

Statement of Comprehensive Income

Comparison to the Annual Plan 2013/14 and the October budget revision

		2013/14					
Last YTD		Annual	YTD	YTD	YTD	October	Forecast
Actual		Plan	Estimate	Actual	Variance	Revision	Variance
\$000's		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
REVENUE							
4,463	Activity revenue	9,469	4,689	4,352	(337)	9,750	281
391	Contributions revenue	1,134	567	1,190	623	1,216	82
9	Investment revenue	15	11	12	1	21	6
37,346	Rates revenue	57,398	38,070	38,154	84	57,312	(86)
2,471	Subsidies revenue	5,499	2,807	1,979	(828)	4,750	(749)
0	Gain on Revaluation of Derivative Financial Instruments	0	0	0	0	0	0
0	Gain on Revaluation of Forestry Assets	182	0	0	0	0	(182)
33	Assets vested and introduced	909	0	160	160	912	3
44,713	TOTAL REVENUE	74,607	46,144	45,847	(297)	73,961	(645)
EXPENDITURE							
9,299	Depreciation and amortisation	18,726	9,363	9,363	0	18,816	(90)
1,702	Finance costs	3,748	1,874	1,503	371	3,403	345
24,373	Other direct operating expenses	53,019	26,862	24,678	2,184	52,639	380
0	Loss on Revaluation of Derivative Financial Instruments	0	0	0	0		0
0	Loss on disposal	0	0	0	0		0
35,374	TOTAL EXPENSES	75,492	38,099	35,544	2,555	74,858	635
9,339	NET SURPLUS	(885)	8,045	10,303	2,258	(897)	(10)

VARIANCE EXPLANATIONS

For the six month period ending 31 December 2013

Activity Revenue

- Resource Control Consents revenue is under budget by (\$91,000), but in the October revision is forecasted to achieve the budgeted level by the end of the financial year.
- Building Control consents is over budget by \$161,000 (October forecast over budget by \$117,000), Building Control Inspections by \$137,000 (October forecast over budget by \$73,000) and Monitoring is under budget by (\$48,000) (October forecast under budget by (\$85,000)).
- Animal control is over budget by \$15,000 and Community parking is under budget by (\$22,000). Licensing is under budget by (\$20,000)
- Harbour Coromandel - sugarloaf wharfage fees have been budgeted to be all invoiced in August. Less than 50% have been invoiced YTD. This follows last year's pattern with the balance invoiced in January. The year to date revenue is under budget by (\$26,000).
- Swimming Pool revenue is under budget by (\$21,000).
- Mercury Bay Parks revenue is under budget by (\$43,000).
- Solid Waste collection - an accrual of only \$2,000 for revenue was made for the December month, whereas the revenue booked for December in January 2014 was \$336,000. The actual revenue is under budget by (\$308,000) YTD December but will be corrected in January 2014.
- Revenue from petrol tax is under budget by (\$87,000). In the October budget revision revenue is under the original budget by (\$102,000).
- Revenue from forestry harvest is forecasted to be \$500,000 in the October budget revision. This was not budgeted for in the original budget

Contribution Revenue

- Revenue is over budget by \$623,000. 23 consents have been invoiced in the year to date and one large financial contribution. The bulks are for the eastern seaboard. The October forecasted has revenue over the original budget by \$82,000.

Subsidies Revenue

- Subsidy revenue is under budget by (\$828,000). The subsidy revenue is directly proportional to the expenditure levels. The October forecasted has revenue under the original budget by (\$749,000).

Vested Assets

- Vested assets of \$160,000 have been received. The October forecasts revenue for vested assets is \$912,000 compared to the original budget of \$900,000.

Finance Costs

- Finance costs are under budget by \$371,000 due to less capital works expenditure taking place in the 2012-13. Also capital works expenditure in 2013-14 is significantly behind the YTD budget. As a result the borrowing levels are lower resulting in lower financing costs. The October budget revision is forecasting finance costs to be under the original budget by \$345,000.

Other Operating expenditure

- Employee costs are over budget by (\$356,000) and are forecasted to be over the original budget by (\$676,000) in the October budget revision.
- Other operating expenditure is under budget by \$2,540,000 and is forecasted to be under the original budget by \$1,056,000 at the end of the financial year. These variance are explained in the activity variances below.

