



**Far North  
District Council**  
*Te Kaunihera o Tai Tokerau Ki Te Raki*

Far North District Council

# **Council Financial Report**

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for the period ending **31-December-2019**



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# Financial Overview

Key financial metrics from the Statement of Financial Performance for the Far North District Council as at 31-December-2019.



## Year to Date

Actual Position as at 31-December-2019

	Actual YTD	Budget YTD	Variance to Budget YTD	% Variance Actual to Budget YTD
Total Income	63.0M	67.8M	4.8M	-7%
Operational Expenditure	63.6M	61.7M	1.9M	3%
<b>Net Operating Position</b>	<b>0.6M</b>	<b>6.1M</b>	<b>6.8M</b>	<b>-110%</b>
<b>Capital Expenditure</b>	<b>20.4M</b>	<b>34.8M</b>	<b>14.5M</b>	<b>-42%</b>

## Year End

Forecast Position as at 30-June-2020

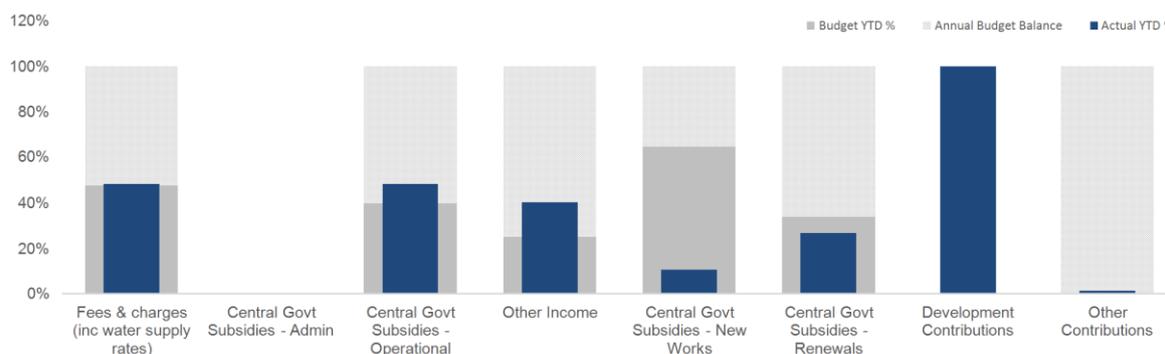
	Annual Forecast	Annual Budget	Forecast Variance to Budget	% Variance Forecast to Budget YTD
Total Income	140.0M	142.7M	2.7M	-2%
Operational Expenditure	130.3M	128.2M	2.1M	2%
<b>Net Operating Position</b>	<b>9.7M</b>	<b>14.5M</b>	<b>4.8M</b>	<b>-33%</b>
<b>Capital Expenditure</b>	<b>87.4M</b>	<b>90.2M</b>	<b>2.7M</b>	<b>-3%</b>

\*In the tables above and throughout this report, variances +/- 5% from budget are indicated as on track / green, anything outside this is red.

# Council Financial Performance – Income

Please note these figures relate to the Statement of Financial Performance controllable costs only, which excludes general rates and rates penalties.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
18.3M	23.0M-	4.7M	-20%	53.1M	50.4M-	2.7M	-5%



## Highlights:

### Fees and charges (inc water supply rates)

- Ferry income remains slightly below budget. However, due to seasonality of the tourism sector this will start to increase with the arrival of holiday makers.
- Kaitaia and Kaikohe swimming pools opened later than planned, Kaikohe had leak issues which is now resolved while Kerikeri is not open in the mornings to lane swimmers as there is a lack of qualified staff to supervise the pool, staff have been engaged to cover the school holiday public hours.
- Majority of dog registrations have been received in the period of 01 July to 31 August, this has now started to slow down.
- Landfill and Transfer Stations have low volumes of refuse disposal but this will increase over the coming months due to the holiday period.
- Water charges are low for this period due to restrictions now being put in place to conserve water consumption.
- Property file requests are lower than expected which is normal for this time of year due to the holiday season.

### **Central Government Subsidies – Operational**

- Unbudgeted Tourism Infrastructure Funds (TIF) received from Ministry of Business, Innovation & Employment (MBIE) for the Responsible Camping Working Group initiatives in partnership with between Far North District Council (FNDC), Department of Conservation (DoC) and Northland Regional Council (NRC) towards setting up rangers at Ahipara, Rawhiti, Kaimaumau, Karikari as well as providing seasonal public toilets in the eastern and northern high tourism areas.
- Ongoing supervision provided from external contractors to assist the Northern Transport Alliance (NTA) for the completion of approved programme of works.

### **Other Income**

- Unbudgeted professional fees contribution has been received for Te Pu o te Wheke (Kaikohe Hub) for the concept design.
- Unbudgeted contribution received from Whangarei District Council (WDC) and Kaipara District Council (KDC) for the mapping of Northland's significant natural areas joint project. 38K has been received year to date with further funds to come in. Stage two of the project will be the consultation phase with landowners, there are 700 parcels of land with some crossing over KDC and WDC boundaries.
- Unbudgeted grant funding has been received from Ministry of Youth Development (MYD) for the Youth Council.
- Northland Regional Council (NRC) operational grant received towards stormwater improvements in Moerewa.
- A private contribution has been made towards stormwater improvements at a residential property in Omapere.
- Dividends have been received from the sale of the Civic Insurance House.

### **Central Government Subsidies – New Works**

- Unbudgeted Tourism Infrastructure Funds (TIF) received from Ministry of Business, Innovation & Employment (MBIE) for the construction of public toilets at Opononi, Mitimiti, Waitangi boat ramp and Haruru Falls bush walk.

