

## Financial Performance

### Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	4,344	4,784	(440)	5,903	5,903
Operating expenditure (ABS)	10,572	10,791	219	14,245	14,223
Operating expenditure (LDI)	766	743	(23)	1,407	1,363
Operating expenditure (LGS)	810	810	0	1,080	1,080
<b>Net Cost of Service</b>	<b>7,803</b>	<b>7,559</b>	<b>(244)</b>	<b>10,829</b>	<b>10,763</b>

<b>Capital expenditure</b>	<b>5,291</b>	<b>4,903</b>	<b>(388)</b>	<b>7,731</b>	<b>7,457</b>
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Kaipātiki Local Board's net operating expenditure of \$7.8m at the end of March 2017 is 3% over budget.

Operating revenue is below the year to date budget and forecast to remain below budget at year end. Glenfield and Birkenhead Leisure Centres have had their revenue targets increased considerably (10% increase) this year and both centres are unable to meet the optimistic targets. Glenfield Leisure Centre continues to perform well with both fitness and aquatics activities remaining profitable.

Operating expenditure for asset based services is \$219k below budget. This variance is related to lower library staffing costs reported across the region to date and also the Northcote BID related payments due to council's involvement with the management of the BID.

The locally driven initiatives (LDI) operational budget to date is tracking in line with budget. There are still unallocated funds in the total budget, but there are a large number of grant applicants and initiatives to be considered that will utilise any remaining budget.

Capital expenditure is ahead of budget. The Marlborough Park Youth Facility has been completed and opened. The capital budget for this project requires re-phasing as approximately 50% of the budget is allocated in the next financial year. Investment in renewals of Parks assets continues to track ahead of budget with expenditure to date \$2.2m which is well ahead of the full year budget.

On 27 February the board passed the following resolution:

#### **Resolution number KT/2017/25**

**MOVED by Chairperson D Grant, seconded by Member P Gillon:**

**That the Kaipātiki Local Board:**

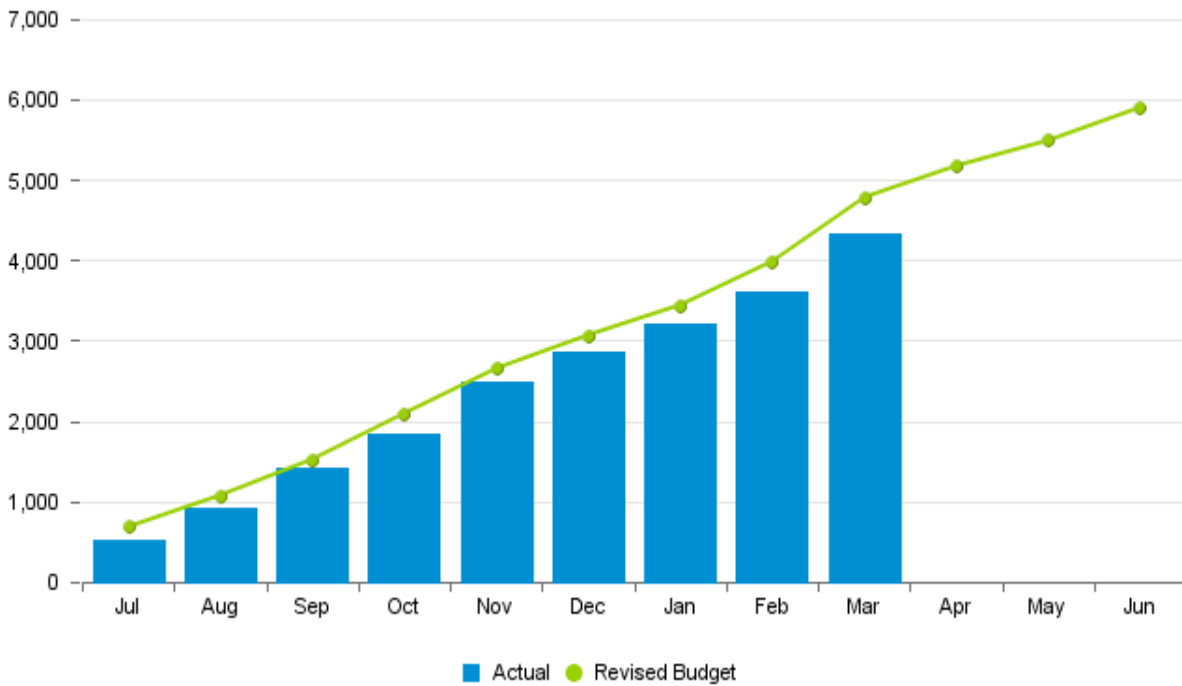
- b) request the budgets allocated to the development projects through the Long-term Plan 2015-25, including 136 Birkdale Road and Kaipātiki Connection Network Plan projects, be reinstated to the amounts approved by the local board.**
- c) request a report back from the Kaipātiki Local Board Financial Advisor on the outcome of b) above.**

As discussed at the recent annual plan workshop the budget for the Kaipātiki Connection Network plan has been reinstated with a budget of \$1,116,796.

