



NOTICE OF MEETING

**Notice is hereby given of the Meeting of the
Finance and Policy Committee
to be held in the Council Chamber,
First Floor, Civic Administration Building,
101 Esk Street, Invercargill on
Tuesday 17 April 2018 at 4.00 pm**

His Worship the Mayor Mr T R Shadbolt JP
Cr D J Ludlow (Chairman)
Cr G D Lewis (Deputy Chair)
Cr R L Abbott
Cr R R Amundsen
Cr I R Pottinger
Cr L S Thomas

EIRWEN HARRIS MITCHELL
MANAGER, SECRETARIAL SERVICES

Council's Values:

- Responsibility Take ownership of decisions and outcomes, both collectively and individually.
- We willingly share our knowledge.
 - We acknowledge our mistakes, work to resolve them and learn from them.
 - We give and receive feedback in a constructive manner to resolve issues.
 - We do our job with total commitment.
- Respect Everyone is important, as are their views.
- We support and care for each other.
 - We stop to listen, learn and understand.
 - We communicate in an honest, up-front and considerate manner.
 - We maintain confidences and avoid hurtful gossip.
- Positivity Always look on the bright side of life.
- We are approachable, interested and friendly.
 - We are open and receptive to change.
 - We acknowledge and praise the efforts of others.
 - We work together as a team to get the job done.
- Above and Beyond Take opportunities to go the extra mile.
- We take the initiative to improve our work practices to get the best results.
 - We challenge ourselves and each other to make it better.
 - We take pride in providing the best possible outcomes.
 - We are ambassadors for our Council at all times.

Council's Vision for the City:

Enhance our City and preserve its character, while embracing innovation and change.

Council's Vision:

We are an energised, fun and innovative team that makes it better for each other and our community.

Council's Mission:

Making it better by making it happen.

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8. PUBLIC EXCLUDED SESSION	

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting; namely

- (a) *Report of the Director of the Chief Executive*
- (b) *Report of the Director of Finance and Corporate Services*

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1)(d) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
(a) Invercargill City Holdings Limited Draft Statement of Intent	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 7(2)(i)
(b) Loan to the Southland Heritage and Building Preservation Trust	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 7(2)(i)
20 Don Street	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	Section 7(2)(i)

TO: FINANCE AND POLICY COMMITTEE

FROM: DIRECTOR OF FINANCE AND CORPORATE SERVICES

MEETING DATE: TUESDAY 17 APRIL 2018

LEVELS OF SERVICE REPORT – 1 JULY 2017 TO 28 FEBRUARY 2018

Report Prepared by: Melissa Short – Strategy and Policy Manager

SUMMARY

Reporting on the Corporate Services levels of service measures for the period comprising 1 July 2017 to 28 February 2018.

RECOMMENDATIONS

That the report be received.

IMPLICATIONS

1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> The report monitors performance in relation to levels of service measures identified in the Long Term Plan and Annual Plan.
2.	<i>Is a budget amendment required?</i> No
3.	<i>Is this matter significant in terms of Council's Policy on Significance?</i> No
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> No
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> No
6.	<i>Has the Child, Youth and Family Friendly Policy been considered?</i> No – not relevant

FINANCIAL IMPLICATIONS

No financial implications result from this report.

DEMOCRATIC PROCESS

Democratic Activities	1 July 2017 to 28 February 2018
Annual Report is completed within the statutory deadlines with an unmodified Audit Opinion.	The 2016/17 Annual Report was adopted by Council on 31 October 2017. It received a clear audit opinion.

