



Auckland Regional
Transport Authority

MONTHLY BUSINESS REPORT

June 2009

CONTRIBUTION LIST

The following is a list of Business Unit Managers responsible for providing detailed monthly reports.

Business Unit	Name
Customer Services	Mark Lambert
Project Delivery	Allen Bufton
Strategy and Planning	Peter Clark
Marketing and Communications	Shelley Watson
Corporate Services	Stephen Smith

TABLE OF CONTENTS

1	CUSTOMER SERVICES	4
1.1.	PASSENGER TRANSPORT PATRONAGE – NETWORK WIDE.....	4
1.2.	PASSENGER TRANSPORT SERVICE PUNCTUALITY AND RELIABILITY	8
1.3.	SERVICE DEVELOPMENT.....	11
1.4.	MAJOR INFRASTRUCTURE WORKS.....	11
1.5.	SPECIAL EVENT PASSENGER TRANSPORT SERVICES.....	12
1.6.	REGISTERED SERVICE NOTIFICATIONS RECEIVED BY ARTA UNDER THE PUBLIC TRANSPORT MANAGEMENT ACT 2008	12
1.7.	PUBLIC TRANSPORT CONCESSIONARY FARE SCHEME (CFS)	14
1.8.	AUCKLAND TOTAL MOBILITY SCHEME	14
1.9.	TRAVEL PLANNING	15
2	PROJECT DELIVERY	16
2.1.	ROLLING STOCK PROCUREMENT.....	16
2.2.	INFRASTRUCTURE DEVELOPMENT	16
2.3.	FERRY TERMINAL UPGRADES	17
2.4.	NETWORK DEVELOPMENT	17
2.5.	REAL TIME PASSENGER INFORMATION SYSTEMS (RTPIS).....	18
2.6.	ASSET MANAGEMENT.....	20
3	STRATEGY AND PLANNING	21
3.1.	STRATEGIC TRANSPORT PLANNING	21
3.2.	PLANNING AND PROGRAMMING.....	21
3.3.	2009/2012 REGIONAL LAND TRANSPORT PROGRAMME	22
3.4.	WALKING AND CYCLING COORDINATION	22
3.5.	REGIONAL ROAD SAFETY COORDINATION	22
4	MARKETING AND COMMUNICATIONS.....	22
4.1.	MARKETING AND CUSTOMER INFORMATION CHANNELS	23
4.2.	MEDIA AND COMMUNICATIONS	26
5	CORPORATE SERVICES	27
5.1.	FINANCIAL REPORTS.....	27
5.1.	STATEMENT OF FINANCIAL PERFORMANCE.....	30
5.2.	STATEMENT OF FINANCIAL POSITION	32

SUMMARY

Patronage

- Total Public Transport patronage for the 12 months to June 2009 was 7.7% above last year, an increase of 4.2 million boardings.
- Bus patronage increased by 7.8%, rail by 12.6% and ferry reduced by 0.1% for the 12 months.
- Total patronage for the month of June was up by 5.5%, 5.5% higher for bus, 6.7% higher for rail and 3.2% higher for ferry.
- The Northern Express patronage for the month of June increased by 20.7% on last year.

PT Services

- Rail service punctuality in June deteriorated across the network to 80.9% compared to 86.7% in May, the worst result for over 12 months. Signalling, points and track failures together with mechanical faults were the biggest impact on services.
- In June 97.1% of scheduled rail services reached their scheduled destination.
- Nine poorly patronised bus services were discontinued in June following a period of consultation.
- A new rail timetable on the Southern and Eastern lines was implemented on 28 June 2009.

Rolling Stock

- SX carriage refurbishment is complete, providing improved ride quality and an extended service life to 2015.
- SA trainsets 18–23 – the availability of bogie bearings continues to impact on the overall programme. However, half the trainsets should be available for service by October 2009.

Infrastructure

- Newmarket Station – construction is on schedule to be complete by January 2010.
- Avondale Station – design is almost complete with submission for building consent planned for late July.
- New Lynn Rail and Bus Interchange – negotiations for a fair apportionment of the project costs is underway.
- Rail Distributed Stabling – the concept design for the Tamaki site is being reviewed by ONTRACK while a detailed design RFT for the Western line stabling site is on schedule to be released in July.
- Grafton Station - building consent for the station will be submitted in July.
- Onehunga Line Stations – rail station design for Te Papapa and Penrose Stations is almost complete with submissions for building consent expected by the end of July.
- Kingsland Station – detailed design on the pedestrian rail underpass will commence in July with construction planned to commence in December 2009.
- Morningside Station – the station upgrade is complete.
- Real Time Signs – the original project scope is now completed, however, additional signs have either already been installed or are under consideration as a result of requests from both the public and Councils.

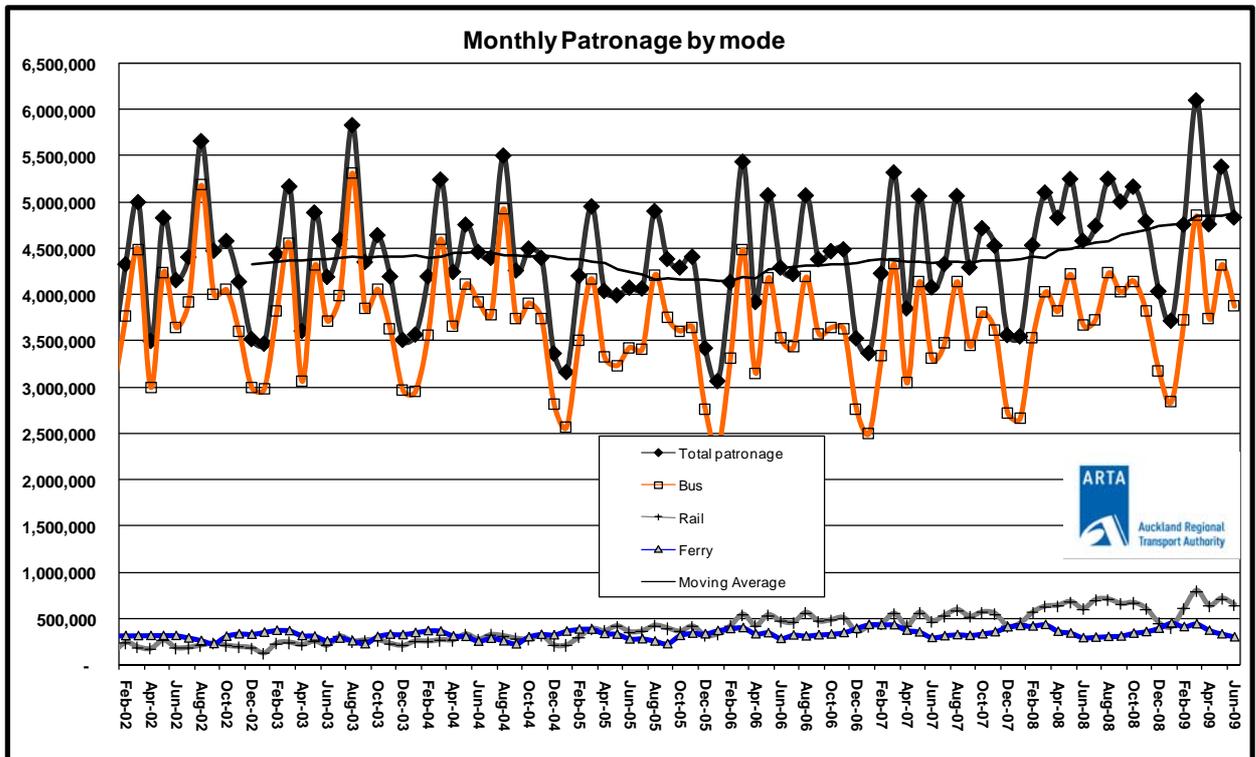
Strategy and Planning

- The 2009/12 Regional Land Transport Programme (RLTP) was released in late June.
- The final Auckland Transport Plan (ATP) 2009 is due to be released in July 2009.

1 CUSTOMER SERVICES

1.1. PASSENGER TRANSPORT PATRONAGE – NETWORK WIDE

The total combined bus, ferry, and rail cumulative patronage for the 2008/09 financial year (ended 30 June 2009) is 7.7% (4,195,176 boardings) higher than for the 2007/08 financial year at 58,620,796 total boardings. The patronage for the month of June is 5.5% higher (252,679 boardings) than June 2008 at 4,839,948 boardings.

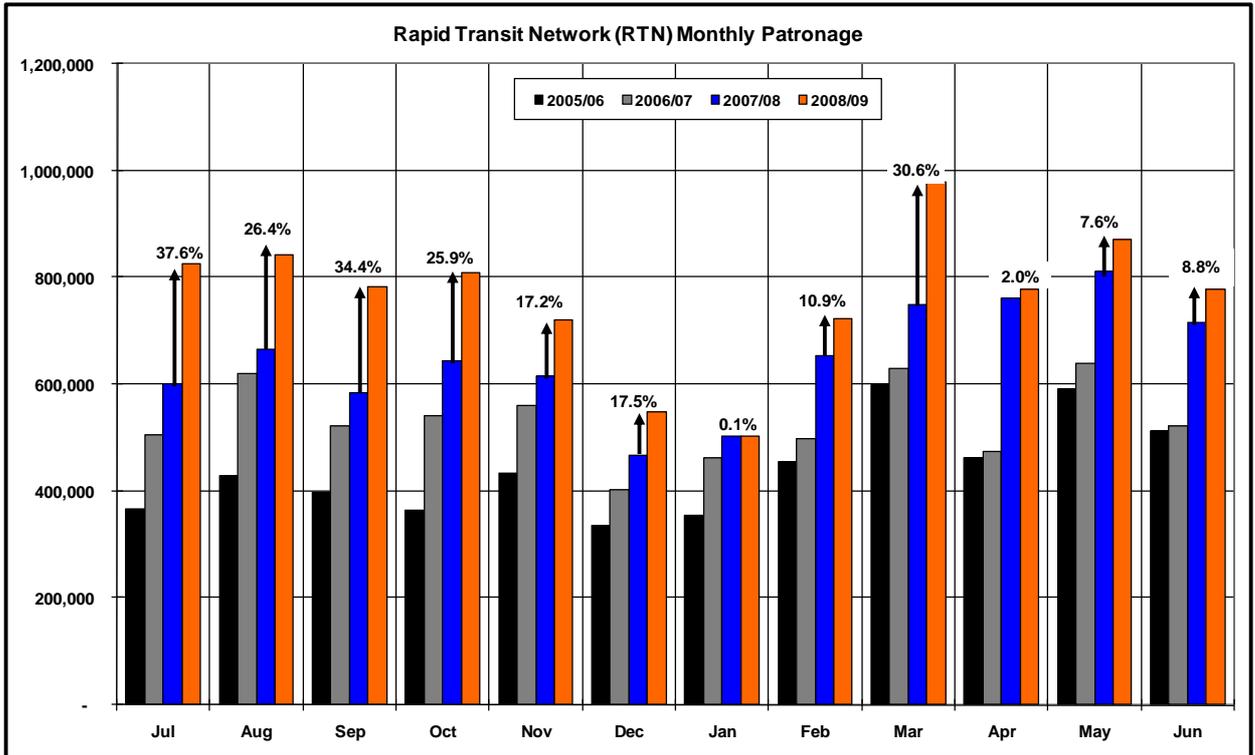


The largest contributors to the June patronage growth (252,679 boardings) were:

