

Attachment C Financial Performance - Ōrākei Local Board

Financial Summary

Account	Year to Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	277	375	(98)	877	1,084
Operating expenditure (ABS)	5,355	4,853	(502)	10,227	10,990
Operating expenditure (LDI)	182	212	30	1,185	1,016
Operating expenditure (LGS)	513	513	0	1,026	1,026
Net Cost of Service	5,774	5,203	(571)	11,560	11,948
Capital expenditure	1,943	3,467	1,524	10,085	7,293

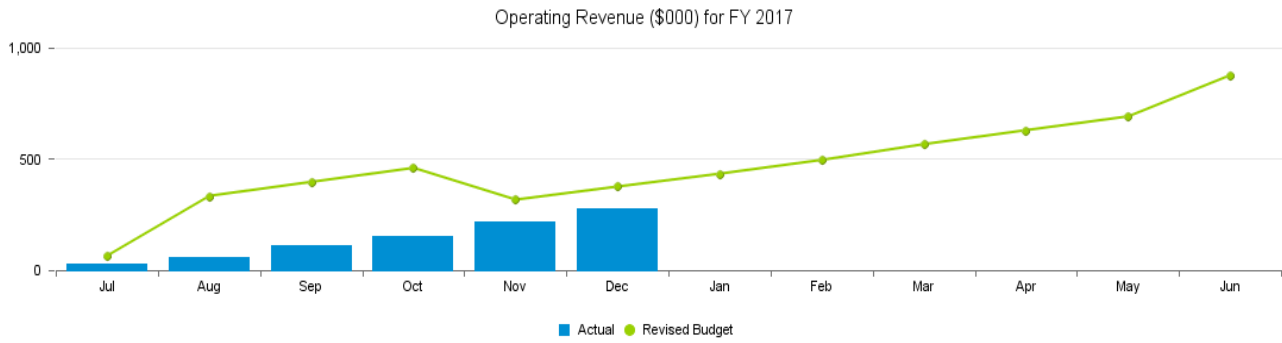
Ōrākei Local Board has invested \$1.9m in capital expenditure and \$5.7m in operating expenditure for the six months ending 31 December 2016.

Net cost of service for six months ended 31 December 2016 is \$0.5m over budget and is explained in the following pages. The main cause of the variances is lower revenue from the Landing operations and higher expenditure in parks maintenance work programme.

Capital performance delivery for the six months is behind the phased budget by \$1.5m and mainly in local parks, sport and recreation activity as projects are in the scoping, planning or early execution stages.

Since adoption of the Annual plan, a review on delivery of capital projects for the year has been made including unspent budget from previous year. The revised budget reflects these changes as well as additional budget for growth projects. Details are in capital expenditure – all projects. The operational expenditure has also been revised and to reflect the LDI opex approved to be carried forward.

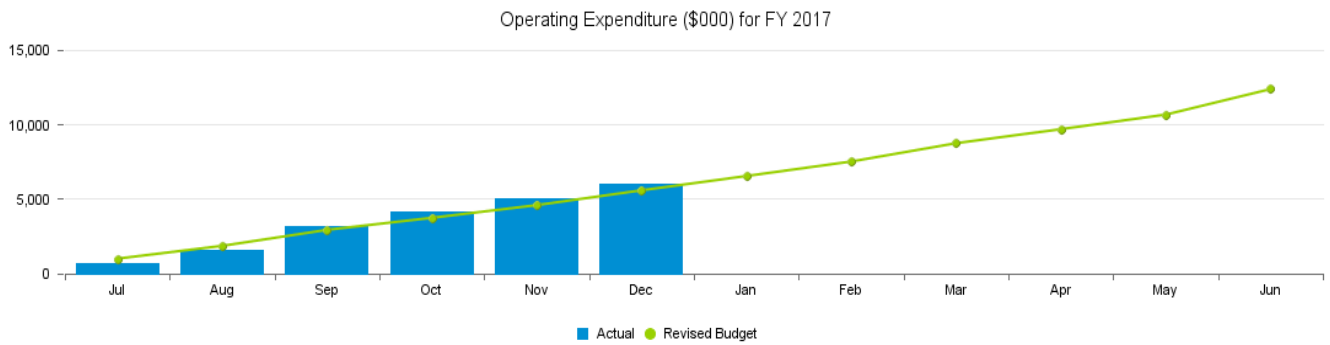
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	125	113	12	224	224
Local parks, sport and recreation	152	262	(110)	654	860
Total Operating Revenue	277	375	(98)	878	1,084

The total operating revenue is \$0.098m below budget. This is mainly due to lower revenue from the Landing operations.

