

Financial Performance

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	160	160	0	215	215
Operating expenditure (ABS)	2,427	2,976	549	4,548	4,862
Operating expenditure (LDI)	345	204	(141)	752	720
Operating expenditure (LGS)	639	639	0	852	852
Net Cost of Service	3,251	3,658	407	5,937	6,219
Subsidies and grants for capital expenditure	0	0	0	0	0
Capital expenditure	962	1,701	739	2,394	1,987

Waiheke Local Board has invested \$962k in capital expenditure and \$3.3m in net operating expenditure at the third quarter ended 31 March 2017.

The majority of the capital investment has been in the parks, sport and recreation activity (\$929k).

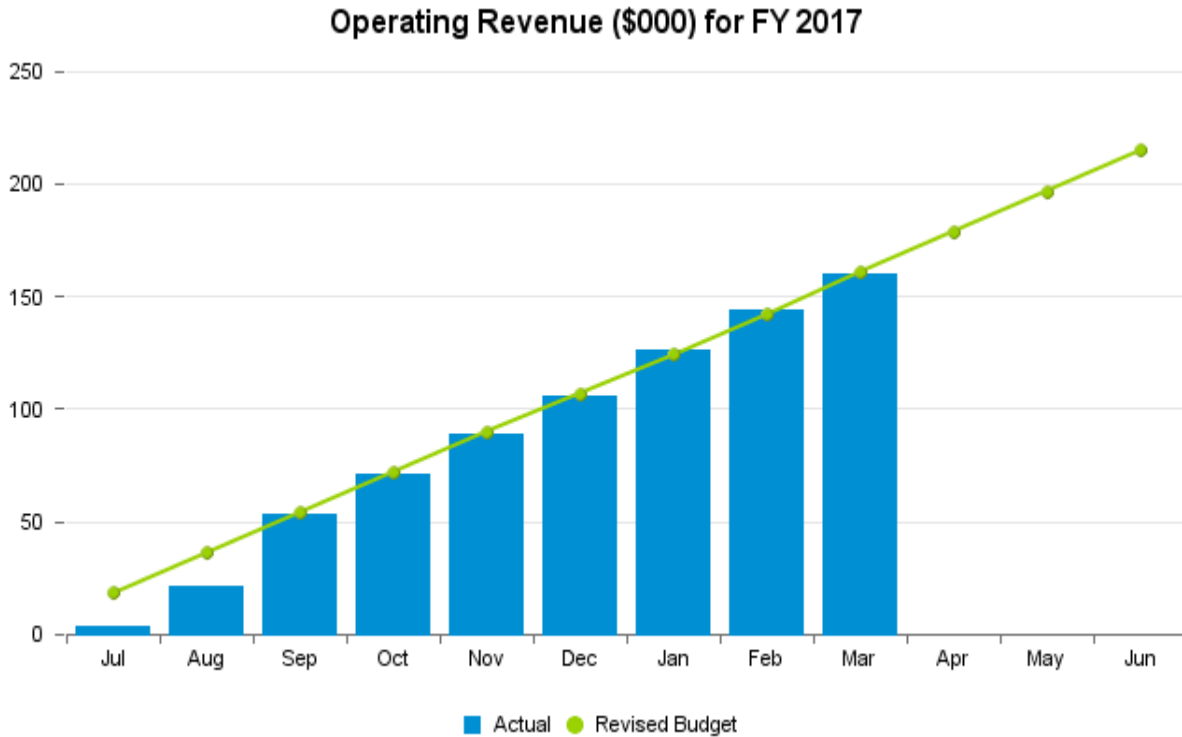
Since adoption of the 2017 Annual Plan, there has been a review of the previous year's capital projects. The revised budget reflects projects that were in progress at 30 June 2016 which have been added to the current year's programme.

Net cost of service is tracking slightly behind budget. The underspend in asset based expenditure of \$549K is partially offset by an overspend in locally delivered initiative opex of \$141k.

Both variances arise due to the monthly spread of the annual budget which does not accurately reflect the timing of the work programme. Spend is anticipated to be within the total budget allocation for the year. Work programmes are currently being reviewed and projects that are unable to be delivered will be carried forward from 2016/17 to 2017/18.

Revenue is on target and right on budget.

