

Appendix C - Financial Performance

Financial Summary

| Account | Year To Date (\$000) | | | Full Year (\$000) | |
|--|----------------------|----------------|-------------|-------------------|---------------|
| | Actual | Revised Budget | Variance | Revised Budget | Annual Plan |
| Operating revenue (ABS) | 963 | 937 | 26 | 3,628 | 3,628 |
| Operating revenue (LDI) | 0 | 0 | 0 | 0 | 0 |
| Operating expenditure (ABS) | 3,061 | 2,942 | (119) | 11,729 | 11,710 |
| Operating expenditure (LDI) | 133 | 203 | 70 | 1,531 | 1,466 |
| Operating expenditure (LGS) | 267 | 267 | 0 | 1,067 | 1,067 |
| Net Cost of Service | 2,497 | 2,474 | (23) | 10,699 | 10,614 |
| | | | | | |
| Subsidies and grants for capital expenditure | 0 | 0 | 0 | 0 | 0 |
| | | | | | |
| Capital expenditure | 629 | 502 | (127) | 3,143 | 2,539 |

Net cost of service for the quarter ending September 2016 was \$2.49m, which is \$23k overspent when compared with budget of \$2.47m. This variance is outlined in the Operating Expenditure section of this report.

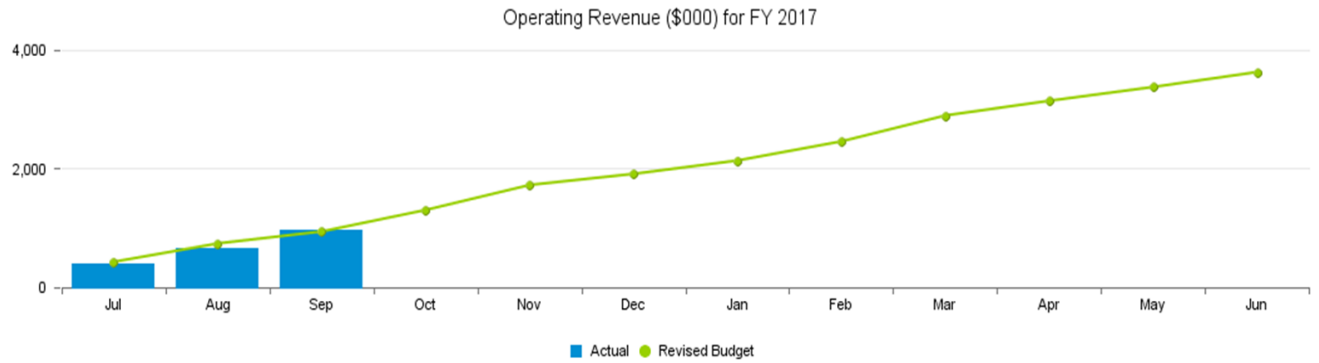
For the first time we are including a Funding Impact Statement (FIS) in the quarterly report for each local board. The FIS is one of the key statements included in the Annual Plan. Essentially it pulls together all the information from each of the different groups of activities and sets out in a single statement the sources of both the operating and capital funding for everything that the local board does.

Budget differences

The following Capex and Opex LDI changes have been made in the Revised Budget to 30 Sep 2016. Further changes are expected as Growth funds are finalised and loaded into capital budgets in October.

| Capex | Amount (000's) |
|---|----------------|
| Annual Plan | 2,539 |
| • Capex renewals carried over | 482 |
| • Capex development carried over | 379 |
| • Unspent LDI Capex carried over to Y18 | -257 |
| Revised Budget | 3,143 |
| | |
| Opex LDI | |
| Annual Plan | 1,466 |
| • Opex deferrals from Y16 carried over | 65 |
| Revised Budget | 1,531 |

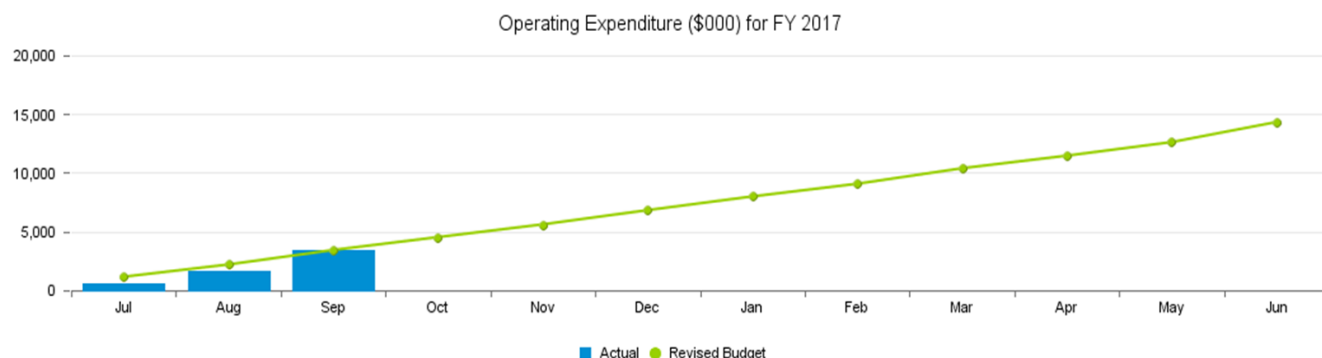
Operating Revenue



| Activity | Year To Date (\$000) | | | Full Year (\$000) | |
|-----------------------------------|----------------------|----------------|-----------|-------------------|--------------|
| | Actual | Revised Budget | Variance | Revised Budget | Annual Plan |
| Local community services | 141 | 123 | 18 | 536 | 536 |
| Local parks, sport and recreation | 822 | 814 | 8 | 3,091 | 3,091 |
| Total Operating Revenue | 963 | 937 | 26 | 3,628 | 3,628 |

