
2014/15 DRAFT ANNUAL PLAN

1. Purpose of report

The purpose of this report is to recommend to the Governance, Finance and Planning Committee the 2014-15 Draft Annual Plan as introduced by the Mayor in Report 1.

This report includes the following attachments:

- Summary of Compliance with Revenue and Financing Policy funding targets (appendix 1)
- Indicative Projects and Programmes List (appendix 2)
- Indicative Financial Statements & Statement of Significant Accounting Policies (appendix 3)
- Funding Impact Statements (appendix 4)
- “What it Costs” Statements (appendix 5)

Note that the contents of this report and its appendices are preliminary – they are subject to change as a result of the decisions made at this meeting. The Funding Impact Statement and Financial Statements will be updated to reflect any decisions made at this meeting and presented to Council at its meeting on 19 December 2013.

2. Executive summary

The 2014/15 Annual Plan is year three of the existing Long-term Plan. This report seeks agreement of the Committee to recommend the 2014/15 Draft Annual Plan to Council for public consultation.

This report summarises the key changes proposed in both operating income and expenditure and capital expenditure compared to that originally proposed for 2014/15 in the Long-term Plan. It also outlines a number of proposed changes to the Council’s funding policies in response to specific initiatives addressed in reports 3 and 4, within the agenda of this meeting.

The Mayor’s proposed 2014/15 Draft Annual Plan incorporates a rates requirement of \$254.2 million compared to a Long-term Plan forecast of \$257.4million. The proposed increase equates to a 2.47% annual increase. This is within the forecast Local Government Cost Index increase of 2.5%, as the limit in the Council’s Financial Strategy, adopted as part of the existing Long-term Plan.

The introduction of any additional projects or increases to net operating expenditure budgets for projects currently proposed (as identified in Appendix 1), will likely require an offsetting reduction in the budget currently allocated to another project, or an increase in the rates requirement – to a level above the 2.5% rates limit set in the Long-term Plan.

The proposed draft plan also forecasts closing net borrowing of \$404million, compared to \$428.9 million forecast for 2014/15 in the Long-term Plan. This equates to a net borrowing to operating income ratio of 104.6 in line with the 105% target set in the Council's Financial Strategy.

3. Recommendations

Officers recommend that the Governance, Finance and Planning Committee:

1. *Receive the information.*
2. *Agree the projects and programmes budgeted attached to this report (See Appendix 1) noting that any changes arising as part of these deliberations will be incorporated into the final statements presented to Council.*
3. *Agree that it is prudent for the Council to forecast a surplus as outlined in 4.2*
4. *Agree the proposed fee change as described in 4.3.1*
5. *Agree the 2014/15 proposed variances from Revenue and Financing Policy funding targets on a range of activities as described in section 4.3.2, noting that a full review of the Revenue & Financing Policy will be completed for the 2015-25 Long-term Plan.*
6. *Agree the inclusion in the 2014/15 Draft Annual Plan to a revision of the Development Contributions revenue forecast for 2014/15 as described in section 4.3.3.*
7. *Recommend that Council agree that for 2013/14 it is financially prudent to forecast a surplus of \$26.829m (as summarised in section 4.2)*
8. *Agree the changes to performance measures in section 4.6 for inclusion in the 2014/15 Draft Annual Plan.*
9. *Note that the Waterfront Development Plan for 2014/15 is as per year 3 of the Waterfront Development included within the 2012-22 Long-term Plan.*
10. *Note that as agreed in Reports 4 and 5, consultation will be undertaken on the following proposed policy changes as part of the 2014/15 Draft Annual Plan:*

- (a) *Partial remission of rates for buildings where remedial works result in their removal from the Earthquake Prone Buildings List.*
 - (b) *Remission of sector based targeted rates on property under development, including property undertaking earthquake strengthening, where these works preclude occupancy of the building.*
 - (c) *Amendments to the Development Contributions Policy.*
11. *Agree to include in the 2014/15 Draft Annual Plan a targeted rate totalling \$80,000 to be applied to the commercial rated properties in the Miramar Business Improvement District Area as, recommended by the Economic Growth and Arts Committee on 3 December 2013*
 12. *Note that the 'what it costs' statements included in appendix 5 will form part of the activity statements included in the 2014/15 Draft Annual Plan (any changes arising as part of these deliberations will be incorporated into the final statements presented to Council on 19 December 2013)*
 13. *Delegate the Chief Executive to prepare the 2014/15 Draft Annual Plan document reflecting the decisions of this meeting for consideration at the Council meeting on 19 December 2013.*

4. Discussion

4.1 Proposed variances to the Long-term Plan

4.1.1 Key operating income and expenditure changes

As referenced in Report 1 the proposed 2014/15 Draft Annual Pan contains a number of additional initiatives compared to that contained in the Long-term Plan. These initiatives are afforded by forecast savings in a number of areas as summarised in the table below.

