



**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-May-2020**



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# Financial Overview

Key financial metrics from the Statement of Financial Performance for the Far North District Council as at 31-May-2020.

The overall performance of Council has continued with business as usual even though the drought conditions and now COVID-19 has taken precedence and will continue in the coming months in order to bring back recovery to our economy and district.

The organisation is refocusing their priorities in order to accommodate both situations so ongoing income and expenditure will be reviewed.

Overall, we had a Variance to Budget YTD movement from -\$0.4M in April 2020 to -\$2.4M in May 2020 Net Operating Position.

The Year End forecast net operating position of -\$7.6M was due to savings across the organisation to accommodate the drought crisis and COVID-19. However, the remaining balance pertained mainly to Roding subsidy for both New Works and Renewal.

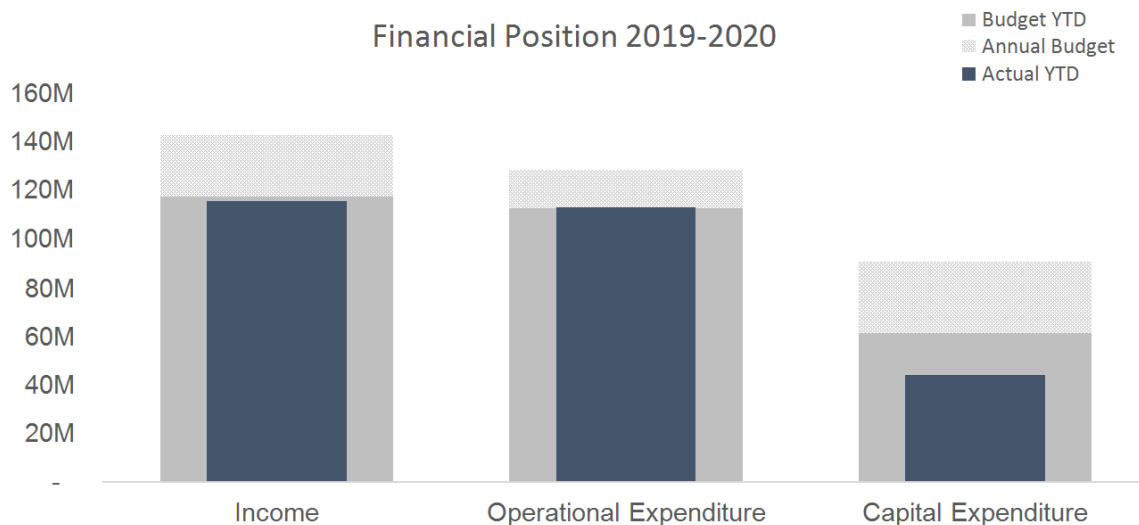
<b>Year End Net Operating Position</b>	<b>Amount</b>	<b>Comments</b>
<b>Roding Subsidy</b>	\$5,047k	Roding capital projects for both new and renewal have been identified as a carry forward and will be completed in the 2020_2021 financial year

The year end forecast position for Capital Expenditure of -\$15.7M is mainly due to the following projects:

<b>Year End Capital Expenditure</b>	<b>Amount</b>	<b>Comments</b>
<b>District Facilities</b>	\$1,028k	Council approved unbudgeted funds for BOI Sports Development Land purchase
<b>Roding and Footpaths</b>	-\$11,660k	Roding projects for both new and renewal have been transferred out to the future years
<b>Wastewater</b>	-\$332k	Council approved additional funds of \$1.5m to complete Kerikeri Wastewater Treatment Plant offset by projects transferred to future years
<b>Stormwater</b>	-\$127k	Waipapa roundabout disposal field budget has been cancelled
<b>Water Supply</b>	-\$151k	Renewals at Kaitaia (mains replacement) Russell bore, Kaikohe reservoir, Paihia industrial area fire flow, Kawakawa bore, Rawene/Omanaia WTP
<b>Governance &amp; Strategic Administration</b>	-\$4,278K	Te Pu o te Wheke - Kaikohe Hub of \$3.8m transferred to 2020_2021 financial year. Balance related to

		movement for vehicles and office furniture
<b>Customer Services</b>	-\$208k	Horizon library system

The December 2019 Financial Report gave an overall update on the financial position of Council, for the remaining months commentary will only be by exception.



## Year to Date

Actual Position as at 31-May-2020

	Actual YTD	Budget YTD	Variance to Budget YTD	% Variance Actual to Budget YTD
Total Income	115.6M	117.5M	- 1.9M	● -2%
Operational Expenditure	113.0M	112.5M	0.5M	● 0%
<b>Net Operating Position</b>	<b>2.6M</b>	<b>5.0M</b>	<b>- 2.4M</b>	● <b>-48%</b>
<b>Capital Expenditure</b>	<b>43.9M</b>	<b>61.3M</b>	<b>- 17.4M</b>	● <b>-28%</b>

