

# ANNUAL REPORT SUMMARY

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## 2019/20



## MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE



### Welcome to the Waimate District Council's Summary Annual Report 2019/20

We are pleased to present to you the 2019/20 Annual Report, reflecting the second year of the 2018-28 Long Term Plan. The Annual Report presents our financial results, provides a snapshot of our performance over the past year and celebrates some of the key highlights that have been achieved.

While we will progress a number of significant projects in 2020/21, our focus remains heavily on delivering quality infrastructure, public services and regulatory services that are both cost-effective and efficient for the community.

To say the past 12 months has been challenging would be an understatement, particularly the latter months of the year. Few would forget where they were on March 25 when the country went into a nationwide lockdown due to the COVID-19 pandemic, and for Council, it was all systems go.

In response to the pandemic, Council's Emergency Operations Centre (EOC) was activated for 52 days, with staff and the community playing their part and tackling the issue together, demonstrating great community spirit and resilience. While the landscape may still be a little uncertain on that front, important lessons have been learned and as a community we are ready to fight any possible return of the virus should it rear its ugly head again into the future.

From a roading viewpoint, activity undertaken has included general road maintenance work and footpath renewals, along with major bridge repairs to Brasells bridge over the Pareora river and Frasers bridge in the Hakataramea Valley – both bridge repairs now completed. The development of a 476m walkway adjacent to Point Bush road has helped to improve safety for people enjoying their exercise, and a new extended footpath in Glenavy was also welcomed by the community.

Overall, capital expenditure was below the Annual Plan

budget predominately due to reduced roading capital spends of \$1.05M. Capital expenditure was also below the Annual Plan budget due to the deferral of some NZ Drinking Water Standards upgrade projects underspent by \$1.75M while waiting for certainty around the Three Waters reform.

It has been an important year for community consultation, with discussions around the rubbish and recycling services to the forefront. This review has thrown up an overwhelming desire to change the way things have previously been done, and there's bound to be plenty of questions around this before any change takes effect in July 2021. But don't fear, as a Council we will roll out plenty of information and messaging around what these changes mean for you and the wider district in the coming months.

Going forward, the district will continue to push ahead, with some incredibly exciting developments both in the pipeline and on the horizon. The Economic Development Strategy identifies five major projects as a priority through 2020-21, with projects to include rolling out the Waimate District brand, developing a signage plan, developing a landscaping plan, enhancing the Whitehorse monument and surrounds and investigating the development of an industrial/business park. We were also thrilled to hear Waimate2gether received a significant funding boost to complete Stage One of the White Horse development, with the completed work sure to be an attractive drawcard for visitors to our district, and locals alike.

With the establishment of Taumata Arowai as the Government's Water Services Regulator, the Council continues to have an active participation in the Three Waters Reforms. What these reforms mean for Council and our district remains unclear in these early discussion stages, however we will continue to monitor the situation closely, and prepare for any potential impact on Council's existing management of urban and rural water supplies.

Following the initial lease of a commercial property at 4 to 6 Gorge Road, the property was purchased as a Council

investment. The property has since provided options for present and future use to mitigate identified issues including crowding at the Local Government Centre office and anticipated maintenance work requiring employee displacement. The property is presently utilised as office space and occupied by Council's Asset Team.

Earlier this year, Council built a 4 bay garage adjacent the Waimate Event Centre to hold the community vehicles. The Waimate Vehicle Trust contributed \$90,000 with the balance of \$50,000 coming from Council's subdivision contribution reserve.

The Waimate Event Centre received funding through Sport Canterbury to introduce the Give Sport A Go programme for school children, enabling our young people the opportunity to try their hand at a new sport and receive coaching at no cost. This has been well supported and continues to be a highlight for many families in our district.

Following last year's installation of RFID (scanning) technology at the Library, library staff have concentrated this year's efforts on educating and encouraging customers to use the new technology. To this end, it's

pleasing to report the vast majority of members now use the new system to self-issue and self-return books, but don't forget our friendly staff are always on hand to help too with this or other queries.

While the above points briefly touch on some of the major projects and developments administered by the Council in the last financial year, we invite you to read on for more detail and highlights achieved throughout the year.

Once again we would like to thank the community, councillors, staff, and contractors for the contributions everyone has made to ensure our district continues to be a great place to live, work, visit and play.

Together with the community, our small, hard-working and tight-knit team will continue pushing significant opportunities to further prosper Waimate today and in to the future.



