

## Local Board Financial Performance - Mangere-Otahuhu as at June 2017

### Financial Summary

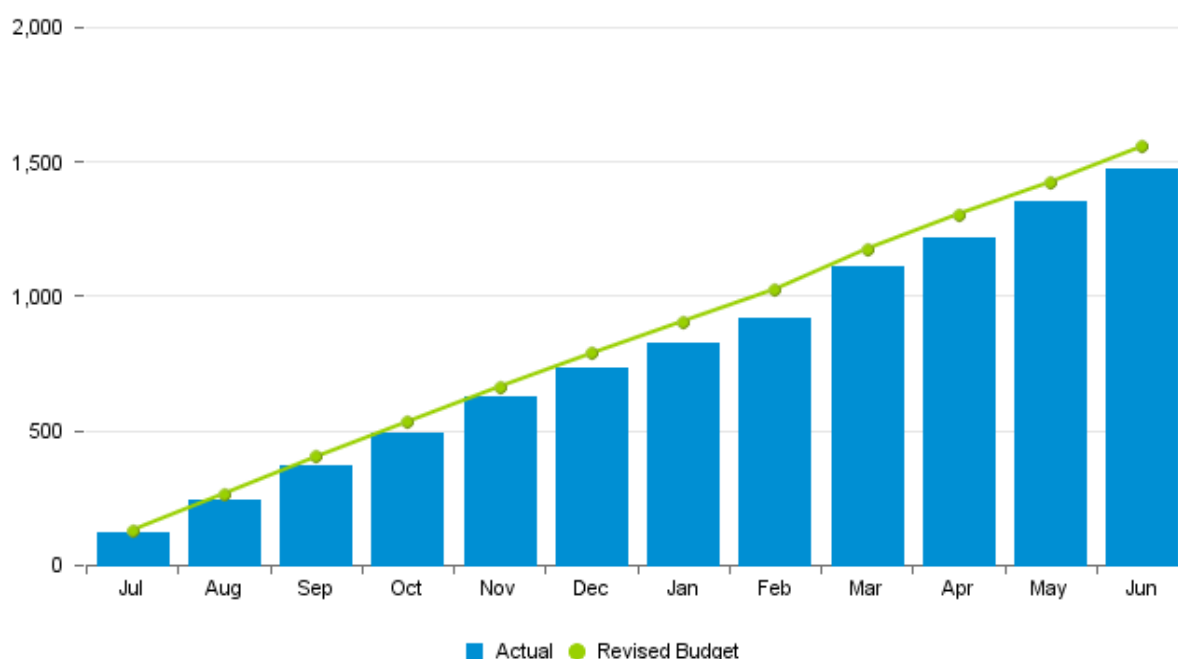
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,433	1,518	(85)	1,518	1,518
Operating revenue (LDI)	41	40	1	40	40
Operating expenditure (ABS)	15,150	15,393	243	15,393	15,460
Operating expenditure (LDI)	1,977	2,173	196	2,173	2,094
Operating expenditure (LGS)	1,024	1,024	0	1,024	1,024
<b>Net Cost of Service</b>	<b>16,676</b>	<b>17,033</b>	<b>357</b>	<b>17,033</b>	<b>17,020</b>
<b>Capital expenditure</b>	<b>4,230</b>	<b>4,821</b>	<b>591</b>	<b>4,821</b>	<b>3,615</b>

Māngere-Ōtāhuhu Local Board has invested \$4.2m in capital expenditure and \$16.7m in net operating expenditure to 30 June 2017.

The majority of the capital expenditure was in local parks, sports and recreation assets \$2.7m and local planning and development \$1.2m relating to Ōtāhuhu town centre revitalisation. Overall capital delivery is behind budget by nearly \$0.6m. Details of capital projects are on the following pages.

Net Cost of Service is near target at 98% and is explained in the following pages.

