

## Appendix C - Financial Performance Henderson-Massey Local Board

### Financial Summary

#### Financial Summary

█ On Target 
 █ Under Review 
 █ Not Meeting Target

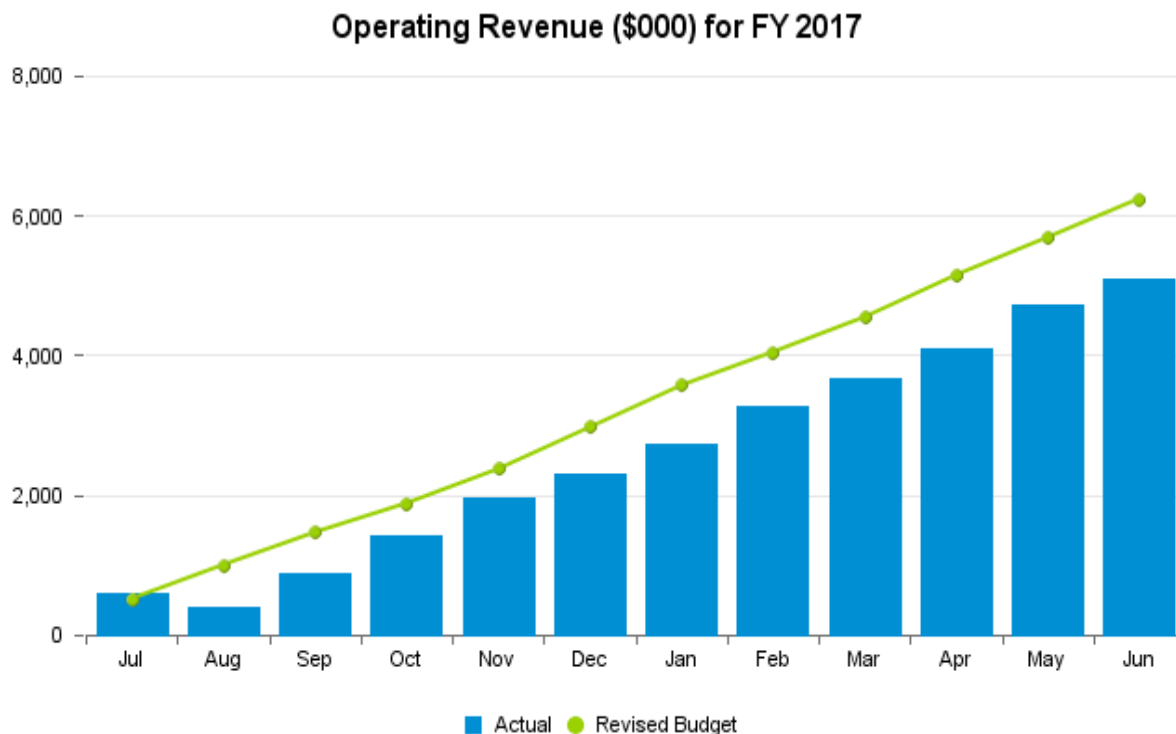
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Operating revenue (ABS)	5,087	6,224	(1,137)	6,224	6,224
Operating revenue (LDI)	13	21	(8)	21	21
Operating expenditure (ABS)	21,565	22,309	744	22,309	22,327
Operating expenditure (LDI)	2,001	1,961	(40)	1,961	1,906
Operating expenditure (LGS)	1,097	1,097	0	1,097	1,097
<b>Net Cost of Service</b>	<b>19,563</b>	<b>19,122</b>	<b>(441)</b>	<b>19,122</b>	<b>19,085</b>
<b>Subsidies and grants for capital expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital expenditure</b>	<b>11,975</b>	<b>18,564</b>	<b>6,589</b>	<b>18,564</b>	<b>36,291</b>

The Henderson Massey Local Board has invested \$12.0m in capital expenditure and \$19.6m net operating expenditure for the year ended 30 June 2017.

The majority of the capital expenditure was on Parks sports and recreation assets of \$7.7m with planning/development assets of \$3.6m. Overall an under-spend of \$6.6m. The majority of the capital investment in the quarter to June was incurred at the Westgate multi- purpose community facility building and Totara stormwater ponds. Details of the specific assets are on the following pages.

Net cost of service for the year ended 30 June 2017 is \$441k over 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 and reduced fitness memberships as a result of ongoing maintenance issues with HVAC system and competition from other providers, offset by lower administration costs across Libraries and Community centres.

