

Appendix 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)	111	396	(285)	1,084	1,084
Operating revenue (LDI)	0	0	0	0	0
Operating expenditure (ABS)	2,806	2,505	(301)	10,119	10,990
Operating expenditure (LDI)	75	41	(34)	1,057	1,016
Operating expenditure (LGS)	257	257	0	1,026	1,026
Net Cost of Service	3,026	2,407	(619)	11,118	11,948
Capital expenditure	531	948	417	8,100	7,293

Ōrākei Local Board has invested \$0.5m in capital expenditure and \$3m in operating expenditure for the first quarter ended 30 September 2016.

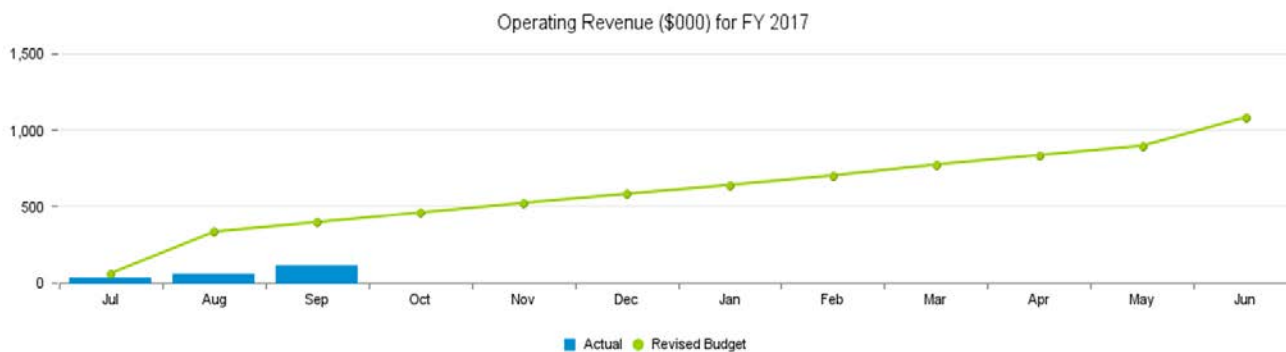
Net cost of service for the quarter ended 30 September 2016 is \$619k over budget and is explained in the following pages. The main cause of the variances is lower revenue from the Landing operations and higher expenditure in full facility parks service contract.

Capital delivery in this quarter is below budget in local parks. Projects such as asset renewals in parks are delayed due to bad weather, open space redevelopment in Stonefields is delayed by negotiations with the preferred supplier while feasibility report has just been completed for the Shore Road Reserve eastern carpark development.

A prospective Funding Impact Statement (FIS) is incorporated in your Local board agreement for the year to meet our legislative requirements. To monitor progress throughout the year and subsequently within our Annual report we have included a Funding Impact Statement for the quarter ended 30th September within the financial appendix.

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. 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.

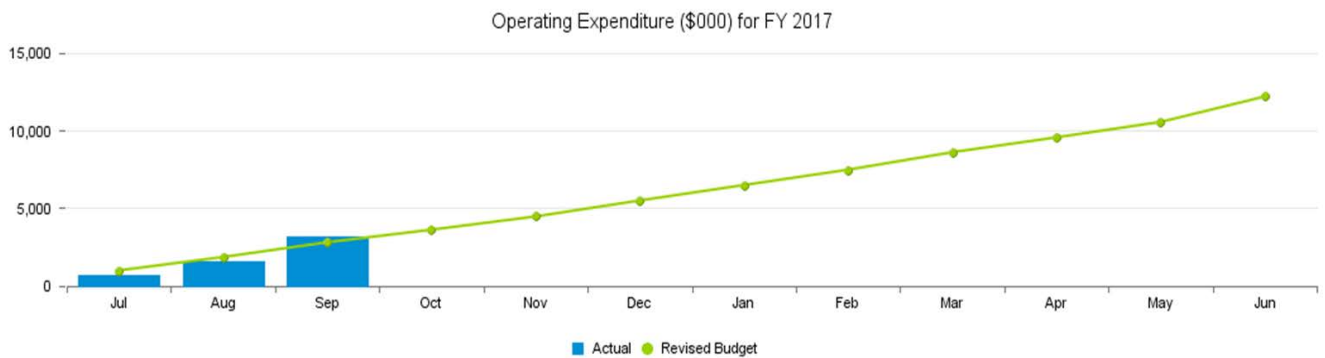
Operating Revenue



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	61	59	2	224	224
Local parks, sport and recreation	50	338	(288)	860	860
Total Operating Revenue	111	396	(285)	1,084	1,084

The operating revenue is \$0.2m below budget in local parks, sport and recreation activity as easement fee from Ōrākei Marina is yet to be received.

