

Local Board Financial Performance - Franklin as at June 2017

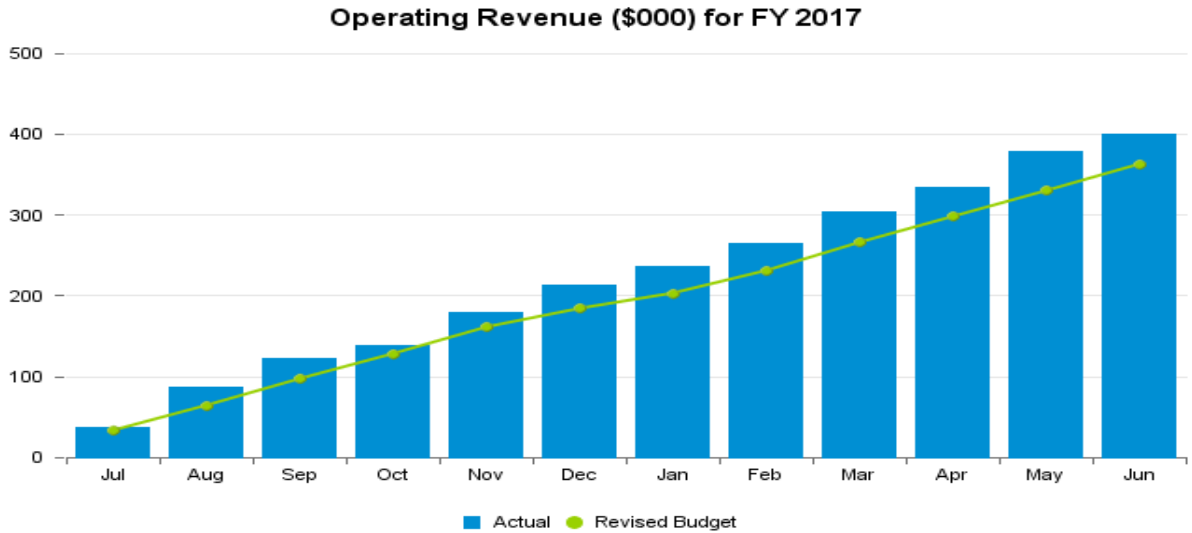
Financial Summary

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	402	364	38	364	364
Operating expenditure (ABS)	10,403	10,594	191	10,594	10,235
Operating expenditure (LDI)	1,238	1,439	201	1,439	1,455
Operating expenditure (LGS)	1,154	1,154	0	1,154	1,154
Net Cost of Service	12,393	12,824	431	12,824	12,479
Capital expenditure	6,001	7,623	1,622	7,623	7,835

The Franklin Local Board has invested \$12.39m in net operating costs and \$6m in capital expenditure for the year ending June 2017.

Net cost of service is \$431k below budget when compared with budget of \$12.82m. Operating expenditure is \$392k below budget and operating revenue is \$38k better than budget, particularly in community places hire and user charges.

Capital spend of \$6m is \$1.62m behind delivery achieving 79% of the year's budget of \$7.62m

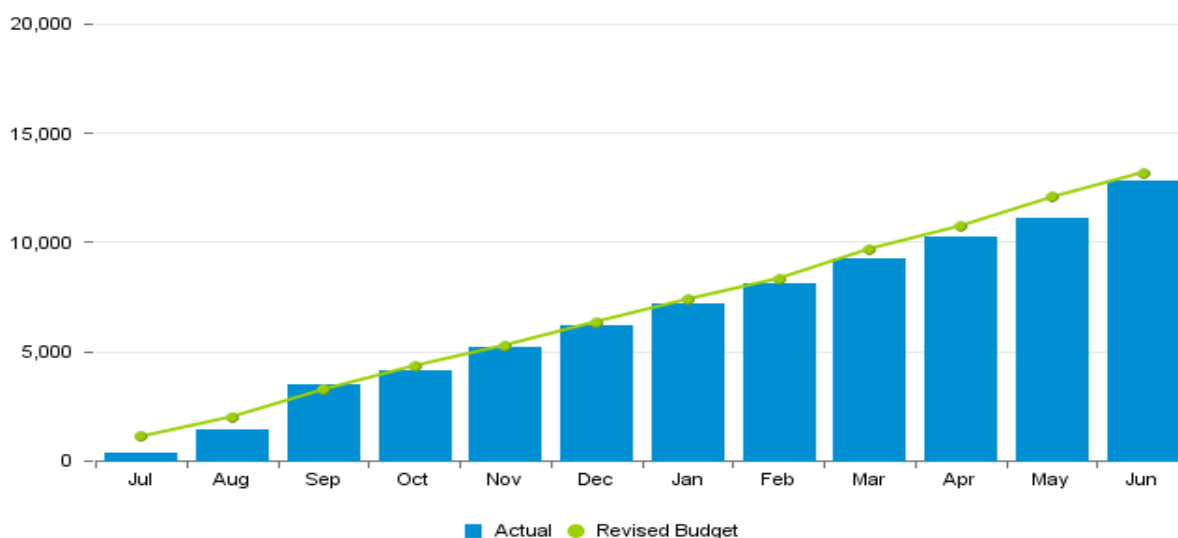


Operating Revenue

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	385	364	21	364	364
Local parks, sport and recreation	16	0	16	0	0
Total Operating Revenue	401	364	37	364	364