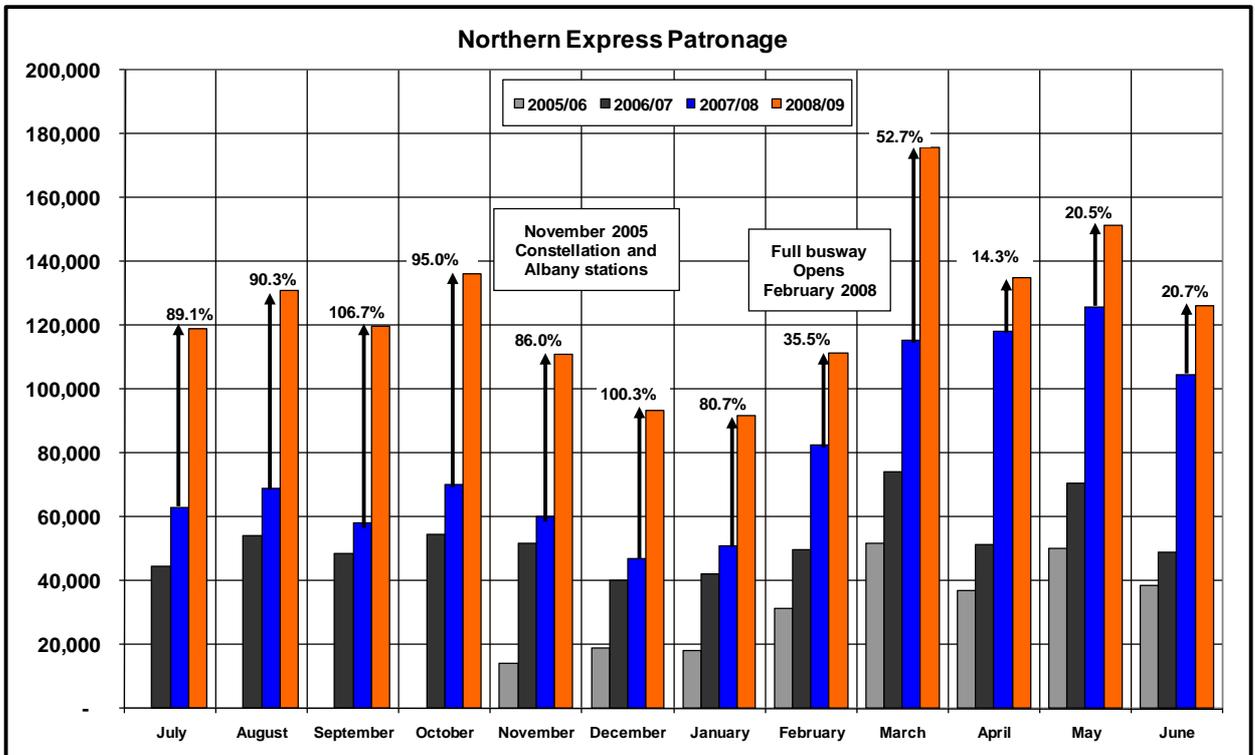
- Bus was up by 5.5% (202,175 boardings) and included:
 - The Northern Express patronage was 20.7% (21,603 boardings) higher and Albany and Constellation stations feeder buses up 28.3% (6,852 boardings).
 - The contracted trips of Mt Eden Rd services had 27.9% growth.
 - Botany to CBD routes 680 and 681 corridor up 56.6%.
- Rail was up by 6.7% (41,171 boardings)

Rapid Transit Network (Rail and Northern Express):

The total RTN patronage for the 2008/09 financial year is 17.9% (1,391,624 boardings) higher than the 2007/08 financial year.

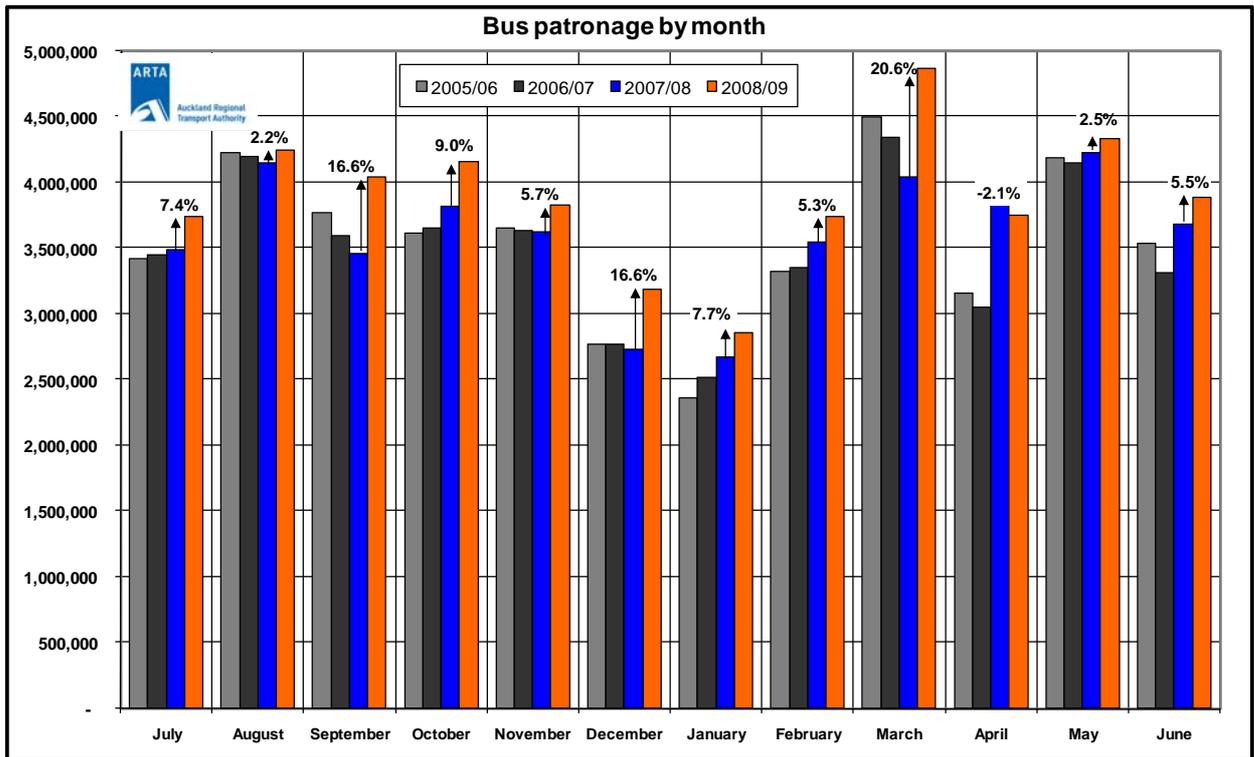


The Northern Express patronage grew by 20.7% or 21,603 boardings for June 2009 compared to June 2008. For the financial year patronage grew by 55.7% or 536,748 boardings.



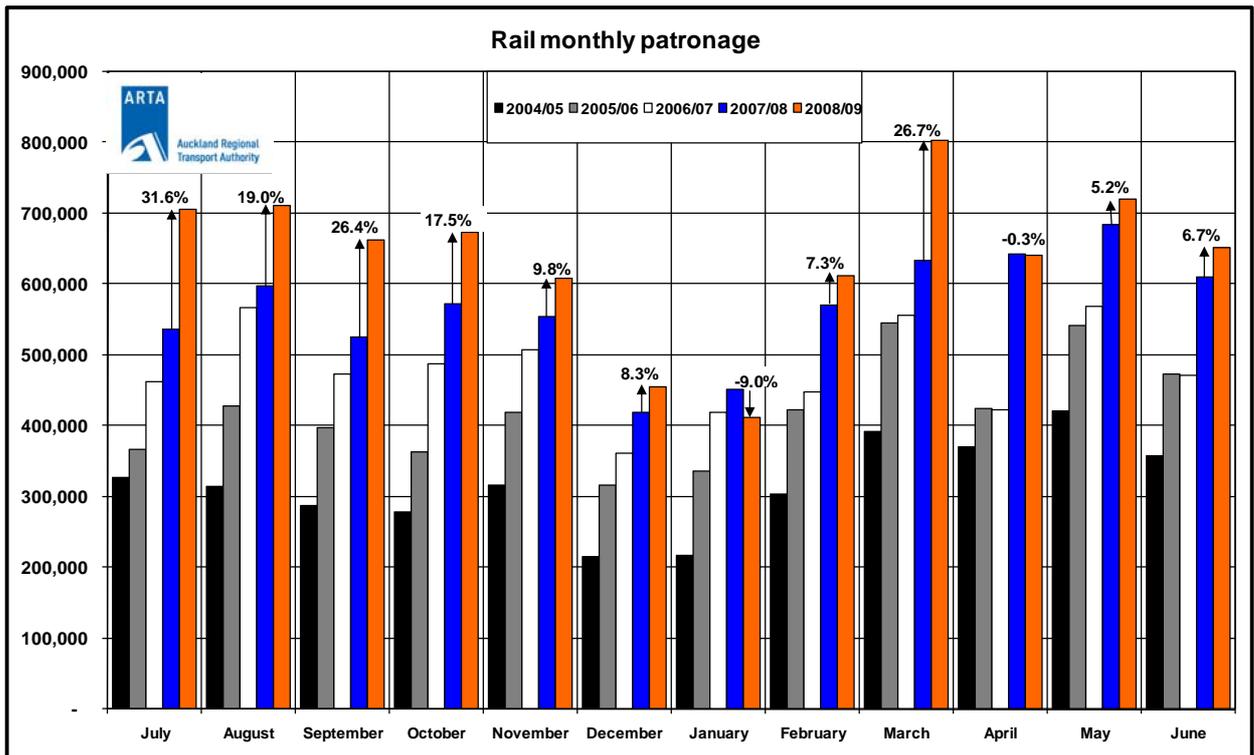
Bus Patronage

Bus patronage is 5.5%, (202,175 boardings) higher than last June, and 7.8% (3,358,439) higher for the financial year.