### **Central Government Subsidies – Renewals**

- Unsealed road metalling works is slowly progressing due to dry weather which is not suitable to apply materials.
- Pavement Rehabilitation is also slowly progressing due to the availability of the laboratory test results. These are required to ensure the strength of the sub base for the actual design work, however, works has commenced and anticipate to be completed on time.
- Resilience Slip work is progressing well at West Coast and Kaitaia-Awaroa Road and design works is being undertaken for various slip sites.

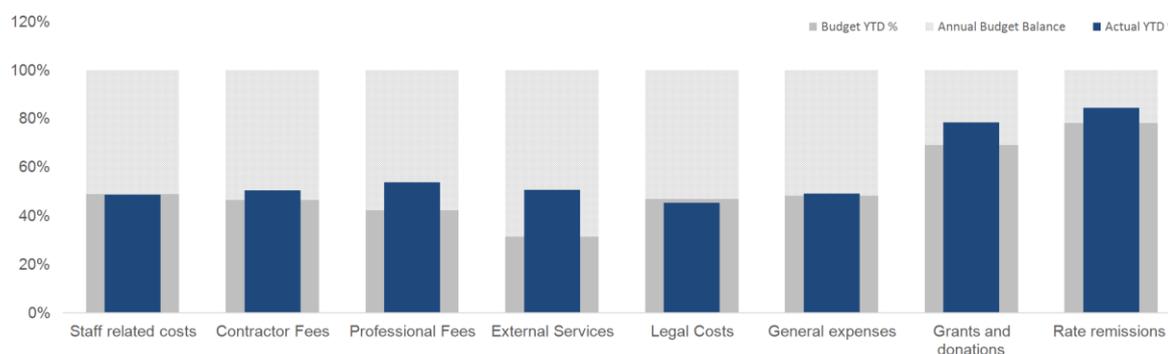
**Other Contributions**

- Contribution pertains to the funds held with the Te Hiku Community Board for the Jaycee Park project in Kaitaia.

# Council Financial Performance – Operational Expenditure

Please note these figures relate to the Statement of Financial Performance controllable costs only, which excludes allocations, interest costs, depreciation and other asset costs and gain/loss on disposal.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
46.0M	42.4M	3.6M	8%	89.8M	92.0M	2.2M	2%



## Highlights:

### Staff related costs

- There are still a number of vacancies not yet filled across the organisation and a number of departments are yet to use their training allocation.
- Building Consents team have fully committed their budget to align with the Building Consent Authority (BCA) accreditation requirements.

### Contractor fees

- Swimming Pools contract with Community Business & Environment Centre (CBEC) has been extended at a reduced amount whilst the procurement process is underway.
- Lower volumes of refuse are being disposed at transfer stations.
- An increased variation to the annual management fee paid to Far North Holdings Limited (FNHL) for the Kaitaia Airport.
- Water and wastewater alliance agreement with our current contractor Broadspectrum Limited continue to have overruns in internal labour, direct plant costs, contract materials and subcontractors. A discussion will be held with IAM in January to understand how this has arisen.
- Unbudgeted removal and clearing of trees are continuing in the Eastern and Western Ward due to public safety.
- Unbudgeted engagement of contracted consultants to meet demand for resource and building consents work. Costs are not fully recoverable, in the Building Consents group travel and accommodation is not recoverable. In the Resource Consents group not all costs have been recovered to discount penalties, fee waivers and successful fee objections.

- Dust suppression works have continued over the summer period to various sites within the northern and western areas.

### **Professional fees**

- Te Pu o te Wheke unbudgeted concept design has commenced.
- The use of consultants for the District Plan is a lot more than anticipated and will continue throughout the financial year.
- Network and asset management recorded time against various projects (operational or capital) is not recorded in a timely manner or against the correct activity. A review of this has commenced and will be corrected in due course.
- Consultants have been engaged in the Minor Safety work category to review speed limits, safety audits and management of resilience slip projects over the district.
- An external Quality Manager has been engaged for the Building Consents team until this vacant position is filled.
- Kaitaia Wastewater Treatment Plant Pond1 removal of sludge was budgeted in 2018/2019, however, works was not commenced till this current year.

### **External Services**

- The property file digitisation project is nearing completion in March 2020, however, the cost of the actual scanning of the documents was underestimated.
- Russell Wharf has been divested to Far North Holdings Limited (FNHL) for renewal works but will be funded from Depreciation Reserves.

### **Legal Costs**

- Legal Services team have been dealing with a number of unforeseen litigation cases.

### **General Expenses**

- Recreation Services Limited (RSL) is being engaged a lot more for various repairs and maintenance works across activities, such as, Housing for the Elderly, Headquarters and Service Centre as we no longer have anyone in-house to do general maintenance.

### **Grants and Donations**

- A number of grants have been uplifted to date as these are dependent on recipient requests, such as, the Toilet/shower grant for the Hundertwasser Park Centre, Community Youth Centre Trust, Far North Citizens Advice Bureau, Astro-turf for the Kerikeri Bowling, Te Pou Herenga Tai Cycle trail and Te Ahu grant.