Planning for the Future - Strategic Planning Local Government Administration

- Invoices from Local Government Shared Services for Mayoral forum projects and 2013/14 administration costs is unbudgeted at (\$36,000) YTD December and is forecasted to be (\$41,000) by the end of the financial year.
- Unitary Authority Investigations costs are unbudgeted at (\$68,000) and is forecasted to be (\$64,000) by the end of the financial year.

Healthy and Safe Communities - Activity Revenue

Activity Revenue is showing a favourable variance of \$220,000 consisting of:

- Building Control consents is over budget by \$161,000 and Building Control Inspections by \$137,000.

- Building Control monitoring is under budget by (48,000)
- Animal control is over budget by \$15,000 and Community Parking is under budget by (\$22,000). Licensing is under budget by (\$20,000)

Healthy and Safe Communities - Activity Revenue October budget revision

Activity Revenue is showing a favourable variance of \$32,000 in the October budget revision consisting of:

- Building Control consents is over the original budget by \$117,000 and Building Control Inspections by \$73,000.
- Building Control monitoring is under the original budget by (85,000)
- Bylaws is under the original budget by (\$73,000)

Healthy and Safe Communities - Building Control

- Combined Building control consent and Building Control Inspections expenses are under budget by \$209,000, of which leaky home settlements is \$206,000 under budget.
- Monitoring expenses are under budget by \$107,000

Community Spaces - Activity revenue

- Harbour Coromandel - sugarloaf wharfage fees have been budgeted to be all invoiced in August. Less than 50% have been invoiced YTD. This follows last year's pattern with the balance invoiced in January. The year to date revenue is under budget by (\$26,000).
- Swimming Pool revenue is under budget by (\$21,000).
- Mercury Bay Parks revenue is under budget by (\$43,000)

Community Spaces - Expenses

- Total parks expenditure is under budget by \$192,000 YTD December but is forecasted, in the October revision, to be at the original budget by the end of the financial year.
- Thames parks expenditure is under budget by \$57,000, Mercury Bay parks by \$90,000, Coromandel parks by \$23,000 and Whangamata by \$19,000.

Community Development - Economic Development - October budget revision

- The October budget revision has included new and revised expenditure for the following:
 - Coromandel Wharf feasibility study \$364,000. The original budget was \$260,000 with actual expenditure YTD December of \$300,000.
 - Great Walks \$100,000.
 - Tourism Coromandel, an additional \$50,000.
 - Economic Development events \$75,000.
 - Economic Development projects \$60,000.
- In total this is an increase over the original budget of (\$396,000)

Community Development - Social Development

- Community Board discretionary spend is under budget by \$61,000.
- Contract - Community services across the district is under budget by \$40,000.
- Council and Community Board grants are under budget by \$29,000 across the district.
- Rates remissions is under budget across the district by \$31,000
- Grant payment to Destination Coromandel is budgeted but not yet paid at \$75,000

Water Supply - Expenses

- Contract regular costs are under budget by \$65,000, and contract provisional by \$110,000
- Rates remissions are under budget by \$52,000,
- Insurance costs have been budgeted at \$74,000, but no costs have been booked to date.
- Interest costs are under budget by \$44,000

Water Supply - Expenses October budget revision

- Contract regular costs are under the original budget by \$121,000,
- Insurance costs are under the original budget by \$34,000,
- Interest costs are under the original budget by \$48,000
- Depreciation costs are under the original budget by \$92,000

Wastewater - Contribution Revenue

- Contribution revenue is over budget by \$137,000, but on budget in the October budget revision

Wastewater Expenses

- Contract provisional costs are under budget by \$164,000.
- Interest costs are \$190,000 under budget
- Contract costs are under budget by \$64,000.
- Insurance costs are under budget by \$100,000.
- Costs for the Eastern Seaboard are under budget by \$210,000.
- Charges for staff time on Biosolids & Forestry from the Whangamata office are (\$32,000) over budget
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Wastewater Expenses - October budget revision

- Contract provisional costs are under the original budget by \$110,000.
- Interest costs are \$157,000 under the original budget.
- Insurance costs are under the original budget by \$233,000.
- Costs for the Eastern Seaboard are under the original budget by \$294,000.
- Forestry costs included in the October budget revision at (\$250,000)

Stormwater Expenses

- Contract provisional costs are under budget by \$19,000.
Insurance costs are under budget by \$44,000

Solid waste - Expenses

- Solid Waste Collection costs are under budget by \$128,000.
- Solid Waste Transfer Station costs are \$83,000 under budget.
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Summary of Significant Debtors included in Total 3+ Months**Sundry****\$80,000**

Negotiations are continuing with the receiver. Bonds are held by Council on behalf of the debtor is to be used to meet all outstanding financial obligations.