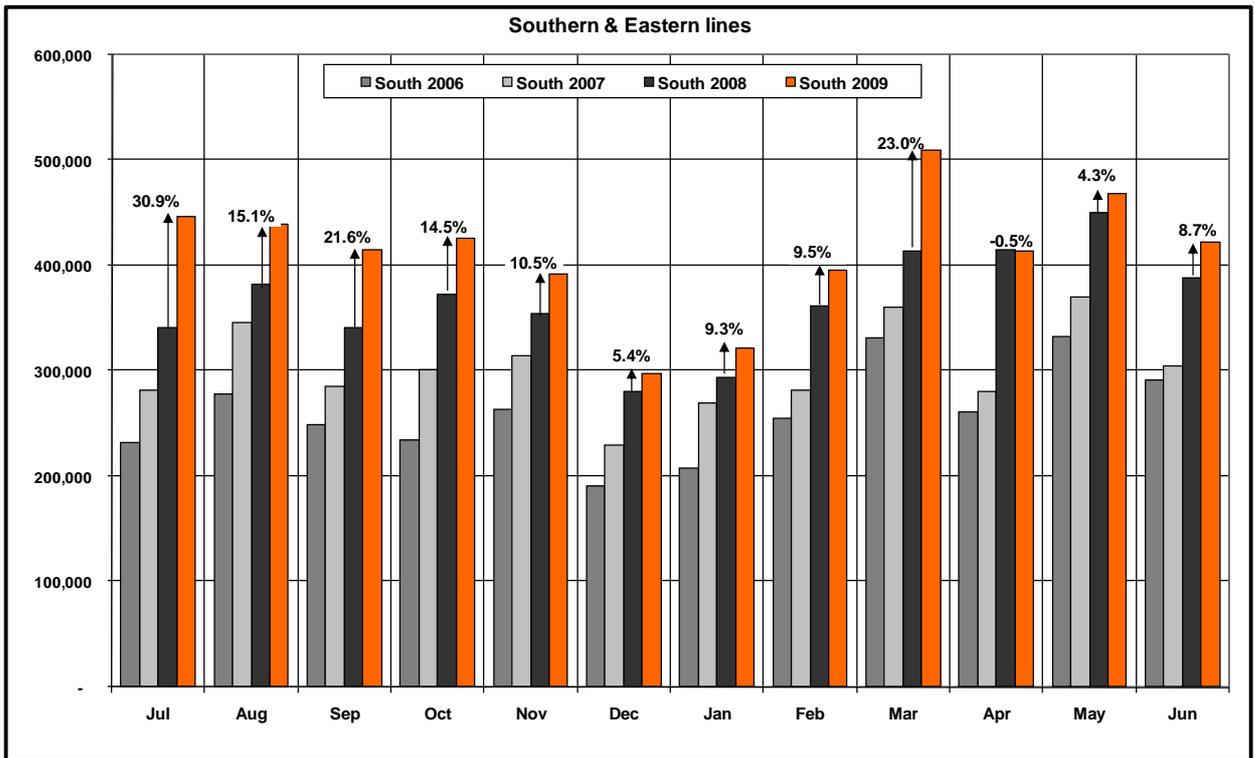


Rail Patronage

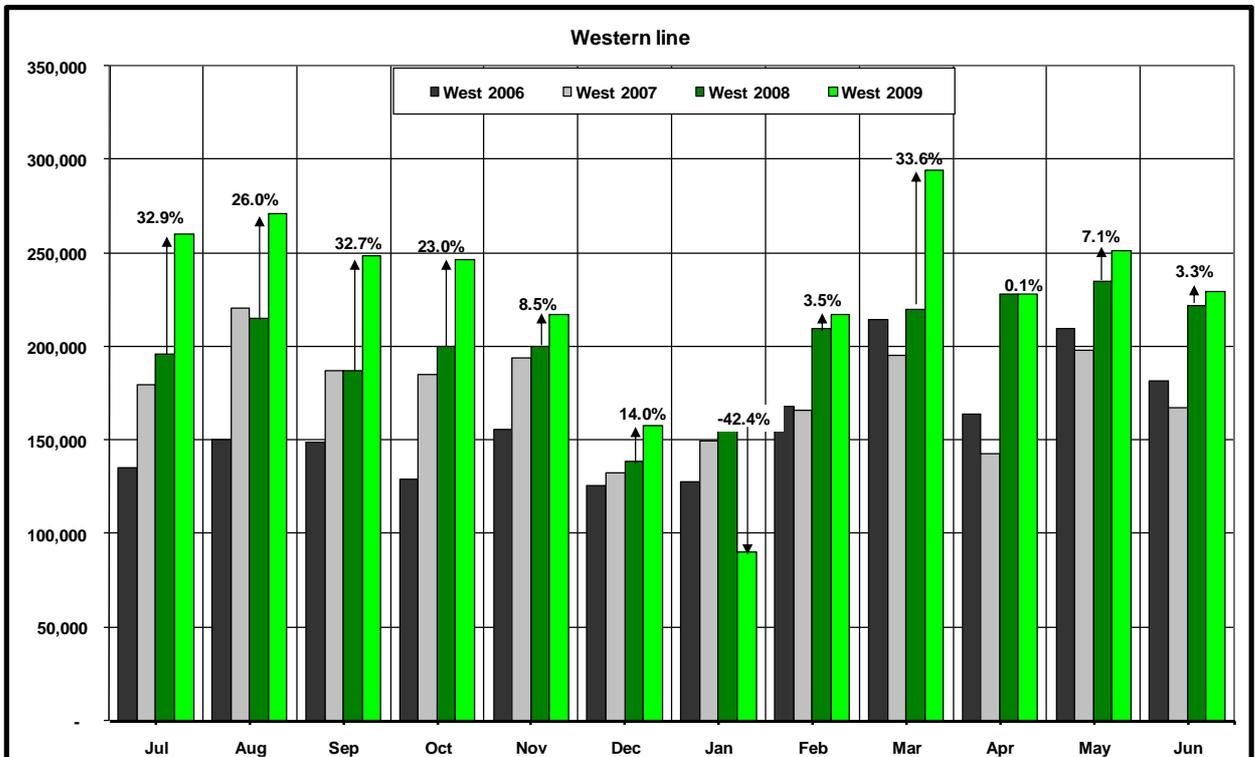
The number of passengers travelling by rail in June increased by 6.7% compared to the same month last year, with 651,000 journeys recorded during the month. This brought the full financial year total to 7.65 million passengers which is 12.6% more than the previous financial year. Last year's monthly patronage included 16,200 journeys made on special trains to the All Blacks versus England test match at Eden Park. There were no major special events in June this year contributing to overall patronage.



Southern and eastern line services carried 8.7% more passengers during June than the same month last year. The 422,000 passengers carried on these lines during the month brought the total number for the financial year to 4.941 million, 12.6% more than the previous year.

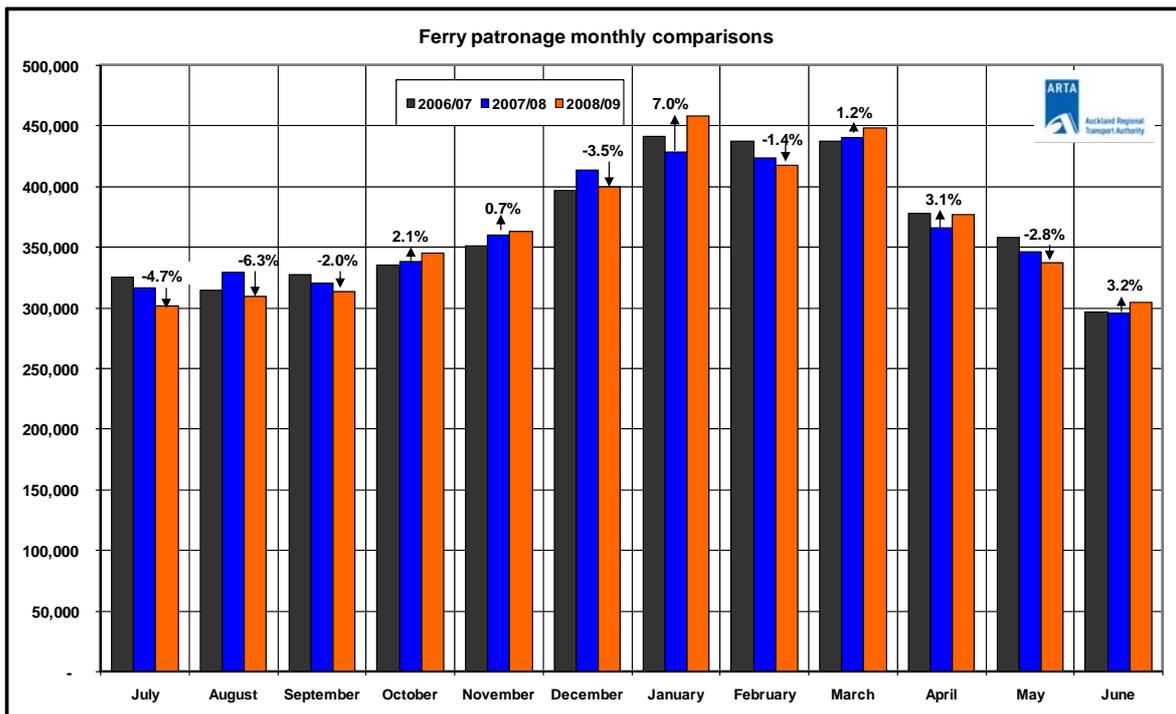


Western line services grew by 3.3% during June compared to June last year, with 229,000 passengers carried, bringing the financial year total on all western line services to 2.709 million, which is 12.7% more than last year. The comparative growth was slower on the western line mainly due to special event patronage included in last year's total.



Ferry Patronage

Ferry patronage for June is 3.2% higher (9,333 boardings) than last June. For the financial year the total ferry patronage is -0.1% (4,777 passengers) lower than the 2007/08 financial year.



1.2. PASSENGER TRANSPORT SERVICE PUNCTUALITY AND RELIABILITY

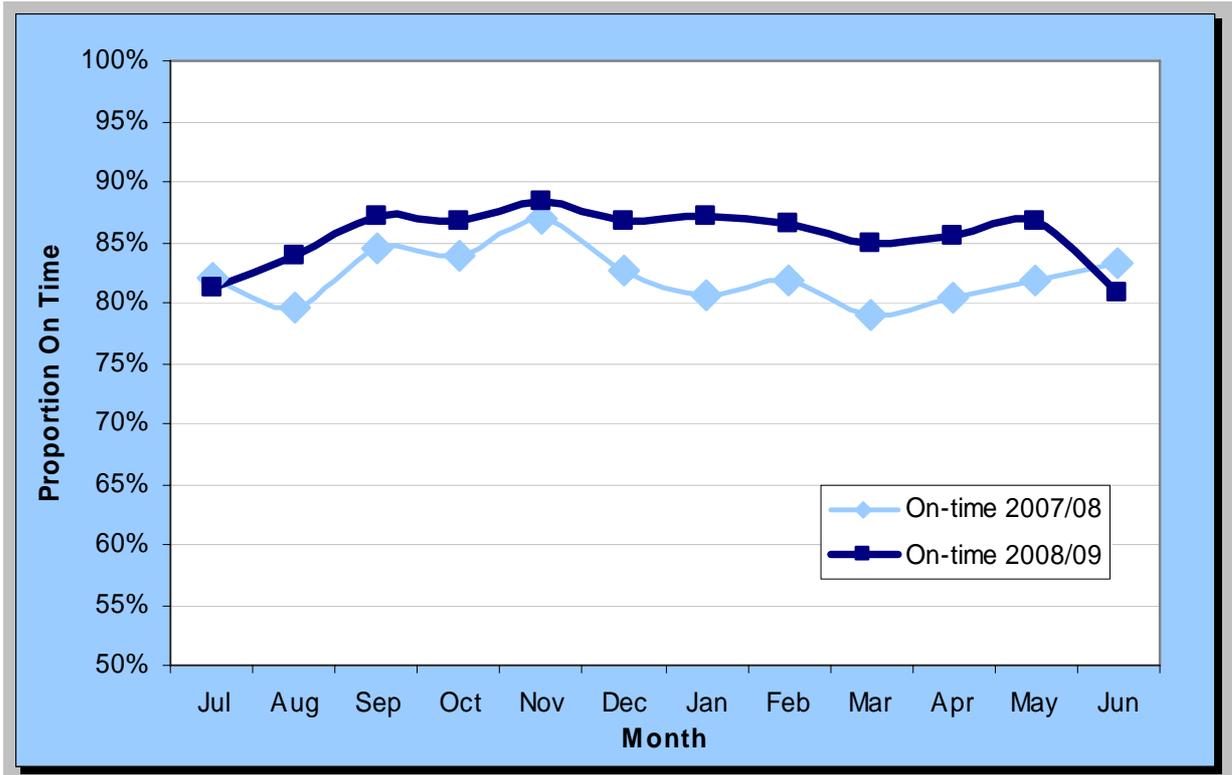
Rail Service

After several months of relatively stable performance, during the month of June there were several major faults and incidents that impacted on service delivery. As a result, punctuality during the month was the worst for more than twelve months with 80.9% of services arriving at their scheduled destination on-time or within five minutes of schedule. This compares to 86.7% last month and 83.3% for June last year.

