



Exceptions Report

For the month of July 2021

Financial Report

Capital Programme

Procurement

Building and Resource Consents

Customer Services

Financial Report

Statement of Operating and Capital Performance

| | This Month 31 July 2021 | | | | Year to 31 July 2021 | | | | Whole Year | |
|--|-------------------------|--------------------|-----------------|-----------|----------------------|--------------------|-----------------|-----------|--------------------|-----------------|
| | Actual \$'000 | Annual Plan \$'000 | Variance \$'000 | Indicator | Actual \$'000 | Annual Plan \$'000 | Variance \$'000 | Indicator | Annual Plan \$'000 | Forecast \$'000 |
| All | | | | | | | | | | |
| Rates | 3,362 | 3,812 | (449) | ● | 3,362 | 3,812 | (449) | ● | 41,942 | 41,942 |
| Activity Revenue and Other Income | 1,291 | 672 | 619 | ● | 1,291 | 672 | 619 | ● | 7,437 | 7,437 |
| Subsidies and Grants - Operational | 438 | 437 | 0 | ● | 438 | 437 | 0 | ● | 5,259 | 5,259 |
| Total Operating Income | 5,092 | 4,922 | 170 | ● | 5,092 | 4,922 | 170 | ● | 54,638 | 54,638 |
| Employee Benefits | 1,244 | 1,317 | 73 | ● | 1,244 | 1,317 | 73 | ● | 15,520 | 15,520 |
| Contractors | 116 | 195 | 78 | ● | 116 | 195 | 78 | ● | 2,513 | 2,513 |
| Professional Services | 497 | 733 | 236 | ● | 497 | 733 | 236 | ● | 9,269 | 9,269 |
| Repairs and Maintenance | 793 | 524 | (269) | ● | 793 | 524 | (269) | ● | 7,051 | 7,051 |
| Finance costs | 168 | 214 | 46 | ● | 168 | 214 | 46 | ● | 2,568 | 2,568 |
| Other Operating Costs | 526 | 461 | (66) | ● | 526 | 461 | (66) | ● | 6,709 | 6,709 |
| Total Operating Costs | 3,345 | 3,443 | 99 | ● | 3,345 | 3,443 | 99 | ● | 43,630 | 43,630 |
| Operating Surplus/(Deficit) <small>(before Depreciation)</small> | 1,747 | 1,478 | 269 | ● | 1,747 | 1,478 | 269 | ● | 11,008 | 11,008 |
| Capital Subsidies | 349 | 85 | 264 | ● | 349 | 85 | 264 | ● | 33,001 | 33,001 |
| Contributions | 732 | 304 | 428 | ● | 732 | 304 | 428 | ● | 3,860 | 3,860 |
| Other Capital Revenue | (20) | 0 | (20) | ● | (20) | 0 | (20) | ● | 0 | 0 |
| Total Capital Revenue | 1,062 | 389 | 673 | ● | 1,062 | 389 | 673 | ● | 36,861 | 36,861 |
| Capital Expenditure | 1,307 | 472 | (836) | ● | 1,307 | 472 | (836) | ● | 51,604 | 64,480 |
| Total Capital Payments | 1,307 | 472 | (836) | ● | 1,307 | 472 | (836) | ● | 51,604 | 64,480 |
| Subtotal Capital | (245) | (83) | (163) | ● | (245) | (83) | (163) | ● | (14,743) | (27,619) |
| Surplus/(Deficit) <small>(before Loan Payments and Depreciation)</small> | 1,502 | 1,396 | 106 | ● | 1,502 | 1,396 | 106 | ● | (3,734) | (16,611) |

Key: ● Within 5% of budget

● Over or under budget by 5 - 10%

● Over or under budget by more than 10%

Statement of Operating Performance

Comments on major variances

Operating Income:

| Account | Rationale | YTD Variance \$000 |
|--|--|-----------------------|
| Rates Revenue | The variance in penalties this month is predominately because of changing the status of 19 whenua Maori blocks to non-rateable and writing off the arrears as required by the implementation of the Local Government (Rating of Whenua Maori) Amendment Act that came into force on 1 July 2021. The penalty write-offs related to this, amounted to \$623k. | (477) |
| | Targeted rates for wastewater are ahead of budget due to capital repayments for the Mangawhai scheme but recorded as revenue for accounting purposes. | 35 |
| | Water by meter revenue is ahead of budget for the month due to actual high-water consumption in Dargaville area. | 95 |
| Activity Revenue and Other Income | Activity revenue: | |
| | <ul style="list-style-type: none"> Building Control – activity revenue \$34k up on budget plus and prior year revenue recognition adjustment of \$245k being moved to FY22 | 279 |
| | <ul style="list-style-type: none"> Resource Consenting – activity revenue for the month \$37k lower than budget but offset by prior year revenue recognition adjustment of \$452k being moved to FY22 | 415 |
| | <ul style="list-style-type: none"> The Licences and Registration's fee are lower this month due to timing difference. | (120) |
| | <ul style="list-style-type: none"> External recovery costs are ahead of budget for the month. Waste levy of 21k and NTA recoveries are received this month. | 22 |
| Operating Subsidies and Grants | Operational subsidies from NZTA are on budget for the month. | |