Operating Revenue

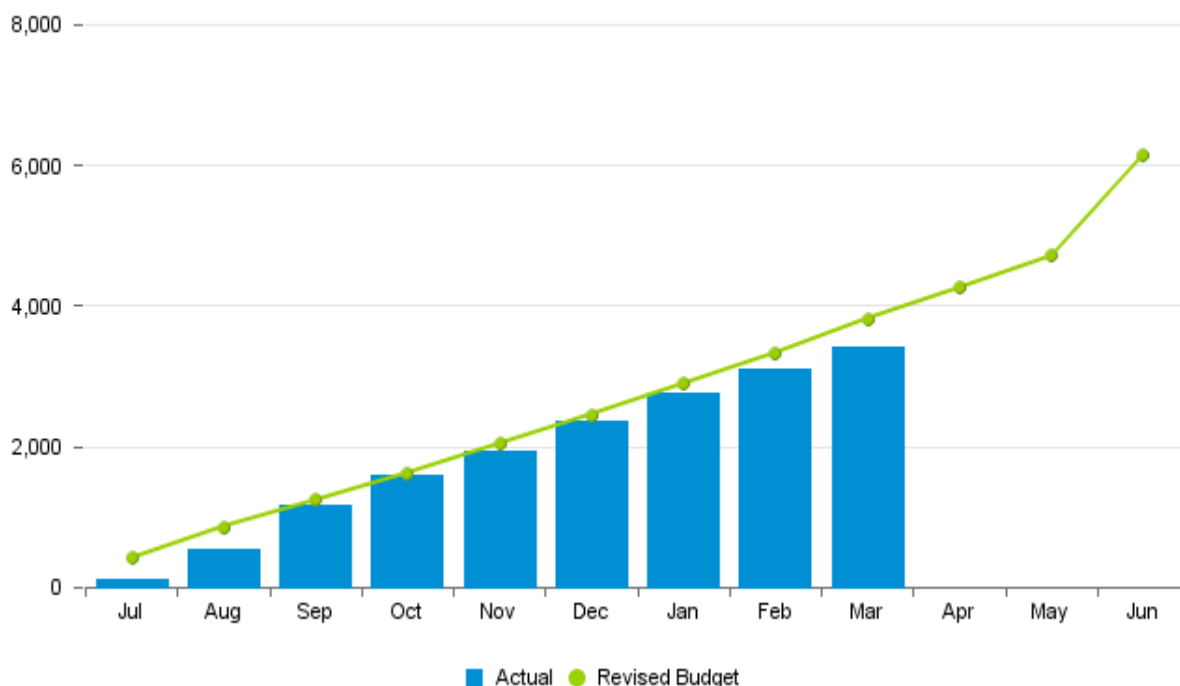


Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	160	160	0	215	215
Total Operating Revenue	160	160	0	215	215

Operating revenue is in line with budget.

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	1,052	1,139	87	1,582	1,582
Local environmental management	18	19	1	41	58
Local governance	639	639	0	852	852
Local parks, sport and recreation	1,682	2,008	326	3,627	3,912
Local planning and development	20	14	(6)	50	30
Total Operating Expenditure	3,411	3,819	408	6,152	6,434

While the overall expenditure variance is \$408k below budget it reflects an offset.

Locally driven initiative funded projects are running \$141k ahead of the budget due to the ecological restoration partnership (\$113k) and small variances relating to a number of other projects. The revised budget does not reflect the timing of the work programme and 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 (\$198k) while the full facility parks contract (\$295k) contributes to the parks, sport and recreation underspend.

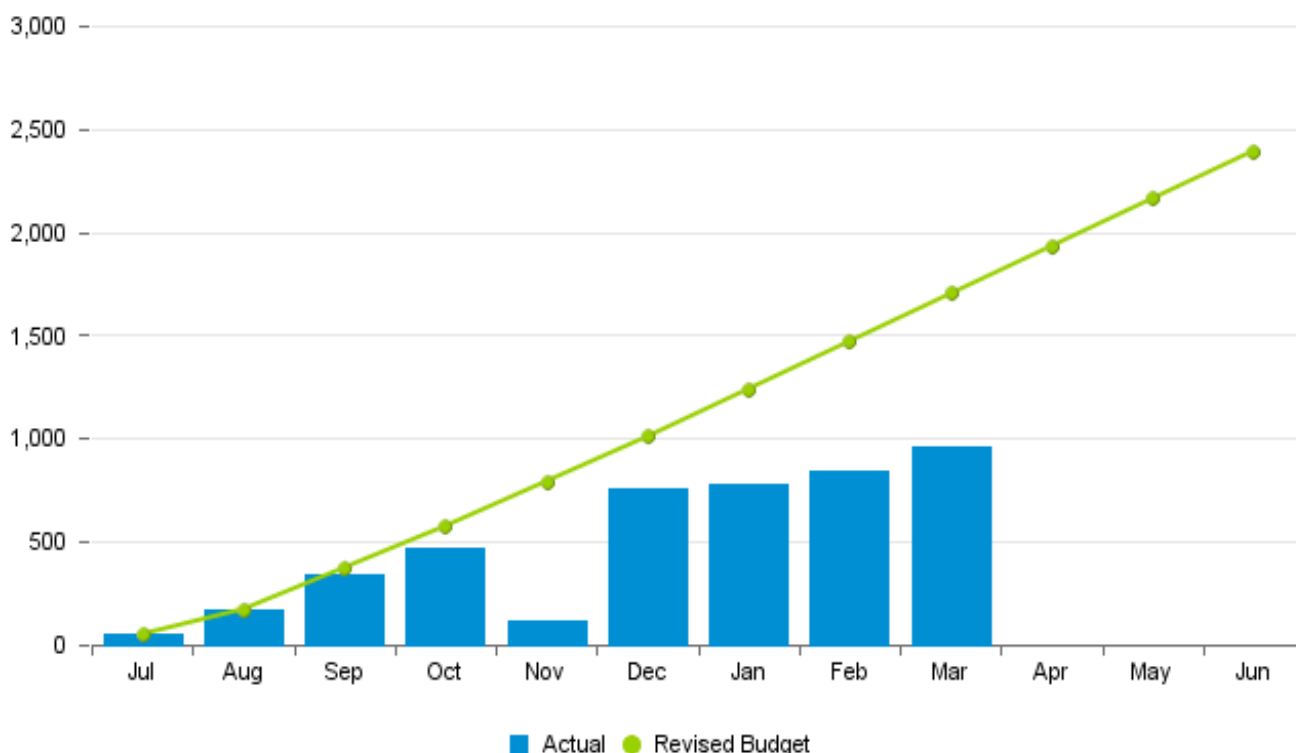
The detailed LDI expenditure by project for the period to 31 March 2017 is reflected in the following schedule.