Development Contributions**\$31,000**

An agreement on the payment amount per month has not yet been agreed with the debtor.

Sundry**\$35,000**

A final demand for payment has been made. A statutory charge will now be applied.

Development Contributions**\$35,000**

Work has not yet commenced on consent. Awaiting debtors decision on options proposed by Council.

Development Contributions**\$24,000**

224 applied for a subdivision and financial contributions are due and remain unpaid.

ACTIVITY REVENUE AND EXPENDITURE

For the six month period ending 31 December 2013

		2013/14					
Last YTD		Annual	YTD	YTD	YTD	October	Forecast
Actual		Plan	Estimate	Actual	Variance	Revision	Variance
\$000's		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
0	Community Leadership	3	2	1	(1)	3	0
161	Planning for the Future	10	0	0	0	10	0
1,736	Healthy and Safe Communities	3,109	1,804	2,024	220	3,140	31
260	Roads and Footpaths	825	273	220	(53)	770	(55)
540	Community Spaces	1,508	662	588	(74)	1,384	(124)
204	Community Development	357	183	169	(14)	352	(5)
401	Landuse	1,113	587	533	(54)	1,149	36
0	Wastewater	100	0	0	0	500	400
1,160	Solid waste	2,448	1,169	808	(361)	2,450	2
4,462	Total Activity Revenue	9,473	4,680	4,343	(337)	9,758	285
800	District Leadership	2,592	1,374	1,308	66	2,524	68
595	Local Advocacy	1,251	617	588	29	1,239	12
466	Strategic Planning	1,075	490	573	(83)	1,219	(144)
551	Landuse Planning	1,431	650	554	96	1,421	10
365	Hazard Management	350	171	135	36	342	8
342	Emergency Management	617	444	447	(3)	602	15
537	Community Health and Safety	1,846	910	798	112	1,844	2
1,643	Building Control	4,412	2,191	1,876	315	4,323	89
5,817	District Transportation	12,375	5,764	5,735	29	12,257	118
634	Local Transportation	1,598	832	700	132	1,522	76
202	Cemeteries	474	238	223	15	503	(29)
78	Airfields	187	97	73	24	194	(7)
384	Halls	873	460	416	44	836	37
255	Swimming Pools	516	247	258	(11)	520	(4)
744	Libraries	1,375	720	714	6	1,364	11
310	Harbour Facilities	793	360	343	17	792	1
2,438	Parks and Reserves	4,973	2,522	2,330	192	4,972	1
468	Public Conveniences	791	392	379	13	806	(15)
686	Economic Development	1,659	1,026	1,096	(70)	2,055	(396)
737	Social Development	1,542	1,036	840	196	1,559	(17)
65	Natural and Cultural Heritage	185	93	88	5	186	(1)
1,417	Landuse Management	2,436	1,195	1,237	(42)	2,474	(38)
73	Land Information Memoranda	186	76	83	(7)	224	(38)
3,980	Water Services	8,825	4,433	4,098	335	8,558	267
6,976	Wastewater	14,361	7,138	6,451	687	13,761	600
1,457	Stormwater	2,905	1,502	1,392	110	2,814	91
13	Land Drainage	35	15	7	8	35	0
2,909	Solidwaste	5,840	2,956	2,670	286	5,911	(71)
34,942	Total Activity Expenditure	75,503	37,949	35,412	2,537	74,857	646

