

Local Board Financial Performance - Upper Harbour as at June 2017

Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	1,087	1,312	(225)	1,312	1,312
Operating revenue (LDI)	6	0	6	0	0
Operating expenditure (ABS)	8,989	9,985	996	9,985	9,914
Operating expenditure (LDI)	897	886	(11)	886	886
Operating expenditure (LGS)	1,040	1,040	0	1,040	1,040
Net Cost of Service	9,833	10,599	766	10,599	10,528

Capital expenditure	16,613	14,914	(1,699)	14,914	14,746
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Upper Harbour Local Board has invested \$16.6m in capital expenditure and \$9.8m net operating expenditure for the year ending ended 30 June 2017.

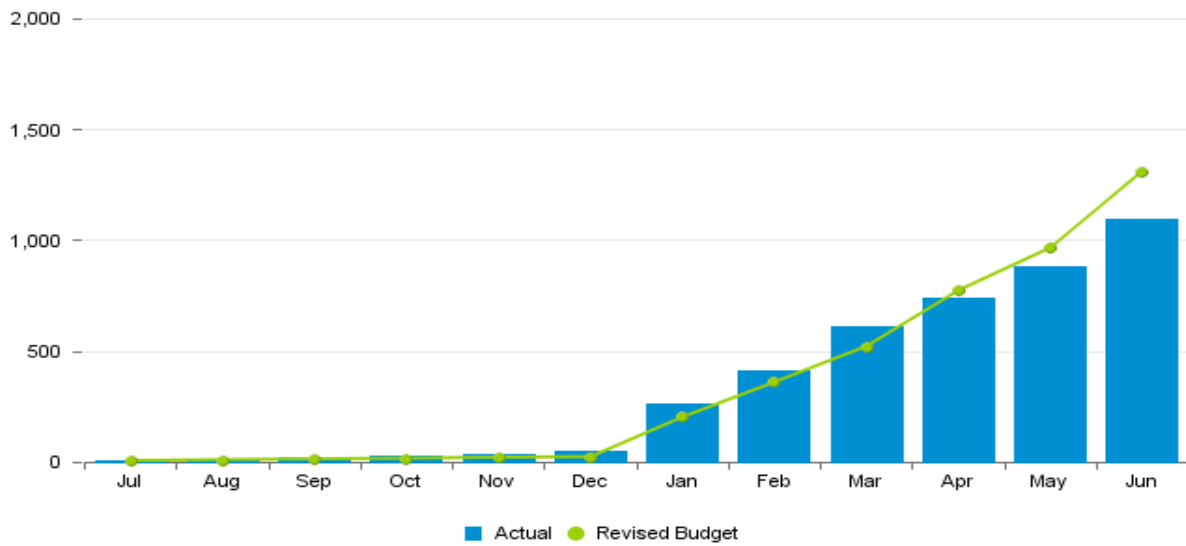
The majority of the capital investment for the year has been in the local parks activity, \$12.9m (\$11.3m on Albany pool), with community services contributing \$1.7m and planning \$2m. In general, capital expenditure has been delivered in advance of budget with funding bought forward from 2022 to facilitate advance delivery.

The operating net cost of service delivered 93% of revised budget. Reduced revenue in the Albany Pool as well as variances in the Asset Based Service (ABS) projects including Parks full maintenance contracts, recreation planning and programming costs and local parks general costs underspend have contributed to the result.

The Locally Driven Initiative (LDI) operational spend was delivered in line with the revised budget.

Details are outlined in the capital projects and LDI operational tables.

