

# **Chief Executive's Report for month ended 31 March 2018**

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**TO** Council  
**FROM** Rob Williams - Chief Executive  
**DATE** 20 April 2018  
**SUBJECT** Chief Executive's Report for month ended 31 March 2018

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## **1 Purpose of report**

This report provides Council with an overview on the performance of the organisation in relation to:

- Our financial performance
- How projects are progressing with respect to time, budget and delivery
- Whether services are meeting the desired performance measures
- Any emerging challenges or opportunities.

## **2 Background**

The financial and performance measure data is based on the interim results for the 2017/18 financial year.

Going forward this report will contain data on the latest month to date information available at the time of the agenda distribution and the latest quarterly performance measure reporting.

## **3 Suggested resolution(s)**

That the Thames-Coromandel District Council:

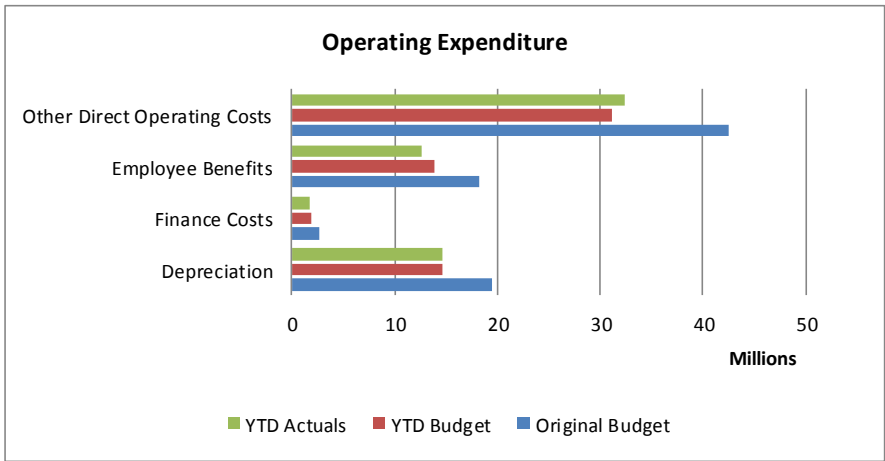
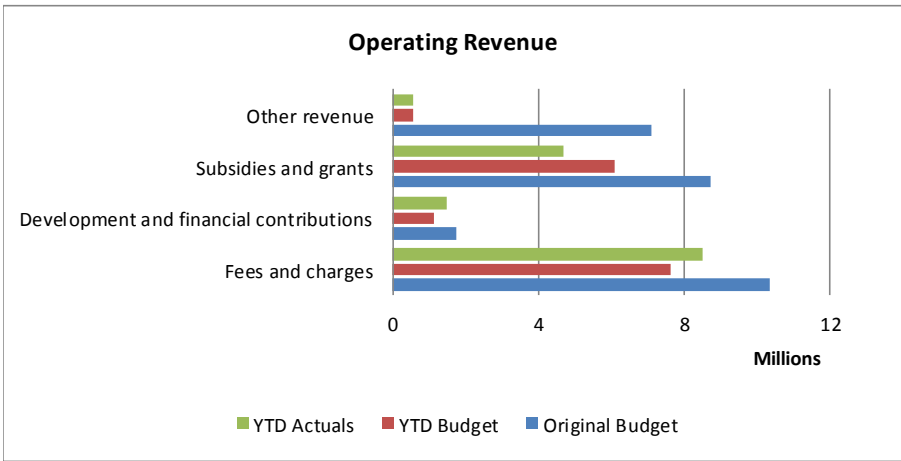
1. Receives the 'Chief Executive's report for month ended 31 March 2018' dated 20 April 2018.

# Thames-Coromandel District Council Financial Measures

## Key Indicators - For the period ending 31 March 2018

<b>Rates Revenue</b> <i>Received from ratepayers</i>  <b>\$63.52m</b>  <b>Favourable YTD \$0.17m</b> Full year budget \$64.14m Full year forecast \$64.14m	+	<b>Other Operating Revenue</b> <i>User charges, subsidies &amp; grants, development contributions, finance revenue and other revenue</i>  <b>\$15.17m</b>  <b>Unfavourable YTD (\$0.2m)</b> Full year budget \$27.88m Full year forecast \$27.88m	-	<b>Operating Expenditure</b> <i>Personnel, Depreciation, Finance and Other Expenses</i>  <b>\$61.47m</b>  <b>Favourable YTD \$0.19m</b> Full year budget \$82.77m Full year forecast \$82.77m	=	<b>Operating Net Surplus/(-) Deficit</b>  <b>\$17.22m</b>  <b>Favourable YTD \$0.15m</b> Full year budget \$9.25m Full year forecast \$9.25m
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<b>Personnel Costs</b> <i>Salaries and Wages</i>  <b>\$12.67m</b>  <b>Favourable YTD \$1.27m</b> Full year budget \$18.15m Full year forecast \$18.15m	<b>Depreciation and Amortisation</b>  <b>\$14.63m</b>  <b>Favourable YTD \$0.01m</b> Full year budget \$19.52m Full year forecast \$19.52m	<b>Finance Costs</b> <i>Interest on external debt</i>  <b>\$01.8m</b>  <b>Favourable YTD \$0.13m</b> Full year budget \$2.62m Full year forecast \$2.62m	<b>Other Expenses</b>  <b>\$32.37m</b>  <b>Unfavourable YTD (\$1.22m)</b> Full year budget \$42.46m Full year forecast \$42.46m
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# Thames-Coromandel District Council Financial Measures

## Key Indicators - For the period ending 31 March 2018

<b>Borrowings</b>		<b>Cash and cash equivalents</b>		<b>Net borrowings</b> <i>External debt net of cash and cash equivalents</i>		<b>Capital expenditure</b>	
<b>\$46.10m</b>		<b>\$9.57m</b>		<b>\$36.53m</b>		<b>\$11.91m</b>	
Full year budget	\$35.0m	Full year budget	\$1.01m	Full year budget	\$33.99m	Full year budget	\$30.17m
Full year forecast	\$35.0m	Full year forecast	\$1.01m	Full year forecast	\$33.99m	Full year forecast	\$30.17m

### Capital expenditure - explanation of variances

Capital expenditure is approximately \$7 million under the year to date budget.

The majority of the underspend is in the roading (\$2.3m) water (\$2.0m) and wastewater (\$1.8m) activities. The remaining underspend is in the planning activity (IT software/hardware - \$0.4m) and representation activity (Thames customer service area renovation - \$0.3m).