### Operating Revenue (\$000) for FY 2017



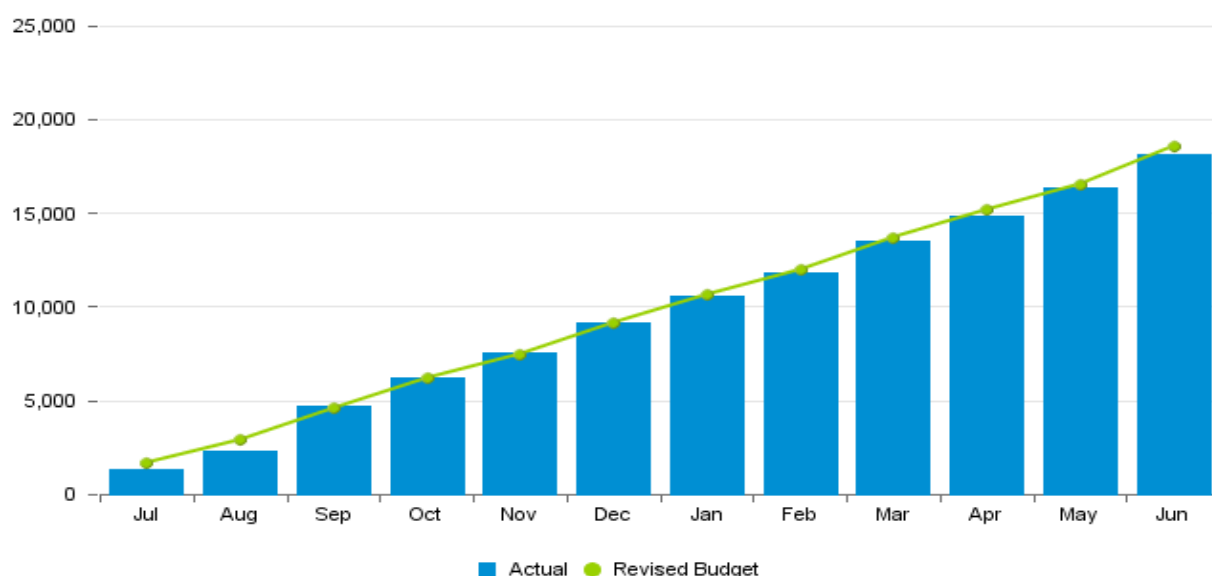
### Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	467	369	98	369	369
Local parks, sport and recreation	1,008	1,188	(180)	1,188	1,188
<b>Total Operating Revenue</b>	<b>1,475</b>	<b>1,557</b>	<b>(82)</b>	<b>1,557</b>	<b>1,557</b>

**Operating Revenue** is nearly \$1.5m (95% of the budget). In community services, revenue has exceeded budget by \$98k due to improved usage in Mangere Arts Centre, Mangere Memorial Hall and Mangere Central Community Hall. In local parks, sport and recreation, revenue from leisure facility revenue is over \$1m (85%) and is below budget in general aquatic, fitness and leisure facilities.

Further status commentary is available in the work programme report.

### Operating Expenditure (\$000) for FY 2017



### Operating Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	7,834	7,941	107	7,941	7,742
Local environmental management	153	188	35	188	188
Local governance	1,024	1,024	0	1,024	1,024
Local parks, sport and recreation	7,690	7,932	242	7,932	7,999
Local planning and development	1,450	1,505	55	1,505	1,625
<b>Total Operating Expenditure</b>	<b>18,151</b>	<b>18,590</b>	<b>439</b>	<b>18,590</b>	<b>18,578</b>

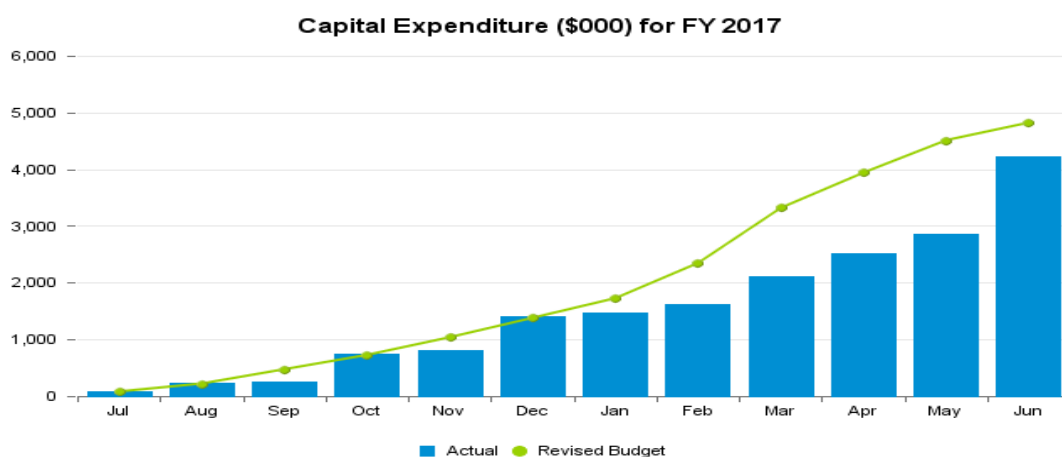
**Operating Expenditure** is \$18.1m (98% of the budget), below budget by \$439k and mainly in local parks service parks. Scheduled repairs and maintenance and ecological restoration are below budget due to weather conditions and are offset by higher wages and overtime during summer in recreation, aquatic and leisure facilities.