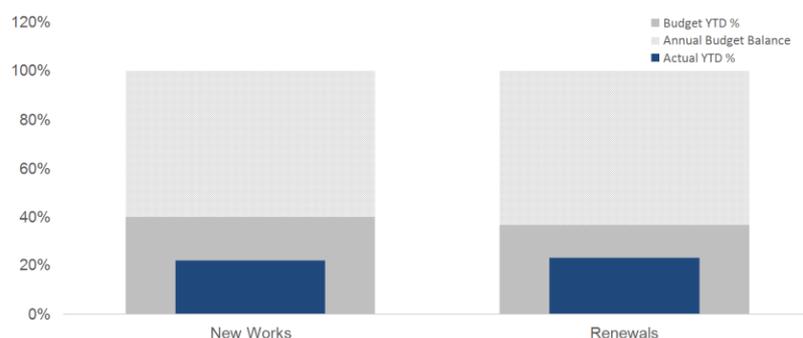
### **Rate Remissions**

- A lot more applications have been received than anticipated under the current policies.

## Council Financial Performance – Capital Expenditure

These figures are direct from the Statement of Capital Performance.

Actual YTD	Budget YTD	Variance to Budget YTD	% Variance to Budget YTD	Annual Budget	Annual Forecast	Forecast Variance to Budget	% Forecast Variance to Budget
20.4M	34.8M-	14.5M	<span style="color: red;">●</span> -42%	90.2M	87.4M-	2.7M	<span style="color: green;">●</span> -3%



### Highlights:

#### New Works

- The construction of 24 additional kennels at Bonnets Road, Kaitaia. Instead, there is a recommendation that a purpose-built new animal welfare shelter is on Council owned land which has not yet commenced.
- The purchase of the Melka Boarding Kennels in Kaikohe is still under negotiation.
- The Kawakawa Library/Service Centre will be relocated to Te Hononga and has been delayed till March 2020.
- The Kerikeri Library installation of air conditioning units has been delayed. In early November there were delays due to uncertainty about insurance cover and who would be responsible for it so IAM were waiting on meeting with an insurance rep so they could understand the wording in the contract and what that meant for the project. A contractor site visit was held on the 19<sup>th</sup> of November and tenders invited with a 9<sup>th</sup> December close-off date.
- Works on the Windsor Landing Carpark and Access has now commenced as an outcome from the Environment Court.
- Seal Extension unsubsidised works at Porotu Road, Puketi Road and Kumi Road has been delayed due to more elaborate design requirements under the maintenance contract for North and South. Preparatory works are now expected to commence in summer through to mid-autumn.
- Kaitaia Transfer Station weighbridge relocation works are now complete, and the balance of funds will be used to complete an extension to the transfer station.
- An external consultant was engaged in October 2019 for development of a proof of concept (miniature model) for the Information and Communications Technology (ICT) Support for the Northland Transport Alliance project. This will be presented to the Northland Transport Alliance group in January 2020.

- Planned work for the Asset Management System project is in a development phase with Infor Global Solutions (NZ). System configuration and data migration was scheduled for over the Christmas holiday period.
- Kerikeri Wastewater Treatment Plant is continuing, however, an additional \$1.5M has been approved by Council to fund the balance of works as well as prior year funds being used.
- The Paihia Wastewater Treatment Plant is ahead of schedule.
- Unbudgeted works is being completed for the Russell Wastewater Treatment Plant, a carry forward request was overlooked and approval for \$175K is to be requested.

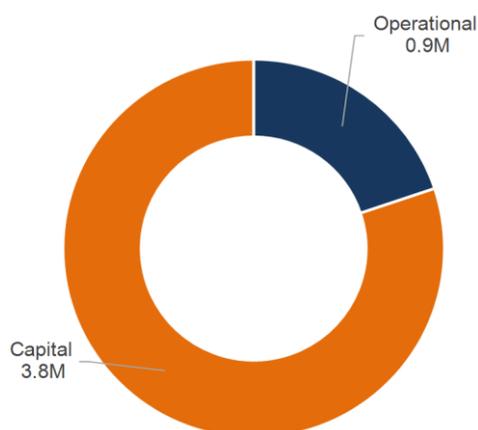
## Renewals

- Necessary work is required to respond to an appeal decision to the Environmental Court in March 2020 for the East Coast (Taipa) Wastewater Treatment Plant.
- Unbudgeted works is being carried out for the Ahipara Wastewater Treatment Plant jetty replacement. A carry forward request was overlooked and approval for \$4,549 is to be requested.
- Parks and reserves are under budget, scoping works are being finalised and works anticipated to be undertaken in summer.
- Scoping is underway for public toilets in Taupo Bay and Hundertwasser for upgrade works.
- Footpath renewals are under budget due to resourcing issues with the Northern contractor, however, this work will now be delivered by the Southern contractor over summer.
- Minor Safety works are being undertaken around Kerikeri. Resilience Slip works are progressing well at West Coast Road and Broadwood Road and design works are being undertaken for various slip sites.
- Unsealed road metaling is under budget in the South due to unfavourable conditions, which are not suitable to apply materials and complete works.
- Roothing and Footpaths drainage works in the north area are currently under budget due to resourcing and works being re-prioritised.
- Server renewals - Council at its meeting on 19 November 2019 approved the recommended supplier. Work is progressing to determine the project timeline and delivery is expected between Dec 2019 and Feb 2020.
- Desktop computer, computer equipment, peripheral, tablets - developing forecast for future replacement.
- Computer Systems - Programme is progressing with updates and upgrades planned for this Financial year. Current activity is within the Citrix Upgrade and Office 365. Work will continue to focus on upgrades with Objective and other core systems.
- Pool Vehicles is under budget and vehicles are renewed as required.
- Corporate Services Administration - part of the wider accommodation project with office furniture replaced as needed.
- The Paihia I-Site refurbishment project has not yet commenced. Staff are awaiting a quote to lower the desks and expects to use the budget this financial year.
- Library stocks are updated continuously throughout the year and are dependent on item deliveries and timing.