## Year End

Forecast Position as at 30-June-2020

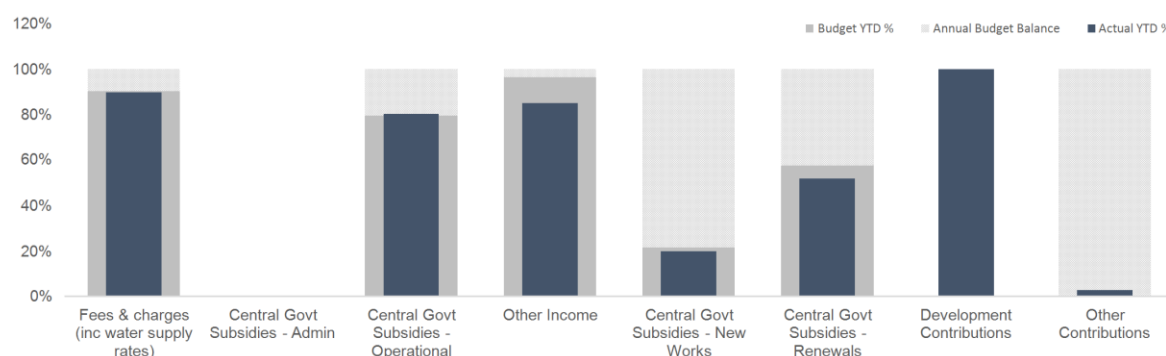
	Annual Forecast	Annual Budget	Forecast Variance to Budget	% Variance Forecast to Budget YTD
Total Income	139.8M	142.9M	- 3.1M	● -2%
Operational Expenditure	132.9M	128.4M	4.5M	● 4%
<b>Net Operating Position</b>	<b>6.9M</b>	<b>14.5M</b>	<b>- 7.6M</b>	● <b>-52%</b>
<b>Capital Expenditure</b>	<b>74.9M</b>	<b>90.7M</b>	<b>- 15.7M</b>	● <b>-17%</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
34.0M	35.2M	- 1.2M	● -3%	53.3M	50.2M	- 3.1M	● -6%



### Highlights:

#### Central Govt Subsidies – Renewals

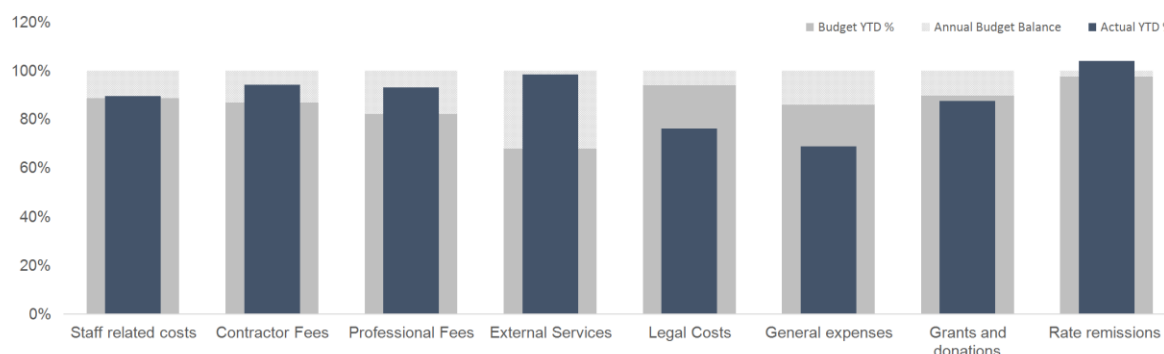
- The Roothing activity overall is behind budget due to dry weather which is not suitable for applying materials. This has impacted expenditure particularly in the south of the district.
- Pavement rehabilitation in both the North and South areas were initially delayed due to the availability of the laboratory test results for design purpose, which further delayed the initial commencement of physical works and then COVID-19 further delayed progress.
- Bridge structures renewal contracts has now been awarded, however, due to the COVID-19 lockdown the programme has missed the construction period and will be delivered next financial year.



# 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
80.3M	77.3M	3.0M	4%	89.9M	94.7M	4.8M	5%



## Highlights:

### Contractor Fees

- Unbudgeted engagement of contracted consultants to meet demand for resources and building consent works has continued. 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 due to discount penalties, fee waivers and successful fee objections.
- The water and wastewater alliance agreement with our current contractor Broadspectrum Limited is over budget due to reactive works over the period of the drought. 199 requests for service has been received in April, there was a significant reduction in the number of water leaks attended during April compared with previous periods during the height of summer.
- Desludging of the Kaitia Wastewater Treatment Plant Pond funding of \$1.5M was approved last financial year, however, the work has been carried out this financial year resulting in an underspend for last year and an overspend this year.

### Professional Fees

- Unbudgeted removal and clearing of trees are continuing in the Eastern and Western Ward due to public safety.
- Network and asset management recorded time against various projects (operational or capital) is not recorded in a timely manner or against the correct activity. This is being reviewed and will be corrected in due course.

- Consultants and project managers have been engaged for Tourism Infrastructure Funds (TIF) applications for toilets to assist with project planning and scoping and develop forward works programme for the asset managers.
- Stormwater are behind budget, but funds are fully committed to complete the Kawakawa stormwater catchment modelling.
- Customer services are behind budget due to the slowing down of services provided to the public.

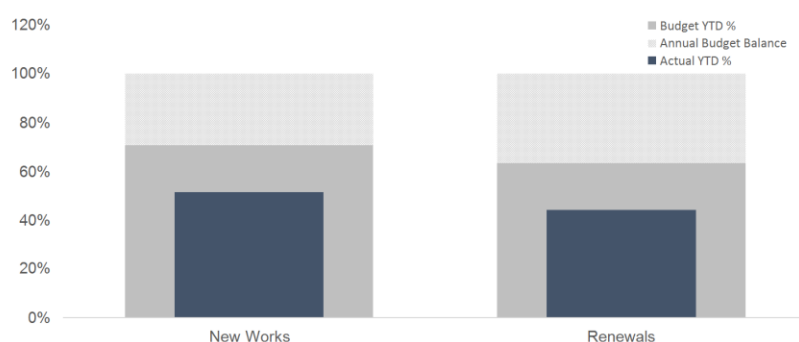
### **External Services**

- This is ahead of budget mainly due to the impact of the drought crisis. Unbudgeted costs relating to temporary water supplies have been incurred, however, savings across the organisation have been reforecast to offset this and some expenditure is to be offset by Provincial Growth Funding (PGF).