Operating Expenditure



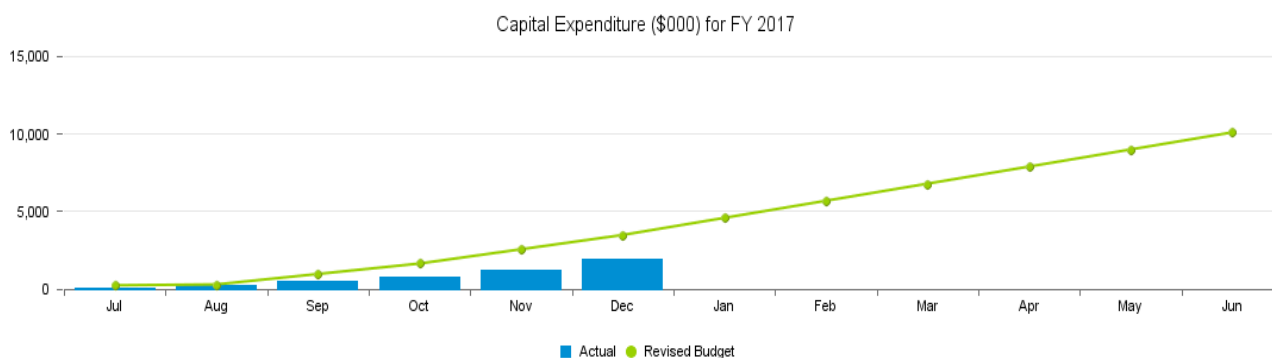
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,391	1,422	31	2,801	2,791
Local environmental management	14	35	21	80	240
Local governance	513	513	0	1,026	1,026
Local parks, sport and recreation	3,739	3,206	(533)	7,940	8,415
Local planning and development	394	403	9	591	560
Total Operating Expenditure	6,051	5,579	(472)	12,438	13,032

The operating expenditure is \$0.4m above budget mainly in parks maintenance work programme but will be on target at year end.

Operational Expenditure – Locally Driven Initiatives

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	53	53	0	105	105
ANZAC	0	0	0	13	13
Business Associations support	21	40	19	80	80
Christmas events	17	20	3	20	20
Empowered communities	4	6	2	12	12
Fees and charges subsidy	17	17	0	34	8
Local board discretionary fund	0	0	0	98	124
Local civic functions	0	2	2	4	4
Local community grants	17	0	(17)	0	0
Local events fund	(3)	4	7	19	19
Matariki kite festival	0	0	0	2	2
Meadowbank Com Centre concept design	0	0	0	10	0
Elderly initiatives	1	5	4	10	10
Resident Associations support fund	20	18	(2)	35	35
Win with words	0	0	0	1	1
Youth initiatives	0	5	5	10	10
Total Local community services	147	169	22	453	443
Local environmental management					
Coastal ecological restoration (mangrove removal Hobson Bay)	0	0	0	0	80
Ecological projects	14	35	21	80	80
Enhancing council-owned heritage features in the area	0	0	0	0	75
OBAG state of the basin/management plan revision	0	0	0	0	5
Total Local environmental management	14	35	21	80	240
Local parks, sport and recreation					
ASB Stadium grant	0	0	0	18	0
Coastal ecological restoration (mangrove removal at Tahuna Tourea)	0	0	0	85	0
Coastal ecological restoration (mangrove removal Hobson Bay)	0	0	0	80	0
Concept design and consents for feeders (Orakei Spine)	1	0	(1)	90	90
Crossfield Reserve entranceway	(1)	0	1	16	16
Crossfield Reserve lighting	0	0	0	25	25
Design and consent for Crossfield and Madills lighting	0	0	0	5	5
Design and consent for Shore Rd eastern car park	0	0	0	5	5
Enhancing council-owned heritage features in the area	0	0	0	75	0
LDI Volunteers parks	17	0	(17)	50	50
OBAG state of the basin/management plan revision	0	0	0	30	0
Parks response fund	4	0	(4)	32	32
Toilet facility at Madills Farm adjacent to the playground	1	0	(1)	20	20
Upgrade playgrounds and paved seating area at Glover Park	0	0	0	25	25
Weed management prog parks and walkways	0	0	0	30	30
Total Local parks, sport and recreation	22	0	(22)	586	298
Local planning and development					
Local economic develop planning initiati	0	9	9	66	35
Total Local planning and development	0	9	9	66	35
TOTAL	182	212	30	1,185	1,016

