

Taupō District Council

Financial Statement Measures - Operational

As at 31 March 2018

Key Indicators

Rates Revenue

Received from ratepayers

\$47.4m

\$0.0m Unfavourable YTD

Full Year Budget \$63.4m
Full Year Forecast \$63.4m

Other Operating Revenue

User charges, Subsidies & Grants, Development Contributions, Finance Revenue & Other Revenue

\$20.9m

\$6.5m Favourable YTD

Full Year Budget \$24.6m
Full Year Forecast \$33.5m

Operating Expenditure

Personnel, Depreciation, Finance and Other Expenses

\$63.2m

-\$1.0m Unfavourable YTD

Full Year Budget \$83.0m
Full Year Forecast \$85.8m

Net Surplus/(-)Deficit

\$5.1m

\$5.5m Favourable YTD

Full Year Budget \$5.0m
Full Year Forecast \$11.1m

Personnel Costs

Salaries & wages

\$15.9m

\$0.1m Favourable YTD

Full Year Budget \$21.3m
Full Year Forecast \$21.4m

Depreciation and Amortisation

\$16.1m

-\$0.1m Unfavourable YTD

Full Year Budget \$21.3m
Full Year Forecast \$21.7m

Finance Costs

Interest on external debt

\$6.4m

\$0.1m Favourable YTD

Full Year Budget \$8.6m
Full Year Forecast \$8.6m

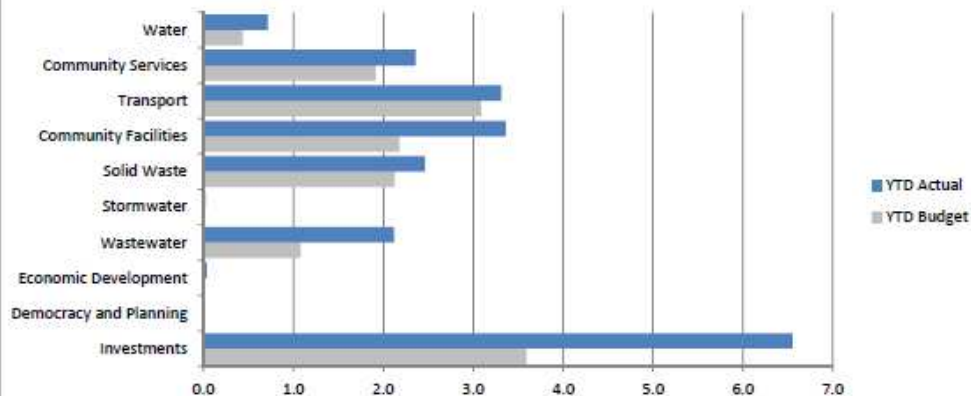
Other Expenses

\$24.9m

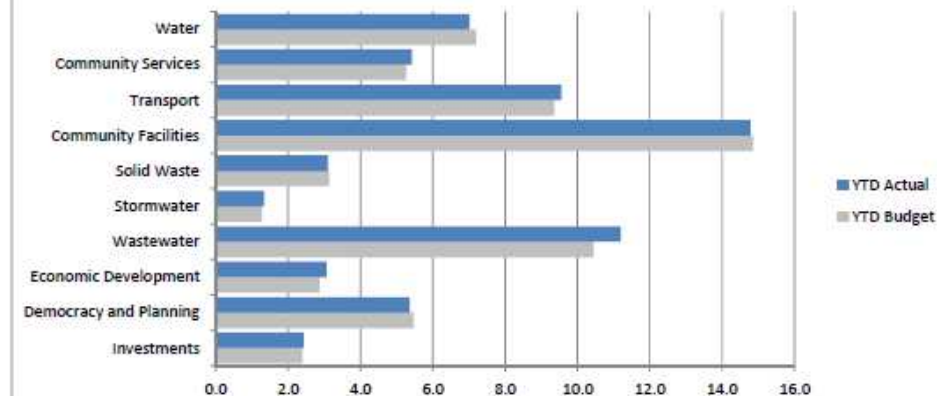
-\$1.0m Unfavourable YTD

Full Year Budget \$31.8m
Full Year Forecast \$34.0m

Other Operating Revenue by Activity (\$millions)



Operating Expenditure by Activity (\$millions)



Taupō District Council

Financial Statement Measures - Borrowings and Capital Expenditure

As at 31 March 2018

Key Indicators

Borrowings

\$146.0m

Full Year Budget \$145.7m

Full Year Forecast \$144.0m

Cash/Investments

\$122.3m

Full Year Budget \$89.0m

Full Year Forecast \$99.2m

Net Borrowings

External debt net of cash/investments

\$23.7m

Full Year Budget \$56.7m

Full Year Forecast \$44.8m

Capital Expenditure

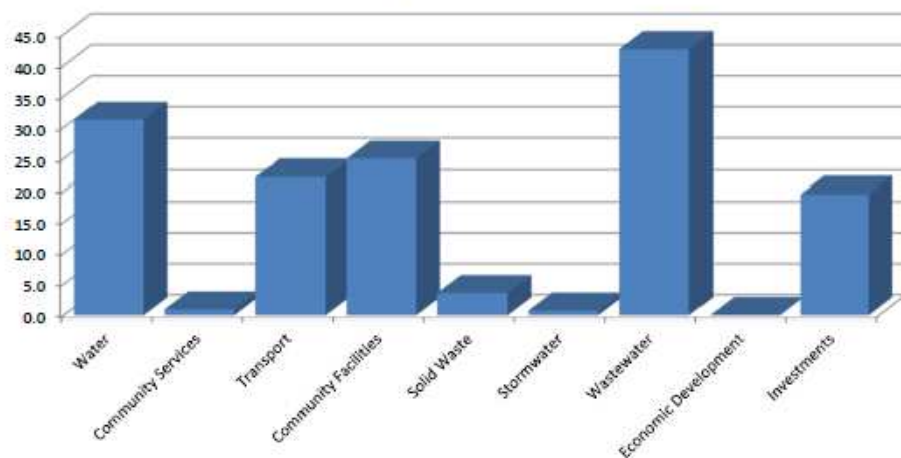
New Capital and Renewal Projects

\$12.5m

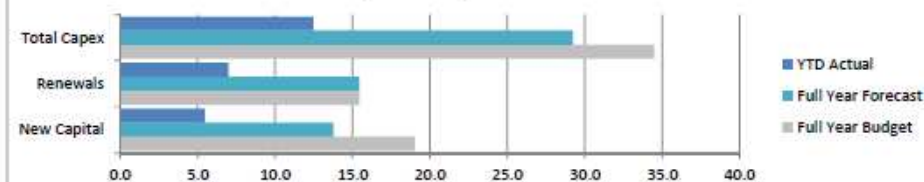
Full Year Budget \$34.5m

Full Year Forecast \$27.4m

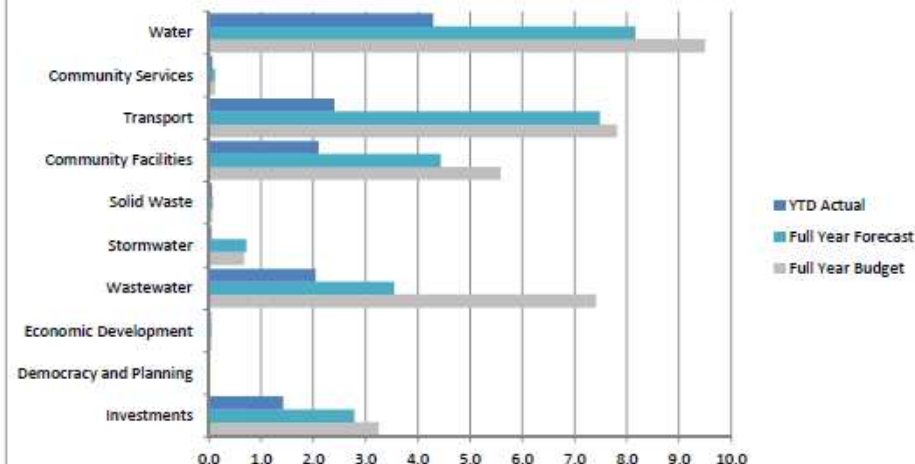
Borrowings by Activity (\$millions)



Total Capital Expenditure (\$millions)



Capital Expenditure by Activity (\$millions)