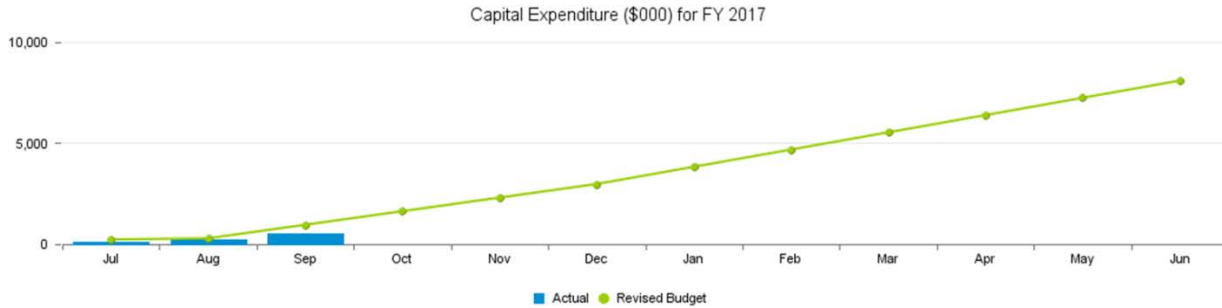
Operating Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	728	741	13	2,801	2,791
Local environmental management	0	4	4	240	240
Local governance	257	257	0	1,026	1,026
Local parks, sport and recreation	1,891	1,537	(354)	7,544	8,415
Local planning and development	263	266	3	591	560
Total Operating Expenditure	3,138	2,803	(334)	12,202	13,032

The operating expenditure is \$0.3m above budget mainly in full facility parks services contract but will be on target at year end.

Capital Expenditure



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	202	47	(155)	428	114
Local parks, sport and recreation	329	901	572	7,672	7,179
Total Capital Expenditure	531	948	417	8,100	7,293

The capital program is slightly behind schedule by \$417k.

Capital investment in this quarter has been in local community services \$0.2m and local parks, sports and recreation \$0.3m. Lease renewals have proceeded with asbestos removal in the Ellerslie Sports Club. In parks, asset renewals are delayed due to bad weather and other projects such as open space redevelopment in Stonefields is delayed due to tender negotiation while feasibility report for Shore Road Reserve eastern carpark development has just been completed. Michaels Avenue reserve sports field development was completed last year. There is an issue with a negative charge against the project which is being investigated.

In locally driven initiatives (LDI capex) the capital commitment is in Crossfield Reserve carpark.

Capital Expenditure – all projects

Project Name	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
ACE - Leases renewals	197	24	(173)	196	9
Local library renewals	2	16	14	157	105
Community facility renewals	0	7	7	72	0
ACE - Community house and centre renewals	2	0	(2)	2	0
Total Local community services	201	47	(154)	427	114
Parks - Asset renewals	142	255	113	1,656	1,656
Open space redevelopment (Stonefields)	24	119	95	1,030	912
Open space, boardwalk, pontoon and carpark upgrade (Orakei Basin)	55	100	45	529	501
Sport development	56	96	40	519	419
LDI funded local board initiatives	17	90	73	1,714	1,700
Locally driven initiatives (LDI Capex)	141	52	(89)	486	705
Shore Road Reserve eastern carpark development	0	50	50	500	500
Parks - Coastal asset renewals	12	42	30	323	0
Leisure facility building renewals	0	37	37	374	374
Waiatarua Reserve carpark development	0	25	25	250	250
General park development	6	21	15	154	115
Parks - Sports fields renewals	0	5	5	47	47
Sportsfield development (Michaels Ave Reserve)	(130)	5	135	48	0
Local improvement projects (LIPS)	4	4	0	34	0
Sand fields (Crossfield Reserve) and lights (Glover Park)	0	1	1	7	0
Sports Field Capacity	1	0	(1)	0	0
Total Local parks, sport and recreation	328	902	574	7,671	7,179
TOTAL	531	948	417	8,100	7,293

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	26	26	0	105	105
ANZAC	0	0	0	13	13
Business Associations support	21	0	(21)	80	80
Christmas events	0	0	0	20	20
Empowered communities	(5)	0	5	12	12
Fees and charges subsidy	9	9	0	34	8
Local board discretionary fund	0	0	0	98	124
Local civic functions	0	0	0	4	4
Local community grants	(3)	0	3	0	0
Local events fund	0	0	0	19	19
Matariki kite festival	0	0	0	2	2
Meadowbank Com Centre concept design	0	0	0	10	0
Older persons	0	0	0	10	10
Resident Associations support fund	15	0	(15)	35	35
Win with words	0	0	0	1	1
Youth initiatives	0	0	0	10	10
Total Local community services	63	35	(28)	453	443
Local environmental management					
Coastal ecological restoration (mangrove removal Hobson Bay)	0	0	0	80	80
Ecological projects	0	4	4	80	80
Enhancing council-owned heritage features in the area	0	0	0	75	75
OBAG state of the basin/management plan revision	0	0	0	5	5
Total Local environmental management	0	4	4	240	240
Local parks, sport and recreation					
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
LDI Volunteers parks	11	0	(11)	50	50
Parks response fund	0	0	0	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	12	0	(12)	298	298
Local planning and development					
Local economic develop planning initiati	0	3	3	66	35
Total Local planning and development	0	3	3	66	35
TOTAL	75	41	(34)	1,057	1,016

Funding impact statement – Ōrākei Local Board
For the 3 months ended 30 September 2016