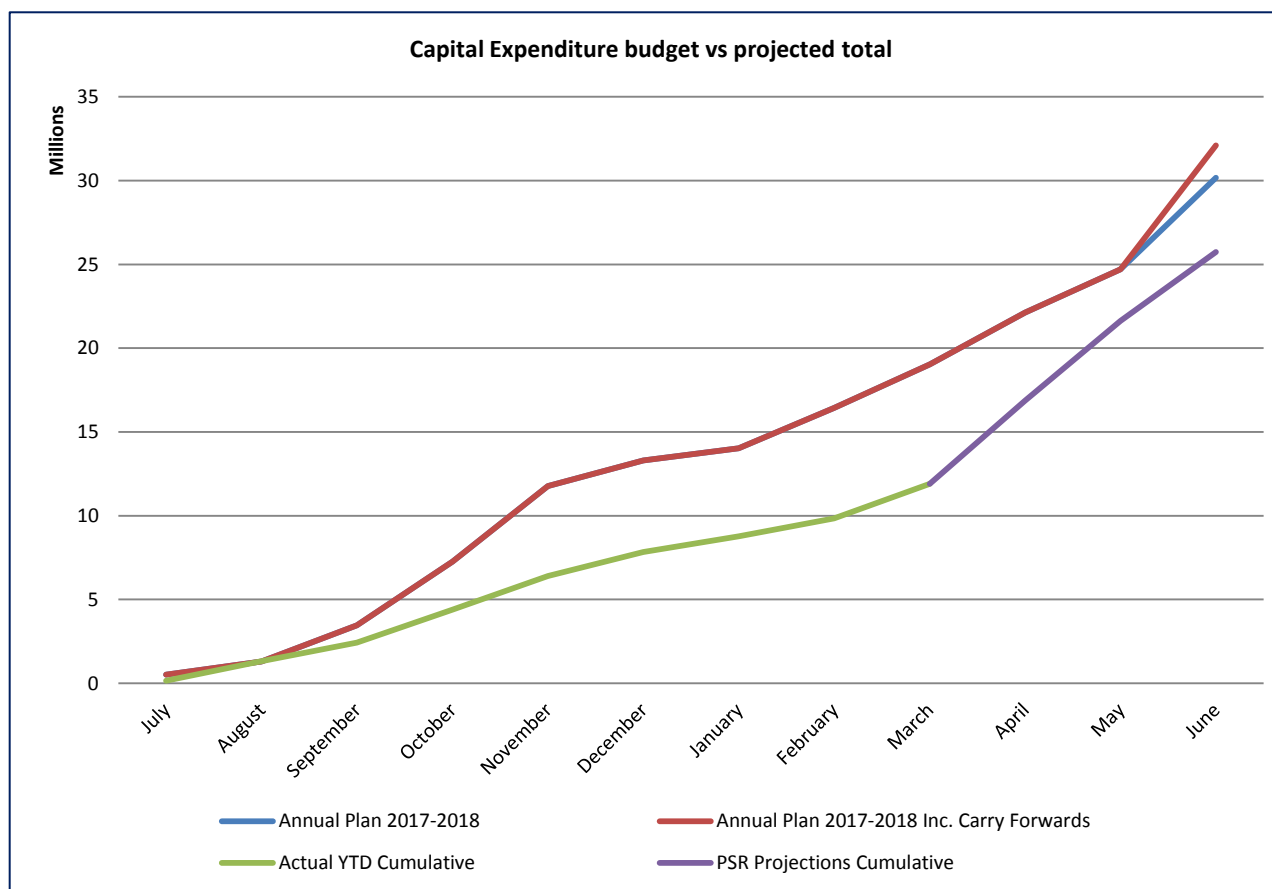
Refer to the activity pages for further details.

The year end balances of the following projects have been approved for carry forward into the 2018/19 financial year.

**Whitianga Town Centre Upgrade**  
(Roading, Wastewater, Water, Stormwater and Community Spaces activities)

**Te Ara O Hei (Great Walks)**  
(Economic Development activity)

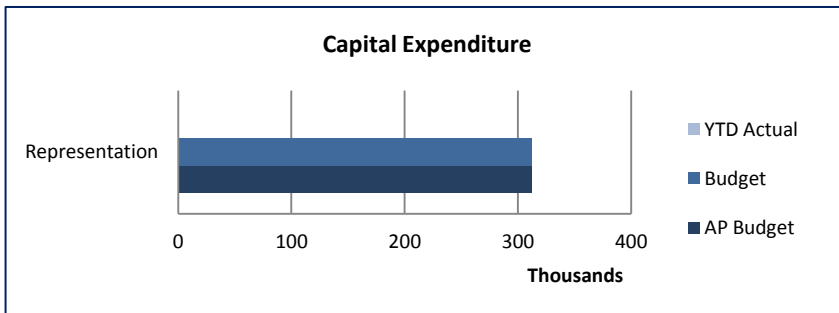
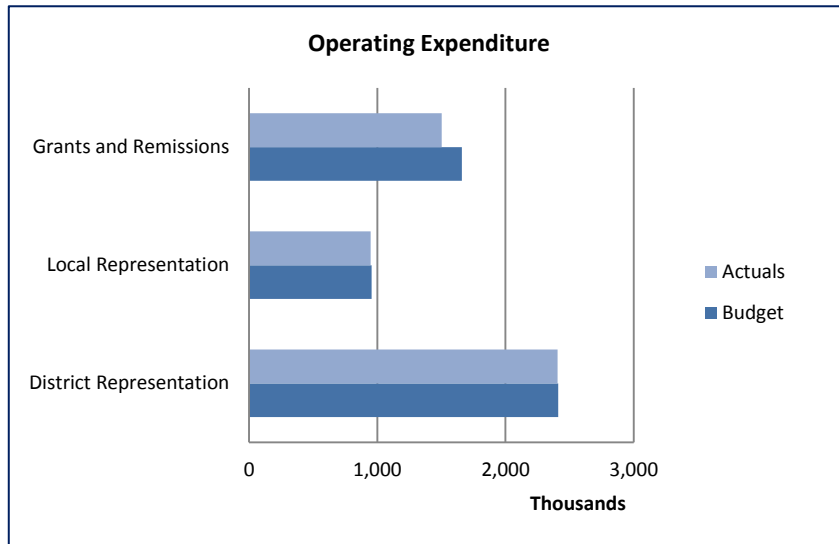
**Whitianga Boat Ramps**  
(Community Spaces activity)



# Representation Financial Measures

## Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h1>\$5.00m</h1>		-	<b>Operating Expenditure</b> <h1>\$4.86m</h1>		=	<b>Net Surplus/(-) Deficit</b> <h1>\$0.14m</h1>		<b>Capital Expenditure</b> <h1>\$0.00m</h1>	
<b>Unfavourable YTD</b> (\$0.46m)			<b>Favourable YTD</b> \$0.17m			<b>Unfavourable YTD</b> (\$0.29m)		<b>Favourable YTD</b> \$0.31m	
Full year budget	\$5.2m		Full year budget	\$6.35m		Full year budget	\$1.15m	Full year budget	\$0.31m
Full year forecast	\$5.2m		Full year forecast	\$6.35m		Full year forecast	\$1.15m	Full year forecast	\$0.31m



**Revenue**  
**Unfavourable YTD made up of**

- The variance is the difference between when we budget for rates revenue and when we receive it.

**Expenditure**  
**Favourable YTD made up of**

- Social development community grants are under budget by \$61,000 and community board discretionary spend is under budget by \$58,000. This is across all board areas.
- The remaining variance consists of a number of insignificant movements.

**Capital Expenditure**  
**Favourable YTD made up of**

- Budgeted costs for the Thames customer renovations of \$312,000 with no costs to date. The planning and design process has begun. Construction is unlikely to occur this financial year.

# Planning and Regulation Financial Measures

## Key Indicators - For the period ending 31 March 2018

### Operating Revenue

**\$7.72m**

**Unfavourable YTD (\$0.20m)**

Full year budget \$8.9m

Full year forecast \$8.9m

### Operating Expenditure

**\$8.30m**

**Unfavourable YTD (\$0.50m)**

Full year budget \$10.18m

Full year forecast \$10.18m

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### Net Surplus/(-) Deficit

**(\$0.58m)**

**Unfavourable YTD (\$0.70m)**

Full year budget (\$1.28m)

Full year forecast (\$1.28m)

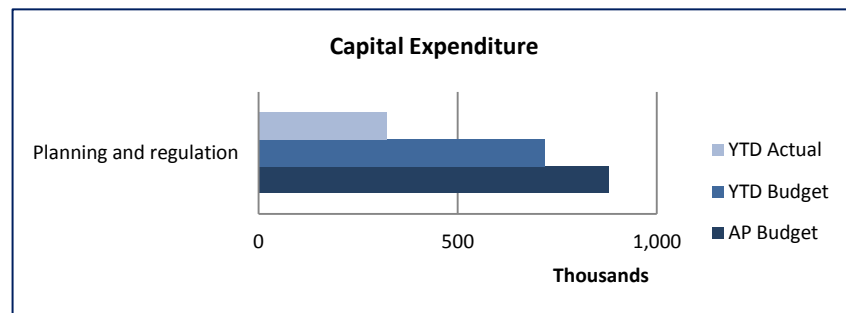
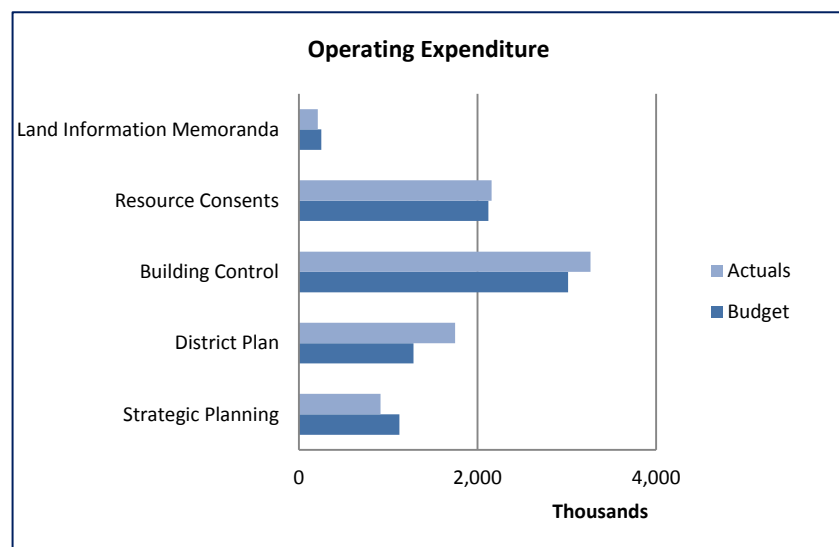
### Capital Expenditure