Operating Costs:

| Account | Rationale | \$000 |
|-------------------------|---|-------|
| Employee Benefits | Employee benefits costs are below budget for the month. | 73 |
| Contractors | The contractor's costs are below budget for the month. | 288 |
| Professional Services | The professional services costs - Includes: <ul style="list-style-type: none"> <i>This month:</i> \$111k for addition planning services to support the Resource Management activity (There is a timing delay in this being charged and shown as revenue). | 236 |
| Repairs and Maintenance | Transportation: - Roading works maintenance programme - early start of scheduled unsealed roads maintenance work. | 102 |
| | Waters: - Increase of cost due to Dargaville Wastewater Treatment plant desludging operations. | 167 |
| Finance Costs | Below budget due to lower inter-period loan balances. | 46 |
| Other Operating Costs | Additional cost for postage, valuation services, software licences and landfill leachate removal costs incurred - timing difference | 102 |

Capital Revenue

| Account | Rationale | \$000 |
|-------------------|--|-------|
| Capital Subsidies | Capital subsidies are ahead of budget for the month – timing difference | 264 |
| Contributions | The contributions are ahead of budget for the month: <ul style="list-style-type: none"> Development contributions are ahead of budget due to prior year adjustment of revenue being moved to FY22 for accounting purposes | 357 |
| | <ul style="list-style-type: none"> Financial contributions are ahead of budget for the month. | 71 |

Public Debt:

The public debt position as at 31 July 2021 is \$44 million and the net debt position (debt less cash) is \$31.4 million.

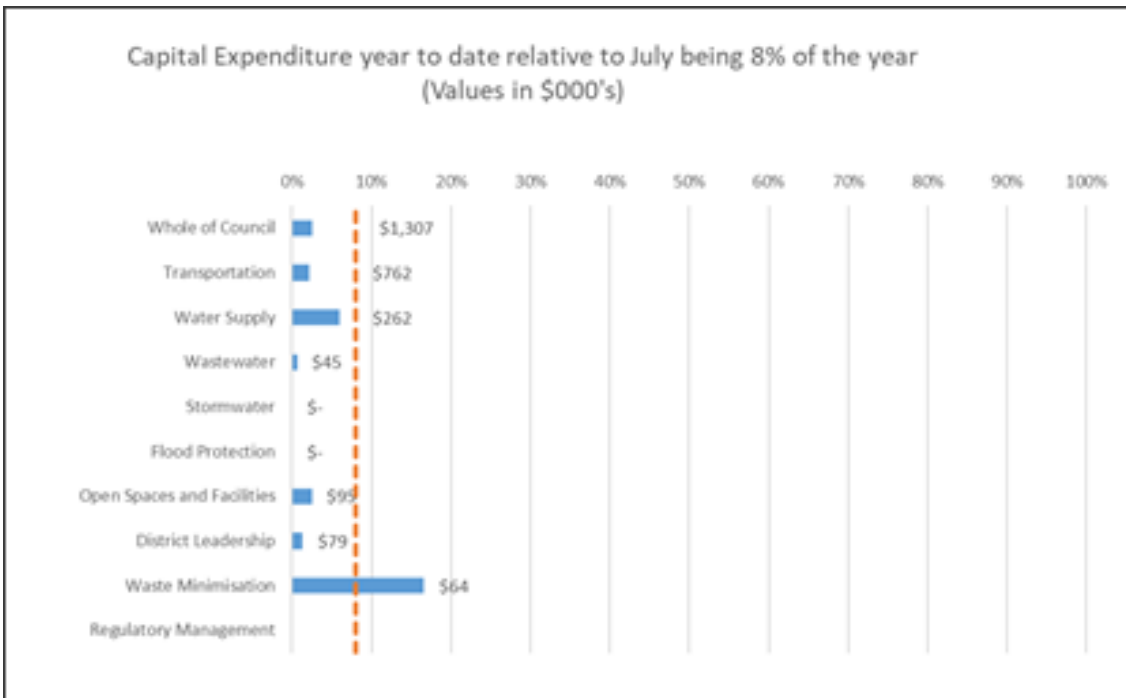
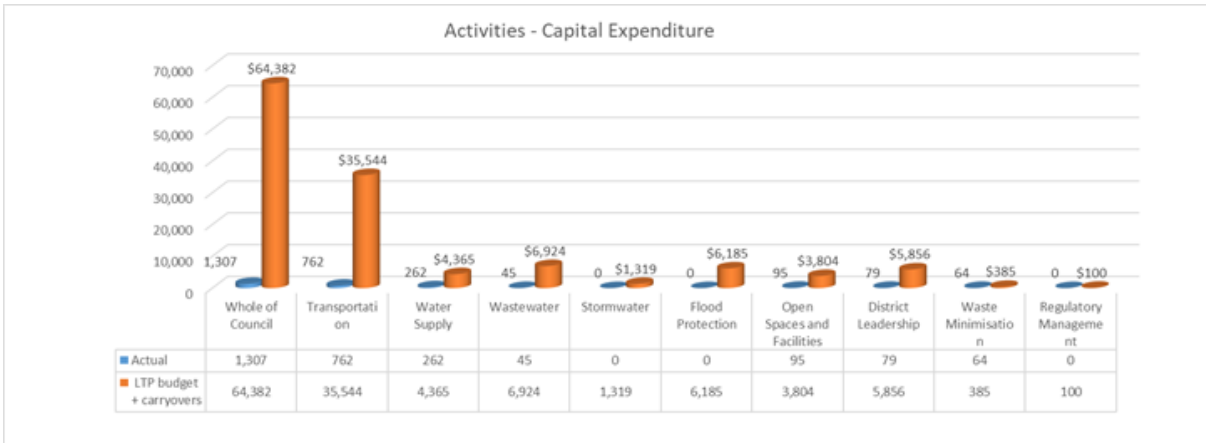
| Public Debt and Requirements | | | |
|--|----------------------|-------------------------|----------------------|
| | June 2020 | 31 July 2021 | June 2021 |
| | \$000's | \$000's | \$000's |
| Debt | | | |
| Public Debt | 44,000 | 44,000 | 45,702 |
| Cash in bank (overnight deposits) | (4,398) | (12,637) | (526) |
| Net Debt | 39,602 | 31,363 | 45,176 |
| Reserves (future obligations) | | | |
| Development Contribution Reserve | (24,702) | (27,236) | (28,589) |
| Other Reserves | 17,848 | 17,849 | 17,281 |
| Total reserves (future obligations) | (6,854) | (9,388) | (11,308) |
| Debt Requirements | | | |
| Public Debt | 44,000 | 44,000 | 45,702 |
| Future obligations | 17,848 | 17,849 | 17,281 |
| Gross Debt Requirement | 61,848 | 61,849 | 62,983 |
| Less cash in bank | (4,398) | (12,637) | (526) |
| Net Debt Requirements | 57,451 | 49,211 | 62,457 |

