

Waiheke Local Board Financial Performance to 30 June 2017

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	215	215	0	215	215
Operating expenditure (ABS)	3,313	4,548	1,235	4,548	4,862
Operating expenditure (LDI)	734	752	18	752	720
Operating expenditure (LGS)	852	852	0	852	852
Net Cost of Service	4,683	5,937	1,254	5,937	6,219
Subsidies and grants for capital expenditure	0	0	0	0	0
Capital expenditure	1,695	2,394	699	2,394	1,987

The Waiheke Local Board invested \$1.7m in capital expenditure and \$4.7m in net operating expenditure for the year ended 30 June 2017.

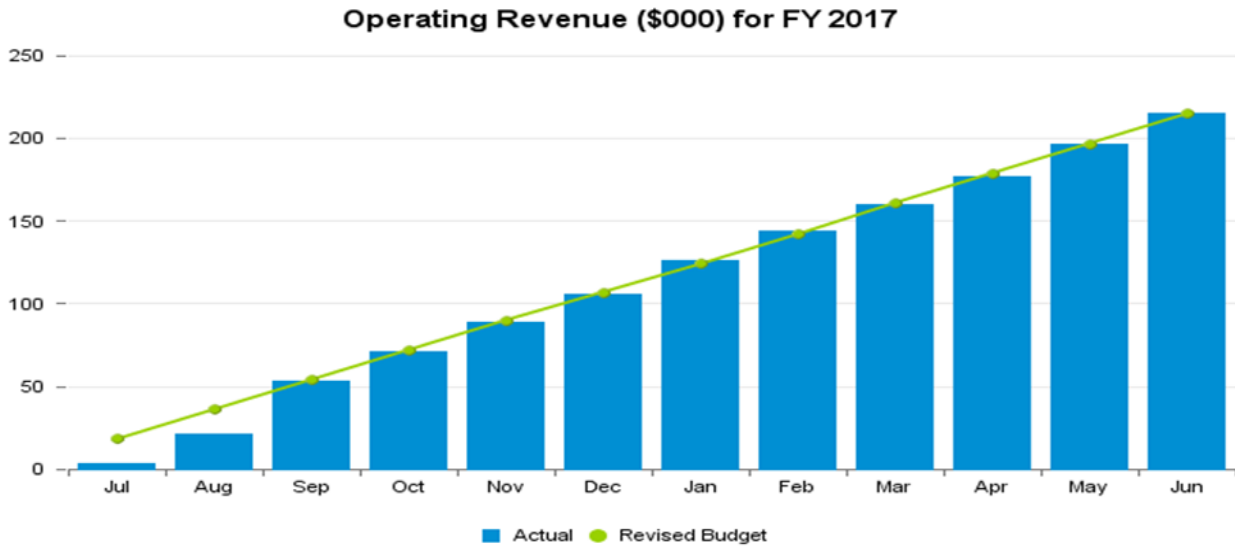
Net cost of service was \$1.25m behind budget for the year. The underspend in asset based services expenditure of \$1.24m related to projects in Community Services and Parks, Sports and Recreation.

From the local boards' Locally Driven Initiatives (LDI) funding, the majority of projects were completed within budget with \$100k reallocated from Parks, Sport and Recreation to community grants. No LDI projects or related funding needed to be deferred to the 2017/2018 financial year.

The majority of the capital investment occurred in the Parks, Sport and Recreation activity (\$1.2m).

Revenue met budget for the year.