**\$0.32m**

**Favourable YTD \$0.40m**

Full year budget \$0.88m

Full year forecast \$0.88m



### Revenue

#### Unfavourable YTD made up of

- Building control consent fees is \$201,000 over budget, but at the same level as this time last year.
- The following activities under budget -building control inspection fees by (\$53,000), resource control consent fees by (\$33,000) and LIMS by (\$53,000).
- The balance of the variance is the difference between when we budget for rates revenue and when we receive it.

### Expenditure

#### Unfavourable YTD made up of

- Cost of processing building consents with external parties is (\$300,000) over budget.
- District plan appeal costs are over budget by (\$588,000) and salaries & wages are under budget by \$152,000.
- Strategic planning and development costs are under budget by \$70,000. The under spend is related to the budget for LTP work that will be completed over the next few months.
- Strategic planning and development in Mercury Bay is under budget by \$66,000, of which \$22,000 is related to investigation fees and \$36,000 to Whitianga Medical Centre.
- Strategic planning has a further budget of \$66,000 with no costs to date.
- The remaining variance consists of a number of insignificant movements.

### Capital Expenditure

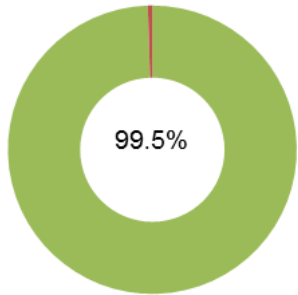
#### Favourable YTD made up of

- Spend on software is under budget by \$134,000. This under expenditure will likely continue for the rest of the financial year. The only major project is the business solution for lodging and processing of building consents.
- Hardware spend is under budget by \$136,000. This under expenditure will likely continue for the rest of the financial year.
- Purchase of plant and vehicles is under budget by \$104,000. Expenditure of \$56,000 is planned for the remainder of the year which is \$53,000 less than originally budgeted.

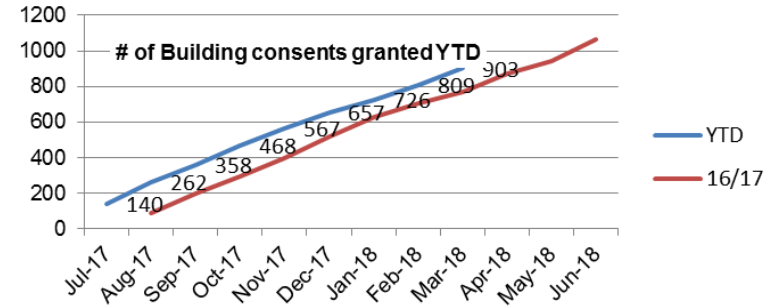
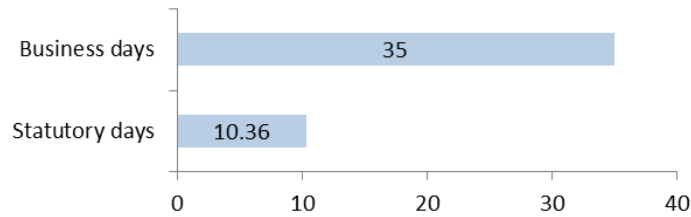
# Regulatory

## Performance measures March 2018

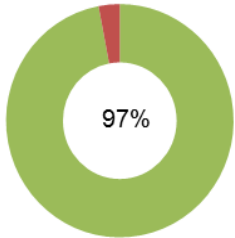
**% Building consents processed within 20 working days YTD**



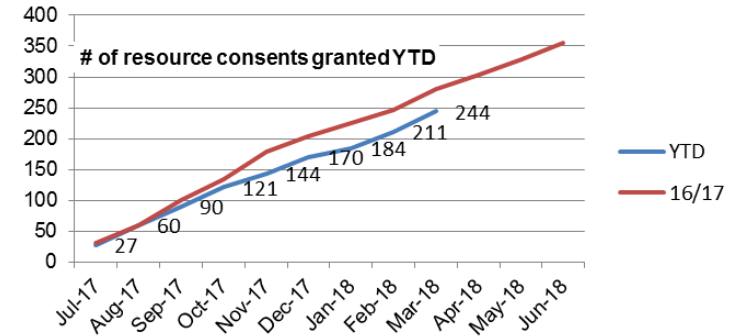
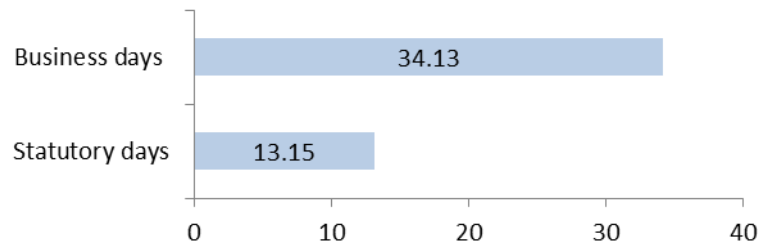
**Average days to Building Consent Decision**



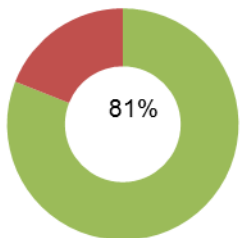
**% Resource consents processed within statutory time frames**



**Average days to resource consent decision**



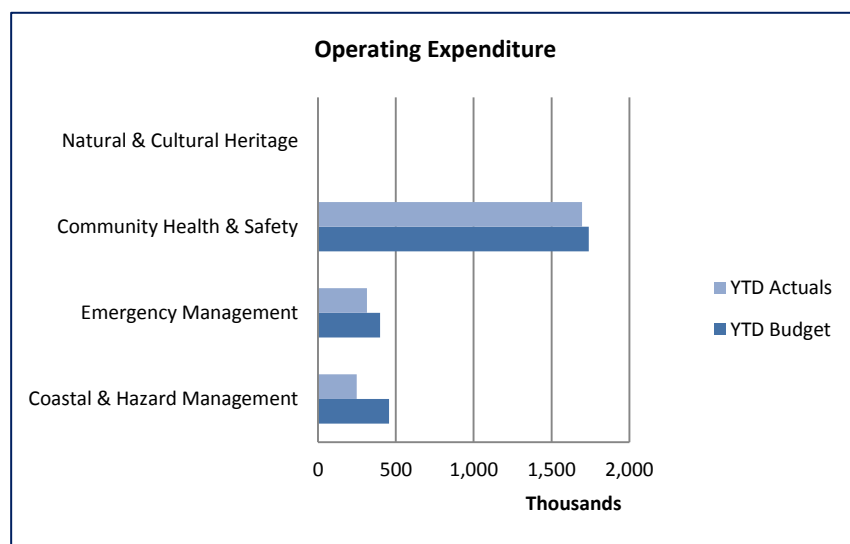
**% Code of Compliance within 20 working days YTD**