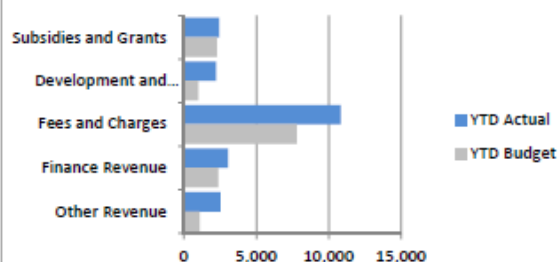
Taupō District Council

Statement of Comprehensive Revenue and Expense

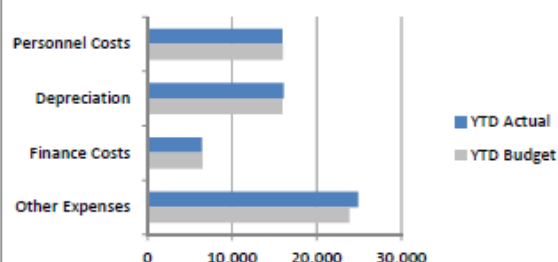
For the period ending 31 March 2018

\$000	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	47,444	47,455	(11)	0%	63,399	63,368	(31)	0%
Subsidies and Grants	2,421	2,253	168	7%	6,524	7,715	1,191	18%
Development and Financial Contributions	2,186	956	1,230	129%	1,274	3,896	2,622	206%
Fees and Charges	10,805	7,767	3,038	39%	10,611	13,574	2,963	28%
Finance Revenue	3,018	2,347	671	29%	3,130	3,909	779	25%
Other Revenue	2,507	1,078	1,429	133%	3,035	4,468	1,433	47%
Total Revenue	68,381	61,856	6,525	11%	87,973	96,930	8,957	10%
Operating Expenditure								
Personnel Costs	15,895	15,970	75	0%	21,293	21,412	(119)	-1%
Depreciation	16,058	15,943	(115)	-1%	21,257	21,726	(469)	-2%
Finance Costs	6,433	6,487	54	1%	8,642	8,616	26	0%
Other Expenses	24,859	23,851	(1,008)	-4%	31,767	34,094	(2,327)	-7%
Total Operating Expenditure	63,245	62,251	(994)	-2%	82,959	85,848	(2,889)	-3%
Net Surplus/Deficit	5,136	(395)	5,531		5,014	11,082	6,068	
Group of Activities								
Water	632	203	429		1,574	3,284	1,710	
Community Services	337	28	309		0	(155)	(155)	
Transport	(1,413)	(1,453)	40		1,015	451	(564)	
Community Facilities	957	(297)	1,254		(324)	832	1,156	
Solid Waste	701	333	368		145	500	355	
Stormwater	(41)	(3)	(38)		400	377	(23)	
Wastewater	197	(99)	296		(102)	568	670	
Economic Development	(267)	(111)	(156)		(36)	(256)	(220)	
Democracy and Planning	96	(19)	115		(21)	47	68	
Investments	3,937	1,023	2,914		2,363	5,434	3,071	
Net Surplus/Deficit	5,136	(395)	5,531		5,014	11,082	6,068	

Operating Revenue (\$000)



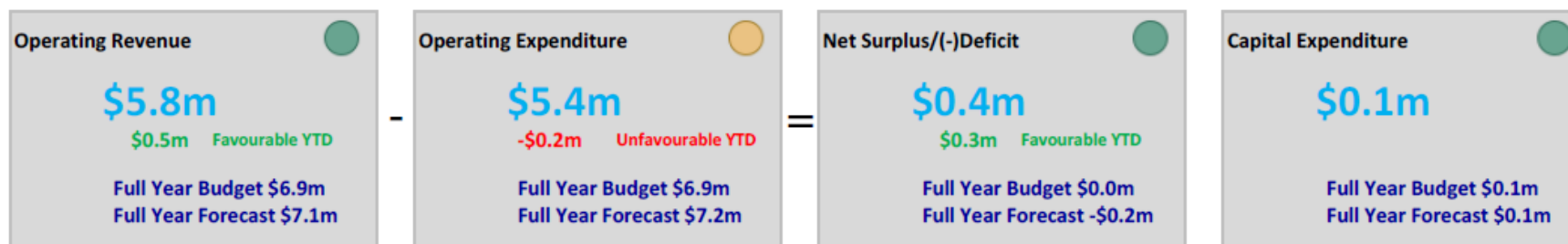
Operating Expenditure (\$000)



Explanation of variances to budget

- The Budget comparison for this report is based on the Approved Annual Plan plus any Council approved budgets subsequent to 30 June 2017.
- Amendments to Annual Plan via resolution**
 - Surplus as per 2017/18 Annual Plan 5,466
 - Go Tongariro funding TDC20160830/03 (36)
 - By-election costs TDC201708/13 (21)
 - Wastewater overflow reduction TDC201802/30 (395)
 - Adjusted surplus for 2017/18 5,014
- Year-to-date surplus is \$5.531m more than the planned surplus
- Subsidies and grants ahead of plan mainly due to subsidies charged to WRC for erosion control \$129k and other sundry grants received of \$69k offset by NZTA subsidies slightly behind plan.
- The development contributions budget is phased evenly as it is difficult to know when developments will come on line, currently \$1.23m favourable.
- The favourable variance of \$3.038m in fees and charges is mainly due to the following:
 - Regulatory revenue is ahead of plan by \$322k this is made up of resource consents \$48k and building consents \$194k all due to increased activity; food & liquor registration revenue is ahead of plan by \$40k and dog registrations & compliance ahead by \$50k
 - Water recoveries ahead of plan by \$21k
 - Revenue from our venues is ahead of plan by \$203k
 - Sales of haylage & septage receipts are above plan by \$334k
 - Landfill revenue ahead by \$326k
 - Gain on sale of section sales \$1.593m
 - Other sundry income ahead by \$239k
- Finance revenue \$671k ahead of budget due to additional investment funds
- The favourable variance of \$1.429m in other revenue is made up as follows:
 - Unrealised gain on shares \$567k
 - Fines \$76k
 - Petrol tax \$60k
 - Dividends \$22k
 - Gain on sale of property, plant & equipment \$116k
 - Vested assets \$588k
- Other expenses are \$1.008m over plan mainly due to:
 - Wastewater \$751k (Taupo, Acacia Bay, Turangi, Mangakino, Kinloch & Whakamaru reticulation and increased haylage harvesting costs)
 - Stormwater \$79k (timing of gully maintenance)
 - Economic Development \$188k (Regional Strength, Taupo Airport)
 - Demolition costs \$123k

Community Services



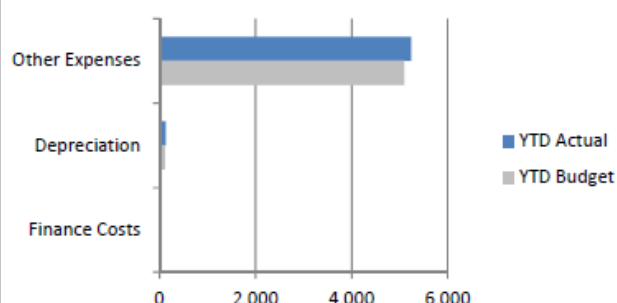
Cost of Service Statement For the period ending 31 March 2018

\$000	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	3,399	3,382	17	1%	4,452	4,319	(133)	-3%
Subsidies and Grants	44	0	44	0%	0	44	44	0%
Development and Financial Contributions	0	0	0	0%	0	0	0	0%
Fees and Charges	1,915	1,593	322	20%	1,994	2,225	231	12%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	399	317	82	26%	423	470	47	11%
Total Revenue	5,757	5,292	465	9%	6,869	7,058	189	3%
Operating Expenditure								
Other Expenses	5,242	5,100	(142)	-3%	6,650	6,977	(327)	-5%
Depreciation	134	120	(14)	-12%	161	179	(18)	-11%
Finance Costs	44	43	(1)	-2%	58	57	1	2%
Total Operating Expenditure	5,420	5,263	(157)	-3%	6,869	7,213	(344)	-5%
Net Surplus/Deficit	337	29	308		0	(155)	(155)	

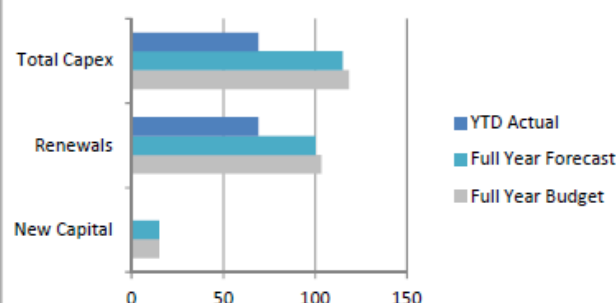
Explanation of variances to budget

- The favourable variance of \$322k in fees and charges is made up of:
 - Regulatory revenue is ahead of plan, this is made up of resource consents \$48k and building consents \$194k both due to increased activity in the housing and development markets; food & liquor registration revenue is ahead of plan by \$40k and dog registrations is ahead of plan by \$38k and other dog related fees are ahead by \$12k. Offset by Civil Defence recoveries behind plan by \$9k.
- The favourable variance of \$82k in other revenue is made up of animal & compliance fines ahead of plan by \$37k and parking & vehicle infringements ahead of plan by \$41k.