In relation to 136 Birkdale Road, the board has received a memo from the project manager outlining the total available budget for the project being \$352,000. At the April business meeting the amended detail design was approved by the board so the project construction could commence.

## Operating Revenue

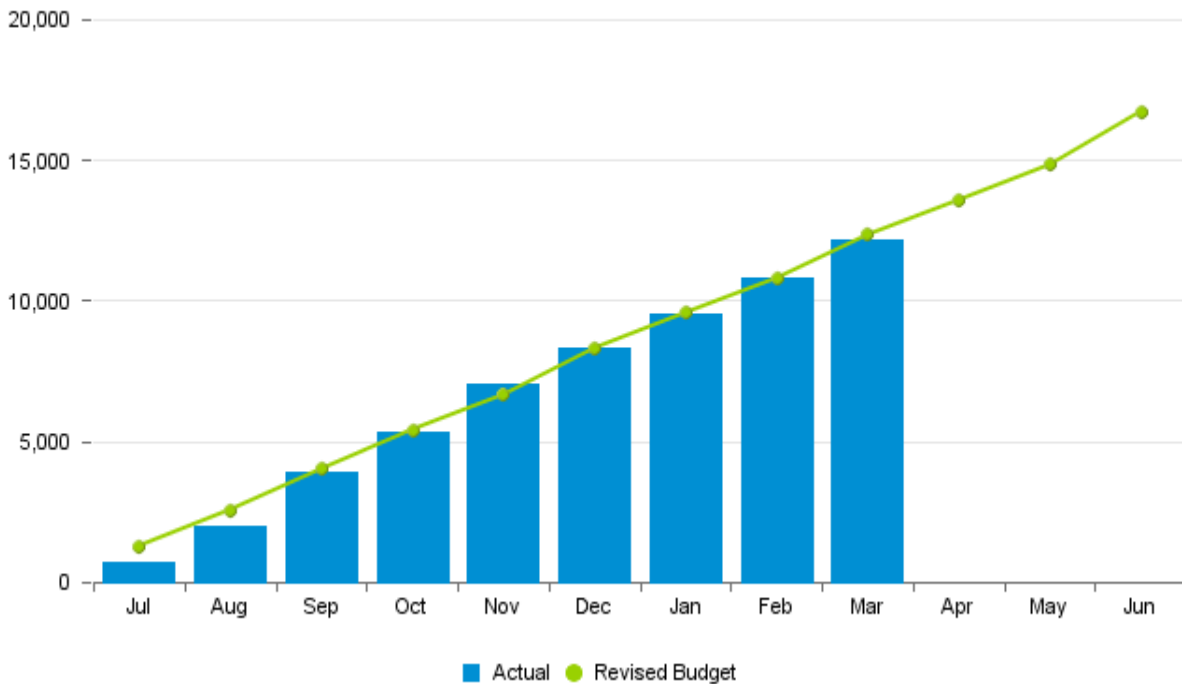
Operating Revenue (\$000) for FY 2017



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	277	279	(2)	378	378
Local parks, sport and recreation	4,068	4,506	(438)	5,525	5,525
<b>Total Operating Revenue</b>	<b>4,345</b>	<b>4,785</b>	<b>(440)</b>	<b>5,903</b>	<b>5,903</b>

## Operating Expenditure

Operating Expenditure (\$000) for FY 2017



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	3,831	3,943	112	5,433	5,387
Local environmental management	42	39	(3)	101	101
Local governance	810	810	0	1,080	1,080
Local parks, sport and recreation	6,978	6,963	(15)	9,364	9,344
Local planning and development	488	588	100	754	754
<b>Total Operating Expenditure</b>	<b>12,149</b>	<b>12,343</b>	<b>194</b>	<b>16,732</b>	<b>16,666</b>

