

ANNUAL REPORT SUMMARY

2018/19



MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

We are pleased to present to you the 2018/19 Annual Report Summary, which is for the first year of the 2018-28 Long-Term Plan. While we will progress a number of significant projects for the district in 2019/20, we remain focused on delivering quality infrastructure, public services and regulatory services that are cost-effective and efficient for our community. It would be reasonable to say that the past 12 months have been busy! The Waimate District has experienced both challenges and opportunities, with infrastructure playing a significant part.

We have been very active in engaging with the Government's Three Waters Review with a particular focus on representing our rural water supplies. We are well advanced with the upgrades to the urban supplies in order to meet current and future drinking water standards.

There's been a good deal of focus on the environment and our carbon footprint so we continue to investigate options for minimising and managing waste, including providing more education around recycling.

In a bid to reduce flooding in Queen Street, we extended the stormwater infrastructure on Manse Street and have continued to work on improving the maintenance of our roads so they can better cope with ever increasing heavy vehicles and more frequent weather events.

We know recreation and leisure are very important for community well-being and we want to encourage this.

One way has been to introduce the new Recreational Track grant which provides \$20,000 per year for track maintenance and development. We have also constructed a new walkway on Point Bush Road from Waimate Creek to Te Kiteroa car park. The walkway is both a recreational asset and at the same time provides greater safety so people no longer have to walk on the road which is a popular route connecting the Waimate residential area to the Whitehorse track network.

During the year we introduced a new speed limit bylaw and with that we've reduced some of the speed limits around different parts of the Waimate District, including Te Akatarawa Road.

Cyber security is something we take very seriously and following an independent review, Council has put in place new measures to protect our systems from cyber threats.

For many, the library is an important community hub and it's important we keep up with changing needs and technology. For that reason we prepared for installing new technology, known as RFID (radio frequency identification). This allows customers to self-issue and self-return the books and other items they will borrow (of course, our friendly staff are on hand to provide assistance and other library services).

At the Waimate Event Centre an indoor soccer league for adults and an after-school indoor soccer activity for school children was introduced, both proving to be extremely well supported. The climbing wall is a popular attraction so an extended bouldering wall was added.

As the local Building Control Authority, our two-yearly assessment by IANZ was completed with IANZ advising we would be re-accredited.

A major resource consent was processed for Oceania Dairy Limited, to further extend production capacity of the Glenavy dairy processing plant site.

We have identified 21 Economic Development Strategy actions items for implementation and five projects have been prioritised, focusing on branding, signage, landscaping, enhancing the Whitehorse Monument and investigating the development of an industrial/business park – that work is now underway.

The above touches on some of the significant work we have been doing over the last year and more can be found in this Annual Report.

We have a small and hard-working team and, together with the community, we are helping grow our district and creating a sense of pride and well-being.



Craig Rowley
Mayor



Stuart Duncan
Chief Executive

SERVICE PERFORMANCE

Council uses a number of measures to track our performance. Every three years they are reviewed in conjunction with our Long Term Plan. The 2018-28 Long Term Plan measures are being used in this 2018/19 financial year. Each year we report on this progress in our Annual Report. Over the next two pages is a summary of some of our performance measures. To view the full list of measures please refer to the full Annual Report at www.waimatedc.govt.nz.

Group	Achieved	Not Achieved	% of Applicable Targets Achieved
Water Supply	9	4*	69%
Waste Management	4	3	57%
Stormwater Drainage	5	2	71%
Sewerage and Sewage	7	1	88%
Roading and Footpaths	7	6	54%
Organisation and Governance	5	4	56%
District Planning and Regulatory Services	9	4	69%
Community Services	10	5	67%
Community Facilities	14	7	67%

