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**Report No. 01.465**

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Report to the Utility Services Committee  
from David Benham, Divisional Manager, Utility Services

## **Divisional Report**

### **1. Purpose**

- To comment on the Utility Services Division's financial performance for the nine months ended 31 May 2001.
- To outline various other relevant areas of interest or activity.
- To receive the attached activity reports to 31 May 2001 (Attachment 1).

### **2. Divisional Performance for 11 Months Ended 31 May 2001**

#### **Water Supply**

The overall financial position continues to improve and after eleven months shows a better than budget performance of \$1.2 million. It should be noted that this excludes the accounting generated surplus from Hutt City Council's contribution to de-fluoridating Petone's water. It is pleasing also to record that operating expenditure, as well as financial costs, are tracking under last year for the eleven months to date.

The capital expenditure forecast shows that pretty well all projects will be completed within time. Savings on completed projects included in our original 2000/01 budget are expected to be \$462,000. In addition, projects worth \$298,000 have been deferred for various reasons.

#### **Plantation Forestry**

Unfortunately our results for April and May have been disappointing because of the weaker market. We continue to forecast a year-end deficit of \$246,000.

<b>Last Year to Date</b>		<b>Year to Date Actual \$000s</b>	<b>Year to Date Budget \$000s</b>	<b>Year End Forecast \$000s</b>	<b>Year End Budget \$000s</b>
<b>Water Supply</b>					
28,904	Income	28,560	27,779	31,038	30,339
25,551	Expenditure	25,516	26,136	27,994	28,588
<b>3,353</b>	<b>Operating Surplus</b>	<b>3,044</b>	<b>1,643</b>	<b>3,044</b>	<b>1,751</b>
704	Operations Wholesale	544	-	544	-
(121)	Operations Network	127	35	127	38
331	Strategy and Asset	654	-	654	-
2,201	Support Services	1,596	1,571	1,596	1,674
190	Engineering Consultancy	85	34	85	36
48	Laboratory Services	38	3	38	3
<b>3,353</b>	<b>Operating Surplus/(Deficit)</b>	<b>3,044</b>	<b>1,643</b>	<b>3,044</b>	<b>1,751</b>
<b>Plantation Forestry</b>					
3,799	Income	2,925	5,084	2,948	5,546
3,442	Expenditure	3,096	4,831	3,194	5,271
<b>357</b>	<b>Operating Surplus/(Deficit)</b>	<b>(171)</b>	<b>253</b>	<b>(246)</b>	<b>275</b>

### 3. **Presentations**

Subsequent to the meeting, we plan two quick presentations. They include information on the summer water conservation campaign and an update on our computerised plan record system.

### 4. **Recommendation**

*That the report is received and the information noted.*

DAVID BENHAM  
Divisional Manager, Utility Services

Attachment 1: Utility Services Division's Activity Reports to 31 May 2001