*Note: Reserves balances are only recalculated at end of year.

Capital Expenditure for the period ended 31 July 2021

| Activity - Capital Expenditure | Actual as at 31 July 2021 | | | | Whole Year | |
|--|---------------------------|------------------------|------------------|-----------|------------------------|-------------------------------------|
| | Actual YTD \$000's | Long Term Plan \$000's | Variance \$000's | Indicator | Long Term Plan \$000's | Long Term Plan + Carryovers \$000's |
| Open Spaces and Facilities | 95 | 5 | (90) | ● | 2,938 | 3,804 |
| District Leadership, Finance and Internal Services | 79 | 190 | 111 | ● | 4,801 | 5,856 |
| Transportation | 762 | 137 | (625) | ● | 28,386 | 35,544 |
| Wastewater | 45 | 60 | 15 | ● | 6,076 | 6,924 |
| Water Supply | 262 | 80 | (182) | ● | 1,734 | 4,365 |
| Stormwater | 0 | 0 | 0 | ● | 1,319 | 1,319 |
| Flood Protection and Land Drainage | 0 | 0 | 0 | ● | 6,060 | 6,185 |
| Waste Minimisation | 64 | 0 | (64) | ● | 340 | 385 |
| Resource Consents, Building Control and Compliance | 0 | 0 | 0 | ● | 100 | 100 |
| | 1,307 | 472 | (835) | | 51,754 | 64,482 |

The capital expenditure completed this month for whole of Council is 2% against LTP budget plus carryovers.



A detailed capital expenditure report can be found in Attachment A.

Capital Programme

General observations and comments

End of Year Summary (NTA)

- Overall, we ended the year with a 57% spend of total budget. Noting this includes a number of additional projects added to the original programme and having separate MBIE milestone requirements, independent of the financial year.
- Separating the subsidized budget out we achieved a budget spend of 97.6%.
- The unsubsidised budget we achieved a budget spend of 33%, resulting in a number of carry overs. There are a number of reasons for these underspends:
 - PGF – Kaihu Valley Trail. Project has separate MBIE milestones independent to financial year. Added to the roading programme late in the financial year.
 - PGF – Mangawhai shared path. Project has separate MBIE milestones independent to financial year. Noting approval was not received until March 2021
 - PGF – Waipoua River Road. Project has separate MBIE milestones independent to financial year. Project on hold until principal conversation resolved with DOC.
 - PGF – Kaiwaka Bridges. Project has separate MBIE milestones independent to financial year. Received late in the financial year.
 - PGF – Pouto Road. Project has separate MBIE milestones independent to financial year.