**Craig Rowley**  
Mayor



**Stuart Duncan**  
Chief Executive

## THE EFFECTS OF COVID-19 ON WAIMATE DISTRICT COUNCIL

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19, a pandemic, and two weeks later the New Zealand Government declared a State of National Emergency. The country was in lockdown at Alert Level 4 from 26 March to 27 April, and then remained in lockdown at Alert Level 3 until 13 May.

During this period, the Council:

- Activated its Civil Defence Emergency Operations Centre (EOC) in support of the health led response to the pandemic.
- As the Emergency was declared Council responded developing systems to enable governance decisions to be made remotely via the internet (e.g. Zoom) and work streams were assessed to establish what levels of service across the organisation would look like in a Level 4 and then Level 3 Alert Level.
- Some staff were able to work from home with some limitations. Some staff worked longer than normal hours to maintain necessary functions and the added layer of COVID-19 considerations.
- Some areas of service delivery were simply put on hold during the lockdown, others had statutory requirements to be provided, such as Resource Planning, Animal Control, the 3 Waters, Waste Management and Building Control. Even though statutory functions continued, it was in some instances a limited capacity – a much reduced level of service.

What did this mean for specific Council operations?

- The Council Offices, Event Centre and Library were closed to the public from 23 March 2020 and re-opened on 18 May 2020.
- Cemeteries, Public Toilets, and the Resource Recovery Park also had periods of closures, with some exceptions. The Waitaki Lakes Camping season closed slightly earlier than usual.
- All building consent processing were undertaken remotely.
- Planning for capital works projects was undertaken during the lockdown period but could not be progressed to the implementation phase, resulting in some works being uncompleted.

After 13 May, the Council reopened a number of facilities including Council Offices, Event Centre and Library which all re-opened on Monday the 18 of May. This allowed time to ensure appropriate systems and equipment were in place prior to opening, including sneeze guards, social distancing protocols, sanitisers, contract tracing and all related signage and information to ensure the safety of staff and the public.



The main impacts on the Council's financial statements due to COVID-19 are explained below:

### Revenue

- Rates Revenue: There was no impact on the rates revenue recognized for the 2020 financial year due to rates being set at the start of the year.
- New Zealand Transport Agency subsidies: Due to the Level 4 lockdown restrictions the roading maintenance and capital works program was halted, except for street cleaning and emergency works, resulting in reduced NZTA funding income.
- Accommodation revenue: The Waitaki Lakes camping season was closed early due to the lockdown restrictions, however there was no significant impact on camping revenue as a result, primarily due to season tickets being sold early in the season.
- Fees and charges revenue: The lockdown restrictions meant that the Resource Recovery Park received less income than budgeted, however overall Council's fees and charges income was in line with budget and the prior year income.

### Operating expenses

- The Emergency Operations Centre (EOC) was activated for 52 days, from 24 March to 15 May 2020. During this time the EOC was available 24/7 and staff were on call, resulting in additional expenditure of \$9,520 for extra staff cover and allowances. Some EOC staff were required to work additional hours, outside their normal contracts, to a value of \$8,200. These hours are to be taken as time off in lieu leave at a later date.
- Other costs incurred for advertising, safety equipment and Zoom meeting expenses amounted to \$4,920.
- Special leave of \$86,120 was paid to staff who were unable to work or be redeployed during lockdown.

### Asset Valuations

There was a variable impact of COVID-19 on asset valuations:

- Wastewater, urban water, rural water and stormwater: Significant market uncertainty existed around construction costs at the date of valuation and no adjustments were made for COVID-19 impacts on construction costs due to this uncertainty.
- Roading: The variability of market prices due to COVID-19 was taken into account for the valuation.
- Forestry: The impact of COVID-19 was considered for the forestry valuation. The valuation utilised a 3-year average log price and it was determined that due to the timing of COVID-19 there was minimal impact.
- Alpine Energy Shares: There was no significant impact on the share valuation due to COVID-19.

- Land & Buildings: The most up to date market information available was applied and there was no significant impact on the property market. There was no valuation uncertainty in the assessment of value of Land and Buildings.
- Impairment of tangible and intangible assets: An impairment assessment has been completed for tangible and intangible assets. The result of this assessment was not significantly different as if COVID-19 was not a factor.

### Employee Benefit Liabilities

The employee benefit liability increased by \$101,000 from 30 June 2019 to 30 June 2020 due to the time off in lieu earned and staff not taking annual leave over lockdown.

