

RESERVE FUNDS

Reserves are held to ensure that funds received for a particular purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest. The Council holds \$21.9 million reserves, with \$12.4 million being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that the Council may put the funds towards. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the year of the Annual Plan.

RESTRICTED RESERVES				
<i>The reserves can only be used for the purpose designated.</i>				
	Opening Balance 2017/18 (\$,000)	Transfers In 2017/18 (\$,000)	Transfers Out 2017/18 (\$,000)	Closing Balance 2017/18 (\$,000)
Category A (Legal Restriction) The restriction is designated from a statute or legal document. These reserves restrictions include the capital and interest or revenue generated. This reserve is related to the parks activity and is to maintain the Feldwick Gates at Queens Park.	120	-	-	120
Category B (Capital only restriction) These reserves are invested in property that provides a financial return to ratepayers (Investment Property, Library and Infrastructure Activities)	3,164	10	-	3,174
Category C (Specific Purpose) These reserves are to maintain and provide for improvements to separately identifiable areas. (Parks Crematorium and Cemetary, Community Centres, Waste and Infrastructure Activities)	9,129	267	(309)	9,087
NON RESTRICTED RESERVES				
<i>The reserves can only be used for the purposes other than the purpose currently specified.</i>				
	Opening Balance 2017/18 (\$,000)	Transfers In 2017/18 (\$,000)	Transfers Out 2017/18 (\$,000)	Closing Balance 2017/18 (\$,000)
Loss of Service Potential To set aside funds for the replacement of assets in the future. (All Activities)	8,859	3,062	(3,503)	8,418
Development To maintain and provide assets in identifiable areas. (Parks, roading, and Water Activities)	4,415	-	(521)	3,894
Property To provide for the purchase of properties. (Investment Property, and Infrastructure Activities)	1,050	-	-	1,050
Amenities To provide funding for the ongoing operations of amenity areas. (Library, Museum, Pools, and Parks Activities)	246	-	(26)	220
Financial To provide ongoing funding in a consistent manner for Council Operations. (All Activities)	7,408	28	(680)	6,756
Community Board To provide funding for community Board Areas for their activities and development of assets. (Democratic Process Activity)	115	-	-	115
Economic Development To develop economic growth in the city which will be funded by future activity (Investment Property Activity)	(9,547)	214	(1,636)	(10,969)
	24,959	3,581	(6,675)	21,865