Operating Revenue (\$000) for FY 2017

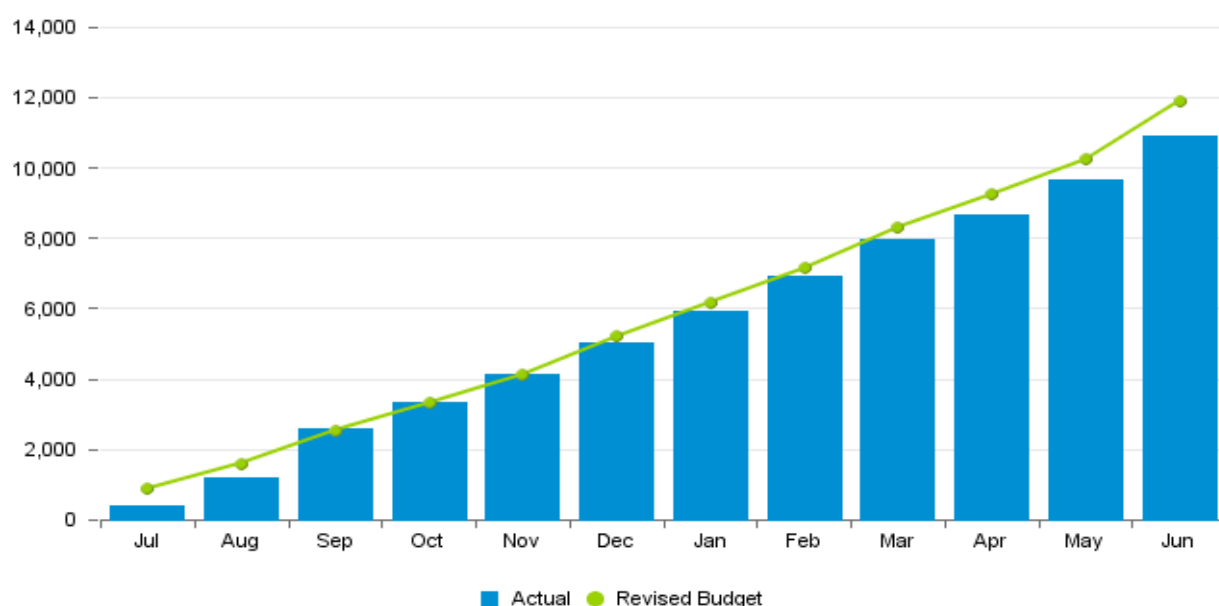


Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	65	42	23	42	42
Local parks, sport and recreation	1,027	1,270	(243)	1,270	1,270
Total Operating Revenue	1,092	1,312	(220)	1,312	1,312

Revenue budgets assumed a greater uptake of the Albany pool than actually eventuated. This was slightly offset by Community services revenue exceeding budget estimates predominantly with regard to Sunderland lounge.

Operating Expenditure (\$000) for FY 2017



Operating Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	2,532	2,597	65	2,597	2,554
Local environmental management	143	145	2	145	145
Local governance	1,040	1,040	0	1,040	1,040
Local parks, sport and recreation	6,466	7,370	904	7,370	7,342
Local planning and development	745	759	14	759	759
Total Operating Expenditure	10,926	11,911	985	11,911	11,840

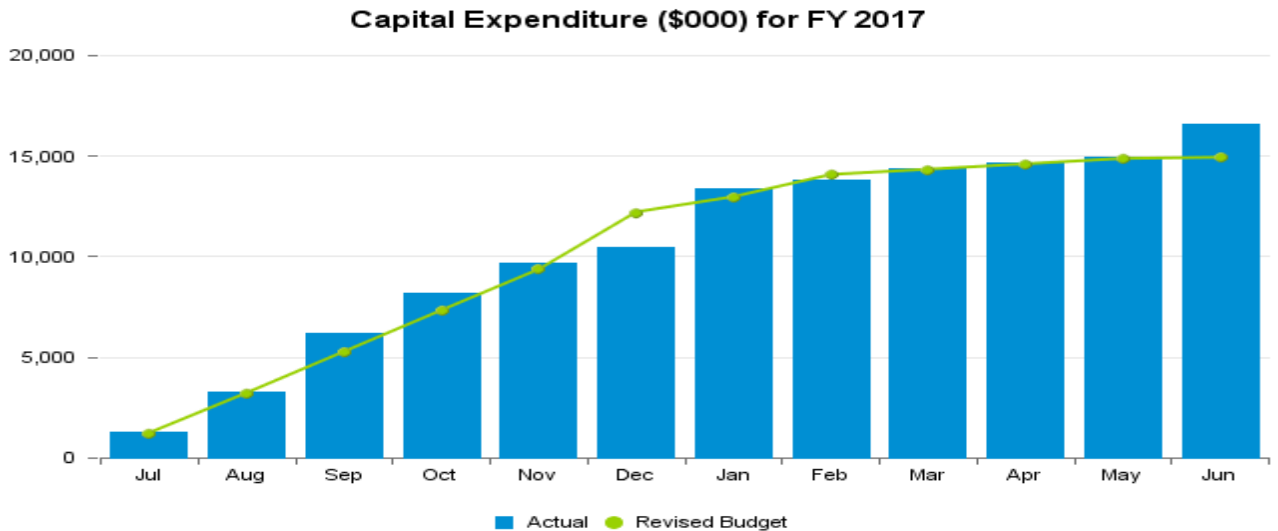
Operating Expenditure delivered 92% of budget to the year ended 30 June 2017.

Environmental Services projects were substantially delivered. In Parks, sport and recreation, ABS projects were \$904k underutilised predominantly in the full facility maintenance and local park general areas. Costs associated to Albany Pool were less than anticipated due to the delayed opening. These decreased costs offset the reduced revenue received.

LDI operational projects have been delivered in line with full year budget. A number of operational grants were provided to sporting and community organisations including Albany Coco and Tennis Northern.