Procurement

In Process/ Awarded

| Project | Estimate | Procurement Method | Comments |
|-------------------------------------|----------|--|--|
| Pouto wharf design build | \$1.8m | Open market D&C | Contract awarded: STF LDE |
| MWWTP new balance tank | \$1.9m | Open market | RFP closed; evaluation underway |
| Pahi Wharf pontoon | \$625k | Invited tender (formerly direct appointment) | Contract awarded: Bellingham Marine |
| Pahi wharf carpentry works | \$225k | Invited tender | Contract awarded: Hubands Construction |
| Maungaturoto raw watermain renewals | \$790k | 3 Waters panel | Contract Awarded: Ventia |

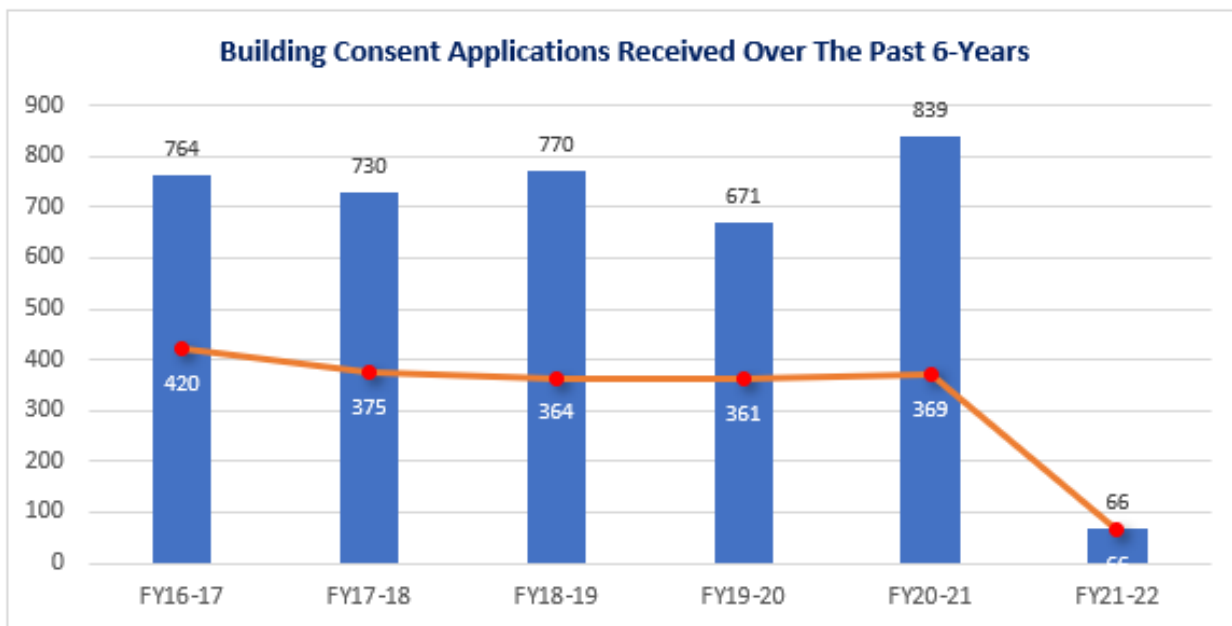
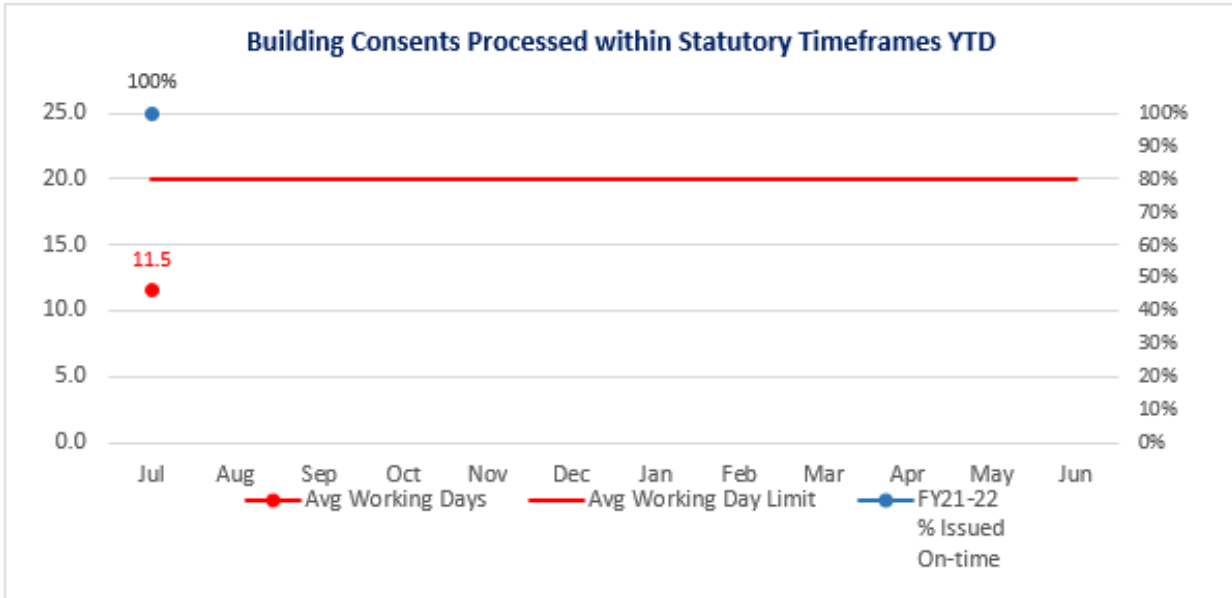
2021 Programme