The Locally Driven Initiatives expenditure is below budget by \$197k of which \$152k has been approved for carry forward as programmes will be delivered in the next financial year.

### Locally Driven Initiatives (Operating Expenditure)

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Accessibility plan for facilities	15	10	(5)	10	0
ACE LDI Staff allocation	181	181	0	181	181
ANZAC	23	25	2	25	25
Art in public places	11	19	8	19	0
Assess options for multi-use facility in Mangere East	0	50	50	50	0
CAB Service in Otahuhu - Toia	26	26	0	26	26
Capacity building programme	20	50	30	50	50
CCTV and town centre safety initiatives	260	262	2	262	142
Christmas events	1	0	(1)	0	0
Community Arts Programmes	100	100	0	100	100
Community Gardens	13	15	2	15	15
Community Places programme LDI top up	9	9	0	9	9
Community response operating fund	66	40	(26)	40	40
Community safety	33	40	7	40	40
Community volunteer awards	9	15	6	15	15
Extended Library hours	74	75	1	75	75
Local civic functions	2	10	8	10	10
Local community grants	196	210	14	210	207
Local events fund	66	76	10	76	78
Mangere Arts Centre business plan initiatives delivery	54	70	16	70	70
Signature Arts and cultural event	60	60	0	60	60
Teaching Gardens Otahuhu	0	12	12	12	12
Youth connections across Auckland	60	60	0	60	60
Youth programmes community development	9	10	1	10	10
<b>Total Local community services</b>	<b>1,289</b>	<b>1,424</b>	<b>135</b>	<b>1,424</b>	<b>1,225</b>
Develop Industry Pollution Programme (continuation)	25	25	0	25	25
Environment initiatives including Manukau Harbour and Tamaki Estuary	110	135	25	135	135
Manukau Harbour forum contribution	8	8	0	8	8
Southern recycling centre options development	10	20	10	20	20

<b>Total Local environmental management</b>	<b>153</b>	<b>188</b>	<b>35</b>	<b>188</b>	<b>188</b>
Facility Partnership Programme	150	150	0	150	150
Green assets (Mangere-Otahuhu)	8	20	12	20	20
LDI Programme Events in local parks	45	50	5	50	50
LDI Volunteers parks	27	30	3	30	30
Mangrove management and removal	192	160	(32)	160	160
<b>Total Local parks, sport and recreation</b>	<b>422</b>	<b>410</b>	<b>(12)</b>	<b>410</b>	<b>410</b>
LDI Heritage Survey	26	40	14	40	40
Local economic development planning - BID top up	0	0	0	0	120
Local Economic Development Program	20	50	30	50	50
World Masters Games	25	20	(5)	20	20
Young Enterprise Scheme	1	1	0	1	1
<b>Total Local planning and development</b>	<b>72</b>	<b>111</b>	<b>39</b>	<b>111</b>	<b>231</b>
<b>Total</b>	<b>1,936</b>	<b>2,133</b>	<b>197</b>	<b>2,133</b>	<b>2,054</b>



### Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	268	370	102	370	333
Local parks, sport and recreation	2,756	2,693	(63)	2,693	1,575
Local planning and development	1,206	1,758	552	1,758	1,707
<b>Total Capital Expenditure</b>	<b>4,230</b>	<b>4,821</b>	<b>591</b>	<b>4,821</b>	<b>3,615</b>

Capital delivery for the year is \$4.2m (88%) and is behind budget by \$591k.