Operating Revenue is \$37k above budget with \$21k being increased revenue in community facility hire and user charges. There is \$16k of developer contributions to Green Assets which is offset in the parks operating expenditure for the same project

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	3,635	3,861	226	3,861	3,936
Local environmental management	102	113	11	113	72
Local governance	1,154	1,154	0	1,154	1,154
Local parks, sport and recreation	7,287	7,379	92	7,379	7,005
Local planning and development	616	681	65	681	676
Total Operating Expenditure	12,794	13,188	394	13,188	12,843

Operating expenditure for the year is under budget by \$394k.

In Locally Driven Initiatives (LDI) there are three projects totalling \$61k that are undelivered and will be deferred into Y18 plus savings and underspend of \$62k (4% of LDI).

In Asset Based Services (ABS) overall underspend is \$105k (less than 1%) mainly in the two libraries with a total of \$110k of savings for staff costs.

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	186	186	0	186	186
ANZAC	34	35	1	35	35
Capacity building programme	10	10	0	10	10
Coastal Sea Rescue Grants	60	45	(15)	45	45
Community Arts Programmes	50	50	0	50	50
Community Gardens	17	17	0	17	17
Community heritage and identity programmes	16	17	1	17	17
Community response operating fund	¹ 22	22	0	22	97
Community Safety Initiatives	0	30	30	30	30
Community volunteer awards	1	3	2	3	3
Fees and charges subsidy	27	34	7	34	34
FYAB	10	14	4	14	14
Local civic functions	8	10	2	10	10
Local community grants	189	156	(33)	156	156
Local events fund	90	101	11	101	101
Pukekohe CCTV Opex	90	85	(5)	85	85
Rural library service review/AandP programme	4	13	9	13	13
School pool community grants	14	25	11	25	25
World War contestable fund	0	25	25	25	25
Youth initiatives	(4)	0	4	0	0
Total Local community services	824	877	53	877	953
Manukau Harbour Forum	8	8	0	8	8
Pest control LDI	29	34	5	34	20

¹ Prior year accrual error removed for Whiteside Pools upgrade \$78k

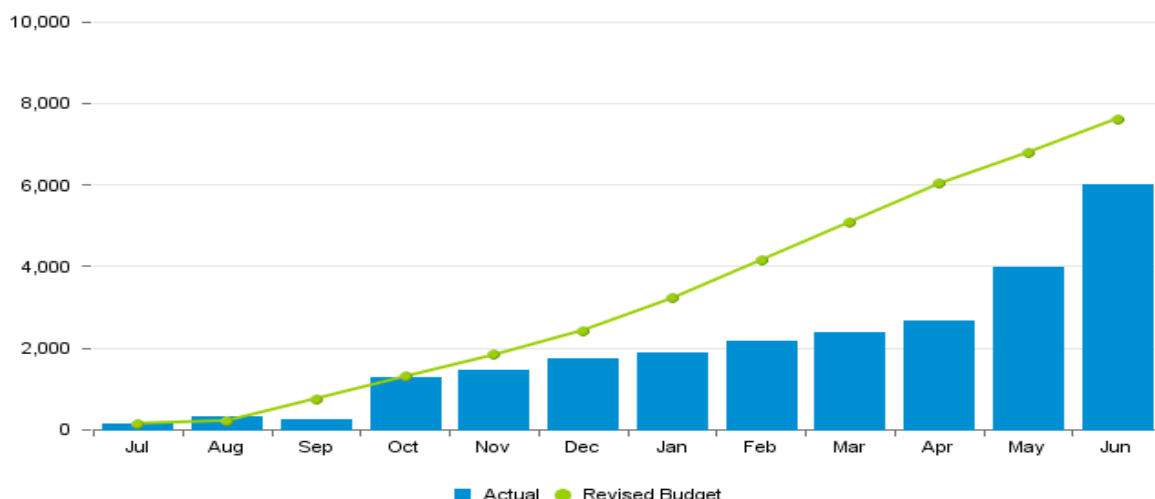
Water testing and quality monitoring	4	6	2	6	6
Waterways	61	65	4	65	38
Total Local environmental management	102	113	11	113	72
Coastal erosion - planting	71	75	4	75	75
Greenways plans	62	50	(12)	50	25
LDI Programme Events in local parks	43	40	(3)	40	40
LDI Volunteers parks	102	100	(2)	100	100
PSR opportunities	96	104	8	104	114
Total Local parks, sport and recreation	374	369	(5)	369	354
Local Economic Development Program	15	41	26	41	36
Revitalisation of town centres	0	40	40	40	40
Young Enterprise Scheme	2	0	(2)	0	0
Total Local planning and development	17	81	64	81	76
Total (adjusted per note1)	1,316²	1,439	123	1,439	1,455