* Includes 2 performance measures that were partially achieved

PERFORMANCE MEASURES

Performance Measure (M) - Mandatory performance measure	Result	Achievement 2018/19
Water Supply Group		
Extent of compliance with Drinking Water Standards (Part 4) - Bacterial Compliance (M) Target: Bacterial Compliance all schemes	Waimate: Timaru Rd - Yes Waimate: Manchesters Bore - No Otaio/Makikihi: Tavistock - Yes Hook/Waituna - No Lower Waihao - Yes Waikakahi - No Waihaorunga: Main - No Waihaorunga: Tavendales - Yes Cannington/Motukaika - Yes	Partially achieved ¹ (2017/18: Partially achieved)
Percentage of real water loss from Council's network reticulation systems (M) Target: < 35% real water loss.	Real water loss = 42.0%	Not achieved ⁴ (2017/18: Not achieved)
Waste Management		
Reduce the percentage of residual waste to landfill Target: <49%	Residual waste = 55.3%	Not Achieved (2017/18: Not achieved 53.4%)
Waste minimisation information and education programmes are provided in a range of formats Target: Two programmes annually	Council provided information (pamphlets) on request, to non-compliers, new bin allocations, Community education programmes provided by MSL. Over the last four quarters MSL have taken two education programmes in the district. The Waimate District Council has also supported the "Love Food Hate Waste" campaign.	Achieved (2017/18: Achieved)
Stormwater Drainage Group		
Continuous access to the service is provided with no blockages to the pipework measured by complaints Target: Nil Complaints	Nil Complaints	Achieved (2017/18: Achieved)

Performance Measure (M) - Mandatory performance measure	Result	Achievement 2018/19
Sewerage and Sewage Group		
Number of dry weather overflows from the sewerage system (M) Target: <2 per 1000 connections	Number of dry weather sewerage overflows per 1000 connections = 0 (nil overflow / 1738 connections)	Achieved (2017/18: Achieved)
User satisfaction with sewerage services Target: > 85% satisfied or very satisfied users	49% of surveyed residents are satisfied with the sewerage system 97% of surveyed users are satisfied with sewerage services	Achieved (2017/18: Not measured)
Roading and Footpaths Group		
Resident satisfaction with sealed roads Target: > 85% satisfied or very satisfied residents	66% of surveyed residents are satisfied with sealed roads	Not achieved (2017/18: Not measured)
Percentage of reported maintenance related faults that are likely to affect driver behaviour responded to within 2 working days Target: 100%	4 maintenance related faults that affected driver behaviour were responded to within 2 working days	Achieved (2017/18: Achieved)
Organisation & Governance Group		
Compliance with Local Government Act planning, and accountability Target: Audits of plans and reports receive a clear opinion	The 2017/18 Annual Report received an unmodified (clear) opinion from Audit NZ dated 6 November 2018	Achieved (New measure)
Continue to grow Facebook following Target: Number of Facebook likes increase annually	Likes = 1,261 Followers = 1,335	Achieved (New measure)
District Planning & Regulatory Services Group		
Retain accreditation as Building Consent Authority Target: Associated audit processes ensure accreditation retained	Retained in 2018/19.	Achieved (New measure)
District Plan and bylaws reviewed within statutory time-frame Target: 100% reviewed and adopted within statutory time-frame	Special consultation was undertaken for the consolidated bylaws and bylaws adopted December 2018	Achieved (New measure)
Community Services Group		
Percentage of residents who feel Council has provided them with enough information to be able to cope in an emergency Target: > 85% satisfied or very satisfied residents	66% of surveyed residents feel Council has provided them with enough information to be able to cope in an emergency	Not achieved (New measure)
Positive perception of living in Waimate District (As measured in biennial survey) Target: > 85% satisfied or very satisfied residents	93% of surveyed residents think their District is better (44%) or about the same (49%) as a place to live than it was three years ago.	Achieved (New measure)
Community Facilities Group		
Community facilities meet legislative safety requirements (Local Government Centre, Library, Regent Theatre, Event Centre) Target: Building Warrant of Fitness (WOF), Fire Regulations and Licence requirements are current	Monthly internal control checks completed and BWOFF current on Council's specified buildings.	Achieved (2017/18: Achieved)
All playgrounds are assessed against appropriate New Zealand Safety Standards Target: All playgrounds meet safety standards	All playground have a code of Compliance to NZS 5828 Standards for Playground equipment and Surfacing	Achieved (2017/18: Not achieved)
Occupancy rate of Community Housing units Target: 90% or greater occupancy	100% occupancy throughout the year was recorded for Community Housing	Achieved (New measure)

POINTS OF INTEREST

Water Supply Group

Drinking Water Standards changes and challenges:

- Continued increasing compliance expectations from Ministry of Health and Drinking Water Assessors.
- Drinking-water Standards for New Zealand 2005 (Revised 2018) released December 2018.
- Another review of the Drinking Water Standards is in process with draft coming out possibly before the end of the year.
- Waimate District Council continues to input and petition around the potential changes to the drinking water industry and the standards, which may impact council management and rural water supplies.