Consultation:

- Regional Public Transport Plan
- Earthquake-prone Buildings Priority Areas
- Smokefree Areas Policy
- Significant Events Bylaw
- Imagine Invercargill Forum
- Trade Waste Bylaw
- Southland Regional Development Agency Consultation (undertaken by Environment Southland)
- Environmental Health Bylaw
- Water Supply Bylaw
- Urupa (Maori Burial Site) Te Hau Mutunga Bylaw
- Cemeteries and Crematorium Bylaw

INVESTMENT PROPERTY

	1 July 2017 to 31 December 2017
Investment Property Activity	
February 2018	Sale - Waihopai Walkway/Bond Street Sub-division - Lot 5 to Bay Road Trustees (Settlement 13 December 2017 but received 21 February 2018 upon Title). Sale - 13-17-21 Clyde Street and 26 Liddel Street land and buildings (Settlement 22 February 2018)
January 2018	No Purchase or Sale Transactions
December 2017	No Purchase or Sale Transactions
November 2017	No Purchase or Sale Transactions
October 2017	Sale 2 Deveron Street, Invercargill Settlement: 31 October 2017 Sale 10 Deveron Street, Invercargill Settlement: 31 October 2017
September 2017	No Purchase or Sale Transactions
August 2017	No Purchase or Sale Transactions
July 2017	No Purchase or Sale Transactions

TO: FINANCE AND POLICY COMMITTEE
FROM: DIRECTOR OF FINANCE AND CORPORATE SERVICES
MEETING DATE: TUESDAY 17 APRIL 2018

MONITORING OF FINANCIAL PERFORMANCE
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Report Prepared by: Mr Dale Booth – Manager, Financial Services

SUMMARY

Finance and Policy are \$751,691 under budget for the eight months to 28 February 2018.

RECOMMENDATIONS

That the report be received.

IMPLICATIONS

1.	<i>Has this been provided for in the Long Term Plan/Annual Plan?</i> Yes.
2.	<i>Is a budget amendment required?</i> No
3.	<i>Is this matter significant in terms of Council’s Policy on Significance?</i> No
4.	<i>Implications in terms of other Council Strategic Documents or Council Policy?</i> No
5.	<i>Have the views of affected or interested persons been obtained and is any further public consultation required?</i> No
6.	<i>Has the Child, Youth and Family Friendly Policy been considered?</i> Yes

FINANCIAL IMPLICATIONS

Financial commentary and financial accounts are provided for information.

Business Unit **200000 - Finance and Corporate Services**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	4,470,241	4,389,356	80,885	2,113,792	6,584,034
Fees & Charges Revenue	2,141,405	1,975,096	166,309	1,085,395	3,226,801
Grants & Subsidies Revenue	1,093,675	1,069,054	24,621	530,965	1,624,640
Rates Revenue	379,725	420,091	(40,366)	250,275	630,000
Financial Revenue	844,291	1,040,858	(196,566)	8,357,676	9,201,967
Total Revenue	8,929,338	8,894,455	34,883	12,338,103	21,267,441
Internal Expenditure	2,789,986	2,772,197	17,790	1,368,309	4,158,295
Staff Expenditure	4,797,404	4,879,765	(82,361)	2,682,882	7,480,286
Administration Expenditure	1,202,622	1,273,225	(70,603)	715,099	1,917,721
Financial Expenditure	1,007,104	1,051,275	(44,171)	1,357,309	2,364,412
Grants & Subsidies Expenditure	3,808,817	3,780,914	27,903	1,644,058	5,452,875
Repairs & Maintenance Expenditure	104,661	198,794	(94,132)	198,529	303,191
Operational Expenditure	1,578,329	1,394,118	184,211	778,695	2,357,024
Depreciation Expenditure	285,978	258,967	27,011	102,472	388,451
Total Expenditure	15,574,901	15,609,253	(34,352)	8,847,352	24,422,254
Operating Surplus / (Deficit)	(6,645,563)	(6,714,799)	69,236	3,490,751	(3,154,812)
Capital Expenditure	857,893	1,128,011	(270,118)	1,473,007	2,330,901
Capital Funding	(1,018,547)	(606,053)	(412,494)	(1,025,700)	(2,044,247)
Cash Back Depreciation	137	294	(157)	304	441
Rates Required	6,484,772	7,236,463	(751,691)	(3,043,747)	3,441,025

Commentary:

Finance and Corporate Services are \$751,691 under budget for the first eight months of the year.

