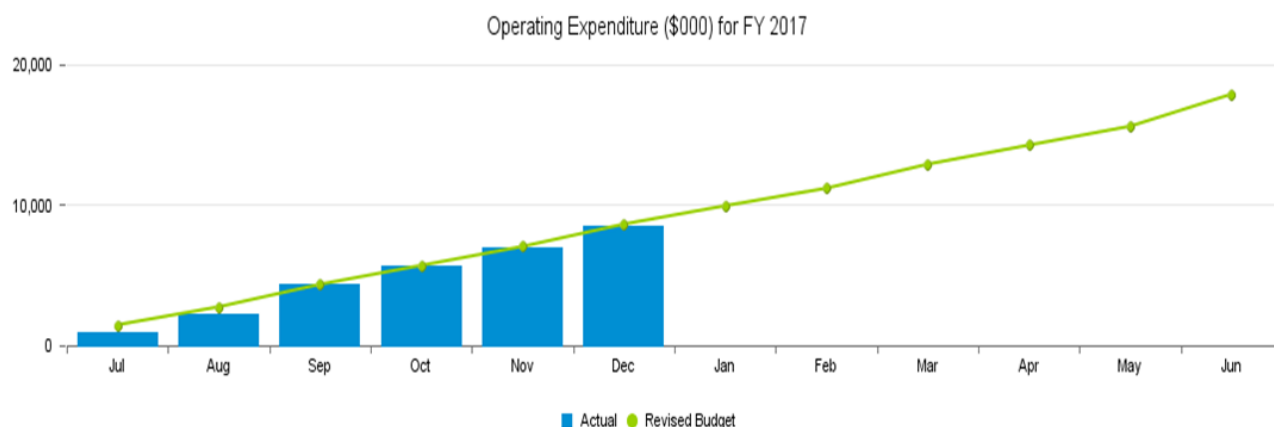
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	198	185	13	420	420
Local parks, sport and recreation	1,660	1,993	(333)	3,776	3,776
Total Operating Revenue	1,858	2,178	(320)	4,196	4,196

Revenue was below budget by \$320k overall. Hireage revenue in community services has improved with the implementation of the online booking system, but recreation revenue continues to be of concern as strong competition from commercial gyms and early childhood centres result in lower entrance and membership fees. This loss is similar this quarter to the previous quarter with no improvement apart from Papatoetoe aquatics which has remained static. Financial departments are exploring options around this for future budgets.

Operating Expenditure

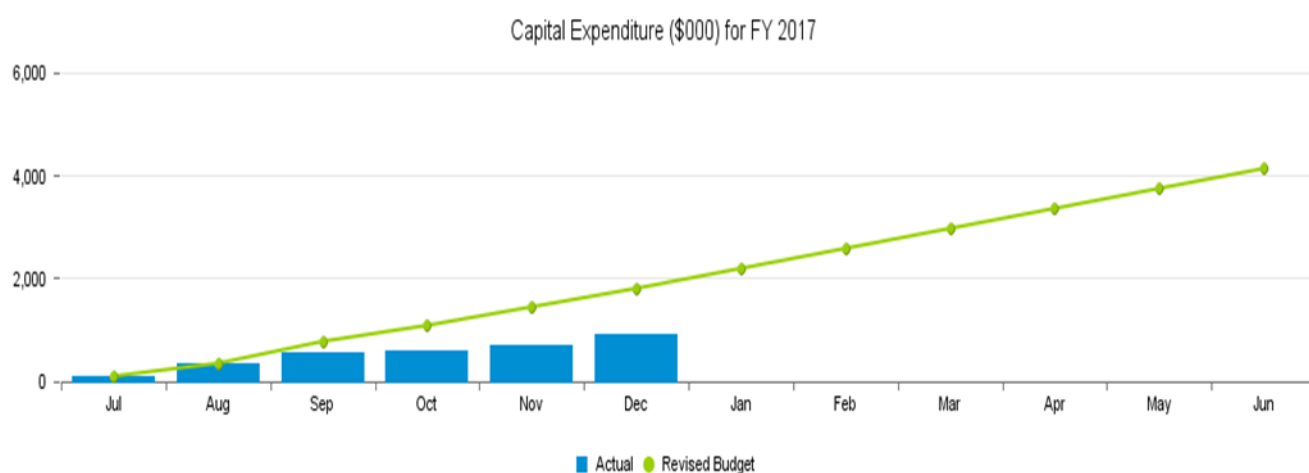


Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	2,872	3,036	164	6,390	6,050
Local environmental management	18	50	32	137	138
Local governance	523	523	0	1,047	1,047
Local parks, sport and recreation	4,443	4,400	(43)	9,483	9,426
Local planning and development	597	613	16	839	1,199
Total Operating Expenditure	8,453	8,622	169	17,896	17,860

Operating Expenditure year to date of \$8.45m is \$169k (2%) below budget.

In Asset Based Services budgets, community services have made savings in casual costs and outsourcing in libraries (\$22k) and Otara Music and Arts Centre (\$74k). Parks management and Full Facilities contract is overspent \$30k and leisure services overall have underspent \$30k reflecting some of the downturn in that area. Term grants of \$95k due to be paid in December will be paid in the third quarter. Locally Driven Initiative projects overall are slightly ahead of budget by \$38k, although some initiatives have yet to commence.