# 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
43.9M	61.3M	-17.4M	-28%	90.7M	74.9M	-15.7M	-21%



## Highlights:

### New Works

- Due to a change in the scope of works for the animal welfare shelter at Bonnets Road in Kaitia, Council has negotiated with the original tenderer who is happy to carry out the work. Pricing has been received and is under review with Infrastructure and Asset Management (IAM) team.
- The Kawakawa Library/Service Centre will be relocated to Te Hononga and has been further delayed. The move is expected to take place in September 2020.
- Works on the Windsor Landing Carpark and Access has been awarded and will be completed in 2020/21.
- West Coast Rd G01 bridge project has been awarded and will commence in the next financial year.
- Inksters Rd W35 and Kenana Rd E16 culvert replacements design review has highlighted some issues and affected the ability to construct this financial year.
- Otaua Rd N28 contract was awarded prior to COVID-19 lockdown, however, the project cost exceeds budget and will now be delivered next financial year.
- Seal Extension unsubsidised works at Porotu Road, Puketi Road and Kumi Road has been delayed due to more design requirements under the maintenance contract for North and South. This has now missed the construction period due to the COVID-19 lockdown and will be delivered next year.
- Planned work for the Asset Management System project is in a development phase with Infor Global Solutions (NZ). System configuration was scheduled to be completed in April 2020 but is ongoing and the data migration is due August 2020.
- Kerikeri Wastewater Treatment Plant is continuing, however, there are now further delays due to the current COVID-19 situation and will not be completed until September 2020.

- The Paihia Wastewater Treatment Plant is currently under budget and the remaining funds are fully committed to completing the project but is now delayed due to the COVID-19 shutdown.
- Kaitaia Commerce Street Stormwater Line is under budget, the project is in design phase and work is planned to commence in September 2020.
- Moerewa Stormwater Improvements is under budget, the procurement plan is in progress with work planned to commence in October 2020.
- The Kawakawa Water Treatment Plant required extra funding of \$195K for work to bring the plant up to standard with the new Hazardous Substances Regulations 2017.

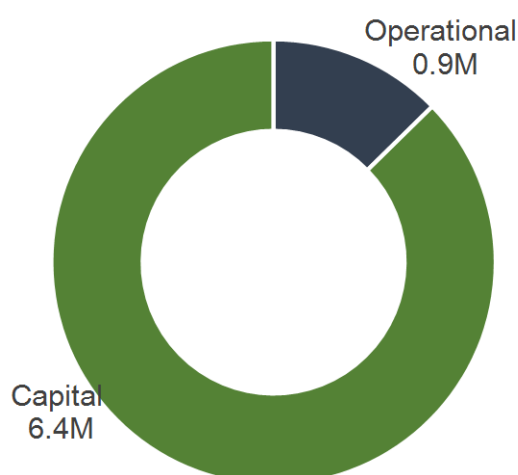
## **Renewals**

- Kaitaia Airport seal works has now commenced but will be completed in 2020/21.
- Taheke Hall structural and internal fit-out works is in detailed design stage, and tenders have been invited and anticipate construction to commence in October 2020 at the request of the Taheke Committee.
- Maritime Facilities work on re-construction to extend the Mangonui jetty including gangway, pontoon and piles, steps are being undertaken by Far North Holdings Limited. Scoping works for renewal works for other maritime facilities at Whangaroa, Totara North, Taipa, Kerikeri is in progress. Opononi, Kohukohu, Omapere, Rawene, Provincial Growth Fund (PGF) applications are in progress.
- Hundertwasser toilet has been delayed due to a structure report required and other works with the main centre. This coincides with the stormwater realignment project.
- The Kawakawa Hundertwasser Memorial Park Stormwater Realignment project is under budget, approval has now been given to order materials.
- Parks and reserves are under budget; scoping works are being finalised for Okaihau and design works has commenced for Moerewa.
- Footpath renewals are under budget due to resourcing issues with the Northern contractor; however, this work will now be delivered by the Southern contractor and will be completed this financial year.
- 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. Vehicles that are on order have been delayed due to import issues arising from the COVID-19 pandemic.

## 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		
<b>Unbudgeted Operational</b>		<b>Amount</b>
Water Crisis PGF Lake Omapere	Other Contributions	-800,000
Water Crisis PGF Bonnets Road	Other Contributions	-1,200,000
Water Crisis PGF Lake Omapere	External Services	800,000
Water Crisis PGF Bonnets Road	External Services	1,200,000
Building Consents (BCA)	Contract Professional Fees	500,000
Asset Management & Infrastructure	Professional Fees	250,000
Maritime Facilities	External Services	150,000
Libraries	Software Licence Fees	20,000
Libraries	Equipment Purchases (uncapitalisable)	10,000
Facilities operations - buildings	Professional Fees	5,000
		<b>935,000</b>
<b>Unbudgeted Capital Works</b>		<b>Amount</b>
BOI Sports Development	CAPEX New Works Contract Services	1,840,717
Kerikeri Wastewater Infrastructure	CAPEX New Works Contract Services	1,500,000
Bonnets Road (PGF)	External Services	1,200,000
Lake Omapere (PGF)	External Services	800,000
Digitisation Scanning	External Services	648,688