MOVEMENT IN RATES REQUIREMENT		
Activity	Change	\$000's
	LTP 2014/15 rates funding requirement	257,418
Additional initiatives:		
2.1	Our Capital Spaces - Community Bio Diversity Pest Mgt & Greening, Smart Connected City and Mountain Bike and Track	258
2.1	Kilbirnie Walkway	7
2.1	Hazardous Tree Removal	100
2.1	Animal Pest Control Funding	49
5.1	Our Capital Spaces - Makara Peak Mountain Bike Park	40
5.2	Newtown feasibility	40
6.1	Transport planning - Kent and Cambridge bus priority	200

6.2	Earthquake strengthening (consent subsidies)	100
7.1	Cycleways Improvements	250
7.1	Transport Planning RONS additional consultancy for increased work - Mt Victoria Tunnel duplication	100
Various	Living Wage	500
Other changes:		
2.3	Water - Monitoring & Investigation	112
2.4	Wastewater - Treatment Plants	373
2.5	Stormwater - Monitoring & Investigation	105
3.1	City Innovation and Economic Growth Strategy	895
3.1	Events Fund	532
6.1	Inclusion of Wellington Waterfront Limited operating deficit	868
7.2	Reduction in parking revenue	450
N/A	Airport Dividend increased forecast	(1,800)
Various	Corporate savings	(1,500)
Various	Decrease in interest expense	(1,602)
Various	Decrease in depreciation to be funded	(2,169)
Various	Decrease in 2013/14 Rates requirement	(1,678)
Various	Inflation and other movements	580
Draft Annual Plan 2014/15 rates funding requirement		254,227

For a full list of operating projects proposed for inclusion in the 2014/15 Draft Annual Plan refer to Appendix 2.

4.1.2 Rates increase

The cumulative change in rates requirement results in a lowering of the rates increase from that originally proposed in the Long-term Plan.

MOVEMENT IN RATES INCREASE	
	%
Rates increase for 2013/14 per 2014/15 LTP (after growth)	3.06%
Movements outlined above	-1.28%
Decrease in rates requirement for 2013/14 compared to LTP	0.69%
Rates increase per 2014/15 Draft Annual Plan	2.47%

4.1.3 Capital expenditure changes

Capital expenditure proposed in 2014/15 Draft Annual Plan totals \$151.9 million compared to \$160.3 million forecast for 2014/15 in the Long-term Plan.

The proposed 2014/15 Draft Annual Plan includes a number of new capex initiatives. It also includes a range of other capex changes as a result of:

- Changes in project costs – where the forecast cost of undertaking the project has increased or decreased since the Long-term Plan was prepared in 2012.

- Changes to project scheduling – where the timing of projects has been either brought forward or is now forecast to be delivered later than was forecast in the Long-term Plan.
- Deferred projects – where the capital project has been deferred pending consideration as part of the 2015-25 Long-term Plan.

The key projects in each of the categories are summarised in the table below. For a full list of operating and capital expenditure projects proposed as part of 2014/15 Draft Annual Plan refer to Appendix 2.

Activity	MOVEMENT IN CAPITAL EXPENDITURE	\$000's
	LTP 2014/15 total capex	160,343
	Additional initiatives	
2.1	Kilbirnie Walkway	280
6.1	Lombard Lane	1,500
6.1	CBD Minor Improvements	100
7.1	Rural Roads Improvements	100
7.1	Seawall Storm Damage	847
7.1	Cycleways Development and Improvements	3,000
	Changes in project costs	
7.1	Roading Capacity Projects - Johnsonville town centre	(994)
Various	Citicare renewals contracts	1,451
6.2	Earthquake risk mitigation (town hall)	2,747
Various	Movement in inflation and other minor changes	(1,824)
	Changes to project scheduling	
5.2	Housing upgrades and renewals	5,954
5.2	Upgrade library computer software	(2,260)
6.1	Wellington Waterfront project	(7,665)
	Projects deferred	
2.2	Southern Landfill Improvement	(6,500)
2.3	Water - Network Upgrades	(3,100)
5.1	Synthetic Turf Sportsfields upgrads - Tawa/Grenada	(1,470)
6.1	Kilbirnie town centre phase II upgrade	(555)
	Draft Annual Plan 2014/15	151,954