A departmental breakdown and commentary follows -

Business Unit **150000 - Museum Operations**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Fees & Charges Revenue	801,546	847,306	(45,761)	469,414	1,270,960
Grants & Subsidies Revenue	808,430	766,427	42,003	341,210	1,149,640
Financial Revenue	2,804	7,467	(4,662)	8,396	11,200
Total Revenue	1,612,780	1,621,200	(8,420)	819,020	2,431,800
Internal Expenditure	456,766	456,766	0	228,383	685,149
Staff Expenditure	801,297	728,410	72,887	312,009	1,113,306
Administration Expenditure	72,506	65,322	7,184	25,477	97,983
Financial Expenditure	0	596	(596)	894	894
Grants & Subsidies Expenditure	15,000	10,000	5,000	0	15,000
Repairs & Maintenance Expenditure	15,307	11,176	4,131	1,457	16,765
Operational Expenditure	228,643	300,380	(71,737)	221,927	450,570
Depreciation Expenditure	8,775	8,848	(73)	4,497	13,272
Total Expenditure	1,598,294	1,581,498	16,796	794,645	2,392,939
Operating Surplus / (Deficit)	14,486	39,701	(25,215)	24,375	38,861
Capital Expenditure	1,575	0	1,575	37,286	38,861
Cash Back Depreciation	0	(0)	0	(0)	(0)
Rates Required	(12,911)	(39,701)	26,790	12,911	0

Commentary:

The Museum operational deficit has reduced as expected over summer partly due to increase in Fees & Charges Revenue from the shop and café. Total Revenue is in deficit by (\$8,420), Total Expenditure is in deficit by \$16,796 and Capital Expenditure is \$1,575 giving an overall deficit of \$26,790. Main line item variations from the budget are: 1) Staff Expenditure in deficit by \$72,887 due to under-estimating and wage increases since setting the budget, 2) Operational Expenditure in surplus by (\$71,737) which has been managed to reduce the overall deficit 3) Fees & Charges Revenue in deficit by (\$45,761) has been overestimated due to café competition 4) Grants & Subsidies Revenue in surplus by \$42,003 due to grants received which were not budgeted for (e.g. Creative NZ for artist residency).

Business Unit **210000 - Finance and Corporate Services Director**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	(113,333)	(113,333)	0	(56,667)	(170,000)
Fees & Charges Revenue	217	0	217	(217)	0
Grants & Subsidies Revenue	285,245	302,627	(17,382)	189,755	475,000
Rates Revenue	379,725	420,091	(40,366)	250,275	630,000
Financial Revenue	73,738	27,487	46,251	5,976,262	6,050,000
Total Revenue	625,592	636,871	(11,279)	6,359,408	6,985,000
Internal Expenditure	432,460	432,460	0	216,230	648,690
Staff Expenditure	268,583	308,894	(40,311)	205,364	473,947
Administration Expenditure	17,131	10,400	6,731	(1,531)	15,600
Grants & Subsidies Expenditure	540	0	540	(540)	0
Repairs & Maintenance Expenditure	1,460	1,667	(207)	1,040	2,500
Operational Expenditure	155,805	77,000	78,805	(33,305)	122,500
Depreciation Expenditure	12,136	10,489	1,647	3,598	15,733
Total Expenditure	888,114	840,909	47,205	390,856	1,278,970
Operating Surplus / (Deficit)	(262,522)	(204,038)	(58,484)	5,968,552	5,706,030
Capital Expenditure	0	0	0	5,000	5,000
Capital Funding	(80,003)	0	(80,003)	(194,997)	(275,000)
Cash Back Depreciation	(0)	(0)	0	0	0
Rates Required	182,519	204,038	(21,518)	(6,158,549)	(5,976,030)

Commentary:

Finance Directorate is \$21,518 under budget for the first eight months of the year.

