

Financial Performance

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,739	2,300	(561)	3,282	3,282
Operating revenue (LDI)	2	0	2	0	0
Operating expenditure (ABS)	10,992	11,045	53	14,707	14,843
Operating expenditure (LDI)	485	567	82	1,575	1,460
Operating expenditure (LGS)	969	969	0	1,300	1,300
Net Cost of Service	10,705	10,281	(424)	14,300	14,321
Capital expenditure	7,692	7,462	(230)	9,927	9,526

Hibiscus and Bays Local Board has invested \$7.7m in capital expenditure and \$10.7m net operating expenditure for the third quarter ended 31 March 2017.

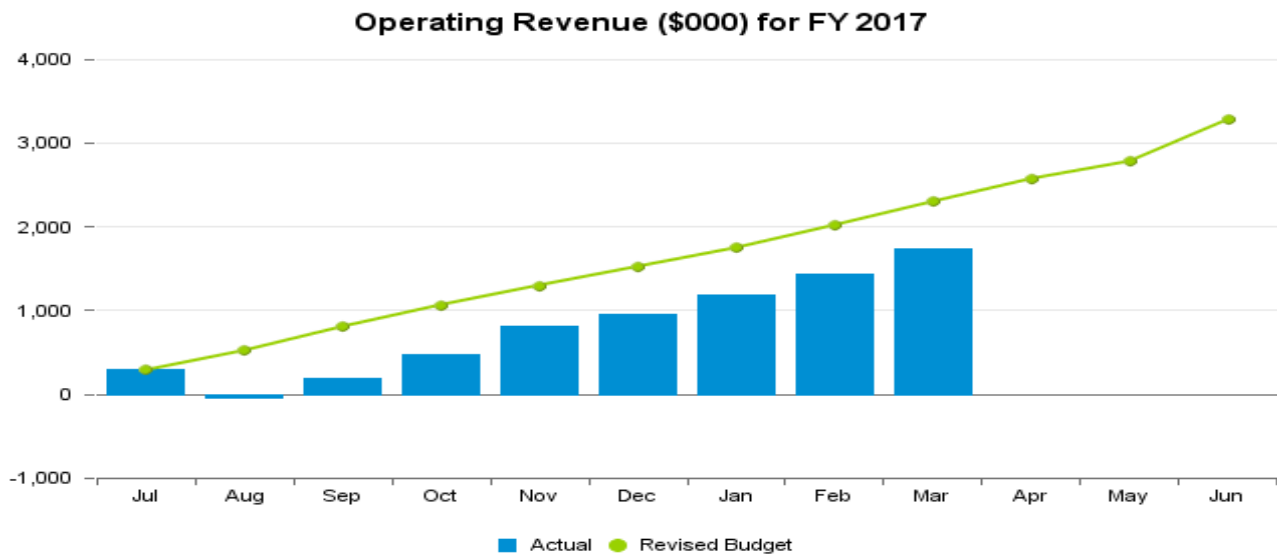
Most of the capital investment in the quarter has been in the local parks, sport and recreation activity totalling \$6.5m, with community services contributing \$1.2m.

The operating net cost of service is tracking over budget YTD due predominantly to lower operating revenue where a one-off accounting adjustment was required to correct prior year revenue recognition for Stanmore Bay Leisure Centre (\$522K).

Decrease in the Asset Based Services (ABS) operational budget of \$52K relates to the redistribution of departmental ABS budget previously associated to Stoney Homestead but not required. Operational expenditure in both ABS and Locally Driven Initiatives (LDI) are tracking to budget and there is an expectation of full delivery in quarter four. Some LDI budget has been reallocated to initiatives that can be completed or carried forward to 2017/18.

Details are outlined in the capital projects and LDI tables.

