

Appendix C - Financial Performance Henderson-Massey Local Board

Financial Summary

Local Board Financial Performance - Henderson-Massey as at March 2017

Financial Summary

█ On Target
 █ Under Review
 █ Not Meeting Target

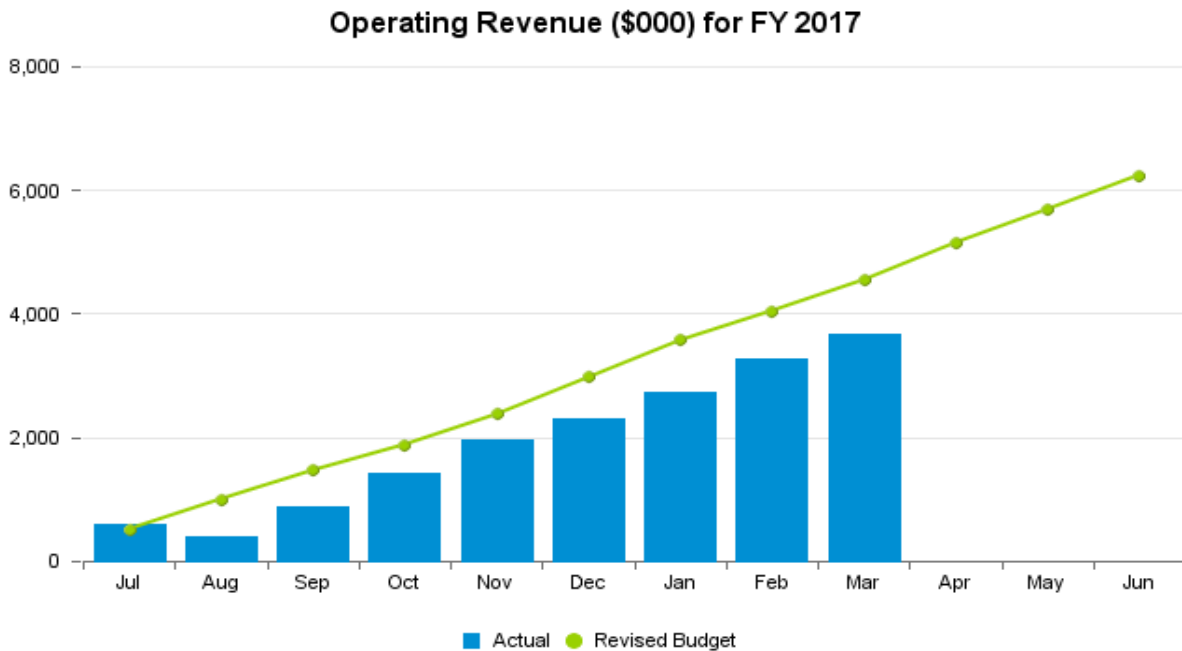
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	3,659	4,532	(873)	6,224	6,224
Operating revenue (LDI)	3	16	(13)	21	21
Operating expenditure (ABS)	15,478	16,667	1,189	22,309	22,327
Operating expenditure (LDI)	1,383	1,118	(265)	1,961	1,906
Operating expenditure (LGS)	823	823	0	1,097	1,097
Net Cost of Service	14,022	14,060	38	19,122	19,085
Subsidies and grants for capital expenditure	0	0	0	0	0
Capital expenditure	7,239	11,784	4,545	18,524	36,291

The Henderson Massey Local Board has invested \$7.2m in capital expenditure and \$14.0m net operating expenditure for the nine months ended 31 March 2017.

The majority of the capital investment in the quarter to March was incurred in parks and leisure renewals, namely, Te Pai netball court and West Wave recreation centre.

Net cost of service for the nine months ended 31 March 2017 is \$38k under budget and is explained in the following pages. The main cause of the variance is lower revenue at West Wave Leisure centre due to prior year adjustment, backlog in parks maintenance due to wet weather and lower administration costs across Libraries and Community centres.