Urban pipe renewal on Edward, Michael and Wilken Streets.

Waste Management Group

Council continues to investigate options around the waste management collection and disposal, including further education to improve the way people recycle.

Council has adopted the Waste Management and Minimisation Plan 2018-2028.

Stormwater Drainage Group

Stormwater infrastructure extension on Manse Street to prevent nuisance flooding.

Sewerage and Sewage Group

Upgrades have been made to Waste Water Treatment Plant, new aerator, scada upgrade, and control panel improvements. Detailed investigation in to future upgrades to protect homes from overflows.

Roading and Footpaths Group

Continued to work on improving the maintenance of our roads so they can cope better with more heavy vehicles and periods of wetter weather.

Constructed a new walkway on Point Bush Road from Waimate Creek to Te Kiteroa car park a distance of 1.5 km. The walkway has provided a safe off road route and recreational asset, which connects the Waimate residential area to the Whitehorse track network.

Council has confirmed a new Speed Limit Bylaw, which has reduced speeds around the district's townships and Te Akatarawa Road.

The rain events in November 2018 caused significant damage to the Districts Roads, these have been repaired at a cost of \$435,490 which received a funding assistance of 60% from NZTA.

An increased amount of Maintenance and Renewal works has been undertaken with the additional budget allocation in the 2018-28 LTP.

Organisation & Governance Group

Corporate & Support Services:

Specialist Fraud & Corruption Awareness Training was delivered to staff and elected members in March 2019, so that Council has increased understanding and awareness of how fraud and corruption may develop and ensure we have appropriate protections in place.

IT Business Unit:

Following an independent Cyber Security Review, Council has implemented recommendations to improve its security levels in this area and increase its awareness and protection from potential cyber threats. The improvements complement the tools already in place to keep Council safe. The project included related training which was delivered to Council staff and Elected Members.

District Planning & Regulatory Services Group

Animal Control

Of the 2870 known dogs beginning of the registered year for 2018/19, by 30 June 2019 100% were registered. Two dogs were added during the year and remained unregistered at the end of the dog registration year.

We have increased Public Education by the introduction of a number of advertisements on dog awareness and safety ie Waimate Woofers & CO and offering guidance on how to educate problem dogs and repeat offending dogs by doing property visits etc.

Building Control

IANZ completed its two yearly assessment of the BCA using the new MBIE Guidance Document and check sheets under the Accreditation of Building Control Authorities Regulations 2016.

Council retained BCA accreditation.

All but one building consent was issued within the statutory 20 working day period for the 12 month period.

Environmental Services

The Consolidated Bylaw review was completed and adopted December 2018.

Council developed a new Property Maintenance and Nuisance Bylaw, that was adopted by Council on 30 July 2019

Resource Management

A major resource consent was processed for Oceania Dairy Limited, to further extend production capacity of the Glenavy dairy processing plant site.

Community Services Group

Community Support

Council introduced the new Recreational Track grant which provides \$20,000 per year for track maintenance and development.

Economic Development and Promotions

We have identified 21 Economic Development Strategy actions items for implementation. 5 projects have been prioritised.

Emergency Management

There has been a significant increase in Civil Defence Emergency Management (CDEM) training for staff.

We have increased the number of available, trained Emergency Operations Centre (EOC) Controllers from 1 to 3.

Library

The library prepared for RFID (radio frequency identification) technology to allow customers to self-issue and self-return using a smart shelf. Almost 17,000 items were tagged in preparation for the self-issue machine to be installed.

We received 8 new chrome books and 2 chrome boxes as part of the APNK (Aotearoa People's Network Kaharoa) technology upgrade.