<b>Waitangi Jetty Toilet Capacity - TIF</b>	<b>External Services</b>	<b>252,000</b>
<b>Karikari and Doubtless Bay Rangers</b>	<b>External Services</b>	<b>185,500</b>
<b>Waitangi/Haruru Falls Bush Walk</b>	<b>CAPEX New Works Contract Services</b>	<b>164,000</b>
<b>Mitimiti Toilet (TIF)</b>	<b>CAPEX New Works Contract Services</b>	<b>153,290</b>
<b>Opononi i-Site Public Toilet (TIF)</b>	<b>CAPEX New Works Contract Services</b>	<b>135,509</b>
<b>Waitangi Boat Ramp Toilets (TIF)</b>	<b>CAPEX New Works Contract Services</b>	<b>133,769</b>
Stormwater Bonnett Road Kaitaia	CAPEX New Works Contract Services	99,168
Structural works Kawakawa WTP	CAPEX Renewal Works Contract	85,734
Boat Ramp Study TIF Funded	External Services	75,000
Freedom Camping Study - TIF Funded	External Services	75,000
Kohukohu Resource Consent	CAPEX New Works Licenses and	62,850
9-11 Old Beach Road Stormwater	CAPEX New Works Contract Services	56,659
Korora Park Toilet	CAPEX New Works Contract Services	49,450
Kaimaumau Public Toilet	External Services	40,000
Kaitaia New Source (Sweetwater)	CAPEX New Works Contract Services	40,000
Ahipara Toilet	External Services	36,550
Opononi Resource Consent	CAPEX New Works Licenses and	33,000
Stone Store Lighting - TIF Funded	External Services	28,000
Paihia Toilet Enhancement - TIF Funded	CAPEX New Works Contract Services	28,000
Horeke Housing for the Elderly	CAPEX Renewal Works Contract	26,655
Kaikohe Memorial Park Upgrade	CAPEX New Works Contract Services	26,400
24-26 Yarborough Street New Sewer	CAPEX New Works Contract Services	24,629
Mains replacement Rawene	CAPEX New Works Contract Services	24,335
Opononi STP - Fence Renewal/Upgrade	CAPEX New Works Contract Services	22,000
Kaitaia Parks & Reserves	CAPEX Renewal Works Contract	17,589
Waima Housing for the Elderly	CAPEX Renewal Works Contract	16,974
Taipa Tree Protection - TIF Funded	External Services	16,000
1506 Inland Road Sewer Connection	CAPEX New Works Contract Services	14,730
Kaikohe Parks & Reserves	CAPEX Renewal Works Contract	13,773
Ramp Road Public Toilet	External Services	13,650
Kaikohe Lions Club	CAPEX Renewal Works Contract	11,050
Whangaroa Hall Renewals	CAPEX Renewal Works Contract	8,945
Rawhiti boat ramp toilet RC	External Services	7,800
JBC Customer Services Area Minor	CAPEX New Works Contract Services	6,000
Disability Access Halls Western	CAPEX New Works Contract Services	5,400
Kaka Street Ramp	CAPEX New Works Contract Services	4,988
Kororipo Basin (Pear Tree)	CAPEX New Works Contract Services	4,318
CCTV Hokianga i-SITE	CAPEX New Works Contract Services	3,885
CCTV BOI i-SITE	CAPEX New Works Contract Services	3,740
Parks & Reserves Northern	CAPEX New Works Contract Services	3,018
Opononi STP - Fence Renewal/Upgrade	CAPEX Renewal Works Contract	2,252
Digitisation Scanning	Contract Professional Fees	1,313
Kaitaia Oxford St Housing for the Elderly	CAPEX Renewal Works Contract	1,301
Kawakawa Commercial St Car Park	CAPEX New Works Contract Services	1,139
Structural works Kawakawa WTP	CAPEX New Works Contract Services	215
Paihia Toilet Enhancement - TIF Funded	Subsidy New Works	-14,000
Waitangi Boat Ramp Toilets (TIF)	Subsidy New Works	-133,769
Opononi i-Site Public Toilet (TIF)	Subsidy New Works	-135,509

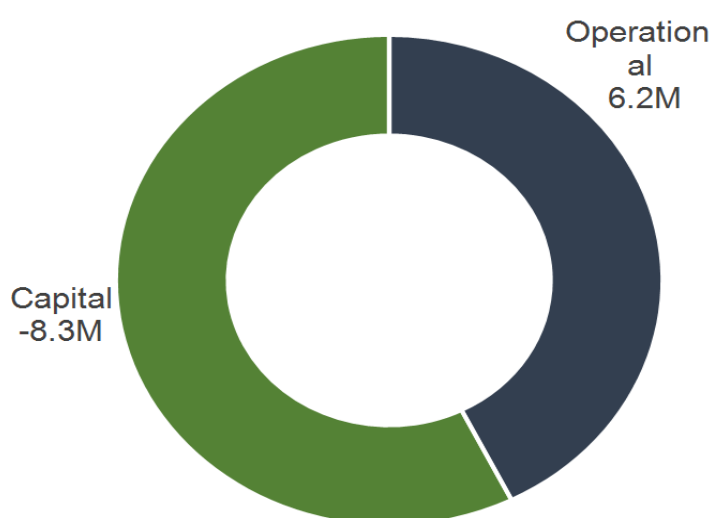
Mitimiti Toilet (TIF)	Subsidy New Works	-153,290
Lake Omapere (PGF)	Grants Operational	-800,000
Bonnets Road (PGF)	Grants Operational	-1,200,000
		<b>5,568,415</b>
<b>Unbudgeted Roding</b>		<b>Amount</b>
<b>West Coast Rd RP9563</b>	<b>CAPEX Renewal Works Contract</b>	<b>269,500</b>
<b>Diggers Valley Rd RP12722</b>	<b>CAPEX Renewal Works Contract</b>	<b>210,000</b>
<b>Fairburn Rd RP9588</b>	<b>CAPEX Renewal Works Contract</b>	<b>185,500</b>
<b>Wharekawa Rd RP3552</b>	<b>CAPEX Renewal Works Contract</b>	<b>178,000</b>
Waiotehue Road Dropout RP 5400	CAPEX Renewal Works Contract	20,000
Waiotehue Rd RP5251	CAPEX Renewal Works Contract	13,000
		<b>876,000</b>
		<b>7,379,415</b>

<b>Summary</b>	
Operational	935,000
Capital	5,568,415
Roding	876,000
<b>Balance of Unbudgeted Expenditure</b>	<b>7,379,415</b>

## 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. Also, Operational of 6.2M includes \$5.6M Water by Meter income budget, which was entered twice in error into the system.