Operating Revenue

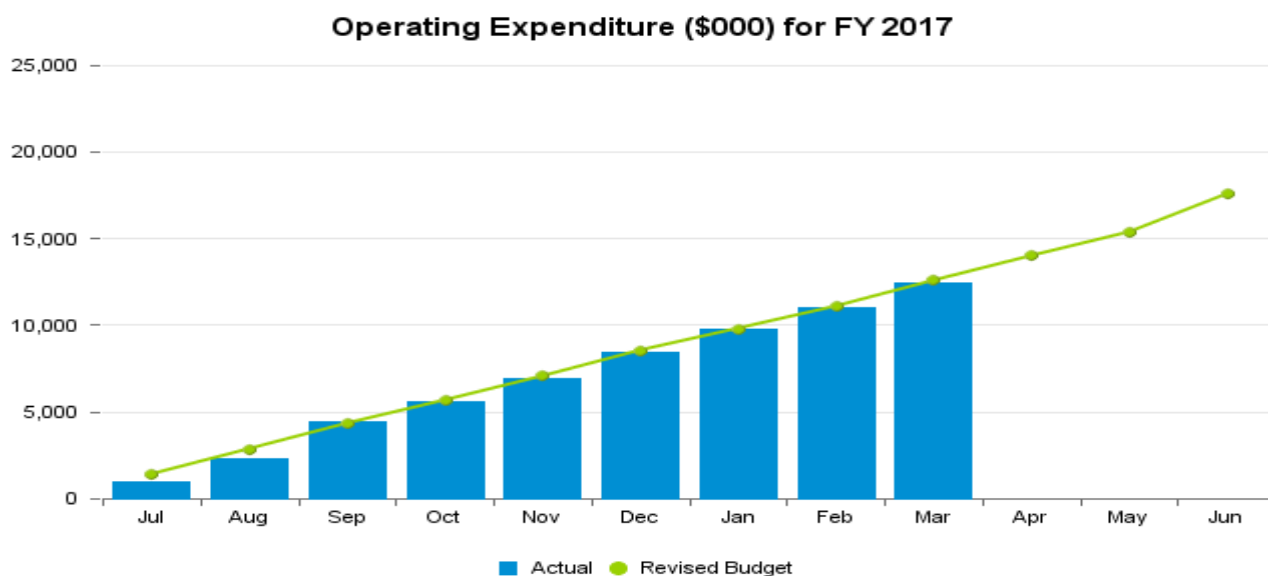


Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	76	67	9	91	91
Local parks, sport and recreation	1,665	2,234	(569)	3,192	3,192
Total Operating Revenue	1,741	2,301	(560)	3,283	3,283

The deficit in revenue is mainly due to a one-off accounting GST prior period adjustment for Stanmore Bay Leisure Centre. There is also a deficit to budget in Early Childhood revenue.

Operating Expenditure



Year To Date (\$000)

Operating Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	3,168	3,209	41	4,329	4,336
Local environmental management	3	40	37	128	128
Local governance	969	969	0	1,300	1,300
Local parks, sport and recreation	7,896	7,935	39	11,067	11,081
Local planning and development	410	428	18	758	758
Total Operating Expenditure	12,446	12,581	135	17,582	17,603

Operating Expenditure year to date is tracking close to budget overall (99%).

In Community Services there is an underspend of \$41k, mostly attributable to Locally Driven Initiative (LDI) projects in the community development and Youth Panel areas not as yet delivered.

