

Financial Performance

Financial Summary

Account	Year to Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	106	108	(2)	215	215
Operating expenditure (ABS)	1,626	1,879	253	4,548	4,862
Operating expenditure (LDI)	318	151	(167)	718	720
Operating expenditure (LGS)	426	426	0	852	852
Net Cost of Service	2,264	2,348	84	5,903	6,219

Subsidies and grants for capital expenditure	0	0	0	0	0
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Capital expenditure	757	1,009	252	2,394	1,987
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Waiheke Local Board has invested \$757k in capital expenditure and \$2.3m in net operating expenditure for the second quarter ended 31 December 2016.

The majority of the capital investment has been in the parks, sport and recreation activity (\$741k).

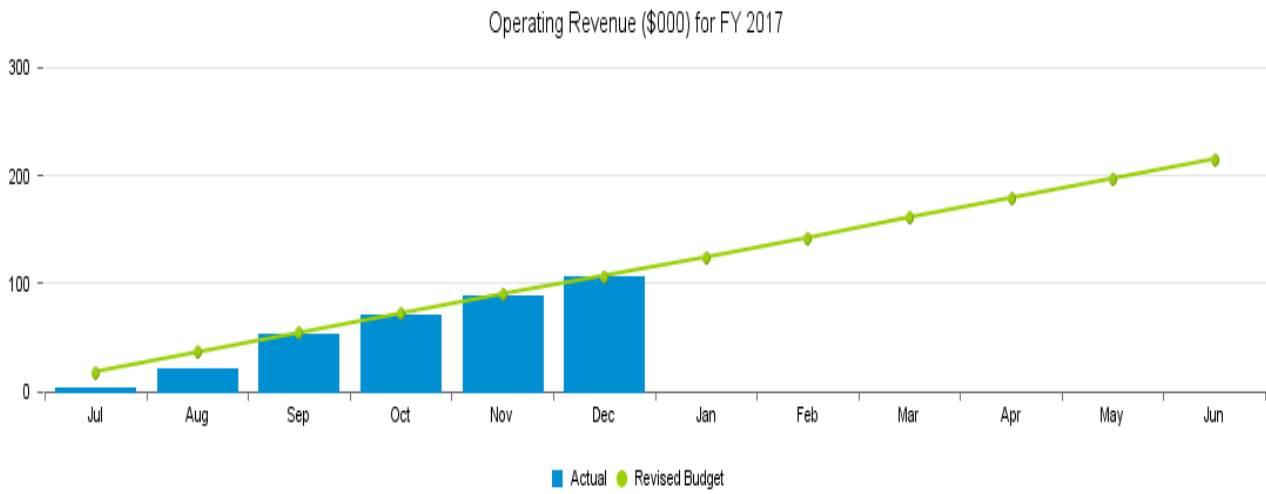
Since adoption of the 2017 Annual Plan, there has been a review of the previous year's capital projects. The revised budget reflects projects that were in progress at 30 June 2016 which have been added to the current year's program.

Net cost of service is tracking close to budget. The underspend in asset based expenditure of \$245K is offset by an overspend in locally delivered initiative opex of \$167k.

Both variances arise due to the monthly spread of the annual budget which does not accurately reflect the timing of the work program. Spend is anticipated to be within the total budget allocation for the year.

Revenue is on target and only slightly below budget.