### Annual Plan 2020/21

At the ordinary Council meeting held on 14 April 2020 it was resolved "That Council reduces the overall rates increase for the draft 2020/21 Annual Plan from the previously forecast 7.7% down to 4% in recognition of the negative financial impact of COVID-19 on the Waimate District economy. The impact of the reduction in rates income will be funded from borrowings, with future repayment options considered during the 2021-31 Long Term Plan process."

The reduction in rates income equals \$377,766, with Council planning on borrowing an additional \$400,000 to cover this.

These additional borrowings are to be recovered in future years and will be incorporated into considerations for the Long Term Plan 2021-31.

## WAIMATE DISTRICT COVID-19 RESPONSE

# 7

WEEKS RESPONDING  
WITH AN ACTIVATED EOC



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# 19

COUNCIL STAFF  
INVOLVED IN THE  
RESPONSE



# 100+

WELFARE  
CALLS ANSWERED

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# 214

FOOD DELIVERIES PACKED  
& DELIVERED



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ASSISTANCE TO 60 HOUSEHOLDS  
WITH FOOD/MEDICINE PARCELS



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30+ REPORTS  
PRODUCED FOR  
NATIONAL UPDATES



6 TRIPS TO TIMARU  
FOR MEDICAL  
APPOINTMENTS



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THANK YOU TEAM WAIMATE FOR MAKING LOCKDOWN A SUCCESS



Waimate District Council  
Emergency Management

waimatedc.govt.nz

## OTHER DISCLOSURES

**Capital Commitments** – There was one capital commitment in relation to projects from Council's capital programme (2019: One).

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

- Roothing - 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 2020 (30 June 2019: nil).

**Contingent Liabilities** – Council has a potential liability under the Emissions Trading Scheme if any forests on pre-1990 Forest Land are not replanted to the required standard within 4 years of harvest.

Council is a participating employer in the DBP Contributions Scheme (the scheme), which is a multi-employer defined benefit scheme. If the other participating employers cease to participate in the scheme, Council could be responsible for any deficit of the scheme. Similarly, if a number of employers cease to participate in the scheme, Council could be responsible for an increased share of any deficit.

Council is not aware of any other contingent assets or contingent liabilities at 30 June 2020 (2019: \$nil). There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.

**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 2019/20 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** – In July 2020, the New Zealand Government announced an initial funding package of \$761m to provide a post COVID-19 stimulus to maintain and improve water networks infrastructure, and to support a three year programme of reform of local government water services delivery arrangements.

In August 2020, Council agreed to sign the Memorandum of Understanding. The Funding agreement was signed by the Chief Executive on 29 September 2020 and completed by the Department of Internal Affairs on 30 October 2020.

The agreement will provide up to \$3.36m of funding to Council.

The subsequent Delivery Plan was approved and signed 12 November 2020. This Delivery Plan has a total spend of \$4.602m with \$1.242m to be funded by Council.

## 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 2019/20 financial year. Each year we report on this progress in our Annual Report. Over the next two pages is a sample 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](http://www.waimatedc.govt.nz).

| Group                                     | Achieved | Not Achieved | % of Applicable Targets Achieved | Not Measured |
|---|----------|--------------|----------------------------------|--------------|
| Water Supply                              | 10       | 2*           | 83%                              | 1            |
| Waste Management                          | 4        | 2            | 66%                              | 1            |
| Stormwater Drainage                       | 5        | 1            | 83%                              | 1            |
| Sewerage and Sewage                       | 5        | 2            | 71%                              | 1            |
| Roothing and Footpaths                    | 6        | 4            | 60%                              | 3            |
| Organisation and Governance               | 7        | 0            | 100%                             | 2            |
| District Planning and Regulatory Services | 10       | 3            | 77%                              | -            |
| Community Services                        | 9        | 3            | 75%                              | 3            |
| Community Facilities                      | 12       | 3            | 80%                              | 6            |

\* Includes 1 performance measure that was partially achieved  
Note: Resident Survey not measured this 2019/20 year.