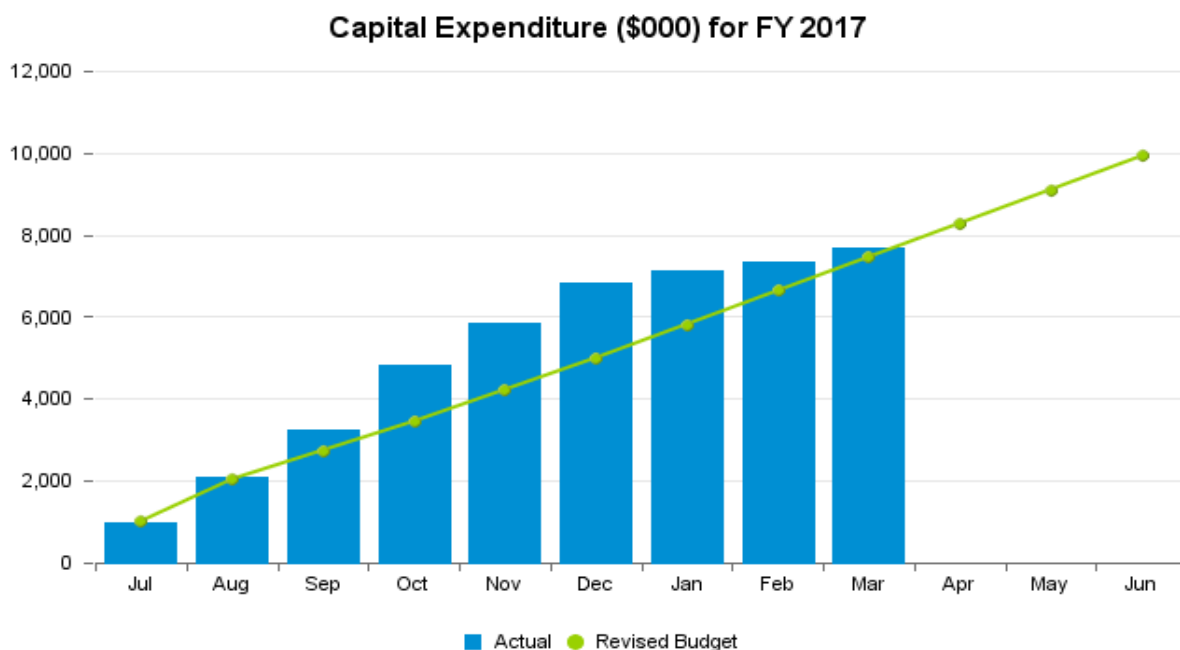
In Environmental management LDI initiatives are planned to be fully delivered in the last quarter or carried forward to 2017/18.

In Parks, budgeting anticipates delivery in the last quarter of the year including volunteer funds which is on track to be completed. Asset Based Service (ABS) costs under budget include the full facility contract for park services in scheduled repairs and maintenance.

Locally Driven Initiatives (Operating Expenditure)

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	70	70	0	94	94
ANZAC	0	0	0	15	15
Capacity building programme	117	125	8	166	166
CDAC Facility assessment	0	0	0	5	0
Community development	0	35	35	35	0
Community response operating fund	8	0	(8)	0	0
Community wellbeing programmes	0	0	0	0	5
Estuary Arts top up	50	50	0	50	50
Event partnership	52	51	(1)	64	54
Local civic functions	11	15	4	20	20
Local community grants	172	170	(2)	350	360
Youth Panels Initiatives	0	18	18	20	10
Total Local community services	480	533	53	819	774
Environmental management programmes	(3)	34	37	120	120
Total Local environmental management	(3)	34	37	120	120
Centennial	0	0	0	10	10
Greenways plans	6	0	(6)	90	50
LDI Volunteers parks	23	0	(23)	70	70
Metropark changing room	0	0	0	20	20
Reserve management plans opex	(1)	0	1	30	0
Sherwood toilet planning	0	0	0	50	50
Small enhancement Initiatives (H & B)	(4)	0	4	36	36
Total Local parks, sport and recreation	24	0	(24)	306	236
Actions from centre plans	0	0	0	299	299
Local board discretionary fund	1	0	(1)	0	0
Silverdale and Whangaparaoa BIDs	(23)	0	23	0	0
Town centre revitalisation concept plan	(1)	0	1	0	0
Visitor promotion	0	0	0	15	15
World Masters Games	4	0	(4)	15	15
Young Enterprise Scheme	0	0	0	1	1
Total Local planning and development	(18)	0	18	330	330
Total	483	567	84	1,575	1,460

Capital Expenditure



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,205	1,132	(73)	1,499	1,035
Local governance	7	0	(7)	0	0
Local parks, sport and recreation	6,480	6,330	(150)	8,428	8,491
Total Capital Expenditure	7,692	7,462	(230)	9,927	9,526

The capital program has steadily progressed and delivery has been ahead of budget. The costs associated with the development and equipment renewal of Stanmore Bay Leisure Centre (\$1,946k) is the bulk of the cost. Other significant projects include the renewal of Murrays Bay Wharf (\$795k), the Murrays Bay Beach and Waiake Beach toilet renewals (\$400k and \$615k), and the Stillwater and Manly East boat ramp renewals (\$304k).

