

29. WASTE MANAGEMENT UNIT - 9 MONTH FINANCIAL MONITORING REPORT

Officer responsible Waste Manager	Author Mike Stockwell, Waste Manager
Corporate Plan Output: Solid and Liquid Waste	

The purpose of this report is to provide an update on anticipated end of year financial results.

BACKGROUND

Waste Management Unit reported 5 month financial results to this committee in March 2000. At that stage predictions for 12 month end of year results were \$1.548m underspent in operations and \$1.462m underspent in capital. On the basis of these predictions re-adjustments were approved by the Council to fund some additional capital projects from surplus operational money (trailer weighing modifications at refuse stations, UV trials, site purchases at Randolph Street and Mecca Place, asbestos removal and so on) The Council also resolved to carry over capital money on various projects into next year (flow monitoring, Christchurch Wastewater Treatment Plant Resource Consent, Burwood Landfill aftercare, Recovered Materials Foundation site development Stage 2 and so on).

REALLOCATED EXPENDITURE

Expenditure is now required to be reallocated for the following items (funded from additional surplus):

Operations Solid Waste

- | | |
|---|---------------------------|
| (a) For Christchurch City Council share of consultants costs to Canterbury Waste Sub-Committee for new Regional Landfill (currently budgeted as capital but latest advice from Principal Accountant is must be operational) | \$50,000 |
| (b) For Christchurch City Council share of Canterbury Waste Sub-Committee publicity campaign (new item – 75% of \$75,000. Note that the same amount is required for the 2000/01 year also refer recommendation (c)) | \$57,000 |
| (c) For funding disposal to Burwood Landfill of contaminated soil for a Parks Unit project to create a new Shortland Street reserve adjacent to Aranui School. Carry over into 2000/01 and only if surplus funds are available at end of 12 months. Note this will be an internal transfer of surplus funds to compensate for 'lost' revenue (or put another way 'lost' landfill space). | \$150,000
(carry over) |

Total additional operational items	\$257,000
---	------------------

Operations Liquid Waste

Total additional operational items	0
------------------------------------	---

Capital Solid Waste

Total additional capital items Solid Waste	0
--	---

Capital Liquid Waste

Total additional capital items Liquid Waste	0
---	---

UPDATED 12 MONTH PREDICTION

Due to effects from the installation of the FAMIS project, comprehensive 9 month financial information will not be available until early May. The earliest this could be reported to the Council is June. However based on the available information at 8 months (ie to end of February), it seems likely that the 12 month end of year prediction will be as follows.

Operations Solid Waste

Better than the 5 month predictions by around \$400,000. It is proposed that this extra under expenditure is used to fund items (a) to (c) above leaving a surplus of \$143,000.

Operations Liquid Waste

Better than the 5 month prediction by around \$500,000. This will be surplus.

Capital Solid Waste

Cost neutral on adjusted 5 month expenditure and carry overs.

Capital Liquid Waste

Underspent by	\$4,892,000
Carry over requested	\$4,682,000
Under budget	\$210,000

SUMMARY

Waste Management Unit will be under budget for operations and capital at end of June 2000. Some additional expenditure items (over and above those approved at 5 months) are requested to be funded from additional operational surplus (see above). Also extra carry over is foreshadowed for capital over and above the 5 month prediction. (details of capital items to be submitted at the appropriate time.

- Recommendation:**
1. That extra items (a) to (c) above are funded by under budget operational surplus over and above those extra items approved in the 5 month report (and ratified by March Strategy & Resources Committee).
 2. That the predicted capital under expenditure and carry over requirements are noted.
 3. That this Committee ask strategy and Resources Committee to approve an additional \$57,000 finance on the 2000/01 Waste Management Unit operational budget to finance the Christchurch City Council share of the Canterbury Waste Sub-Committee publicity campaign.

Chairman's

Recommendation: That the above recommendation be adopted.