## Operating Revenue



## Operating Revenue

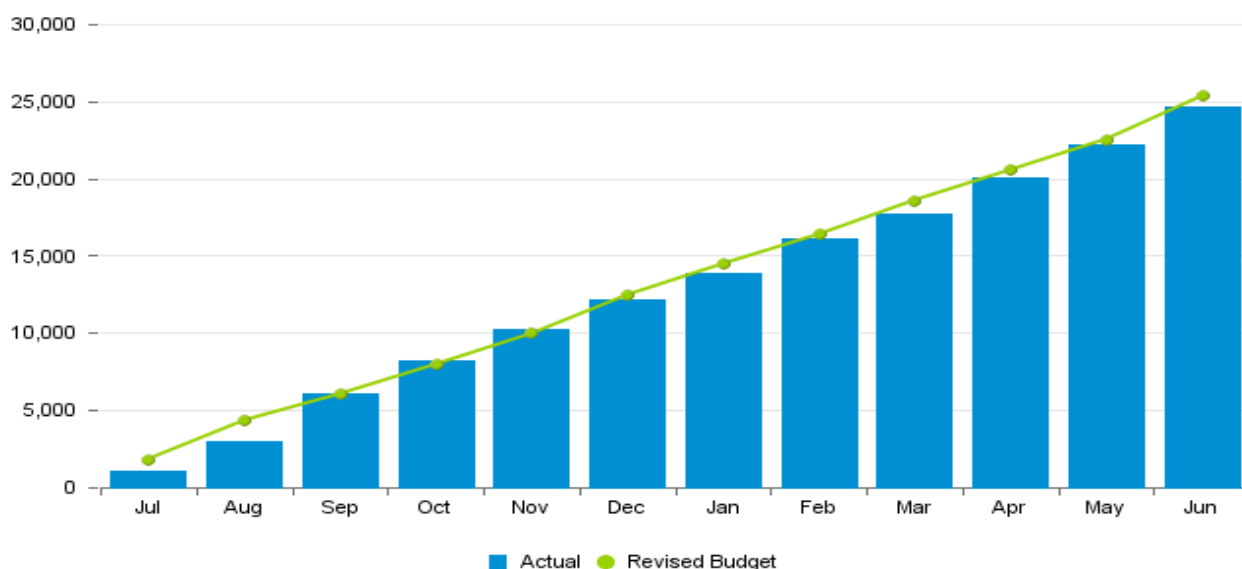
█ On Target  
 █ Under Review  
 █ Not Meeting Target

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	465	377	88	377	377
Local parks, sport and recreation	4,635	5,868	(1,233)	5,868	5,868
<b>Total Operating Revenue</b>	<b>5,100</b>	<b>6,245</b>	<b>(1,145)</b>	<b>6,245</b>	<b>6,245</b>

**Revenue** is \$1,145k 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 and lower fitness membership fees as a result of ongoing maintenance issues with HVAC system and competition from other providers.

## Operating Expenditure

Operating Expenditure (\$000) for FY 2017



## Operating Expenditure

█ On Target 
 █ Under Review 
 █ Not Meeting Target

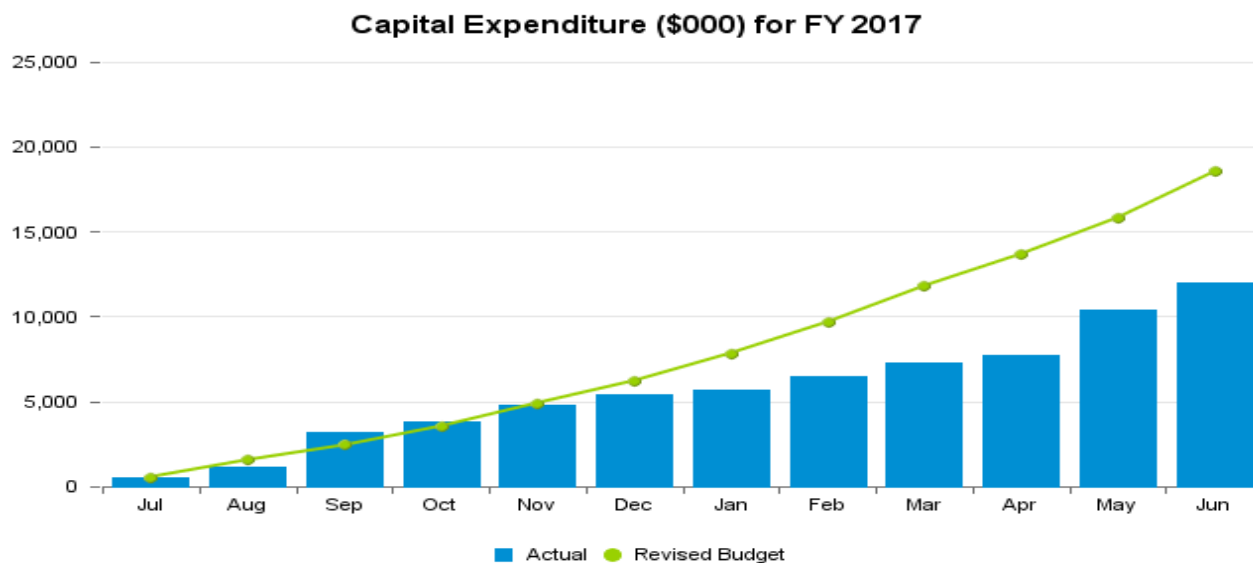
Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	8,029	8,635	606	8,635	8,625
Local environmental management	244	244	0	244	244
Local governance	1,097	1,097	0	1,097	1,097
Local parks, sport and recreation	13,298	13,342	44	13,342	13,315
Local planning and development	1,996	2,049	53	2,049	2,049
<b>Total Operating Expenditure</b>	<b>24,664</b>	<b>25,367</b>	<b>703</b>	<b>25,367</b>	<b>25,330</b>

