

Date: Thursday 16 July 2020
Time: 10.00am
Meeting Room: Reception Lounge
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

**Kōmiti ā Pūtea, ā Mahi Hoki /
Finance and Performance Committee
OPEN MINUTE ITEM ATTACHMENTS**

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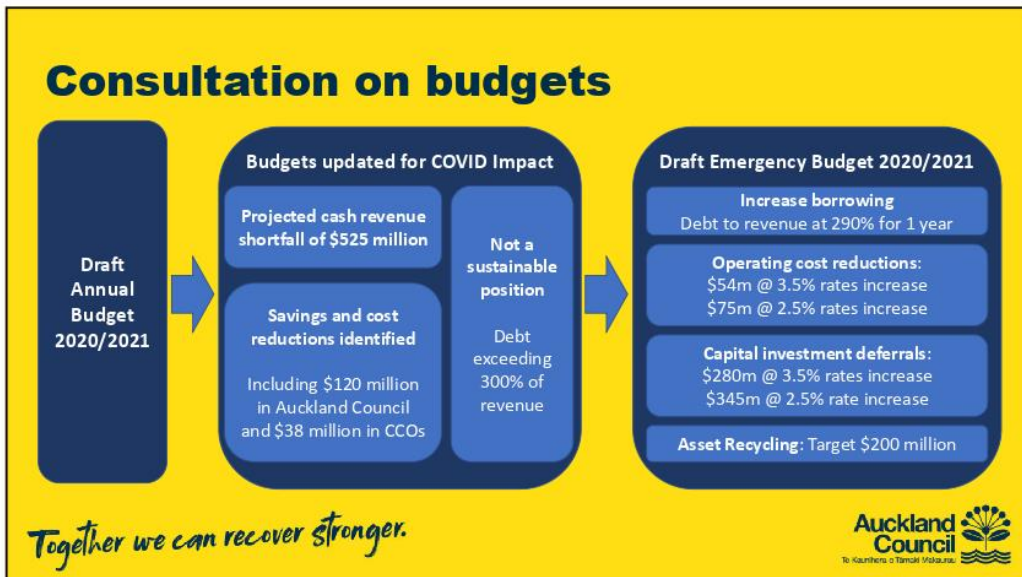
**Auckland's
Emergency
Budget**

*Together we can
recover stronger.*

**Budget decision-
making**
16 July 2020



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Budget position – agenda report

- Staff reviewed and updated budget projections
 - Better alert level & economic projections led to increased revenue
 - Partially offset by higher capital delivery last year, smaller PT opex reduction and other movements
 - Overall identified \$40 million of budget capacity
- Watercare advise on drought response
 - Capital investment of \$224 million and operating costs of \$15 million required in 2020/2021
 - Committed to mitigating \$121 million of this
- Remaining shortfall to be resolved is **\$78m**

	Debt capacity
Updated budget capacity	\$40m
Watercare – extra capex	-\$224m
Watercare – extra opex	-\$15m
Watercare – offset identified	+\$121m
Remaining shortfall	-\$78m

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Budget position – including government funding

	Debt capacity
Remaining shortfall	-\$78m
Waka Kotahi revenue and capacity created	+\$55m
\$40m Transport capital investment (net of NZTA capex subsidies)	-\$20m
Shovel ready capacity created	+\$30m
Remaining shortfall	-\$13m


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Proposed package	
Rates increase	3.5%
Increase borrowing	290%
Capital investment deferrals	Per 3.5% scenario +\$40m of additional transport investment
Operating cost reductions	Per 3.5% scenario
Asset recycling	+\$20 million

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