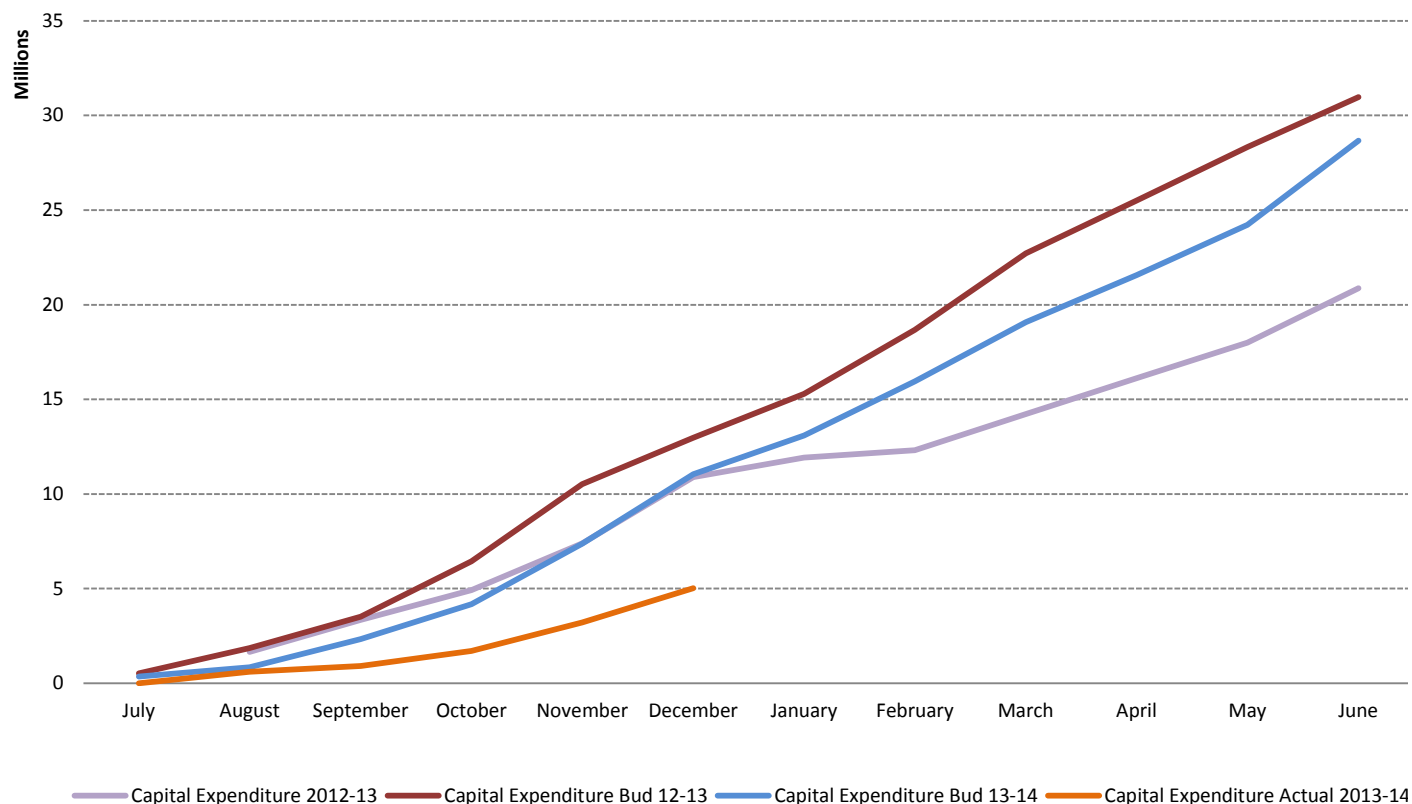
OPERATING UNIT AND COST POOL EXPENDITURE

For the six month period ending 31 December 2013

		2013/14					
Last YTD		Annual	YTD	YTD	YTD	October	Forecast
Actual		Plan	Estimate	Actual	Variance	Revision	Variance
\$000's		\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Expenses Operating Units							
986	Corporate Management CEO	2,525	1,193	1,171	22	2769	(244)
144	Corporate Management Coms	205	117	160	(43)	206	(1)
438	Customers Services	1,219	588	578	10	1251	(32)
426	Financial services	1,068	524	602	(78)	1071	(3)
168	Governance support	623	310	321	(11)	623	0
661	Planning	1,993	984	984	0	1993	0
299	Mercury Bay Area Office	979	488	513	(25)	1029	(50)
392	Whangamata Area Office	1,124	560	545	15	1124	0
322	Thames Coro Area office	997	492	464	28	868	129
260	Information Management	725	370	360	10	746	(21)
601	Revenue Services	1,434	730	688	42	1438	(4)
872	Infrastructure	2,419	1,256	1,114	142	2417	2
401	Support Services GMSS	630	312	437	(125)	627	3
186	Human Resources	725	375	478	(103)	725	0
5	Legal Services	284	149	25	124	371	(87)
1,300	Systems	2,819	1,510	1,502	8	2825	(6)
624	Regulatory Services	2,469	1,225	1,127	98	2455	14
8,085	Total Operating Unit Expenditure	22,238	11,183	11,069	114	22,538	(300)
Expenses Cost Pools							
60	Admin Buildings Mary Street	135	67	61	6	135	0
157	Admin Buildings Thames	372	168	175	(7)	372	0
19	Admin Buildings Coromandel	43	22	28	(6)	37	6
43	Admin Buildings Mercury bay	85	45	42	3	81	4
34	Admin Buildings Whangamata	67	36	36	0	67	0
69	Photocopying	182	91	89	2	183	(1)
382	Total Cost Pool Expenditure	884	429	431	(2)	875	9
8,467	TOTALCOSTS	23,122	11,612	11,500	112	23,413	(291)