Operating expenditure is \$703k below budget.

The majority of the operational budget underspend is in community services and is due to lower administrative costs across libraries and community centres. In addition due to the delays in capitalisation of construction projects, depreciation costs were not fully charged as budgeted.

The Locally driven initiatives component (LDI) was overspent by \$40k due to a prior year adjustment. \$4.5k is approved carry forward to next year.

## Capital Expenditure



## Capital Expenditure

Activity	Year To Date (\$000)			Full Year (\$000)	
	Actual	Revised Budget	Variance	Revised Budget	Annual Plan
Local community services	676	917	241	917	392
Local environmental management	6	40	34	40	0
Local parks, sport and recreation	7,669	10,825	3,156	10,825	5,291
Local planning and development	3,624	6,782	3,158	6,782	30,608
<b>Total Capital Expenditure</b>	<b>11,975</b>	<b>18,564</b>	<b>6,589</b>	<b>18,564</b>	<b>36,291</b>

**Capital expenditure** for the year ended 30 June 2017 is \$12.0m which is \$6.6m below budget. The majority of the capital spend in the quarter to June was incurred at the Westgate multi-purpose community facility building and Totara stormwater ponds.

The under-spend is mainly due to:

- a) The development of Royal Reserve where the physical works contract was recently awarded and due to commence in April, (\$2.0m).
- b) Sport development at Massey Domain no1 sportsfield, where resource consent is now lodged and awaiting approval, (\$1.4m).
- c) Sakaria stream open space network. Te Hauauru, Westgate Town Park is under construction and expected to be complete in September 2017. Remaining open spaces projects are being programmed, (\$3.6m).

## LDI Expenditure – All Projects

### Local Board Financial Performance - Henderson-Massey as at June 2017

#### 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	204	204	0	204	204
ANZAC	13	15	2	15	15
Capacity building programme	383	383	0	383	383
Christmas events	2	0	(2)	0	0
Community Arts Programmes	18	18	0	18	18
Community response operating fund	163	159	(4)	159	160
Community safety	140	130	(10)	130	130
Fees and charges subsidy	1	1	0	1	0
Local civic functions	1	10	9	10	10
Local community grants	135	124	(11)	124	124
Local events discretionary fund	2	0	(2)	0	0
Local events fund	305	269	(36)	269	269
Local job opportunities/skill devel	20	20	0	20	20
Neighbourhood development	126	120	(6)	120	65
West Recruitment	50	50	0	50	50
Youth connections across Auckland	42	42	0	42	42
Youth development initiatives	60	60	0	60	60
<b>Total Local community services</b>	<b>1,664</b>	<b>1,605</b>	<b>(59)</b>	<b>1,605</b>	<b>1,550</b>
Eco City activation	111	110	(1)	110	110
Environmental action plan	5	5	0	5	5
<b>Total Local environmental management</b>	<b>116</b>	<b>115</b>	<b>(1)</b>	<b>115</b>	<b>115</b>
LDI Programme Events in local parks	31	30	(1)	30	30
LDI Volunteers parks	33	38	5	38	38
Sports and recreation investigation	40	7	(33)	7	7
Whau walkway-planning and design	62	50	(12)	50	50
<b>Total Local parks, sport and recreation</b>	<b>166</b>	<b>125</b>	<b>(41)</b>	<b>125</b>	<b>125</b>
Henderson BID establishment	16	25	9	25	25
Henderson implementation plan initiatives	0	40	40	40	40
Local economic development project	20	0	(20)	0	0
Migrant Business Support program	3	0	(3)	0	0
Planning support	0	30	30	30	30
Young Enterprise Scheme	3	0	(3)	0	0
<b>Total Local planning and development</b>	<b>42</b>	<b>95</b>	<b>53</b>	<b>95</b>	<b>95</b>
<b>Total</b>	<b>1,988</b>	<b>1,940</b>	<b>(48)</b>	<b>1,940</b>	<b>1,885</b>

