



## **TO THE MAYOR AND COUNCILLORS OF THE MACKENZIE DISTRICT COUNCIL**

### **MEMBERSHIP OF THE FINANCE COMMITTEE**

Graham Smith (Chairman)	
Claire Barlow (Mayor)	John Bishop
Peter Maxwell	Annette Money
Graeme Page	Evan Williams

*Notice is given of a meeting of the Finance Committee  
to be held on Tuesday 3 September 2013 following the Planning Committee Meeting*

**VENUE:** Council Chambers, Fairlie

**BUSINESS:** As per agenda attached

**WAYNE BARNETT**  
**CHIEF EXECUTIVE OFFICER**

28 August 2013



## FINANCE COMMITTEE

Agenda for Tuesday 3 September 2013

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### I APOLOGIES

### II DECLARATIONS OF INTEREST

### III MINUTES

Confirm and adopt as the correct record the Minutes of the meeting of the Finance Committee held on 30 July 2013, including such parts as were taken with the Public Excluded.

### IV REPORTS

1. Financial Report June 2013

### V PUBLIC EXCLUDED

Resolved that the public, be excluded from the following part of the proceedings of this meeting namely:

1. Previous minutes of the Finance Committee
2. Economic Development Contract Update

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
Previous minutes of the Finance Committee 30 July 2013	Commercial Sensitivity	48(1)(a)(i)
Economic Development Contract Update	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Previous minutes of the Finance Committee Finance Committee 30 July 2013 and Economic Development* under section 7(2)(b)(ii).

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 30 JULY 2013 AT 12:13PM**

#### **PRESENT:**

Graham Smith (Chairman)  
Annette Money  
Graeme Page  
Evan Williams  
John Bishop

#### **IN ATTENDANCE:**

Wayne Barnett (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Keri-Ann Little (Committee Clerk)  
Andrew Tombs (Alpine Energy) left 2pm  
Michael Boorer (Alpine Energy) left 2pm

#### **I     APOLOGY:**

Resolved that an apology be received from The Mayor

**Graeme Page/ Annette Money**

#### **II    MINUTES:**

Resolved that the Minutes of the meeting of the Finance Committee held on 13 June 2013, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting.

**Graeme Smith/Annette Money**

#### **Matters arising from the Minutes:**

##### *Update Section Sale:*

The CEO has spoken to Mr Armstrong regarding delay in power installation. Since then progress has been made, however yesterday it was heard that power was very slow. The CEO has asked the Surveyor to follow up on this.

##### *Old Library Café:*

This is an agenda item.

##### *Heat Pump Twizel Office:*

The heat pump has now been installed into the Twizel Office.

#### IV **PUBLIC EXCLUDED**

Resolved that the public, be excluded from the following part of the proceedings of this meeting namely:

1. Alpine Energy
2. Sale and Purchase Agreement

<b><u>General subject of each matter to be considered</u></b>	<b><u>Reason for passing this resolution in relation to each matter</u></b>	<b><u>Ground(s) under Section 48(1) for the passing of this resolution</u></b>
Alpine Energy	Commercial Sensitivity	48(1)(a)(i)
Sale and Purchase Agreement	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Alpine Energy and Sale and Purchase Agreement* Section 7(2)(b)(ii).

**Annette Money/ Evan Williams**

#### III **REPORTS:**

##### 1. **FINANCIAL REPORT MAY 2013:**

This report from the Manager – Finance and Administration, Mr Morris, was accompanied by the financial report for the period to 30 July 2013.

Mr Morris spoke to any significant variances.

Resolved that the report be received.

**Annette Money/ Evan Williams**

Cr Page asked if the Finance Committee could be provided with a quarterly report on trends in regards to Council car mileage.

##### 2. **BANCORP REPORT:**

The purpose of this report was to inform Councillors of the performance of the Council's investment portfolio, which is managed by Bancorp Treasury Services Limited. Attached to the report was the quarterly report from Bancorp Treasury Services to 30 June 2013.

Resolved:

1. That the report be received.

**Peter Maxwell/ Evan Williams**

Mr Morris spoke to his report.

3. GRANT FOR LANDSAR AND COASTGUARD FACILITY AT TWIZEL:

This report from the Chief Executive Officer was to provide information regarding a request from Dene Madden for Council to grant the amount of \$1,105.60 which was the cost of the building consent to construct a Landsar & Coastguard facility at Twizel.

Resolved: that the report be received.

**Graeme Page/ Evan Williams**

Resolved: that Council provide \$1,105.60 as a grant towards the project.

**Graeme Page/ Evan Williams**

Cr Bishop voted against this motion.

4. HONORARIUM TO CANTERBURY WATER MANAGEMENT COMMITTEE'S:

This report from the Manager Finance and Administration was for Council to consider whether to increase the water zone committee honorarium.

Resolved: that the report be received.

**Annette Money/ Evan Williams**

Mr Morris spoke to this report. Mr Morris said the report is based on the submission to the Annual Plan from Environment Canterbury which Council rejected. Mr Morris said Environment Canterbury have now provided more information regarding the increase would be 2 x \$8,000 or for both committees at a maximum of \$8,000.

The CEO provided more information regarding the main impact stating it is a dollar issue or whether Council feels by reducing their input are they also reducing their input at the table.

Cr Williams clarified payment to members stating it is a reimbursement for travel and accommodation and is only the cost of running the committee.

Resolved: that Council increase the honorarium paid to zone committee members from \$12,000 to \$20,000.

**Graeme Page/ Peter Maxwell**

5. OLD LIBRARY CAFE:

This report from the Chief Executive Officer was to update Council on direction from the Fairlie Community Board regarding options for repairing or replacing the Old Library Café building and to request funding for architectural services to implement the Community Boards objectives.

Resolved: that the report be received.

**Evan Williams/ Annette Money**

The CEO spoke to his report.

The CEO said we have received from public consultation what the community would like via a public meeting and we now have an obligation to take feedback to the public.

The CEO said he has received a price from a structural engineering which is \$290,000.

Cr Page said Council should wait until the Council meeting next week when we will have a pretty good indication of pricings.

Resolved: that this document is tabled to be represented to Council Meeting next week on the 6<sup>th</sup> of August.

**Graeme Page/ John Bishop**

6. ELECTIONS:

The Manager Administration and Finance Mr Morris gave a verbal report to the Council.

Mr Morris informed elected members nominations are now open and close on 16 of August at 12pm.

Mr Morris said any Council staff not acting appropriately in relation to candidates or any other issues regarding staff please direct to The CEO.