## Unbudgeted Expenditure

These are additional works not included in the original budget for the current year.

Unbudgeted work greater than \$100,000 must be approved by Council, anything less than that can be approved by a General Manager with appropriate financial delegation.



### Unbudgeted Expenditure as at 31-December-2019

*\*Expenditure over \$100K approved by Council (in grey)*

Unbudgeted Operational		Amount
Building Consents (BCA) Procurement Board Committee Resolution 2019/4 confirmed 19 March 2019	Contract Professional Fees	500,000
Asset Management & Infrastructure Planning: Asset Condition Assessment Programme Council Approved Resolution 2019/35 – 03/10/19	Professional Fees	250,000
Maritime Facilities: Demolition & removal of Paua Fertiliser Shed Council Approved Resolution 2019/4 – 23/05/19	External Services	150,000
Libraries: Licence Fees Approved by Darren Edwards Acting GM - DS	Software Licence Fees	20,000
Libraries: Equipment Approved by Darren Edwards Acting GM - DS	Equipment Purchases (uncapitalisable)	10,000
Facilities operations – buildings: TIFF funding Responsible Camping Rangers Programme.	Professional Fees	5,000
		<b>935,000</b>

Unbudgeted Capital Works		Amount
Kerikeri Wastewater Infrastructure: Approved by Council at meeting 29/08/19	CAPEX New Works Contract Services	1,500,000
Digitisation Scanning	External Services	648,688
Karikari and Doubtless Bay Rangers Program	External Services	185,500
Stormwater Bonnett Road Kaitaia: Fence replacement and associated work. Approved by Shaun Clarke – 03/05/19	CAPEX New Works Contract Services	99,168
9-11 Old Beach Road Stormwater Upgrade. Approved by Shaun Clarke – 05/07/19	CAPEX New Works Contract Services	56,659

Korora Park Toilet	CAPEX New Works Contract Services	49,450
Kaimaumuau Public Toilet	External Services	40,000
Ahipara Toilet	External Services	36,550
Kohukohu WWTP Resource Consent. Approved by Andy Finch	CAPEX New Works Licenses and Consents	36,500
Horeke Housing for the Elderly	CAPEX Renewal Works Contract Services	26,655
Kaikohe Memorial Park Upgrade	CAPEX New Works Contract Services	26,400
24-26 Yarborough Street New Sewer Connection. Approved by Shaun Clarke – 05/07/19	CAPEX New Works Contract Services	24,629
Mains replacement Rawene. Approved by Andy Finch	CAPEX New Works Contract Services	24,335
Opononi STP - Fence Renewal/Upgrade. Approved by Andy Finch	CAPEX New Works Contract Services	22,000
Kaitaia Parks & Reserves	CAPEX Renewal Works Contract Services	17,589
Waima Housing for the Elderly	CAPEX Renewal Works Contract Services	16,974
1506 Inland Road Sewer Connection. Approved by Andy Finch	CAPEX New Works Contract Services	14,730
Ramp Road Public Toilet	External Services	13,650
Kaikohe Lions Club	CAPEX Renewal Works Contract Services	11,050
Whangaroa Hall Renewals	CAPEX Renewal Works Contract Services	8,945
Rawhiti boat ramp toilet RC	External Services	7,800
JBC Customer Services Area Minor Improvements. Approved by Darren Edwards Acting GM - DS	CAPEX New Works Contract Services	6,000
Disability Access Halls Western	CAPEX New Works Contract Services	5,400
Kaka Street Ramp: Re-engineering and full replacement of septic tank. Approved by Andy Finch	CAPEX New Works Contract Services	4,988
Kororipo Basin (Pear Tree)	CAPEX New Works Contract Services	4,318
Parks & Reserves Northern	CAPEX New Works Contract Services	3,018
Opononi STP - Fence Renewal/Upgrade. Reactive renewal, approval not required, checked by CFO.	CAPEX Renewal Works Contract Services	2,252
Digitisation Scanning	Contract Professional Fees	1,313
Kaitaia Oxford St Housing for the Elderly	CAPEX Renewal Works Contract Services	1,301
Kawakawa Commercial St Car Park	CAPEX New Works Contract Services	1,139

**2,897,001**

Unbudgeted Roading		Amount
West Coast Rd RP9563	CAPEX Renewal Works Contract Services	269,500
Diggers Valley Rd RP12722	CAPEX Renewal Works Contract Services	210,000

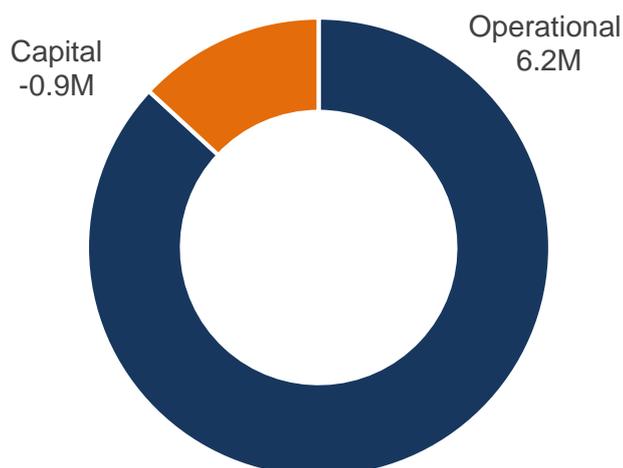
Fairburn Rd RP9588	CAPEX Renewal Works Contract Services	185,500
Wharekawa Rd RP3552	CAPEX Renewal Works Contract Services	178,000
Waiotehue Road Dropout RP 5400	CAPEX Renewal Works Contract Services	20,000
Waiotehue Rd RP5251	CAPEX Renewal Works Contract Services	13,000
		<b>876,000</b>

**Total** **4,708,001**

## Budget Movements

These are budgets timed in future years, brought forward into the current year (positive values) OR budgets timed in the current year to be moved out to future years (negative values).