# Protection of People and the Environment Financial Measures

Key Indicators - For the period ending 31 March 2018

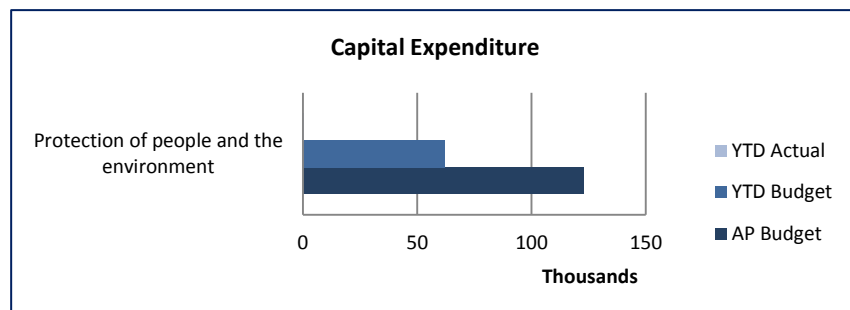
<b>Operating Revenue</b> <h2 style="text-align: center;">\$3.48m</h2> <p><b>Unfavourable YTD</b> <span style="float: right;"><b>(\$0.08m)</b></span></p> <p>Full year budget <span style="float: right;">\$3.59m</span></p> <p>Full year forecast <span style="float: right;">\$3.59m</span></p>	-	<b>Operating Expenditure</b> <h2 style="text-align: center;">\$2.26m</h2> <p><b>Favourable YTD</b> <span style="float: right;"><b>\$0.34m</b></span></p> <p>Full year budget <span style="float: right;">\$3.48m</span></p> <p>Full year forecast <span style="float: right;">\$3.48m</span></p>	=	<b>Net Surplus/(-) Deficit</b> <h2 style="text-align: center;">\$1.22m</h2> <p><b>Favourable YTD</b> <span style="float: right;"><b>\$0.26m</b></span></p> <p>Full year budget <span style="float: right;">\$0.11m</span></p> <p>Full year forecast <span style="float: right;">\$0.11m</span></p>	=	<b>Capital Expenditure</b> <h2 style="text-align: center;">\$0.00m</h2> <p><b>Favourable YTD</b> <span style="float: right;"><b>\$0.06m</b></span></p> <p>Full year budget <span style="float: right;">\$0.12m</span></p> <p>Full year forecast <span style="float: right;">\$0.12m</span></p>
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**Revenue**  
**Unfavourable YTD made up of:**  
 The variance is the difference between when we budget for rates revenue and when we receive it.

**Expenditure**  
**Favourable YTD made up of**

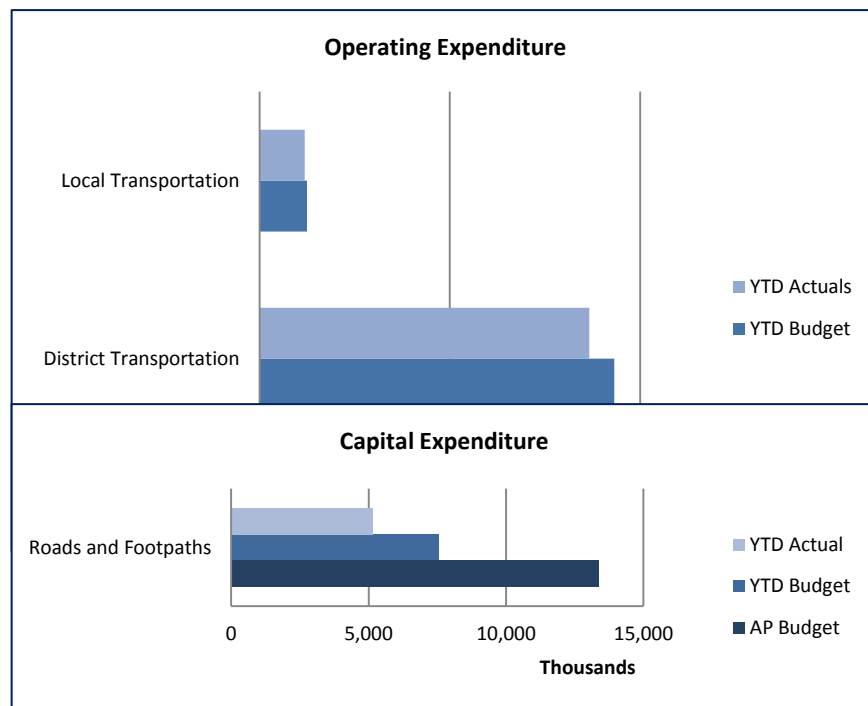
- Mercury Bay coastal erosion costs are under budget by \$180,000. A total of \$90,000 will be spent this financial year leaving an under spend of \$250,000 for this year.
- Emergency management costs are under budget by \$72,000. Between now and 30 June 2018, the Emergency Management Unit will be working with 15 communities on the Coromandel, developing Community Response Plans and establishing CD Centres in 6 of those main communities. Planned opex expenditure to 30 June is expected to be \$22,500.
- The remaining variance consists of a number of insignificant movements.



# Roads and Footpaths Financial Measures

Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h2>\$12.75m</h2> <b>Unfavourable YTD</b> (\$1.55m) Full year budget \$16.34m Full year forecast \$16.34m	-	<b>Operating Expenditure</b> <h2>\$9.86m</h2> <b>Favourable YTD</b> \$0.71m Full year budget \$14.18m Full year forecast \$14.18m	=	<b>Net Surplus/(-) Deficit</b> <h2>\$2.90m</h2> <b>Unfavourable YTD</b> (\$0.85m) Full year budget \$2.16m Full year forecast \$2.16m	<b>Capital Expenditure</b> <h2>\$5.15m</h2> <b>Favourable YTD</b> \$2.38m Full year budget \$13.37m Full year forecast \$13.37m
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### Revenue

#### Unfavourable YTD made up of:

- Revenue from roading subsidy is (\$1,682,000) under budget. LED street lighting (\$588,000), sealed and unsealed road renewals, sealed road pavement and minor improvement are the major projects behind budget and are discussed below under capital expenditure.
- Revenue from the Hahei park and ride is \$94,000 and a contribution towards the Thames public transport trial of \$11,500 has been received. Both of these were not budgeted for.

### Expenditure

#### Favourable YTD made up of:

- Year to date costs of storm events are \$653,000 under budget. There is still a substantial amount of work to be done relating to past storm events. This work is scheduled to be completed over the next 2 months.
- Costs incurred on the Hauraki cycleway are (\$117,000) with the budget for the year phased into June 2018.
- Maintenance of bridges is under budget by \$65,000, Traffic services \$61,000 and consultants costs for professional service engineers (Opus) \$121,000, due to delays in timing of the work programmes.
- The remaining variance consists of a number of insignificant movements.

### Capital Expenditure







#### Favourable YTD made up of:

- Local street lighting renewals across the district is under budget by \$602,000. LED street lighting programme commenced in December 2017. The replacement programme was late starting due to RLTP funding approval not received until November 2017. Additional resource has been identified to address the lag in achievement against the work programme. \$252,000 was spent in the month of February and March 2018.
- Kauaeranga Valley Road sealing has commenced in March with \$259,000 spent but is under budget by \$342,000. Work is scheduled to be completed by mid-May 2018.
- Work on Colville Road is complete and Port Charles Road is continuing in March. This contract was awarded mid-November 2017, later than planned, which has delayed the start date. The Wentworth Valley site is scheduled to commence in April, with the work programme planned for completion in May 2018. Tenders have been lower than expected and will result in an anticipated underspend of \$332,000 by year end.
- Unsealed road basecourse and wearing course is under budget by \$317,000. The work programme is running behind schedule. However all work is planned for completion by year end.
- Mercury Bay footpath construction is under budget by \$228,000. However, all work is planned for completion over the next three months as part of the Whitianga town centre upgrade.
- Sealed widening is under budget by \$180,000 however the budget will be spent by the end of the year with \$150,000 to be spent in May 2018.

## Roads and Footpaths - Projects

Project	Status	Total project cost (actual)		
Thames streetlight renewals	●	222,464	500,250	LED upgrade underway and is on target for completion by 30 June 2018. Cost savings have been made by using a lower cost lantern type which complies with the NZTA quality standard (M30).