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	72	72	0	96	96
ANZAC	1	0	(1)	1	1
Business mentoring and growth programme	0	5	5	10	10
Christmas events	12	17	5	17	17
Community housing	10	5	(5)	10	10
Community response operating fund	5	0	(5)	55	55
Fees and charges subsidy	4	7	3	10	10
Local civic functions	0	2	2	3	3
Local community grants	25	24	(1)	40	40
Local events fund	32	15	(17)	20	20
Sculpture on the Gulf	0	10	10	10	10
Supporting Maori outcomes and events	5	5	0	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	182	171	(11)	298	298
Coastal assessment for wildlife on coastal walkway	6	5	(1)	5	5
Little Oneroa action plan implementation	12	14	2	24	24
Marine research and education ECAP (Empowered Communities Approach)	0	0	0	12	0
Total Local environmental management	18	19	1	41	29
Ecological restoration in partnership with community	113	0	(113)	150	150
Feasibility study for swimming pool	0	0	0	100	100
LDI Volunteers parks	3	0	(3)	8	8
Matiatia - Implementing Matiatia Gateway masterplan - short term projects	0	0	0	50	50
Networks for walking, cycling and horse riding	0	0	0	20	20
Park improvement projects	10	0	(10)	10	10
Parks response fund	0	0	0	25	25
Total Local parks, sport and recreation	125	0	(125)	363	363
Essentially Waiheke refresh - ECAP	0	0	0	10	10
Walking and Cycling promotion	20	14	(6)	40	20
Total Local planning and development	20	14	(6)	50	30
Total	345	204	(141)	752	720

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	33	253	220	362	362
Local parks, sport and recreation	929	1,448	519	2,032	1,625
Total Capital Expenditure	962	1,701	739	2,394	1,987

The capital program is progressing well with the community and park renewal programs running slightly behind the original plan. Departmental forecasts for the end of the year will see delivery of the overall capital work programme slightly below the revised 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	25	131	106	187	187
ACE - Art facility renewals	4	122	118	175	175
Library build (Waiheke)	4	0	(4)	0	0
Community services	33	253	220	362	362
Parks - Asset renewals	561	941	380	1,309	1,238
Locally driven initiatives (LDI Capex)	79	164	85	228	374
Greenway and walkway development	27	147	120	216	0
Local improvement projects (LIPS)	133	89	(44)	128	0
General park development	91	59	(32)	84	0
Sports Park Pavilion Extensions (Onetangi)	36	26	(10)	33	0
Sport development	0	13	13	20	0
Off-street parking upgrades	0	9	9	14	14
Open space development	2	0	(2)	0	0
Parks sport and recreation	929	1,448	519	2,032	1,625
Total	962	1,701	739	2,394	1,987
Capital subsidies and grants	0	0	0	0	0

Funding impact statement

Funding Impact Statement					
Waiheke					
For the year ended 31 March 2017					
\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		6,613	6,548	6,548	6,096
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		-	3	4	4
Fees and charges		23	20	28	27
Local authorities fuel tax, fines, infringement fees and other receipts		137	137	182	190
Total operating funding		6,773	6,708	6,762	6,317
Applications of operating funding:					
Payment to staff and suppliers		3,053	3,330	5,772	5,742
Finance costs		224	224	309	-
Internal charges and overheads applied		711	711	948	949
Other operating funding applications		-	-	-	-
Total applications of operating funding		3,988	4,265	7,029	6,691
Surplus (deficit) of operating funding		2,785	2,443	(267)	(374)
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(1,823)	(742)	2,255	1,802
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(1,823)	(742)	2,255	1,802
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		254	308	-	-
- to improve the level of service		37	35	14	604
- to replace existing assets		671	1,358	1,974	824
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		962	1,701	1,988	1,428
Surplus (deficit) of capital funding		(2,785)	(2,443)	267	374
Funding balance		-	-	-	-