The figures that follow exclude the \$5M Roothing budget adjustment moved out to future years to reflect the lower of FNDC or NZTA budget.



### Budget Movements as at 31-December-2019

#### OPERATIONAL

General Ledger	Comment	Amount
Water Schemes Remove budget loaded to districtwide and at location level to leave budget in location level only	Opex Reforecast as at 31 Oct 19. Water by meter income	5,626,530
Resource Consents Administration. Forecast in Contract Professional fees, not fully recoverable due to discounts.	Opex Reforecast as at 31 Oct 19	346,060
Resource Consents Administration. Contract Work Annual, Forecast in to cover year to date overspend.	Opex Reforecast as at 31 Oct 19	130,576
Resource Consents Administration Resource Consent Penalties Forecast in Reduction in Income due to Penalties Discounted back to Clients	Opex Reforecast as at 31 Oct 19	121,385
Training Software Licence Fees, no budget available, Manager to apply to Financial Planners for budget next year on. Forecast in year to date overspend	Opex Reforecast as at 31 Oct 19	22,379
Water Schemes Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	20,000

Resource Consents Appeals. Commissioners Fees Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	10,819
Resource Consents Administration. External Services Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	8,398
Infrastructure planning – stormwater. Professional Fees. Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	5,000
Infrastructure planning – facilities. Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	4,204
Human Resources General. Training/Conferences. Forecast in to cover year to date overspend Australia's CEO challenge	Opex Reforecast as at 31 Oct 19	3,184
Recruitment. Software Licence Fees, no budget available, Manager to apply to Financial Planners for budget next year on. Forecast in year to date overspend	Opex Reforecast as at 31 Oct 19	3,119
Compliance, External Services Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	1,648
Refuse Administration Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	1,525
Project Management Office	New FTE Contract Specialist training	1,500
Compliance. Subscriptions Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	1,264
Compliance Business Travel and Accommodation Forecast in to cover year to date overspend	Opex Reforecast as at 31 Oct 19	1,062
Project Management Office	New FTE Contract Specialist training	750
Electronic Property Management	Budget will not be spent this year	- 1,000
Legalisation Forecast in year to date savings	Expenditure is running at a lower rate than expected	- 5,000
Legal Services	Anticipated costs award Supreme Court Case	- 33,000
Resource Consents Administration Consultant Cost Recovery Forecast in Expected Increase in Income	Opex Reforecast as at 31 Oct 19	- 96,189

**6,174,214**

### **CAPITAL**

Project Ledger	Comment	Amount
IT Servers & Storage	Server and Network Renewal Project reforecast from 2020/21	178,708
Tech One	TechOne HRP Renewals budget transfer from 20/21 FY	95,000
Mission Road-Kerikeri	Footpath budget allocated to individual project codes	85,190
Te Haumi Seawall and Carpark	Te Haumi Seawall & Carpark remediation & renewal works reforecast from 2024/25	85,000
Kaikohe Hone Heke Reserve	Kaikohe Hone Heke Reserve Repair retaining Wall	73,123

Horeke Hall	Horeke Hall Wastewater Treatment System septic tank replacement	70,976
North Park Drive to Whangatane Drive-Kaitaia	Footpath budget allocated to individual project codes	68,625
Computer Equipment	Server and Network Renewal Project reforecast from 2020/21	42,533
Northland college to Saleyards-Kaikohe Footpath	Footpath budget allocated to individual project codes	34,980
Disability Access Halls Western	Disability Halls Access Western Budget Movements new works from 2020-21	28,879
Footpaths Western Ward	Footpath budget allocated to individual project codes	27,152
Waianga Place-Opononi Footpath	Footpath budget allocated to individual project codes	26,840
SH1 Matthews Avenue-Kaitaia	Footpath budget allocated to individual project codes	20,460
Northern Bin Benches Bollards Signs Tables	Northern Bins Bollards Benches \$20,000 reinstated back to this year	20,000
Western Bin Benches Bollards Signs Tables	Western Bins Bollards Benches \$20,000 reinstated back to this year	20,000
Kaikohe Lions Club	Kaikohe Lions Club Budget Movements renewals from 2034	15,900
Long Beach Road footpath corner to carpark-Russell	Footpath budget allocated to individual project codes	13,810
Mains replacement Rawene	Rawene Cemetery Water Main Approved by Will Taylor	13,415
Whangaroa Hall Renewals	Whangaroa Hall - Exterior Upgrade to address weather tightness issues	12,000
Rangihamama Road to Taheke Road SH12-Footpath Kaikohe	Footpath budget allocated to individual project codes	10,028
Dominion Road-Kaitaia	Footpath budget allocated to individual project codes	9,916
9B Hone Heke Road Kerikeri SW Pipeline Upgrade	Tfr of Renewal Budget	9,664
Opononi/Omapere Stormwater Imps	40 Fairlie Cresc SW Imps	9,190
Rawene Old Courthouse	Rawene Community Library Renewals reactive	7,202
Russell Robertson St Stormwater Lines	Tfr Future Renewal Budget Russell Robertson Street	5,287
Kaitaia Oxford St Housing for the Elderly	HFTE Oxford St & Puckey Ave mailbox renewal	4,241
Jaycee Park/Centennial Park	Centennial Park historic train repairs Renewal heritage asset	3,200
Kaitaia Swimming Pools	Kaitaia Swimming Pool Dive Board Retiming for this year	2,369
1506 Inland Road Sewer Connection	1506 Inland Rd Sewer Connection	2,070
Landfill Russell	Russell Landfill Leachate pump Renewal from 2021-22	1,900
Kawakawa WWTP RMU	To be removed - allowed for in Capex Reforecast	- 2,535
Horeke Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	- 2,613
Kawakawa WWTP RMU	To be removed - allowed for in Capex Reforecast	- 5,641
Parks & Reserves Western	Re-forecast out to FY21/22 Capex Reforecast	- 6,065
Kohukohu Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	- 7,130
Rawene Grundy Street Reticulation	Needs to be removed-Project completed Capex Reforecast	- 7,665