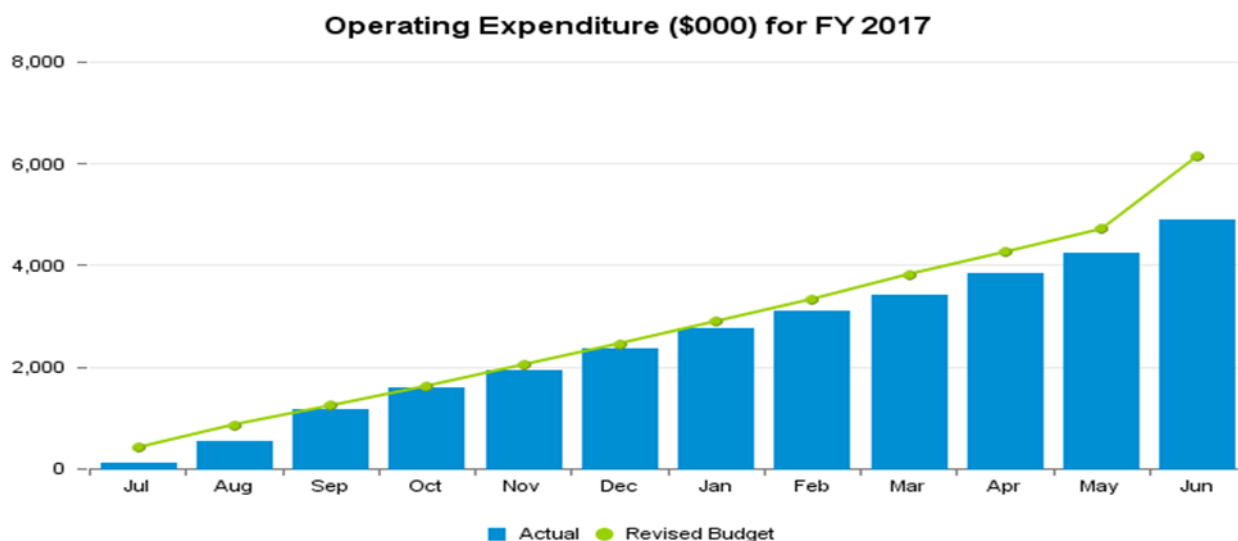
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	212	215	(3)	215	215
Local parks, sport and recreation	3	0	3	0	0
Total Operating Revenue	215	215	0	215	215

Operating revenue was in line with budget for the year.

Operating Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,545	1,582	37	1,582	1,582
Local environmental management	42	41	(1)	41	58
Local governance	852	852	0	852	852
Local parks, sport and recreation	2,420	3,627	1,207	3,627	3,912
Local planning and development	40	50	10	50	30
Total Operating Expenditure	4,899	6,152	1,253	6,152	6,434

The overall operating expenditure variance is \$1.25m below budget for the 2016/2017 year.

Locally driven initiative funded projects were \$18k below. All projects were delivered during the year except for the swimming pool feasibility study (\$100k). This funding was reallocated to community grants which allowed the local board to fund community groups in the final grants round.

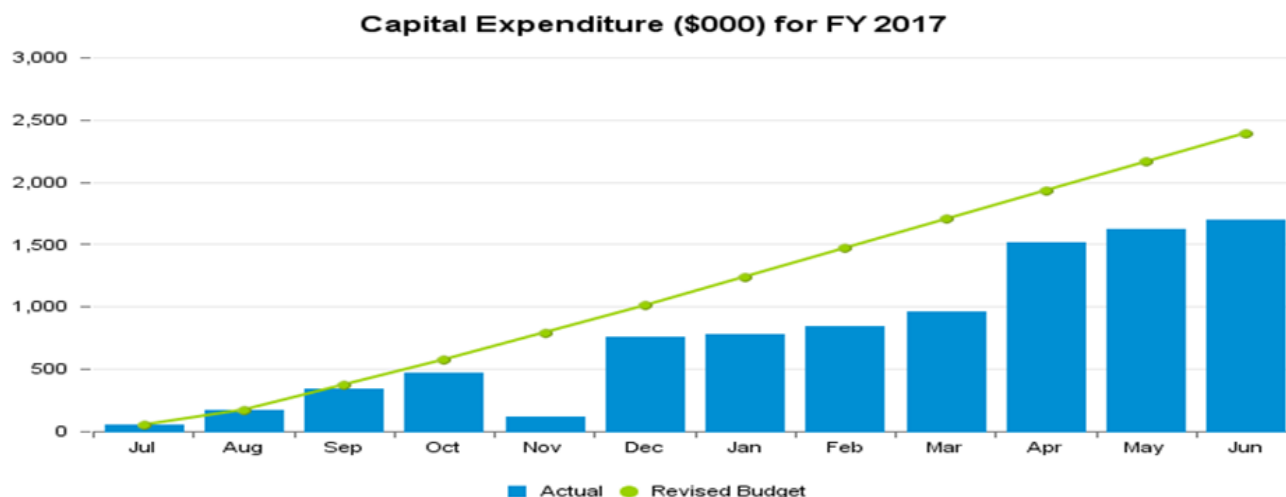
The underspend in operating expenditure is due to projects in asset based services. Lower overhead costs for the library make up the underspend in community services expenditure (\$262k) which is offset by an overspend in arts projects (\$117k). The full facility parks contract (\$467k favourable) and recreation planning and programming (\$500k favourable) contribute to the parks, sport and recreation underspend.

