

## NOTICE OF RECONVENED MEETINGS

# ANNUAL PLAN SPECIAL COMMITTEE

I hereby give notice that the Reconvened Ordinary Meeting of the Annual Plan Special Committee will be held on:-

<b><u>DATE:</u></b>	<b>Friday, 05 July 2002</b>	<b><u>TIME:</u></b>	<b>9.30 am</b>
	<b>Wednesday, 10 July 2002</b>		<b>9.30 am</b>
	<b>Friday, 12 July 2002</b>		<b>9.30 am</b>
	<b>Monday, 15 July 2002</b>		<b>9.30 am</b>
	<b>Wednesday, 17 July 2002</b>		<b>9.30 am</b>
	<b>Friday 19 July 2002</b>		<b>9.30 am</b>

**VENUE:** Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City

to deliberate on the Council's draft 2002/2003 Annual Plan and to take any necessary action connected therewith.

10 July 2002

Owena Schuster  
**COMMITTEE SECRETARY**

Telephone (09) 836 8000 extn 8864

### MEMBERSHIP:

Councillor	JM	Clews, QSO, JP (Chairperson)
Mayor	Bob	Harvey, QSO, JP (Deputy Chairperson)
Deputy Mayor	CA	Stone
Councillors	DQ	Battersby, JP
	BA	Brady, JP
	RP	Dallow, QPM, JP
	AC	Fenton
	OE	Hoskin, JP
	PA	Hulse
	JP	Lawley
	GE	Nash, JP
	VS	Neeson, JP
	GB	Presland
	GW	Russell
	DA	Yates, JP

(Quorum 5 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A RECONVENED MEETING OF THE ANNUAL PLAN SPECIAL COMMITTEE  
TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE, LINCOLN,  
WAITAKERE CITY, ON FRIDAY, 5 JULY COMMENCING AT 9.30 AM.**

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**TABLE OF CONTENTS**

<b><u>ITEM</u></b>		<b><u>PAGE NO.</u></b>
1	APOLOGIES	1
2	ANNUAL PLAN DELIBERATIONS	1
3	OVERVIEW ANNUAL PLAN 2002/2003	2
4	FORECAST YEAR END RATES FUNDED SURPLUS, BUDGET AMENDMENTS AND CARRY FORWARDS	5
5	SUBMISSIONS OVERVIEW (TO BE CIRCULATED)	6

**AGENDA FOR A RECONVENED MEETING OF THE ANNUAL PLAN SPECIAL COMMITTEE  
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WAITAKERE CITY, ON FRIDAY, 5 JULY COMMENCING AT 9.30 AM.**

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**1 APOLOGIES**



**2 ANNUAL PLAN DELIBERATIONS**

**PURPOSE OF THE REPORT**

This report outlines a suggested approach to the deliberations on the final 2002/2003 Annual Plan.

**BACKGROUND**

The Annual Plan process started in March this year when Council adopted a draft Annual Plan for consultation. The consultation period closed on 31 May 2002 with 739 submissions having been received. Hearings for those submitters wishing to be heard have been held over the past few weeks. The issues raised by the submissions, along with committee requests and new information now need to be considered in the adoption of a final Annual Plan.

**PROCESS**

Commentaries on submissions received have been circulated under separate cover. Commentary has been provided under activity headings so as to enable issues to be grouped for Council consideration. Additional reports covering proposed year end financial forecast, budget adjustments, carry forwards and an overview of submissions are under preparation and will be distributed. The suggested process for the deliberations is as follows:

1. The submissions and responses are reviewed and received. During this process any additional issues from submissions, which Council wishes to further consider, should be identified.
2. The Council identify any further issues, not already covered, for consideration and debate.
3. The Council confirm which issues from other reports received they wish to further consider.

At this point there should be a complete list of issues, which will become the basis for the remaining deliberations.

The meeting schedule for the deliberations is as follows:

DAY	DATE	MEETING	TIME
Friday	5 July 2002	Decisions	9.30 am - 4.00 pm
Wednesday	10 July 2002	Decisions	9.30 am - 4.00 pm
Friday	12 July 2002	Decisions	9.30 am - 4.00 pm
Monday	15 July 2002	Decisions	9.30 am - 4.00 pm
Wednesday	17 July 2002	Decisions	9.30 am - 4.00 pm
Friday	19 July 2002	Decisions	9.30 am – 12.00 noon
Friday	19 July 2002	Special Council adoption of 2002/2003 Annual Plan	12.00 noon

## CONCLUSION

A suggested process to structure the deliberations on the final Annual Plan is outlined.

## RECOMMENDATIONS

1. That the information be received.
2. That the suggested process for the deliberations on the 2002/2003 Annual Plan be adopted.

Report prepared by: Andrew Pollock, Director: Finance



## 3 OVERVIEW ANNUAL PLAN 2002/2003

### PURPOSE OF THE REPORT

The purpose of the report is to recap on the first stage of the Draft Annual Plan process.

### BACKGROUND

The Council considered the Draft Annual Plan in March 2002 and the Draft Annual Plan was adopted for consultation on 19 March 2002.

## STRATEGIC PRIORITIES AND ISSUES FOR CONSULTATION

A1 - A2

The Council through a series of workshops and meetings set key priorities, which were included in the Draft Annual Plan. Attached at pages A1 to A2 is an extract from the Draft Annual Plan, which outlined the key strategic priorities and issues for consultation. A separate report is to be presented on the issues raised from the submission process.