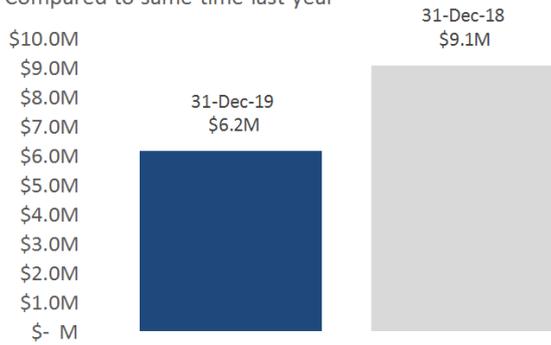
Ahipara Parks & Reserves	Funding to be removed saving from FY18/19 no works required - Capex Reforecast	- 9,308
District Wide Treatment Plant Instrumentation Upgrade	To be removed - allowed for in Capex Reforecast	- 12,877
Russell Parks & Reserves Renewals	Re-Forecast to FY21/22 Capex Reforecast	- 12,927
Whangaroa Parks and Reserves	Re-Forecast to FY21/22 Capex Reforecast	- 14,367
Ahipara Parks & Reserves	Korora Park Carpark Apron Replacement Renewal from 2023-24 and 2024-25	- 22,618
Paihia Parks & Reserves	Re-forecast to FY21/22 Capex Reforecast	- 24,181
Parks & Reserves Eastern	KK Doves Bay; Paihia Lily Pond Carpark Russell Strand; Russell Tapeka -FY22/23	- 24,658
Taupo Bay Toilet	Re-forecast to FY23/24 Capex Reforecast	- 25,721
Ward Wide Town Beautification / Improvements Western	Re-Forecast to FY21/22 Capex Reforecast	- 51,100
Kaikohe Streetscape UpGrade	Re-Forecast to FY21/22. Budget to be renamed to Urban Streetscapes	- 54,867
Rawene Grundy Street Reticulation	Needs to be removed-Project completed Capex Reforecast	- 68,985
Kerikeri Domain Playground	Re-Forecast to FY21/22 Capex Reforecast	- 81,249
Kerikeri PS9	Needs to be moved out to 2020-2021	- 81,760
Kaikohe Training Yard	Reforecast out to YR1 next LTP FY22/23 Capex Reforecast	- 99,988
Lindvart Park Pavilion	Re-forecast to FY21/22 Capex Reforecast	- 100,196
Opononi Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	- 108,406
Hihi WWTP Construction	To be moved out to 2020-2021 Capex Reforecast	- 112,420
District Wide Reservoirs Structural Works	Reforecast to FY20/21 Capex Reforecast	- 140,754
Rawene Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	- 144,404
Waipapa Roundabout Disposal Field	Will not be delivered. Needs to be removed from LTP. Should not be SW proj	- 306,600
Hihi WWTP Construction	To be moved out to 2020-2021 Capex Reforecast	- 398,580
		- <b>929,958</b>

**Total** **5,244,256**

# Treasury Report

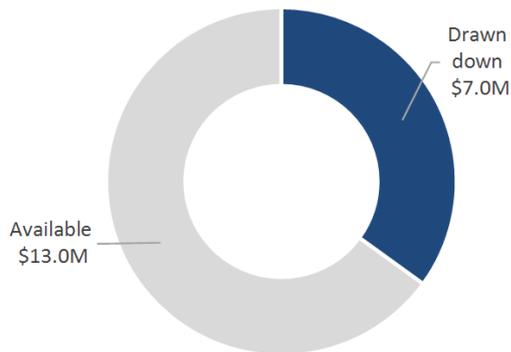
## Cash Position

Compared to same time last year



	31-Dec-19	31-Dec-18
ASB General Fund	\$ 1.2M	\$ 4.2M
ASB Special Funds	\$ 5.0M	\$ 4.9M
<b>Total Cash</b>	<b>\$ 6.2M</b>	<b>\$ 9.1M</b>

