

6.2 DECEMBER 2017 QUARTER FINANCIAL REPORT

File Number: COU1-1410

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Attachments: 1. December 2017 Quarter Financial Report

EXECUTIVE SUMMARY

Provide Council with a summary of Council's Second Quarter financial performance for the 2017/18 financial year

RECOMMENDATION

THAT the report on Council's Second Quarter financial performance for the 2017/18 financial year be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

BACKGROUND / PREVIOUS COUNCIL DECISIONS

This report is to supply Council with a summary of the financial performance of Council and highlights the key financials for the Second Quarter for the year ended 30 June 2018.

The report contains a Financial Overview for Whole of Council and the Groups of Activities, Treasury Report and Rates Debt Information.

This Financial Report is for the first 6 months to 31 December 2017. Overall the Surplus for Operational Funding is ahead \$609k which includes a revenue increase in Fees and Charges of \$269k, Finance Costs below budget by \$95k. Employment Costs are \$120k over budget due to unbudgeted costs and allocation of costs to employment that were budgeted as operational.

FURTHER ANALYSIS

Further analysis on the total expected Opex and Capex expenditure for Wastewater is currently underway and will be brought to the March Finance and Planning committee. This allows time to determine the life of the current enforcement order and the resulting financial impacts of the Court Ordered review and any other associated costs, in particular the actions taken at Waipukurau Wastewater Treatment Plant. Our expectation at this stage is that this budgeted will be exceeded.

ASSESSMENT OF OPTIONS

Option 1

That the report on Council's Second Quarter financial performance for the 2017/18 financial year be received.

CONSULTATION

Internal

Council Staff

FINANCIAL

Costs of preparing the report are met within existing budgets

STRATEGIC LINKS

Annual Plan 2017/18