Budget Movements		
General Ledger	Comment	Amount
Resource Consents Administration	Opex Reforecast as at 31 Oct 19	346,060
Resource Consents Administration	Opex Reforecast as at 31 Oct 19	130,576
Resource Consents Administration	Opex Reforecast as at 31 Oct 19	121,385
Training	Opex Reforecast as at 31 Oct 19	22,379
Water Schemes	Opex Reforecast as at 31 Oct 19	20,000
Resource Consents Appeals	Opex Reforecast as at 31 Oct 19	10,819
Resource Consents Administration	Opex Reforecast as at 31 Oct 19	8,398
Infrastructure planning - stormwater	Opex Reforecast as at 31 Oct 19	5,000
Infrastructure planning - facilities	Opex Reforecast as at 31 Oct 19	4,204
Human Resources General	Opex Reforecast as at 31 Oct 19	3,184
Recruitment	Opex Reforecast as at 31 Oct 19	3,119
Compliance	Opex Reforecast as at 31 Oct 19	1,648
Refuse Administration	Opex Reforecast as at 31 Oct 19	1,525
Project Management Office	New FTE Contract Specialist	1,500
Compliance	Opex Reforecast as at 31 Oct 19	1,264



Compliance	Opex Reforecast as at 31 Oct 19	1,062
Project Management Office	New FTE Contract Specialist	750
Electronic Property Management	Do not think full budget will be spent this year	-1,000
Legalisation	Expenditure is running at a lower rate than expected	-5,000
Legal Services	Anticipated costs award Supreme Court Case	-33,000
Resource Consents Administration	Opex Reforecast as at 31 Oct 19	-96,189
		<b>547,684</b>
<b>Project Ledger</b>	<b>Comment</b>	<b>Amount</b>
Kaitaia New Source (Sweetwater)	Kaitaia New Water Source Sweetwater Bore	499,000
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	Transfer from holding code to individual project codes and retiming	85,190
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	Transfer from holding code to individual project codes and retiming	68,625
Mobile Toilets (Temporary Facilities)	Covid19 lockdown Capex reforecasted to LTP 21/22	67,290
Computer Equipment	Server and Network Renewal Project reforecast from 2020/21	42,533
Kaikohe HQ Building (Roof) Renewals	Roof repairs Kaikohe Service Centre From future year 2020-2021	36,193
Northland college to Saleyards-Kaikohe Footpath	Transfer from holding code to individual project codes and retiming	34,980
Footpaths Western Ward	Transfer from holding code to individual project codes and retiming	27,152
Waianga Place-Opononi Footpath	Transfer from holding code to individual project codes and retiming	26,840
Air conditioning units HQ Chambers	Coding correction to journal 138 Council Chambers Ac system upgrade	25,468
Jaycee Park/Centennial Park	Steam train Centennial Park Repairs, blasting and repainting	21,000
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	Transfer from holding code to individual project codes and retiming	13,810
Mains replacement Rawene	Rawene Cemetery Water Main Approved by Will Taylor	13,415
Taheke Road to Orrs Road eastbound-Footpath Kaikohe	Covid19 lockdown - Footpath project reforecasted to AP 20/21	12,052
Whangaroa Hall Renewals	Whangaroa Hall - Exterior Upgrade to address weather tightness issues	12,000
Te Haumi Seawall	Te Haumi Seawall & Carpark remediation Capex reforecasted to LTP 21/22	10,874
Rangihamama Road to Taheke Road SH12-Footpath Kaikohe	Transfer from holding code to individual project codes and retiming	10,028
9B Hone Heke Road Kerikeri SW Pipeline Upgrade	Tfr of Renewal Budget Approved by: W Taylor	9,664
Opononi/Omapere Stormwater Imps	40 Fairlie Cresc SW Imps Approved by: W Taylor	9,190
Rawene Old Courthouse	Rawene Community Library Renewals	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	4,241
Kaitaia Swimming Pools	Kaitaia Swimming Pool Dive Board Retiming	2,369
1506 Inland Road Sewer Connection	1506 Inland Rd Sewer Connection Renewal	2,070
Landfill Russell	Russell Landfill Leachate pump Renewal	1,900
Disability Access Halls Western	Disability Halls Access Western Capex reforecasted to LTP 21/22	559
Commercial Street Car Park Renewals	Covid19 lockdown Capex reforecasted to LTP 21/22	-705
Kawakawa WWTP RMU	To be removed - allowed for in 551134	-2,535
Horeke Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	-2,613
Kawakawa Tirohanga Borefield	Covid19 lockdown Capex reforecasted to LTP 21/22	-5,173
Conversion of Off Street Car Parking to Accessible Levels	Covid19 lockdown Capex reforecasted to LTP 21/22	-5,573
Conversion of Off Street Car Parking to Accessible Levels	Covid19 lockdown Capex reforecasted to LTP 21/22	-5,573
Conversion of Off Street Car Parking to Accessible Levels	Covid19 lockdown Capex reforecasted to LTP 21/22	-5,573
Kawakawa WWTP RMU	To be removed - allowed for in 551134	-5,641
Parks & Reserves Western	Re-forecast out to FY21/22 Capex	-6,065
Disabled access Toilets Eastern	Covid19 lockdown Capex reforecasted to LTP 21/22	-6,222
Accessible Carparks Eastern	Reinstate budget from 21/22 FY back into Capex reforecasted to LTP 21/22	-6,625
Accessible Carparks Northern	Reinstate budget from 21/22 FY back into	-6,872
Paihia Mains Fire Flows Puketona Haruru Falls	Covid19 lockdown Capex reforecasted to LTP 21/22	-6,979
Civil Defence Renewals	Covid19 lockdown Capex reforecasted to LTP 21/22	-7,055