The following major incidents contributed to the level of delays recorded during the month:

- Signal, points and track failures – Following the improvement noted during May, there was a significant increase in the level of infrastructure faults during June. Following cold weather on the morning of 5 June two broken rails, one near Sturges Road and the other near Purewa tunnel, were reported on the network that resulted in delays and cancellations to many morning peak services on all lines. There were five incidents of points failures recorded in the month – two at Boston Road on 10 and 15 June that affected western line morning and evening peak services respectively, at Westfield on 17 June that affected morning peak services on the southern and eastern lines, at Morningside on 19 June that affected morning peak services on the western line and at New Lynn on 24 June that affected evening peak services. During the early hours of 18 June a signal failure at Otahuhu hindered the movement of trains out of the Westfield yard. As a result delays and cancellations were experienced on all lines through the morning peak period.
- Mechanical faults – There were five major incidents of train faults affecting service delivery during June. Evening peak services were disrupted on 3 June after a train was disabled at Takanini. During the mid-afternoon on 9 June a faulty train at Otahuhu resulted in service delays on the southern and eastern lines. On the morning of 16 June a fault prevented a train being brought into service resulting in several cancellations to morning peak services on the western line. Two separate train faults impacted on services on 17 June. The first occurred at Papakura late in the morning and resulted in delays and cancellations on the southern and eastern lines. The second fault occurred at Morningside during the evening peak and mainly affected western line services.

Rail Punctuality: Services Operating On-time or Within Five Minutes (All Lines)



In June 97.1% of scheduled rail services reached their scheduled destination and were not cancelled, compared to 98.2% last month and 98.4% for June last year. Cancellations due to train faults made up 46% of the service cancellations, track and signal faults were 28% of the total and two operational incidents on 11 and 29 June made up 25% of total cancellations. The reliability of western line services in June was 96.0% compared to 97.4% in May while 97.8% of southern and eastern line services reached their scheduled destination and were not cancelled compared to 98.7% last month.

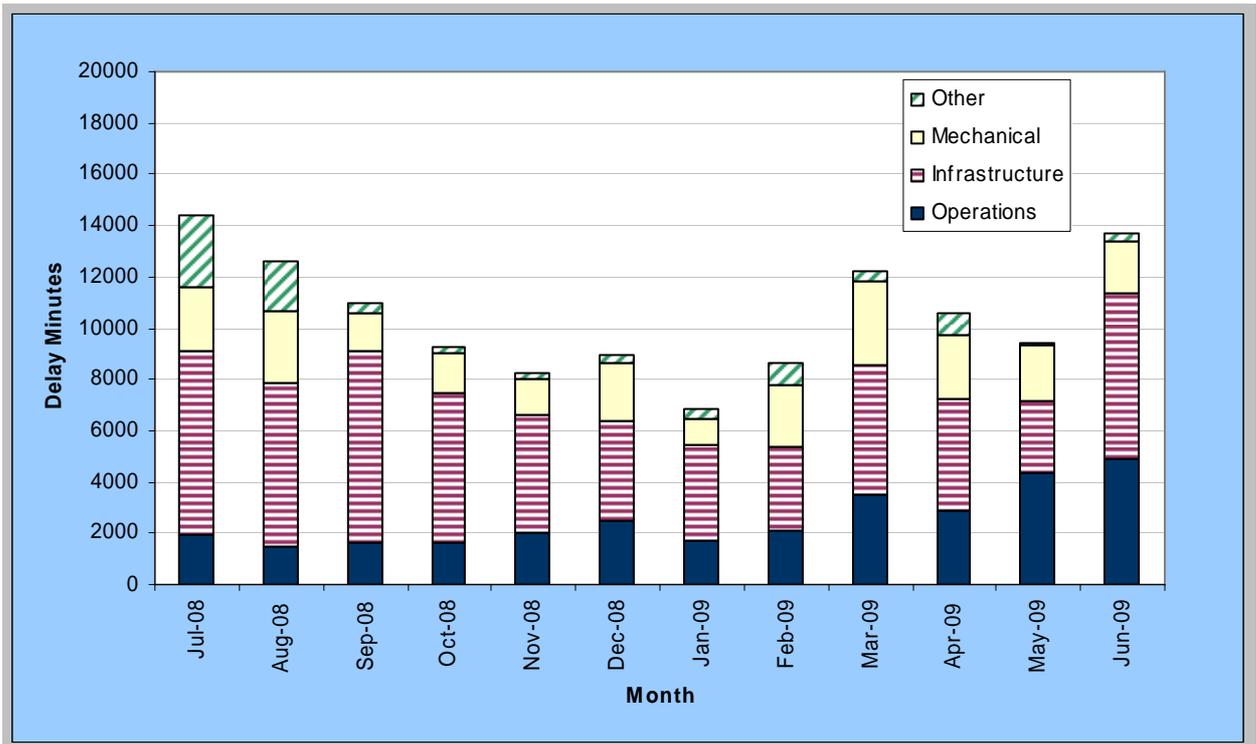
Bus replacements were in effect during the month as follows:

- Over Queen's Birthday weekend (30 May to 1 June) buses replaced trains on the entire western line and between Otahuhu and Britomart on the southern line to allow progress on various work sites on the western line, including the Newmarket station upgrade;
- On Sunday 7, 14 and 21 June buses replaced trains between New Lynn and Avondale to progress construction work around New Lynn. The arrangements, which have been in place for several months, concluded with the introduction of a new timetable from 28 June;
- Weekday evening buses continued to replace trains west of Avondale in the evenings to provide an opportunity for New Lynn to Avondale track duplication and trench construction at New Lynn for the new station until 26 June. The arrangements concluded with effect from 29 June with the introduction of a new timetable.

Passenger Delay Minutes

Passenger delay minutes increased by 45% compared to May to 13,663 which is the highest level since July 2008. The most significant increase was in delays attributed to infrastructure faults (track and signals) which had shown a significant reduction the previous month, particularly points and signal faults. Delay minutes due to operational incidents increased by 11% compared to May. Delays due to mechanical faults fell slightly from May.

Passenger Delay Minutes – Last Twelve Months



The following is a break-down of the infrastructure-related delay minutes in June:

	Delay Minutes	Proportion
Network Control	723	11.2%
Signal/points failure	3,363	51.9%
Speed restrictions	905	14.0%
Track protection measures*	1,487	23.0%
Total	6,478	

*Track protection measures are put in place at sites where work that involves activities close to the track is underway. These require trains to slow or stop at a safe distance prior to the actual site and only proceed after receiving approval from the site protector that the track is clear of all obstructions.

Bus Service Reliability and Punctuality

South, West and Isthmus Contracted Bus Services

For June 2009, 99.73% of contracted service trips were operated (Reliability measure).

Service Punctuality for June 2009 was 99.36% of services operated, measured by the percentage of services which commence the journey within 5 minutes of the timetabled start time.

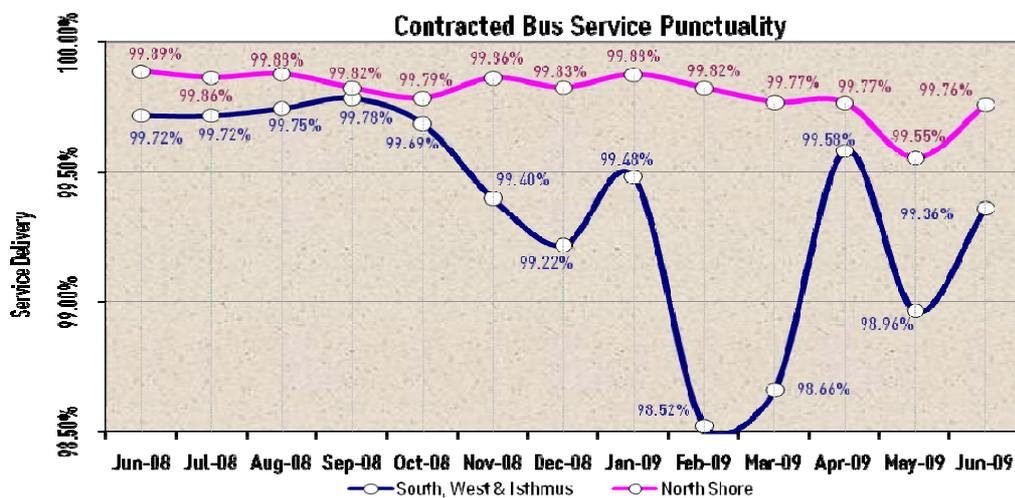
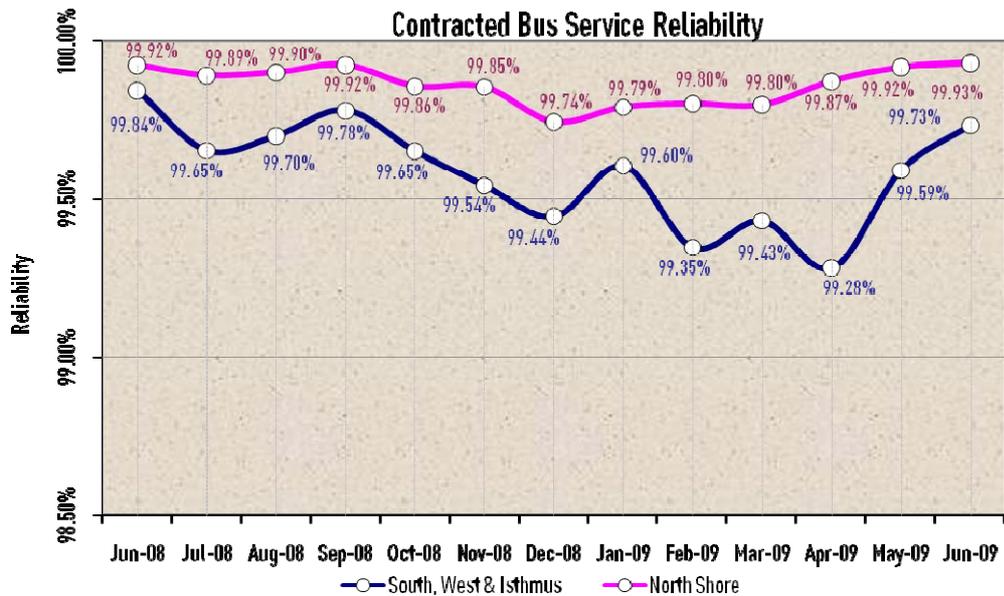
Service Punctuality and Reliability are self reported by the bus operators.

North Shore Contracted Bus Services

For June 2009, 99.93% of contracted service trips were operated (Reliability measure).

Service Punctuality for June 2009 was 99.76% of services operated, measured by the percentage of services which commence the journey within 5 minutes of the timetabled start time.

Service Punctuality and Reliability is self reported by the bus operators.



1.3. SERVICE DEVELOPMENT

Nine bus service changes were made in June 2009, which resulted in poorly patronised services being discontinued.

A new rail timetable improving service mainly on the Southern and Eastern lines was implemented on 28 June 2009.

Public consultation has also been completed on bus service changes in the Western Bays area of Central Auckland.

1.4. MAJOR INFRASTRUCTURE WORKS

Central Connector

The Central Connector Project commenced construction on 8 April 2008.

Construction is underway in Park Rd between Grafton Bridge and Khyber Pass Rd, and Symonds St between Karangahape Rd and Waterloo Quadrant.

In June 2009 temporary bus stops were in use for three of the five outbound and two of the inbound bus stops on Symonds St and both of the stops in Park Rd near Auckland Hospital.

Work in Symonds St is currently focused on the western side of Symonds St between Karangahape Rd and Wellesley St overbridge and on the eastern side completing the Hub Canopy bus shelters for the bus stops S3, S4 and S5. The work and traffic management in this area has been designed to minimise impact to public transport and traffic flows with larger lane reductions undertaken during the interpeak on weekdays or in the weekends.

Resurfacing work at the intersection of Anzac Avenue, Waterloo Quadrant and Symonds St was undertaken over a weekend and two weeknights utilising detours to all Symonds St bus services and Ambassadors to communicate the stop changes. Ambassadors were also engaged during the relocation of the Park Rd bus stop to another temporary location, due to passenger volumes and distance of stop from the Hospital entrance.