# PERFORMANCE MEASURES

| Performance Measure<br>(M) - Mandatory performance measure  | Result   | Achievement<br>2019/20                              |
|---|--|---|
| <b>WATER SUPPLY GROUP</b>   |  |   |
| Extent of compliance with Drinking Water Standards (Part 4) - Bacterial Compliance (M)<br>Target: Bacterial Compliance all schemes  | Waimate: Timaru Rd - Yes<br>Waimate: Manchesters Bore - Yes<br>Otaio/Makikihi: Tavistock - Yes<br>Hook/Waituna - No<br>Lower Waihao - Yes<br>Waikakahi - Yes<br>Waihaorunga: Main - Yes<br>Waihaorunga: Tavendales - Yes<br>Cannington/Motukaika - No  | Partially achieved<br>(2018/19: Partially achieved) |
| Percentage of real water loss from Council's network reticulation systems (M)<br>Target: < 35% real water loss.   | Real water loss = 14.3%<br>The significant decrease is a result of pipe renewals and two major leaks repaired.   | Achieved<br>(2018/19: Not achieved)                 |
| <b>WASTE MANAGEMENT</b>   |  |   |
| Reduce the percentage of residual waste to landfill<br>Target: <49%   | Residual waste = 61.9%<br>Residual waste to landfill increased in the last 2 quarters due to COVID-19 when recycling was not collected under levels 3 and 4, and was sent to landfill with the waste.  | Not achieved<br>(2018/19: Not achieved 55.3%)       |
| Waste minimisation information and education programmes are provided in a range of formats<br>Target: Two programmes annually   | Council provided information (pamphlets) on request, to non-compliers, new bin allocations, Community education programmes provided by Metallic Sweeping Ltd (MSL). On 10th of July 2019, a educational video on recycling was placed on the Council's Facebook site. On 5th of October 2019, a Waste Talk was conducted to the group of 26 senior citizens. On 10th of March 2020, another Waste Talk was also conducted to the Grey Power. Total 34 people participated in this Talk. These were a joint effort between WDC and MSL. | Achieved<br>(2018/19: Achieved)                     |
| <b>STORMWATER DRAINAGE GROUP</b>  |  |   |
| Continuous access to the service is provided with no blockages to the pipework measured by complaints<br>Target: Nil Complaints   | Nil Complaints   | Achieved<br>(2018/19: Achieved)                     |
| <b>SEWERAGE AND SEWAGE GROUP</b>  |  |   |
| Number of dry weather overflows from the sewerage system (M)<br>Target: <2 per 1000 connections   | Number of dry weather sewerage overflows per 1000 connections = 0<br>(nil overflow / 1714 connections)   | Achieved<br>(2018/19: Achieved)                     |
| Median attendance times to sewerage overflows resulting from blockages or other faults (M)<br>Target: Median attendance time <60 minutes<br>Attendance: from the time Council receives notification to the time that service personnel reach site | Time to get to site = 0:00 (h:mm)<br>There were no sewerage overflows during the year, hence the median response times are Nil.  | Achieved<br>(2018/19: Achieved)                     |

| Performance Measure (M) - Mandatory performance measure  | Result   | Achievement 2019/20          |
|--|--|------------------------------|
| <b>ROADING AND FOOTPATHS GROUP</b>   |  |                              |
| Percentage of reported maintenance related faults that are likely to affect driver behaviour responded to within 2 working days<br>Target: 100%  | 5 maintenance related faults that affected driver behaviour were responded to within 2 working days  | Achieved (2018/19: Achieved) |
| Annual quantity of metal spread on unsealed roads<br>Target: 11,000 m3   | 16,983m <sup>3</sup>   | Achieved (2018/19: Achieved) |
| <b>ORGANISATION &amp; GOVERNANCE GROUP</b>   |  |                              |
| Compliance with Local Government Act planning, and accountability<br>Target: Audits of plans and reports receive a clear opinion   | The 2018/19 Annual Report received an unqualified (clear) opinion from Audit NZ dated 8 October 2019.  | Achieved (2018/19: Achieved) |
| Continue to grow Facebook following<br>Target: Number of Facebook likes increase annually  | Likes = 1,282<br>Followers = 1,661   | Achieved (2018/19: Achieved) |
| <b>DISTRICT PLANNING &amp; REGULATORY SERVICES GROUP</b>   |  |                              |
| Retain accreditation as Building Consent Authority<br>Target: Associated audit processes ensure accreditation retained   | Retained in 2019/20 year.  | Achieved (2018/19: Achieved) |
| District Plan and bylaws reviewed within statutory time-frame<br>Target: 100% reviewed and adopted within statutory time-frame   | Initial preparation for the District Plan Review has commenced. A time-line programme and a list of people/groups for initial non-regulatory consultation has been compiled.   | Achieved (2018/19: Achieved) |
| <b>COMMUNITY SERVICES GROUP</b>  |  |                              |
| Civil Defence Emergency Management personnel within the EOC offered training<br>Target: 2 training opportunities per year  | 3 training opportunities offered this year.<br>One Emergency Operations Centre Level 2, 2 day training was held on 19 and 20 September.<br>CDEM C10 residential training was held between 23 and 27 September.<br>South Island Civil Defence Emergency Management Conference on 24 and 25 October. | Achieved (2018/19: Achieved) |
| Provide educational programmes at the library<br>Target: 4 programmes provided annually  | The library provided 6 programmes throughout the year.<br>Note: the library was closed due to COVID-19 level 3 and 4 restrictions.   | Achieved (2018/19: Achieved) |
| <b>COMMUNITY FACILITIES GROUP</b>  |  |                              |
| Community facilities meet legislative safety requirements (Local Government Centre, Library, Regent Theatre, Event Centre)<br>Target: Building Warrant of Fitness (WOF), Fire Regulations and Licence requirements are current | Monthly internal control checks completed and Building Warrant of Fitness current which includes fire regulations and licence requirements on Council's specified buildings.<br>Please note no test in April due to COVID-19 situation.  | Achieved (2018/19: Achieved) |
| All playgrounds are assessed against appropriate New Zealand Safety Standards<br>Target: All playgrounds meet safety standards   | All playground have a code of Compliance to NZS 5828 Standards for Playground equipment and Surfacing  | Achieved (2018/19: Achieved) |
| Occupancy rate of Community Housing units<br>Target: 90% or greater occupancy  | 98.5% occupancy throughout the year was recorded for Community Housing.  | Achieved (2018/19: Achieved) |