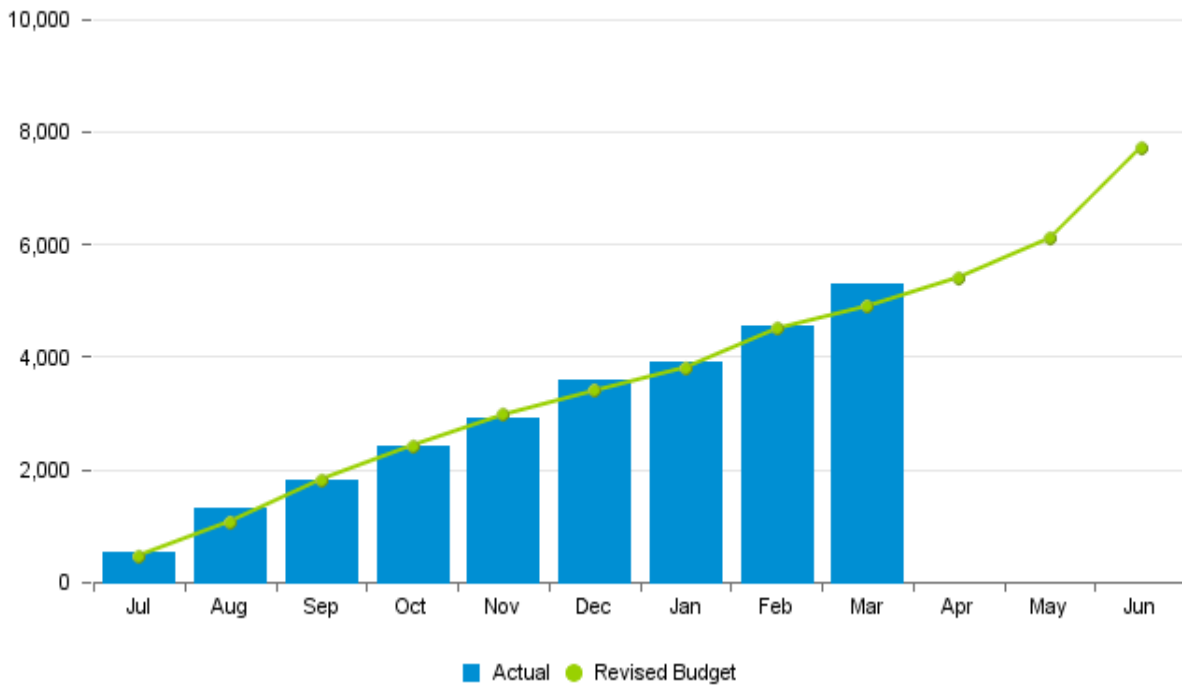
## LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	74	74	0	98	98
ANZAC	0	0	0	30	30
Christmas events	18	18	0	18	18
Community Arts Programmes	15	7	(8)	15	10
Community response operating fund	0	79	79	164	135
Community volunteer awards	0	5	5	5	5
Equity access grant	0	25	25	50	50
Event partnership	37	33	(4)	47	54
Extended Library hours	10	0	(10)	13	13
KCFT Annual grant	163	81	(82)	163	187
KCFT events	100	54	(46)	100	93
Local civic functions	2	5	3	7	7
Local community grants	29	139	110	192	212
Local events fund	0	6	6	6	0
Local Youth Employment	50	20	(30)	50	60
Secondary schools scholarship grant	8	4	(4)	8	8
Top up ABS: Community houses	66	65	(1)	86	86
Youth programmes community development	30	15	(15)	30	30
<b>Total Local community services</b>	<b>602</b>	<b>630</b>	<b>28</b>	<b>1,081</b>	<b>1,095</b>
Environment response fund LDI3	0	0	0	8	12
Kaipatiki project - environmental programmes	34	34	0	45	45
KCFT - Environment and Sustainability Programmes	8	6	(2)	8	8

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Northwest Wildlink	0	0	0	12	8
<b>Total Local environmental management</b>	<b>42</b>	<b>39</b>	<b>(3)</b>	<b>73</b>	<b>73</b>
LDI Volunteers parks	65	20	(45)	133	75
Parks response fund	3	0	(3)	6	60
Top Up ABS: Non chemical spraying/ mechanical spraying	54	54	0	54	0
<b>Total Local parks, sport and recreation</b>	<b>122</b>	<b>74</b>	<b>(48)</b>	<b>193</b>	<b>135</b>
Local economic develop planning initiate	0	0	0	30	30
Planning and Development response fund(Kaipatiki)	0	0	0	30	30
<b>Total Local planning and development</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>60</b>
<b>Total</b>	<b>766</b>	<b>743</b>	<b>(23)</b>	<b>1,407</b>	<b>1,363</b>

