

Local Board Financial Performance - Waiheke as at 31 March 2018

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	158	166	(8)	221	221
Operating expenditure (ABS)	2,039	3,036	997	4,106	3,238
Operating expenditure (LDI)	389	514	125	720	720
Operating expenditure (LGS)	701	701	0	935	935
Net Cost of Service	2,972	4,086	1,114	5,541	4,672

Capital expenditure	800	1,065	265	1,191	1,635
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The Waiheke Local Board invested \$800k in capital expenditure and \$2.97m in net operating expenditure* for the year to date ending in March 2018.

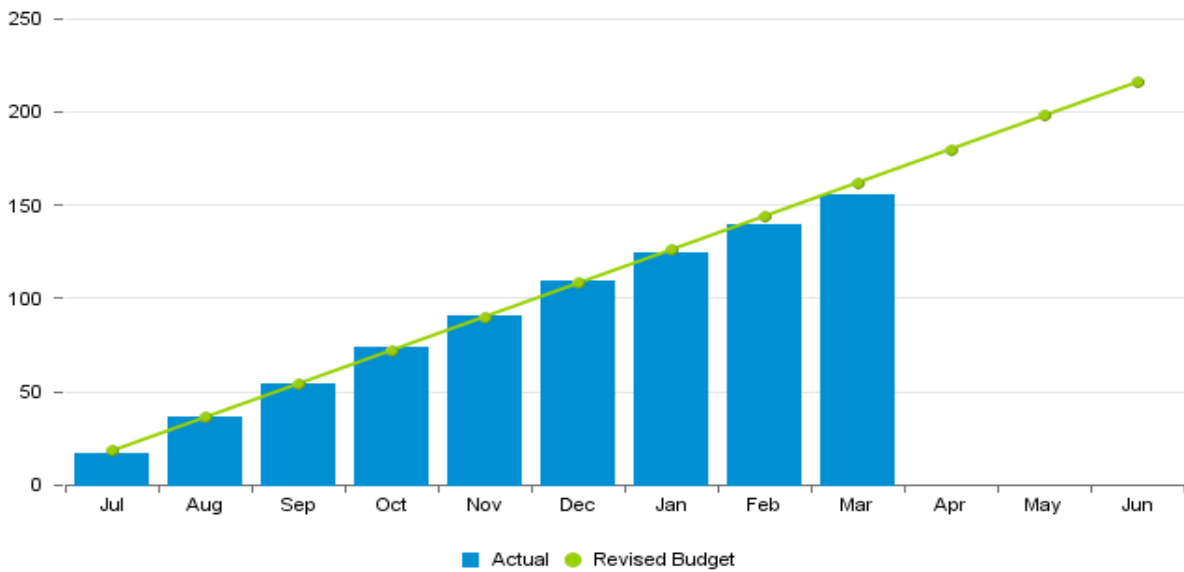
*(Net operating expenditure = Operating expenditure – Operating revenue)

The Net Cost of Service is \$1.1m under budget mainly due to the \$1m budget variance in Asset Based Services(ABS) alongside an underspend of \$125K in Locally Driven Initiatives budget.

Operating revenue is tracking along well, with only a 5% variance. However, we are likely to be on target for the full financial year.

Capital expenditure against Revised Budget is tracking along well with 75% delivery against revised budget. Majority of the spend (\$665K) was in the Local Parks Sports and Recreation activity.