# POINTS OF INTEREST

## WATER SUPPLY GROUP

Taumata Arowai – the Water Services Regulator who will oversee, administer, and enforce the drinking water regulatory system. The Taumata Arowai - Water Services Regulator Act passed in July 2020 and establishes Taumata Arowai as a new Crown agent and provides for its objectives, functions, operating principles, and governance arrangements. As at 30 June 2020, the legislation was a Bill before Parliament.

Introduction of the Water Services Bill to Parliament. The Bill will repeal Part 2A of the Health Act 1956 and replace it with a stand-alone Act to regulate drinking water. There are also amendments to the Local Government Act 2002 and amendments to other Acts, including a discrete amendment to the Resource Management Act 1991.

### Three Waters Reform Programme

Waimate District Council continues to input and petition around the potential changes to the drinking water industry and compliance, which may impact council management of urban and rural water supplies.

Involvement with Rural and Small Water Suppliers Reference Group reviewing Rural Agricultural Supplies and compliance.

In December 2019 Council commissioned an upgraded treatment plant at Manchesters Road Bore.

Reduction in Urban water loss from 58% in February 2019 to the current 14% loss, due to water main renewal programme (Exeter St to Timaru Road Water Main Renewal).

## WASTE MANAGEMENT GROUP

Review of the current Waste Management collection in the Waimate District and the joint tendering of a new Waste Management Contract for Waimate, Timaru and Mackenzie District Councils

## STORMWATER DRAINAGE GROUP

Taumata Arowai – the Water Services Regulator will also in the future oversee, administer, and enforce compliance in the stormwater sector.

Queen Street Stormwater Main renewal to improve stormwater system on the main street.

## SEWERAGE AND SEWAGE GROUP

Taumata Arowai – the Water Services Regulator will also in the future oversee, administer, and enforce compliance in the waste water (sewerage) sector.

Queen Street Sewer Main renewal of aging and deteriorating earthenware pipe main.

High Street Sewer Main renewal of aging and deteriorating earthenware pipe main.

## ROADING AND FOOTPATHS GROUP

### Minor Projects

Point Bush Road walkway (476m Garlands Road to end).

Clarksfield Road safety fence.

Parkers Bush / Centrewood Park intersection upgrade.

Glenavy SH 1 footpath & part of kerb and channel construction.

Point Bush Road seal widening.

Hakataramea Valley Road sealing widening.

### Concrete Ford Renewal

The damaged concrete ford on Back Line Road at the intersection with Daledew Road has been replaced with a new 30m long 6m wide concrete apron. The ford includes a 1m x 300mm box culvert for low river flows.

### Major Bridge Repairs

Brasells Bridge Pareora River. The seven unpainted steel spans have been cleaned and painted. Hand-rail and kerbs have also been repaired and cleaned.

Frasers Bridge Menzies Road Hakataramea Valley. New abutments have been constructed and a replacement superstructure installed.

## ORGANISATION & GOVERNANCE GROUP

### Central Administration - IT Business Unit

Telephone System Upgrade – Following Spark's decommissioning of the old Public Switched Telephone Network and reliant technologies, Council's telephone system was upgraded to an Internet Protocol based Mitel PABX system which was successfully put into production in October 2019.