In addition to the capital expenditure programme above it is forecast that approximately \$25 million of projects forecast to be completed in 2013/14 will now be completed in 2014/15. It is likely that this will also place pressure on capital project delivery in the 2014/15 year. Note that for the purposes of forecasting borrowing requirements it is forecast that approximately \$20 million of capital expenditure included in Appendix 1, will not be completed within the 2014/15 year.

4.1.4 Forecast changes to borrowing

The Long-term Plan forecast net closing borrowing for 2013/14 of \$428.9 million.

In addition to the proposed capital expenditure changes identified above, the impact of a lower borrowing requirement forecast for 2013/14 and the inclusion of a provisional budget for yet to be identified surplus to requirements property result in a decrease in borrowing from that forecast in the Long-term Plan.

These changes are partly offset by the forecast of lower development contributions revenue and the provisioning of the Economic Development Fund and Waterfront project interest costs from prior year surpluses.

The proposed 2014/15 Draft Annual Plan will result in closing debt of \$404.2 million. This reduction from the Long-term Plan forecast will allow the Council in line with its net borrowing to operating income ratio target of 105%.

MOVEMENT IN BORROWING		\$000's
LTP 2014/15 Closing Borrowing		428,931
Movement in capital expenditure (summarised above)		(8,389)
Movement in forecast 2013/14 closing borrowing		(26,362)
Reduction in development contribution income		3,000
Movement in asset sales		(2,000)
Movement in weathertight homes settlements		(163)
Capex forecast to be carried forward 2013/14 to 2014/15		25,000
Capex forecast to be carried forward 2014/15 to 2015/16		(20,000)
Other movements (net)		85
Funded from prior year surplus		
Economic development fund		3,554
Waterfront interest expense		559
2014/15 Draft Annual Plan Closing Borrowing		404,215

4.2 Explanation of the Council's Net Surplus

The proposed Draft Annual Plan shows a budgeted surplus of \$26.9 million. The majority of this surplus is due to the \$42.5 million of income that the council is forecasting to receive from third parties to pay for capital expenditure. As a result these funds are not available to offset rates. This is offset by \$19.6 million of operating expenditure (depreciation) which is not funded as per the Council's Financial Strategy. Other items impacting on the forecast surplus include:

- items where the council is rating for repayment of debt (e.g. weathertight homes)
- items where operating expenditure is proposed to be funded from prior year surpluses (e.g. Economic Development Fund)

EXPLANATION OF SURPLUS

	\$000's
Less expenditure not funded under section 100 of LGA:	
NZTA Transport funded projects	(7,864)
General	(4,000)
Clearwater sewerage treatment plant	(3,226)
Decommissioned Living Earth joint venture plant	(235)
Wellington Waterfront Limited Depreciation	(4,294)
Total expenditure not funded under section 100 of LGA	<u>(19,619)</u>
Revenue received for capital purposes	
NZTA capital funding	11,194
Housing capital grant and ring-fenced surplus	(3,451)
	32,036
Development contributions	2,000
Bequests, trust and other external funding	749
Total Revenue received for capital purposes	<u>42,529</u>
Items funded from prior year surpluses	
Wellington Waterfront Limited interest	(559)
Economic Development Fund	(3,554)
Total items funded from prior year surplus	<u>(4,113)</u>
Additional items	
Self-insurance	750
Weathertight Homes funding	6,662
Waste minimisation activity	86
Reserves purchases and development fund	(24)
Total additional items	<u>7,474</u>
Total Surplus	<u>26,271</u>

4.3 Funding Variances

4.3.1 Fee Changes

The Council has worked hard to maintain fees at their current level for the next financial year. The only fee change proposed is for Trade Waste fees, required to maintain policy compliance. The Wellington Trade Waste Bylaw 2004 expects full cost recovery from trade waste customers and the Council is moving towards this in a staged approach as part of its Long-term Plan. The changes are set out below.