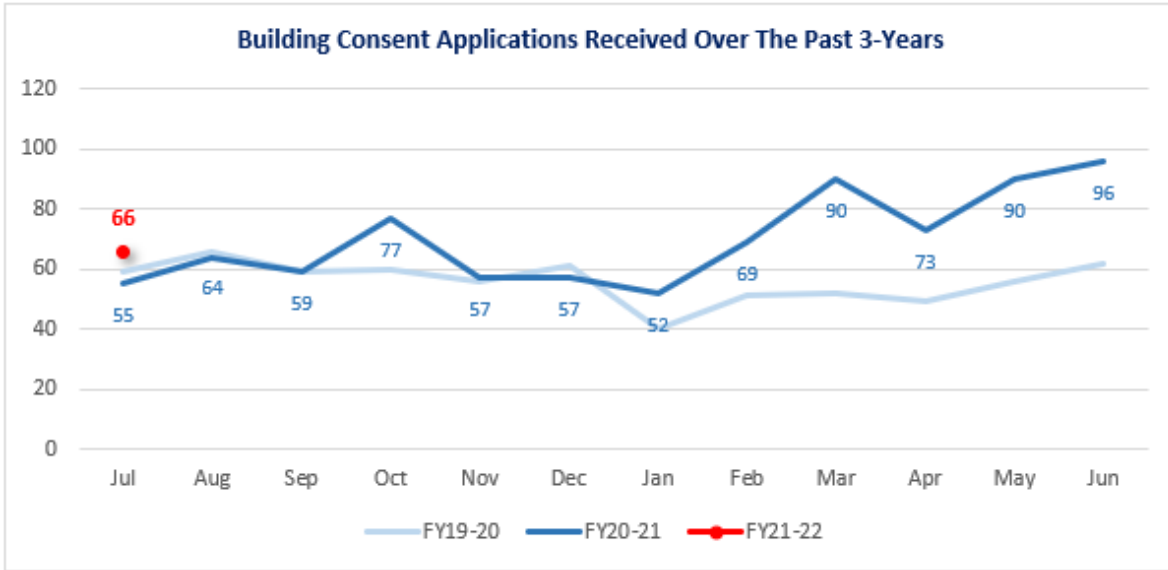
| Project | Estimate | Procurement Method | Comments |
|--------------------------------|----------|--------------------|----------------------------------|
| Dargaville wastewater renewals | \$400k | 3 Waters panel | Tender to be issued in August |
| Kaiwaka wastewaters renewals | \$370k | 3 Waters panel | Tender to be issued in September |
| Mungaturoto water truck filler | \$450k | 3 Waters panel | Tender to be issued in September |