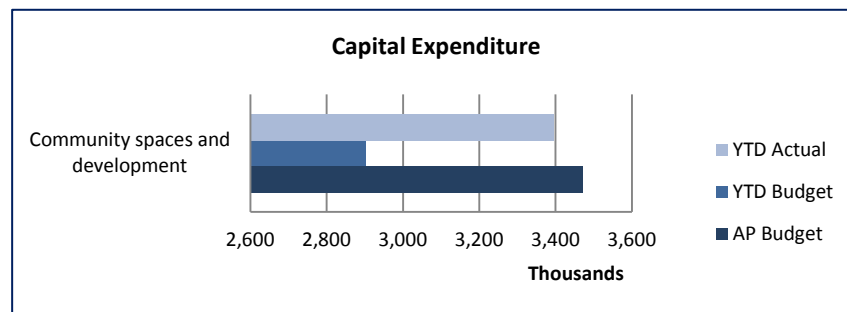
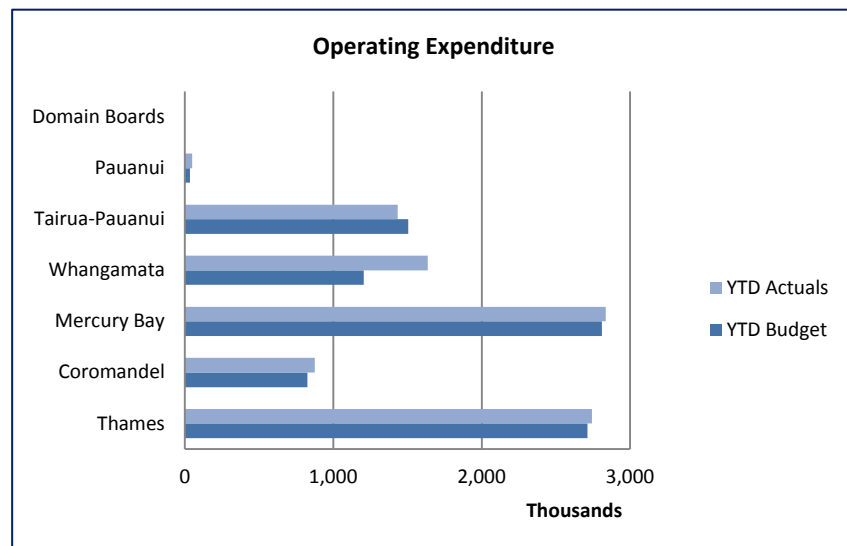


Kauaeranga Valley Road sealing		262,876	680,000	Tender awarded late February 2018. Physical works commenced on 5 March 2018, with mid-May completion date.
Coromandel streetlight renewals		25,997	71,750	LED upgrade underway and is on target for completion by 30 June 2018. Cost savings have been made by using a lower cost lantern type which complies with the NZTA quality standard (M30).
Whitianga town centre upgrade		151,076	4,606,819	Works have now commenced onsite, however as signalled early in 2017, the revised programme agreed will result in a significant part of the project being delivered during the 2018/19 financial year. Estimated achievement during the 2018/2019 year will be approximately \$2.5-million.
Tairua/Pauanui streetlight renewals		66,950	143,000	LED upgrade underway and is on target for completion by 30 June 2018. Cost savings have been made by using a lower cost lantern type which complies with the NZTA quality standard (M30).
Whangamata streetlight renewals		76,295	282,250	LED upgrade underway and is on target for completion by 30 June 2018. Cost savings have been made by using a lower cost lantern type which complies with the NZTA quality standard (M30).
Whangamata curb/channel/swale		99,432	121,073	Project completed under budget in August 2017.

# Community Spaces and Development Financial Measures

Key Indicators - For the period ending 31 March 2018

Operating Revenue		Operating Expenditure		Net Surplus/(-) Deficit		Capital Expenditure	
<b>\$12.75m</b>		<b>\$9.57m</b>		<b>\$3.18m</b>		<b>\$3.4m</b>	
<b>Favourable YTD</b>		<b>Unfavourable YTD</b>		<b>Unfavourable YTD</b>		<b>Unfavourable YTD</b>	
	<b>\$0.29m</b>		<b>(\$0.48m)</b>		<b>(\$0.18m)</b>		<b>(\$0.49m)</b>
Full year budget	\$13.13m	Full year budget	\$12.09m	Full year budget	\$1.04m	Full year budget	\$3.47m
Full year forecast	\$13.13m	Full year forecast	\$12.09m	Full year forecast	\$1.04m	Full year forecast	\$3.47m



## Revenue

### Favourable YTD made up of:

- Contribution from the Ministry of Business & Innovation for wastewater at Hot Water Beach has been invoiced at \$139,000, but has been budgeted for in the June 2018 month. This will remain a timing difference until June.
- Contributions of \$37,000 have been received for the Tairua walkway.
- Rates revenue variance of \$352,000 is the difference between when we budget for rates revenue and when we receive it.
- Revenue from Hot Water Beach carpark is over budget by \$66,000, and is a 41% increase from the same period last year.
- Development contribution revenue is under budget by (\$261,000).
- The balance consists of a number of insignificant movements.

## Expenditure

### Unfavourable YTD made up of:







- Unbudgeted costs of storm damage in Onemana. Geotechnical remediation for Onemana drive related to the March /April 2017 events (\$394,000). Other storm damage in Thames (\$118,000).
- Thames Airfield runway maintenance is under budget by \$67,000 and the Jack McLean Indoor Sports Centre operating expenditure is under budget by \$72,000. Operating expenditure will now start occurring with the opening of the centre.
- Parks and reserves Mercury Bay contract other is over budget by (\$43,000). \$60,000 has been spent on spring turf renovation.
- Other maintenance costs for parks & reserves are over budget in Tairua/Pauanui (\$49,000). Expenditure of \$45,000 on the Tairua to Pauanui trail was unbudgeted. However, the cost is offset by revenue received from the Trust. The remaining overspend relates to unscheduled maintenance, including tree works. The Community Facilities Manager is currently reviewing these budgets, and if necessary they will be revised during the March budget revision process.
- The remaining variance consists of a number of insignificant movements.

## Capital Expenditure

### Unfavourable YTD made up of:

- Whitianga boat ramp costs are \$553,000 under budget. Council has deferred \$500,000 to 2018/19.
- Whangamata Williamson park redevelopment costs are under budget by \$143,000. A resource consent was lodged in March but it is likely that the consent will be notified. If so, there will be no expenditure this financial year.
- The following projects are over budget against the AP but have approved carry forward budgets from the 2016/2017 financial year;
- Jack McLean Indoor Sports Centre costs have approved carry forward of \$447,000 and additional approved out of cycle budget of \$572,000 with costs to date of (\$1,006,000).
- Hot water beach toilet facility has approved carry forward of \$218,000 with costs to date of (\$183,000).
- Thames public convenience new replacement is under budget by \$118,000 but there is planned expenditure of \$115,000 in April 2018.

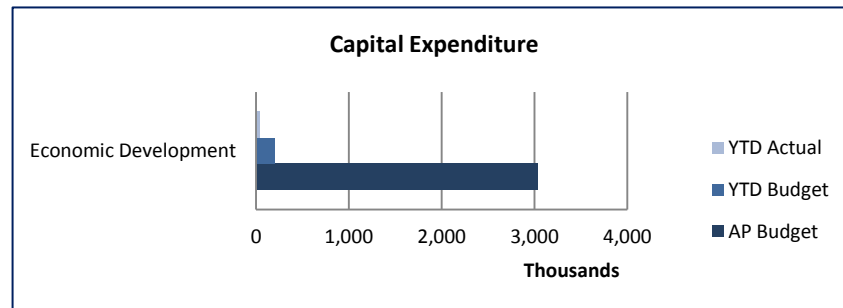
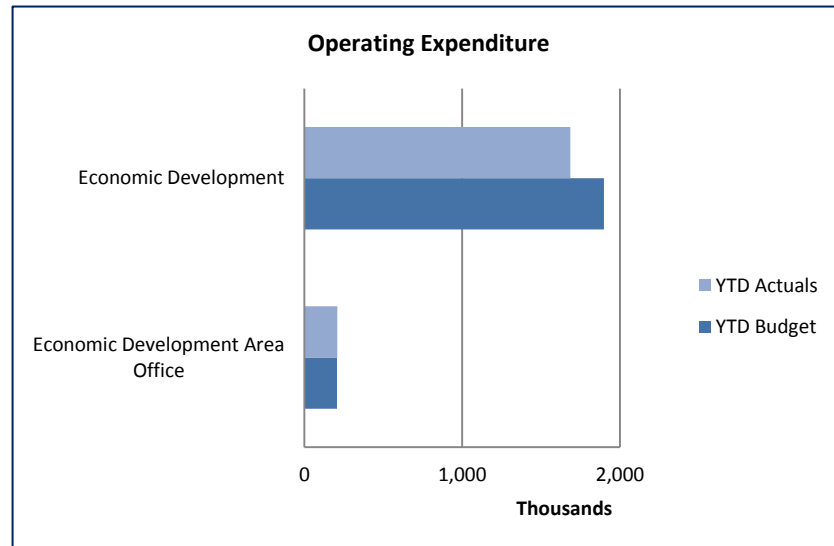
## Community Spaces and Development - Projects