The detailed LDI expenditure by project for the year to 30 June 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	96	96	0	96	96
ANZAC	1	1	0	1	1
Business mentoring and growth programme	10	10	0	10	10
Christmas events	17	17	0	17	17
Community housing	10	10	0	10	10
Community response operating fund	82	55	(27)	55	55
Fees and charges subsidy	4	10	6	10	10
Local civic functions	0	3	3	3	3
Local community grants	125	40	(85)	40	40
Local events fund	21	20	(1)	20	20
Sculpture on the Gulf	10	10	0	10	10
Supporting Maori outcomes and events	10	10	0	10	10
Volunteers day	2	2	0	2	2
Youth Coordinator	5	5	0	5	5
Youth Council	10	10	0	10	10
Total Local community services	403	298	(105)	298	298
Coastal assessment for wildlife on coastal walkway	6	5	(1)	5	5
Little Oneroa action plan implementation	24	24	0	24	24
Marine research and education ECAP (Empowered Communities Approach)	12	12	0	12	0
Total Local environmental management	42	41	(1)	41	29
Ecological restoration in partnership with community	150	150	0	150	150
Feasibility study for swimming pool	0	100	100	100	100
LDI Volunteers parks	9	8	(1)	8	8
Matiatia - Implementing Matiatia Gateway masterplan - short term projects	40	50	10	50	50
Networks for walking, cycling and horse riding	20	20	0	20	20
Parks improvements	10	10	0	10	10
Parks response fund	20	25	5	25	25
Total Local parks, sport and recreation	249	363	114	363	363
Essentially Waiheke refresh - ECAP	0	10	10	10	10
Walking and Cycling promotion	40	40	0	40	20
Total Local planning and development	40	50	10	50	30
Total	734	752	18	752	720

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	493	362	(131)	362	362
Local parks, sport and recreation	1,202	2,032	830	2,032	1,625
Total Capital Expenditure	1,695	2,394	699	2,394	1,987

The Waiheke Local Board capital delivery was 71% of a \$2.4m total budget for the 2016/2017 year. Major projects completed included roof replacement at Artworks building (\$350k), various walkways renewals (\$272k) and Waiheke Golf Club water tank (\$121k).

In the two local board discretionary funds, the board spent \$135k on small local improvement projects and \$130k from the LDI Capex fund in this financial year.

In July/August, the organisation will be identifying capital projects that are underway but not yet completed. These will be deferred to next financial year and included in the 2017/2018 work programmes.

The detailed capital expenditure by project for the year to 30 June 2017 is reflected in the following schedule.

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	135	187	52	187	187
ACE - Art facility renewals	350	175	(175)	175	175
Library build (Waiheke)	8	0	(8)	0	0
Community services	493	362	(131)	362	362
Parks - Asset renewals	705	1,309	604	1,309	1,238
Locally driven initiatives (LDI Capex)	130	228	98	228	374
Greenway and walkway development	75	216	141	216	0
Local improvement projects (LIPS)	135	128	(7)	128	0
General park development	122	84	(38)	84	0
Sports Park Pavilion Extensions (Onetangi)	39	33	(6)	33	0
Sport development	0	20	20	20	0
Off-street parking upgrades	0	14	14	14	14
Local park walkway and cycleway renewals	(6)	0	6	0	0
Open space development	2	0	(2)	0	0
Parks sport and recreation	1,202	2,032	830	2,032	1,625
Total	1,695	2,394	699	2,394	1,987
Subsidies and grants	0	0	0	0	0

Funding impact statement

Funding Impact Statement					
Waiheke					
For the year ended 30 June 2017					
\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		6,628	6,548	6,548	6,096
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		1	4	4	4
Fees and charges		32	28	28	27
Local authorities fuel tax, fines, infringement fees and other receipts		182	182	182	190
Total operating funding		6,843	6,762	6,762	6,317
Applications of operating funding:					
Payment to staff and suppliers		4,410	5,490	5,772	5,742
Finance costs		309	309	309	-
Internal charges and overheads applied		948	948	948	949
Other operating funding applications		-	-	-	-
Total applications of operating funding		5,667	6,747	7,029	6,691
Surplus (deficit) of operating funding		1,176	15	(267)	(374)
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		518	2,379	2,255	1,802
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		518	2,379	2,255	1,802
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		338	448	-	-
- to improve the level of service		41	47	14	604
- to replace existing assets		1,315	1,899	1,974	824
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		1,694	2,394	1,988	1,428
Surplus (deficit) of capital funding		(1,176)	(15)	267	374
Funding balance		-	-	-	-