Building and Resource Consents

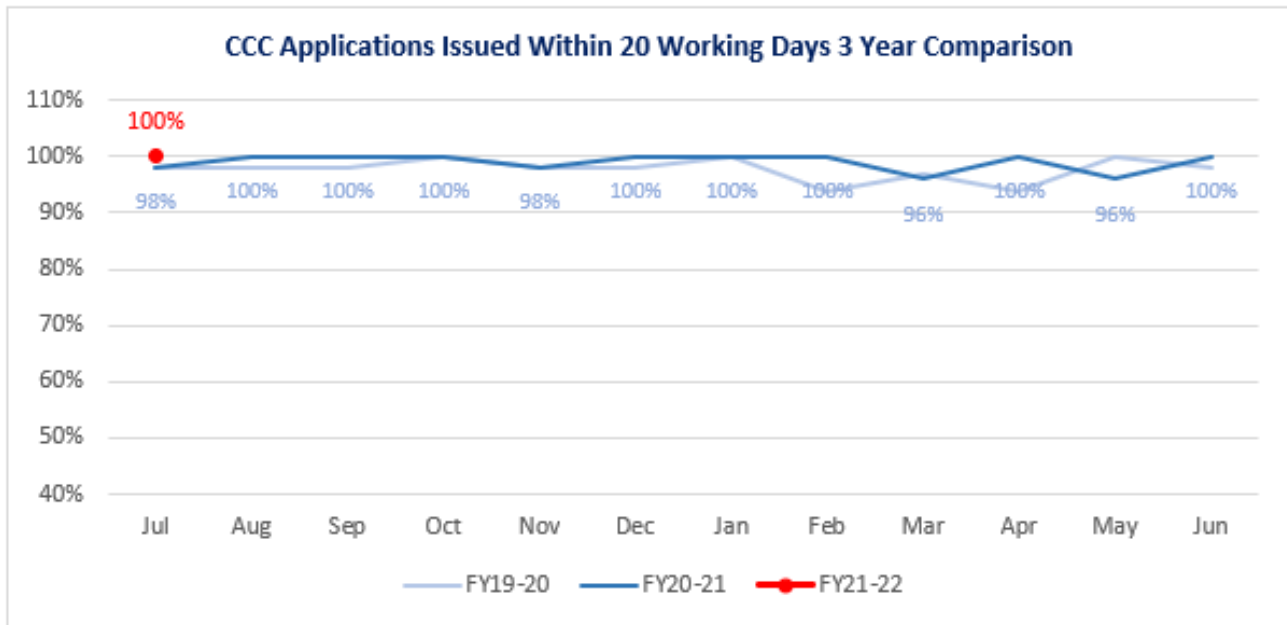
Building Consents

Building Consents issued 100% on time for the month of July.



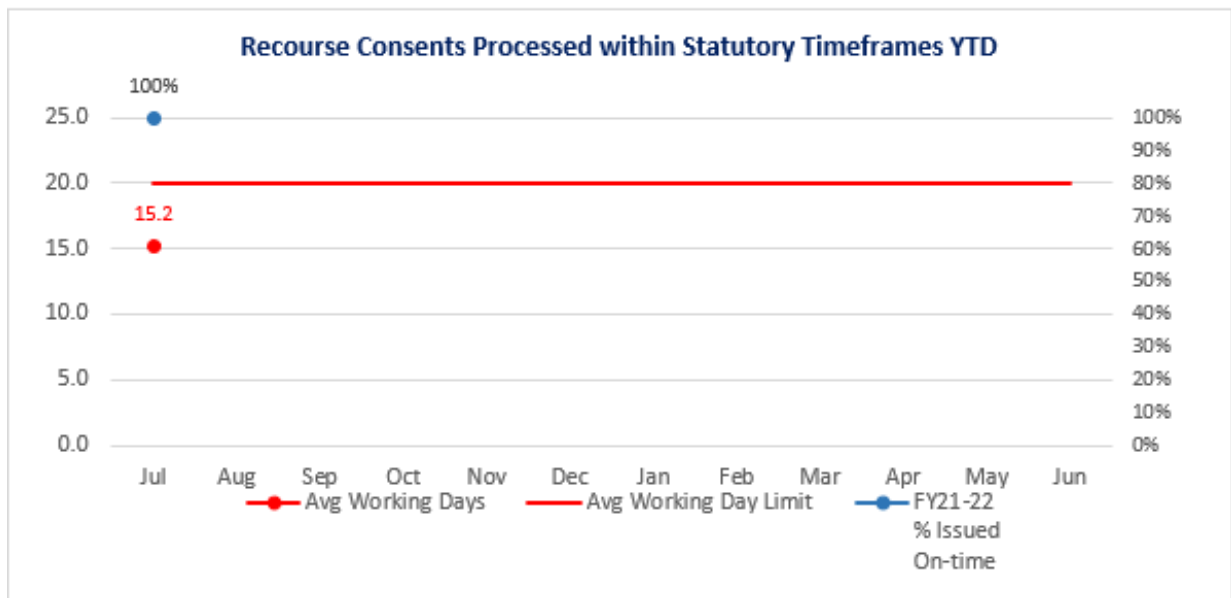
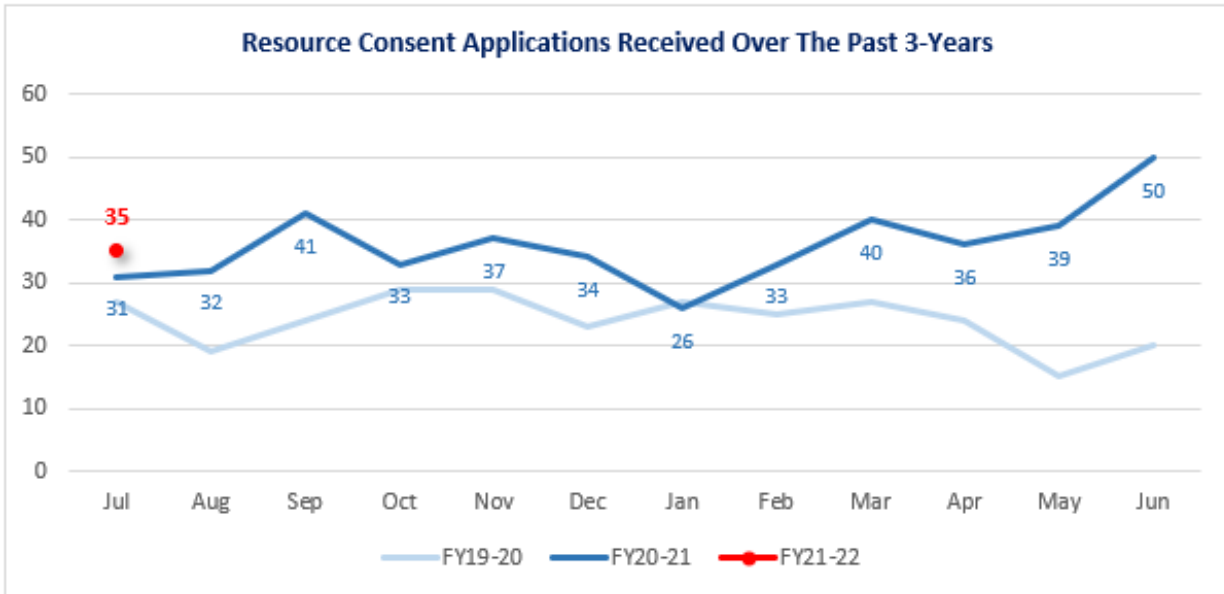