Gorge Road Office Project – This project was completed in February 2020 and involved investigation and assessment to identify the appropriate strategy to link the new Gorge Road property to the Local Government buildings and IT infrastructure.

COVID-19 Response – The IT Department assisted approximately 35 staff to work remotely, including relocating hardware, system configuration changes and associated staff training. The IT help desk supported the Emergency Operations Centre activities and conducted remote support to the organization as a whole.

### Community Representation

Elections were held October 2019. The incumbent Mayor was re-elected, along with 5 Councillors, plus 3 Councillors elected for their first term. A record number of 11 candidates stood for the 4 seats in the Waimate Ward.

### Investments and Finance

Purchase of Gorge Road Property – Following the initial lease of a commercial property at 4 to 6 Gorge Road, the property was purchased as a Council investment. The property provided options for present and future use to



mitigate identified issues including crowding at the Local Government Centre office and anticipated maintenance work requiring employee displacement. The property is utilised as office space and occupied by Council's Asset Team.

### **Strategy**

Policies remain to be a focus for Council and Audit and Risk with a number of new policies written.

The initial development of the Long Term Plan (LTP) 2021-31 progressed well this year with a number of special LTP workshops conducted with Council.

## **DISTRICT PLANNING & REGULATORY SERVICES GROUP**

### **Building Control**

The new GoGet processing system is now fully functional.

## **COMMUNITY SERVICES GROUP**

### **Economic Development**

Five projects were identified as priority items out of the 21 Economic Development Strategy action items. These five projects will continue into the 2020/21 financial year.

1. Roll out the Waimate District brand
2. Develop a signage plan
3. Develop a landscaping plan
4. Enhance the Whitehorse monument and surrounds
5. Investigate the development of an industrial/business park

### **Promotions**

A Marketing and Promotions Officer was appointed to promote Waimate District attractions and events primarily to domestic visitors.

### **Emergency Management**

The Waimate Emergency Operations Centre (EOC) was activated for 52 days responding to the COVID-19 pandemic event.

Following the COVID-19 response several plans (Pandemic plan and EOC plan) were finalised and new processes created and recorded for future EOC activations.

1 Community Response plan was reviewed, completed and distributed. Started reviewing 2 other community response plans.

### **Library**

Following the installation last year of RFID (radio frequency identification) technology to allow customers to self-issue and self-return books the library staff this year have concentrated their efforts on educating and encouraging customers to use the new technology. The result has been outstanding with the majority of members now using the new system.

## **COMMUNITY FACILITIES GROUP**

### **Camping**

Waitaki Lakes pipe and taps renewal has been installed at both Waitangi and Te Akatarawa Camps.

Chlorine dosing UV units have been installed at both Waitangi and Te Akatarawa Camps. This will increase the water quality standard throughout these camps.

Floors at Victoria Park and Tennant Street cabins have been recovered in a Terraflake flooring, for easier and more hygienic cleaning.

### **Cemeteries**

Remedial work was carried out on sunken graves. Graves have been topped up with sod and grass seed has been sown. This is to enhance their appearance and increase safety for visitors.

### **Event Centre**

Earlier this year, Council built a 4 bay garage adjacent the Waimate Event Centre to hold the community vehicles. The Waimate Vehicle Trust contributed \$90,000 with the balance of \$50,000 coming from Council's subdivision contribution reserve.

Through Sport Canterbury the Event Centre received funding to introduce a new programme "Give Sport A Go" to school aged children. The programme enabled young people the opportunity to receive some coaching and then try a new sport, at no cost to them.

### **Parks and Public Spaces**

Demolition of the old sports pavilion in Victoria Park has been completed and replaced with a new shelter building. Installed inside the shelter are picnic tables and seating which family groups, markets and school groups etc hold their events.

Preparation for resealing the main roadway through the formal area of Knottingley Park & Arboretum has been done. This included widening of some of the roadway and car parking being added. Sealing will take place in the summer period of 2020.

Pour'n'Play safety surfacing has been installed at the Knottingley Park and Arboretum playground. This is to comply with Playground equipment and surfacing standard NZS 5825:2015.

### **Property**

Improvements of the community housing units at Kennedy Crescent to meet new legislation commenced with the installation of extractor fans in each kitchen and bathroom. At the same time bathroom heaters are being replaced.

### **Swimming Pool**

Replacement of the coal boiler system with a three heat pump system has kept the swimming pool water at a consistent temperature and has made for a cleaner environment.