Business Unit **219000 - Finance and Corporate Services - Human Resources**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	613,241	613,241	0	306,621	919,862
Financial Revenue	9,611	1,333	8,278	(7,611)	2,000
Total Revenue	622,852	614,575	8,278	299,010	921,862
Internal Expenditure	14,340	14,340	0	7,170	21,510
Staff Expenditure	481,356	504,810	(23,453)	295,616	776,972
Administration Expenditure	37,290	23,076	14,214	(2,676)	34,614
Repairs & Maintenance Expenditure	498	2,065	(1,566)	2,599	3,097
Operational Expenditure	40,956	77,654	(36,698)	75,525	116,481
Depreciation Expenditure	6,481	6,125	356	2,707	9,188
Total Expenditure	580,921	628,070	(47,149)	380,941	961,863
Operating Surplus / (Deficit)	41,931	(13,495)	55,426	(81,932)	(40,001)
Capital Expenditure	0	0	0	1,549	1,549
Capital Funding	0	0	0	(41,549)	(41,549)
Rates Required	(41,931)	13,495	(55,426)	41,931	0

Commentary:

The Human Resources Department is \$55,426 under budget for the first eight months of the year. This is due to some staff turnover during the year, leading to reduced staff expenditure that is likely to result in a saving at year end. Operational expenditure is also under budget as there has been less requirement for consultants at this stage of the year than was anticipated.

Business Unit **220000 - Finance and Corporate Services -
Investment Property**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	16,667	16,667	(0)	8,333	25,000
Fees & Charges Revenue	1,181,288	982,628	198,661	559,761	1,741,049
Financial Revenue	36,447	71,208	(34,760)	860,807	897,254
Total Revenue	1,234,402	1,070,502	163,900	1,428,901	2,663,303
Internal Expenditure	13,783	0	13,783	(13,783)	0
Staff Expenditure	83,443	88,816	(5,374)	52,293	135,735
Administration Expenditure	95,617	101,056	(5,439)	43,954	139,571
Financial Expenditure	475,307	625,510	(150,203)	462,958	938,265
Repairs & Maintenance Expenditure	63,979	146,121	(82,141)	160,202	224,181
Operational Expenditure	514,774	385,086	129,689	62,854	577,629
Depreciation Expenditure	14,016	15,968	(1,952)	9,935	23,951
Total Expenditure	1,260,919	1,362,556	(101,637)	778,414	2,039,332
Operating Surplus / (Deficit)	(26,516)	(292,054)	265,538	650,487	623,971
Capital Expenditure	718,045	1,098,344	(380,299)	1,150,299	1,868,344
Capital Funding	(930,242)	(1,098,344)	168,102	(642,162)	(1,572,404)
Cash Back Depreciation	137	294	(157)	304	441
Rates Required	(185,818)	291,760	(477,578)	(142,653)	(328,471)

Commentary:

Investment Property is \$477,578 under budget for the year. This is primarily due to the Awarua Dairy Farm operation being ahead of budget by \$535,874. This is a result of both increased milk production as well as improved global milk prices this season. While dry conditions over this summer have had an impact on milk production, the overall effect has been somewhat offset by a strong pay-out price. The current net position of the Awarua Estate is \$326,017 in profit against a \$209,857 forecasted loss. Any profits from the Awarua Farm operations will be transferred back to reserves or used to offset debt at year end. The remaining departments of Investment Property are \$58,000 under budget, this is due to the Don Street Business House being behind budget on rental income as the tenancies are being filled up. It is anticipated this will not be made up by year end.

Business Unit **230000 - Finance and Corporate Services - Accounting and Finance**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	824,925	824,925	0	412,463	1,237,388
Financial Revenue	166,644	158,333	8,310	70,856	237,500
Total Revenue	991,569	983,259	8,310	483,319	1,474,888
Internal Expenditure	6,667	6,667	(0)	3,333	10,000
Staff Expenditure	618,355	619,564	(1,209)	332,848	951,203
Administration Expenditure	107,784	108,330	(546)	70,290	178,074
Financial Expenditure	70,532	103,867	(33,335)	235,268	305,800
Grants & Subsidies Expenditure	500	0	500	4,500	5,000
Repairs & Maintenance Expenditure	87	2,000	(1,913)	2,913	3,000
Operational Expenditure	41,870	50,567	(8,697)	193,880	235,750
Depreciation Expenditure	18,417	24,041	(5,624)	17,644	36,061
Total Expenditure	864,210	915,034	(50,824)	860,677	1,724,888
Operating Surplus / (Deficit)	127,359	68,224	59,134	(377,358)	(250,000)
Capital Expenditure	14,787	24,667	(9,880)	11,213	26,000
Capital Funding	0	0	0	(276,000)	(276,000)
Cash Back Depreciation	0	0	(0)	(0)	0
Rates Required	(112,572)	(43,558)	(69,014)	112,571	(0)