Annual Licence For Registered Premises	Current Fee	Proposed Fee
Conveyance & Transport of Trade Waste		
Volume		
Up to 100m ³ /day	\$0.26/m ³	\$0.27/m ³
Between 100m ³ /day and 7000m ³ /day	\$0.12/m ³	\$0.13/m ³
Above 7000m ³ /day	\$0.83/m ³	\$0.85/m ³
B.O.D		
Up to 3150kg/day	\$0.28/kg	\$0.29/m ³
Above 3150kg/day	\$0.63/kg	\$0.64/m ³
Suspended Solids		
Up to 1575kg/day	\$0.27/kg	\$0.28/m ³
Above 1575kg/day	\$0.51/kg	\$0.52/m ³

4.3.2 Revenue and Financing Policy - Compliance summary

The costs, income and funding requirements for each of the Council's activities are reviewed annually to assess compliance with the funding targets set out on the Revenue and Financing Policy relating to the proportion of each activity to be funded from rates versus user fees and other income.

The focus of the annual review is on addressing areas where there are variances with the Revenue and Financing policy. Listed below are the activities for which officers recommend a variation from the policy target for 2014/15. For these activities officers consider that the targets are appropriate but that for specific and acceptable reasons full compliance is unlikely to be achieved in 2014/15.

Wholesale review of the policy and the funding targets for each activity is planned to be completed as part of the 2015-25 Long-term Plan.

The following activities require a higher proportion of rates funding for 2014/15 than targeted in the policy:

- 4.1.3 Arts and Cultural Festivals
- 5.1.3 Sports fields (Synthetic)
- 5.1.8 Golf Course
- 5.3.5 WREMO
- 7.1.1 Transport Planning³

The following activities require a lower portion of rates revenue funding for 2014/15 than targeted in the policy:

- 1.1.3 City Archives
- 5.1.4 Recreation Centres
- 5.1.9 Recreation Programmes
- 5.2.6 Community Centres & Halls
- 5.3.3 Public Health Regulations
- 2.1.4 Roads Open Spaces

- 2.1.8 Biodiversity (pest management)
- 6.2.1 Building Control and Facilitation
- 7.1.2 Vehicle Network
- 7.1.3 Cycle Network
- 7.1.6 Network-wide Control & Management

Further information on each activity listed is included in Appendix 2.

4.3.3 Development Contributions Revenue

As described in Report 3, the Council is expecting a reduction in Development Contributions Revenue for 2014/15 from \$5m to \$2m. This change incorporates all of the policy changes recommended in Report 3. The changes in funding will be reflected in the related Borrowings Funding Impact Statement in appendix 4.

4.3.4 Targeted Water Rates

The water distribution network, collection and treatment activity is fully funded through the targeted water rate. The targeted rate for water is apportioned with the aim of achieving a 60 percent: 40 percent split between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

Based on the 2014/15 Draft Annual Plan there is an overall increase in expenditure of 4.1% across the water activities. This is largely driven by an increase in the depreciation charges as a result of the 3 yearly infrastructure revaluations, and the corresponding increase in interest allocations due to the larger asset book value. Officers have reviewed the cost increases in this activity and recommended the following increases to the rating mechanisms for 2014/15:

Targeted Water Rating Mechanism	Current (excluding GST)	Proposed for 2014/15 (excluding GST)
Water consumption charge for properties with a water meter	\$1.797 per cubic metre	\$1.870 per cubic metre
Annual administrative charge for properties with a water meter	\$107.50	\$111.90
Fixed charge for base (residential) sector properties without a water meter	\$132.25	\$137.70

The balance of the recovery will flow through the base (residential) water rate levied via a rate per dollar of capital value.

4.4 Key Policy Changes

4.4.1 Rates Remission

As outlined in Report 4 (Earthquake Strengthening – Incentives and Support), it is proposed to widen the current rates remission for buildings under construction and also introduce a further rates remission after seismic strengthening, as follows:

- **Rates Remission during strengthening works** – This remission during strengthening works is proposed to apply if the building is unable to be tenanted and represents an extension of the Downtown Levy Targeted Rates on Property Under Development Policy
- **Rates Remission after seismic strengthening** – This remission will delay the impact of any post strengthening valuation increases on rates for a period of 3 years.