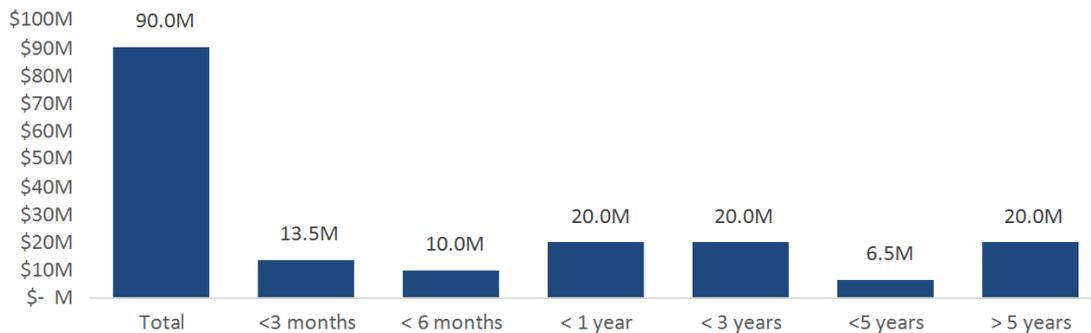
## Banking Facility



<b>Banking Facility</b>	<b>\$ 20.0M</b>
Drawn down	\$ 7.0M
Available	\$ 13.0M

## Public Debt

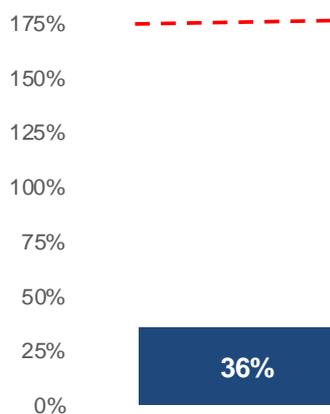
### Loans by Maturity Date



# Treasury Compliance

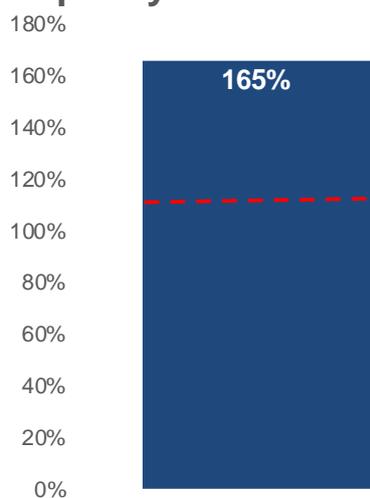
## Treasury Compliance

**Net Debt** as a % of Revenue must be less than 175%



Net Debt	\$ 47.3M
Budgeted Total income	\$ 131.6M
Debt Ceiling	\$ 230.3M
Net debt as % total revenue	36%
Policy Maximum	175%

**Liquidity** - Access to funds must be greater than 110%



External Debt	\$ 90.0M
ASB Banking Facility	\$ 20.0M
ASB Banking Facility used	-\$ 7.0M
<b>Total Committed Public Debt</b>	<b>\$ 103.0M</b>
Liquid Investments Cash at Bank	\$ 42.7M
Liquid Investments ASB Overdraft Facility	\$ 3.0M
	<b>\$ 148.7M</b>
Access to Funds	165%
Policy Minimum	110%

*Note: Total revenue is based on 2019/20 total forecast income excluding non government capital contributions (eg. developer contributions and vested assets).*

*Liquidity is defined as external debt + committed loan facilities + liquid investments, including bank overdraft facility, divided by existing external debt.*

# Statement of Financial Performance

for the period ending Dec 2019 (Pd6)

	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget YTD	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
<b>Operational Income</b>										
Rates - general (excl water supply rates)	44,070	43,765 -	305	87,530	-	87,530	43,460	50%	87,530	-
Rates - penalties	588	1,037	448	2,073	-	2,073	1,485	28%	2,073	-
Fees & charges (inc water supply rates)	7,832	7,702 -	130	16,213	-	16,213	8,380	48%	16,187	25
Central Govt Subsidies - Admin	-	-	-	-	-	-	-	0%	-	-
Central Govt Subsidies - Operational	4,634	3,832 -	803	9,591	32	9,623	4,989	48%	9,527	96
Other Income	972	607 -	366	2,349	75	2,424	1,452	40%	2,457	33
<b>Capital Income</b>										
Central Govt Subsidies - New Works	958	5,915	4,956	2,380	6,762	9,142	8,184	10%	8,514	628
Central Govt Subsidies - Renewals	3,893	4,941	1,048	13,019	1,645	14,664	10,771	27%	12,666	1,998
Development Contributions	23	- -	23	-	-	- -	23	100%	-	-
Other Contributions	13	- -	13	-	1,000	1,000	987	1%	1,022	22
<b>Total Operating Income</b>	<b>62,984</b>	<b>67,798</b>	<b>4,814</b>	<b>133,154</b>	<b>9,514</b>	<b>142,668</b>	<b>79,684</b>	<b>44%</b>	<b>139,976</b>	<b>2,692</b>
<b>Operational Expenditure</b>										
Staff related costs	15,433	15,521	88	31,777	-	31,777	16,343	49%	31,762	14
Contractor Fees	13,841	12,719 -	1,121	27,422	-	27,422	13,581	50%	27,879	457
Professional Fees	3,357	2,635 -	722	6,243	-	6,243	2,886	54%	6,325	82
External Services	3,636	2,249 -	1,387	7,165	-	7,165	3,529	51%	8,565	1,400
Legal Costs	301	312	11	666	-	666	364	45%	690	24
General expenses	6,097	5,981 -	115	12,422	6	12,428	6,332	49%	12,678	249
Grants and donations	1,475	1,302 -	173	1,850	32	1,882	407	78%	1,895	13
Rate remissions	1,865	1,730 -	135	2,208	-	2,208	343	84%	2,208	-
Allocations (direct and indirect)	-	0	0	0	-	0 -	0	0%	0	-
Interest costs	1,131	1,127 -	4	2,253	-	2,253	1,122	50%	2,253	-
<b>Sub total</b>	<b>47,135</b>	<b>43,576 -</b>	<b>3,559</b>	<b>92,007</b>	<b>38</b>	<b>92,045</b>	<b>44,910</b>	<b>51%</b>	<b>94,256</b>	<b>2,212</b>
Depreciation and other asset costs	16,430	18,077	1,646	36,153	-	36,153	19,723	45%	36,038	115
Gain/Loss on Disposal	29	- -	29	-	-	- -	29	100%	-	-
<b>Total Operational Expenditure</b>	<b>63,595</b>	<b>61,652 -</b>	<b>1,942</b>	<b>128,160</b>	<b>38</b>	<b>128,198</b>	<b>64,603</b>	<b>50%</b>	<b>130,294</b>	<b>2,096</b>
<b>Net Operating Deficit</b>	<b>611</b>	<b>6,145 -</b>	<b>6,756</b>	<b>4,994</b>	<b>9,476</b>	<b>14,470</b>	<b>15,081</b>		<b>9,682</b>	<b>4,788</b>