Commentary:

The Accounting and Finance department is \$69,014 under budget for the first eight months of the year. Savings have been made within financial revenue and financial expenses areas of the department and these have made a combined saving of \$29,000 year to date. Capital expenditure for the year is completed and has contributed a saving of just under \$10,000. Expenses for debt collection are currently \$20,000 under budget but are expected to even out by year end.

Business Unit **236000 - Accounting and Finance - Treasury**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	(36,913)	(98,667)	61,754	(111,087)	(148,000)
Financial Revenue	508,230	750,379	(242,150)	1,451,770	1,960,000
Total Revenue	471,317	651,713	(180,396)	1,340,683	1,812,000
Staff Expenditure	0	0	0	1,000	1,000
Administration Expenditure	2,805	1,342	1,464	(1,805)	1,000
Financial Expenditure	349,542	250,000	99,542	662,958	1,012,500
Operational Expenditure	58,921	0	58,921	(11,421)	47,500
Total Expenditure	411,269	251,342	159,927	650,731	1,062,000
Operating Surplus / (Deficit)	60,048	400,371	(340,323)	689,952	750,000
Capital Funding	95,893	453,684	(357,791)	654,107	750,000
Rates Required	35,845	53,313	(17,469)	(35,845)	0

Commentary:

The Treasury Department is \$17,469 under budget for the first eight months of the year. This is due to the interest rate margin being made on the loan to Invercargill City Property Limited, this income is unbudgeted.

Business Unit **240000 - Finance and Corporate Services -
Corporate Services**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	1,780,979	1,761,848	19,131	861,793	2,642,772
Fees & Charges Revenue	139,532	125,898	13,634	46,363	185,895
Financial Revenue	8,820	3,352	5,468	(4,756)	4,065
Total Revenue	1,929,331	1,891,098	38,233	903,400	2,832,731
Internal Expenditure	679,020	679,297	(277)	339,925	1,018,945
Staff Expenditure	874,464	884,966	(10,502)	482,594	1,357,058
Administration Expenditure	131,034	141,602	(10,568)	81,368	212,402
Financial Expenditure	0	344	(344)	516	516
Grants & Subsidies Expenditure	26	0	26	(26)	0
Repairs & Maintenance Expenditure	1,875	6,043	(4,168)	7,190	9,065
Operational Expenditure	127,663	130,525	(2,863)	60,569	188,231
Depreciation Expenditure	49,232	31,009	18,222	(2,718)	46,514
Total Expenditure	1,863,314	1,873,786	(10,473)	969,418	2,832,731
Operating Surplus / (Deficit)	66,017	17,311	48,706	(66,018)	(0)
Capital Expenditure	9,376	5,000	4,376	39,124	48,500
Capital Funding	0	0	0	(48,500)	(48,500)
Cash Back Depreciation	(0)	0	(0)	0	0
Rates Required	(56,641)	(12,311)	(44,330)	56,641	0

Commentary:

Corporate Services is under budget by \$44,330 for the first eight months of the year, this is a result of small savings across a number of line items and remains within a 2% variance of the total year to date budget.