Revenue was favourable overall by \$26k which relates mainly to an increase in Early Childhood Education (ECE) funds and Learn to Swim revenue. Expenses for these two areas held steady to budget this quarter. General aquatic revenues and fitness centre revenues are down 14% and 9% respectively. Nathan Homestead hireage and user charges are up 53% (\$17k)

Operating Expenditure



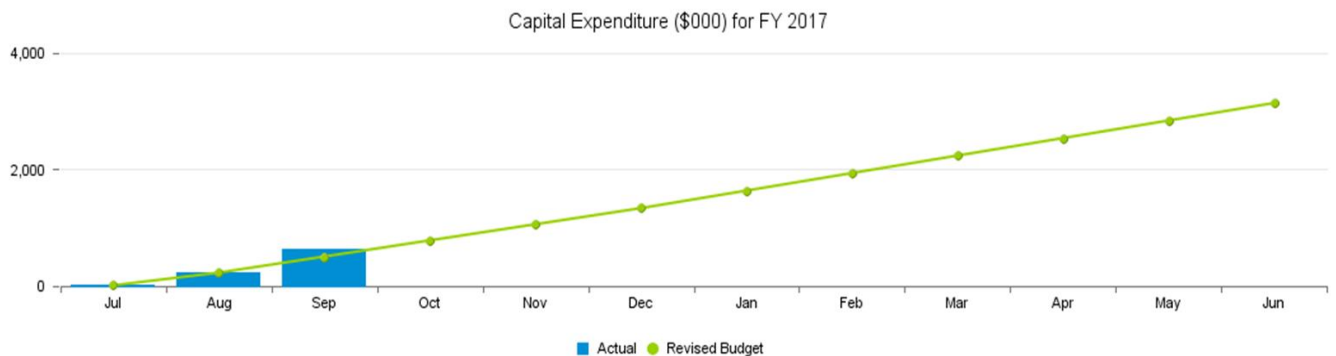
| Activity | Year To Date (\$000) | | | Full Year (\$000) | |
|------------------------------------|----------------------|----------------|-------------|-------------------|---------------|
| | Actual | Revised Budget | Variance | Revised Budget | Annual Plan |
| Local community services | 977 | 1,135 | 157 | 4,732 | 4,667 |
| Local environmental management | (1) | 1 | 2 | 38 | 38 |
| Local governance | 267 | 267 | 0 | 1,067 | 1,067 |
| Local parks, sport and recreation | 2,008 | 1,830 | (178) | 7,931 | 7,912 |
| Local planning and development | 209 | 179 | (30) | 559 | 559 |
| Total Operating Expenditure | 3,460 | 3,411 | (49) | 14,326 | 14,242 |

Operating Expenditure was \$49k below budget for this quarter

The Asset Based Services (ABS) operational budget overspend of \$119k relates to Community Services activities underspend of \$36k in Libraries utilities and Term Grants yet to pay, plus an overspend in the Parks, Sport and Recreation (PSR) activity of \$155k overall. In PSR a rates adjustment affecting all local boards will be adjusted (\$36k), over budget spending in parks repairs and response maintenance (\$36k) and over budget spend in wages at the recreation and pools operations (\$83k)

The Locally Driven Initiatives (LDI) operational budget variance was underspent \$70k. This is mainly a transactional timing variance as some funds including community response funds, and community grant payments have only just been allocated and are yet to be paid out. Some work programmes recently adopted are yet to commence.

Capital Expenditure



| Activity | Year To Date (\$000) | | | Full Year (\$000) | |
|-----------------------------------|----------------------|----------------|--------------|-------------------|--------------|
| | Actual | Revised Budget | Variance | Revised Budget | Annual Plan |
| Local community services | 224 | 193 | (31) | 892 | 638 |
| Local parks, sport and recreation | 405 | 309 | (96) | 2,251 | 1,901 |
| Total Capital Expenditure | 629 | 502 | (127) | 3,143 | 2,539 |

Capital Expenditure of \$629k is \$127k ahead of budget year to date.

Nathan Homestead facilities renewals are well underway with spend of \$225k this quarter and a further \$100k of LDI Capex still to be spent. Progress is also ahead of budget for Esplanade Walkway and the Weymouth Playscape and paths. The local board's LDI Capex Fund still has an amount of \$274k to be allocated this year, and the full balance of \$744k to be spent by June 2018. There are currently no other financial issues to report.