Project	Status	Total project cost (actual)	Project budget to 30/6/2017	Comments or risks
Coromandel Hall renewals		84,015	250,000	Planning and design work complete. Building consent submitted and approval due by end of April. Difficulties encountered procuring local contractor. Budget insufficient to address full scope of work recently discovered. Project to be rescheduled for 2018/2019. Project being reviewed with community board on 27 April.
Matarangi boat ramp		198,627	198,549	Construction complete.
Whitianga sportsground		139,349	141,746	Construction 80% complete. On track.
Royal Billy Point boat ramp/pontoon		57,574	64,878	Consultation process complete. Design documentation complete. Resource consent application lodged. Project on track.
Williamson Park redevelopment		41,261	183,822	The Whangamata Community Board has approved the resource consent application, subject to final sign-off by Council. Preferred locations and design of shade structures is underway by community board working group.
New/replacement toilet - Grahamstown		206	118,413	Project on hold. Resource consent and building lease complications. Direction to be reviewed with community board.

# Economic Development Financial Measures

Key Indicators - For the period ending 31 March 2018

Operating Revenue		Operating Expenditure		Net Surplus/(-) Deficit		Capital Expenditure	
<b>\$2.26m</b>		<b>\$1.89m</b>		<b>\$0.37m</b>		<b>\$0.04m</b>	
<b>Favourable YTD</b>		<b>Favourable YTD</b>		<b>Favourable YTD</b>		<b>Favourable YTD</b>	
<b>\$0.02m</b>		<b>\$0.21m</b>		<b>\$0.24m</b>		<b>\$0.17m</b>	
Full year budget	\$2.98m	Full year budget	\$3.99m	Full year budget	(\$1.01m)	Full year budget	\$3.03m
Full year forecast	\$2.98m	Full year forecast	\$3.99m	Full year forecast	(\$1.01m)	Full year forecast	\$3.03m



## Revenue

### Favourable YTD made up of:

- Energy Efficiency has paid \$110,000 for contribution to electric car recharging stations.
- The balance of the variance is the difference between when we budget for rates revenue and when we receive it.

## Expenditure

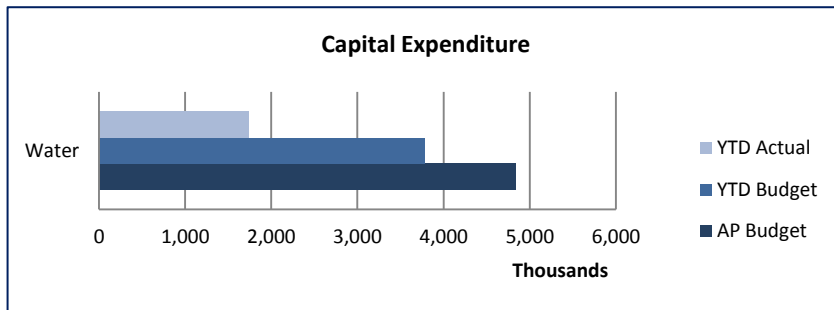
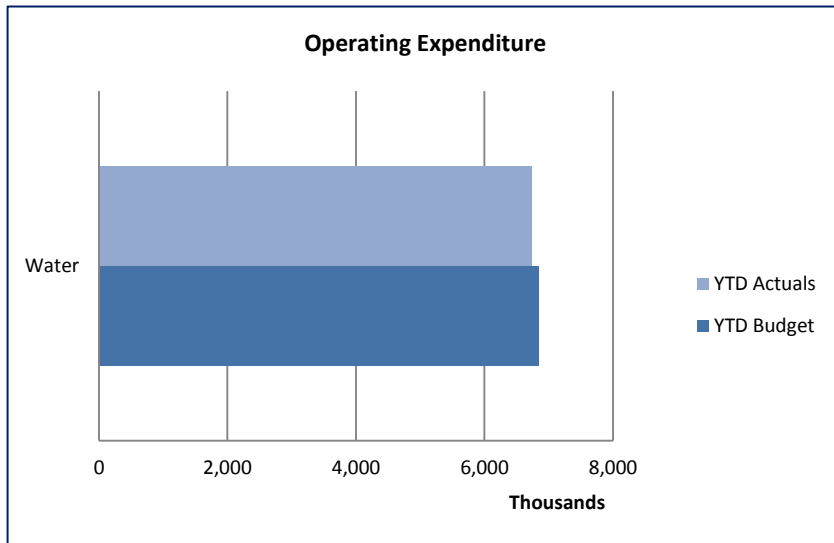
### Favourable YTD made up of:

- Expenditure on Te Ara O Hei is under budget by \$178,000 due to delays on resource consenting and reaching agreement with DOC on the Grange Road carpark. This project has been put on hold. The remaining budget will be carried forward into the 2018/19 financial year.
- Expenditure on events is under budget by \$99,000. \$19,000 was spent in March with a further application under consideration. It is likely that the full budget will not be spent this financial year.
- Budgeted post treaty settlement ED strategy of \$35,000 and no costs to date. \$10,000 of this will be spent in the next month.
- Budgeted Vodafone/RBI partnership programme of \$50,000 and no costs to date. Commencement of the project is dependant on a request from one of the partners for Council to pay their commitment amount.
- Expenditure on commercial building condition assessment and seismic screening of (\$32,000) for asset management planning which has not been budgeted.
- Expenditure of information centres is over budget by \$52,000. All payments have been made for this financial year so this is a timing difference.
- The remaining variance consists of a number of insignificant movements.

# Water Financial Measures

## Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h3>\$8.77m</h3> <b>Favourable YTD \$0.15m</b> Full year budget \$9.33m Full year forecast \$9.33m		-	<b>Operating Expenditure</b> <h3>\$6.73m</h3> <b>Favourable YTD \$0.12m</b> Full year budget \$9.0m Full year forecast \$9.0m		=	<b>Net Surplus/(-) Deficit</b> <h3>\$2.04m</h3> <b>Favourable YTD \$0.27m</b> Full year budget \$0.32m Full year forecast \$0.32m		=	<b>Capital Expenditure</b> <h3>\$1.74m</h3> <b>Favourable YTD \$2.04m</b> Full year budget \$4.83m Full year forecast \$4.83m	
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### Revenue

#### Favourable YTD made up of:

The variance is the difference between when we budget for rates revenue and when we receive it.

### Expenditure

#### Favourable YTD made up of:




- Investigation costs are under budget by \$87,000 and rates remission by \$47,000.

### Capital Expenditure

#### Favourable YTD made up of:

- Thames South water project is under budget by \$385,000. Total of 4200m installed from Omahu Valley Rd to Townsend Rd and 1500m between Townsend Rd and Hikutaia. Approximately 90% of the trunk main is completed. Final works have been completed between Matatoki and Puriri. Low flow gaugings have been undertaken for the Apakura consent.
- Drinking water standards upgrade project is under budget by \$1,126,000. Procurement of key materials is underway to be completed by 30 June 2018. A total of \$1,710,000 is planned to be spent before the end of the financial year with an anticipated underspend of \$126,000.
- Whangamata systems optimisation project is under budget by \$245,000. This project is to construct new pipe infrastructure that will allow improved distribution and balance of the water sources. Commencement is scheduled for April / May 2018.
- Water renewals are underspent by \$308,000. This budget is for the Whitianga town centre upgrade and it is likely that this will be spent this year.