Building Code Compliance Certificates (CCC's) issued 100% on time for the month of July.



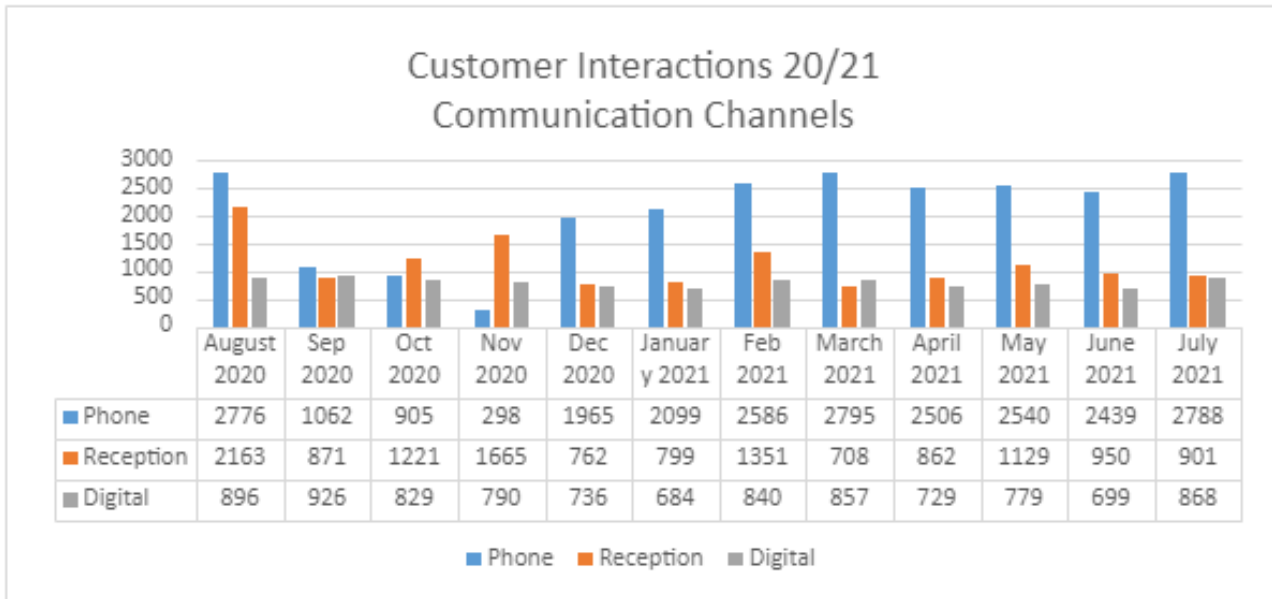
Resource Consents

Resource Consents issued 100% on time for the month of July.