The Stoney Homestead improvements have been completed with a total cost currently sitting at \$832k.

MetroPark Hockey turf Stage 1 has also been completed (\$479k). External funding is being sought to meet the budget demands for Stages II and III.

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)	832	644	(188)	843	547
Local library renewals	139	262	123	348	267
ACE - Community house and centre renewals	78	93	15	133	126
ACE - Leases renewals	0	46	46	60	46
Hall upgrade (Stillwater)	21	46	25	65	0
ACE - Art facility renewals	48	41	(7)	49	49
Estuary arts extension	3	0	(3)	0	0
Library furniture and fitting renewals	15	0	(15)	0	0
Orewa Community Centre renewals	70	0	(70)	0	0
Community services	1,205	1,132	(73)	1,499	1,035
Small local improvement projects (North)	7	0	(7)	0	0
Governance	7	0	(7)	0	0
HBC Leisure Centre extension	1,564	1,459	(105)	1,785	1,760
Parks - Asset renewals	1,957	1,297	(660)	1,701	1,537
Parks - Coastal asset renewals	1,164	1,083	(81)	1,341	1,326
Playscape development	3	813	810	1,300	0
Greenway and walkway development	25	456	431	705	0
Sport development	563	363	(200)	311	2,440
Locally driven initiatives (LDI Capex)	64	338	274	564	1,076
Parks - Sports fields renewals	42	146	104	204	204
General park development	107	136	29	196	0
Replace toilet (Western Reserve)	89	86	(3)	123	0
Access coastal protection nourishment (Orewa beach)	240	50	(190)	50	0
Browns Bay parking upgrades	0	46	46	66	66
Leisure facility building renewals	44	34	(10)	49	49
Mairangi Bay parking upgrades	0	23	23	33	33
Foundation infrastructure	22	0	(22)	0	0
Leisure facility equipment renewals	338	0	(338)	0	0
Local park coastal structures renewals	(29)	0	29	0	0
Sportsfield (Metropark)	287	0	(287)	0	0

Parks sport and recreation	6,480	6,330	(150)	8,428	8,491
Total	7,693	7,462	(231)	9,927	9,525

Funding Impact Statement
Hibiscus and Bays
For the year ended 31 March 2017

\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		16,716	16,553	16,553	16,879
Targeted rates		428	428	428	368
Subsidies and grants for operating purposes		173	162	380	162
Fees and charges		1,549	2,121	2,879	1,973
Local authorities fuel tax, fines, infringement fees and other receipts		19	18	24	229
Total operating funding		18,885	19,282	20,264	19,611
Applications of operating funding:					
Payment to staff and suppliers		10,948	11,141	15,619	15,002
Finance costs		1,350	1,350	1,863	1,534
Internal charges and overheads applied		2,032	2,032	2,709	2,684
Other operating funding applications		-	-	-	-
Total applications of operating funding		14,330	14,523	20,191	19,220
Surplus (deficit) of operating funding		4,555	4,759	73	391
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		3,137	2,703	9,453	15,457
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		3,137	2,703	9,453	15,457
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		1,653	2,325	3,039	2,124
- to improve the level of service		1,483	1,396	1,534	8,091
- to replace existing assets		4,556	3,741	4,953	5,633
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		7,692	7,462	9,526	15,848
Surplus (deficit) of capital funding		(4,555)	(4,759)	(73)	(391)
Funding balance		-	-	-	-