Operating Revenue



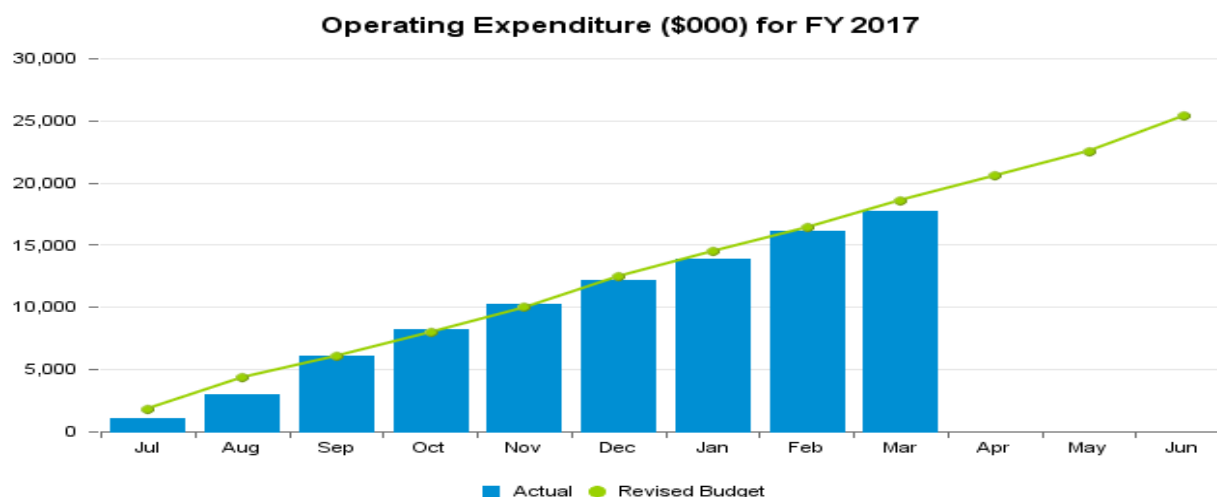
Operating Revenue

█ On Target
 █ Under Review
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	340	268	72	377	377
Local parks, sport and recreation	3,322	4,280	(958)	5,868	5,868
Total Operating Revenue	3,662	4,548	(886)	6,245	6,245

Revenue is \$886k below budget. This is due to a prior year adjustment in the period as a result of overstated revenue in prior years at West Wave leisure centre. The revenue forecast for the year is expected to be below budget by a similar margin.

Operating Expenditure



Operating Expenditure

█ On Target
 █ Under Review
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	6,027	6,360	333	8,635	8,625
Local environmental management	168	173	5	244	244
Local governance	823	823	0	1,097	1,097
Local parks, sport and recreation	9,222	9,813	591	13,342	13,315
Local planning and development	1,444	1,438	(6)	2,049	2,049
Total Operating Expenditure	17,684	18,607	923	25,367	25,330