4.4.2 Miramar Business Improvement District– Targeted Rate Application

On 3 December 2013 the Economic, Growth and Arts Committee, recommended that this Committee approve the inclusion of a targeted rate in the 2014/15 Draft Annual Plan under the terms of the Business Improvement District policy, for \$80,000 to be applied to the commercial rated properties in the Miramar Business Improvement District area. This rate will be incorporated into the Financial and Funding Statements for the 2014/15 Draft Annual Plan.

4.4.3 Development Contributions Policy

- Development Contributions Policy – The Development Contributions Policy will be amended to reflect the following changes recommended as part of Report 3.
- Removal of charges for Community Infrastructure for Residential developments
- Removal of charges for reserves for non-residential developments
- Widening of the remissions policy

4.5 2014/15 Projects and Programmes

Refer to Appendix 2 for a detailed listing of the Council's planned programmes and projects for 2014/15 which are included in the Draft Annual Plan.

4.6 Performance Measures

Reporting on how we are performing against our LTP and annual plan measures, is an important part of our the organisation's accountability to the Mayor and Councillors, and the Council's accountability to the public. However, this reporting is only of value when the measures give a meaningful view of the what we should be achieving. For this reason, the Council reviews and updates both the nature of the measures, and the targets we set for them. While significant changes are usually made at the time of the LTP, officers are proposing that a number of minor changes are made as part of the 2014/15 Annual Plan process. These are recommended as being necessary to ensure our suite of measures continue to be current and valid.

This table summaries the changes proposed to the performance measurement framework

Activity	Activity name	Measure	2014/15 Target	Rationale
1.1	Governance, information and engagement	Respond to 80% of issues reported through the Iphone Fix-It app with 30 minutes, and the remaining 20% within 6 hours		New measure proposed to improve suite of performance measures.
		Respond to 100% of info@ emails within 12 hours		New measure proposed to improve suite of performance measures.
2.1	Gardens, beaches and green open spaces	% of project outcomes are achieved (weighted by \$ value)	100%	New measure proposed to improve suite of performance measures.
2.2	Waste reduction and energy conservation	Kerbside recycling collected (tonnes)	12,000	Target has been reduced; based on saturation levels and commodity market restrictions of grades 3-7 of plastic, current targets will be unachievable.
2.6	Conservation attractions	Number of visitors to the Zoo	221,228	Target has increased; This is updated from the Trust's latest SOI
		Number of visitors to Zealandia	93,430	Target has decreased; This is updated from the Trust's latest SOI
3.1	City promotions and business support	Wellington Venues occupancy (hire days)	951	Target updated due to new methodology
		The proportion of grants funds successfully allocated (though milestones being met)	95%	Measure reworded for clarification and consistency with other grants-related measures

4.1	Arts and culture activities	Projects funded through Social and Recreation grants meet 95% of their agreed outcomes.	95%	Measure reworded for clarification and consistency with other grants-related measures
		90% of project outcomes are achieved (weighted by \$ value)	90%	Measure reworded for clarification and consistency with other grants-related measures
5.2	Community support	Libraries programmes - estimated attendees	78,000	Target has been increased to better reflect actual customer activity
		Libraries - residents (%) who are registered members	69%	Target updated due to new methodology
		Projects funded through Social and Recreation grants meet 95% of their agreed outcomes.	95%	Measure reworded for clarification and consistency with other grants-related measures
		90% of project outcomes are achieved (weighted by \$ value)	90%	Measure reworded for clarification and consistency
		Occupancy rate of community centres and halls	45%	Target updated due to new methodology

5. Funding and Financial Statements

The Funding and Financial Statements are included in the following appendices

- Financial Statements and Statement of Significant Accounting Policies (appendix 4)
- Funding Impact Statements (appendix 5)
- “What it costs” Statements (appendix 6)

6. Conclusion

This report provides for the recommendation of the 2014/15 Draft Annual Plan to Council for consultation.

Contact Officer: *Martin Read – Manager Financial Strategy and Planning*
Martin Rodgers – Manager Research, Consultation and Planning

SUPPORTING INFORMATION

1) Strategic fit / Strategic outcome

This report proposes the 2014/15 Draft Annual Plan to deliver on the Council's strategic outcomes.