Kohukohu Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	-7,130
Rawene Grundy Street Reticulation	Needs to be removed-Project completed	-7,665
Russell Bores Control System Upgrade	Covid19 lockdown Capex reforecasted to LTP 21/22	-7,808
Ahipara Parks & Reserves	Funding to be removed saving frn FY18/19	-9,308
Disabled access Toilets Western	Covid19 lockdown Capex reforecasted to LTP 21/22	-10,116
Accessible Carparks Western	Reinstate budget from 21/22 FY back into Capex reforecasted to LTP 21/22	-10,363
Whangaroa Wastewater Scheduled Renewals	Covid19 lockdown Capex reforecasted to LTP 21/22	-10,440
Kaikohe Taraire Hills Reservoir	Covid19 lockdown Capex reforecasted to LTP 21/22	-10,578
Opononi Specified Works	Covid19 lockdown Capex reforecasted to LTP 21/22	-12,736
District Wide Treatment Plant	To be removed - allowed for in 551134	-12,877
Whangaroa Parks and Reserves	Re-Forecast to FY21/22 Capex Reforecast	-14,367
Taheke Road to Orrs Road eastbound-Footpath Kaikohe	Covid19 lockdown - Footpath project reforecasted to AP 20/21	-18,260
Proctor Library HVAC	Budget savings Proctor Library HVAC	-20,627
Districtwide Chlorinator Replacements	Covid19 lockdown Capex reforecasted to LTP 21/22	-22,484
Ahipara Parks & Reserves	Korora Park Carpark Apron replacement	-22,618
Paihia Parks & Reserves	Re-forecast to FY21/22 Capex Reforecast	-24,181
Taupo Bay Toilet	Re-forecast to FY23/24 Capex Reforecast	-25,721
Tsunami Warning System	Covid19 lockdown Capex reforecasted to LTP 21/22	-29,710
Parks & Reserves Eastern	KK Doves Bay; Paihia Lily Pond Carpark	-32,616
Okaihau Supplementary Source	Covid19 lockdown Capex reforecasted to AP 20/21	-33,158
Disability Access Halls Northern	Reinstate budget from 21/22 FY back into Capex reforecasted to LTP 21/22	-33,324
Paihia Specified Works	Paihia Specified Works Capex reforecast to 20/21	-35,259
Kaikohe Taraire Hills Reservoir	Covid19 lockdown Capex reforecasted to LTP 21/22	-35,412
Opononi Specified Works	Covid19 lockdown Capex reforecasted to LTP 21/22	-40,336
Asset Finda Hardware & Software	Covid19 lockdown Capex reforecasted to LTP 21/22	-40,880
Whatuwhiwhi Wastewater Schduled Renewals	Covid19 lockdown Capex reforecasted to LTP 21/22	-50,098
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
Te Haumi Carpark	Covid19 lockdown Capex reforecasted to LTP 21/22	-55,934

Mobile Toilets (Temporary Facilities)	Covid19 lockdown Capex reforecasted to LTP 21/22	-67,290
Rawene Grundy Street Reticulation	Needs to be removed-Project completed Capex Reforecast	-68,985
Disability Access Halls Eastern	Covid19 lockdown Capex reforecasted to LTP 21/22	-71,101
Mains replacement Kaitaia	Covid19 lockdown Capex reforecasted to AP 20/21	-75,858
Kaikohe Reticulation	Covid19 lockdown Capex reforecasted to LTP 21/22	-80,144
Kerikeri Domain Playground	Re-Forecast to FY21/22 Capex Reforecast	-81,249
Kaikohe Reticulation	Covid19 lockdown Capex reforecasted to LTP 21/22	-81,760
Kerikeri PS9	Needs to be moved out to 2020-2021 and is meant to be PS3 Bill to investigate	-81,760
Paihia Watea Industrial Area Fire Flow Upgrade	Covid19 lockdown Capex reforecasted to LTP 21/22	-82,138
Russell Parks & Reserves Renewals	Russell Parks & Reserves Capex reforecast	-84,530
Digitisation Scanning	Digitisation Scanning Opex savings	-86,403
Wastewater Telemetry	Wastewater Telemetry Capex reforecast to 21/22 & 22/23	-90,754
Paihia Watea Industrial Area Fire Flow Upgrade	Covid19 lockdown Capex reforecasted to LTP 21/22	-92,624
Kaikohe Training Yard	Reforecast out to YR1 next LTP FY22/23	-99,988
Kerikeri Squash Relocation	Kerikeri Squash Club relocation moving out to 2020/21	-100,000
Lindvart Park Pavillion	Re-forecast to FY21/22 Capex Reforecast	-100,196
Broadwood Swingbridge	Covid19 lockdown Capex reforecasted to LTP 21/22	-102,200
Kerikeri Backwash Tank	Kerikeri Backwash Tank Approved by T Proctor	-102,200
Opononi Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	-108,406
Kerikeri WTP Structural Work on Clarifier	Kerikeri WTP Structural Work Approved by T Proctor	-110,008
Hihi WWTP Construction	To be moved out to 2020-2021 Capex	-112,420
Office Equipment	Move uncommitted funds out to year 2020.2021	-116,777
Kawakawa Infiltration & Inflow	Covid19 lockdown Capex reforecasted to LTP 21/22	-125,600
Wastewater Telemetry	Wastewater Telemetry Per Tanya Proctor	-136,130
District Wide Reservoirs Structural Works	Reforecast to FY20/21 Capex Reforecast	-140,754
Treatment Plant Upgrade Kerikeri	Covid19 lockdown Capex reforecasted to LTP 21/22	-141,738
Kaitaia Reduction of Wastewater Overflows Option	Covid19 lockdown Capex reforecasted to LTP 21/22	-143,080
Rawene Housing for the Elderly	Re-forecast to FY21/22 Capex Reforecast	-144,404
Kawakawa Infiltration & Inflow	Covid19 lockdown Capex reforecasted to LTP 21/22	-188,400