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	176	176	0	176	176
Albany Coco	75	75	0	75	75
ANZAC	7	10	3	10	10
Community Arts Programmes	0	0	0	0	11
Community Led Development and Partnering	9	0	(9)	0	0
Community placemaking initiatives	72	70	(2)	70	67
Community response operating fund	33	0	(33)	0	0
Event partnership	19	24	5	24	27
Inclusion and diversity	23	22	(1)	22	22
Local civic functions	19	50	31	50	50
Local community grants	136	118	(18)	118	115
Local events discretionary fund	3	0	(3)	0	0
Movies in parks local	30	36	6	36	36
Youth programmes community development	23	25	2	25	25
Total Local community services	625	606	(19)	606	614
Environment response fund	39	39	0	39	39
Total Local environmental management	39	39	0	39	39
LDI Volunteers parks	30	30	0	30	20
Local parks art work maintenance	0	8	8	8	8
Parks maintenance - street garden maintenance	0	20	20	20	20
Parks response fund	131	103	(28)	103	105
Tennis Northern operational grant	30	30	0	30	30
Total Local parks, sport and recreation	191	191	0	191	183
Local board discretionary fund	35	50	15	50	50
Young Enterprise Scheme	1	0	(1)	0	0
Total Local planning and development	36	50	14	50	50
Total	891	886	(5)	886	886



Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	1,669	1,006	(663)	1,006	1,713
Local parks, sport and recreation	12,928	12,704	(224)	12,704	11,862
Local planning and development	2,016	1,204	(812)	1,204	1,171
Total Capital Expenditure	16,613	14,914	(1,699)	14,914	14,746

Capital investment of \$16.6m is \$1.7m ahead of budget. LDI projects have been carried forward to 2017/18 (\$309k).

The main capital expenditure for the year is the Albany Stadium Pool (\$11.3m). Investment in the renewal of Albany leisure equipment (\$0.8m) in Albany, in development of the Hub (\$1.4m) and in Hobsonville Corridor planning (\$2.02m) make up the bulk of the remaining spend.

Albany Hub has been delivered with the opening in July 2017. The Sunderland lounge and CDAC headquarters renewal projects are underway (\$187k) with a phased delivery approach over the next three years.

The capital expenditure in planning and development relates to land acquisition of reserves for Hobsonville Corridor and is in advance of revised budget (\$812k). These are funded by bringing forward budget from 2022.

Capital Expenditure: All Projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Community hub (Albany)	1,366	597	(769)	597	597
ACE - Community house and centre renewals	111	211	100	211	205
Community house development (Hobsonville Point)	177	198	21	198	911
Local library renewals	15	0	(15)	0	0
Community services (GoA)	1,669	1,006	(663)	1,006	1,713
Stadium Pool (Albany)	11,122	10,401	(721)	10,401	10,283
Stadium Pool (Albany) - Equipment	212	819	607	819	0
Locally driven initiatives (LDI Capex)	12	554	542	554	617
General park development	245	325	80	325	0
Sport development	224	310	86	310	720
Parks - Asset renewals	414	193	(221)	193	194
Playscape development	2	52	50	52	0
Parks - Sports fields renewals	16	50	34	50	50
Artificial sportsfields (Upper Harbour)	25	0	(25)	0	0
Leisure facility equipment renewals	568	0	(568)	0	0
Outdoor sport surfaces (Albany domain)	(9)	0	9	0	0
Parks - Coastal asset renewals	102	0	(102)	0	0
Sanders Reserve Coastal Walkways	(1)	0	1	0	0
Sportsfield renewals	(4)	0	4	0	0
Parks sport and recreation (GoA)	12,928	12,704	(224)	12,704	11,862
Reserves one two and three PC14 (Hobsonville Corridor)	2,016	1,204	(812)	1,204	1,171
Planning (GoA)	2,016	1,204	(812)	1,204	1,171
Total	16,613	14,914	(1,699)	14,914	14,746

Funding Impact Statement
Upper Harbour
For the year ended 30 June 2017

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		12,010	11,865	11,865	9,732
Targeted rates		626	626	626	523
Subsidies and grants for operating purposes		18	1,281	1,281	11
Fees and charges		1,046	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		30	31	31	114
Total operating funding		13,730	13,803	13,803	10,380
Applications of operating funding:					
Payment to staff and suppliers		9,473	10,531	10,460	7,994
Finance costs		1,367	1,367	1,367	1,025
Internal charges and overheads applied		1,984	1,984	1,984	1,278
Other operating funding applications		-	-	-	-
Total applications of operating funding		12,824	13,882	13,811	10,297
Surplus (deficit) of operating funding		906	(79)	(8)	83
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		15,706	14,993	14,754	14,722
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		15,706	14,993	14,754	14,722
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		6,680	6,037	5,696	4,811
- to improve the level of service		8,698	7,854	7,986	9,257
- to replace existing assets		1,234	1,023	1,064	737
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		16,612	14,914	14,746	14,805
Surplus (deficit) of capital funding		(906)	79	8	(83)
Funding balance		-	-	-	-