Mr Morris distributed two documents from the Auditor General the first local authority elections Part 12: issues to watch out for and a paper regarding good practice for managing public communications by local authorities for elected members' information.

**THE CHAIRMAN DECLARED THE MEETING CLOSED AT 3:22PM**

**CHAIRMAN:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## **MACKENZIE DISTRICT COUNCIL**

**REPORT TO:** FINANCE COMMITTEE  
**SUBJECT:** FINANCIAL REPORT – JUNE 2013  
**MEETING DATE:** 3 SEPTEMBER 2013  
**REF:** FIN 1/2/1  
**FROM:** MANAGER – FINANCE AND ADMINISTRATION  
**ENDORSED BY:** CHIEF EXECUTIVE OFFICER

### **PURPOSE OF REPORT:**

Attached is the financial report for June 2013.

### **STAFF RECOMMENDATIONS:**

1. That the report be received.

**PAUL MORRIS**  
**MANAGER – FINANCE & ADMINISTRATION**

**WAYNE BARNETT**  
**CHIEF EXECUTIVE OFFICER**

Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Governance and Corporate Services</b>						
<b>Income</b>						
General Rates	730,428	1,923,576	1,923,627	(51) ✗		1,923,627
Targeted Rates	83,472	29,280	29,300	(20) ✗		29,300
Other Income	135,766	146,860	102,500	44,360 ✓		102,500
Internal Income	1,950,561	153,400	107,717	45,683 ✓		107,717
Gain on Sale - Assets	0	5,000	0	5,000 ✓		0
<b>Total Income</b>	<b>2,900,227</b>	<b>2,258,116</b>	<b>2,163,144</b>	<b>94,972 ✓</b>		<b>2,163,144</b>
<b>Expenses</b>						
Employment Expenses	1,017,629	1,180,441	1,088,729	(91,712) ✗		1,088,729
Members Expenses	244,666	277,270	275,500	(1,770) ✗		275,500
Consultancy Expenses	159,406	146,769	113,635	(33,134) ✗		113,635
Administration Expenses	446,979	332,498	289,352	(43,146) ✗		289,352
Operational and Maintenance	231,690	270,130	261,480	(8,650) ✗		261,480
Depreciation	100,226	79,104	79,183	79 ✓		79,183
Internal Charges	817,883	78,338	56,361	(21,977) ✗		56,361
<b>Total Expenses</b>	<b>3,018,479</b>	<b>2,364,550</b>	<b>2,164,240</b>	<b>(200,310) ✗</b>		<b>2,164,240</b>
<b>Surplus/(Deficit)</b>	<b>(118,252)</b>	<b>(106,434)</b>	<b>(1,096)</b>	<b>(105,338)</b>		<b>(1,096)</b>

Variance Analysis

Variance analysis of the Governance and Corporate Services Activities are provided for each activity below.



Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Governance</b>						
<b>Income</b>						
General Rates	730,428	345,348	345,347	1 ✓		345,347
Targeted Rates	83,472	29,280	29,300	(20) ✗		29,300
Other Income	17,362	22,020	15,000	7,020 ✓	1	15,000
<b>Total Income</b>	<b>831,262</b>	<b>396,648</b>	<b>389,647</b>	<b>7,001 ✓</b>		<b>389,647</b>
<b>Expenses</b>						
Employment Expenses	55,414	45,596	52,139	6,543 ✓		52,139
Members Expenses	244,666	277,270	275,500	(1,770) ✗	2	275,500
Consultancy Expenses	20,268	5,142	0	(5,142) ✗	3	0
Administration Expenses	34,565	26,939	53,000	26,061 ✓	4	53,000
Depreciation	0	0	0	0 ✓		0
Internal Charges	445,825	5,007	9,007	4,000 ✓		9,007
<b>Total Expenses</b>	<b>800,738</b>	<b>359,954</b>	<b>389,646</b>	<b>29,692 ✓</b>		<b>389,646</b>
<b>Surplus/(Deficit)</b>	<b>30,524</b>	<b>36,693</b>	<b>1</b>	<b>36,692</b>		<b>1</b>

Variance Analysis

1. Higher than anticipated revenues associated with Water Zone committees
2. Zone Committee costs were \$17,390 more than budgetd. This was offset by lower than anticipated councillor Travelling Expenses \$12,324
3. Costs associated with CEO review undertaken by Mitchell Notley
4. Lower than anticipated costs associated with subscriptions (\$16,654), refreshment (\$4,000) advertising (\$2,502) has contributed to this favourable variance

Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Corporate Services</b>						
<b>Income</b>						
General Rates	0	1,578,228	1,578,280	(52) ✓		1,578,280
Other Income	118,404	124,841	87,500	37,341 ✓	1	87,500
Internal Income	1,950,561	153,400	107,717	45,683 ✓	2	107,717
Gain on Sale - Assets	0	5,000	0	5,000 ✓		0
<b>Total Income</b>	<b>2,068,965</b>	<b>1,861,468</b>	<b>1,773,497</b>	<b>87,971 ✓</b>		<b>1,773,497</b>
<b>Expenses</b>						
Employment Expenses	962,215	1,134,845	1,036,590	(98,255) ✗	3	1,036,590
Consultancy Expenses	139,137	141,626	113,635	(27,991) ✗	4	113,635
Administration Expenses	412,414	305,559	236,352	(69,207) ✗	5	236,352
Operational and Maintenance	231,690	270,175	261,480	(8,695) ✗		261,480
Depreciation	100,226	79,104	79,183	79 ✓		79,183
Internal Charges	372,059	73,331	47,354	(25,977) ✗	6	47,354
<b>Total Expenses</b>	<b>2,217,741</b>	<b>2,004,640</b>	<b>1,774,594</b>	<b>(230,046) ✗</b>		<b>1,774,594</b>
<b>Surplus/(Deficit)</b>	<b>(148,776)</b>	<b>(143,172)</b>	<b>(1,097)</b>	<b>(142,075)</b>		<b>(1,097)</b>

Variance Analysis

- Higher than anticipated revenues from commissions (\$12,492) and Rates penalties (\$4,558) has resulted in this favourable variance
- Higher than anticipated motor vehicle charge outs (\$45,207) has resulted in this favourable variance
- Recruitment costs were \$27,340 higher than budget. This coupled with the position regrade and the effect on Accrued holiday pay has created this unfavourable variance.
- Consultancy costs are higher than budget due to costs associated with union negotiations (\$5,027) along with \$10,331 associated with the staff regrading review. Also contributing to this cost over-run is legal fees (\$6,446) associated with reviewing councils rating strategy for the LTP and \$7,432 for advice in relation to MTDT.
- Included in admin expenses budget was an amount of \$50,000 in savings that was scheduled to be saved through a Twizel office restructure. This did not eventuate and circumstances has changed. In addition to this Insurance costs are \$12,744 above budget
- Increased vehicle charge out has resulted in this unfavourable variance