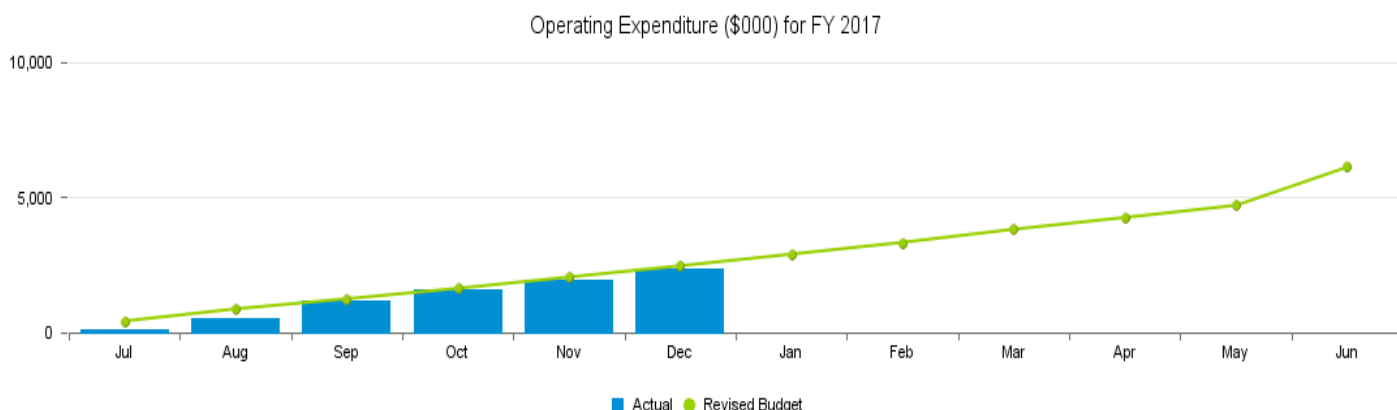
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	106	108	(2)	215	215
Total Operating Revenue	106	108	(2)	215	215

Operating revenue is in line with budget.

Operating Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	722	785	63	1,582	1,582
Local environmental management	18	14	(4)	41	58
Local governance	426	426	0	852	852
Local parks, sport and recreation	1,184	1,224	40	3,627	3,912
Local planning and development	20	6	(14)	16	30
Total Operating Expenditure	2,370	2,455	85	6,118	6,434

While the overall expenditure variance is \$85k below budget it reflects an offset.

Locally driven initiative funded projects are running \$144k ahead of the budget due to the Te Ara Hura walkway experience project (\$50k) and the ecological restoration partnership (\$94k). The revised budget does not reflect the timing of the work program and both projects are within the total budget allocation for the year.

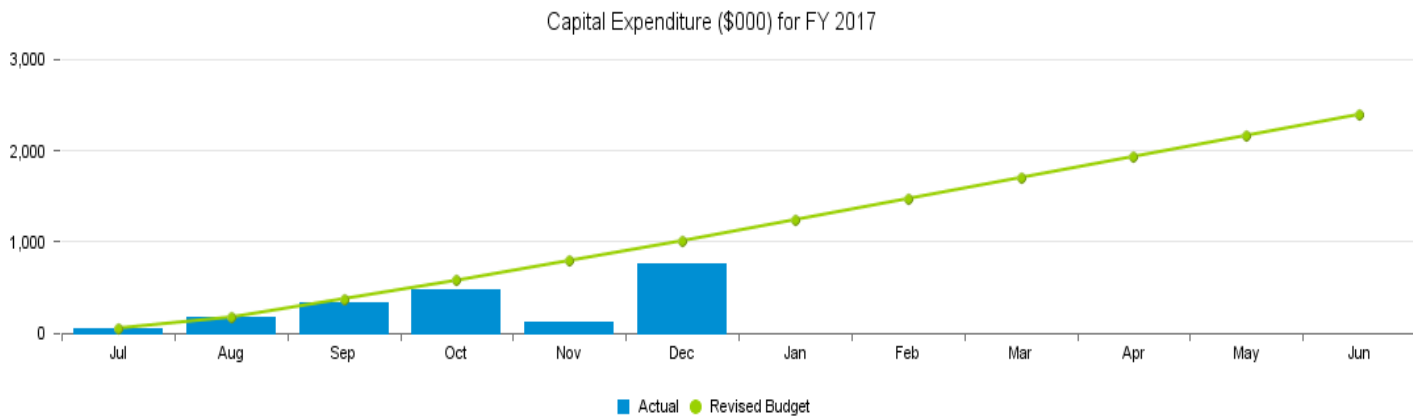
This overspend is offset by an underspend in asset based activities. Lower overhead costs for the library make up the underspend in community expenditure (\$60k) while the full facility parks contract (\$185k) contributes to the parks, sport and recreation underspend.