## FISCAL RESPONSIBILITY

The Council signalled its intention to move from partial funding of depreciation to fully fund depreciation from 1 July 2002. This was the main component of the rates increase as follows:

	\$000's
2001/2002 Final rate requirement	82,251
2002/2003 Estimated growth in rating base	<u>1,000</u>
2002/2003 Adjusted base levy	83,251
2002/2003 Rate requirement	<u>90,901</u>
Increase	<u>7,650</u>
Percentage increase above base levy	9.19%

This increase is made up of:

External levies	182
Funding of depreciation	6,672
Council costs	<u>796</u>
Total	<u>7,650</u>

Percentage increase made up of:

External levies	0.22%
Funding of depreciation	8.01%
Council costs	<u>0.96%</u>
Total	<u>9.19%</u>

## CHANGES MADE DURING DELIBERATIONS

The following are the adjustments made by Council to the initial budgets that were presented.

<b>Rate Requirement as Presented</b>	<b>90,505,521</b>
<b>Percentage Increase</b>	<b>8.71%</b>
<b>Revised Rate Requirement</b>	<b>90,900,709</b>
<b>Revised Percentage Increase</b>	<b>9.19%</b>
<b>Percentage Due to Council Controlled Items</b>	<b>8.97%</b>

<b>Operating Costs</b>	<b>Amount</b>	<b>Capital Expenditure</b>	<b>Amount</b>
Sponsorship of New Urbanism Conference	5,000	Glen Eden Stage 1 Revitalisation	90,000
Increased Funding for Events	7,500	Slow Streets (net of subsidy)	52,000
Library Migrant Services	45,450	Footpath Construction	450,000
MAF Partnership (Painted Apple Moth)	10,000	Air Conditioning	-190,000
Increase in Halls Grant	7,000		
Youth Facility Concept	30,000		
Funding for Bush Clearance Advice	12,000		
Increased Mowing of Parks	100,000		
Olympic Park	45,450		
Inorganic	50,000		
Weed Reduction (Consultation Process)	10,000		
Glen Eden Stage 1 Revitalisation	10,000		
Events Co-ordinator	25,250		
Graffiti Control on Skateboard Bowls	20,000		
Regulatory Education	10,000		
Interest on Capital Expenditure	7,538		
<b>Total</b>	<b>395,188</b>	<b>Total</b>	<b>402,000</b>
<b>Total Rates Impact</b>	<b>395,188</b>		

## CONCLUSION

The Draft Annual Plan was prepared to meet the strategic priorities and be fiscally responsible.

## RECOMMENDATIONS

That the information be received.

Report prepared by: Andrew Pollock, Director: Finance



**4 FORECAST YEAR END RATES FUNDED SURPLUS, BUDGET AMENDMENTS AND CARRY FORWARDS**

**PURPOSE OF THE REPORT**

The purpose of the report is to advise the Committee of the revised rates funded surplus at 30 June 2002, recommend budget amendments and to approve the carry forward schedules of operating and capital projects.

**BACKGROUND**

During the Draft Annual Plan deliberations an allowance was made for a rates funded surplus of \$2.7 million to be applied against the rate requirement for 2002/2003. At that time it was also indicated to the Committee that at the final deliberations an update on this projection would be brought back to the Committee along with schedules of work programmes that require approval to be carried over into 2002/2003.

**REVISED FORECAST RATES FUNDED SURPLUS**

It was reported to the May meeting of the Finance and Operational Performance Committee that the projected rates funded surplus of \$2.7 million for the year ended 30 June 2002 was still on target to be achieved. The recent review of budgets in June has increased this to \$3.1 million. Major components of the increase are consent income and parking fines.

**BUDGET AMENDMENTS AND REVISED RATING POSITION**

*A3 - A4*

Attached at pages A3 - A4 is a schedule of recommended amendments to the draft budget and a revised rate requirement. These amendments are required because of new information or changes in circumstances.

Overall Council controlled costs have decreased by \$372,087 but the Auckland Regional Council levy component has increased by \$509,948. This means that the overall rate increase moves from 9.19% to 9.35%. The following table illustrates this:

	<b>Draft</b>	<b>Final</b>
Council	8.97%	8.52%
External levies	0.22%	0.83%
<b>Total</b>	<b>9.19%</b>	<b>9.35%</b>

The recommended additions (excluding the Auckland Regional Council levy) have been more than covered by a reduction in interest cost as a result of loan funded carry forwards. It is also proposed that this interest saving be used to offset the Transfund funding adjustment which Council has indicated is a priority.

Any further inclusions as a result of submissions will be in addition to this.

**CARRY FORWARDS**

*A5 - A6*

Attached at pages A5 - A6 is a schedule of requested carry forward items to be carried forward to 2002/2003 from previous years. Once approved these will be incorporated into the Final Annual Plan.

## CONCLUSION

The recommended budget amendments and savings from the 2001/2002 financial year have led to a reduction in Council controlled costs. The carry forward items are to complete previously approved works programmes.

## RECOMMENDATIONS

1. That the information be received.
2. That the schedule of budget amendments be approved.
3. That the schedule of carry forwards be approved.

Report prepared by Andrew Pollock, Director: Finance.



## 5 SUBMISSIONS OVERVIEW (TO BE CIRCULATED)