2) LTP/Annual Plan reference and long term financial impact

Development of draft annual plans forms part of the Council's broad planning obligations under the Local Government Act. Specific funding for the development of the plan and the consultation process sit under project: C530 Annual Planning and Reporting.

3) Treaty of Waitangi considerations

Targeted consultation will be undertaken with iwi as part of the Draft Annual Plan process using existing relationships and channels.

4) Decision-making

This report recommends the 2014/15 Draft Annual Plan to Council for consultation.

5) Consultation

a) General consultation

Subject to approval by Council, the variances proposed and decisions made on this report will be consulted on with the community through the 2014/15 Draft Annual Plan statement of proposal.

6) Legal implications

This report meets all statutory requirements under the LGA.

7) Consistency with existing policy

This report is consistent with Council policy. Specific changes to Council policies recommended within report will be consulted upon as part of the Draft Annual Plan consultation process.

APPENDIX 1

Summary of variations from Revenue and Financing Policy Targets recommended for 2014/15

Activities requiring a higher proportion of rates funding for 2014/15 than targeted in the policy:

Activity Component	R&F Policy Target Rates Funding	2014/15 Indicative Rates Funding	Variation to current policy target		
4.1.3 Arts and Cultural Activities	80%	84%	(4%)	(\$114k)	Obtaining sponsorship funding continues to be challenging as has been the case since the beginning of the economic downturn.
5.1.3 Sportsfields (Synthetic)	60%	63%	(3%)	(\$46k)	The impact of discounts provided to Capital Football and Island Bay United AFC as part of a 3 year agreement, in recognition of the clubs' contributions towards the development of Wakefield Park. The agreement finishes during 2014/15.
5.1.8 Municipal Gold Course	50%	72%	(22%)	(\$53k)	The Golf course was split out as a separate activity during the 2012/22 LTP, and a user fees target of 50% was set based on expected utilisation. Utilisation had reduced over a number of years and it was agreed to work with the club for 3 years to increase utilisation of the facility. The activity and related targets will then be reviewed during the next LTP.
5.3.5 Wellington Regional Emergency Management Office (WREMO)	95%	98%	(3%)	(\$40k)	Revenue and cost re-alignments as a result of regionalisation of activities have lead to a slight shift in compliance in 2014/15 (2.9% - a change of 0.9% from last year)
7.1.1 Transport Planning	85%	95%	(10%)	(\$112k)	Costs have increased due to planned additional work along the Ngauranga to airport corridor as a result of work on the flyover.

APPENDIX 1

Activities requiring a lower portion of rates revenue funding for 2014/15 than targeted in the policy:

Activity Component	R&F Policy Target Rates Funding	2014/15 Indicative Rates Funding	Variation to current policy target		
1.1.3 City Archives	90%	82%	8%	\$79k	Costs have reduced after a rationalisation of vacant positions in City Archives, along with a reduction in overhead allocations.
2.1.4 Roads Open Spaces	95%	91%	4%	\$284k	Favourable changes to the roading corridor contract.
2.1.8 Biodiversity (post management)	100%	97%	3%	\$38k	New income for services provided to another TLA
5.1.4 Recreation Centres	75%	71%	4%	\$365k	Budget currently assumes funding from NZCT for "Youth in Sport" programme. This funding is approved on a year by year basis and is yet to be confirmed.
5.1.9 Recreation Programmes	95%	77%	18%	\$90k	Short-term funding from Sport NZ for Ocean Water Sports programme run by Royal Port Nicholson Yacht Club has temporarily affected compliance.
5.2.6 Community Centre and Halls	95%	92%	3%	\$73k	Reduction in internal labour charges following re-organisation of Community Networks.
5.3.3 Public Health Regulations	50%	34%	16%	\$783k	A combination of increased income from liquor licensing fees set by legislation and reductions in overhead allocations.
6.2.1 Building Control and Facilitation	35%	25%	10%	\$1,250k	Budget includes additional building consent volumes for another TLA and reductions in overhead allocations.

APPENDIX 1

7.1.2 Vehicle Network	95%	92%	3%	\$457k	Favourable NZTA funding forecasts and reductions in overhead allocations are the main drivers for variances against policy in these activities.
7.1.3 Cycle Network	100%	93%	7%	\$27k	
7.1.6 Network-wide Control and Management	70%	63%	7%	\$394k	