

Appendix C Financial Performance – Māngere-Ōtāhuhu Local Board

Financial Summary

Account	Year to Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	733	766	(33)	1,518	1,518
Operating revenue (LDI)	0	20	(20)	40	40
Operating expenditure (ABS)	8,019	7,962	(57)	15,393	15,460
Operating expenditure (LDI)	604	682	78	2,173	2,094
Operating expenditure (LGS)	512	512	0	1,024	1,024
Net Cost of Service	8,402	8,370	(32)	17,033	17,020
Capital expenditure	1,398	1,376	(22)	4,821	3,615

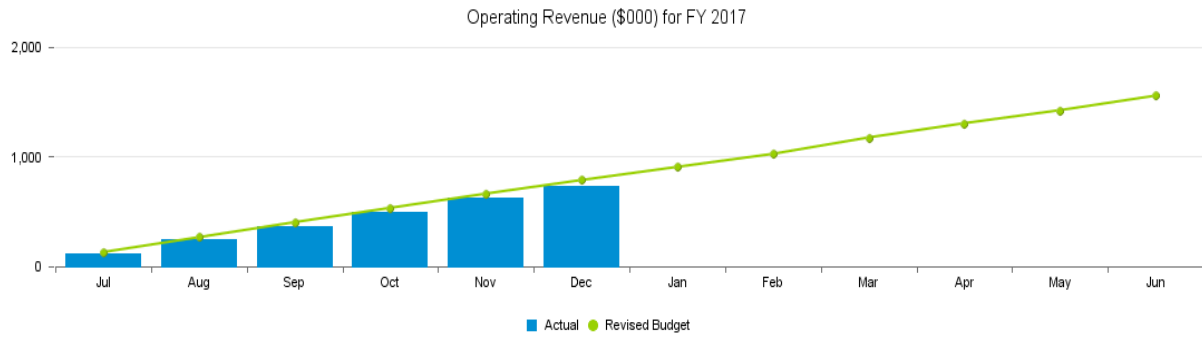
Mangere-Ōtāhuhu Local Board has invested \$1.4m in capital expenditure and \$8.4m in operating expenditure for the six months ending 31 December 2016

Net Cost of Service is near target. Revenue is slightly lower than phased budget due to lower revenue from leisure facilities while revenue from Youth Connections programmes is pending. Overall operating expenditure is on target.

Capital delivery performance is on track with the completion of the Otahuhu Library refurbishment and some variations in capital delivery between different projects.

Since adoption of the Annual plan, a review on delivery of capital projects for the year has been made including unspent budget from previous year. The revised budget reflects these changes as well as additional budget for growth projects. Details are in capital expenditure – all projects. The operational expenditure has also been revised and to reflect the LDI opex approved to be carried forward.

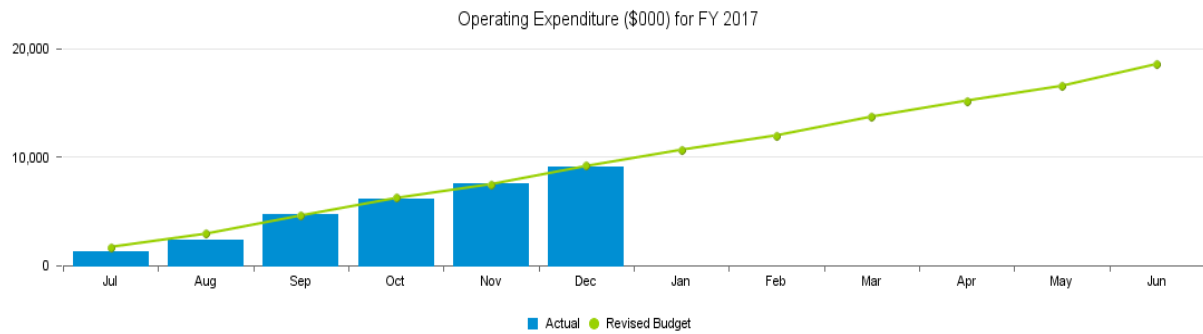
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	219	184	35	369	369
Local parks, sport and recreation	514	602	(88)	1,188	1,188
Total Operating Revenue	733	786	(53)	1,557	1,557

Revenue is slightly below phased budget due to lower revenue from leisure facilities, offset by higher revenue from community centres and community halls.

Operating Expenditure



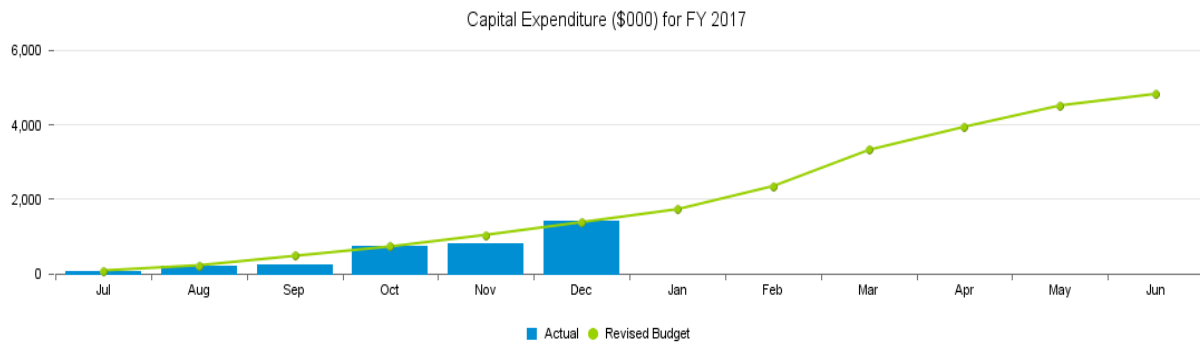
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	3,867	3,925	58	7,941	7,742
Local environmental management	33	56	23	188	188
Local governance	512	512	0	1,024	1,024
Local parks, sport and recreation	3,771	3,724	(47)	7,932	7,999
Local planning and development	952	939	(13)	1,505	1,625
Total Operating Expenditure	9,135	9,156	21	18,590	18,578

Overall the operating expenditure is near target.