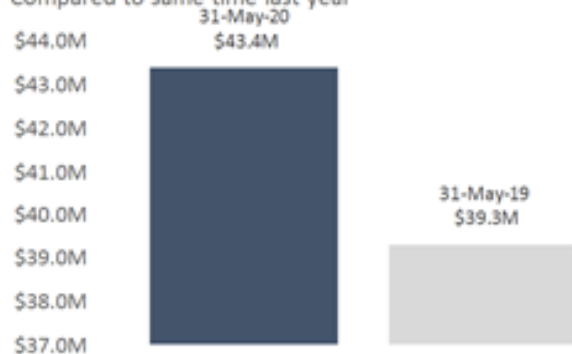
Community Hub Kaikohe	Kaikohe Hub Capex reforecast to 20/21	-200,000
Kaitaia Reduction of Wastewater Overflows Option	Covid19 lockdown Capex reforecast to LTP 21/22	-214,620
Kerikeri Rugby Pavilion	Kerikeri Rugby Pavilion Capex reforecast to 20/21	-306,600
Waipapa Roundabout Disposal Field	SJ - Will not be delivered. Needs to be removed from LTP. Should not be SW proj	-306,600
Kerikeri Parks & Reserves	Covid19 lockdown Capex reforecast to LTP 21/22	-360,615
Hihi WWTP Construction	To be moved out to 2020-2021 Capex	-398,580
Pool Vehicles	Move uncommitted funds out to year	-418,973
Community Hub Kaikohe	Kaikohe Hub Capex reforecast to 20/21	-3,800,000
		<b>-8,313,424</b>
		<b>-2,139,210</b>

<b>Summary</b>	
Operational	547,684
Capital	- 8,313,424
<b>Balance of Budget Movements</b>	<b>- 7,765,740</b>
<b>Summary of Movements</b>	
Unbudgeted Expenditure	7,379,415
Less Budget Movements	- 7,765,740
<b>Net Balance</b>	<b>- 386,325</b>

## Treasury Report

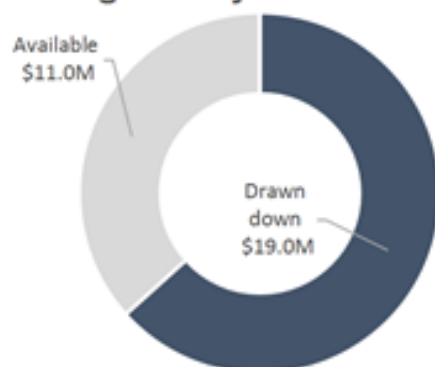
### Cash Position

Compared to same time last year



	31-May-20	31-May-19
ASB General Fund	\$ 18.3M	\$ 14.3M
ASB Special Funds	\$ 5.1M	\$ 5.0M
Investments	\$ 20.0M	\$ 20.0M
<b>Total Cash</b>	<b>\$ 43.4M</b>	<b>\$ 39.3M</b>

### Banking Facility



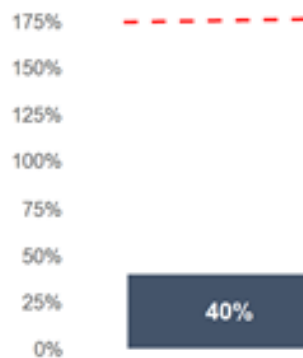
<b>Banking Facility</b>	<b>\$ 30.0M</b>
Drawn down	\$ 19.0M
Available	\$ 11.0M

### Public Debt

#### Loans by Maturity Date

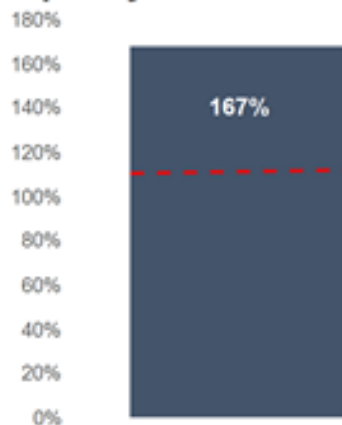


## Net Debt as a % of Revenue must be less than 175%



Net Debt	\$ 52.1M
Budgeted Total income	\$ 131.1M
Debt Ceiling	\$ 229.5M
Net debt as % total revenue	40%
Policy Maximum	135%

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



External Debt	\$ 95.5M
ASB Banking Facility	\$ 30.0M
ASB Banking Facility used	-\$ 19.0M
<b>Total Committed Public Debt</b>	<b>\$ 106.5M</b>
Liquid Investments Cash at Bank	\$ 43.4M
Liquid Investments ASB Overdraft Facility	\$ 10.0M
	<b>\$ 159.9M</b>
Access to Funds	167%
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.*

\$95.5M total borrowing, \$49M is Short Term	
\$9M	repayable in July 2020
\$40M	repayable in June 2020

# Statement of Financial Performance

for the period ending May 2020 (Pd11)