Operating Revenue (\$000) for FY 2018

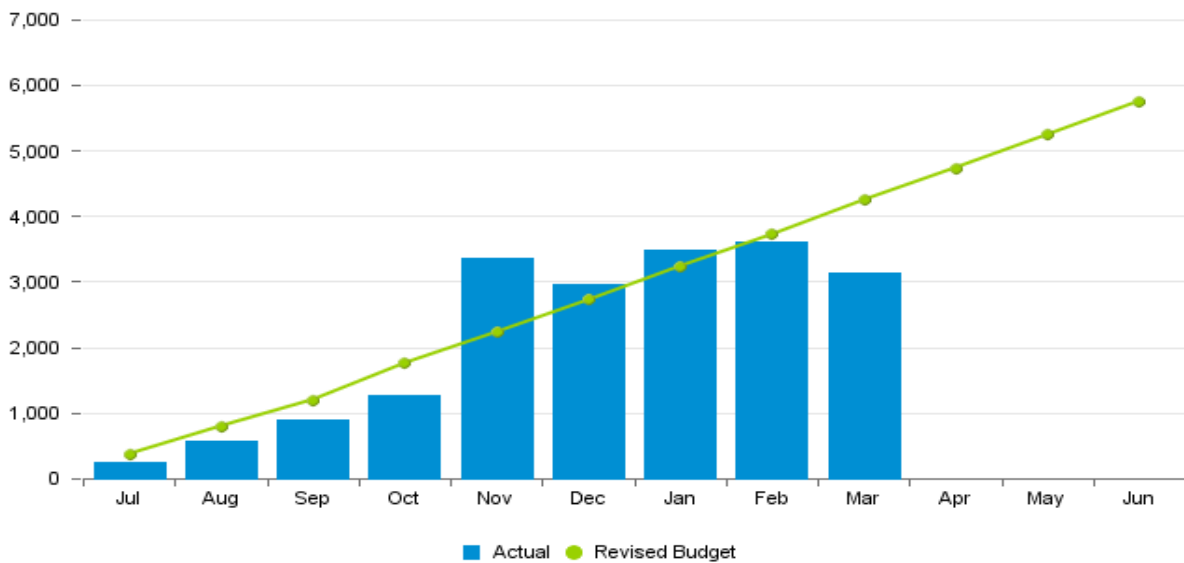


Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	158	166	(8)	221	221
Total Operating Revenue	158	166	(8)	221	221

Operating revenue is in line with budget. However, Citizenship Ceremonies have only achieved 25% of their budgeted revenue figures, due to lesser than anticipated number of people receiving citizenship. Also, the Ostend War Memorial Hall have moved to community lease model and hence the board have stopped receiving the revenue from that site.

Operating Expenditure (\$000) for FY 2018



Operating Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,026	1,118	92	1,498	1,503
Local environmental management	42	54	12	69	93
Local governance	701	701	0	935	935
Local parks, sport and recreation	1,360	2,364	1,004	3,240	2,342
Local planning and development	0	15	15	20	20
Total Operating Expenditure	3,129	4,252	1,123	5,762	4,893

The main reason for the large underspend in operating expenditure is the budget variances in Local parks, sport and recreation activity. There was an expectation of budget variances under the new Project 17 full facility maintenance contracts until baselines at local board level are established after the end of this financial year. The trend may continue through to year end and will be monitored by the community facilities department.

In LDI there is an underspend of \$125K. Significant underspent items are the *swimming pool feasibility study* budget of \$100K and the *Matiatia Gateway Masterplan* budget of \$50K. This is offset by an overspend of \$45K in the *Ecological restoration in partnership with community* program, which was paid out in full at the beginning of the financial year. A major portion of both the above mentioned underspent budget items will have to be carried forward to FY19.

There was no grant or quick response allocations in Q3 and the board had \$19.8K of unawarded grants budget as at the end of Q3, out of which \$9.8K was allocated in April.

With the financial year-end approaching, the board should start thinking about reallocating some of the current LDI budgets, which are at a risk of not being delivered and budget remaining unspent. These include \$4.5K from Maori Responsiveness and \$18K of Community Response Fund. The board could redirect some of the funds to the upcoming grants round, which has an initial total request of \$150K, but only a budget of \$9.8K.

Detailed LDI expenditure by project for the period to 31 March 2018 is reflected in the following schedule.

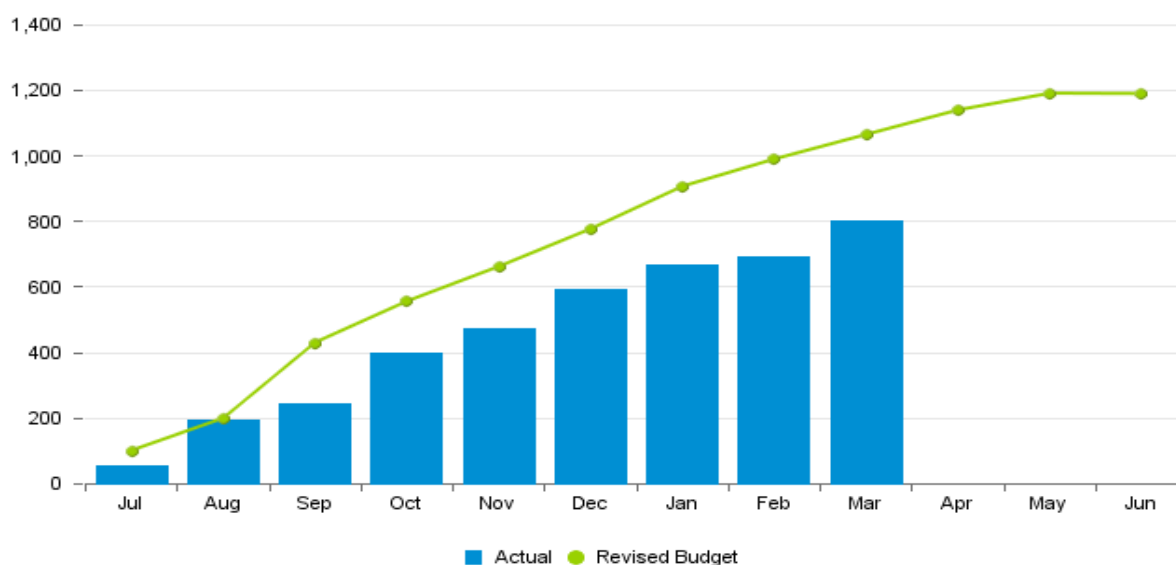
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Locally Driven Initiatives (Operating Expenditure)