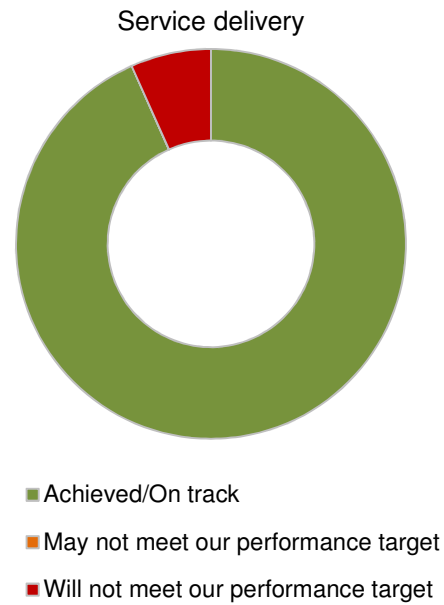
Operating Expenditure (\$000)



Capital Expenditure (\$000)



Community Services



Status	Performance Measure	Performance
	Requests for service for dog control – initial response <i>within 1 working day</i>	Highlights <ul style="list-style-type: none"> 96 requests for dog control service have been received during March and with 3 requests actioned outside of the timeframe.
		Current issues <ul style="list-style-type: none"> A change has been made to processes to help ensure the above does not occur in the future.

	Achieved		On track		May not be met		Will not be met
--	----------	--	----------	--	----------------	--	-----------------

Water

Operating Revenue \$7.6m \$0.2m Favourable YTD Full Year Budget \$11.2m Full Year Forecast \$13.0m	-	Operating Expenditure \$7.0m \$0.2m Favourable YTD Full Year Budget \$9.6m Full Year Forecast \$9.7m	=	Net Surplus/(-)Deficit \$0.6m \$0.4m Favourable YTD Full Year Budget \$1.6m Full Year Forecast \$3.3m	Capital Expenditure \$4.3m Full Year Budget \$9.5m Full Year Forecast \$8.2m
--	---	--	---	---	---

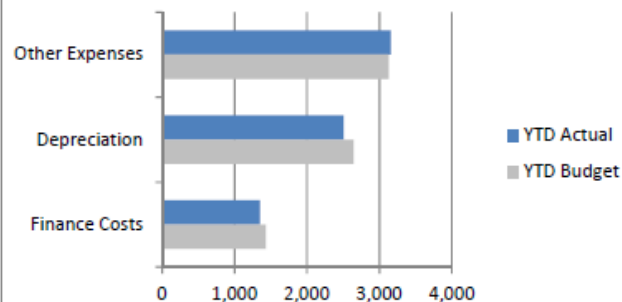
Cost of Service Statement For the period ending 31 March 2018

\$000	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	6,931	6,961	(30)	0%	9,463	9,466	3	0%
Subsidies and Grants	0	0	0	0%	971	1,942	971	100%
Development and Financial Contributions	636	380	256	67%	506	1,252	746	147%
Fees and Charges	80	59	21	36%	78	141	63	81%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	0	0	0	0%	150	150	0	0%
Total Revenue	7,647	7,400	247	3%	11,168	12,951	1,783	16%
Operating Expenditure								
Other Expenses	3,157	3,126	(31)	-1%	4,169	4,329	(160)	-4%
Depreciation	2,508	2,641	133	5%	3,521	3,521	0	0%
Finance Costs	1,350	1,430	80	6%	1,905	1,819	86	5%
Total Operating Expenditure	7,015	7,197	182	3%	9,595	9,669	(74)	-1%
Net Surplus/Deficit	632	203	429		1,573	3,282	1,709	

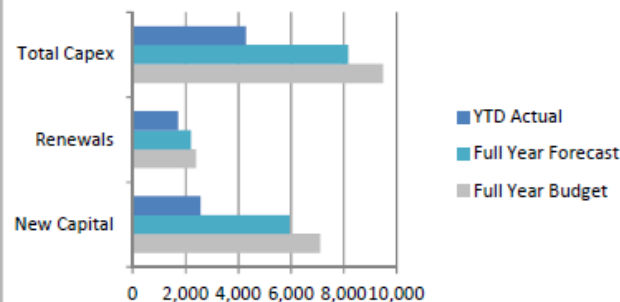
Explanation of variances to budget

- The development contributions budget is phased evenly across the year as it is difficult to know when developments will come on line
- Fees and charges are ahead of plan by \$21k due to external recoveries being ahead of plan.

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Water

Service Delivery








- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Water Service delivery measures are currently on track.

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Complete the connection of the Waitahanui water supply to the Taupō water supply (This is a multi-year project)		\$2,144,720	\$4,077,086	<p>The contract has been awarded to Smythe Contractors. Work started on 13th November 2017. The contract period is six months. Approx. 75% of the pipe has been installed.</p> <p>Consultation with the Owners of Pehi Manini Road, which is a private Maori Road, has been initiated. The Owners took the proposal to lay the water line in the road to the Maori Land Court. The Maori Land Court has approved the creation of a trust to oversee the road. We are now negotiating an easement with the trustees.</p> <p>MoH subsidy agreement has been extended until September 2018.</p>



	Achieved		On track		May not be met		Will not be met
--	----------	--	----------	--	----------------	--	-----------------

Water

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Continue investigations for the renewal of the Acacia Bay Water Treatment Plant upgrade to meet Drinking Water Standards for New Zealand <i>(Previously as per the LTP begin construction)</i> <i>(This is a multi-year project)</i>		\$39,909	\$136,500	We have recently completed some water modelling and financial analysis for the Acacia Bay water supply options; being: build a new WTP in Acacia Bay, or connect Acacia Bay to the Taupō water supply. Council has agreed to include in the draft 2018 LTP the preferred option of connection to the Taupō scheme.
Continue security of supply upgrade for the Kinloch water supply (upgrade reservoir) <i>(Previously as per the LTP complete)</i> <i>(This is a multi-year project)</i>		\$431,732	\$1,445,000	Installation of the Boojum Dell water mains has been completed. This addresses low pressure problems in parts of Kinloch. Stage two is to construct a new water reservoir at Locheagles. Geotechnical and survey work has been completed. The Expression of Interest has been completed and three design and construction teams selected to proceed to tender stage. The tender is to be released in April. Detailed design and construction of the reservoir is planned for later in 2018.
Bonshaw Park Water Bore		\$92,521	\$187,225	A third bore has been drilled. The water flow rate is low but usable and water quality is acceptable. Electrical installation is currently occurring. The new bore has been registered with the Ministry of Health. Next step is to update our Water Safety Plan. This bore is not a long-term solution for Bonshaw Park water supply as the drinking water standards relating to arsenic are not able to be met.
Centennial Drive Water Scheme Extension		\$169,206	\$166,000	The pump station was commissioned in February and is now operational. There is some minor tidy up left to do on site to complete the project in April.
Mapara Road Pump Station Relocation		\$958,819	\$1,090,000	The new pump station and rising main from Cherry Lane Reservoir has been commissioned and is in operation. The Mapara Rd pump station is being retained as a backup until the final control and telemetry work is completed and a water main cross connection is installed on Mapara Road. This work will be completed before year end.

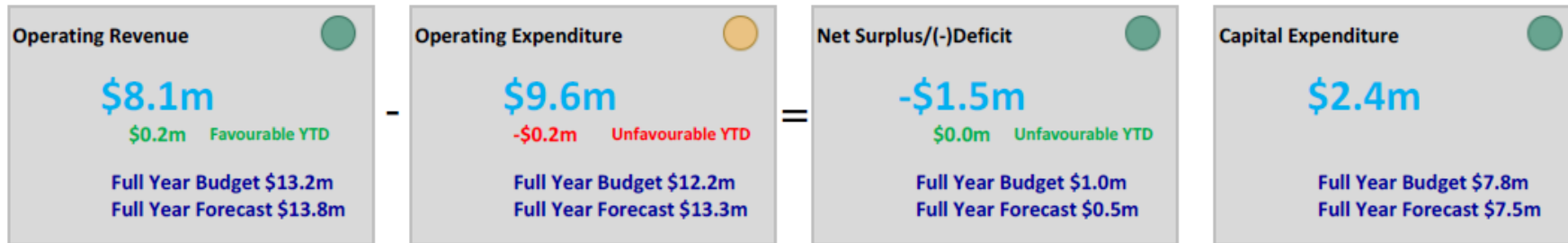
	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Water

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Motuoapa Reservoir Renewal		\$391,972	\$788,100	Design of the reservoir tanks has been completed. The tank have been delivered to site. Construction of the tanks is to begin in April and is scheduled for completion by the end of August.
Upgrade the Titoki failing main		\$55,982	\$850,000	Contract awarded to Waipa Civil Ltd. Construction has started with installation of the rider mains. Construction will continue through until June.