Capital Expenditure

Capex

Administration

0018001. Computers	12,768	2,776	20,000	17,224 ✓		20,000
0018925. Plant & Equipment	0	1,180	2,655	1,475 ✓		2,655
0018999. Transfer to Assets	(12,768)	0	0	0 ✓		0
<b>Fairlie Council Building</b>						
0088916. Building Renovations	0	0	20,000	20,000 ✓		20,000
0088925. Plant & Equipment	0	1,273	0	(1,273) ✗		0
0088935. Furniture & Fittings - Admin	0	16,155	22,000	5,845 ✓		22,000
0088940. Furniture & Fittings - Other	571	110	0	(110) ✗		0
0088999. Transfer to Assets	(571)	0	0	0 ✓		0
<b>Twizel Council Building</b>						
0098925. Plant & Equipment	0	5,368	0	(5,368) ✗	1	0
0098935. Carpets	0	8,791	4,000	(4,791) ✗	2	4,000
<b>Information Technology</b>						
0788002. PC Server	0	35,978	35,000	(978) ✗		35,000
0788005. Printers, Copiers & Scanners	1,725	4,000	4,000	0 ✓		4,000
0788006. GIS Aerials	27,136	0	0	0 ✓		0
0788010. Network Infrastructure	2,235	0	0	0 ✓		0
0788012. Software	10,932	17,500	14,500	(3,000) ✗		14,500
0788013. Information Management Systems	715	0	0	0 ✓		0
0788014. Web site development	0	3,500	4,000	500 ✓		4,000
0788925. Plant & Equipment	292	2,249	3,000	751 ✓		3,000
0788999. Transfer to Assets	(43,035)	0	0	0 ✓		0
<b>Plant</b>						
2658930. Vehicles	0	123,938	108,000	(15,938) ✗	3	108,000
<b>Total Capex</b>	<b>0</b>	<b>222,818</b>	<b>237,155</b>	<b>14,337 ✓</b>		<b>237,155</b>

Variance Analysis

- Unbudgeted but approved expenditure on a heatpump for the Twizel Office has resulted in this unfavourable variance
- Overspend on costs associated with carpeting the Twizel office has created this unfavourable variance
- Costs associated with purchase of a new CEO vehicle has resulted in this unfavourable variance. This vehicle was scheduled to be purchased in the 2014 financial year. This will not be required.

Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD Budget June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Water</b>						
<b>Income</b>						
Targeted Rates	887,738	823,822	778,298	45,524 ✓	1	778,298
Investment Income	3,891	3,431	0	3,431 ✓		0
Other Income	133,103	96,278	81,000	15,278 ✓	2	81,000
Financial Contributions	131,146	180,206	0	180,206 ✓	3	0
Internal Income	40,231	46,652	12,563	34,089 ✓	4	12,563
Vested Assets	99,325	0	0	0 ✓		0
<b>Total Income</b>	<b>1,295,434</b>	<b>1,150,389</b>	<b>871,861</b>	<b>278,528 ✓</b>		<b>871,861</b>
<b>Expenses</b>						
Employment Expenses	9,674	3,104	0	(3,104) ✗	5	0
Consultancy Expenses	4,178	300	17,500	17,200 ✓	6	17,500
Administration Expenses	14,851	10,404	9,220	(1,184) ✗		9,220
Operational and Maintenance	418,960	359,217	401,875	42,658 ✓	7	401,875
Depreciation	373,109	385,016	366,742	(18,274) ✗	8	366,742
Internal Charges	169,616	58,246	66,773	8,527 ✓		66,773
<b>Total Expenses</b>	<b>990,388</b>	<b>816,287</b>	<b>862,110</b>	<b>45,823 ✓</b>		<b>862,110</b>
<b>Surplus/(Deficit)</b>	<b>305,046</b>	<b>334,102</b>	<b>9,751</b>	<b>324,351 ✓</b>		<b>9,751</b>

Variance Analysis

1. This positive variance has been created by the inclusion of our share of the Downlands Water Scheme joint venture.
2. Higher than anticipated water meter consumption has created this favourable variance
3. Unbudgeted financial contributions has resulted in this favourable variance
4. Interest earned on Twizel water capital reserve (\$28,984) due to under spending capital expenditure has contributed to this favourable variance
5. Raceman employed by the Allandale scheme has resulted in this unfavourable variance
6. Consultancy costs (mainly engineering) not being spent has resulted in this favourable variance
7. Unfavourable variance for the Twizel Water supply contractor costs (\$33,485) and repairs and maintenance costs (\$12,890) offset by lower than anticipated contractor costs (\$20,560) and repairs and maintenance (\$19,862) in Tekapo and contractor costs (\$18,497) in Fairlie has contributed to this overall favourable variance.
8. Includes depreciation on share of Downlands assets

Capital Expenditure

<b>Water</b>						
<b>Capex</b>						
Fairlie	0	275,511	243,000	(32,511) ✗	1	243,000
Tekapo	0	2,364	133,000	130,636 ✓		133,000
Rural	0	160,819	43,000	(117,819) ✗	2	43,000
Twizel	0	144,334	1,036,000	891,666 ✓	3	1,036,000
<b>Total Water</b>	<b>0</b>	<b>583,029</b>	<b>1,455,000</b>	<b>871,971 ✓</b>		<b>1,455,000</b>

Variance Analysis

1. Additional approved costs associated with Fairlie Town reticulation upgrades. This variance is offset by the surplus in the Fairlie water supply
2. Includes Capital expenditure associated with the downlands scheme.
3. Twizel water capital project not being undertaken during this financial year.

Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Sewer</b>						
<b>Income</b>						
Targeted Rates	514,507	386,611	386,611	0 ✓		386,611
Other Income	792	5,917	0	5,917 ✓		0
Financial Contributions	19,561	116,537	0	116,537 ✓	1	0
Upgrade Contributions	172,822	129,115	0	129,115 ✓	1	0
Internal Income	19,121	23,938	22,667	1,271 ✓		22,667
Vested Assets	92,794	0	0	0 ✓		0
<b>Total Income</b>	<b>819,596</b>	<b>662,118</b>	<b>409,278</b>	<b>252,840 ✓</b>		<b>409,278</b>
<b>Expenses</b>						
Consultancy Expenses	0	0	10,000	10,000 ✓	2	10,000
Administration Expenses	6,631	7,300	10,310	3,010 ✓		10,310
Operational and Maintenance	157,173	114,553	138,800	24,247 ✓	3	138,800
Depreciation	245,996	244,728	244,756	28 ✓		244,756
Internal Charges	118,311	16,179	22,319	6,140 ✓		22,319
<b>Total Expenses</b>	<b>528,111</b>	<b>382,760</b>	<b>426,185</b>	<b>43,425 ✓</b>		<b>426,185</b>
<b>Surplus/(Deficit)</b>	<b>291,485</b>	<b>279,358</b>	<b>(16,907)</b>	<b>296,265 ✓</b>		<b>(16,907)</b>

Variance analysis

1. Unbudgeted financial and upgrade contributions has resulted in this favourable variance
2. Unspent budget for engineering consultancy across all schemes has resulted in this favourable variance
3. Lower than anticipated costs associated with Tekapo Monitoring (\$4,268), electricity (\$2,099) and repairs and maintenance (\$7,021) along with lower than anticipated contractor costs(\$5,938) in fairlie has contributed to this favourable variance

Capital Expenditure

<b>Sewer</b>						
<b>Capex</b>						
Fairlie	0	0	1,700	1,700 ✓		1,700
Twizel	0	24,558	50,000	25,442 ✓	1	50,000
<b>Total Sewer</b>	<b>0</b>	<b>24,558</b>	<b>51,700</b>	<b>27,142 ✓</b>		<b>51,700</b>

Variance Analysis

1. Preliminary costs associated with the purchase of land for the Twizel Sewerage outlet.



	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Stormwater</b>						
<b>Income</b>						
Targeted Rates	84,264	80,352	80,353	(1) ✗		80,353
Financial Contributions	1,151	15,837	0	15,837 ✓	1	0
Internal Income	6,201	8,712	8,146	566 ✓		8,146
<b>Total Income</b>	<b>91,616</b>	<b>104,901</b>	<b>88,499</b>	<b>16,402 ✓</b>		<b>88,499</b>
<b>Expenses</b>						
Administration Expenses	310	325	3,000	2,675 ✓		3,000
Operational and Maintenance	9,777	16,741	26,700	9,959 ✓	2	26,700
Depreciation	58,156	58,128	58,155	27 ✓		58,155
Internal Charges	23,124	649	644	(5) ✗		644
<b>Total Expenses</b>	<b>91,367</b>	<b>75,844</b>	<b>88,499</b>	<b>12,655 ✓</b>		<b>88,499</b>
<b>Surplus/(Deficit)</b>	<b>250</b>	<b>29,057</b>	<b>0</b>	<b>29,057 ✓</b>		<b>0</b>

*Variance Analysis*

1. Unbudgeted financial contributions in Fairlie has resulted in this favourable variance
2. Lower than anticipated Repairs and maintenance costs in twizel (\$7,000) has contributed to this favourable variance

**Capital Expenditure**

0 0 0 0 ✓ 0

Mackenzie District Council  
Activity Report  
For the Period Ended June 2013

	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Roadings</b>						
<b>Income</b>						
General Rates	0	1,353,060	1,353,060	(0) ✓		1,353,060
Targeted Rates	1,403,532	11,280	11,280	0 ✓		11,280
Subsidies and Grants	1,620,879	2,576,164	1,473,365	1,102,799 ✓	1	1,473,365
Other Income	94,213	61,361	28,104	33,257 ✓		28,104
Upgrade Contributions	0	11,717	0	11,717 ✓		0
Internal Income	161,184	836	67,481	(66,645) ✗	2	67,481
Vested Assets	68,778	0	0	0 ✓		0
<b>Total Income</b>	<b>3,348,587</b>	<b>4,014,418</b>	<b>2,933,290</b>	<b>1,081,128 ✓</b>		<b>2,933,290</b>
<b>Expenses</b>						
Employment Expenses	84,877	129,095	106,700	22,395 ✗	3	106,700
Consultancy Expenses	68,596	13,884	23,000	9,116 ✓		23,000
Administration Expenses	5,123	5,567	5,250	317 ✗		5,250
Roadings	1,163,185	2,238,450	1,142,357	1,096,093 ✗	4	1,142,357
Depreciation	1,675,727	1,589,124	1,589,132	8 ✓		1,589,132
Internal Charges	323,553	25,481	79,875	54,394 ✓	5	79,875
<b>Total Expenses</b>	<b>3,321,061</b>	<b>4,001,600</b>	<b>2,946,314</b>	<b>1,055,286 ✗</b>		<b>2,946,314</b>
<b>Surplus/(Deficit)</b>	<b>27,526</b>	<b>12,817</b>	<b>(13,024)</b>	<b>25,841 ✗</b>		<b>(13,024)</b>

*Variance analysis*

1. Increased levels of expenditure on emergency re-instatement has increased the level of claim made to NZTA
2. Internal wash-up of Roadings business unit to Roadings account. This has not yet been finalised but will not impact the overall result of the roadings activity as it will be a cost to one part of the roadings business and income to the other.
3. unbudgeted costs associated with Staff Training (\$5,130) and staff regrading has lead to this unfavourable variance as it impacted not only salaries but accrued holiday pay.
4. Includes increased costs due to emergency re-instatement work of \$1,181,992 which was not budgeted for. If these costs are removed roadings maintenance is \$85,899 below budget.
5. Includes internal motor vehicle charges charged to the Roadings business unit. The variance is created by the other side of the entry described in 2.