1.5. SPECIAL EVENT PASSENGER TRANSPORT SERVICES

Mt Smart Stadium: NRL Game, Warriors vs. Knights, Friday 12 June 2009

Additional rail services were provided before and after this game on the southern line. A total of 457 passenger trips were reported for the game.

Vector Arena: Simon and Garfunkel, Saturday 13 and Sunday 14 June 2009

The Saturday concert was accommodated within the existing rail timetable and additional train per line (South and East) was run to cater for patrons returning home after the Sunday night concert.

1.6. REGISTERED SERVICE NOTIFICATIONS RECEIVED BY ARTA UNDER THE PUBLIC TRANSPORT MANAGEMENT ACT 2008

Under the Public Transport Management Act 2008, the following applications for registered services have been approved during June 2009:

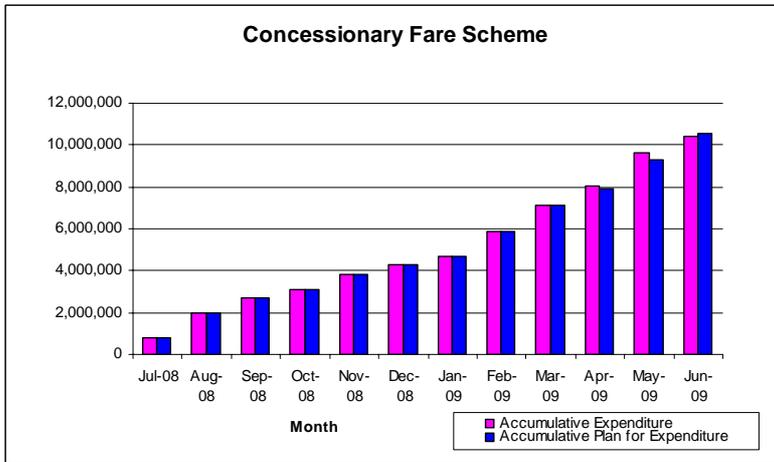
- The Party Bus Company Ltd.: Notification to register a daily school bus service to Albany Junior High School via Whenuapai, Herald Island, West Harbour and Greenhithe. Approved 06-Jun-09.
- Kelly Tarlton's: Notification to vary the existing service route. Approved 09-Jun-09.
- Pavlovich Coachlines Ltd.: Notification to withdraw the commercial registration for the Auckland to Tauranga service. Approved 10-Jun-09.
- Pavlovich Coachlines Ltd.: Notification to withdraw the commercial registration for the registered service between Auckland and Hamilton. Approved 10-Jun-09.
- Waiheke Shipping Ltd.: Notification to vary the existing commercial registration to remove the 0500 ex HMB and 0630 ex KP Monday to Sunday effective up until 30 August 2009 and to reinstate these times from 30 August 2009. Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Great Sights, Auckland PTL: Notification to vary the existing approved commercial registration to operate route GS 7627 daily service (except Fridays) within the Auckland region to Rotorua via Hamilton and Tirau. Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Great Sights, Auckland PTL: Notification to vary the existing approved commercial registration to operate route 7629 Friday only services within the Auckland region to Rotorua via Hamilton and Tirau. Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Great Sights, Auckland PTL: Notification to register route 7651 to operate within the Auckland region to Rotorua via Waitomo (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Transit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 7001 within the Auckland region to Wellington (Monday to Sunday). Approved 25-Jun-09.

- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6407 within the Auckland region to Palmerston North (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6412 within the Auckland region from Palmerston North (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6502 within the Auckland region from Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6503 within the Auckland region to Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6501 within the Auckland region to Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6504 within the Auckland region from Wellington (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 7225 within the Auckland region to Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group and Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 7226 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Great Sights, Auckland PTL: Notification to vary the existing approved commercial registration to operate route 7230 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group: Notification to vary the existing approved commercial registration to operate route 6210 within the Auckland region from Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Tranzit Group: Notification to vary the existing approved commercial registration to operate route 6219 within the Auckland region to Rotorua (Monday to Sunday). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6418 within the Auckland region from New Plymouth, Monday to Sunday service (except Fridays). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd.: Notification to vary the existing approved commercial registration to operate route 6404 within the Auckland region from New Plymouth (Monday to Saturday service). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to add route 6414 to operate within the Auckland region from New Plymouth (Sunday service only). Approved 25-Jun-09.
- Intercity Group (NZ) Ltd. t/a Ritchies Holdings: Notification to vary the existing approved commercial registration to operate route 6416 to operate within the Auckland region from New Plymouth (Friday only service). Approved 25-Jun-09.
- Transportation Auckland Corporation Ltd.: Notification to vary the commercial registration to remove the 20 trip Child Multi journey ticket, 3 Day Rover and introduce a 7 day all zone pass. Approved 26-Jun-09.
- Nakedbus.com t/a Shuttlanz Ltd.: Notification to register a scheduled commercial passenger transport service to operate within the Auckland region outbound to New Plymouth and Palmerston North regions. Approved 29-Jun-09.

1.7. PUBLIC TRANSPORT CONCESSIONARY FARE SCHEME (CFS)

9 senior citizen applications were processed in June 2009 compared with 22 in March, 5 in April and 15 in May.

Expenditure for concessionary fare reimbursements is under budget for the twelve months ended June 2009. The expenditure is \$10,422,000 against a reforecast budget of \$10,528,000.

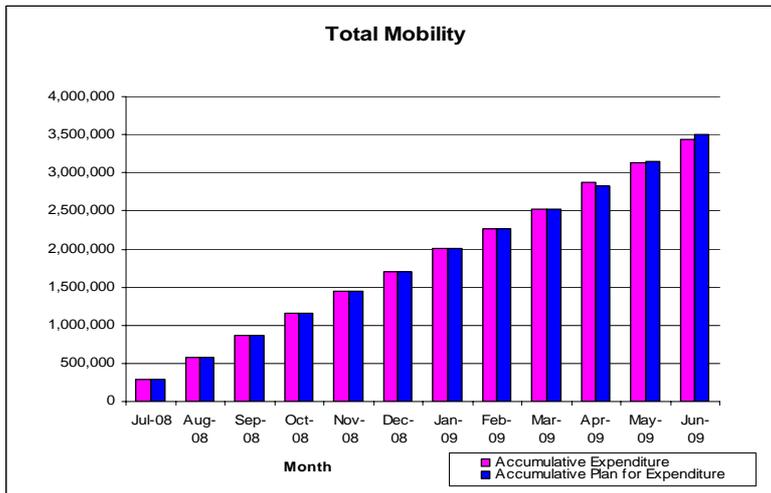


Expenditure for the SuperGold card is not included within this graph as it is funded 100% (for non-peak travel) by NZTA. The expenditure for SuperGold card for the nine months ended June 2009 is \$6,635,000.

1.8. AUCKLAND TOTAL MOBILITY SCHEME

184 new Total Mobility applications were processed in June 2009 compared with 173 in March, 127 in April and 149 in May.

Expenditure for Total Mobility reimbursements is under budget for the twelve months ended June 2009. The expenditure is \$3,440,000 against a budget of \$3,503,000.



ARTA staff commenced the two yearly reissue of all current TM Photo ID cards in mid April 2009. Approximately 9,500 reissue letters were posted around Easter asking TM clients to renew their ID card prior to 30 June 2009. For the period to end June 2009, approximately 7,100 TM reissues were received and processed.

1.9. TRAVEL PLANNING

Walking School Bus (WSB)

The following schools established new WSBs during June:

- Green Bay
- Whangaparaoa Primary
- Verran Primary
- Warkworth Primary

2 PROJECT DELIVERY

2.1. ROLLING STOCK PROCUREMENT

Renewals Projects

SX refurbishment

The SX carriages refurbishment is now complete. The key benefits of the refurbishment are the improved ride quality and extension of the carriage service life to 2015.

Veolia continue to work with KiwiRail to resolve the issues with the SX Train doors. The SX train is now back operating in revenue service following changes to operating procedures together with the development of a program to modify the door operating mechanisms.

PID installation

Production of the required hardware and software is progressing however installation of the PIDs on ADK/ADB has been delayed until final design of an air conditioning system is completed to avoid potential conflict in locating the various components for each system. PIDs have been fitted to all ADL/C carriages and the 6 SX carriages.

Up-rating of X28020 Bogies

All the trains were completed, commissioned and returned to service by 7 June 2009.

The KiwiRail NZTA rail licence variation has been approved and changes to the operational codes are being completed. It is expected that this work will be completed and crush loading of these carriages will be possible from the end of July 2009.

Interim Rolling Stock SA Trainsets 18-23

Hillside have completed manufacture of a number of SA and SD carriages to allow completion of trainset 18 and most of the balance of trainsets 19-23, but late delivery of metric bearings for the S-Ride bogies has delayed delivery of the required bogies from CNR. The Chinese manufacturers advised that the first batch of twenty (20) bogies will be dispatched to New Zealand during week 28 (06/07/09-10/07/09) to allow the delivery of TS18-20 into service on/or before the end of October 2009.

2.2. INFRASTRUCTURE DEVELOPMENT

DART: Joint ARTA / ONTRACK Projects

Progress made on each joint ARTA-ONTRACK DART project is described below:

Newmarket Station Remodelling (DART 1)

The roof to the link bridge and the eastern platform shelter is now complete and work is progressing well on the main station area and the western platform shelter. The Remuera Road Bridge (ONTRACK) works and the station entrance structure (ARTA) are in progress with completion of the first part of road bridge due for completion by the end of July 2009

Grafton Station (formerly known as Park Rd) (DART 2).

ARTA's station design is now complete with building consent submissions to be made in July 2009. A value management review has identified opportunities for cost savings relating to structural design. ONTRACK is progressing with piling and bridge works.

Western Line Duplication Stage 3 – Avondale (DART 4)

ARTA's station design is nearing completion with submission for building consent planned for the end of July 2009. ONTRACK has programmed commencement of construction of the new platforms for August 2009.

Western Line Duplication Stage 3 - New Lynn (DART 6)

A value management workshop between ARTA, WCC and ONTRACK was held in June with a view towards concluding agreement on the principles for a fair valuation and apportionment of the enhanced (TOC2) project costs. The final process will be verified by an independent expert. Target resolution is early August 2009.

Western Line Duplication Stage 4 Henderson to Swanson (DART 8)

Project complete and will not be included in future reports.

Morningside Station Upgrade

The station upgrade is substantially complete. Detailed planning is underway by ARTA Communications team, for the official ministerial opening which is expected to be on the 7 August 2009.

Distributed Stabling (DART 17)

Tamaki Drive - A joint concept design had been developed that satisfied ARTA's and KiwiRail's requirements. However, freight movements are predicted to increase through the Port and KiwiRail are now reluctant to provide any storage for passenger stabling at Tamaki. An alternate stabling layout has been provided by ONTRACK utilising the Strand area. As Tamaki Drive is a key stabling site for the efficient operation of passenger rolling stock ARTA staff are proposing to revisit this option with ONTRACK and KiwiRail.

Western Line Site Railside Avenue - The detailed design RFT is on schedule for a tender release date of late July 2009. Further consultation is being planned to keep residents informed and reinforce the work completed in early June 2009.

2.3. FERRY TERMINAL UPGRADES

Bayswater

The programme, scope of works and funding arrangements are currently under review. In support of the overall areas patronage review a check study has been commissioned to establish options for providing increased accessibility for buses to the terminal building, and to review the potential options for ferry patronage parking facilities.

Birkenhead

The building consent review is nearing completion with final approval expected in early August 2009. The hydraulic ramp has now completed its certification process and certification will be issued by 15 July 2009. Advanced concrete repair works commenced on 27 June 2009. The estimated project completion date is the end of January 2010.