## Independent Auditor's Report

### To the readers of Waimate District Council's summary of the annual report for the year ended 30 June 2020

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 2020.

The summary of the annual report comprises the following summary statements on pages 3 to 7 and 12 to 16:

- the summary statement of financial position as at 30 June 2020;
- the summaries of the statement of comprehensive revenue and expenditure, statement of changes in equity and statement of cash flows for the year ended 30 June 2020;
- the notes to the summary financial statements that include 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 2020 in our auditor's report dated 15 December 2020. That report also includes an emphasis of matter paragraph drawing attention to the disclosures about the impact of COVID-19 on the Council as set out in full Annual Report on note 33 of the financial statements. An extract of this information is included in the summary of the annual report on pages 3 to 4.

## **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.



Rudie Tomlinson,  
Audit New Zealand  
On behalf of the Auditor-General  
Dunedin, New Zealand  
15 December 2020



# 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 Downlands Rural Water Scheme is a Joint Committee domiciled in New Zealand and established under the Local Government Act 2002.

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 summary financial statements of the Council are for the year ended 30 June 2020, 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 2019/20 Annual Report and the 2018/19 Annual Report have been audited by Audit New Zealand. The 2019/20 Annual Report received an unmodified opinion (with emphasis of matter relating to COVID-19 Pandemic), 2018/19 Annual Report received an unmodified opinion.

The financial statements were authorised for issue by Council on 15 December 2020.

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](http://www.waimatedc.govt.nz).

## MAJOR FINANCIAL VARIANCES

- Rates income exceeded budget due to a change in accounting treatment for Downlands Water Supply. Council's interest in the Downlands Water Scheme has been accounted for as a joint operation under PBE IPSAS 37, therefore Council has recognised in its financial statements its assets, liabilities, revenue and expenses relating to its share in the arrangement. The Annual Plan budget was based on the equity method.
- NZ Transport Agency government grants income was less than the Annual Plan budget due to reduced capital spends.
- 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 also increased income for building consents and health and liquor licenses. The Waste Management activity had reduced fees and charges, compared to the Annual Plan budget, following Level 4 Covid.19 lockdown restrictions, however this was partially offset by reduced contractor costs over the lockdown period.
- 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 saw a reduction in forest values due to price changes.
- Council received a donation towards the build of a garage for the community vehicles at the Waimate Event Centre.
- Employment Benefit Expenses were below budget due to vacant positions and the timing of staff replacements.
- Councillor remuneration, determined by the Remuneration Authority, exceeded the Annual Plan forecast.
- Depreciation and amortisation expenses exceeded budget, predominately due to the Roothing activity, where asset values and associated depreciation increased at 1 July 2019 compared to the basis for the Annual Plan forecast.
- A reduction in the need for legal expertise and consultancy has resulted in expenditure favourable to budget.
- There were no District Plan Review expenses incurred this year. The budget for this expenditure will be carried forward to the 2020/21 financial year.
- Economic Development, Promotions and Council Initiatives expenditure is below budget, with the budget to be carried forward to the 2020/21 year for implementation of the Economic Development strategy and initiatives.
- Electricity costs exceeded budget mainly in the Rural Water Schemes areas.
- Some roading emergency works was completed during the year following rainfall events. Other roading operational scheduled maintenance exceeded budget due to increased focus on unsealed pavement maintenance and metalling.