**Capital Expenditure**

<b>Roadings</b>						
<b>Capex</b>						
0868001. Computers	0	8,517	10,000	1,483 ✓		10,000
2548211. Unsealed Road Metalling	445,191	492,285	425,000	(67,285) ✗		425,000
2548212. Sealed Road Resurfacing	649,322	668,099	520,000	(148,099) ✗		520,000
2548213. Drainage Renewal	46,113	44,471	43,189	(1,282) ✗		43,189
2548214. Sealed Road Pavement Rehabilitation	102,065	0	120,929	120,929 ✓		120,929
2548215. Structures Component replacements bridges	22,195	7,781	15,686	7,905 ✓		15,686
25482151. Structures Component replacements cattelstops	19,218	6,660	10,000	3,340 ✓		10,000
2548222. Traffic Services Renewals	47,122	70,333	74,196	3,863 ✓		74,196
2548231. Associated Improvements	0	0	5,000	5,000 ✓		5,000
2548300. Footpath Minor Maintenance	0	3,375	0	(3,375) ✗		0
2548310. Footpaths - Surfacing	68,951	68,261	66,500	(1,761) ✗		66,500
2548341. Minor Improvements	274,583	175,021	250,000	74,979 ✓		250,000
2548390. Streetscape Improvements	0	62,644	20,000	(42,644) ✗	2	20,000
2548394. Cemetery carpark overflow	0	8,529	15,000	6,471 ✓		15,000
2548395. Sealing Past Houses	24,238	0	10,000	10,000 ✓		10,000
2548396. Manuka Terrace	0	23,798	460,000	436,202 ✓	3	460,000
262819110. Roadings - Ruataniwha Reserve	4,989	0	0	0 ✓		0
2628192. Verges - North West Arch	12,561	0	0	0 ✓		0
2628193. Vested Assets	68,778	0	0	0 ✓		0
2628518. Market Pl Entrance Upgrade	6,983	0	0	0 ✓		0
26381721. Lake Alexandrina Bridge Sealing Works Unsubsidised Roadings	25,265	0	0	0 ✓		0
2638195. Sealing Past Houses	0	0	0	0 ✓		0
<b>Total Roadings</b>	<b>1,817,572</b>	<b>1,639,775</b>	<b>2,045,500</b>	<b>405,725 ✓</b>	1	<b>2,045,500</b>

*Variance analysis*

1. Total spend is \$405,725 below budget with unspent money on Manuka Terrace \$436,202 making up the variance. Subsidised capital spend was \$1,289,629 while the budgeted spend was set at \$1,214,000. This increase of \$75,629 is offset by the underspend on maintenance of \$85,899. So out of a total budgeted subsidised spend of \$2,250,649 council has spent \$2,264,574 thereby maximising its claim from NZTA.
2. Costs associated with Princes Street will be met from Fairlie Community Board Township reserves
3. Better cost efficiencies has meant the postponement of Manuka Terrace sealing until November 2013.

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Roading Expenditure Breakdown Expenses</b>						
<b>Roading</b>						
2546111. Sealed Pavement Mtce	228,599	168,700	167,181	(1,519) ✗		167,181
2546112. Unsealed Pavement Mtce	307,479	348,008	354,960	6,952 ✓		354,960
2546113. Routine Drainage Mtce	73,999	70,813	75,232	4,419 ✓		75,232
25461131. Drainage Mtce - St Cleaning	24,926	24,441	49,704	25,263 ✓		49,704
2546114. Structures Maintenance Bridges	78,747	34,505	72,640	38,135 ✓		72,640
25461141. Structures Maintenance Cattlestops	2,571	25,440	24,000	(1,440) ✗		24,000
2546121. Environmental Mtce	276,141	147,780	144,864	(2,916) ✗		144,864
2546122. Traffic Services Mtce	41,837	57,377	59,472	2,095 ✓		59,472
25461221. Street Lighting - Maintenanc	29,812	45,318	45,600	282 ✓		45,600
25461222. Street Lighting - Electricit	36,227	52,563	42,996	(9,567) ✗		42,996
2546288. Emergency Reinstatement	0	1,181,992	0	(1,181,992) ✗		0
2546301. Street Lights - Mtce - Trans	6,878	6,066	17,100	11,034 ✓		17,100
2546302. Street Lights-Elect - Transi	8,547	11,638	11,004	(634) ✗		11,004
2546303. Drainage Mtce - St Cleaning Transit	19,750	23,903	23,004	(899) ✗		23,004
2546304. Footpaths	27,673	27,229	29,000	1,771 ✓		29,000
2546305. New Year Road Sweep	0	0	600	600 ✓		600
2546306. Alps2ocean	0	12,678	25,000	12,322 ✓		25,000
<b>Total Roding</b>	<b>1,163,185</b>	<b>2,238,450</b>	<b>1,142,357</b>	<b>(1,096,093) ✗</b>		<b>1,142,357</b>

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Community and Township Services</b>						
<b>Income</b>						
General Rates	881,939	385,635	935,043	(549,408) ✗		935,043
Targeted Rates	1,354,443	1,713,810	1,200,268	513,542 ✓		1,200,268
Subsidies and Grants	18,805	18,047	30,741	(12,694) ✗		30,741
Other Income	557,535	326,048	432,637	(106,589) ✗		432,637
Internal Income	105,237	12,510	17,338	(4,828) ✗		17,338
Gain on Sale - Assets	14,809	826	0	826 ✓		0
<b>Total Income</b>	<b>2,932,766</b>	<b>2,456,876</b>	<b>2,616,027</b>	<b>(159,151) ✗</b>		<b>2,616,027</b>
<b>Expenses</b>						
Employment Expenses	147,806	144,205	126,247	(17,958) ✗		126,247
Consultancy Expenses	5,916	4,379	38,167	33,788 ✓		38,167
Administration Expenses	266,227	267,077	282,919	15,842 ✓		282,919
Operational and Maintenance	1,591,033	1,700,827	1,947,350	246,523 ✓		1,947,350
Depreciation	305,433	272,520	273,714	1,194 ✓		273,714
Internal Charges	449,768	42,854	58,892	16,038 ✓		58,892
Loss On Sale and Assets Written Off	317,265	0	0	0 ✓		0
<b>Total Expenses</b>	<b>3,083,448</b>	<b>2,431,862</b>	<b>2,727,289</b>	<b>295,427 ✓</b>		<b>2,727,289</b>
<b>Surplus/(Deficit)</b>	<b>(150,682)</b>	<b>25,014</b>	<b>(111,262)</b>	<b>136,276 ✓</b>		<b>(111,262)</b>

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Solid Waste</b>						
<b>Income</b>						
General Rates	415,428	0	546,336	(546,336) ✗		546,336
Targeted Rates	131,982	559,815	13,620	546,195 ✓		13,620
Other Income	147,180	125,533	133,784	(8,251) ✗	1	133,784
Internal Income	95,268	85	0	85 ✓		0
Gain on Sale - Assets	14,809	826	0	826 ✓		0
<b>Total Income</b>	<b>804,667</b>	<b>686,260</b>	<b>693,740</b>	<b>(7,480) ✗</b>		<b>693,740</b>
<b>Expenses</b>						
Employment Expenses	72,403	33,056	52,688	19,632 ✓	2	52,688
Consultancy Expenses	5,916	4,379	38,167	33,788 ✓	3	38,167
Administration Expenses	8,209	10,696	4,971	(5,725) ✗		4,971
Operational and Maintenance	561,462	634,949	578,186	(56,763) ✗	4	578,186
Depreciation	24,680	6,732	6,752	20 ✓		6,752
Internal Charges	174,465	4,140	25,130	20,990 ✓		25,130
<b>Total Expenses</b>	<b>847,133</b>	<b>693,952</b>	<b>705,894</b>	<b>11,942 ✓</b>		<b>705,894</b>
<b>Surplus/(Deficit)</b>	<b>(42,466)</b>	<b>(7,693)</b>	<b>(12,154)</b>	<b>4,461 ✗</b>		<b>(12,154)</b>