# Statement of Capital Performance

for the period ending Dec 2019 (Pd6)

	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	839	2,410	1,572	10,309	2,582	12,890	12,052	7%	16,768	3,878
Environmental Management	39	1,883	1,844	2,093	523	2,616	2,577	1%	2,616	-
Roading and Footpaths	7,171	9,686	2,514	27,400	6,500	33,901	26,729	21%	30,588	3,312
Wastewater	8,795	13,636	4,841	9,437	10,985	20,422	11,627	43%	21,334	912
Stormwater	626	1,558	932	1,776	1,322	3,098	2,472	20%	2,971	127
Solid Waste Management	133	317	183	594	275	869	735	15%	871	2
Water Supply	1,708	1,879	172	3,748	1,582	5,330	3,622	32%	5,227	103
Governance & Strategic Administration	866	2,714	1,848	6,677	2,260	8,937	8,071	10%	5,153	3,784
Customer Services	190	764	574	1,760	329	2,088	1,899	9%	1,909	179
Strategic Planning & Policy	-	-	-	-	-	-	-	0%	-	-
<b>Total Capital Expenditure</b>	<b>20,367</b>	<b>34,847</b>	<b>14,480</b>	<b>63,793</b>	<b>26,358</b>	<b>90,151</b>	<b>69,784</b>	<b>23%</b>	<b>87,438</b>	<b>2,714</b>

## Analysis of Operational Income and Expenditure by LTP Group

Income	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	1,498	785 -	713	1,358	1,112	2,470	971	-61%	2,775	305
Environmental Management	3,078	2,904 -	174	5,363	-	5,363	2,285	-57%	5,338	25
Roading and Footpaths	9,309	9,827	518	26,281	2,947	29,228	19,919	-32%	26,223	3,005
Wastewater	73	5,058	4,985	288	4,914	5,202	5,129	-1%	5,202	-
Stormwater	69	69 -	0	-	69	69 -	0	-100%	69	-
Solid Waste Management	556	723	167	1,404	-	1,404	848	-40%	1,404	-
Water Supply	2,773	2,820	47	5,893	466	6,359	3,587	-44%	6,359	-
Governance & Strategic Administration	663	572 -	91	2,333	-	2,333	1,670	-28%	2,366	33
Customer Services	242	233 -	9	557	-	557	315	-43%	557	-
Strategic Planning & Policy	65	6 -	59	75	6	81	16	-81%	81	-
<b>Total Operating Income</b>	<b>18,326</b>	<b>22,996</b>	<b>4,670</b>	<b>43,552</b>	<b>9,514</b>	<b>53,066</b>	<b>34,740</b>	<b>35%</b>	<b>50,373</b>	<b>2,692</b>

Operational Expenditure	Year To Date (\$000's)			Full Year (\$000's)						
	YTD Actual	Total Budget	Variance	LTP Budget	Budget Brought Forward	Total Annual Budget	Actual vs Budget Variance	Actual vs Budget %	Total Annual Forecast	Forecast vs Budget Variance
District Facilities	5,703	4,533 -	1,170	8,418	32	8,449	2,746	67%	9,024	575
Environmental Management	5,253	4,921 -	331	9,770	-	9,770	4,518	54%	10,770	1,000
Roading and Footpaths	9,703	8,501 -	1,203	21,887	-	21,887	12,183	44%	21,557	330
Wastewater	3,589	3,056 -	533	6,258	-	6,258	2,670	57%	6,258	-
Stormwater	625	889	264	1,725	-	1,725	1,100	36%	1,730	5
Solid Waste Management	1,614	2,078	463	4,193	-	4,193	2,578	39%	4,194	2
Water Supply	2,605	2,431 -	175	4,836	-	4,836	2,231	54%	4,856	20
Governance & Strategic Administration	11,824	10,384 -	1,440	21,087	-	21,087	9,263	56%	21,834	747
Customer Services	2,702	2,833	131	5,466	-	5,466	2,764	49%	5,655	189
Strategic Planning & Policy	2,386	2,824	438	6,113	6	6,119	3,734	39%	6,124	5
<b>Total Direct Costs</b>	<b>46,004</b>	<b>42,449 -</b>	<b>3,555</b>	<b>89,753</b>	<b>38</b>	<b>89,791</b>	<b>43,787</b>	<b>51%</b>	<b>92,003</b>	<b>2,212</b>