2.4. NETWORK DEVELOPMENT

Onehunga Branch Line Rehabilitation (DART 19)

Detailed design for Te Papapa and Penrose stations are substantially complete with submission of building consent expected by the end of July 2009. Onehunga Station detailed design continues to progress well. A consenting strategy for works on the ITM site is being developed. The anticipated project completion date is early February 2010.

Manukau Rail Link (DART 9)

ONTRACK have commenced preparation of earthworks and anticipate commencing full piling over the winter period. ARTA and ONTRACK have completed conceptual design and are progressing towards the detailed design phase of the rail and bus interchange in conjunction with ONTRACK, Manukau City Council and Manukau Institute of Technology.

Ferry Terminal Developments

- Half Moon Bay

The detail design brief, as per the approved option 2B, has been completed and is anticipated to be awarded in July 2009.

- Hobsonville

ARTA and Hobsonville Land Company staff continue to liaise with regard to overall development and future ownership and maintenance of the wharf facility.

ARTA have prepared a design brief to engage consultants to prepare an ARTA base case, estimate and report which is anticipated to be completed by the end of August 2009.

Rugby World Cup 2011 - Kingsland Station

This is a two stage programme.

Stage one is for a platform to platform pedestrian underpass. Finalisation of the concept for the pedestrian rail underpass between platforms is expected by the end of July 2009. Detailed design will commence for this stage of the design once concept approvals have been received from ONTRACK/Auckland City Council (ACC).

Stage two station upgrade works include Eden Park side platform widening. This stage of the project is progressing well in conjunction with ONTRACK and ACC. Platform access and extent of intrusion into the Sandringham Road reserve is nearing final agreement with ACC.

Construction of stage one will be commencing during December 2009 block of line with commencement of stage two construction in early 2010.

2.5. REAL TIME PASSENGER INFORMATION SYSTEMS (RTPIS)

Type 1 - VPIDs for Bus Services, Phases 0, 3 & 4:

The implementation of the RTPIS regional expansion program has so far provided real time passenger information at 154 bus stops and due to its success, ARTA has received requests from City Councils and the travelling public to install Type-1 VPIDs at a number of priority interchanges and bus stops. The installation of VPIDs has been completed at 5 of these additional locations.

The details and progress of the RTPIS expansion program are as follows:

- (a) Initial installation schedule – 146 Type-1 VPID sites:
 - Rodney District (9)
 - Waitakere City (47)
 - North Shore City (42)
 - Manukau City (47)
 - Franklin District (1)
- (b) Additional site completed – 5 sites:
 - Highbrook Interchange, East Tamaki (2)
 - Middlemore Hospital (1)
 - Fanshawe Street (opposite the Air NZ Building)
 - AUT Akoranga Campus (1)
- (c) Type-2 Metro-I VPID installed as proof of concept – 3 sites:
 - 203 Forrest Hill Road
 - Birkenhead Shops, 64 Mokoia Road
 - Rangitoto College, Opposite 459 East Coast Road

(d) Additional sites under construction – 3 sites:

- North Shore Hospital (2), programmed for completion 31 July 2008
- AUT- 45 Akoranga Drive (1), programmed for completion 31 July 2008

(e) Interchangers and bus stops under construction by local Councils – 4 VPID sites:

- Papakura bus/rail interchange, Railway Street (2), programmed for completion by 31 August 2009
- Albany Plaza, Civic Drive (2 plus provision for 2 additional to allow for future needs), programmed for completion by 31 August 2009

(f) Requested locations for Type-1 VPIDs that are presently being evaluated and the associated site works scoped and costed - 10 sites:

- Albert Street (4 sites)
- Lower Albert Street (1 site)
- Glenfield Shopping Centre (2)
- High bury Shopping Centre (2)
- Davenport Wharf (1)

Type 2 - Solar Powered VPIDs for Bus Services, Phases 0, 3 & 4:

The Request for Tender (RFT) documents are prepared and are presently being processed by ARTA procurement for advertising during July 2009. The scope of the RFT includes:

- the manufacture and supply of up to 220 solar powered real time passenger information displays with audio announcement systems
- their installation at bus stops throughout the Auckland Region
- the associated lifecycle maintenance for a period of five years

It is planned to commence installations toward the end of the year in North Shore City and Rodney District. A list of 66 proposed sites has been forwarded to NSCC for them to review. The supply and installation of the Type-2 VPIDs will be co-ordinated with the procurement of the Multi-Modal Passenger Information System (MMPIS) detailed below.

During the first week of July a 3rd prototype Type-2 Metro-i solar powered VPID was installed at the bus stop outside Rangitoto College, East Coast Road. The two other solar powered prototype Metro-i units installed during January 2009 continue to operate satisfactorily.

Multi-Modal Passenger Information System (MMPIS):

The MMPIS project includes the RTPi management system, interfacing with existing infrastructure and additional infrastructure required for displaying real time passenger information at ferry terminals, rail stations, modal interchanges and bus stops.

The ARTA project team have worked with the Greater Wellington Regional Council (GWDC) team to provide additional experience and associate knowledge so as to gain additional benefit for both RTPi projects. The ARTA project team have also assisted GWRC to review proposals and select a suitable system and associated supplier for the Wellington Region.

The ARTA Request for Proposal (RFP) documents for an operating system for the Auckland Region are completed and the RFP will be advertised during July 2009.

NZTA and ARC funding is approved for the project.

Subject to the availability of a suitable system, associated equipment and resources it is planned to complete the system procurement by 31 October 2009 and rollout the system and associated infrastructure in stages from November 2009 with completion in 2010.

Central Connector Corridor (CC) Project RTPI component:

ARTA is presently working with Auckland City Council, their consultants BECA and contractors Fulton Hogan to co-ordinate the installation of RTPI signs at the redesigned bus stops in the CC.

The schedule of works comprises 18 bus stop sites of which 4 are completed.

2.6. ASSET MANAGEMENT**Downtown Ferry Terminals Structural renewals (Piers 1 & 2)**

Works are now progressing in the areas that had previously been deferred to minimise noise and disruption to businesses during the summer months.

Half Moon Bay Vehicular Terminal Layover Berths

All negotiations with swing mooring holders were completed in June 2009 and results submitted to the ARC. The ARC have advised that the resource consent submission is back under review and the final report is being processed and that consent approval should follow. Construction of the additional layover berths is planned to commence immediately thereafter.

3 STRATEGY AND PLANNING

3.1. STRATEGIC TRANSPORT PLANNING

Auckland Transport Plan

Following the hearing of submissions, the draft Auckland Transport Plan was finalised and released to the public and is now available on the ARTA website.

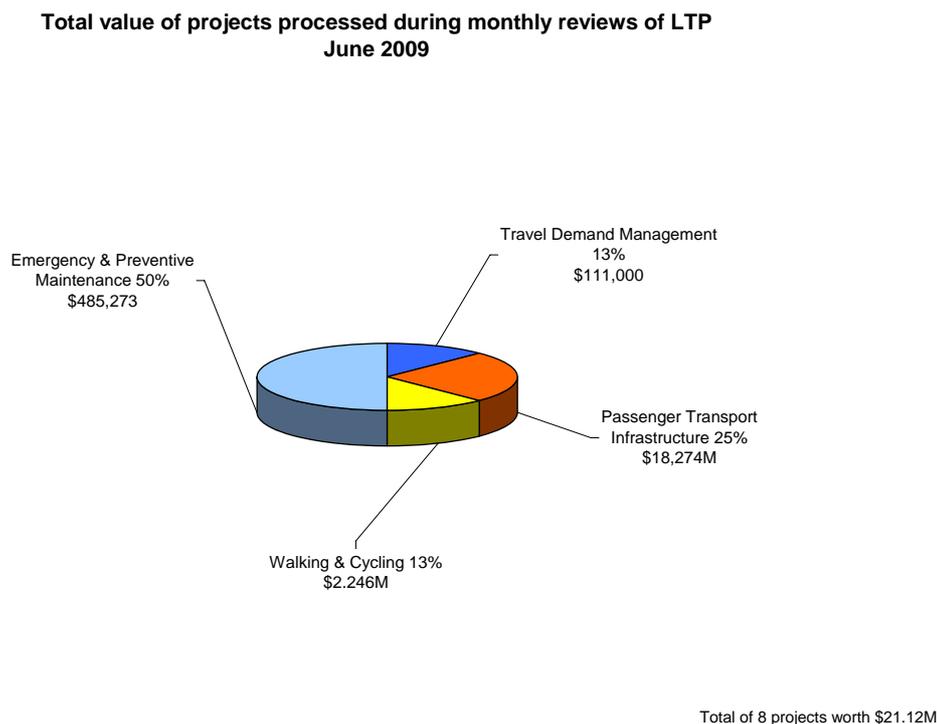
3.2. PLANNING AND PROGRAMMING

2008/2009 Auckland Land Transport Programme (LTP)

During the June monthly review, 8 funding applications totalling \$21,115,856 were submitted to ARTA for consideration.

ARTA recommended all of the applications for approval to NZTA. Of these, 7 applications worth \$21,060,856 were approved for funding, and the remaining 1 project worth \$55,000 was declined as NZTA recommended that it should be funded out of Waitakere City Council's general maintenance allocation.

Error! Reference source not found. Figure 1 below shows the breakdown of scheme type.



Note The percentage values in the chart above relates to number of schemes as opposed to value.

Figure 1. June LTP Review, ARTA processed.

Table 1 – June Recommended Schemes to NZ Transport Agency

Land Transport Programme Management							
Project name	Description	Activity Class	Phase	Cost	Comments (ARTA)	Outcome (NZ Transport Agency)	
June 2009							
ARTA	Newmarket Rail Station Construction Completion	Completion of construction of ARTA's Newmarket Passenger Rail Station project.	PT Infrastructure	Construction	\$15,274,000	Recommended	Approved
ARTA	Passenger Transport Programme 2008/09	Additional funding as a result of programme adjustments, escalation and improved service demands	PT Rail Services	Construction	\$3,000,000	Recommended	Approved
MCC	Mill Rd/Redoubt Rd Corridor Study (MPP)	Increased scope due to investigation of more options.	System Use Study	Study	\$111,000	Recommended	Approved
NSCC	2009/10 Albany Highway Corridor (Oteha Footbridge)	Construction of shared pedestrian and cycle path & bridge between the new Albany Senior High School and Wharf Rd (along Albany Highway).	Walking and Cycling	Construction	\$2,245,583	Recommended	Approved
RDC	Emergency Slip Repair, Shepherd Road RP 1600, Wellsford	Under slip located RP 1600 on Shepherd road.	Maintenance	Construction	\$282,273	Recommended	Approved.
WCC	Kay Road Slip Repairs	Partial failure of a road side crib retaining wall on Kay Road in Waiakare.	Maintenance	Construction	\$55,000	Recommended	Declined as activity should be funded under the general maintenance allocation.
WCC	Titirangi Beach Rd Slip Repairs	Slip occurred near by no.1 Titirangi Beach Road.	Maintenance	Construction	\$67,000	Recommended	Approved.
WCC	Titirangi Rd Slip Repairs	Recent slip located at the heart of Titirangi Township.	Maintenance	Construction	\$81,000	Recommended	Approved.
Total New Schemes Approved for Funding					\$21,115,856		

3.3. 2009/2012 REGIONAL LAND TRANSPORT PROGRAMME

The 2009/10 – 2011/12 Auckland RLTP document was published on the ARTA website on 30 June. With the RLTP submitted to NZTA, the emphasis will now be on administering the programme and managing any variances to the programme.

3.4. WALKING AND CYCLING COORDINATION

The quarterly Regional Walking and Cycling Forum was held in June and ARTA gave an update on the Regional Manual Cycle Count programme and the National Cycleway. ARTA is liaising with the organisations responsible for the National Cycleway project with the intention of exploring regional opportunities.

