

Capital Endowment Fund

Capital Endowment Fund

In April 2001, Council set up a Capital Endowment Fund of \$75 million. This fund was established using a share of the proceeds from the sale of Orion's investment in a gas company. The Fund provides an ongoing income stream which can be applied to economic development and civic and community projects.

Current Council resolutions in respect of the fund are:

1. that the income from the fund be allocated each year in the following way:

Economic Development	70%
Civic and Community	30%

The above general categories are reviewed on a three yearly cycle, the next review aligning with the 2015/25 Long Term Plan, or if the interest earned from the fund changes significantly (increase or decrease) within the intervening years.

2. that if desired, funding for a particular category be carried forward to another year,
3. that no single project be funded for more than three years, except in exceptional circumstances,
4. that the capital of the fund will not be used unless 80% of councillors vote in favour,
5. funds are managed in accordance with Council's Investment Policy.
6. With regards the Civic and Community portion; projects implement a strong community strategic plan, projects are of city-wide benefit, priority is given to new community facilities, only projects greater than \$50k will be considered

Plan Fund Movements:		Long Term Plan 2015 - 2025								
2014/15		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		\$000								
100,102	Capital opening balance	97,674	98,462	100,333	102,340	104,489	106,683	109,030	111,538	114,215
1,601	Plus inflation protection	1,660	1,871	2,007	2,149	2,194	2,347	2,508	2,677	2,741
(4,029)	Less allocations from capital	(872)								
97,674	Total inflation protected Capital closing balance	98,462	100,333	102,340	104,489	106,683	109,030	111,538	114,215	116,956
889	Unallocated funds brought forward	234	175	434	721	1,009	1,384	1,745	2,092	2,425
3,599	Plus net Interest earnings excluding inflation protection	3,235	3,505	3,485	3,416	3,503	3,489	3,474	3,459	3,558
4,488	Funds available for distribution	3,469	3,680	3,919	4,137	4,512	4,873	5,219	5,551	5,983
(4,488)	Less allocations from revenue	(3,294)	(3,246)	(3,198)	(3,128)	(3,128)	(3,128)	(3,127)	(3,126)	(3,126)
0	Unallocated funds carried forward	175	434	721	1,009	1,384	1,745	2,092	2,425	2,857

Capital Funding Allocations:

Civic and Community Initiatives

1,000	Civic and Community Grants	
2,500	Participatory Democracy, Sensing City and related projects	
529	Suburban Masterplans debt servicing	872
4,029	Total Capital Allocations	872

Revenue Funding Allocations:

Economic Development Initiatives

1,000	CDC special projects	977	958	939	939	939	939	939	938	938
1,000	CCT special projects	977	958	939	939	939	939	938	938	938

Community Events

1,050	Events (Cup & Show Week, PGA Golf, Antarctic Festival, Mountain Bike Race)	1,140	1,130	1,120	1,050	1,050	1,050	1,050	1,050	1,050
25	World Bowls	200								
275	FIFA Under 20 Mens Football World Cup									
	Golden Oldies Tournament			200						
60	Events (Unallocated)		200		200	200	200	200	200	200

Civic and Community Initiatives

1,078	Civic and Community Grants									
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4,488	Total Revenue Allocations	3,294	3,246	3,198	3,128	3,128	3,128	3,127	3,126	3,126
8,517	Total Allocations	4,166	3,246	3,198	3,128	3,128	3,128	3,127	3,126	3,126