- Park asset renewals are ahead of schedule and accounted for nearly \$1.8m capital expenditure. This includes renewals of Sturges carpark, Mangere Centre Park carpark, and Norana and Miami street toilet blocks.
- The expenditure on Otahuhu swimming pool development project is \$576k, \$163k above budget due to Watercare infrastructure growth charges for the increase in water demand.
- Growth funded projects in greenway and walkway development and general park development are in the planning stage and are below budget.
- Town centre revitalisation in Otahuhu \$500k behind schedule. Feedback from the review of concepts design has been incorporated and materials for public consultation is being developed.
- In the locally driven initiative (LDI capex), project status are as follows:
  - \$70k to renovate community lease facilities at 17R Mangere Town Square – obtaining building consent.
  - \$475k was allocated to Walter Massey Park walkway and fitness equipment. The project scope is being reviewed, including planning assessment of the site.
  - \$27k allocated was allocated to 2-16 High Street, Otahuhu Building works and the project is completed.
  - \$110k was allocated as a top- up to the replacement toilets at Yates road. Planner has applied for resource consent and toilet construction is underway.
  - There remains a capex balance of \$793k to be allocated.

## Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	98	223	125	223	203
ACE - Art facility renewals	74	116	42	116	106
Local library renewals	20	23	3	23	23
ACE - Community house and centre renewals	76	9	(67)	9	0
<b>Community services (GoA)</b>	<b>268</b>	<b>370</b>	<b>102</b>	<b>370</b>	<b>333</b>
Parks - Asset renewals	1,773	860	(913)	860	675
Swimming Pool Development (Otahuhu)	576	413	(163)	413	0
Greenway and walkway development	66	363	297	363	0
Locally driven initiatives (LDI Capex)	1	362	361	362	456
Leisure facility building renewals	196	252	56	252	194
Parks - Coastal asset renewals	0	201	201	201	201
General park development	28	200	172	200	0
Playscape development	0	25	25	25	0
Parks - Sports fields renewals	67	17	(50)	17	17
Leisure facility equipment renewals	35	0	(35)	0	0
Local improvement projects (LIPS)	(6)	0	6	0	0
Recreational facilities equipment renewals	(1)	0	1	0	0
Sport development	20	0	(20)	0	31
<b>Parks sport and recreation (GoA)</b>	<b>2,756</b>	<b>2,693</b>	<b>(63)</b>	<b>2,693</b>	<b>1,575</b>
Town Centre Revitalisation	1,206	1,758	552	1,758	1,707
<b>Planning (GoA)</b>	<b>1,206</b>	<b>1,758</b>	<b>552</b>	<b>1,758</b>	<b>1,707</b>
<b>Total</b>	<b>4,229</b>	<b>4,822</b>	<b>593</b>	<b>4,820</b>	<b>3,614</b>

**Funding Impact Statement**  
**Mangere-Otahuhu**  
**For the year ended 30 June 2017**

\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
<b>Sources of operating funding:</b>					
General rates, UAGC, rates penalties		18,350	18,129	18,129	18,001
Targeted rates		1,503	1,506	1,506	1,467
Subsidies and grants for operating purposes		74	71	71	38
Fees and charges		1,309	1,359	1,359	1,299
Local authorities fuel tax, fines, infringement fees and other receipts		92	128	128	262
<b>Total operating funding</b>		<b>21,328</b>	<b>21,193</b>	<b>21,193</b>	<b>21,067</b>
<b>Applications of operating funding:</b>					
Payment to staff and suppliers		16,793	17,398	17,385	16,576
Finance costs		1,078	1,078	1,078	1,208
Internal charges and overheads applied		2,697	2,697	2,697	2,766
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding</b>		<b>20,568</b>	<b>21,173</b>	<b>21,160</b>	<b>20,550</b>
<b>Surplus (deficit) of operating funding</b>		<b>760</b>	<b>20</b>	<b>33</b>	<b>517</b>
<b>Sources of capital funding:</b>					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		3,472	4,800	3,581	1,495
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding</b>		<b>3,472</b>	<b>4,800</b>	<b>3,581</b>	<b>1,495</b>
<b>Applications of capital funding:</b>					
Capital expenditure:					
- to meet additional demand		398	794	31	248
- to improve the level of service		288	206	-	422
- to replace existing assets		3,546	3,820	3,583	1,342
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
<b>Total applications of capital funding</b>		<b>4,232</b>	<b>4,820</b>	<b>3,614</b>	<b>2,012</b>
<b>Surplus (deficit) of capital funding</b>		<b>(760)</b>	<b>(20)</b>	<b>(33)</b>	<b>(517)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>