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	72	72	0	96	96
ANZAC	1	0	(1)	1	1
Artworks needs assessment	10	11	1	15	15
Christmas events	10	17	7	17	17
Community and Social Economic Development	3	7	4	10	10
Community housing	15	15	0	20	20
Community response operating fund	3	26	23	35	39
Local civic functions	0	2	2	3	3
Local community grants	36	30	(6)	60	60
Local events fund	14	11	(3)	15	15
Supporting Maori outcomes and events	3	11	8	15	15
Volunteers day	0	2	2	2	2
Youth Council	15	11	(4)	15	15
Total Local community services	183	216	33	304	308
Coastal assessment for wildlife on coastal walkway	4	5	1	5	0
Little Oneroa action plan implementation	24	24	0	24	24
Pest management - community delivered	14	25	11	40	40
Total Local environmental management	42	54	12	69	64

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Ecological restoration in partnership with community	150	105	(45)	150	150
Feasibility study for swimming pool	7	70	63	100	100
LDI Volunteers parks	5	6	1	8	8
Matiatia - Longer term implementation of Matiatia Gateway masterplan	0	35	35	50	50
Parks strategic fund	3	14	11	20	20
Total Local parks, sport and recreation	164	230	66	328	328
Walking and Cycling promotion	0	15	15	20	20
Total Local planning and development	0	15	15	20	20
Total	389	514	125	720	720

Capital Expenditure (\$000) for FY 2018



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	135	164	29	183	270
Local parks, sport and recreation	665	901	236	1,008	1,365
Total Capital Expenditure	800	1,065	265	1,191	1,635

Seventy five percent, of the year to date budgeted capital, has been spent as at 31 March 2018. This translates to a 67% delivery against the full year capital budget. Capital programmes forecast seem to be on track to achieve the budgeted spend of \$1.2m by financial year end.

Capital projects underway include the Artworks Theatre ventilation and waterproofing renewal and various walkway and track renewals across the island. Two-thirds of the renewal of the path, structures and eastern trails are envisaged to be complete by this financial year end. The Artworks Building reroofing of the main building and renewal of HVAC systems have been completed.

The board has \$257K of unallocated LDI Capex budget available for allocation to future projects.

The Picnic Bay Reserve Rock revetment seawall project has been put on hold awaiting resource consents process completion. Some of the capital projects have been moved to FY 2018/19 for delivery, which includes the Onetangi Domain field 2 lighting (\$200K) and a portion of the allocated LDI Capex projects (\$129K)

The detailed capital expenditure by project for the period to 31 March 2018 is reflected in the following schedule.

Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Art facility renewals	123	164	41	183	270
ACE - Leases renewals	12	0	(12)	0	0
Community services (GoA)	135	164	29	183	270
Parks - Asset renewals	594	759	165	849	800
Greenway and walkway development	16	68	52	76	0
Locally driven initiatives (LDI Capex)	38	56	18	63	357
Off-street parking upgrades	0	12	12	14	0
Parks - Sports fields renewals	0	6	6	7	7
Local improvement projects (LIPS)	15	0	(15)	0	0
Open space development	1	0	(1)	0	0
Sport development	0	0	0	0	200
Parks sport and recreation (GoA)	665	901	236	1,008	1,365
Total	799	1,065	266	1,191	1,635

Subsidies and grants for capital expenditure	0	0	0	0	0
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