## Capital Expenditure – all projects

### Local Board Financial Performance - Henderson-Massey as at June 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	530	547	17	547	104
ACE - Leases renewals	69	249	180	249	221
ACE - Art facility renewals	49	67	18	67	67
Community facility (Glendene)	5	48	43	48	0
Library build (Ranui)	6	5	(1)	5	0
Community house renewals (Ranui)	18	0	(18)	0	0
<b>Community services (GoA)</b>	<b>676</b>	<b>917</b>	<b>241</b>	<b>917</b>	<b>392</b>
Multi-purpose community facility (Westgate)	3,365	2,401	(964)	2,401	0
General park restoration (SH16/20)	28	1,976	1,948	1,976	1,803
Sport development	274	1,640	1,366	1,640	0
Parks - Asset renewals	1,876	1,443	(433)	1,443	1,406
General park development	1,014	1,308	294	1,308	0
Parks - Sports fields renewals	73	840	767	840	840
Leisure facility building renewals	497	666	169	666	70
Locally driven initiatives (LDI Capex)	112	281	169	281	1,174
Recreation centre (Te Rangi Hiroa)	332	271	(61)	271	0
Leisure facility equipment renewals	99	0	(99)	0	0
<b>Parks sport and recreation (GoA)</b>	<b>7,669</b>	<b>10,825</b>	<b>3,156</b>	<b>10,825</b>	<b>5,291</b>
Open spaces (Massey North)	773	4,422	3,649	4,422	8,849
Stormwater PC15 (Totara ponds)	2,315	1,466	(849)	1,466	3,407
Stormwater PC14 (Waiarohia ponds)	412	894	482	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)	124	0	(124)	0	0
<b>Planning (GoA)</b>	<b>3,624</b>	<b>6,782</b>	<b>3,158</b>	<b>6,782</b>	<b>30,608</b>
Project Twin Streams	1	0	(1)	0	0
<b>Solid waste and environ services (GoA)</b>	<b>1</b>	<b>0</b>	<b>(1)</b>	<b>0</b>	<b>0</b>
SW_EP_Environmental collaboration	5	40	35	40	0
<b>Stormwater management (GoA)</b>	<b>5</b>	<b>40</b>	<b>35</b>	<b>40</b>	<b>0</b>
<b>Total</b>	<b>11,977</b>	<b>18,564</b>	<b>6,587</b>	<b>18,564</b>	<b>36,291</b>
<b>Subsidies and grants for capital expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Funding Impact Statement**  
**Henderson-Massey**  
**For the year ended 30 June 2017**

\$000	Notes	Actual 2017	Revised Budget 2017	Annual Plan 2017	Long Term Plan 2016
<b>Sources of operating funding:</b>					
General rates, UAGC, rates penalties		22,746	22,472	22,472	24,728
Targeted rates		82	82	82	82
Subsidies and grants for operating purposes		76	130	130	90
Fees and charges		4,884	5,945	5,945	3,770
Local authorities fuel tax, fines, infringement fees and other receipts		141	170	170	895
<b>Total operating funding</b>		<b>27,929</b>	<b>28,799</b>	<b>28,799</b>	<b>29,565</b>
<b>Applications of operating funding:</b>					
Payment to staff and suppliers		21,207	21,788	21,752	21,751
Finance costs		3,255	3,255	3,255	3,283
Internal charges and overheads applied		3,784	3,784	3,784	3,740
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding</b>		<b>28,246</b>	<b>28,827</b>	<b>28,791</b>	<b>28,774</b>
<b>Surplus (deficit) of operating funding</b>		<b>(317)</b>	<b>(28)</b>	<b>8</b>	<b>791</b>
<b>Sources of capital funding:</b>					
Subsidies and grants for capital expenditure		-	9	9	260
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		12,292	18,582	36,274	34,847
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding</b>		<b>12,292</b>	<b>18,591</b>	<b>36,283</b>	<b>35,107</b>
<b>Applications of capital funding:</b>					
Capital expenditure:					
- to meet additional demand		8,328	12,230	28,969	29,149
- to improve the level of service		342	2,238	3,442	3,176
- to replace existing assets		3,305	4,095	3,880	3,573
Increase (decrease) in reserves		-	-	-	-
Increase (decrease) in investments		-	-	-	-
<b>Total applications of capital funding</b>		<b>11,975</b>	<b>18,563</b>	<b>36,291</b>	<b>35,898</b>
<b>Surplus (deficit) of capital funding</b>		<b>317</b>	<b>28</b>	<b>(8)</b>	<b>(791)</b>
<b>Funding balance</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>