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Transport



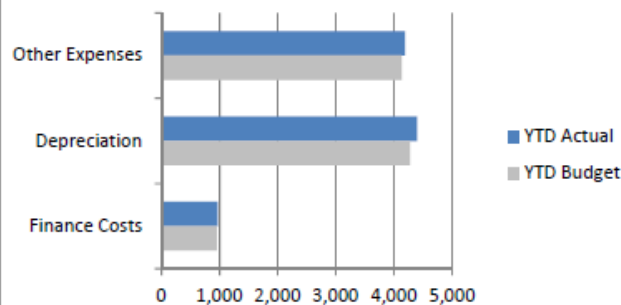
Cost of Service Statement For the period ending 31 March 2018

\$000	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	4,826	4,826	0	0%	6,434	6,434	0	0%
Subsidies and Grants	2,115	2,159	(44)	-2%	5,327	5,327	0	0%
Development and Financial Contributions	402	189	213	113%	252	753	501	199%
Fees and Charges	101	86	15	17%	115	126	11	10%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	696	652	44	7%	1,070	1,147	77	7%
Total Revenue	8,140	7,912	228	3%	13,198	13,787	589	4%
Operating Expenditure								
Other Expenses	4,186	4,131	(55)	-1%	5,206	6,178	(972)	-19%
Depreciation	4,398	4,275	(123)	-3%	5,699	5,864	(165)	-3%
Finance Costs	969	959	(10)	-1%	1,278	1,294	(16)	-1%
Total Operating Expenditure	9,553	9,365	(188)	-2%	12,183	13,336	(1,153)	-9%
Net Surplus/Deficit	(1,413)	(1,453)	40		1,015	451	(564)	

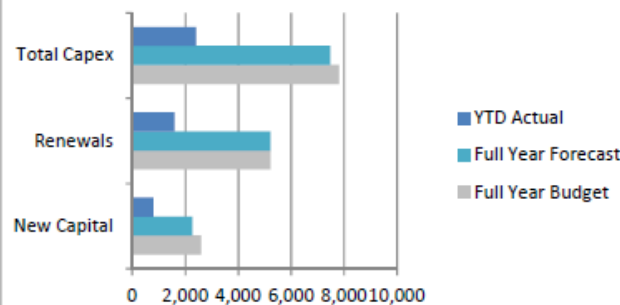
Explanation of variances to budget

- The development contributions budget is phased evenly across the year as it is difficult to know when developments will come on line

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Transport

Service Delivery








- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Transport Service delivery measures are currently on track.

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Complete construction of the shared path from Wharewaka to Rainbow Point <i>(Multi year project)</i>		\$4,954	\$409,085	Tender awarded on 27 March 2018. Construction to begin within next month.
Seal extension		\$362,082	\$422,189	Construction of the last section of Taharua Road is now complete.
Complete construction of Huka Falls footpath <i>(Multi year project)</i>		\$176,629	\$300,000	Contractor commenced Nov 2017. Approximately 75% of the path completed.

Transport

Undertake minor safety improvements				Omori /Pihanga Road intersection improvement, council received one tender price from Higgins. A recommendation was included as an agenda item for 27 th March council meeting but it has been deferred for inclusion in the 24 th April council meeting due to the member of the committee from Kuratu/Omori area was unable to attend the March meeting.
Continuation of the concrete footpath on Mapara Road		\$6,765	\$50,000	Design of footpath complete. Further investigation and design of stormwater and kerb & channel being undertaken
Installation of a bus bay on Waikato Street Taupō		\$31,988	\$75,000	Parking bay construction is completed. Bollard installation is to be completed, further investigation of bollard specification for good practice purpose being undertaken
Investigate options for the Northern outlet and Taupō CBD		\$141,500	\$100,000	Final report received. Short term/immediate actions identified in the report such as roadmarking and signage will be completed in March. The other short and medium term actions have been included in the Long Term plan.
Replace streetlights throughout the district with LED lights		\$73,060	\$2,500,000	Tender for the supply of luminaires awarded to Techlight from Rotorua. First shipment due early April 2018. Tender for the installation of the luminaires awarded to Downer at the February Council meeting. Contract details currently being worked through.

Community Facilities

Operating Revenue <div> <div>\$15.7m</div> <div>\$1.2m Favourable YTD</div> <div>Full Year Budget \$19.5m</div> <div>Full Year Forecast \$20.6m</div> </div>	-	Operating Expenditure <div> <div>\$14.8m</div> <div>\$0.1m Favourable YTD</div> <div>Full Year Budget \$19.8m</div> <div>Full Year Forecast \$19.8m</div> </div>	=	Net Surplus/(-)Deficit <div> <div>\$0.9m</div> <div>\$1.3m Favourable YTD</div> <div>Full Year Budget -\$0.3m</div> <div>Full Year Forecast \$0.8m</div> </div>		Capital Expenditure <div> <div>\$2.1m</div> <div>Full Year Budget \$5.6m</div> <div>Full Year Forecast \$4.4m</div> </div>
---	---	---	---	--	--	---

Cost of Service Statement

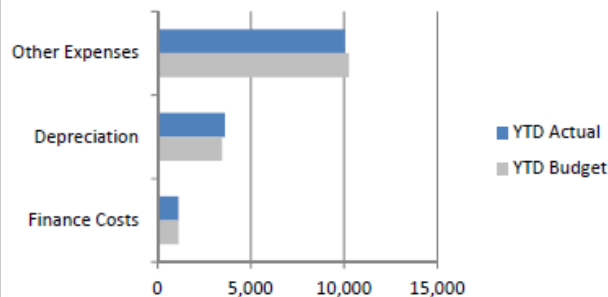
For the period ending 31 March 2018

\$000	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	12,375	12,375	0	0%	16,500	16,500	0	0%
Subsidies and Grants	139	8	131	1638%	111	259	148	133%
Development and Financial Contributions	185	47	138	294%	63	348	285	452%
Fees and Charges	2,431	2,110	321	15%	2,785	2,929	144	5%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	608	13	595	4577%	17	612	595	3500%
Total Revenue	15,738	14,553	1,185	8%	19,476	20,648	1,172	6%
Operating Expenditure								
Other Expenses	10,043	10,273	230	2%	13,698	13,518	180	1%
Depreciation	3,612	3,459	(153)	-4%	4,611	4,813	(202)	-4%
Finance Costs	1,126	1,119	(7)	-1%	1,491	1,485	6	0%
Total Operating Expenditure	14,781	14,851	70	0%	19,800	19,816	(16)	0%
Net Surplus/Deficit	957	(298)	1,255		(324)	832	1,156	

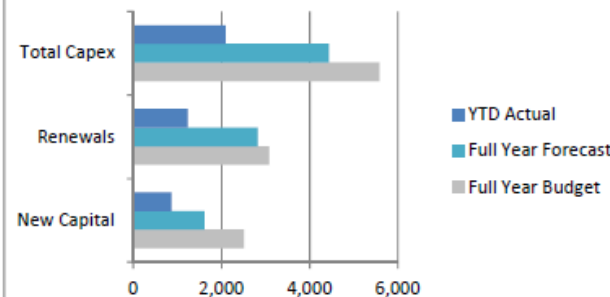
Explanation of variances to budget

- Subsidies and grants is ahead of plan by \$131k due to subsidies from WRC for erosion work
- The favourable variance of \$321k in fees and charges is made up of:
 - Revenue from venues is ahead of plan by \$177k
 - Revenue from cemeteries ahead by \$14k
 - Revenue from Museum ahead by \$12k
 - Lease & rent revenue is ahead of plan by \$117k – mainly due to timing of invoicing
- The \$595k variance in other revenue is mainly due to gain on sale of vehicles \$62k and vested assets of \$526k.

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Achieved



On track



May not be met



Will not be met


Community Facilities

Service Delivery






- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Community Facilities service delivery measures are currently on track.