CAPITAL EXPENDITURE SPEND YTD COMPARED TO 2013/2014 ANNUAL BUDGET AND PRIOR YEAR ACTUALS

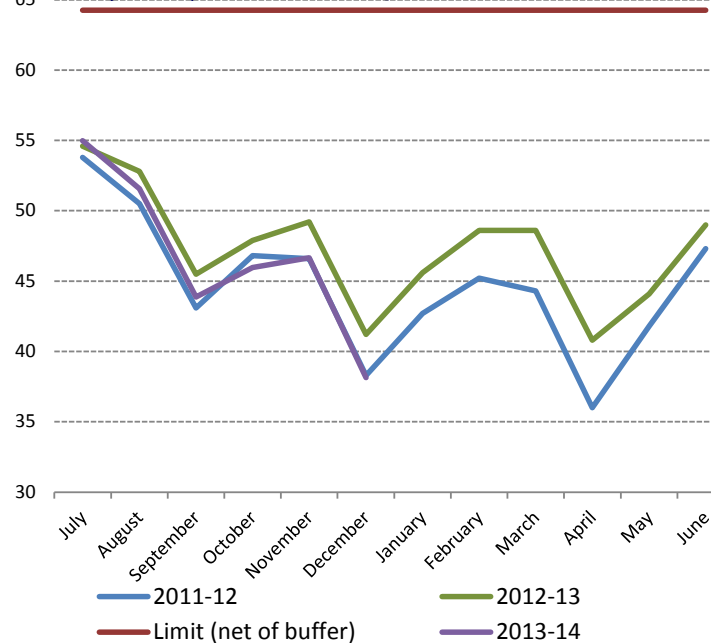
For the six month period ending 31 December 2013



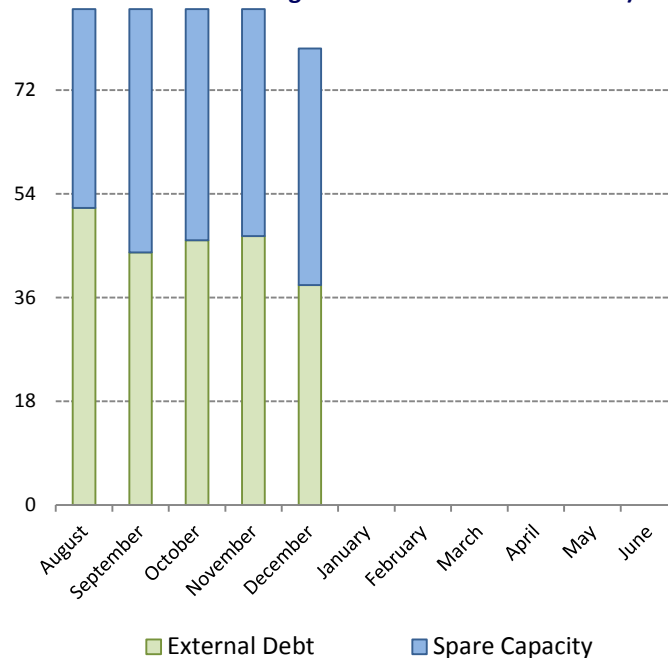
TREASURY

For the six month period ending 31 December 2013

Total external debt drawn down and borrowing facilities available (net of \$15 million buffer)



Net external debt and spare capacity available (based on external debt not exceeding 150% of annual rates income)



External Borrowings (\$ millions)

As at 31 December 2013

Drawn Down	\$38.100
Borrowing facilities	\$79.000
Available Borrowing	\$40.900

Interest Rates

As at 31 December 2013

Hedged % of 30 June 2014 debt forecast 12 months

- Fixed	86.00%
- Floating	14.00%