	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)	80,449	80,236 -	213	87,530	-	87,530	7,081	92%	87,530	-
Rates - penalties	1,184	2,073	890	2,073	-	2,073	890	57%	2,073	-
Fees & charges (inc water supply rates)	14,556	14,634	78	16,213	-	16,213	1,656	90%	16,104	109
Central Govt Subsidies - Admin	-	-	-	-	-	-	-	0%	-	-
Central Govt Subsidies - Operational	8,029	7,970 -	60	9,981	32	10,012	1,983	80%	9,955	57
Other Income	2,062	2,335	273	2,349	75	2,424	362	85%	4,459	2,035
<b>Capital Income</b>										
Central Govt Subsidies - New Works	1,805	1,971	166	2,380	6,762	9,142	7,337	20%	8,259	883
Central Govt Subsidies - Renewals	7,504	8,307	802	12,817	1,645	14,462	6,957	52%	10,367	4,094
Development Contributions	18	- -	18	-	-	- -	18	100%	-	-
Other Contributions	26	- -	26	-	1,000	1,000	974	3%	1,022	22
<b>Total Operating Income</b>	<b>115,634</b>	<b>117,525</b>	<b>1,891</b>	<b>133,342</b>	<b>9,514</b>	<b>142,856</b>	<b>27,221</b>	<b>81%</b>	<b>139,769</b>	<b>3,087</b>
<b>Operational Expenditure</b>										
Staff related costs	28,446	28,156 -	290	31,777	-	31,777	3,331	90%	30,615	1,162
Contractor Fees	26,208	24,206 -	2,002	27,825	-	27,825	1,617	94%	27,849	24
Professional Fees	5,578	4,923 -	655	5,985	-	5,985	407	93%	5,996	11
External Services	7,049	4,859 -	2,190	7,152	-	7,152	103	99%	13,163	6,012
Legal Costs	507	626	119	666	-	666	159	76%	586	80
General expenses	8,586	10,713	2,127	12,400	55	12,455	3,869	69%	12,417	39
Grants and donations	1,647	1,689	42	1,850	32	1,882	235	88%	1,889	7
Rate remissions	2,297	2,154 -	143	2,208	-	2,208 -	89	104%	2,208	-
Allocations (direct and indirect)	-	0	0	0	-	0 -	0	0%	0	-
Interest costs	1,872	2,066	194	2,253	-	2,253	381	83%	2,100	153
<b>Sub total</b>	<b>82,191</b>	<b>79,394 -</b>	<b>2,797</b>	<b>92,116</b>	<b>87</b>	<b>92,202</b>	<b>10,011</b>	<b>89%</b>	<b>96,822</b>	<b>4,620</b>
Depreciation and other asset costs	29,939	33,141	3,201	36,153	-	36,153	6,214	83%	36,038	115
Gain/Loss on Disposal	915	- -	915	-	-	- -	915	100%	-	-
<b>Total Operational Expenditure</b>	<b>113,046</b>	<b>112,534 -</b>	<b>511</b>	<b>128,269</b>	<b>87</b>	<b>128,356</b>	<b>15,310</b>	<b>88%</b>	<b>132,860</b>	<b>4,504</b>
<b>Net Operating Surplus</b>	<b>2,589</b>	<b>4,991 -</b>	<b>2,402</b>	<b>5,073</b>	<b>9,427</b>	<b>14,500</b>	<b>11,911</b>		<b>6,909</b>	<b>7,591</b>



# Statement of Capital Performance

for the period ending May 2020 (Pd11)

	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	6,905	10,567	3,662	10,309	2,582	12,890	5,986	54%	13,918	1,028
Environmental Management	712	2,616	1,904	2,093	523	2,616	1,904	27%	2,616	-
Roading and Footpaths	15,750	18,557	2,807	27,400	6,500	33,901	18,151	46%	22,240	11,660
Wastewater	12,968	17,403	4,435	9,437	11,287	20,724	7,757	63%	20,392	332
Stormwater	993	2,714	1,721	1,776	1,322	3,098	2,104	32%	2,971	127
Solid Waste Management	151	325	173	594	275	869	717	17%	871	2
Water Supply	3,318	2,176	1,142	3,748	1,783	5,531	2,213	60%	5,380	151
Governance & Strategic Administration	2,666	5,556	2,889	6,677	2,260	8,937	6,271	30%	4,659	4,278
Customer Services	434	1,350	915	1,760	326	2,085	1,651	21%	1,877	208
Strategic Planning & Policy	-	-	-	-	-	-	-	100%	-	-
<b>Total Capital Expenditure</b>	<b>43,897</b>	<b>61,263</b>	<b>17,366</b>	<b>63,793</b>	<b>26,858</b>	<b>90,652</b>	<b>46,754</b>	<b>48%</b>	<b>74,924</b>	<b>15,728</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	2,175	1,355 -	819	1,358	1,112	2,470	295	-88%	3,440	971
Environmental Management	5,085	4,957 -	129	5,363	-	5,363	278	-95%	4,851	512
Roading and Footpaths	17,563	18,701	1,138	26,469	2,947	29,415	11,852	-60%	23,430	5,985
Wastewater	118	264	146	288	4,914	5,202	5,084	-2%	5,061	141
Stormwater	69	69 -	0	-	69	69 -	0	-100%	69	-
Solid Waste Management	1,144	1,362	218	1,404	-	1,404	260	-81%	1,242	162
Water Supply	5,613	5,643	30	5,893	466	6,359	747	-88%	8,434	2,074
Governance & Strategic Administration	1,602	2,273	671	2,333	-	2,333	731	-69%	3,038	705
Customer Services	539	531 -	8	557	-	557	18	-97%	520	37
Strategic Planning & Policy	93	62 -	30	75	6	81 -	12	-114%	81	-
<b>Total Operating Income</b>	<b>34,000</b>	<b>35,217</b>	<b>1,216</b>	<b>43,739</b>	<b>9,514</b>	<b>53,253</b>	<b>19,253</b>	<b>64%</b>	<b>50,166</b>	<b>3,087</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	8,149	7,892 -	258	8,599	32	8,631	482	94%	9,514	883
Environmental Management	8,985	8,749 -	237	9,770	-	9,770	785	92%	9,781	11
Roading and Footpaths	17,576	16,850 -	726	21,886	-	21,886	4,310	80%	20,541	1,345
Wastewater	6,768	5,852 -	916	6,258	-	6,258 -	510	108%	6,266	8
Stormwater	1,240	1,657	417	1,725	-	1,725	485	72%	1,598	126
Solid Waste Management	3,599	3,639	39	4,193	-	4,193	594	86%	4,003	190
Water Supply	6,912	4,499 -	2,413	4,836	49	4,885 -	2,027	141%	10,121	5,235
Governance & Strategic Administration	19,055	18,072 -	983	21,065	-	21,065	2,010	90%	22,084	1,020
Customer Services	3,936	4,906	970	5,466	-	5,466	1,530	72%	5,586	120
Strategic Planning & Policy	4,098	5,212	1,114	6,063	6	6,069	1,972	68%	5,227	842
<b>Total Direct Costs</b>	<b>80,319</b>	<b>77,327 -</b>	<b>2,991</b>	<b>89,862</b>	<b>87</b>	<b>89,949</b>	<b>9,630</b>	<b>89%</b>	<b>94,722</b>	<b>4,773</b>