

Financial Performance

Financial Summary

Account	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	186	807	(621)	3,282	3,282
Operating revenue (LDI)	0	0	0	0	0
Operating expenditure (ABS)	3,818	3,876	58	14,843	14,843
Operating expenditure (LDI)	280	136	(144)	1,505	1,460
Operating expenditure (LGS)	320	320	0	1,300	1,300
Net Cost of Service	4,232	3,525	(707)	14,365	14,321

Capital expenditure	3,241	2,740	(501)	10,757	9,526
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Hibiscus and Bays Local Board has invested \$3.2m in capital expenditure and \$4.2m net operating expenditure for the first quarter ended 30 September 2016.

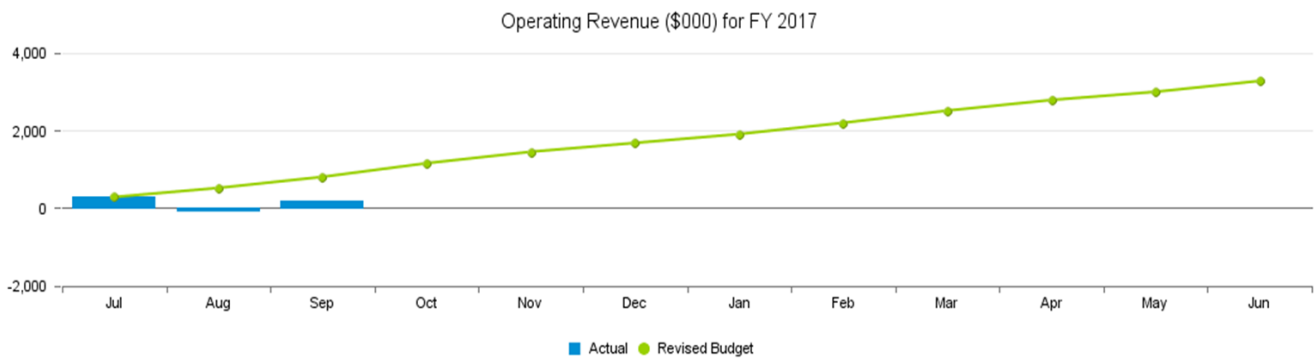
Most of the capital investment in the quarter has been in the local parks, sport and recreation activity totalling \$2.8m, with community services contributing \$0.4m.

The operating net cost of service is tracking over budget. Lower operating revenue is the main cause of this variance due to a one-off accounting adjustment required to correct prior year revenue recognition for Stanmore Bay Leisure Centre.

The main LDI spend in the first quarter is related to the contestable grants rounds with nearly half of the available grant pool allocated.

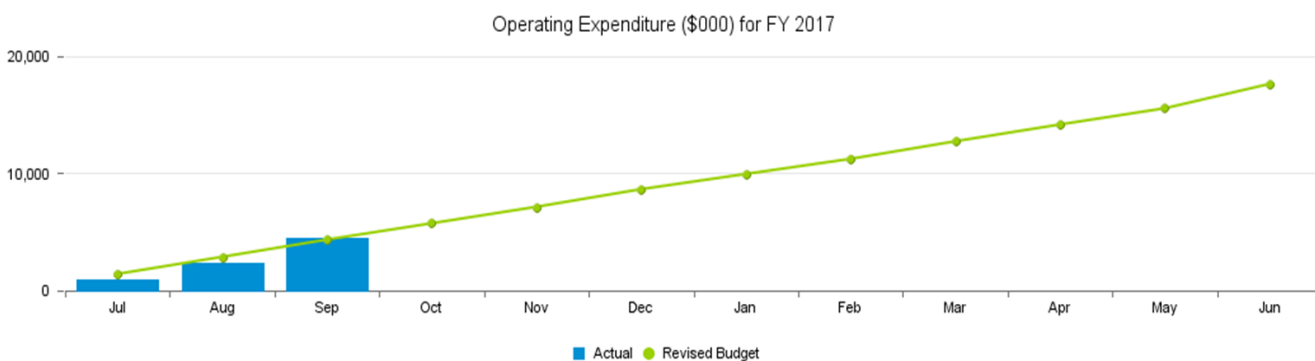
For the first time we are including a Funding Impact Statement (FIS) in the quarterly report for each local board. The FIS is one of the key statements included in the Annual Plan. Essentially it pulls together all the information from each of the different groups of activities and sets out in a single statement the sources of both the operating and capital funding for everything that the local board does. The format of the FIS has been prescribed in legislation. The intention is that the FIS provides a more understandable picture of what the local board is spending money on and how those expenditures are funded.

Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	16	24	(8)	91	91
Local parks, sport and recreation	170	783	(613)	3,192	3,192
Total Operating Revenue	186	807	(621)	3,282	3,282

Operating Expenditure

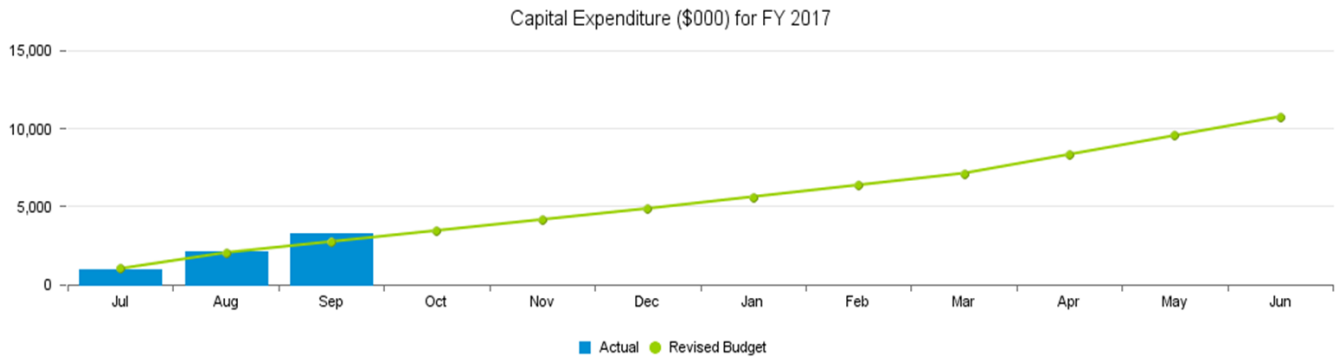


Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,290	1,165	(126)	4,381	4,336
Local environmental management	2	2	0	128	128
Local governance	320	320	0	1,300	1,300
Local parks, sport and recreation	2,591	2,631	41	11,081	11,081
Local planning and development	215	214	(1)	758	758
Total Operating Expenditure	4,418	4,332	(86)	17,648	17,603

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services					
ACE LDI Staff allocation	23	23	0	94	94
ANZAC	0	0	0	15	15
Capacity building programme	5	42	37	166	166
CDAC Facility assessment	0	0	0	5	0
Community development	0	0	0	35	0
Community wellbeing programmes	0	0	0	0	5
Estuary Arts top up	50	50	0	50	50
Event partnership	28	14	(15)	54	54
Local civic functions	1	5	4	20	20
Local community grants	156	0	(156)	360	360
Local events fund	2	0	(2)	0	0
Youth Panels Initiatives	0	3	3	20	10
Total Local community services	266	136	(130)	819	774
Local environmental management					
Environmental management programmes	0	0	0	120	120
Total Local environmental management	0	0	0	120	120
Local parks, sport and recreation					
Centennial	0	0	0	10	10
Greenways plans	3	0	(3)	50	50
LDI Volunteers parks	5	0	(5)	70	70
Metropark changing room	0	0	0	20	20
Reserve management plans opex	(5)	0	5	0	0
Sherwood toilet planning	0	0	0	50	50
Small enhancement Initiatives (H and B)	10	0	(10)	36	36
Total Local parks, sport and recreation	13	0	(13)	236	236
Local planning and development					
Actions from centre plans	0	0	0	299	299
Visitor promotion	0	0	0	15	15
World Masters Games	0	0	0	15	15
Young Enterprise Scheme	0	0	0	1	1
Total Local planning and development	0	0	0	330	330
TOTAL	280	136	(144)	1,505	1,460

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	391	398	7	1,499	1,035
Local governance	87	55	(32)	98	0
Local parks, sport and recreation	2,763	2,287	(476)	9,160	8,491
Total Capital Expenditure	3,241	2,740	(501)	10,757	9,526

The capital program has started well with the costs associated with the ongoing development of Stanmore Bay Leisure Centre with spend of \$992k. Other significant projects include the renewal of Murray's Bay Wharf (\$614k), the Murrays Bay Beach toilet renewal (\$134k).