LDI Opex deferrals into Y18 for undelivered projects

LED programme - Hunua Cycle Trail	25,000
LED programme – Tongzhu	6,000
Community Safety – NS/Civil defence	30,000
Total	61,000

² Prior year accrual error removed for Whiteside Pools upgrade \$78k

Capital Expenditure (\$000) for FY 2017



Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	239	180	(59)	180	118
Local parks, sport and recreation	5,163	6,050	887	6,050	5,206
Local planning and development	599	1,393	794	1,393	2,511
Total Capital Expenditure	6,001	7,623	1,622	7,623	7,835

LDI Capex funding allocations 1 July 2015 to 30 June 2017

LDI Capex three year fund to 30 June 2018	\$1,665,951
Whiteside Pool - Thermal covers	24,000
Whiteside Pool - Hoist	14,000
Matakawau Playground	50,000
Park runs	40,000
Waiiau Pa walkway	20,000
Walkway - Prospect Terrace to Growers Stadium	13,000
Unallocated LDI Capex balance at 30 June 2017	\$1,504,951

Capital expenditure of \$6m is \$1.62m behind budget with delivery for the year of 79%.

Growth programmes at Stadium Drive skate park, Constellation Drive play area and the neighbourhood park at Belmont are all approved or in progress and will continue into Y18. The Manukau Road upgrade will be completed by August, and the Waiuku sports park is well ahead of budget schedule for this year. LDI Capex not yet delivered will carry into Y18. Renewals work is generally well advanced against budget as the programme of work allows for this when other renewals or development is behind schedule.

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	61	86	25	86	0
Local library renewals	51	54	3	54	54
Canopy and street toilet renewals	137	40	(97)	40	0
ACE - Leases renewals	1	0	(1)	0	0
ACE - Venue for hire renewals	0	0	0	0	64
General building renewals	(10)	0	10	0	0
Community services (GoA)	239	180	(59)	180	118
Parks - Asset renewals	1,742	1,517	(225)	1,517	1,402
Sports park (Waiuku)	1,643	1,244	(399)	1,244	1,224
Playscape development	302	1,074	772	1,074	383
Locally driven initiatives (LDI Capex)	54	593	539	593	1,124
Parks - Coastal asset renewals	362	412	50	412	407
Upgrade (Bledisloe Park Queen Street)	293	328	35	328	0
Leisure facility building renewals	399	272	(127)	272	272
Greenway and walkway development	195	225	30	225	0
Parks - Sports fields renewals	8	221	213	221	221
General park development	0	119	119	119	174
Soccer carpark (Bledisloe park)	0	46	46	46	0
Leisure facility equipment renewals	3	0	(3)	0	0
Recreational facilities building renewals	33	0	(33)	0	0
Sport development	126	0	(126)	0	0
Sportsfield renewals	1	0	(1)	0	0
Parks sport and recreation (GoA)	5,163	6,050	887	6,050	5,206
Town centre upgrade (Pukekohe)	599	1,393	794	1,393	1,221
Forward land infrastructure planning (FLIP)	0	0	0	0	1,290
Planning (GoA)	599	1,393	794	1,393	2,511
Total	6,001	7,623	1,622	7,623	7,835

Funding Impact Statement
Franklin
For the year ended 30 June 2017

\$000	Notes	Actual	Revised	Annual Plan	Long Term
		2017	Budget 2017	2017	Plan 2016
Sources of operating funding:					
General rates, UAGC, rates penalties		14,010	13,841	13,841	13,771
Targeted rates		512	512	512	512
Subsidies and grants for operating purposes		5	7	7	7
Fees and charges		279	252	252	161
Local authorities fuel tax, fines, infringement fees and other receipts		117	105	105	113
Total operating funding		14,923	14,717	14,717	14,564
Applications of operating funding:					
Payment to staff and suppliers		11,594	11,970	11,626	11,562
Finance costs		1,182	1,182	1,182	959
Internal charges and overheads applied		1,902	1,902	1,902	1,916
Other operating funding applications		-	-	-	-
Total applications of operating funding		14,678	15,054	14,710	14,437
Surplus (deficit) of operating funding		245	(337)	7	127
Sources of capital funding:					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		5,756	7,920	7,828	6,290
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding		5,756	7,920	7,828	6,290
Applications of capital funding:					
Capital expenditure:					
- to meet additional demand		2,231	2,777	1,536	1,895
- to improve the level of service		809	1,372	2,512	2,306
- to replace existing assets		2,961	3,434	3,787	2,216
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
Total applications of capital funding		6,001	7,583	7,835	6,417
Surplus (deficit) of capital funding		(245)	337	(7)	(127)
Funding balance		-	-	-	-