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 | 46 | 46 | 0 | 183 | 183 |
| ANZAC | 0 | 0 | 0 | 18 | 18 |
| CCTV and town centre safety initiatives | 8 | 30 | 22 | 119 | 119 |
| Civil defence community support | (14) | 3 | 16 | 10 | 10 |
| Community Arts Programmes | 0 | 0 | 0 | 60 | 10 |
| Community placemaking initiatives | 0 | 14 | 14 | 56 | 56 |
| Community response operating fund | (20) | 5 | 26 | 18 | 18 |
| Community volunteer awards | 4 | 0 | (4) | 0 | 0 |
| Empowered communities | 5 | 0 | (5) | 0 | 0 |
| Local civic functions | 3 | 2 | (1) | 9 | 9 |
| Local community grants | (4) | 45 | 49 | 224 | 224 |
| Local events fund | 45 | 39 | (6) | 158 | 158 |
| Maori responsiveness | 0 | 8 | 8 | 47 | 32 |
| Youth connection programme | 0 | 10 | 10 | 40 | 40 |
| Youth connections across Auckland | (2) | 0 | 2 | 0 | 0 |
| Youth Council | 10 | 0 | (10) | 21 | 21 |
| Youth leadership scholarships | 0 | 0 | 0 | 20 | 20 |
| Total Local community services | 81 | 202 | 121 | 982 | 917 |
| Local environmental management | | | | | |
| Industry Pollution Prevention Programme | 0 | 0 | 0 | 20 | 15 |
| Manukau Harbour - Improvement projects (PO2311592) | 0 | 0 | 0 | 8 | 8 |
| Sustainability and Resilience | (1) | 1 | 2 | 10 | 15 |
| Total Local environmental management | (1) | 1 | 2 | 38 | 38 |
| Local parks, sport and recreation | | | | | |
| Facility Partnership Programme | (6) | 0 | 6 | 0 | 0 |
| Greenways plans | 2 | 0 | (2) | 25 | 25 |
| LDI Manurewa community facilities charitable trust (MCFCT) | 0 | 0 | 0 | 50 | 50 |
| LDI Programme Events in local parks | 25 | 0 | (25) | 91 | 91 |
| LDI Volunteers parks | 1 | 0 | (1) | 40 | 40 |
| Mangrove management and removal | 0 | 0 | 0 | 50 | 50 |
| Parks teaching gardens | 0 | 0 | 0 | 20 | 20 |
| Skatepark Guardians | 0 | 0 | 0 | 35 | 35 |
| Total Local parks, sport and recreation | 23 | 0 | (23) | 311 | 311 |
| Local planning and development | | | | | |
| LED BID grants Manurewa | 30 | 0 | (30) | 60 | 60 |
| Local economic develop planning initiati | 0 | 0 | 0 | 26 | 26 |
| Revitalisation of town centres | 0 | 0 | 0 | 114 | 114 |
| Total Local planning and development | 30 | 0 | (30) | 200 | 200 |
| TOTAL | 133 | 203 | 70 | 1,531 | 1,466 |

Capital Expenditure – all projects

| Project Name | Year To Date (\$000) | | | Full Year (\$000) | |
|---|----------------------|----------------|--------------|-------------------|--------------|
| | Actual | Revised Budget | Variance | Revised Budget | Annual Plan |
| ACE - Art facility renewals | 213 | 147 | (66) | 431 | 184 |
| Local library renewals | 5 | 39 | 34 | 391 | 391 |
| ACE - Leases renewals | 1 | 6 | 5 | 63 | 63 |
| ACE - Community house and centre renewals | 0 | 1 | 1 | 7 | 0 |
| Library furniture and fitting renewals | 4 | 0 | (4) | 0 | 0 |
| Total Local community services | 223 | 193 | (30) | 892 | 638 |
| Parks - Asset renewals | 72 | 130 | 58 | 794 | 655 |
| Maritime recreational fund development | 54 | 97 | 43 | 600 | 600 |
| Playscape development | 209 | 34 | (175) | 286 | 0 |
| Locally driven initiatives (LDI Capex) | 6 | 19 | 13 | 293 | 550 |
| Netball complex, community and events centre | 0 | 9 | 9 | 93 | 0 |
| Leisure facility building renewals | 24 | 7 | (17) | 72 | 0 |
| Parks - Coastal asset renewals | 0 | 7 | 7 | 74 | 74 |
| Parks - Sports fields renewals | 1 | 3 | 2 | 22 | 22 |
| Recreational facilities equipment renewals | 0 | 2 | 2 | 16 | 0 |
| Commercial development fund | 16 | 0 | (16) | 0 | 0 |
| General park development | 6 | 0 | (6) | 0 | 0 |
| Riverton Park Reserve | 17 | 0 | (17) | 0 | 0 |
| Sport development | 1 | 0 | (1) | 0 | 0 |
| Total Local parks, sport and recreation | 406 | 308 | (98) | 2,250 | 1,901 |
| TOTAL | 629 | 502 | (127) | 3,143 | 2,539 |
| Subsidies and grants for capital expenditure | 0 | 0 | 0 | 0 | 0 |