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Otumuheke Hot Stream cultural and ecological enhancement		\$333,818	\$1,334,011	<p>Council approved the concept plans for the Otumuheke Hot Stream cultural and ecological enhancement and to go to detailed design and tender.</p> <p>Master project made up of</p> <ol style="list-style-type: none"> 1. reticulated toilets 2. viewing platform on the toilet roof 3. changing rooms 4. relocated bridge 5. erosion mitigation (stream bank river bank overland flow paths) 6. access path upgrade 7. information signage 8. improved vegetation lawn areas and native planting areas <p>The Tourism infrastructure Fund granted TDC 281,000.00 (Dec 2017) towards this project.</p>

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Community Facilities

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
				Council supported the resolution to award the construction tender to Deano's Earthmoving and logging and voted to proceed with the full enhancement project. Construction is due to start in Mid-April to late April and will be completed by 1 st week of July.
Turangi playground renewals and upgrades		\$0	\$120,000	<p>We are unable to carry out any improvements in this area until we have an approved reserve management plan. The progress on this has been much slower than anticipated, and combined with the other aspects of the proposed plan which may have a large effect on the look of the playground locations and layouts there is little point in attempting to carry out one aspect without knowing the complete picture of what Turangi's open spaces are planned to look like.</p> <p>In addition the scope of the project has widened to now include a desire for a mana whakahono a rohe from Tūrangitukua – which is beyond the scope of an RMP process. This has led to the TRMPC putting the RMP on hold until this issue is resolved.</p>
Improvements to Kinloch Reserve		\$0	\$110,000	<p>Council have approved the concept plans for the Kinloch lakefront reserve enhancement to go to detailed design and tender.</p> <p>Key enhancement measures include,</p> <ol style="list-style-type: none"> 1. low retaining wall to restrict vehicle access but allow pedestrian access to the lake edge 2. formal and informal parking areas 3. reserve road extension with a turn-around point at the far eastern end <p>After some scope alterations TDC has awarded the tender to TR construction. The site preparation will start the week of the 19th of March and the physical works will start on the 26th of March and will be completed by the end of April.</p>
CCTV fibre optic cable – GLC to Police		\$0	\$15,000	Awaiting final schedule of fibre upgrade from the Contractor. Installation of fibre optic cable to move the hardware from the Police station to GLC server room for protection and better access for maintenance purposes. This also to maintain the current level of service & protect the integrity of the hardware.

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Wastewater

Operating Revenue ● \$11.4m \$1.1m Favourable YTD Full Year Budget \$14.1m Full Year Forecast \$15.7m	-	Operating Expenditure ● \$11.2m -\$0.8m Unfavourable YTD Full Year Budget \$14.2m Full Year Forecast \$15.1m	=	Net Surplus/(-)Deficit ● \$0.2m \$0.3m Favourable YTD Full Year Budget -\$0.1m Full Year Forecast \$0.6m
				Capital Expenditure ● \$2.0m Full Year Budget \$7.4m Full Year Forecast \$3.5m

Cost of Service Statement

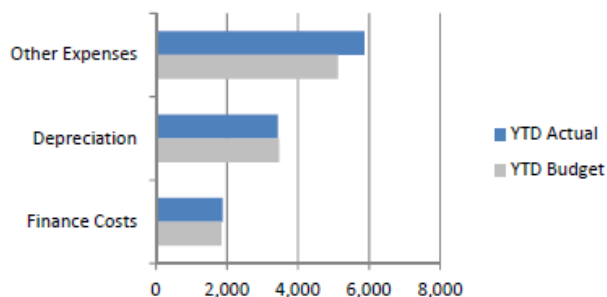
For the period ending 31 March 2018

	Year to Date				Full Year			
\$000	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	9,269	9,267	2	0%	12,356	12,356	0	0%
Subsidies and Grants	0	0	0	0%	0	0	0	0%
Development and Financial Contributions	949	340	609	179%	453	1,530	1,077	238%
Fees and Charges	1,173	733	440	60%	1,091	1,658	567	52%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	0	0	0	0%	150	150	0	0%
Total Revenue	11,391	10,340	1,051	10%	14,050	15,694	1,644	12%
Operating Expenditure								
Other Expenses	5,876	5,125	(751)	-15%	7,069	7,931	(862)	-12%
Depreciation	3,430	3,465	35	1%	4,620	4,620	0	0%
Finance Costs	1,887	1,849	(38)	-2%	2,463	2,574	(111)	-5%
Total Operating Expenditure	11,193	10,439	(754)	-7%	14,152	15,125	(973)	-7%
Net Surplus/Deficit	198	(99)	297		(102)	569	671	

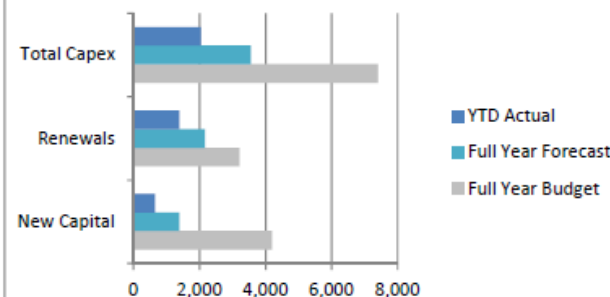
Explanation of variances to budget

- The development contributions budget is phased evenly across the year as it is difficult to know when developments will come on line
- The \$440k favourable variance in fees and charges is due to:
 - Sales of haylage are above plan by \$309k
 - Septage receipts ahead of plan by \$25k
 - Sale of some obsolete equipment \$29k
 - Timing on lease to occupy income \$21k
 - Sundry revenue ahead of plan \$56k ahead of plan.
- Other expenses are above plan by \$751k this is mainly due to:
 - Preventative maintenance on the reticulation network at Kinloch \$88k, Mangakino \$77k, and Whakamaru \$23k, this has been extended to include some work at Taupo/ Acacia Bay \$370k & Turangi \$86k.
 - These costs are offset by under expenditure in other schemes \$148k.
 - Increased haylage harvesting costs of \$137k and timing of fertiliser costs \$57k.

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Wastewater

Service Delivery






- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Wastewater Service delivery measures are currently on track.

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Upgrade of the Whakamaru Wastewater Treatment Plant to meet likely consent renewal conditions (Multi year project)	●	\$49,221	\$425,000	A contract for design and construction of the wastewater treatment plant has been awarded to Innoflow Technologies Limited. The project will commence but will not be completed by the end of the financial year.
Undertake work to improve the Pukawa wastewater pump station and pipeline	●	\$81,905	\$675,978	The project was retendered in mid October 2017. Two tenders were received and the Contract awarded to Downer NZ Ltd. The project will commence but will not be completed by the end of the financial year. The

✓	Achieved	●	On track	●	May not be met	●	Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Wastewater

Project	Status	Total project cost (actual)	Project budget to 30/06/18	Comments or risks
Undertake works for treatment and screen optimisation at the Turangi wastewater treatment plant <i>(Undertake works for the remediation of the wastewater ponds at the Turangi wastewater plant; joined with screen optimisation at the Turangi wastewater treatment plant)</i>		\$244,876	\$460,724	<p>The major treatment plant improvement project has been deferred and will be included in the LTP 2018.</p> <p>Remediation options for the disused ponds are being developed.</p> <p>We are currently undertaking a small process study on the plant to troubleshoot some operational issues, some capital improvements have been recommended and these are to be evaluated.</p>
Upgrade the Kinloch Wastewater treatment plant and install a disposal field		\$173,777	\$2,097,240	<p>Draft tender documentation for the design and construction of the wastewater disposal system has been provided. During the design process we have identified a flooding risk with aspects of the plant and access to the plant.</p> <p>Two contracts, flood protection and access improvement contract (\$495k), and an effluent holding tank contract (\$370k), have been awarded at the March 2018 Council meeting.</p> <p>The project will commence but will not be completed by the end of the financial year.</p> <p>The next stages are:</p> <ul style="list-style-type: none"> - Construction of the two awarded contracts - Consultation with affected parties for the land disposal system (2018/19 project) - Review and completion of tender documents for the land disposal system. - Tendering and construction of the land disposal system.
Waitahanui Wastewater Connection to Taupō		\$941,661	\$1,239,200	<p>Waitahanui and Five Mile Bay wastewater is now being pumped to Taupō and the wastewater treatment plant at Waitahanui is no longer in use and is being decommissioned.</p> <p>A demolition and site clearance contract is being developed and is expected to be tendered as soon as possible. Draft tender docs have been completed and are to reviewed. Expect to tender in April.</p> <p>The project will commence but will not be likely completed by the end of the financial year.</p>