Business Unit **250000 - Finance and Corporate Services - Information Services**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	954,719	954,719	(0)	477,359	1,432,078
Fees & Charges Revenue	222	19,265	(19,043)	28,675	28,897
Financial Revenue	12,847	14,564	(1,716)	19,153	32,000
Total Revenue	967,788	988,547	(20,759)	525,187	1,492,975
Staff Expenditure	331,234	344,779	(13,544)	197,241	528,475
Administration Expenditure	393,603	446,667	(53,064)	276,397	670,000
Repairs & Maintenance Expenditure	18,429	17,667	763	8,071	26,500
Operational Expenditure	43,440	95,333	(51,894)	99,560	143,000
Depreciation Expenditure	123,555	83,333	40,222	1,445	125,000
Total Expenditure	910,262	987,779	(77,517)	582,714	1,492,975
Operating Surplus / (Deficit)	57,526	768	56,758	(57,526)	0
Capital Expenditure	99,610	0	99,610	172,390	272,000
Capital Funding	(99,610)	0	(99,610)	(172,390)	(272,000)
Cash Back Depreciation	0	0	0	(0)	0
Rates Required	(57,526)	(768)	(56,758)	57,526	0

Commentary:

Information Services is under budget by \$56,758 for the first eight months of the year. This is due to the timing of payment of various licences and fees, and is expected to even out over the remainder of the year.

Business Unit **260000 - Finance and Corporate Services -
Secretarial Services**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Revenue	429,956	429,956	(0)	214,978	644,934
Fees & Charges Revenue	13,296	0	13,296	(13,296)	0
Financial Revenue	19,743	6,735	13,008	(11,795)	7,948
Total Revenue	462,995	436,691	26,304	189,888	652,882
Internal Expenditure	34,451	32,771	1,680	14,706	49,157
Staff Expenditure	596,699	663,978	(67,279)	418,318	1,015,017
Administration Expenditure	161,918	199,600	(37,682)	137,482	299,400
Repairs & Maintenance Expenditure	1,913	7,333	(5,420)	9,087	11,000
Operational Expenditure	91,598	116,000	(24,402)	82,402	174,000
Depreciation Expenditure	27,118	41,981	(14,863)	35,853	62,971
Total Expenditure	913,697	1,061,663	(147,966)	697,848	1,611,545
Operating Surplus / (Deficit)	(450,703)	(624,972)	174,269	(507,960)	(958,663)
Capital Expenditure	14,500	0	14,500	25,500	40,000
Capital Funding	0	0	0	(100,000)	(100,000)
Rates Required	465,203	624,972	(159,769)	433,460	898,663

Commentary:

Secretarial Services is \$159,769 under budget for the first eight months of the year. This budget include four separate departments: these being Secretarial, Mailroom and Records, Communication and City Centre Coordinator.

Secretarial is under budget by \$40,000, this is due to the Local Government subscription fee still to be paid in 2018. This will even out this departments budget by year end.

Mailroom and Records is \$45,000 under budget, this is due to some staff turnover during the year reducing the actual staff expenditure. Also expenditure on materials has been less than anticipated at this stage of the year.

Communications is \$93,000 under budget, this is due (in part) to a new staff position not being filled until January 2018. Also expenditure on Public Relations has been less than anticipated during the year.

City Centre Coordinator is \$20,000 over budget, this is due to events being held that have not been allocated a budget.

Business Unit **280000 - Hall and Theatre Operations**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Expenditure	738,155	738,155	(0)	369,077	1,107,232
Grants & Subsidies Expenditure	9,609	34,649	(25,040)	42,364	51,973
Repairs & Maintenance Expenditure	(478)	0	(478)	478	0
Operational Expenditure	14	0	14	(14)	0
Depreciation Expenditure	8,397	16,518	(8,121)	16,380	24,776
Total Expenditure	755,696	789,321	(33,625)	428,285	1,183,982
Operating Surplus / (Deficit)	(755,696)	(789,321)	33,625	(428,285)	(1,183,982)
Capital Expenditure	0	0	0	20,647	20,647
Capital Funding	0	0	0	(21,008)	(21,008)
Rates Required	755,696	789,321	(33,625)	427,924	1,183,620

Commentary:

Hall and Theatre Operations are on \$33,625 under budget for the first eight months of the year. This is due to the timing of hall levy payments and is expected to even out by year end.