*Variance Analysis*

1. Lower than expected other income has resulted in this unfavourable variance
2. Lower than expected Employment costs due to the position being part time
3. Lower than anticipated consultancy costs are mainly due to unspent monies on Education program (\$27,182)
4. ESL Contract costs are higher than anticipated

Capital Expenditure

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Community Services</b>						
<b>Income</b>						
General Rates	329,124	271,560	271,567	(7) ✗		271,567
Subsidies and Grants	757	757	10,641	(9,884) ✗		10,641
Other Income	97,089	97,909	114,779	(16,870) ✗	1	114,779
Internal Income	1,881	2,187	2,917	(730) ✗		2,917
<b>Total Income</b>	<b>428,851</b>	<b>372,413</b>	<b>399,904</b>	<b>(27,491) ✗</b>		<b>399,904</b>
<b>Expenses</b>						
Administration Expenses	22,986	25,265	38,400	13,135 ✓	2	38,400
Operational and Maintenance	312,114	305,866	344,343	38,477 ✓	3	344,343
Depreciation	55,150	50,520	50,548	28 ✓		50,548
Internal Charges	56,712	0	5,770	5,770 ✓		5,770
Loss On Sale and Assets Written Off	317,265	0	0	0 ✓		0
<b>Total Expenses</b>	<b>764,227</b>	<b>381,650</b>	<b>439,061</b>	<b>57,411 ✓</b>		<b>439,061</b>
<b>Surplus/(Deficit)</b>	<b>(335,376)</b>	<b>(9,237)</b>	<b>(39,157)</b>	<b>29,920 ✓</b>		<b>(39,157)</b>

**Variance Analysis**

1. lower than anticipated revenue from cemeteries (\$17,377) has contributed to this unfavourable variance
2. Lower than anticipated Telephone costs (\$10,000) has contributed to this unfavourable variance
3. Lower than anticipated cemetery costs of grave digging (\$10,094) and repairs and maintenance (\$27,624) has resulted in this favourable variance

**Capital Expenditure**

**Community Facilities**

<b>Capex</b>						
	0	0	200,000	200,000 ✓	1	200,000
	1,906	0	0	0 ✓		0
	(1,906)	0	0	0 ✓		0
<b>Total Community Facilities</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>200,000 ✓</b>		<b>200,000</b>

**Variance Analysis**

1. Costs associated with the Twizel toilet has not been spent this year and will be undertaken in the 2014 financial year.

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Recreational Facilities</b>						
<b>Income</b>						
General Rates	137,387	114,075	117,140	(3,065) ✗		117,140
Targeted Rates	1,222,460	1,153,995	1,186,648	(32,653) ✗		1,186,648
Subsidies and Grants	18,048	17,291	20,100	(2,809) ✗		20,100
Other Income	313,266	102,606	121,524	(18,918) ✗	1	121,524
Internal Income	8,087	10,237	14,421	(4,184) ✗		14,421
<b>Total Income</b>	<b>1,699,248</b>	<b>1,398,203</b>	<b>1,459,833</b>	<b>(61,630) ✗</b>		<b>1,459,833</b>
<b>Expenses</b>						
Employment Expenses	75,403	111,149	73,559	(37,590) ✗	2	73,559
Administration Expenses	235,032	231,117	239,548	8,431 ✓		239,548
Operational and Maintenance	717,458	760,012	1,024,821	264,809 ✓	3	1,024,821
Depreciation	225,604	215,268	216,414	1,146 ✓		216,414
Internal Charges	218,592	38,713	27,992	(10,721) ✗		27,992
<b>Total Expenses</b>	<b>1,472,088</b>	<b>1,356,259</b>	<b>1,582,334</b>	<b>226,075 ✓</b>		<b>1,582,334</b>
<b>Surplus/(Deficit)</b>	<b>227,160</b>	<b>41,944</b>	<b>(59,951)</b>	<b>164,445 ✓</b>		<b>(59,951)</b>

**Variance Analysis**

- Lower than anticipated income from halls in Twizel (\$5,748) and Tekapo (\$2,491) along with lower income for Twizel pool (\$2,580) and Fairlie pool (\$1,586) has contributed to this unfavourable variance.
- Unbudgeted costs associated with Tekapo town maintenance person (\$21,150) as well as increased staff costs at the pools has resulted in this unfavourable variance.
- The Twizel events centre shows an unfavourable variance of \$10,433 made up of increased compliance costs of \$4,673, and repairs and maintenance of \$3,824. This is offset by lower than anticipated costs on the Mackenzie Community Hall of \$25,212 due to planned floor repairs not being undertaken until 2014. The Twizel township account shows an unfavourable variance of \$20,155 due to additional costs associated with project work in the town. This will be offset from the twizel stormwater reserve. Fairlie (\$67,208) and Tekapo (\$175,823) positive variances on township spend are due to project money not being spent in this financial year.

**Capital Expenditure**

**Recreational Facilities**

**Capex**

0488916. Community Assets - Other	0	0	10,000	10,000 ✓		10,000
0528977. Playground Upgrade	0	5,256	0	(5,256) ✗		0
0528979. Village Green Upgrades	11,759	0	30,000	30,000 ✓		30,000
0528999. Transfer to Assets	(11,759)	0	0	0 ✓		0
0558516. Implement of Development Plan	26,579	71,468	0	(71,468) ✗		0
0558999. Transfer to Assets	(26,579)	0	0	0 ✓		0
1248917. Aorangi Cres Upgrade	3,202	556,475	0	(556,475) ✗	1	0
1248940. Furniture & Fittings - Other	0	0	15,000	15,000 ✓		15,000
1248950. Community Assets - Buildings	0	(0)	0	0 ✓		0
1248978. Resurfacing Tennis Court	210,954	0	0	0 ✓		0
1248999. Transfer to Assets	(214,156)	0	0	0 ✓		0
1408925. Plant and Equipment	25,299	2,016	0	(2,016) ✗		0
1408999. Transfer to Assets	(25,299)	0	0	0 ✓		0
1428965. Comm Asset - Public Amenities	0	0	40,000	40,000 ✓		40,000
<b>Total Recreational Facilities</b>	<b>0</b>	<b>635,214</b>	<b>95,000</b>	<b>(540,214) ✗</b>		<b>95,000</b>