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Solid Waste

Operating Revenue \$3.8m \$0.3m Favourable YTD Full Year Budget \$4.6m Full Year Forecast \$5.0m	-	Operating Expenditure \$3.1m \$0.0m Favourable YTD Full Year Budget \$4.5m Full Year Forecast \$4.5m	=	Net Surplus/(-)Deficit \$0.7m \$0.3m Favourable YTD Full Year Budget \$0.1m Full Year Forecast \$0.5m	Capital Expenditure \$0.1m Full Year Budget \$0.1m Full Year Forecast \$0.1m
--	---	--	---	---	---

Cost of Service Statement

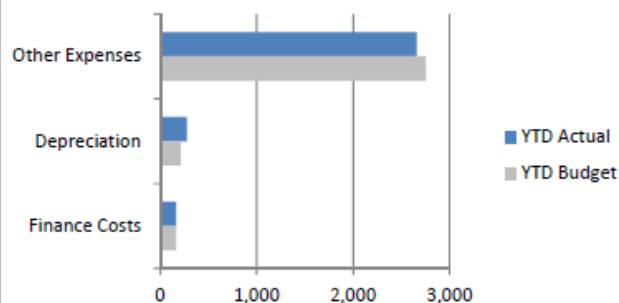
For the period ending 31 March 2018

	Year to Date				Full Year			
\$000	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	1,344	1,344	0	0%	1,792	1,792	0	0%
Subsidies and Grants	96	86	10	12%	115	115	0	0%
Development and Financial Contributions	0	0	0	0%	0	0	0	0%
Fees and Charges	2,363	2,037	326	16%	2,716	3,063	347	13%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	0	0	0	0%	0	0	0	0%
Total Revenue	3,803	3,467	336	10%	4,623	4,970	347	8%
Operating Expenditure								
Other Expenses	2,661	2,754	93	3%	3,971	3,881	90	2%
Depreciation	276	212	(64)	-30%	283	367	(84)	-30%
Finance Costs	164	168	4	2%	223	222	1	0%
Total Operating Expenditure	3,101	3,134	33	1%	4,477	4,470	7	0%
Net Surplus/Deficit	702	333	369		146	500	354	

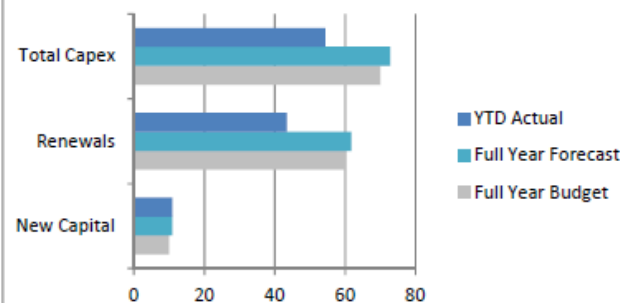
Explanation of variances to budget

- The favourable variance of \$326k in fees and charges is due to landfill, transfer station & collection revenues are ahead of plan due to economic activity in the District

Operating Expenditure (\$000)

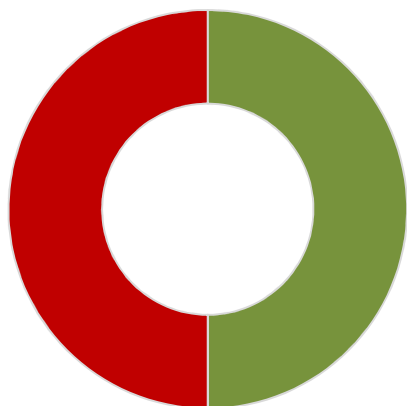


Capital Expenditure (\$000)



Solid Waste

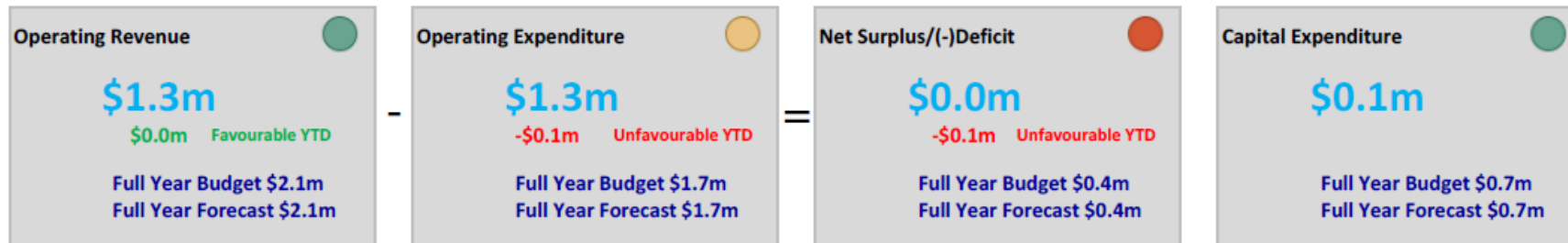
Service delivery



- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

Status	Performance Measure	Performance
●	<p>Total waste to landfill is reducing to:</p> <p>2016/17 21,189 tonnes</p> <p>2017/18 21,107 tonnes</p>	<p>Highlights</p> <p>17/18 waste landfill tonnes</p> <ul style="list-style-type: none"> • 1934 tonnes July • 2015 tonnes August • 2041 tonnes September • 2090 tonnes October • 2059 tonnes November • 2242 tonnes December • 2291 tonnes January • 1968 tonnes February • 2148 tonnes March <p>Total tonnes to date 18,791</p> <p>Tracking Approximately 221 tonnes less than at same time 2016/17</p> <p>But overall tonnes tracking over the performance measure</p> <p>Current issues</p> <ul style="list-style-type: none"> • Green waste shredding and concrete crushing is ongoing • Inspected and maintained Stormwater and Sewer networks at Turangi RTS • Marotiri and Rangitaiki schools visited the Landfill • Compactor bin maintenance in Mangakino • New staff member appointed to run the Mangakino RTS • Ran the March composting workshop with the community gardens

Stormwater



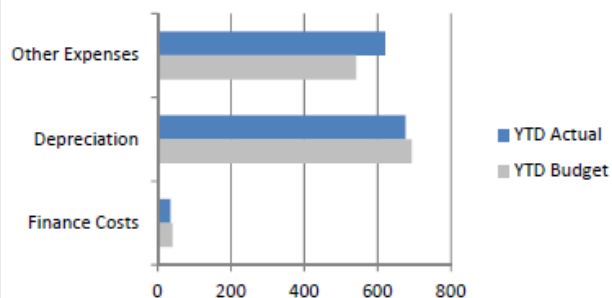
Cost of Service Statement For the period ending 31 March 2018

	Year to Date				Full Year			
	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
\$000								
Revenue								
Rates	1,273	1,273	0	0%	1,697	1,697	0	0%
Subsidies and Grants	0	0	0	0%	0	0	0	0%
Development and Financial Contributions	0	0	0	0%	0	0	0	0%
Fees and Charges	19	0	19	0%	0	19	19	0%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	0	0	0	0%	400	400	0	0%
Total Revenue	1,292	1,273	19	1%	2,097	2,116	19	1%
Operating Expenditure								
Other Expenses	621	542	(79)	-15%	718	767	(49)	-7%
Depreciation	676	693	17	2%	924	924	0	0%
Finance Costs	35	41	6	15%	55	48	7	13%
Total Operating Expenditure	1,332	1,276	(56)	-4%	1,697	1,739	(42)	-2%
Net Surplus/Deficit	(40)	(3)	(37)		400	377	(23)	

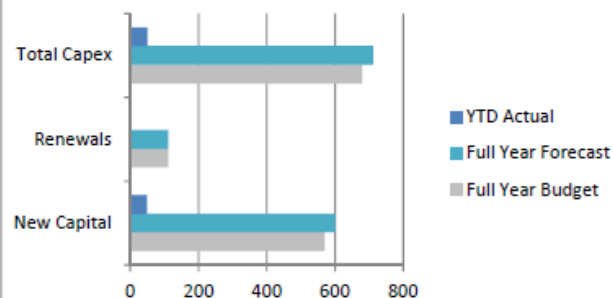
Explanation of variances to budget

- The unfavourable variance of \$79k in other expenses is due to the timing of gully maintenance and CCTV condition assessments in Wairakei & Kinloch and the removal of debris & roots from these areas.

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Stormwater

Service Delivery



- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Stormwater Service delivery measures are currently on track.

Project	Status	Budget (\$000)	Actual (\$000)	Comments or risks
Installation of Enviropods	✓	\$6,171	\$5,000	5 enviropods have now been placed into the Stormwater network and have been installed into neighbourhood shopping areas of Crown road, Richmond and Hilltop.
Install quality improvement device at Ruapehu St	●	\$580	\$324,958	The contract for installation of the Ruapehu device has been awarded to E&J contractors, works to commence in mid-May.