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	218	174	(44)	428	114
Local parks, sport and recreation	1,725	3,293	1,568	9,657	7,179
Total Capital Expenditure	1,943	3,467	1,524	10,085	7,293

Capital performance delivery for the six months is behind the phased budget by \$1.5m and mainly in local parks, sport and recreation activity as projects are in the scoping, planning stage or early execution stages.

- Stonefields open space redevelopment – contractor is appointed and construction works contract signed.
- Shore Road reserve eastern carpark development – feasibility report completed.
- Waitarua Reserve carpark development – scoping project delivery outcome.

Michaels Avenue reserve sportsfield development was completed last year and there is a transaction reversed this year that relates to expenditure in the last financial year.

Sports development work has progressed with sand carpeting in Colin Maiden Park and Ōrākei Domain. In locally driven initiatives (LDI capex) the capital commitment is in the completion of Crossfield Reserve carpark.

The revised capex budget has been updated to take into account budget allocation for growth projects, approximately \$2m to increase sports field capacity.

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	206	81	(125)	196	9
Local library renewals	8	63	55	157	105
Community facility renewals	2	29	27	72	0
ACE - Community house and centre renewals	2	1	(1)	2	0
Total Local community services	218	174	(44)	427	114
Sport development	840	750	(90)	2,427	419
Parks - Asset renewals	257	722	465	1,656	1,656
Open space redevelopment (Stonefields)	56	423	367	1,030	912
LDI funded local board initiatives	287	298	11	1,666	1,700
Open space, boardwalk, pontoon and carpark upgrade (Orakei Basin)	99	243	144	529	501
Shore Road Reserve eastern carpark development	0	200	200	500	500
Leisure facility building renewals	2	150	148	374	374
Parks - Coastal asset renewals	45	135	90	323	0
Locally driven initiatives (LDI Capex)	235	120	(115)	486	705
Waiatarua Reserve carpark development	0	100	100	250	250
Greenway and walkway development	0	60	60	240	0
General park development	14	37	23	39	115
Parks - Sports fields renewals	0	19	19	47	47
Sportsfield development (Michaels Ave Reserve)	(123)	19	142	48	0
Local improvement projects (LIPS)	9	14	5	34	0
Sand fields (Crossfield Reserve) and lights (Glover Park)	0	3	3	7	0
Sports Field Capacity	1	0	(1)	0	0
Various parks projects - AT funded	2	0	(2)	0	0
Total Local parks, sport and recreation	1,724	3,293	1,569	9,656	7,179
TOTAL	1,942	3,467	1,525	10,085	7,293

Funding impact statement – Ōrākei Local Board
For the 6 months ended 31 December 2016

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		13,398	13,402	13,402	13,482
Targeted rates		525	525	525	523
Subsidies and grants for operating purposes		6	7	15	15
Fees and charges		93	117	243	155
Local authorities fuel tax, fines, infringement fees and other receipts		178	251	826	920
Total operating funding		14,200	14,302	15,011	15,095
Applications of operating funding:					
Payment to staff and suppliers		5,450	4,975	11,754	11,993
Finance costs		595	595	1,262	1,089
Internal charges and overheads applied		1,006	1,006	2,012	1,990
Other operating funding applications		-	-	-	-
Total applications of operating funding		7,051	6,576	15,028	15,072
Surplus (deficit) of operating funding		7,149	7,726	(17)	23
Sources of capital funding:					
Subsidies and grants for capital expenditure		(6)	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(5,200)	(4,259)	7,310	6,160
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(5,206)	(4,259)	7,310	6,160
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		821	1,365	1,571	1,985
- to improve the level of service		365	782	2,826	2,258
- to replace existing assets		757	1,320	2,896	1,940
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		1,943	3,467	7,293	6,183
Surplus (deficit) of capital funding		(7,149)	(7,726)	17	(23)
Funding balance		-	-	-	-