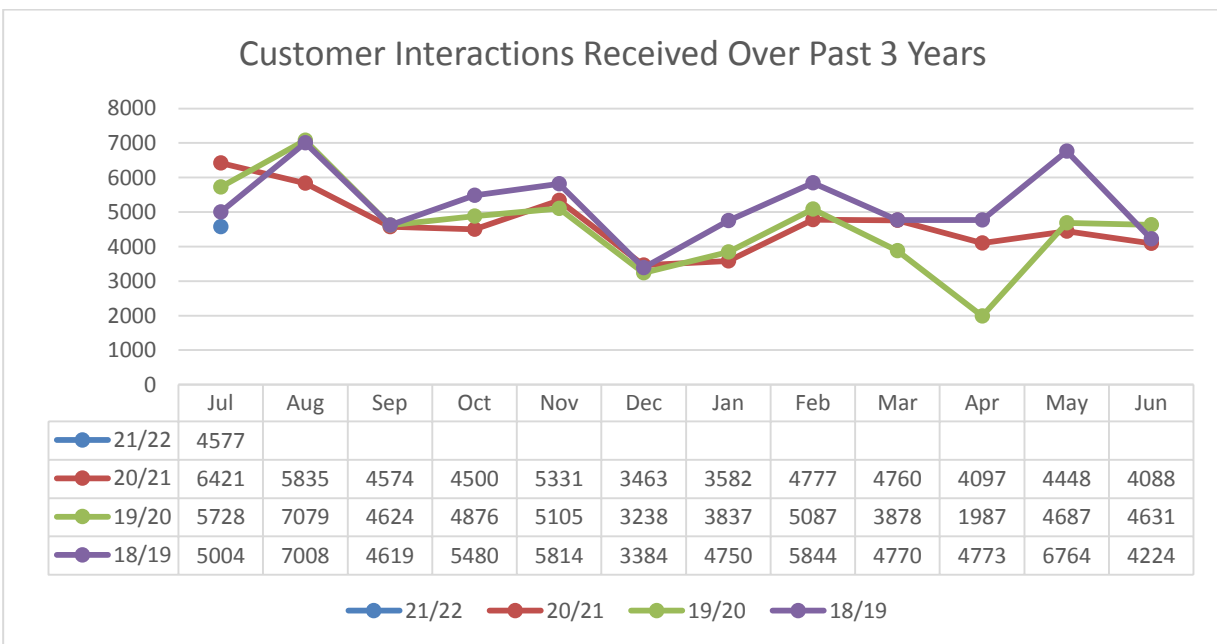


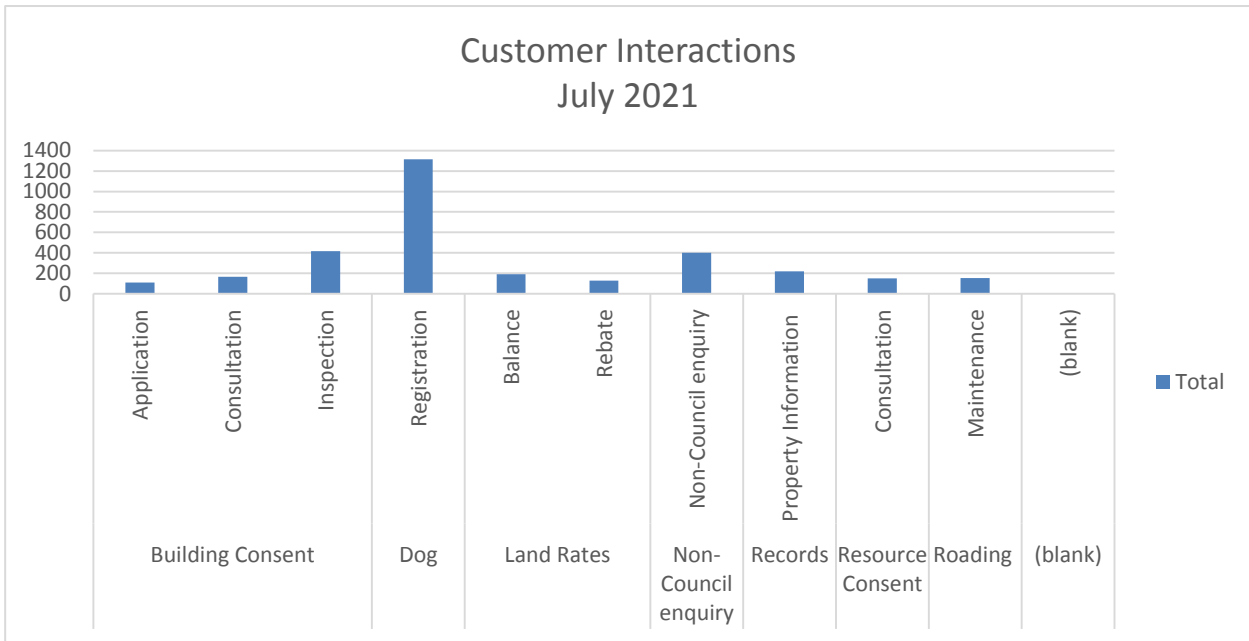
Customer Services

| Month | Total Customer interactions | Digital | Reception | Total Calls | Average Speed Answer (sec) | Average call abandonment (%) | Calls FTE |
|-------|-----------------------------|---------|-----------|-------------|----------------------------|------------------------------|-----------|
| July | 4577 | 868 | 901 | 2788 | 124 | 14 | 1.51 |



* Digital – Email, Website, social media





* Other – FENZ, NZTA, NRC, LINZ, CAB, Utility Companies