**Variance Analysis**

- Costs associated with the Tekapo hall upgrade will be paid for from the Hall Capital reserve

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Planning and Regulation</b>						
<b>Income</b>						
General Rates	454,512	309,324	309,368	(44) ✗		309,368
Targeted Rates	123,108	135,504	135,498	6 ✓		135,498
Other Income	390,333	436,431	378,762	57,669 ✓		378,762
Reserve Contributions	91,181	211,407	134,200	77,207 ✓		134,200
Internal Income	32,342	732	2,726	(1,994) ✗		2,726
Gain on Sale - Assets	15,152	0	0	0 ✓		0
<b>Total Income</b>	<b>1,106,627</b>	<b>1,093,398</b>	<b>960,554</b>	<b>132,844 ✓</b>		<b>960,554</b>
<b>Expenses</b>						
Employment Expenses	338,445	412,532	380,837	(31,695) ✗		380,837
Consultancy Expenses	185,321	232,225	230,000	(2,225) ✗		230,000
Administration Expenses	67,464	93,325	103,517	10,192 ✓		103,517
Operational and Maintenance	111,163	113,043	147,075	34,032 ✓		147,075
Depreciation	32,270	36,612	36,656	44 ✓		36,656
Internal Charges	299,892	47,998	39,318	(8,680) ✗		39,318
<b>Total Expenses</b>	<b>1,034,554</b>	<b>935,735</b>	<b>937,403</b>	<b>1,668 ✓</b>		<b>937,403</b>
<b>Surplus/(Deficit)</b>	<b>72,073</b>	<b>157,663</b>	<b>23,151</b>	<b>134,512 ✓</b>		<b>23,151</b>

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Building</b>						
<b>Income</b>						
General Rates	79,668	17,988	17,986	2 ✓		17,986
Other Income	257,412	301,682	220,500	81,182 ✓	1	220,500
Internal Income	3,000	0	0	0 ✓		0
<b>Total Income</b>	<b>340,080</b>	<b>319,670</b>	<b>238,486</b>	<b>81,184 ✓</b>		<b>238,486</b>
<b>Expenses</b>						
Employment Expenses	133,504	143,356	141,936	(1,420) ✗		141,936
Consultancy Expenses	16,203	46,653	15,000	(31,653) ✗	2	15,000
Administration Expenses	50,545	53,416	51,500	(1,916) ✗		51,500
Depreciation	70	0	0	0 ✓		0
Internal Charges	143,919	38,324	30,050	(8,274) ✗		30,050
<b>Total Expenses</b>	<b>344,241</b>	<b>281,748</b>	<b>238,486</b>	<b>(43,262) ✗</b>		<b>238,486</b>
<b>Surplus/(Deficit)</b>	<b>(4,161)</b>	<b>37,922</b>	<b>0</b>	<b>37,922 ✗</b>		<b>0</b>

*Variance Analysis*

1. higher than anticipated revenue from building activity has resulted in this favourable variance
2. Additional costs relating to BCA audit and accreditation.

**Capital Expenditure**

0 0 0 0 ✓ 0

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Planning</b>						
<b>Income</b>						
General Rates	320,100	237,288	237,288	0 ✓		237,288
Other Income	92,758	93,423	81,200	12,223 ✓		81,200
Reserve Contributions	91,181	211,407	134,200	77,207 ✓	1	134,200
Internal Income	29,004	9	0	9 ✓		0
<b>Total Income</b>	<b>533,043</b>	<b>542,127</b>	<b>452,688</b>	<b>89,439 ✓</b>		<b>452,688</b>
<b>Expenses</b>						
Employment Expenses	183,688	237,112	219,279	(17,833) ✗	2	219,279
Consultancy Expenses	169,118	185,572	215,000	29,428 ✓	3	215,000
Administration Expenses	5,244	13,344	21,867	8,523 ✓		21,867
Operational and Maintenance	100	588	8,500	7,912 ✓		8,500
Depreciation	158	144	158	14 ✓		158
Internal Charges	134,429	6,315	4,736	(1,579) ✗		4,736
<b>Total Expenses</b>	<b>492,737</b>	<b>443,075</b>	<b>469,540</b>	<b>26,465 ✓</b>		<b>469,540</b>
<b>Surplus/(Deficit)</b>	<b>40,306</b>	<b>99,052</b>	<b>(16,852)</b>	<b>115,904 ✓</b>		<b>(16,852)</b>

*Variance Analysis*

1. Higher than anticipated reserve contributions has created this favourable variance
2. Costs associated with district plan review (approved but unbudgeted) and salary regrade costs has created this unfavourable variance.
3. Lower than anticipated consultancy costs (PC13) has resulted in this favourable variance.

**Capital Expenditure**

0 0 0 0 ✓ 0



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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Regulatory</b>						
<b>Income</b>						
General Rates	54,744	54,048	54,094	(46) ✗		54,094
Targeted Rates	123,108	135,504	135,498	6 ✓		135,498
Other Income	40,162	41,326	77,062	(35,736) ✗	1	77,062
Internal Income	338	723	2,726	(2,003) ✗		2,726
Gain on Sale - Assets	15,152	0	0	0 ✓		0
<b>Total Income</b>	<b>233,504</b>	<b>231,601</b>	<b>269,380</b>	<b>(37,779) ✗</b>		<b>269,380</b>
<b>Expenses</b>						
Employment Expenses	21,252	32,064	19,622	(12,442) ✗	2	19,622
Administration Expenses	11,674	26,565	30,150	3,585 ✓		30,150
Operational and Maintenance	111,063	112,456	138,575	26,119 ✓	3	138,575
Depreciation	32,042	36,468	36,498	30 ✓		36,498
Internal Charges	21,544	3,359	4,532	1,173 ✓		4,532
<b>Total Expenses</b>	<b>197,576</b>	<b>210,912</b>	<b>229,377</b>	<b>18,465 ✓</b>		<b>229,377</b>
<b>Surplus/(Deficit)</b>	<b>35,928</b>	<b>20,689</b>	<b>40,003</b>	<b>(19,314) ✓</b>		<b>40,003</b>

*Variance Analysis*

- Budgeting for Health and Liquor is on gross revenue basis while TDC pays on a net revenue basis. This has caused the budget variance
- Staff regrading plus the introduction of a long service leave provision has resulted in this unfavourable variance
- See comment 1 above.