Operating Expenditure - Locally Driven Initiatives

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services					
Accessibility plan for facilities	5	10	5	10	0
ACE LDI Staff allocation	90	90	0	181	181
ANZAC	0	0	0	25	25
Art in public places	2	19	17	19	0
Assess options for multi-use facility in Mangere East	0	50	50	50	0
CAB Service in Otahuhu - Toia	0	0	0	26	26
Capacity building programme	26	25	(1)	50	50
CCTV and town centre safety initiatives	144	71	(73)	262	142
Community Arts Programmes	0	50	50	100	100
Community Gardens	5	8	3	15	15
Community Places programme LDI top up	1	5	4	9	9
Community response operating fund	26	20	(6)	40	40
Community safety	2	20	18	40	40
Community volunteer awards	0	15	15	15	15
Extended Library hours	37	0	(37)	75	75
Local civic functions	1	5	4	10	10
Local community grants	68	106	38	210	207
Local events fund	46	37	(9)	76	78
Mangere Arts Centre business plan initiatives delivery	5	35	30	70	70
Signature Arts and cultural event	30	0	(30)	60	60
Teaching Gardens Otahuhu	0	6	6	12	12
Youth connections across Auckland	45	30	(15)	60	60
Youth programmes community development	1	5	4	10	10
Total Local community services	535	606	71	1,424	1,225
Local environmental management					
Develop Industry Pollution Programme (continuation)	0	5	5	25	25
Environment initiatives including Manukau Harbour and Tamaki Estuary	23	37	14	135	135
Manukau Harbour forum contribution	0	0	0	8	8
Southern recycling centre options development	10	14	4	20	20
Total Local environmental management	33	56	23	188	188
Local parks, sport and recreation					
Facility Partnership Programme	0	0	0	150	150
Green assets (Mangere-Otahuhu)	1	0	(1)	20	20
LDI Programme Events in local parks	16	0	(16)	50	50
LDI Volunteers parks	1	0	(1)	30	30
Mangrove management and removal	0	0	0	160	160
Total Local parks, sport and recreation	18	0	(18)	410	410
Local planning and development					
LDI Heritage Survey	0	0	0	40	40
Local economic development planning - BID top up	0	0	0	0	120
Local Economic Development Program	18	0	(18)	50	50
World Masters Games	0	0	0	20	20
Young Enterprise Scheme	0	0	0	1	1
Total Local planning and development	18	0	(18)	111	231
TOTAL	604	662	58	2,133	2,054

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	74	170	96	370	333
Local parks, sport and recreation	994	962	(32)	2,693	1,575
Local planning and development	330	244	(86)	1,758	1,707
Total Capital Expenditure	1,398	1,376	(22)	4,821	3,615

Capital delivery performance is on track with the completion of the Otahuhu Library refurbishment and some variations in capital delivery between different projects.

The focus of the capital expenditure is asset renewals in parks and the town centre revitalisation project. The Otahuhu swimming pool development project is above phased budget due to Watercare infrastructure growth charges for the increase in water demand.

The revised capex budget has been updated to take into account budget allocation for growth projects in greenway and walkway development and general park development.

Capital projects - Details

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	12	92	80	223	203
ACE - Art facility renewals	32	65	33	116	106
Local library renewals	20	9	(11)	23	23
ACE - Community house and centre renewals	10	4	(6)	9	0
Total Local community services	74	170	96	371	332
Parks - Asset renewals	300	361	(62)	877	692
Swimming Pool Development (Otahuhu)	597	179	(418)	413	0
Greenway and walkway development	12	105	93	363	0
Leisure facility building renewals	67	102	35	252	194
Parks - Coastal asset renewals	0	81	81	201	201
Locally driven initiatives (LDI Capex)	1	73	72	362	456
General park development	10	50	40	200	0
Playscape development	0	6	6	25	0
Sport development	5	5	0	0	31
Leisure facility equipment renewals	3	0	(3)	0	0
Total Local parks, sport and recreation	995	962	(33)	2,693	1,574
Town Centre Revitalisation	330	244	(86)	1,758	1,707
Total Local planning and development	330	244	(86)	1,758	1,707
	1,399	1,376	(23)	4,820	3,614

Funding Impact Statement – Māngere-Ōtāhuhu Local Board

For the 6 months ended 31 December 2016

\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		18,124	18,129	18,129	18,001
Targeted rates		1,503	1,506	1,506	1,467
Subsidies and grants for operating purposes		23	45	71	38
Fees and charges		667	691	1,359	1,299
Local authorities fuel tax, fines, infringement fees and other receipts		43	49	128	262
Total operating funding		20,360	20,420	21,193	21,067
Applications of operating funding:					
Payment to staff and suppliers		8,486	8,589	17,385	16,576
Finance costs		508	508	1,078	1,208
Internal charges and overheads applied		1,349	1,349	2,697	2,766
Other operating funding applications		-	-	-	-
Total applications of operating funding		10,343	10,446	21,160	20,550
Surplus (deficit) of operating funding		10,017	9,974	33	517
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(8,619)	(8,598)	3,581	1,495
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(8,619)	(8,598)	3,581	1,495
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		325	256	31	248
- to improve the level of service		298	89	-	422
- to replace existing assets		775	1,031	3,583	1,342
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		1,398	1,376	3,614	2,012
Surplus (deficit) of capital funding		(10,017)	(9,974)	(33)	(517)
Funding balance		-	-	-	-