Democracy and Planning

Operating Revenue <div>\$5.5m</div> <div>\$0.0m Favourable YTD</div> <div>Full Year Budget \$7.3m Full Year Forecast \$7.3m</div>	-	Operating Expenditure <div>\$5.4m</div> <div>\$0.1m Favourable YTD</div> <div>Full Year Budget \$7.3m Full Year Forecast \$7.2m</div>	=	Net Surplus/(-)Deficit <div>\$0.1m</div> <div>\$0.1m Favourable YTD</div> <div>Full Year Budget \$0.0m Full Year Forecast \$0.0m</div>		Capital Expenditure <div>\$0.0m</div> <div>Full Year Budget \$0.0m Full Year Forecast \$0.0m</div>
---	---	---	---	--	--	--

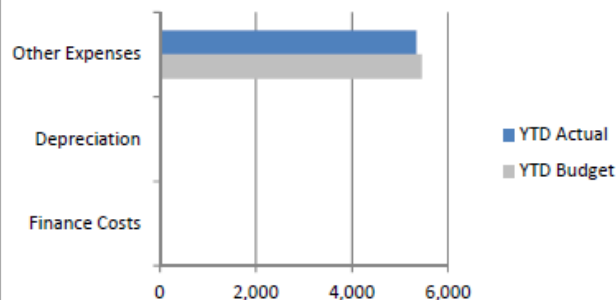
Cost of Service Statement
For the period ending 31 March 2018

	Year to Date				Full Year			
\$000	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	5,446	5,446	0	0%	7,262	7,262	0	0%
Subsidies and Grants	0	0	0	0%	0	0	0	0%
Development and Financial Contributions	0	0	0	0%	0	0	0	0%
Fees and Charges	4	1	3	300%	1	4	3	300%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	0	0	0	0%	0	0	0	0%
Total Revenue	5,450	5,447	3	0%	7,263	7,266	3	0%
Operating Expenditure								
Other Expenses	5,346	5,459	113	2%	7,274	7,206	68	1%
Depreciation	9	7	(2)	-29%	10	13	(3)	-30%
Finance Costs	0	0	0	0%	0	0	0	0%
Total Operating Expenditure	5,355	5,466	111	2%	7,284	7,219	65	1%
Net Surplus/Deficit	95	(19)	114		(21)	47	68	

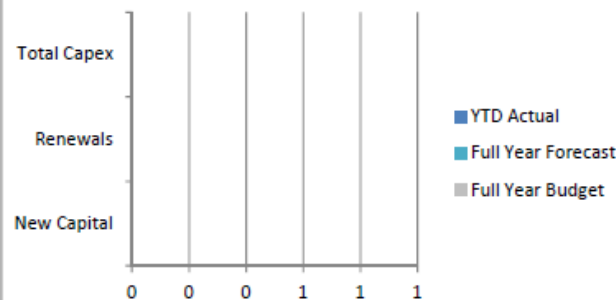
Explanation of variances to budget

- No significant variances to budget

Operating Expenditure (\$000)



Capital Expenditure (\$000)



Democracy and Planning

Service Delivery







- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

All the Democracy and Planning service delivery measures are currently on track.

Project	Status	Comments or risks
Continue the Flood Hazard Plan Change (multi year project)		The plan change is progressing through the First Schedule process. A summary of the 22 submissions is being prepared and is expected to be publicly notified in April. We have also commenced work on selecting a panel of hearings commissioners.
Continue the District Plan review		Officers have begun the process of identifying issues that need to be addressed through the review along with targeted monitoring of the district plan's effectiveness. Project planning for the overall review process is also underway to enable more accurate resourcing decisions.
Complete the Long-term Plan 2018-28		Submissions on the draft Long-term Plan closed on 16 April with hearings due to commence on 30 April.
Advocate on the Healthy Rivers Plan Change		Submissions are being processed by Waikato Regional Council and a summary is anticipated to be released around the middle of the year.
Continue to develop the Turangi Reserve Management Plan in conjunction with Ngati Turangitukua		This project has been put on hold while Council and Ngati Turangitukua establish protocols for a wider ranging relationship and sharing of governance.

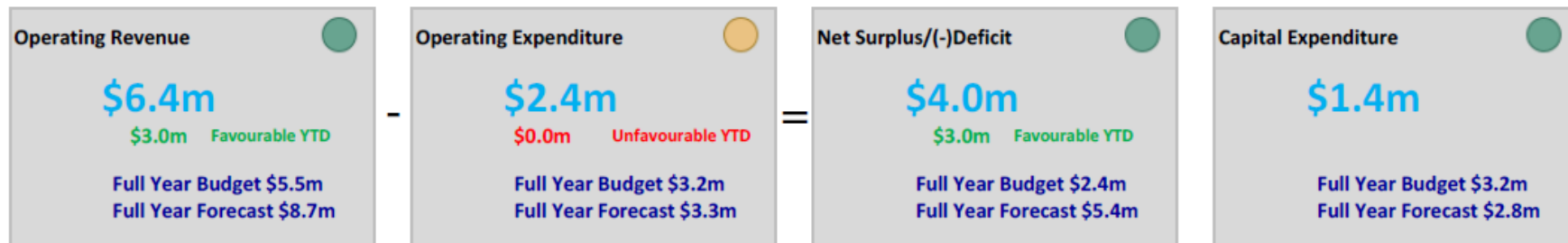
	Achieved		On track		May not be met		Will not be met
--	----------	--	----------	--	----------------	--	-----------------

Democracy and Planning

Project	Status	Comments or risks
Cycling and Walking Strategy review		This project is being reconsidered in the context of Council's wider transport programme. The expectation is that cycling and walking will be considered as part of a more holistic look at the transport network. The Senior Leadership team has provided officers with direction and a business case is being developed for further consideration in May. The expectation is that the Transport strategy will extend into the 2018/19 year.
Review the Speed Bylaw and make amendments to parts of the Traffic and Solid Waste Bylaws		The draft Speed Bylaw has been prepared and is expected to be consulted on over the next few months. The Traffic Bylaw is expected to be consulted on in conjunction with a Road Encroachment Policy in the middle of the year.
Development of the Taupō Catchment Document with Ngāti Tūwharetoa and the Waikato Regional Council, following on from the Tūwharetoa settlement process		This project will not commence until the settlement legislation has been progressed through parliament. The expectation at this stage is that the legislation will be passed sometime in the later part of 2018.
Representation review (which includes a review of Maori representation)		On track. Pre consultation as part of the LTP consultation process which closed on 16 April.

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Investments



Cost of Service Statement

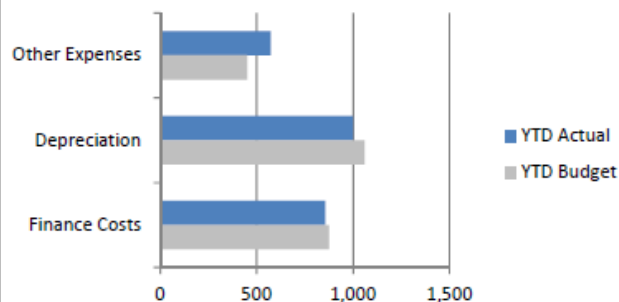
For the period ending 31 March 2018

	Year to Date				Full Year			
\$000	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	(181)	(181)	0	0%	(241)	(143)	98	-41%
Subsidies and Grants	0	0	0	0%	0	0	0	0%
Development and Financial Contributions	13	0	13	0%	0	13	13	0%
Fees and Charges	2,720	1,147	1,573	137%	1,831	3,409	1,578	86%
Finance Revenue	3,018	2,347	671	29%	3,130	3,909	779	25%
Other Revenue	798	96	702	731%	825	1,533	708	86%
Total Revenue	6,368	3,409	2,959	87%	5,545	8,721	3,176	57%
Operating Expenditure								
Other Expenses	575	452	(123)	-27%	604	764	(160)	-26%
Depreciation	1,000	1,059	59	6%	1,412	1,409	3	0%
Finance Costs	856	876	20	2%	1,167	1,114	53	5%
Total Operating Expenditure	2,431	2,387	(44)	-2%	3,183	3,287	(104)	-3%
Net Surplus/Deficit	3,937	1,022	2,915		2,362	5,434	3,072	

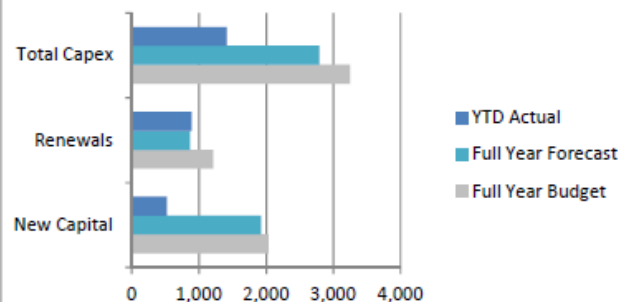
Explanation of variances to budget

- Fees and charges are ahead of plan due to the sale of sections \$1.593m
- Finance revenue \$671k ahead of budget due to additional investment funds
- The favourable variance of \$702k in other revenue is due to:
 - Unrealised gain on shares \$567k
 - Dividends \$22k
 - Gain on sale of PPE \$41k
 - Vested assets \$61k
- Other expenses \$123k ahead of budget mainly due to demolition costs.