Community Facilities Group

Camping

New power points installed at both Victoria and Knottingley Park Camping Grounds to comply with the New Zealand Camping Grounds standards.

Soak holes installed for better drainage at Knottingley Park and Arboretum.

Cemeteries

The cemetery main entrance gates have been re-painted.

Upgrading of the shingle road and drainage leading to the Otaio cemetery.

Event Centre

Indoor soccer league for adults and an after school indoor soccer activity for school children was introduced – both proved to be extremely well supported.

An extended bouldering wall was added to the popular climbing wall.

Parks and Public Spaces

The upgrading and maintenance work at the Maori Urupa and Totara Forest along with the planting of native shrubs and trees.

A new double slide suitable for smaller children has been installed plus Pour'n'Play safety surfacing, this is to comply with New Zealand Playground equipment and surfacing standards.

Installed swale drains, soak holes, and grass sown preparing for tree planting in the large open area in Knottingley Park and Arboretum.

Property

The Council Chambers and Committee Room received necessary upgrades with other upgrades postponed until a full review of the Council building and Library extension are completed.

Swimming Pool

More inflatable toys have been purchased.

Swimming pool total annual attendance 2018/19 = 14022 (2017/18 = 11350) increase of 2672.

OTHER DISCLOSURES

Capital Commitments – There was one capital commitment in relation to projects from Council's capital programme (2018: One).

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred. The following contracts have been entered into:

- Roding - In October 2018 Council signed a new three year contract commencing 1 November 2018.

Contingent Assets – There are no Contingent Assets as at 30 June 2019 (30 June 2018: nil).

Contingent Liabilities – Council has a potential liability under the Emissions Trading Scheme if forests harvested in the last two years are not replanted.

Related Parties – The Timaru District Council (TDC) is a related party of the Council through the Downlands Rural Water Scheme (DRWS). Council collects rates on behalf of the DRWS and distributes them exactly to TDC.

Insurance – The Council has insurance policies covering water network; property, plant and equipment; motor vehicles and moving plant; and forestry assets. There is currently no council insurance on roading assets or any other self-insurance funds maintained by council.

During the 2018/19 year Council had cover in place for its below ground infrastructure assets, provided by the Local Authority Protection Programme Disaster Fund (LAPP). In the event of a claim during this year Council would have had to fund 8 times its annual contribution before the LAPP Fund would pay 40% of the reinstatement costs of the loss, with Central Government meeting the remaining 60%.

Events After Balance Date – There are no significant events after balance date.

Independent Auditor's Report

To the readers of Waimate District Council's summary of the annual report for the year ended 30 June 2019

The summary of the annual report was derived from the annual report of the Waimate District Council (the District Council) for the year ended 30 June 2019.

The summary of the annual report comprises the following summary statements on pages 3 to 6 and 9 to 12:

- the summary statement of financial position as at 30 June 2019;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS 43: Summary Financial Statements.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2019 in our auditor's report dated 8 October 2019.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43: Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council.



Dereck Ollsson,
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
4 November 2019

SUMMARY FINANCIAL STATEMENTS

Waimate District Council is a territorial local body governed by the Local Government Act 2002 (LGA) and is domiciled in New Zealand.

The Council consists of the Council and Downlands joint venture (14.81% owned). Council is a separate legal entity and does not have any subsidiaries.

The primary objective of the Council is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity (PBE) for the purposes of PBE IPSAS.

The financial statements are for the Council, which is an individual entity and includes the Downlands Joint Venture.

The summary financial statements are for the year ended 30 June 2019, are in New Zealand dollars and rounded to the nearest thousand (\$000). The full financial statements of the Council have been prepared in accordance with the requirements of the LGA, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and in accordance with Tier 2 Public Benefit Entity accounting standards.

The 2018/19 Annual Report and the 2017/18 Annual Report have been audited by Audit New Zealand and received unmodified opinions for each report.

The financial statements were authorised for issue by Council on 8 October 2019.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

The full financial statements comply with PBE Standards.

