

## **STAFF REPORT**

**TO:** Chair and Members, Engineering Services Committee

**FROM:** Jeff Cuthbertson, Utilities Asset Manager

**DATE:** 9 September 2009

**REFERENCE:** B840

**SUBJECT:** **Utilities Budget Carryovers – RESC10-09-09**  
Report prepared for meeting of 30 September 2010

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### **1 PURPOSE**

- 1.1 The purpose of this report is to seek approval from the Engineering Services Committee to carry over some of the 2009/2010 approved Utilities budget into the 2010/2011 financial year.

### **2 COMMENT**

- 2.1 The reason for the carryover of the 2009/2010 Utilities budget is to ensure the continuation of the contracted work that commenced in the 2009/2010 financial year. It is also to resolve land and resource consent issues that staff have been working through during the year.
- 2.2 The attached spreadsheet outlines the proposed budgets to be carried over. All of the budgets are either loan-funded, development or cash-funded and this will not have any effect on proposed rates.

### **3 BACKGROUND**

- 3.1 A number of projects commenced in the 2009/2010 financial year. The works have continued and the budget carryovers are required to ensure that these can be completed.
- 3.2 Some projects are yet to be initiated and will be carried out shortly.

### **4 SUMMARY OF UTILITIES CARRYOVERS**

- 4.1 As detailed in the attached spreadsheet a summary of the funding to be carried over into the 2010/2011 financial year budgets is as follows:

	Approved capital budget (including previous carryovers)	Actual expenditure	Committed Works	Work to be initiated	Carryover to 2010/2011 Budget
<b>Wastewater</b>	\$13,061,989	\$6,998,173	\$4,037,000	\$1,200,000	\$5,237,000
<b>Stormwater</b>	\$3,242,527	\$3,237,734	\$175,000	\$575,000	\$750,000
<b>Water</b>	\$5,340,162	\$3,520,165	\$2,499,200	\$200,000	\$2,699,200
<b>Refuse</b>	\$2,422,931	\$732,268	\$152,000	\$679,000	\$831,000

- 4.2 Committed works refers to works that were started prior to 30 June 2010 and that need to have continued funding, ie contract let in mid-June 2010 and finishes in November 2010.
- 4.3 Work to be initiated refers to projects that we have commenced work on design, consents, land purchase etc but have not had a contract let for them as yet.
- 4.4 A table is attached providing more details of the budget carryovers for the Committee's information.

## 5 FINANCIAL

- 5.1 The proposed carryover from the 2009/2010 approved budget is \$9,517,200. All of the carryovers are loan funded, development contributions and cash as identified in the spreadsheet.
- 5.2 The sums to be carried over have been checked by Corporate Services and are correct as at 20 September 2010.

## 6 RECOMMENDATION

- 6.1 THAT the Engineering Services Committee approves the 2009/2010 Utilities budget carryovers into the 2010/2011 financial year as outlined in the report RESC10-09-09.**

Jeff Cuthbertson  
**Utilities Asset Manager**