## Capital Expenditure

Capital Expenditure (\$000) for FY 2017



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	978	1,124	146	1,644	947
Local parks, sport and recreation	2,886	1,842	(1,044)	2,536	4,312
Local planning and development	1,427	1,937	510	3,551	2,198
<b>Total Capital Expenditure</b>	<b>5,291</b>	<b>4,903</b>	<b>(388)</b>	<b>7,731</b>	<b>7,457</b>

## Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local library renewals	92	651	559	927	423
Youth facility (Marlborough Park)	762	280	(482)	400	304
Library furniture and fitting renewals	1	70	69	100	100
ACE - Community house and centre renewals	103	66	(37)	134	39
ACE - Leases renewals	20	58	38	82	82
<b>Community services (GoA)</b>	<b>978</b>	<b>1,124</b>	<b>146</b>	<b>1,644</b>	<b>947</b>
Parks - Asset renewals	2,198	954	(1,244)	1,327	1,122
Leisure facility building renewals	231	257	26	361	315
Rewi Alley reserve toilet development	0	167	167	238	238
Parks - Sports fields renewals	68	144	76	201	201
Locally driven initiatives (LDI Capex)	37	137	100	236	1,090
Greenway and walkway development	91	101	10	90	552
General park development	8	70	62	70	782
Parks - Coastal asset renewals	148	12	(136)	12	12
Leisure facility equipment renewals	78	0	(78)	0	0
Sport development	27	0	(27)	0	0
<b>Parks sport and recreation (GoA)</b>	<b>2,886</b>	<b>1,842</b>	<b>(1,044)</b>	<b>2,536</b>	<b>4,312</b>
Viewing deck and development (Highbury)	1,189	1,396	207	1,538	0
Street upgrade (Highbury Mainstreet)	221	502	281	1,970	2,198



Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Central area upgrade (Northcote)	9	28	19	41	0
Town centre upgrade (Beach Haven)	7	11	4	3	0
<b>Planning (GoA)</b>	<b>1,427</b>	<b>1,937</b>	<b>510</b>	<b>3,551</b>	<b>2,198</b>
<b>Total</b>	<b>5,290</b>	<b>4,904</b>	<b>(386)</b>	<b>7,731</b>	<b>7,458</b>

## Funding impact statement

<b>Funding Impact Statement</b>				
<b>Kaipatiki</b>				
<b>For the year ended 31 March 2017</b>				
<b>\$000</b>	<b>Notes</b>	<b>Actual</b>	<b>Revised</b>	<b>Long Term</b>
		<b>2017</b>	<b>Budget</b>	<b>Annual Plan</b>
			<b>2017</b>	<b>2017</b>
				<b>Plan</b>
				<b>2016</b>
<b>Sources of operating funding:</b>				
General rates, UAGC, rates penalties		13,348	13,217	13,217
Targeted rates		307	307	307
Subsidies and grants for operating purposes		718	819	894
Fees and charges		3,383	3,715	4,675
Local authorities fuel tax, fines, infringement fees and other receipts		244	251	335
<b>Total operating funding</b>		<b>18,000</b>	<b>18,309</b>	<b>19,428</b>
<b>Applications of operating funding:</b>				
Payment to staff and suppliers		10,992	11,180	15,065
Finance costs		1,031	1,031	1,424
Internal charges and overheads applied		2,147	2,147	2,862
Other operating funding applications		-	-	-
<b>Total applications of operating funding</b>		<b>14,170</b>	<b>14,358</b>	<b>19,351</b>
<b>Surplus (deficit) of operating funding</b>		<b>3,830</b>	<b>3,951</b>	<b>77</b>
<b>Sources of capital funding:</b>				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		1,461	668	7,381
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
<b>Total sources of capital funding</b>		<b>1,461</b>	<b>668</b>	<b>7,381</b>
<b>Applications of capital funding:</b>				
Capital expenditure:				
- to meet additional demand		134	184	1,334
- to improve the level of service		230	690	2,740
- to replace existing assets		4,927	3,745	3,384
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
<b>Total applications of capital funding</b>		<b>5,291</b>	<b>4,619</b>	<b>7,458</b>
<b>Surplus (deficit) of capital funding</b>		<b>(3,830)</b>	<b>(3,951)</b>	<b>(77)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>