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

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services					
ACE LDI Staff allocation	48	48	0	96	96
ANZAC	0	0	0	1	1
Business mentoring and growth programme	0	5	5	10	10
Christmas events	8	17	9	17	17
Community housing	0	5	5	10	10
Community response operating fund	0	0	0	55	55
Fees and charges subsidy	4	5	1	10	10
Local civic functions	0	1	1	3	3
Local community grants	29	16	(13)	40	40
Local events fund	31	10	(21)	20	20
Sculpture on the Gulf	0	10	10	10	10
Supporting Maori outcomes and events	0	5	5	10	10
Volunteers day	0	1	1	2	2
Youth Coordinator	5	3	(2)	5	5
Youth Council	10	5	(5)	10	10
Total Local community services	136	131	(5)	298	298
Local environmental management					
Coastal assessment for wildlife on coastal walkway	6	5	(1)	5	5
Little Oneroa action plan implementation	12	9	(3)	24	24
Marine research and education ECAP (Empowered Communities Approach)	0	0	0	12	0
Total Local environmental management	18	14	(4)	41	29
Local parks, sport and recreation					
Ecological restoration in partnership with community	94	0	(94)	150	150
Feasibility study for swimming pool	0	0	0	100	100
LDI Volunteers parks	1	0	(1)	8	8
Matiatia - Implementing Matiatia Gateway masterplan - short term projects	50	0	(50)	50	50
Networks for walking, cycling and horse riding	0	0	0	20	20
Parks improvements	0	0	0	10	10
Parks response fund	0	0	0	25	25
Total Local parks, sport and recreation	145	0	(145)	363	363
Local planning and development					
Essentially Waiheke refresh - ECAP	0	0	0	10	10
Walking and Cycling promotion	20	6	(14)	6	20
Total Local planning and development	20	6	(14)	16	30
TOTAL	318	151	(167)	718	720

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	16	145	129	362	362
Local parks, sport and recreation	741	864	123	2,032	1,625
Total Capital Expenditure	757	1,009	252	2,394	1,987

The capital program has started well with the community and park renewal programs running slightly behind the original plan.

More detail of projects follows.

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	10	75	65	187	187
ACE - Art facility renewals	2	70	68	175	175
Library build (Waiheke)	4	0	(4)	0	0
Total Local community services	16	145	129	362	362
Parks - Asset renewals	390	573	183	1,309	1,238
Locally driven initiatives (LDI Capex)	71	99	28	228	374
Greenway and walkway development	19	78	59	216	0
Local improvement projects (LIPS)	133	51	(82)	128	0
General park development	91	34	(57)	84	0
Sports Park Pavilion Extensions (Onetangi)	35	18	(17)	33	0
Off-street parking upgrades	0	5	5	14	14
Sport development	0	5	5	20	0
Open space development	2	0	(2)	0	0
Total Local parks, sport and recreation	741	863	122	2,032	1,626
TOTAL	757	1,008	251	2,394	1,987
Subsidies and grants for capital expenditure	0	0	0	0	0

Funding impact statement

Funding Impact Statement

Waiheke

For the year 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		6,546	6,548	6,548	6,096
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		-	2	4	4
Fees and charges		15	14	28	27
Local authorities fuel tax, fines, infringement fees and other receipts		91	91	182	190
Total operating funding		6,652	6,655	6,762	6,317
Applications of operating funding:					
Payment to staff and suppliers		2,134	2,133	5,772	5,742
Finance costs		145	145	309	-
Internal charges and overheads applied		474	474	948	949
Other operating funding applications		-	-	-	-
Total applications of operating funding		2,753	2,752	7,029	6,691
Surplus (deficit) of operating funding		3,899	3,903	(267)	(374)
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(3,142)	(2,893)	2,255	1,802
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(3,142)	(2,893)	2,255	1,802
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		246	168	-	-
- to improve the level of service		36	24	14	604
- to replace existing assets		475	818	1,974	824
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		757	1,010	1,988	1,428
Surplus (deficit) of capital funding		(3,899)	(3,903)	267	374
Funding balance		-	-	-	-