The following information has been extracted from the full Annual Report. Readers of the Annual Report Summary should note that the financial information contained herein cannot be expected to provide as complete an understanding as that provided by the full financial reports contained in the full Annual Report. The full Annual Report is available at www.waimatedc.govt.nz.

MAJOR FINANCIAL VARIANCES

- NZ Transport Agency government grants income exceeded the LTP Budget predominately due to Emergency Reinstatement works carried out following large rain events.
- Financial contributions exceeded budget due to increased economic activity.
- Fees and charges income exceeded budget mainly due to increased camping revenue at the Waitaki Lakes and other camping sites.
- Gain on changes in fair value of forestry assets are the gains Council receive based on the Annual Forest Valuations, the gains on tree growth. This year the gains have exceeded the Budget due to price changes.
- Forestry harvesting was expected to be completed by 30 June 2019, therefore there was no budget allowed. Some forestry harvesting income was received in July 2018.
- Employment Benefit Expenses were below budget due to vacant positions and the timing of staff replacements.
- As the Annual Plan 2019/20 did not require auditing due to no significant changes from the Long Term Plan 2018-28 and therefore no obligation to consult, the budget provided was not spent resulting in a favourable variance.
- Conferences, seminars and training expenditure was below budget due to targeted training.
- A reduction in the need for legal expertise and consultancy has resulted in expenditure favourable to budget.
- Economic Development and Promotions, Council Initiatives and Rebranding expenditure is below budget, with the budget to be carried forward to the 2019/20 year for implementation of the Economic Development strategy and initiatives.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2019

	Actual 30 June 2019 \$000	LTP 30 June 2019 \$000	Actual 30 June 2018 \$000
Operating Revenue			
Rates (net of remissions)	9,873	9,873	9,303
Development and financial contributions	140	61	83
Subsidies and grants	3,435	3,160	3,098
Fees and charges	1,099	1,015	1,078
Interest revenue	112	119	101
Other revenue	1,926	1,635	2,150
Total Operating Revenue	16,586	15,863	15,813
Operating Expenditure			
Employment benefit expenses	4,019	4,213	3,883
Depreciation	4,719	4,745	4,437
Amortisation	49	41	36
Finance costs	108	182	114
Other expenses	6,959	7,384	7,689
Total Operating Expenditure	15,854	16,564	16,158
Operating Surplus / (Deficit) before Taxation	732	(701)	(345)
Taxation expense	-	-	-
Total Surplus / (Deficit)	732	(701)	(345)
Other Comprehensive Revenue and Expenditure			
Increase / (decrease) in restricted reserves	-	-	-
Increase / (decrease) in revaluation reserves	-	-	2,652
Financial assets at fair value through other comprehensive revenue and expenditure	-	3,150	(15,002)
Total other comprehensive revenue and expenditure	-	3,150	(12,350)
Total Comprehensive Revenue and Expenditure	732	2,449	(12,695)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Actual 30 June 2019 \$000	LTP 30 June 2019 \$000	Actual 30 June 2018 \$000
Equity at start of year	420,815	421,657	433,511
Total comprehensive income	732	2,449	(12,695)
Equity at end of year	421,548	424,106	420,815

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Actual 30 June 2019 \$000	LTP 30 June 2019 \$000	Actual 30 June 2018 \$000
Assets			
Current assets			
Cash and cash equivalents	4,530	1,354	4,199
Trade and other receivables	1,593	804	1,796
Inventories	113	14	96
Other financial assets	637	643	928
Total current assets	6,873	2,814	7,019
Non-current assets			
Infrastructural assets	375,711	369,062	374,739
Operational assets	27,126	25,630	27,258
Forestry assets	1,894	1,661	1,727
Intangible assets	277	240	293
Other financial assets	14,683	32,823	14,693
Total non-current assets	419,691	429,416	418,710
Total assets	426,564	432,230	425,729
Liabilities			
Current liabilities			
Trade and other payables	1,923	1,463	1,746
Borrowings	71	23	33
Provisions	5	6	6
Employment benefit liabilities	368	410	364
Total current liabilities	2,367	1,902	2,148
Non-current liabilities			
Provisions	54	61	61
Borrowings	2,595	6,161	2,704
Total non-current liabilities	2,649	6,222	2,765
Equity			
Public Equity	85,535	91,610	84,667
Special separate and trust funds	3,071	(4,198)	3,207
Asset revaluation reserve	327,219	314,044	327,219
Other reserves	5,722	22,651	5,722
Total equity	421,548	424,106	420,815
Total liabilities and equity	426,564	432,230	425,729