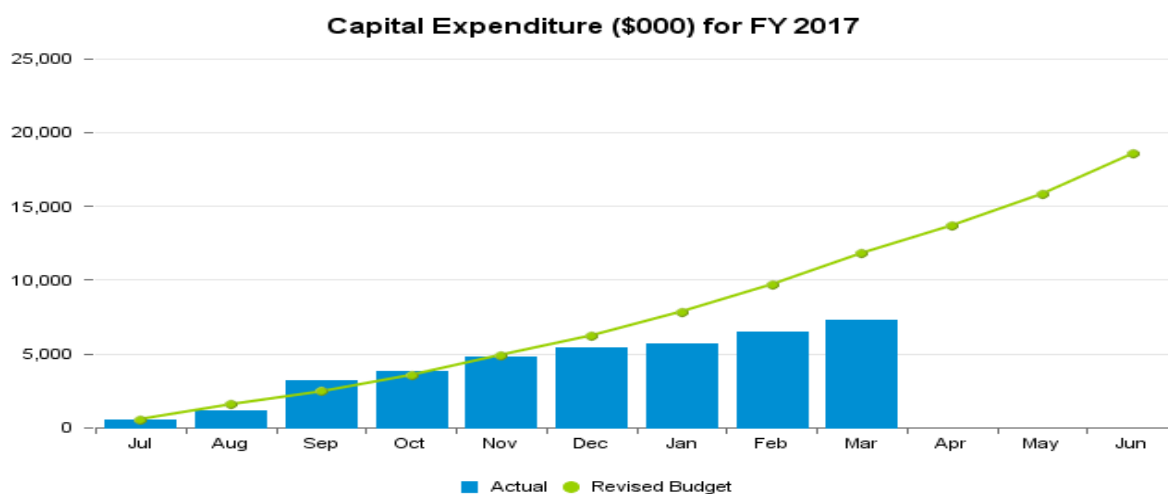
Operating expenditure is \$923k below budget.

This operational budget for parks, sport and recreation is \$591k under budget due to a backlog in scheduling parks maintenance caused by the impact of the wet weather.

The community services underspend refers to lower administrative costs across libraries and community centres. In addition due to the delays in construction of the Westgate multi- purpose facility servicing costs will not be incurred. This is partly offset by capacity building programme and events costs incurred ahead of plan.

Capital Expenditure

Local Board Financial Performance - Henderson-Massey as at March 2017



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	611	716	105	917	392
Local environmental management	1	0	(1)	0	0
Local parks, sport and recreation	3,527	7,150	3,623	10,825	5,291
Local planning and development	3,099	3,916	817	6,782	30,608
Total Capital Expenditure	7,239	11,784	4,545	18,524	36,291

Capital expenditure to date is \$7.2m which is \$4.6m below budget.

The majority of the capital spend in the quarter to March was in parks and leisure renewals, namely, Te Pai netball court and West Wave recreation centre.

The under-spend is mainly due:

- a) The development of Royal Reserve where the physical works contract was recently awarded and due to commence in April.(\$1.4m)
- b) Westgate multi- purpose facility where physical works has now commenced following delays with developer and consent issues.(\$1.0m)
- c) Sport development at Massey Domain no1 sportsfield, where resource consent is now lodged and detailed design is in progress. (\$0.9m)
- d) Sakaria stream open space network. The town park earthworks contract is progressing with park structure works underway. (\$ 1.2m)

LDI Expenditure – All Projects

Net Cost of Service	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE LDI Staff allocation	153	153	0	204	204
ANZAC	0	0	0	15	15
Capacity building programme	383	192	(191)	383	383
Community Arts Programmes	18	14	(4)	18	18
Community response operating fund	65	120	55	159	160
Community safety	119	97	(22)	130	130
Fees and charges subsidy	0	0	0	1	0
Local civic functions	1	0	(1)	10	10
Local community grants	5	62	57	124	124
Local events discretionary fund	(1)	0	1	0	0
Local events fund	252	202	(50)	269	269
Local job opportunities/skill devel	20	10	(10)	20	20
Neighbourhood development	115	88	(27)	120	65
West Recruitment	7	25	18	50	50
Youth connections across Auckland	42	32	(10)	42	42
Youth development initiatives	55	30	(25)	60	60
Total Local community services	1,235	1,023	(212)	1,605	1,550
Eco City activation	76	76	0	110	110
Environmental action plan	0	3	3	5	5
Total Local environmental management	76	79	3	115	115
LDI Programme Events in local parks	12	0	(12)	30	30
LDI Volunteers parks	16	0	(16)	38	38
Sports and recreation investigation	20	0	(20)	7	7
Whau walkway-planning and design	16	0	(16)	50	50
Total Local parks, sport and recreation	63	0	(63)	125	125
Henderson BID establishment	6	0	(6)	25	25
Henderson implementation plan initiatives	0	0	0	40	40
Planning support	0	0	0	30	30
Total Local planning and development	6	0	(6)	95	95
Total	1,380	1,102	(278)	1,940	1,885