**Capital Expenditure**

**Regulatory**

<b>Capex</b>						
0108925. Plant & Equipment	0	0	15,000	15,000 ✓	1	15,000
0698925. Plant & Equipment	192	8,000	8,000	0 ✓		8,000
0698999. Transfer to Assets	(192)	0	0	0 ✓		0
0838925. Plant & Equipment	0	8,000	6,000	(2,000) ✗		6,000
0838930. Vehicles	86,367	0	0	0 ✓		0
0838999. Transfer to Assets	(86,367)	0	0	0 ✓		0
<b>Total Regulatory</b>	<b>0</b>	<b>16,000</b>	<b>29,000</b>	<b>13,000 ✓</b>		<b>29,000</b>

*Variance Analysis*

- Twizel generator costs postponed until 2014

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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Commercial Activities</b>						
<b>Income</b>						
General Rates	(824,172)	(1,083,264)	(1,083,240)	(24) X		(1,083,240)
Targeted Rates	84,315	106,550	107,150	(600) X		107,150
Investment Income	1,089,329	950,665	1,080,212	(129,548) X	1	1,080,212
Other Income	670,548	445,477	289,975	155,502 ✓	2	289,975
Other Gains and Losses	(920,338)	435,800	0	435,800 ✓	3	0
Internal Income	153,690	(91,688)	(63,090)	(28,598) X		(63,090)
<b>Total Income</b>	<b>253,371</b>	<b>763,539</b>	<b>331,007</b>	<b>432,532</b> ✓		<b>331,007</b>
<b>Expenses</b>						
Employment Expenses	0	878	0	(878) X		0
Members Expenses	33,288	21,785	26,000	4,215 ✓		26,000
Consultancy Expenses	203,337	150,004	76,000	(74,004) X	4	76,000
Administration Expenses	85,027	62,113	108,444	46,331 ✓	5	108,444
Operational and Maintenance	288,981	266,901	295,881	28,980 ✓	6	295,881
Asset Impairment	277,362	0	0	0 ✓		0
Depreciation	53,142	52,992	53,025	33 ✓		53,025
Internal Charges	265,121	(114,650)	(142,869)	(28,219) X		(142,869)
<b>Total Expenses</b>	<b>1,206,259</b>	<b>440,023</b>	<b>416,481</b>	<b>(23,542)</b> X		<b>416,481</b>
<b>Surplus/(Deficit)</b>	<b>(952,888)</b>	<b>323,516</b>	<b>(85,474)</b>	<b>408,990</b> X		<b>(85,474)</b>

*Variance Analysis*

1. Lower than anticipated interest income has resulted in this unfavourable variance
2. Higher than anticipated returns due to the deemed write off of the old Library will require the balance of the insurance monies (\$145,600) to be accounted for in this financial year
3. Increase in value of Forestry assets
4. Unbudgeted legal costs associated with the Tekapo lakefront development \$28,408 along with legal costs associated with the Tekapo Camping Ground sale (\$17,102) and unbudgeted but approved costs associated with the tekapo lake front development planning (\$45,707) has resulted in this unfavourable variance.
5. Lower than anticipated costs associated with Real Estate and Forestry (rates) along with lower than anticipated costs associated with the Airport Board has resulted in this favourable variance.
6. Lower than anticipated forestry costs (\$30,448) has contributed to this favourable variance

**Capital Expenditure**

**Commercial Activities**

<b>Capex</b>						
0708905. Land - Admin & Operating	42,354	0	0	0 ✓		0
0708999. Transfer to Assets	(42,354)	0	0	0 ✓		0
0818905. Land - Administrative, Operato	0	19,100	0	(19,100) X	1	0
0818906. Subdivision costs	0	30,238	0	(30,238) X	1	0
<b>Total Commercial Activities</b>	<b>0</b>	<b>49,338</b>	<b>0</b>	<b>(49,338)</b> X		<b>0</b>

*Variance Analysis*

1. Capitalised costs of progressing the Tekapo Lake Front development



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	YTD Last Year	YTD June 2013	YTD Budget June 2013	YTD Variance	Notes	Full Year Budget
<b>Summary</b>						
<b>Income</b>						
General Rates	1,242,707	2,888,331	3,437,858	(549,527) ✗		3,437,858
Targeted Rates	4,535,378	3,287,209	2,728,758	558,451 ✓		2,728,758
Subsidies and Grants	1,639,684	2,594,211	1,504,106	1,090,105 ✓		1,504,106
Investment Income	1,093,220	954,096	1,080,212	(126,117) ✗		1,080,212
Other Income	1,982,291	1,518,371	1,250,428	267,943 ✓		1,250,428
Financial Contributions	151,858	312,580	0	312,580 ✓		0
Upgrade Contributions	172,822	140,833	0	140,833 ✓		0
Reserve Contributions	91,181	211,407	134,200	77,207 ✓		134,200
Other Gains and Losses	(920,338)	435,800	0	435,800 ✓		0
Internal Income	2,468,566	155,090	175,548	(20,458) ✗		175,548
Gain on Sale - Assets	29,961	5,826	0	5,826 ✓		0
Vested Assets	260,897	0	0	0 ✓		0
<b>Total Income</b>	<b>12,748,225</b>	<b>12,503,754</b>	<b>10,311,110</b>	<b>2,192,644</b> ✓		<b>10,311,110</b>
<b>Expenses</b>						
Employment Expenses	1,598,431	1,870,254	1,702,513	(167,741) ✗		1,702,513
Members Expenses	277,954	299,054	301,500	2,446 ✓		301,500
Consultancy Expenses	626,753	547,561	508,302	(39,259) ✗		508,302
Administration Expenses	892,611	778,611	812,012	33,401 ✓		812,012
Operational and Maintenance	2,808,778	2,841,458	3,219,161	377,703 ✓		3,219,161
Roading	1,163,185	2,238,450	1,142,357	(1,096,093) ✗		1,142,357
Asset Impairment	277,362	0	0	0 ✓		0
Depreciation	2,844,059	2,718,224	2,701,363	(16,861) ✗		2,701,363
Internal Charges	2,467,268	155,095	181,313	26,218 ✓		181,313
Loss On Sale and Assets Written Off	317,265	0	0	0 ✓		0
<b>Total Expenses</b>	<b>13,273,667</b>	<b>11,448,706</b>	<b>10,568,521</b>	<b>(880,185)</b> ✗		<b>10,568,521</b>
<b>Surplus/(Deficit)</b>	<b>(525,442)</b>	<b>1,055,048</b>	<b>(194,861)</b>	<b>1,312,459</b> ✗		<b>(194,861)</b>