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Actual 30 June 2019 \$000	LTP 30 June 2019 \$000	Actual 30 June 2018 \$000
Cash flows from operating activities			
Cash was received from:			
Receipts from rates revenue	9,909	9,913	9,345
Interest received	112	119	101
Dividends received	757	754	456
Receipts from other revenue	5,786	5,559	5,054
	16,563	16,345	14,956
Cash was applied to:			
Payments to suppliers and employees	10,536	11,611	11,269
Interest paid	108	182	114
	10,645	11,793	11,383
Net cash flow from operating activities	5,918	4,552	3,573
Cash flows from investing activities			
Cash was received from:			
Proceeds from sale of property, plant and equipment	46	-	15
Proceeds from sale of harvested forests	87	-	284
Proceeds from sale of investments	-	-	-
Proceeds from sale of Eric Batchelor subdivision sections	-	-	169
	133	-	468
Cash was applied to:			
Purchase of property, plant and equipment	5,591	6,760	3,199
Purchase of intangible assets	59	110	130
Purchase of silviculture capital expenditure	-	-	-
Acquisition of investments	-	-	146
	5,649	6,870	3,475
Net cash flow from investing activities	(5,516)	(6,870)	(3,007)
Cash flows from financing activities			
Cash was received from:			
Proceeds from borrowings	-	3,400	-
	-	3,400	-
Cash was applied to:			
Repayment of borrowings	71	23	68
	71	23	68
Net cash flow from financing activities	(71)	3,377	(68)
Net increase / (decrease) in cash held	331	1,060	498
Add cash at start of year (1 July)	4,199	294	3,701
Balance at end of year (30 June)	4,530	1,354	4,199
Represented by:			
Cash, cash equivalents and bank overdrafts	4,530	1,354	4,199
	4,530	1,354	4,199

FUNDING IMPACT STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	Actual 30 June 2019 \$000	LTP 30 June 2019 \$000	Actual 30 June 2018 \$000	Annual Plan 30 June 2018 \$000
Sources of operating funding				
General rates, uniform annual general charges and rates penalties	\$ 1,187	\$ 1,195	\$ 1,149	\$ 1,106
Targeted rates	8,791	8,812	8,246	8,281
Subsidies and grants for operating purposes	1,473	1,320	1,842	1,169
Fees and charges	1,099	1,015	1,078	1,013
Interest and dividends from investments	869	873	557	789
Local authorities fuel tax, fines, infringements, and other receipts	854	761	1,212	745
Total operating funding	14,274	13,975	14,084	13,103
Applications of operating funding				
Payments to staff and suppliers	10,907	11,689	10,815	10,224
Finance costs	108	182	114	207
Other operating funding applications	-	-	-	-
Total application of operating funding	11,016	11,871	10,929	10,431
Surplus / (deficit) of operating funding	3,258	2,104	3,155	2,672
Sources of capital funding				
Subsidies and grants for capital expenditure	1,963	1,679	1,261	1,672
Development and financial contributions	140	61	83	87
Increase / (decrease) in debt	(71)	3,400	(68)	(26)
Gross proceeds from sale of assets	46	-	15	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total capital funding	2,077	5,141	1,291	1,733
Applications of capital funding				
Capital expenditure - to meet additional demand	22	-	5	-
Capital expenditure - to improve the level of service	1,745	2,911	560	1,237
Capital expenditure - to replace existing assets	3,882	4,058	2,763	3,832
Increase/(decrease) in reserves	(314)	276	1,117	(664)
Increase/(decrease) of investments	-	-	-	-
Total applications of capital funding	5,335	7,245	4,446	4,405
Surplus/(deficit) of Capital Funding	(3,258)	(2,104)	(3,155)	(2,672)
Funding balance	-	-	-	-