Business Unit **300000 - Finance and Corporate Services -
Democratic Responsibility**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Financial Revenue	4,407	0	4,407	(4,407)	0
Total Revenue	4,407	0	4,407	(4,407)	0
Internal Expenditure	211,109	211,109	0	105,555	316,664
Staff Expenditure	737,161	725,485	11,676	375,314	1,112,475
Administration Expenditure	175,234	134,083	41,150	28,391	203,625
Grants & Subsidies Expenditure	111,123	108,902	2,221	31,377	142,500
Repairs & Maintenance Expenditure	1,197	4,655	(3,458)	5,786	6,983
Operational Expenditure	242,769	93,667	149,102	(103,269)	139,500
Depreciation Expenditure	14,277	15,267	(989)	8,623	22,900
Total Expenditure	1,492,870	1,293,168	199,702	451,777	1,944,647
Operating Surplus / (Deficit)	(1,488,463)	(1,293,168)	(195,294)	(456,184)	(1,944,647)
Capital Expenditure	0	0	0	10,000	10,000
Capital Funding	0	0	0	(55,000)	(55,000)
Cash Back Depreciation	(0)	(0)	0	0	0
Rates Required	1,488,463	1,293,168	195,294	411,184	1,899,647

Commentary:

Democratic Responsibility is \$195,294 over budget for the first eight months of the year. This is due to consultants payments being made for the SORD's initiative, Pace to Progress and associated cost related to the CE retirement. Additional legal fees over budget have also been incurred this year. Councillors training and travel is also over budget for the first eight months of the year.

Business Unit **313000 - Finance and Corporate Services -
Corporate Planning**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Fees & Charges Revenue	5,304	0	5,304	(5,304)	0
Financial Revenue	1,000	0	1,000	(1,000)	0
Total Revenue	6,304	0	6,304	(6,304)	0
Internal Expenditure	169,497	169,497	(0)	84,748	254,245
Staff Expenditure	4,813	10,066	(5,253)	10,286	15,098
Administration Expenditure	7,701	41,748	(34,047)	57,750	65,451
Financial Expenditure	76,707	13,333	63,374	(56,707)	20,000
Repairs & Maintenance Expenditure	393	67	326	(293)	100
Operational Expenditure	31,877	67,906	(36,029)	129,986	161,862
Depreciation Expenditure	3,575	5,389	(1,814)	4,508	8,084
Total Expenditure	294,562	308,004	(13,442)	230,278	524,840
Operating Surplus / (Deficit)	(288,258)	(308,004)	19,746	(236,582)	(524,840)
Capital Funding	0	0	0	(80,000)	(80,000)
Rates Required	288,258	308,004	(19,746)	156,582	444,840

Commentary:

Corporate Planning is under budget by \$19,746 for the first eight months of the year. Printing and Stationery expenses are under budget but are expected to even out as the printing cost of the LTP are incurred over the next three months. Use of Consultants has also been lower than anticipated in a Long-term Plan year, it is anticipated that we will finish the year under budget in the consultant line. Audit Fees have been higher than anticipated and it is expected that we will need to draw from the Audit Reserve to meet expenses.

Business Unit **350000 - Finance and Corporate Services - Grants**

	Feb YTD			2017 / 18	
	Actual	Budget	Variance	Remaining Budget	Budget
Internal Expenditure	33,738	31,135	2,603	12,965	46,703
Financial Expenditure	35,016	57,625	(22,609)	51,421	86,437
Grants & Subsidies Expenditure	3,672,019	3,627,363	44,656	1,566,383	5,238,402
Total Expenditure	3,740,773	3,716,123	24,650	1,630,769	5,371,542
Operating Surplus / (Deficit)	(3,740,773)	(3,716,123)	(24,650)	(1,630,769)	(5,371,542)
Capital Funding	(4,585)	38,607	(43,192)	(48,201)	(52,786)
Rates Required	3,736,188	3,754,730	(18,542)	1,582,568	5,318,756

Commentary:

The Grants Budget is \$18,542 under budget for the first eight months of the year, this is primarily due to lower than budgeted interest rates for Southland Leisure Centre.