Capital Expenditure – all projects

Local Board Financial Performance - Henderson-Massey as at March 2017

Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Community house and centre renewals	478	449	(29)	547	104
ACE - Leases renewals	65	183	118	249	221
ACE - Art facility renewals	44	47	3	67	67
Community facility (Glendene)	5	34	29	48	0
Library build (Ranui)	2	4	2	5	0
Community house renewals (Ranui)	18	0	(18)	0	0
Community services (GoA)	611	716	105	917	392
General park restoration (SH16/20)	28	1,384	1,356	1,976	1,803
Multi-purpose community facility (Westgate)	303	1,321	1,018	2,401	0
Parks - Asset renewals	1,558	1,031	(527)	1,443	1,406
Sport development	141	1,025	884	1,640	0
General park development	561	832	271	1,308	0
Parks - Sports fields renewals	18	590	572	840	840
Leisure facility building renewals	450	528	78	666	70
Recreation centre (Te Rangi Hiroa)	354	271	(83)	271	0
Locally driven initiatives (LDI Capex)	25	169	144	281	1,174
Leisure facility equipment renewals	91	0	(91)	0	0
Sports and Local park development	(2)	0	2	0	0
Parks sport and recreation (GoA)	3,527	7,150	3,623	10,825	5,291
Open spaces (Massey North)	783	1,959	1,176	4,422	8,849
Stormwater PC15 (Totara ponds)	1,785	1,404	(381)	1,466	3,407
Stormwater PC14 (Waiarohia ponds)	410	553	143	894	429
Library build (Westgate NorSGA)	0	0	0	0	10,275
Multi-purpose community facility (Westgate)	0	0	0	0	7,649
Town square PC15 (Massey North)	121	0	(121)	0	0
Planning (GoA)	3,099	3,916	817	6,782	30,608
Project Twin Streams	1	0	(1)	0	0
Solid waste and environ services (GoA)	1	0	(1)	0	0
Total	7,239	11,784	4,545	18,524	36,291
Subsidies and grants for capital expenditure	0	0	0	0	0

Funding Impact Statement
Henderson-Massey
For the year ended 31 March 2017

\$000	Notes	Actual	Annual Plan	Long Term
		2017	2017	Plan 2016
Sources of operating funding:				
General rates, UAGC, rates penalties		22,694	22,472	24,728
Targeted rates		82	82	82
Subsidies and grants for operating purposes		53	130	90
Fees and charges		3,504	5,945	3,770
Local authorities fuel tax, fines, infringement fees and other receipts		105	170	895
Total operating funding		26,438	28,799	29,565
Applications of operating funding:				
Payment to staff and suppliers		15,186	21,752	21,751
Finance costs		2,358	3,255	3,283
Internal charges and overheads applied		2,838	3,784	3,740
Other operating funding applications		-	-	-
Total applications of operating funding		20,382	28,791	28,774
Surplus (deficit) of operating funding		6,056	8	791
Sources of capital funding:				
Subsidies and grants for capital expenditure		-	9	260
Development and financial contributions		-	-	-
Increase (decrease) in debt		1,187	36,274	34,847
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total sources of capital funding		1,187	36,283	35,107
Applications of capital funding:				
Capital expenditure:				
- to meet additional demand		4,416	28,969	29,149
- to improve the level of service		98	3,442	3,176
- to replace existing assets		2,729	3,880	3,573
Increase (decrease) in reserves		-	-	-
Increase (decrease) in investments		-	-	-
Total applications of capital funding		7,243	36,291	35,898
Surplus (deficit) of capital funding		(6,056)	(8)	(791)
Funding balance		-	-	-