The Stoney Homestead improvements related expenditure to date is on track with budget at \$225k.

More detail of projects follows.

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Improvements (Stoney Homestead)	225	247	22	843	547
Local library renewals	60	90	30	348	267
ACE - Art facility renewals	24	24	0	49	49
ACE - Leases renewals	12	17	5	60	46
ACE - Community house and centre renewals	0	13	13	133	126
Hall upgrade (Stillwater)	4	7	3	65	0
ACE - Venue for hire renewals	48	0	(48)	0	0
Estuary arts extension	1	0	(1)	0	0
Library furniture and fitting renewals	15	0	(15)	0	0
Orewa Community Centre renewals	3	0	(3)	0	0
Total Local community services	392	398	6	1,498	1,035
Small local improvement projects (North)	87	55	(32)	98	0
Total Local governance	87	55	(32)	98	0
HBC Leisure Centre extension	922	805	(117)	1,785	1,760
Parks - Coastal asset renewals	746	566	(180)	1,341	1,326
Parks - Asset renewals	426	435	9	1,603	1,538
Sport development	167	298	131	1,671	2,440
Access coastal protection nourishment (Orewa beach)	54	50	(4)	50	0
Parks - Sports fields renewals	24	31	7	204	204
Locally driven initiatives (LDI Capex)	0	28	28	564	1,076
Greenway and walkway development	13	25	12	155	0
General park development	10	22	12	146	0
Replace toilet (Western Reserve)	49	12	(37)	123	0
Browns Bay parking upgrades	0	7	7	66	66
Leisure facility building renewals	0	5	5	49	49
Mairangi Bay parking upgrades	0	3	3	33	33
Development (Long Bay Reserve)	0	0	0	1,370	0
Foundation infrastructure	22	0	(22)	0	0
Leisure facility equipment renewals	311	0	(311)	0	0
Local park coastal structures renewals	(29)	0	29	0	0
Sportsfield (Metropark)	49	0	(49)	0	0
Total Local parks, sport and recreation	2,764	2,287	(477)	9,160	8,492
TOTAL	3,241	2,740	(501)	10,757	9,526

Funding impact statement

Funding Impact Statement					
Hibiscus and Bays					
For the 3 months ended 30 September 2016					
\$000	Notes	Year to date		Full year	
		Actual 2017	Revised Budget Sept 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		16,667	16,553	16,553	16,879
Targeted rates		417	428	428	368
Subsidies and grants for operating purposes		46	46	380	162
Fees and charges	1	134	755	2,879	1,973
Local authorities fuel tax, fines, infringement fees and other receipts		6	6	24	229
Total operating funding		17,270	17,788	20,264	19,611
Applications of operating funding:					
Payment to staff and suppliers		3,969	3,876	15,619	15,002
Finance costs		425	425	1,863	1,534
Internal charges and overheads applied		719	677	2,709	2,684
Other operating funding applications		-	-	-	-
Total applications of operating funding		5,113	4,978	20,191	19,220
Surplus (deficit) of operating funding		12,157	12,810	73	391
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(8,915)	(10,069)	9,453	15,457
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(8,915)	(10,069)	9,453	15,457
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		610	642	3,039	2,124
- to improve the level of service		1,132	727	1,534	8,091
- to replace existing assets		1,500	1,372	4,953	5,633
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding	2	3,242	2,741	9,526	15,848
Surplus (deficit) of capital funding		(12,157)	(12,810)	(73)	(391)
Funding balance		-	-	-	-

Variance explanations – Actual 2017 to Revised Budget 2017

- Local authorities fuel tax, fines, infringement fees and other receipts was below budget due to leisure centre revenue adjusted for prior year revenue recognition error.
- Capital funding applied is ahead of budget, driven mainly by the Stanmore Bay Leisure Centre renewal programme.