

## Annual Budget 2017/18

At its business meeting on 13 December 2016, the local board agreed its indicative locally driven initiative allocations for 2017/18.

The report for Item 14 on the agenda "Annual Budget 17/18" outlined the allocation by activity for LDI opex in Attachment A.

The allocations in the attachment for local environment services and local planning and development were transposed.

The correct allocation agreed by the board prior to the 13 December meeting is contained in the table below:

<b>Activity</b>	<b>\$(000's)</b>
Local community services	815
Local parks, sports and recreation	289
Local environment services	161
Local planning and development	91
<b>Total</b>	<b>1,356</b>

## Financial Performance

### Financial Summary

Account	Year to Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,860	2,116	(256)	4,266	4,266
Operating revenue (LDI)	7	0	7	0	0
Operating expenditure (ABS)	14,761	14,942	181	27,119	28,365
Operating expenditure (LDI)	347	432	85	1,323	1,255
Operating expenditure (LGS)	516	516	0	1,033	1,033
<b>Net Cost of Service</b>	<b>13,756</b>	<b>13,774</b>	<b>18</b>	<b>25,210</b>	<b>26,387</b>

<b>Subsidies and grants for capital expenditure</b>	<b>86</b>	<b>0</b>	<b>86</b>	<b>0</b>	<b>0</b>
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<b>Capital expenditure</b>	<b>6,102</b>	<b>6,007</b>	<b>(95)</b>	<b>15,325</b>	<b>12,583</b>
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Waitematā Local Board has invested \$6.1m in capital expenditure and \$13.8m net operating expenditure to the end of December 2016.

The net cost of service is tracking to budget but operating revenue is below budget, offset by lower operating expenditure.

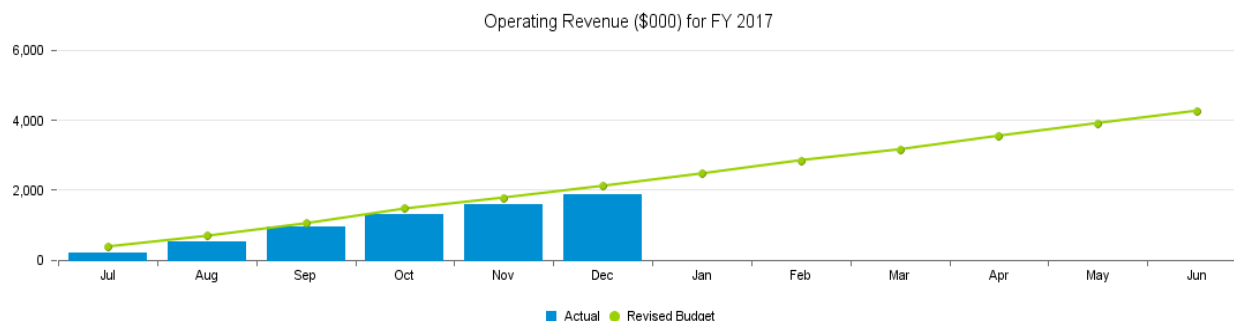
Operating revenue is \$256k below budget. Tepid Baths revenue targets are not being achieved with a combined variance for both fitness and aquatic services of \$153k. Studio One Toi Tū hireage revenue is \$82k below budget due to revenue targets not being met.

Operating expenditure for asset based services is \$181k below budget, offsetting the lower revenue to date. Tepid Baths have managed to keep costs below budget. The budget assumed that the redeveloped Ellen Melville Centre would be operational for the whole year. The Centre is still under refurbishment so the full year asset based budget will not be utilised.

Operating expenditure LDI is tracking below budget and when compared with the full year budget only a small proportion has been spent to date. Some of the larger allocations made to for the arts and community grants are programmed for the second half of the year. In Parks there are commitments in place for Symonds Street Cemetery and local restoration projects to restore the urban forest. Again this work is programmed for the second half of the year and budgets will be monitored to ensure funds are utilised this financial year.

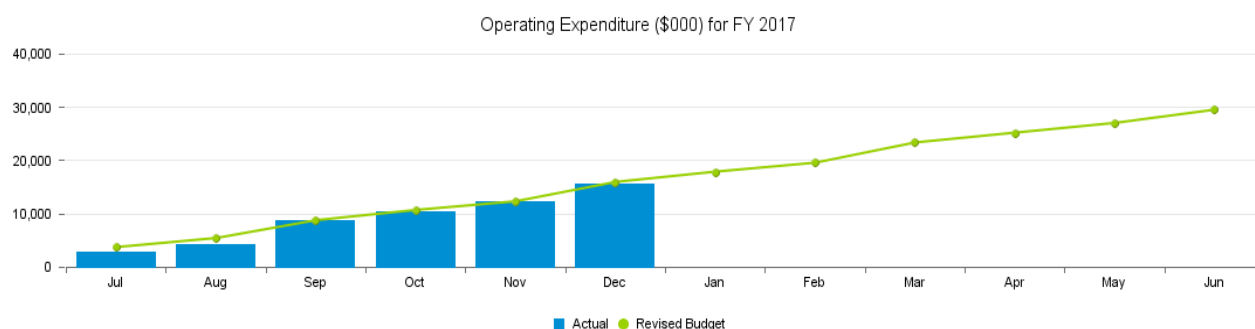
Capital investment for the first six months was \$6.1m which is tracking just below the budget to date. The majority of the investment has taken place in the renewal of parks assets and the redevelopment of the Ellen Melville Centre.

## Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	907	982	(75)	2,004	2,004
Local parks, sport and recreation	960	1,134	(174)	2,262	2,262
<b>Total Operating Revenue</b>	<b>1,867</b>	<b>2,116</b>	<b>(249)</b>	<b>4,266</b>	<b>4,266</b>

## Operating Expenditure



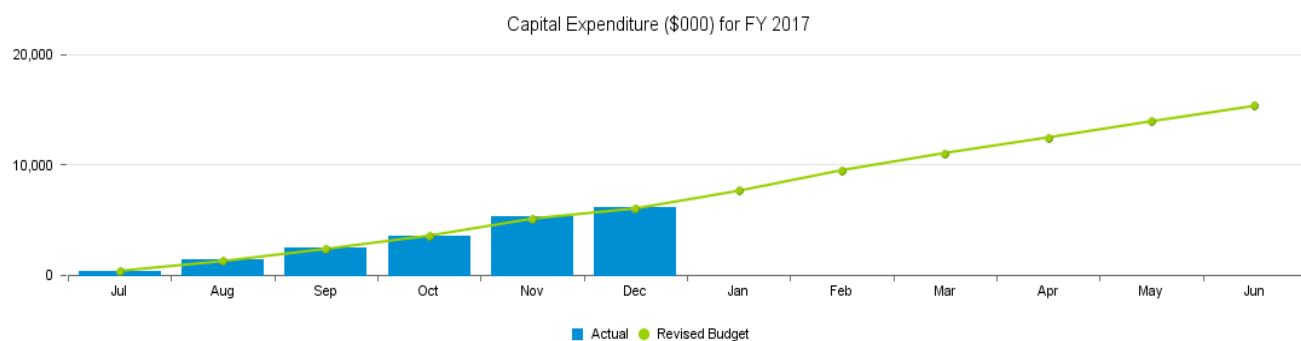
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	4,072	4,314	242	8,403	8,403
Local environmental management	8	9	1	56	118
Local governance	516	516	0	1,033	1,033
Local parks, sport and recreation	5,355	5,358	3	12,280	13,372
Local planning and development	5,672	5,693	21	7,703	7,726
<b>Total Operating Expenditure</b>	<b>15,623</b>	<b>15,890</b>	<b>267</b>	<b>29,475</b>	<b>30,652</b>

## LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
<b>Local community services</b>					
ACE LDI Staff allocation	107	107	0	214	214
ANZAC	0	0	0	5	5
Community Arts Programmes	0	38	38	75	75
Community Christmas events	7	7	0	7	7
Community Gardens	0	3	3	6	6
Community group assistance	(24)	63	87	125	125
Community volunteer awards	0	5	5	5	5
Empowered communities	0	15	15	30	30
Events partnerships fund	25	42	17	83	83
Extended Library hours	1	0	(1)	3	3
Grey Lynn Community Centre top up	20	20	0	20	20
Inner-city community group network	0	3	3	5	5
Local civic functions	2	4	2	8	8
Local community grants	56	42	(14)	125	125
Local event development	45	12	(33)	25	25
Local events fund	18	8	(10)	15	15
Parnell Festival of Roses	12	33	21	33	33
Waitemata Local Board Accessibility Plan	0	3	3	5	5
Youth Council	2	5	3	10	10
Youth Hub feasibility	0	8	8	15	15
<b>Total Local community services</b>	<b>271</b>	<b>414</b>	<b>143</b>	<b>813</b>	<b>813</b>
<b>Local environmental management</b>					
Deliver local restoration projects to restore the urban forest	0	0	0	0	70
Low Carbon Action Plan Implementation Plan	8	9	1	48	40
Waipapa Stream restoration and ecological project	0	0	0	8	8
<b>Total Local environmental management</b>	<b>8</b>	<b>9</b>	<b>1</b>	<b>56</b>	<b>118</b>
<b>Local parks, sport and recreation</b>					
Deliver local restoration projects to restore the urban forest	37	0	(37)	70	0
Facility Partnership Programme	0	0	0	20	20
Friends of Parks and Advisory Groups	0	0	0	5	5
Grey Lynn changing rooms(hire of	4	0	(4)	6	6

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
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LDI Volunteers parks	4	0	(4)	10	10
Local plan for MOTAT, Western Springs, Auckland Zoo and Seddon Fields	0	0	0	20	0
Park improvement projects	1	0	(1)	0	0
Rose Road Gully - weed clearance and replanting	0	0	0	8	8
Symonds Street Cemetery	16	0	(16)	90	90
Symonds Street Cemetery - Maintenance of gravestones	2	0	(2)	0	0
Western Springs native bush restoration plan	(7)	0	7	186	122
<b>Total Local parks, sport and recreation</b>	<b>58</b>	<b>0</b>	<b>(58)</b>	<b>415</b>	<b>261</b>
<b>Local planning and development</b>					
Community response operating fund	0	0	0	31	31
Local Economic Development Program	4	9	5	9	32
<b>Total Local planning and development</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>40</b>	<b>63</b>
<b>TOTAL</b>	<b>340</b>	<b>432</b>	<b>92</b>	<b>1,323</b>	<b>1,255</b>

## Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	262	1,177	915	2,693	249
Local parks, sport and recreation	4,436	3,023	(1,413)	6,521	7,560
Local planning and development	1,404	1,807	403	6,111	4,774
<b>Total Capital Expenditure</b>	<b>6,102</b>	<b>6,007</b>	<b>(95)</b>	<b>15,325</b>	<b>12,581</b>

## Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Library refurbishment (Central City)	92	736	644	1,618	0
Local library renewals	48	319	271	780	51
ACE - Community house and centre renewals	19	52	33	125	109
ACE - Leases renewals	2	33	31	82	0
Library furniture and fitting renewals	3	32	29	75	75
ACE - Art facility renewals	1	6	5	14	14
Canopy and street toilet renewals	83	0	-83	0	0
Locally driven initiatives (LDI Capex)	14	0	-14	0	0
<b>Total Local community services</b>	<b>262</b>	<b>1,178</b>	<b>916</b>	<b>2,694</b>	<b>249</b>
Parks - Asset renewals	2,064	864	-1,200	1,519	1154
Leisure facility building renewals	709	821	112	1,935	1,820
Coastal walkway (Weona-Westmere)	640	419	-221	679	362
Fukuoka gardens	370	391	21	968	37
Sport development	483	226	-257	526	126
Upgrade (Myers Park)	76	156	80	340	3,343
Playscape development	0	52	52	127	0
Greenway and walkway development	0	28	28	69	0
Local improvement projects (LIPS)	0	28	28	71	0
Locally driven initiatives (LDI Capex)	40	26	-14	256	718
General park restoration (SH16/20)	0	9	9	23	0
General facility renewals	0	3	3	7	0
Leisure facility equipment renewals	8	0	-8	0	0
Various parks projects - AT funded	46	0	-46	0	0
<b>Total Local parks, sport and recreation</b>	<b>4,437</b>	<b>3,023</b>	<b>-1,414</b>	<b>6,520</b>	<b>7,560</b>
Redevelopment (Pioneer Women's and Ellen Melville Hall)	1,314	1,807	493	4,686	3,349
Development (Newmarket)	16	0	-16	1,425	1,425
Downtown public spaces	74	0	-74	0	0
<b>Total Local planning and development</b>	<b>1,404</b>	<b>1,807</b>	<b>403</b>	<b>6,111</b>	<b>4,774</b>
<b>TOTAL</b>	<b>6,103</b>	<b>6,008</b>	<b>-95</b>	<b>15,325</b>	<b>12,583</b>

## Funding impact statement

<b>Funding Impact Statement</b>					
<b>Waitemata</b>					
<b>For the year ended 31 December 2016</b>					
<b>\$000</b>	<b>Notes</b>	<b>Actual 2017</b>	<b>Revised Budget 2017</b>	<b>Annual Plan 2017</b>	<b>Long term Plan 2016</b>
<b>Sources of operating funding:</b>					
General rates, UAGC, rates penalties		22,954	22,960	22,960	24,479
Targeted rates		7,432	7,432	7,432	7,352
Subsidies and grants for operating purposes		6	7	15	15
Fees and charges		1,114	1,373	2,791	2,266
Local authorities fuel tax, fines, infringement fees and other receipts		748	735	1,460	1,772
<b>Total operating funding</b>		<b>32,254</b>	<b>32,507</b>	<b>34,658</b>	<b>35,884</b>
<b>Applications of operating funding:</b>					
Payment to staff and suppliers		14,648	14,881	28,523	30,069
Finance costs		923	923	1,959	1,584
Internal charges and overheads applied		2,047	2,047	4,093	4,089
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding</b>		<b>17,618</b>	<b>17,851</b>	<b>34,575</b>	<b>35,742</b>
<b>Surplus (deficit) of operating funding</b>		<b>14,636</b>	<b>14,656</b>	<b>83</b>	<b>142</b>
<b>Sources of capital funding:</b>					
Subsidies and grants for capital expenditure		86	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(8,619)	(8,649)	12,498	13,612
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding</b>		<b>(8,533)</b>	<b>(8,649)</b>	<b>12,498</b>	<b>13,612</b>
<b>Applications of capital funding:</b>					
Capital expenditure:					
- to meet additional demand		557	412	133	202
- to improve the level of service		1,805	1,801	6,833	6,906
- to replace existing assets		3,741	3,794	5,615	6,646
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
<b>Total applications of capital funding</b>		<b>6,103</b>	<b>6,007</b>	<b>12,581</b>	<b>13,754</b>
<b>Surplus (deficit) of capital funding</b>		<b>(14,636)</b>	<b>(14,656)</b>	<b>(83)</b>	<b>(142)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>