\$000	Notes				Long Term
		Actual 2017	Revised Budget Sept 2017	Annual Plan 2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		13,495	13,402	13,402	13,482
Targeted rates		512	525	525	523
Subsidies and grants for operating purposes		-	4	15	15
Fees and charges		48	60	243	155
Local authorities fuel tax, fines, infringement fees and other receipts		63	332	826	920
Total operating funding		14,118	14,323	15,011	15,095
Applications of operating funding:					
Payment to staff and suppliers		2,847	2,511	11,754	11,993
Finance costs		288	288	1,262	1,089
Internal charges and overheads applied		544	503	2,012	1,990
Other operating funding applications		-	-	-	-
Total applications of operating funding		3,679	3,302	15,028	15,072
Surplus (deficit) of operating funding		10,439	11,021	(17)	23
Sources of capital funding:					
Subsidies and grants for capital expenditure		(6)	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		(9,902)	(10,072)	7,310	6,160
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		(9,908)	(10,072)	7,310	6,160
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		(26)	271	1,571	1,985
- to improve the level of service		59	240	2,826	2,258
- to replace existing assets		498	438	2,896	1,940
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		531	949	7,293	6,183
Surplus (deficit) of capital funding		(10,439)	(11,021)	17	(23)
Funding balance		-	-	-	-

LDI Capex reallocation

Current Status

Ōrākei Local Board - LDI Capex	Funding Requirement *			
	2015/ 2016	2016/ 2017	2017/ 2018	
Capital Expenditure	\$000 / yr	\$000 / yr	\$000 / yr	
Completion of Crossfield Reserve carpark	327	0	0	
Walsh Brothers memorial sundial on Selwyn Reserve - Lighting	10	0	0	
Madills Farm replacement full field floodlighting for 2 fields (2 & 3 or 1 & 4)	200	200	0	
Develop water access to Hobson Bay	0	60	0	
Unallocated			100	
Development of tracks and trails through Churchill Park	0	20	0	
Park Signage	0	15	15	
Glover Park (Gentlemens Bay) fencing and signage	0	10	0	
Visitor Trail Signage	0	30	0	
Active Recreation Sports Upgrade	0	250	0	
Feeder links to the Orakei Spine	0	0	269	
Built Heritage Improvements	0	25	0	
Shore Road Reserve eastern carpark development		500		
Waiatarua Reserve carpark development		250		
Develop new multi-use changing rooms and toilets at Michaels Avenue reserve		950		
Feeder links to the Orakei Spine		750		
Total Local Parks, Sports & Recreation	537	3060	384	
Total LDI capex planned	537	3,060	384	3,981
Total LDI capex budget	510	510	511	1,531
Total LDI conversion to capex from FY17		1,700		1,700
Total Parking Reserve Funding		750		750
Variance	27	100	-127	0

Proposed revised allocation

Ōrākei Local Board - LDI Capex reallocation	Funding Requirement *			
	2015/ 2016	2016/ 2017	2017/ 2018	
Capital Expenditure	\$000 / yr	\$000 / yr	\$000 / yr	
Completion of Crossfield Reserve carpark	327	0	0	
Walsh Brothers memorial sundial on Selwyn Reserve - Lighting	10	0	0	
Madills Farm replacement full field floodlighting for 2 fields (2 & 3 or 1 & 4)	200		200	Note 1
Develop water access to Hobson Bay	0	60	0	
Unallocated			100	
Development of tracks and trails through Churchill Park	0	20	0	
Park Signage	0	15	15	
Glover Park (Gentlemens Bay) fencing and signage	0	10	0	
Visitor Trail Signage	0	30	0	
Active Recreation Sports Upgrade	0	250	0	
Feeder links to the Orakei Spine	0	0	269	
Built Heritage Improvements	0	25	0	
Shore Road Reserve eastern carpark development		500		
Waiatarua Reserve carpark development		250		
Develop new multi-use changing rooms and toilets at Michaels Avenue reserve			950	Note 2
Feeder links to the Orakei Spine			750	Note 3
Total Local Parks, Sports & Recreation	537	1160	2,284	
Total LDI capex planned	537	1,160	2,284	3,981
Total LDI capex budget	510	510	511	1,531
Total LDI conversion to capex from FY17		0		0
Total Parking Reserve Funding		750		750
Variance	27	-100	1,773	1,700

LDI Capex reallocation incorporate the following changes:

Note 1. Madills Farm replacement full field floodlighting for 2 fields (2 & 3 or 1 & 4) Parks officers request that the funding of **\$200,000 be moved from FY17 to FY18** when it is more likely that the lights will be installed. (Work programme ID 568)

Note 2. Develop new multi-use changing rooms and toilets at Michaels Avenue reserve \$950,000. Park officers request that the funding of **\$950,000 be moved from FY17 to FY18** as physical work will start in FY18. (Work programme ID2862)

Note 3. Feeder links to the Orakei Spine shared path. Park officers request that the funding of **\$750,000 be moved from FY17 to FY18 in line with the work programmed for FY17/18. (ID 2864)**