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	236	637	401	1,354	2,242
Local governance	0	16	16	41	0
Local parks, sport and recreation	676	1,149	473	2,740	1,684
Total Capital Expenditure	912	1,802	890	4,135	3,926

Capital Expenditure of \$912k is \$890k behind budget year to date, mostly in renewals.

Te Puke O Tara Centre upgrade is behind budget. Preliminary designs have been completed and are awaiting final local board approval. Renewals for lease facilities (The Chambers, The Depot and Cambria) are all in planning stage with no issues to report. A design brief for outcomes for Ngāti Ōtara multisport facility is about to be developed.

There is still \$750k of LDI Capex funding to be allocated by the local board, and these projects will need to be factored into the upcoming Y18 work programmes going forward.

Changes to revised full year budget have been made as \$1.1m for Te Puke O Tara Centre upgrade has been deferred to Y18, leaving \$648k forecast to be spent this year, plus \$1.4m for Streetscape development in Manukau has been transferred to Pānuku as part of the Manukau Transformation. The Papatoetoe Mall construction is to commence in January. A further \$400k in Growth funds has been added to the budget mostly for scoping and design work at Hayman Park and Te Puke o Tara Sports Park.

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	97	97	0	194	194
ANZAC	0	0	0	25	25
CCTV and town centre safety initiatives	50	0	(50)	360	0
Community Places programme LDI top up	0	0	0	0	30
Community response operating fund	(11)	0	11	29	37
Community safety	0	15	15	30	30
Inclusion and equity - diversity and inclusion	9	8	(1)	15	15
Liquor licensing objections	7	0	(7)	10	10
Local Arts Grants	13	27	14	34	34
Local civic functions	1	4	3	8	8
Local community grants	70	82	12	225	160
Local events fund	68	58	(10)	90	137
Otara Papatoetoe community advice	1	2	1	2	2
Papatoetoe Historical Society	20	0	(20)	20	20
Senior assistance groups	0	15	15	15	15
Skills Sheds operations	0	40	40	79	79
Youth connections across Auckland	39	50	11	50	50
Youth Development Effectiveness	18	10	(8)	20	20
Total Local community services	381	408	27	1,206	866
Develop Industry Pollution Programme (continuation)	0	20	20	21	20
Environmental project (LDI)	3	0	(3)	5	5
Manukau Harbour forum contribution	1	0	(1)	8	8
Otara Lake and waterways vision	14	26	12	88	89
Southern recycling centre options development	0	4	4	15	16
Total Local environmental management	18	50	32	137	138
Colin Dale Park	14	0	(14)	301	280
Green assets - LDI	0	0	0	10	10
LDI Programme Events in local parks	39	0	(39)	60	60
LDI Volunteers parks	3	0	(3)	10	10
Papatoetoe Bowling Club greens	40	0	(40)	40	40
Puhinui stream and walkway volunteers	0	0	0	10	10
Total Local parks, sport and recreation	97	0	(97)	431	410
Local economic development planning - BID top up	0	0	0	0	360
Young Enterprise Scheme	0	0	0	2	2
Total Local planning and development	0	0	0	2	362
TOTAL	496	458	(38)	1,776	1,776

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community Facility Upgrade	93	338	245	648	1,628
ACE - Leases renewals	2	210	208	526	526
Local library renewals	85	39	(46)	97	30
Public art (Otarā Town Centre)	29	25	(4)	25	0
Library furniture and fitting renewals	6	23	17	58	58
ACE - Community house and centre renewals	22	0	(22)	0	0
Total Local community services	237	635	398	1,354	2,242
Community response fund	0	16	16	41	0
Total Local governance	0	16	16	41	0
Parks - Asset renewals	361	627	266	1,243	1,149
General park development	149	122	(27)	396	0
Sport development	95	115	20	276	0
Locally driven initiatives (LDI Capex)	19	101	82	381	164
Parks - Sports fields renewals	1	99	98	245	183
Multi-sport Facility (Ngati Otara Park)	0	76	76	190	190
Leisure facility building renewals	8	8	0	8	0
Leisure facility equipment renewals	40	0	(40)	0	0
Sports parks	3	0	(3)	0	0
Total Local parks, sport and recreation	676	1,148	472	2,739	1,686
TOTAL	913	1,799	886	4,136	3,926

Funding Impact Statement
Otara-Papatoetoe
For the year ended 31 December 2016

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		15,076	15,080	15,080	14,668
Targeted rates		1,315	1,319	1,319	1,032
Subsidies and grants for operating purposes		655	645	1,108	1,957
Fees and charges		1,099	1,260	2,491	1,541
Local authorities fuel tax, fines, infringement fees and other receipts		104	274	598	568
Total operating funding		18,249	18,578	20,596	19,766
Applications of operating funding:					
Payment to staff and suppliers		7,818	8,005	16,563	15,676
Finance costs		526	526	1,116	968
Internal charges and overheads applied		1,402	1,402	2,805	2,819
Other operating funding applications		-	-	-	-
Total applications of operating funding		9,746	9,933	20,484	19,463
Surplus (deficit) of operating funding		8,503	8,645	112	303
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(7,591)	(6,842)	3,814	4,573
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(7,591)	(6,842)	3,814	4,573
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		269	331	426	1,366
- to improve the level of service		112	279	985	1,586
- to replace existing assets		531	1,193	2,515	1,924
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		912	1,803	3,926	4,876
Surplus (deficit) of capital funding		(8,503)	(8,645)	(112)	(303)
Funding balance		-	-	-	-