3.5. REGIONAL ROAD SAFETY COORDINATION

The Regional Road Safety Plan will be released in August 2009. The July edition of the Road Ahead newsletter was released and analysis of crash trends for the Auckland region was carried out.

Regional Road Deaths at 30 June 2009 compared with 30 June 2008.

	RDC	NSCC	WCC	ACC	MCC	PDC	FDC	Region
June 09	7	5	13	6	8	1	8	48
June 08	4	4	3	4	12	0	5	32

Road deaths this year remain considerably higher when compared with 2008, this is due to an abnormally low fatalities rate last year.

4 MARKETING AND COMMUNICATIONS

4.1. MARKETING AND CUSTOMER INFORMATION CHANNELS

New Developments – June 2009

Service Performance Reviews and Consultations

As part of the regular review of bus service performance, four Western Bay routes were identified as having low patronage and it was proposed that the services be discontinued. Affected services include the 035, 045X, 012 and 412. Customers on these routes were informed of the proposal and invited to provide feedback. Feedback will be reviewed and a decision made by 6 July, which will subsequently be communicated to customers.

The consultation process for Route 007 in Pt Chevalier commenced with the distribution of flyers to streets in the immediate vicinity. The deadline for customer feedback is 17 July.

Special Event Transport Promotions – June 2009

Bledisloe Cup – Saturday 18 July

Promotion of free travel to the game was communicated via posters (on trains, at stations and on street), radio, newspapers and Ticketmaster e-tickets.

Air New Zealand Cup – early August

Free travel to games (with pre-purchased tickets) has been promoted via on-board posters, Ticketmaster e-tickets and flyers distributed via the Eden Park ticket office to agents.

ON BOARD Patronage Growth Campaign

The ON BOARD campaign to drive patronage growth commenced on 29 June. The campaign uses real people's testimonials about why they choose public transport. It also communicates patronage results for the last year (May 2008 – April 2009) across all public transport such as;

- 1.5 million trips on the Northern Express
- 7.6 million trips on Auckland trains
- 75,000 customer trips on the Pine Harbour Ferry
- 46 million trips on buses.

Resources for TravelWise Workplaces

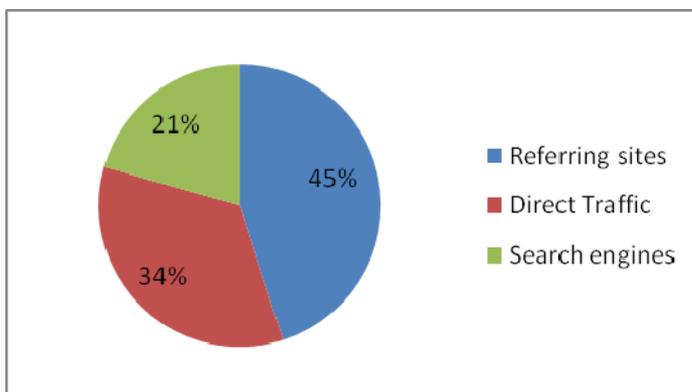
A brochure has been completed for TLAs/ARTA to supply to potential clients. The brochure introduces the TravelWise programme and promotes the benefits it can offer to employers, employees, the environment and community.

Posters promoting public transport, carpooling, walking and cycling have been completed. They are available for workplaces to display in their offices and have been designed so that clients can insert their logo if required.

CUSTOMER INFORMATION CHANNELS

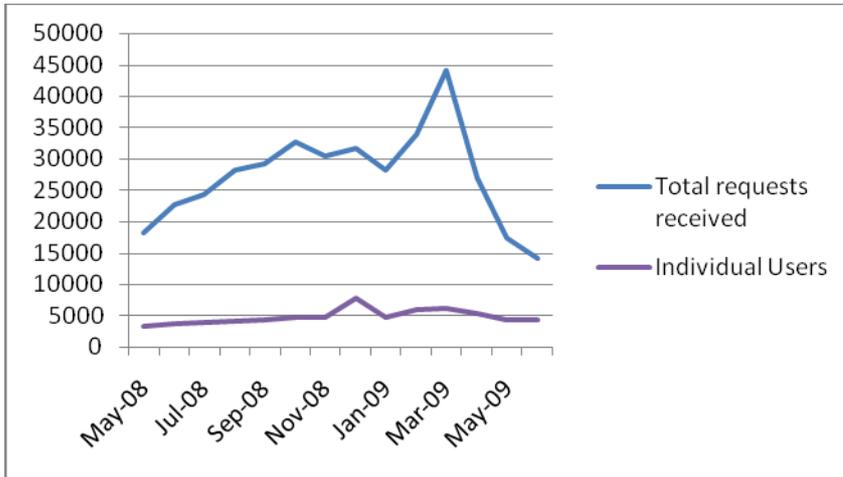
MAXX website statistics – June 2009	
Total visits	422,313 Previous month: 466,587 (-9.5%)
Unique visitors	250,473 Previous month 231,989 (+8%)
Most active hour of the day	4.00pm
Most active day of the week	Tuesday
Most popular pages	1.Plan a journey 2.Journey Map 3.Home Page 4.Journey Planner- route diagram
Most downloaded PDF files	1. Western Line train timetable 2. Southern Line train timetable 3. Beach Rd / East Coast Bays bus timetable 4. Eastern Line train timetable 5. North/Hibiscus Coast bus timetable
Average Time on site	3 minutes 31 seconds
Average page views	3.24 pages

Website Traffic Flow – June 2009



MAXX SMS service – June 2009

Total requests received	14,184 19% decrease on May 09 (17,501)
Individual users	4,307 2% increase on May 09 (4,230)



MAXX Contact Centre - June 2009

	2008/2009	2007/2008	Change PY
CALLS OFFERED	45991	56198	-18.16%
CALLS ANSWERED	45280	55087	-17.80%
CALLS ABANDONED	626	922	-32.10%
AVERAGE QUEUE LENGTH (secs)	5	9	-44.44%
AVERAGE CALL LENGTH (secs)	113	121	-6.61%
AVERAGE HANDLE TIME (secs)	122	129	-5.43%
LONGEST QUEUE TIME (mm:ss)	6:05	4:21	39.85%
EMAILS OFFERED	399	421	-5.23%
AVERAGE EMAIL WAIT (hh:mm)	10:34	14:55	-29.16%
BRITOMART VISITS	9411	8705	8.11%

Key Performance Indicators

	2008/2009	2007/2008	Change
GRADE OF SERVICE	90.61%	89.11%	1.68%
ABANDON RATE	1.36%	3.93%	-65.39%
EMAIL GRADE OF SERVICE	100.00%	NA	NA

4.2. MEDIA AND COMMUNICATIONS

Media Releases

JUNE

4 Jun Airbus Express flies high

An efficient transport link to and from the airport is the making of every good city in today's global economy, and Auckland's airport connection, the Airbus Express, is flying high.

17 Jun New timetable and more trains in response to phenomenal growth on Auckland's rail network

A new train timetable, introducing more services and more trains on Auckland's rail network, will be introduced by the Auckland Regional Transport Authority (ARTA) on Monday 29 June 2009. The timetable is being introduced in response to continued growth on Auckland's rail network, which, with continued development and investment, is enjoying a renaissance of dramatic proportions.

26 Jun Take care at level crossings as train services for Pukekohe receive a dramatic boost

Residents of Pukekohe and the surrounding area will benefit from a number of additional train services from this Monday 29 June, as Auckland Regional Transport Authority (ARTA), together with rail operator Veolia Transport, introduces a new rail timetable boasting particular improvements for the area.

26 Jun More rail services for Aucklanders from Monday

The Auckland Regional Transport Authority (ARTA) wishes to remind passengers that a new train timetable, introducing more services and more trains onto the network, will come into effect this Monday 29 June 2009.

5 CORPORATE SERVICES

5.1. FINANCIAL REPORTS

Auckland Regional Transport Authority										
INCOME STATEMENT										
NZD '000	MONTH			YEAR END			FULL YEAR			
	June-09	Budget	Actual	Variance Fav/(Unfav)	Budget	Actual	Variance Fav/(Unfav)	Budget	Reforecast Mar 09	Variance Fav/(Unfav)
OPERATING REVENUE										
ARC Opex Grants	12,014	8,895	(3,119)	95,916	93,164	(2,752)	95,916	93,000	(2,916)	
NZTA Opex Grants	9,566	12,220	2,654	100,967	109,158	8,191	100,967	109,121	8,154	
Other Grants and Subsidies	108	111	3	1,305	1,354	49	1,305	1,355	50	
Rail Fare Revenue	1,799	1,547	(252)	19,000	18,281	(719)	19,000	18,755	(245)	
Bus Fare Revenue	248	460	212	3,962	4,482	520	3,962	4,280	318	
Ferry Wharf Revenue	162	224	62	1,928	2,009	81	1,928	1,984	56	
Other Sundry Operating Income	1	33	32	12	204	192	12	154	142	
Total Operating Revenue	23,898	23,490	(408)	223,090	228,652	5,562	223,090	228,649	5,559	
OPERATING EXPENDITURE										
Human Resource	681	1,384	(703)	12,907	12,894	13	12,907	12,750	157	
Prof Services - Project Delivery	640	835	(195)	7,005	6,213	792	7,005	6,741	264	
Prof Services - Customer Services	942	841	101	8,120	7,981	139	8,120	8,580	(460)	
Prof Services - Others	326	332	(6)	3,394	7,050	(3,656)	3,394	7,330	(3,936)	
Support Services	225	225	0	2,700	2,701	(1)	2,700	2,711	(11)	
Materials	92	38	54	500	188	312	500	172	328	
Printing and Office	195	187	8	1,703	1,259	444	1,703	1,295	408	
Communications	44	16	28	367	196	171	367	209	158	
Information Systems	131	173	(42)	915	765	150	915	719	196	
Bus Contract	10,169	10,838	(669)	111,332	119,547	(8,215)	111,332	117,293	(5,961)	
Rail Contract	5,760	7,305	(1,545)	60,525	57,690	2,835	60,525	60,612	(87)	
Ferry Contract	517	452	65	6,113	4,961	1,152	6,113	5,098	1,015	
T A Level Crossing	2,800	-	2,800	2,800	-	2,800	2,800	231	2,569	
Other Expenditure	127	851	(724)	1,702	2,581	(879)	1,702	1,009	693	
Depreciation	1,587	2,723	(1,136)	13,944	18,457	(4,513)	13,944	16,985	(3,041)	
Investigations Expenditure	-	1,049	(1,049)	1,029	4,934	(3,905)	1,029	4,046	(3,017)	
Total Operating Expenditure	24,236	27,249	(3,013)	235,056	247,415	(12,359)	235,056	245,781	(10,725)	
Net Operating Surplus/(Deficit)	(338)	(3,759)	(3,421)	(11,966)	(18,763)	(6,797)	(11,966)	(17,132)	(5,166)	