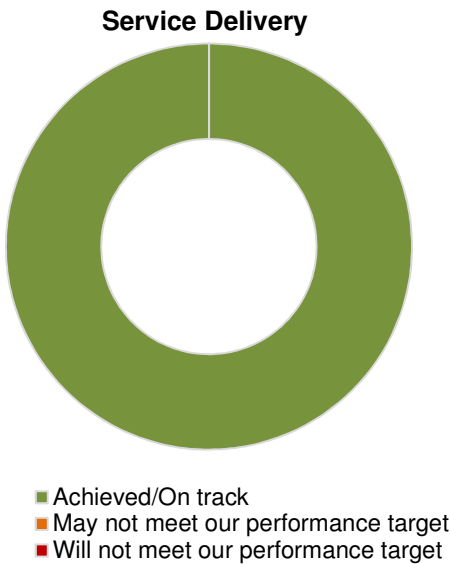
Operating Expenditure (\$000)



Capital Expenditure (\$000)



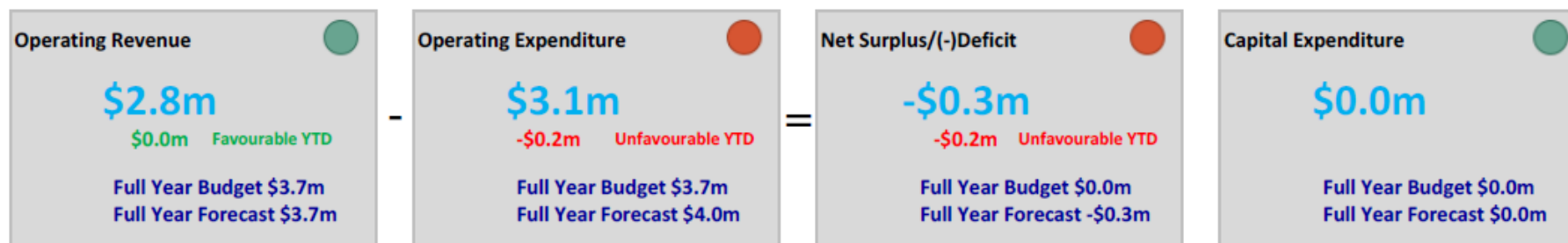
Investments



All the Investments service delivery measures are currently on track.

	Achieved		On track		May not be met		Will not be met
---	----------	---	----------	---	----------------	---	-----------------

Economic Development



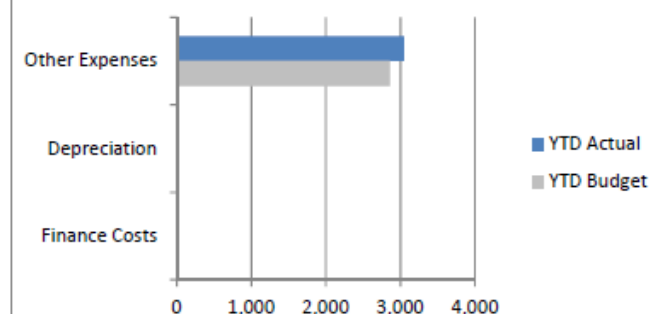
Cost of Service Statement For the period ending 31 March 2018

	Year to Date				Full Year			
\$000	YTD Actual	YTD Budget	YTD Variance	YTD Variance %	Full Year Budget	Full Year Forecast	Variance	Variance %
Revenue								
Rates	2,763	2,763	0	0%	3,684	3,684	0	0%
Subsidies and Grants	28	0	28	0%	0	28	28	0%
Development and Financial Contributions	0	0	0	0%	0	0	0	0%
Fees and Charges	0	0	0	0%	0	0	0	0%
Finance Revenue	0	0	0	0%	0	0	0	0%
Other Revenue	5	0	5	0%	0	5	5	0%
Total Revenue	2,796	2,763	33	1%	3,684	3,717	33	1%
Operating Expenditure								
Other Expenses	3,048	2,860	(188)	-7%	3,701	3,954	(253)	-7%
Depreciation	13	12	(1)	-8%	16	16	0	0%
Finance Costs	2	2	0	0%	3	3	0	0%
Total Operating Expenditure	3,063	2,874	(189)	-7%	3,720	3,973	(253)	-7%
Net Surplus/Deficit	(267)	(111)	(156)		(36)	(256)	(220)	

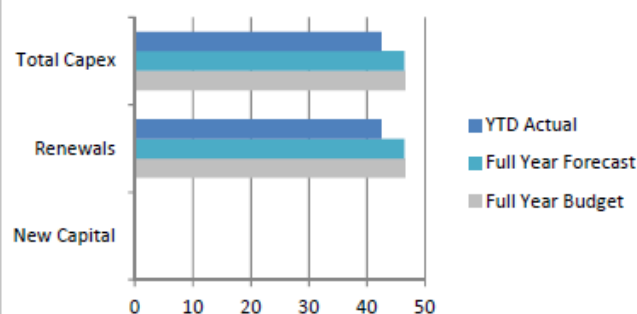
Explanation of variances to budget

- Other expenses are \$188k unfavourable mainly due to:
 - Regional Strengthening Strategy \$40k
 - Airport Redevelopment Business Case \$170k

Operating Expenditure (\$000)

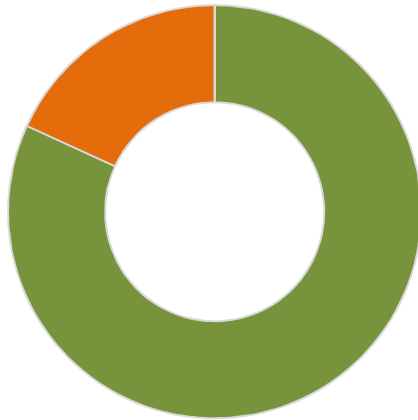


Capital Expenditure (\$000)



Economic Development

Service Delivery



- Achieved/On track
- May not meet our performance target
- Will not meet our performance target

Status	Performance Measure	Performance
<p>Annual change in the following measures compared to rest of NZ and commentary against specific regions as appropriate.</p> <p><i>Note: Data for this report is sourced from the Informetrics Taupō District Quarterly Economic Monitor, Informetrics Annual Economic Profile and the Marketview Taupō District Quarterly Report. There has been a change of provider of some reports. The provider uses different processes and sources of information to compile data and there may be some variances comparing data on data from previous reports. Also to note some of the data used in these reports is only reported annually by central government. The latest reports available are:</i></p> <ul style="list-style-type: none"> Informetrics Taupō District Economic Monitor December Quarter 2017 (Next available: March Quarter 2018 available in May 2018) Informetrics Taupō District Annual Economic Profile 2016 (Next available: 2017 profile available in April 2018) <p>Marketview Taupō District Quarterly Report for period ending December 2017 (Next available: March Quarter 2018 available in May 2018)</p>		
	<p>Employment – Household Labour Force Survey</p>	<p>Highlights</p> <ul style="list-style-type: none"> Estimated Total Household Labour Force Survey Employment (March 2016): 17,725 Household Labour Force Survey Employment Growth (March 2016): 2.6% (New Zealand: 2.7%)
		<p>Current Issues</p> <ul style="list-style-type: none"> There is a 0.1% difference in employment growth in Taupō compared with New Zealand. This is in part due to strong growth in job creation in Auckland and Christchurch in construction driving up the national rate.
	<p>Average length of stay</p>	<p>Highlights</p> <ul style="list-style-type: none"> Average Length of Stay (June 2017): 1.79 nights Average Length of Stay Annual Growth (June 2017): -0.6% (New Zealand: 1.0%)
		<p>Current Issues</p> <ul style="list-style-type: none"> Visitor length of stay has reduced. This is an ongoing trend, where the district is seeing an increase in international visitors who tend to stay for a shorter period but who spend more.

	Achieved		On track		May not be met		Will not be met
--	----------	--	----------	--	----------------	--	-----------------