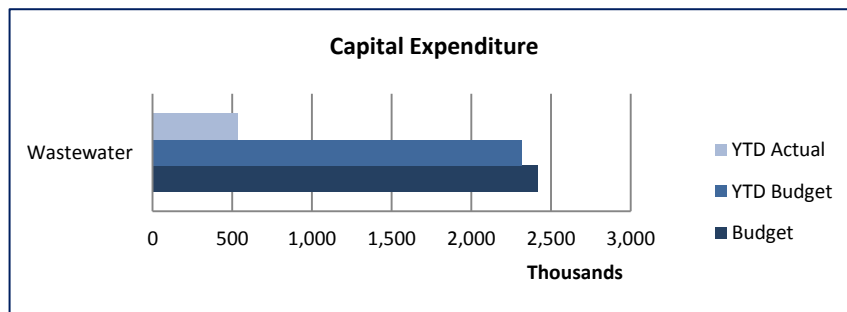
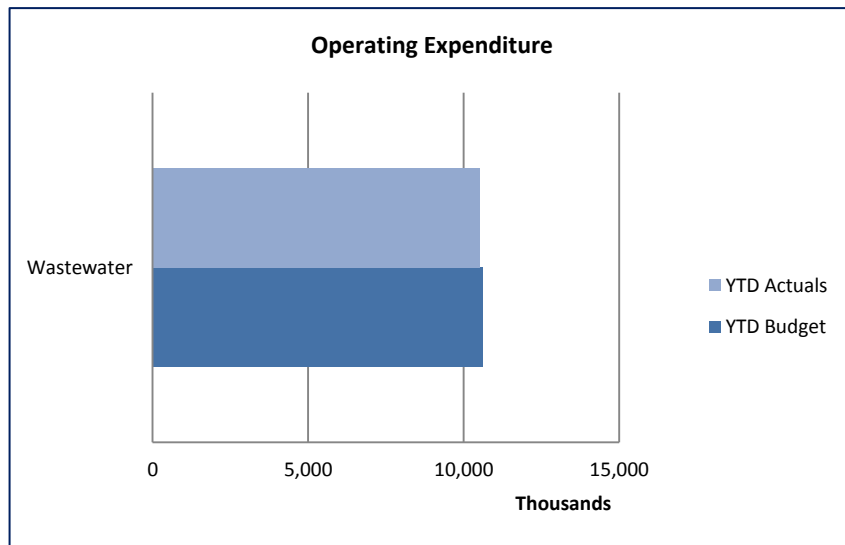
## Water - Projects

Project	Status	Total project cost (actual)	Project budget to 30/6/2017	Comments or risks
Thames South Water		507,438	922,593	Construction underway and almost finished. Works to be completed by end of June 2018.
Whangamata system optimisation		7,995	302,500	Three packages of work scoped, with two to be delivered this financial year. Tender documents to be issued by end of April, with construction of additional reservoir on Pacific Heights and upgrade to Herbert Road reservoir, due to be completed by June 2018.
Drinking Water Standards upgrades		775,081	2,610,993	Ordering tender for supply-only of UV treatment units due back end of April. Tender documentation issued for Whitianga Water Treatment Plant with a contract anticipated to be signed by end of May. Construction to commence in June with completion likely to be during the following financial year. Carry forward of approximately \$200,000 expected to be required.



# Wastewater Financial Measures

Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h2>\$15.85m</h2>		-	<b>Operating Expenditure</b> <h2>\$10.53m</h2>		=	<b>Net Surplus/(-) Deficit</b> <h2>\$5.32m</h2>		<b>Capital Expenditure</b> <h2>\$0.54m</h2>	
<b>Unfavourable YTD</b> <b>(\$0.06m)</b>			<b>Favourable YTD</b> <b>\$0.11m</b>			<b>Favourable YTD</b> <b>\$0.04m</b>		<b>Favourable YTD</b> <b>\$1.78m</b>	
Full year budget	\$16.21m		Full year budget	\$14.07m		Full year budget	\$2.14m	Full year budget	\$2.42m
Full year forecast	\$16.21m		Full year forecast	\$14.07m		Full year forecast	\$2.14m	Full year forecast	\$2.42m



## Wastewater - Projects

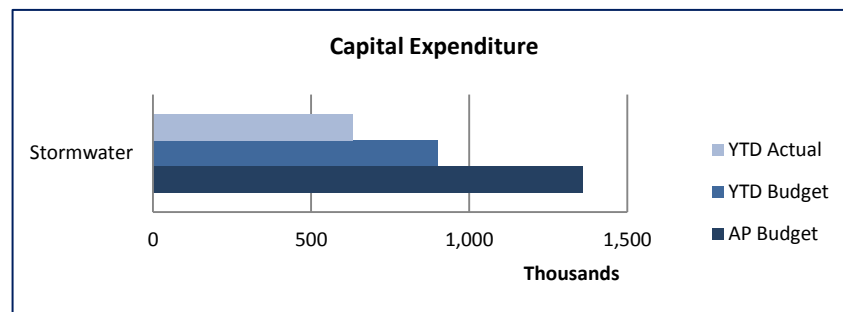
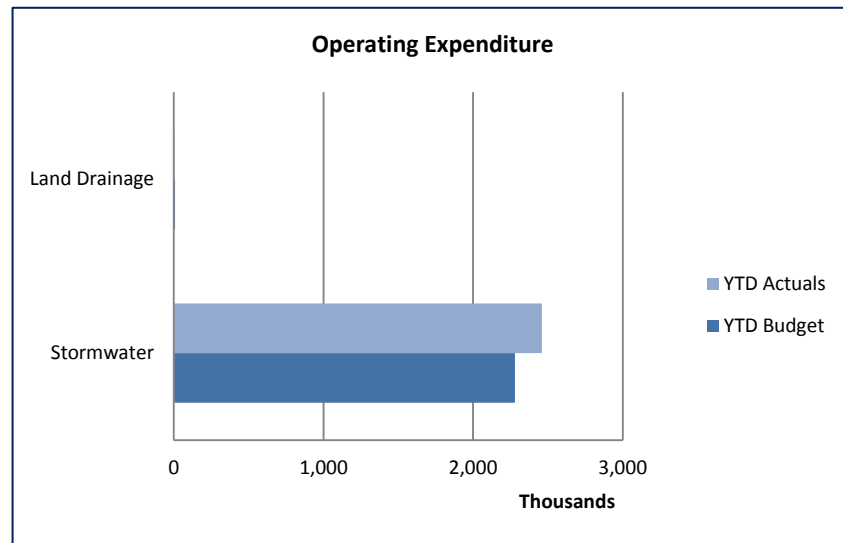
Project	Status	Total project cost (actual)	Project budget to 30/6/2017	Comments or risks
Matarangi treatment aeration and filters		22,481	410,160	Baffle curtains and aerators installed. Upgrade of the inlet screen underway for May 2018. Power upgrade with power contractor and will be completed by 30 June 2018.
Hahei treatment plant upgrade		77,785	350,343	Baffle curtains and aerators have been installed. Delay with the delivery of screen from the supplier. Delivery is due end of April 2018. Additional works required to install amenities building. All construction work to be completed by end of June.



# Stormwater Financial Measures

Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h2>\$3.23m</h2>		-	<b>Operating Expenditure</b> <h2>\$2.47m</h2>		=	<b>Net Surplus/(-) Deficit</b> <h2>\$0.77m</h2>		<b>Capital Expenditure</b> <h2>\$0.63m</h2>	
<b>Favourable YTD</b> <span style="float:right">\$0.02m</span>			<b>Unfavourable YTD</b> <span style="float:right">(\$0.18m)</span>			<b>Unfavourable YTD</b> <span style="float:right">(\$0.16m)</span>		<b>Favourable YTD</b> <span style="float:right">\$0.27m</span>	
Full year budget	\$3.22m		Full year budget	\$3.08m		Full year budget	\$0.14m	Full year budget	\$1.36m
Full year forecast	\$3.22m		Full year forecast	\$3.08m		Full year forecast	\$0.14m	Full year forecast	\$1.36m



**Expenditure**

**Unfavourable YTD made up of:**

- Unbudgeted settlement costs relating to Quipco stormwater pipeline works with Whitianga Waterways on completion of stage 8. (\$134,000). However, funding for these costs is in a reserve and will be applied at year end.
- Storm damage costs of (\$74,000) which were not budgeted for.
- investigation fee are under budget by \$82,000
- The remaining variance consists of a number of insignificant movements.