Statement of Financial Position

As at 30 June 2009

	June 08 \$000s	ARTA			June 08 \$000s	ARTA		
		Jun-09 \$000s	May-09 \$000s	Movement \$000s		Jun-09 \$000s	May-09 \$000s	Movement \$000s
Liabilities								
Current Liabilities								
Trade payables	8,087	7,036	5,257	1,779				
GST payable	184	0	23	(23)				
Employee benefit liabilities	855	1,025	941	84				
Income in advance	3,076	59	1,813	(1,754)				
Accrued expenditure	34,740	31,421	29,951	1,470				
Transport grants payable	18,802	19,819	15,539	4,280				
Total current liabilities	65,744	59,360	53,523	5,836				
Non-current Liabilities								
Transport grants payable	9,880	1,152	5,701	(4,549)				
Deferred tax	4,935	5,375	4,935	440				
Total non-current Liabilities	14,815	6,527	10,636	(4,109)				
Total liabilities	80,559	65,886	64,159	1,727				
Equity								
Accumulated funds	5,164	4,265	6,153	(1,888)				
Capital grants reserve	205,088	261,685	257,208	4,477				
Total equity	210,252	265,950	263,361	2,589				
Total equity and liabilities	290,811	331,836	327,520	4,316				
Assets								
Current assets								
Cash and cash equivalents	148	105	64	41				
Trade receivables	467	554	421	133				
GST receivable	0	494	0	494				
Accrued income	11,498	13,335	10,883	2,452				
Prepayments	14	0	1,821	(1,821)				
Inventories	3,096	5,126	4,719	407				
Related party receivables								
Operating account	38,562	28,975	30,112	(1,137)				
Transport grants	18,802	19,819	15,539	4,280				
Total current assets	72,587	68,408	63,559	4,849				
Non-current assets								
Property, plant & equipment	186,090	240,381	236,333	4,048				
Intangible assets	22,254	21,896	21,926	(30)				
Related party receivables								
Transport grants	9,880	1,152	5,701	(4,549)				
Total non-current assets	218,224	263,429	263,960	(531)				
Total assets	290,811	331,836	327,519	4,317				

Statement of Cash Flows For the Period Ended 30 June 2009		
Full Year Ended 30 June 2008		Year End
\$000	Cash flows from operating activities	\$000
	Cash was provided from:	
66,415	ARC Opex grants	102,751
57,533	ARC Capex grants	70,771
26,545	ARC funding for IA grants vested in ARTA	7,711
5,028	LTNZ Capex grants	4,457
84,963	LTNZ Opex grants (excl. GST)	106,578
1,333	Other Grants and Subsidies	1,697
16,573	Rail Fare revenue	18,625
3,322	Bus Fare revenue	4,436
1,471	Ferry Wharf revenue	1,998
623	GST	-
150	Other Sundry Operating income	252
263,956		315,881
	Cash was applied to:	
169,822	Payments to Suppliers (excl. GST)	222,913
10,521	Payments to Employees	12,724
26,251	Payments to recipients of IA grants vested in ARTA	7,711
0	GST	184
206,594		243,532
57,362	Net Cash from Operating Activities	72,349
	Cash Flows from Investing Activities	
	Cash was provided from:	
0	Realisation of Other Investments	-
0	Proceeds from Sale of Intangible Assets	-
0		-
	Cash was applied to:	
57,537	Purchase and Development of Fixed Assets	72,392
0	Purchase and Development of Intangible Assets	-
0	Other Investments	-
57,537		72,392
(57,537)	Net Cash applied to Investing Activities	- 72,392
	Cash Flows from Financing Activities	
	Cash was provided from:	
0	Increase in loans	-
	Cash was applied to:	
0	Repayment of Loans	-
0	Net Cash from Financing Activities	-
(175)	Net (Decrease)/Increase in Cash & Investments Held	- 43
323	Cash & Investments Balances at Beginning of the Period	148
148	Cash & Investments Balances at the End of the Period	105
	Cash & Investments Balances Consist of:	
0	Bank Overdraft	-
148	Cash	105
0	Short Term Investments	-
148		105

Reconciliation of Net Surplus with Net Cash Flows from Operating Activities

	Jun 09 \$000
Cash was provided from:	
Net Surplus	55,698
Adjustment for items not involving cash:	
Depreciation and amortisation	18,457
Donated asset	-
Deferred tax	440
Movements in working capital:	
(Increase) in receivables from ARC	9,587
(Increase) in trade and other receivables	- 2,401
Decrease/(Increase) in Inventory	- 2,030
Increase in GST	- 184
Decrease/(Increase) in grants receivable from ARC	7,711
(Decrease)/Increase in trade and other payables	- 7,218
(Decrease)/Increase in grants payable	- 7,711
Net Cash from Operating Activities	72,349

5.1. STATEMENT OF FINANCIAL PERFORMANCE

OPERATING RESULTS - MONTH OF JUNE 2009

The results for the June month and the year ended 30 June 2009 are reported against the ARTA budget as per the 2008/2009 funding agreement with the ARC (approved December 2008).

Revenue

Operating Revenue on the lines Auckland Regional Council (ARC) Opex Grants and New Zealand Transport Agency (NZTA) Opex Grants is claimed from funders in proportion to expenditure.

ARC Opex Grants are \$3.1m less than budget due to less expenditure than budgeted and NZTA Opex Grants are \$2.7m more than budget. The NZTA variance is higher than ARC due mainly to the 100% reimbursement for the Super Gold card reimbursement to operators, which was not budgeted for.

Rail Fare Revenue is \$0.2m less than budget due to slightly lower patronage and a lower average fare than anticipated.

Bus Fare Revenue is \$0.2m more than budget due to higher patronage and higher average fare per passenger than budgeted.

Expenditure

Major variances to budget are:

- a) Human Resource is \$0.7m more than budget for June, this is a timing difference that brings this expenditure category in line with budget for the year to date.
- b) Professional Services – Project Delivery is \$0.2m more than budget due to a timing difference in the use of professional services for the month.
- c) Professional Services – Customer Services is \$0.1m less than budget due to the use of less external contractors in the Travel Demand Management projects as several of these projects have been deferred due to a staff vacancy, no external contractors required to support the real time system and work place travel programmes; partially offset by unbudgeted legal costs associated with total mobility arbitration and rail access agreement advice.
- d) Materials is \$0.1m less than budget due to less walking school bus and marketing incentive materials required than were budgeted.
- e) Bus Contract is \$0.7m more than budget due to inflation payments coming in higher than budget (up to 20% actual vs. budget 10%), the Super Gold card reimbursement to operators and higher than budgeted uptake of the tertiary scheme; partially offset by savings in Total Mobility reimbursements.
- f) Rail Contract is \$1.5m more than budget as a result of unforeseen variations raised to cover overtime, recruitment and staff redundancies due to the implementation of previous customer service initiatives; a back claim for escalation on the Silver Fern lease contract and the purchase of more spare parts than were consumed during both May and June, partially offset by lower than budgeted fuel prices.
- g) Ferry Contract is \$0.1m less than budget due to small savings in this area for the month.
- h) Other expenditure is \$0.7m more than budget due to increased repairs and maintenance at ferry terminals and for additional security at ferry terminals.
- i) Depreciation is \$1.1m more than budget due to more assets being capitalised in the month than were anticipated in the budget.
- j) Investigations expenditure is \$1.0m more than budget primarily because the capital work in progress on the electrification project has been written back to operational expenditure.

Net Operating Surplus / (Deficit)

Net Operating Deficit for the month is \$3.7m. This deficit arises mainly because depreciation is unfunded and the capital work in progress for electrification was written off to opex during June. Funding for the amount of deficit relating to the electrification project is from the capital budget.

OPERATING RESULTS – YEAR TO DATE - PERIOD ENDED 30 JUNE 2009

Revenue

ARC Opex Grants are \$2.8m less than budget due to less expenditure than budgeted and NZTA Opex Grants \$8.1m more than budget year to date mainly due to the \$6.7m 100% reimbursement of Super Gold by NZTA not included in the original budget.

Rail Fare Revenue is \$0.7m less than budget due to disruptions caused by the track closures over the Christmas/New Year period, the average fare being lower than originally budgeted due to higher than expected tertiary discount travel and lower than budgeted patronage increase due to the deferral (from February 2009 to June 2009) of planned timetable changes.

Bus Fare Revenue is \$0.5m more than budget due to higher patronage growth than budgeted.

Other Sundry Operating Income is \$0.2m more than budget due to the negotiation of several small unbudgeted income streams for advertising at rail stations.

Expenditure

The year to date variance to budget for each category of expenditure is largely the same as those reported for the month above, except as detailed below:

- a) Professional Services – Project Delivery is \$0.7m less than budget year to date due to project delays associated with future funding uncertainty and the delay in negotiation of rail network access charges.
- b) Professional Services – Customer Services is \$0.1m less than budget year to date.
- c) Professional Services – Other is \$3.6m more than budget due mainly to the write back of capital work in progress at 30 June 2008 for integrated ticketing procurement, this is partially offset by delays to the CBD tunnel work in Strategy and Planning (commencing now in the 09/10 financial year).
- d) Materials – \$0.3m less than budget year to date.
- e) Printing and Office is \$0.4m less than budget mainly due to fewer service change/special events and school travel planning resources required than planned and a delay in the printing of the Regional Road Safety publication.
- f) Bus and Ferry Contracts are \$6.1m more than budget, related to higher than budgeted inflation payments and the cost of the Super Gold payments to operators (\$6.7m) and service rationalisation for the Western Bays planned for 2008/09 not occurring this financial year, partially offset by savings in the ferry contract due to early conclusion of operator negotiations and delays in service changes for all sectors.
- g) Rail Contract is \$2.8m less than budget year to date as a result of lower than budgeted fuel prices, lower than budgeted driver hire and service kilometres due to the line closures over the holiday period and the recognition of two locomotives and rolling stock spare parts previously expensed. These adjustments are partially offset by the cost of spare parts purchased during the year, which have not yet been used, and included in Stock on Hand
- h) Territorial Authority Level Crossing is \$2.8m less budget due to a delay in the territorial authorities securing national funding. \$0.2m of these funds are to be carried forward to the 2009/10 financial year as a contribution by the ARC to the local share of the investigation work associated with these level crossings. The balance of the \$2.8m has been reallocated by the ARC.
- i) Other Expenditure is \$0.8m more than budget year to date.

- j) Depreciation is \$4.5m more than budget year to date due to timing differences between the budgeted beginning of depreciation/capital value of new assets and actual value and timing of new assets. Also contributing to this variance is the depreciation associated with the late capitalisation of two diesel locomotives purchased in 2006 and expensed during that year. Other timing differences can arise due to aligning the ARTA capital programme with the work of outside agencies, changes in the scope of work of planned projects or an over or underspend of the capital budget.
- k) Investigations Expenditure is \$3.9m more than budget year to date due to higher than budgeted costs for electrification design.

Net Operating Surplus/ (Deficit)

Net operating deficit for the year is \$18.8m. This deficit arises mainly because depreciation is unfunded.

5.2. STATEMENT OF FINANCIAL POSITION

The key features of the Statement of Financial Position as at 30 June 2009 are:

Current Liabilities

The total trade payables have increased by \$1.8m between May and June mainly due to the requirement for suppliers to have invoices in early to assist with the processing of year end payments and claims.

Income in advance has decreased by \$1.8m from the month of May mainly due to the expiration of the June month of the Veolia invoice and prepaid insurance.

Accrued expenditure has increased \$1.4m from May primarily due to the June month also being the end of the year where all suppliers have been required to promptly present their final invoices for payment out of 08/09 funding.

Creditors (included in Trade Payables)

Detail	Current	30-60 Days	More than 60 Days
Accounts Payable – June 09	\$2,476,800	\$4,500	\$11,000
Accounts Payable – May 09	\$1,702,200	\$3,200	\$700

Grants Payable and Grants Receivable are equal and opposite current and long term liabilities and assets recognising the ex Infrastructure Auckland grants that were taken over by ARTA. This recognises that we have a payable to an external party and a matching receivable from the ARC.

Current Assets

The decrease in prepayments \$1.8m is also due to the monthly amount of the Veolia quarterly invoices and insurance relating to the month of June.

Debtors (included in Trade Receivables)

Detail	Current	30-60 Days	More than 60 days
Accounts Receivable– June 09	\$418,800	\$16,800	\$21,200
Accounts Receivable– May 09	\$285,400	\$113,100	\$32,300

Public Equity

Transport Ring Fence represents the appropriation of grants for rolling stock refurbishment and fixed asset purchase. These grants will be appropriated back to the profit and loss account to offset depreciation.