**Capital Expenditure**

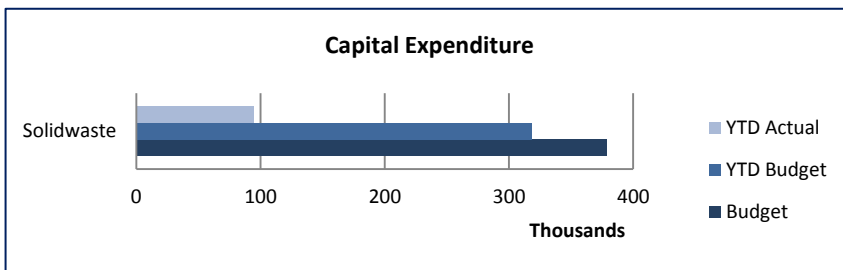
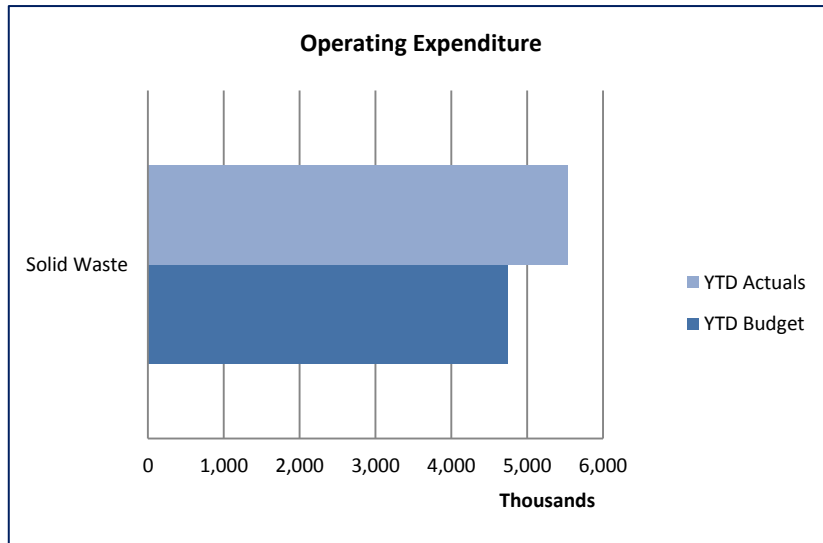
**Favourable YTD made up of:**

- Costs of stormwater improvements to reduce flood inundation risk for property around Sarah Ave is (\$530,000) with approved carry forward budget of \$577,000.
- District wide renewals are under budget by \$797,000. This budget has been partly allocated to the Whitianga town centre upgrade. Costs of up to \$400,000 will be incurred in May/June 2018 period. The remainder of the budget is planned to be spent this financial year on other projects.

# Solidwaste Financial Measures

Key Indicators - For the period ending 31 March 2018

<b>Operating Revenue</b> <h2>\$6.87m</h2>		<b>Operating Expenditure</b> <h2>\$5.53m</h2>		<b>=</b>	<b>Net Surplus/(-) Deficit</b> <h2>\$1.33m</h2>		<b>Capital Expenditure</b> <h2>\$0.09m</h2>	
<b>Favourable YTD</b> Full year budget Full year forecast	<b>\$0.76m</b> \$6.72m \$6.72m	<b>Unfavourable YTD</b> Full year budget Full year forecast	<b>(\$0.8m)</b> \$6.34m \$6.34m		<b>Unfavourable YTD</b> Full year budget Full year forecast	<b>(\$0.03m)</b> \$2.85m \$2.85m	<b>Favourable YTD</b> Full year budget Full year forecast	<b>\$0.22m</b> \$0.38m \$0.38m



**Revenue**

**Favourable YTD made up of:**

- Fees from transfer stations are over budget by \$356,000. Fee collections are 11% up on this time last year. Revenue is up in Whitianga, Tairua & Pauanui.
- Solid waste collection revenue is over budget by \$192,000. Bag sales revenue is comparable with the same YTD period last year.
- Development contribution revenue is \$213,000 with no budget provided for this year

**Expenditure**

**Unfavourable YTD made up of:**


- Transfer station costs are over budget by (745,000). Green waste disposal & transport is (\$147,000) over budget. These are partly due to the closure of the compactor and high transport costs taking waste to Tuakau. An alternative location is now being considered which will reduce costs when negotiations are completed. Contract transport costs and disposal fees are (\$382,000) over budget. RTS maintenance costs are (\$162,000) with no budget provided. RTS maintenance is increasing with the ageing of equipment and involves constant repairs to compactors, barriers, fencing and roads. Note revenue increase of \$356,000 partly covers this increase in costs.
- Solid waste disposal levy costs are over budget by (\$121,000) for the grant given to the Seagull Centre Ltd for waste minimisation funding.

**Capital Expenditure**

**Favourable YTD made up of:**






- Solid waste RTS improvements are under budget by \$119,000. Delays due to resource consent issues with expenditure to now commence later in 2018. Whitianga transfer station is under budget by \$73,000. Resource issues have delayed commencement. Due to the wider requirements, a master plan for the site is being produced to ensure the final site layout and development functions as required for the Solid Waste and other activities, such as the wastewater treatment plant.






## Solid Waste - Projects

Project	Status	Total project cost (actual)	Project budget to 30/6/2017	Comments or risks
Transfer station improvements		1,500	150,000	A number of packages of work are underway; H+S improvements including barriers, improved refuse transfer pods and improvements to the Coromandel refuse transfer station access road drainage.

## Top 10 Infrastructure Projects

Below is a status update on the top 10 infrastructure projects that are not included in the activity sections of this report. Note that 6 weekly updates of the Community Facilities projects are provided in the Community Board agendas.

Project	Status	Total project cost (actual)	Project budget to 30/6/2018	Comments or risks
Roading - pavement treatment		389,116	1,666,500	Work began on Colville Road in February and Port Charles Road in March. This contract was awarded mid-November 2017, later than planned, which has delayed the start date. The Wentworth Valley site is scheduled to commence in April, with the work programme planned for completion in May 2018.
Wastewater - district renewals		368,429	1,555,918	Expected spend under this budget is anticipated to be in the order of \$1.45-million. A significant portion of this budget has been allocated to the Whitianga town centre upgrade project.
Stormwater - district renewals		101,102	1,358,523	The budget has been partly allocated to the Whitianga town centre upgrade. A number of reactive renewals are also anticipated for the budget. Works in the vicinity of railway land in Kopu have required longer timeframes to progress. Anticipated achievement under this project is \$1.05-million.
Roading - maintenance chip seals		1,021,442	1,026,000	The chip sealing programme was completed in December 2017.
Water - district renewals		287,357	947,747	Whilst the packages of renewals have all been allocated, the delivery has been slower than anticipated. Additional project delivery meetings, held weekly, are accelerating the programme which is undertaken in conjunction with the wastewater and stormwater renewals. Expected spend under this renewals budget for the year will be approximately \$900,000... A portion of this budget is also associated with the Whitianga town centre upgrade.

Project	Status	Total project cost (actual)	Project budget to 30/6/2018	Comments or risks
Roading - major drainage control		692,445	707,325	The majority of the work programme has been completed with approximately 10% remaining to be completed before year end.
Roading - minor safety projects		585,203	660,677	On track to be completed before 30 June 2018.
Roading - unsealed road wearing course replacement		290,336	650,000	The programme is behind schedule, however all work is planned for completion by year end.
Roading - thin AC surfacing		187,173	502,500	Annual asphalt resurfacing was completed in December. The balance of the budget is allocated for the Whitianga town centre upgrade project, so timeframes for delivery are dependent on that project.
Roading - unsealed road basecourse replacement		313,320	450,000	The programme is behind schedule, however all work is planned for completion by year end.