## Statement of Comprehensive Revenue and Expenditure for the year ended 30 June 2020

|  | Actual<br>30 June 2020<br>\$000 | Annual Plan<br>30 June 2020<br>\$000 | Actual<br>30 June 2019<br>\$000 |
|--|---------------------------------|--------------------------------------|---------------------------------|
| <b>Operating Revenue</b>   |                                 |                                      |                                 |
| Rates (net of remissions)  | 10,438                          | 10,149                               | 9,873                           |
| Development and financial contributions  | 135                             | 63                                   | 140                             |
| Subsidies and grants   | 3,149                           | 3,507                                | 3,435                           |
| Fees and charges   | 1,172                           | 1,079                                | 1,099                           |
| Interest revenue   | 50                              | 3                                    | 112                             |
| Other revenue  | 1,958                           | 1,783                                | 1,926                           |
| <b>Total Operating Revenue</b>   | <b>16,902</b>                   | <b>16,584</b>                        | <b>16,586</b>                   |
| <b>Operating Expenditure</b>   |                                 |                                      |                                 |
| Employment benefit expenses  | 4,456                           | 4,544                                | 4,019                           |
| Depreciation   | 5,078                           | 4,856                                | 4,719                           |
| Amortisation   | 60                              | 54                                   | 49                              |
| Finance costs  | 107                             | 201                                  | 108                             |
| Other expenses   | 7,484                           | 7,256                                | 6,959                           |
| <b>Total Operating Expenditure</b>   | <b>17,186</b>                   | <b>16,910</b>                        | <b>15,854</b>                   |
| <b>Operating Surplus / (Deficit) before Taxation</b>                               | <b>(284)</b>                    | <b>(326)</b>                         | <b>732</b>                      |
| Taxation expense   | -                               | -                                    | -                               |
| <b>Total Surplus / (Deficit)</b>   | <b>(284)</b>                    | <b>(326)</b>                         | <b>732</b>                      |
| <b>Other Comprehensive Revenue and Expenditure</b>                                 |                                 |                                      |                                 |
| Increase / (decrease) in restricted reserves                                       | -                               | -                                    | -                               |
| Increase / (decrease) in revaluation reserves                                      | 24,242                          | 32,686                               | -                               |
| Financial assets at fair value through other comprehensive revenue and expenditure | 571                             | 797                                  | -                               |
| <b>Total other comprehensive revenue and expenditure</b>                           | <b>24,813</b>                   | <b>33,483</b>                        | <b>-</b>                        |
| <b>Total Comprehensive Revenue and Expenditure</b>                                 | <b>24,529</b>                   | <b>33,157</b>                        | <b>732</b>                      |

## Statement of Changes in Equity for the year ended 30 June 2020

|  | Actual<br>30 June 2020<br>\$000 | Annual Plan<br>30 June 2020<br>\$000 | Actual<br>30 June 2019<br>\$000 |
|--|---------------------------------|--------------------------------------|---------------------------------|
| <b>Equity at start of year</b>                 | <b>421,548</b>                  | <b>406,724</b>                       | <b>420,815</b>                  |
| Total comprehensive income                     | 24,529                          | 33,157                               | 732                             |
| Downlands Joint Operation - Share adjustment * | (168)                           | -                                    | -                               |
| <b>Equity at end of year</b>                   | <b>445,908</b>                  | <b>439,882</b>                       | <b>421,548</b>                  |

\* The Downlands Water Supply Joint Operation was accounted for using the proportionate consolidation method with a 14.81% share recorded for the June 2019 year. Following review of this venture, it was agreed that Waimate's share for June 2020 is 14.0%.

# Statement of Financial Position as at 30 June 2020

|                                      | Actual<br>30 June 2020<br>\$000 | Annual Plan<br>30 June 2020<br>\$000 | Actual<br>30 June 2019<br>\$000 |
|--------------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| <b>Assets</b>                        |                                 |                                      |                                 |
| <b>Current assets</b>                |                                 |                                      |                                 |
| Cash and cash equivalents            | 3,837                           | 1,620                                | 4,530                           |
| Trade and other receivables          | 1,595                           | 754                                  | 1,593                           |
| Inventories                          | 104                             | 94                                   | 113                             |
| Other financial assets               | 631                             | 12                                   | 637                             |
| <b>Total current assets</b>          | <b>6,167</b>                    | <b>2,479</b>                         | <b>6,873</b>                    |
| <b>Non-current assets</b>            |                                 |                                      |                                 |
| Infrastructural assets               | 399,860                         | 403,081                              | 375,711                         |
| Operational assets                   | 27,606                          | 25,512                               | 27,126                          |
| Forestry assets                      | 1,691                           | 1,827                                | 1,894                           |
| Intangible assets                    | 283                             | 186                                  | 277                             |
| Other financial assets               | 15,252                          | 18,964                               | 14,683                          |
| <b>Total non-current assets</b>      | <b>444,692</b>                  | <b>449,569</b>                       | <b>419,691</b>                  |
| <b>Total assets</b>                  | <b>450,859</b>                  | <b>452,049</b>                       | <b>426,564</b>                  |
| <b>Liabilities</b>                   |                                 |                                      |                                 |
| <b>Current liabilities</b>           |                                 |                                      |                                 |
| Trade and other payables             | 1,817                           | 1,448                                | 1,923                           |
| Borrowings                           | 71                              | 24                                   | 71                              |
| Provisions                           | 6                               | 6                                    | 5                               |
| Employment benefit liabilities       | 469                             | 410                                  | 368                             |
| <b>Total current liabilities</b>     | <b>2,363</b>                    | <b>1,887</b>                         | <b>2,367</b>                    |
| <b>Non-current liabilities</b>       |                                 |                                      |                                 |
| Provisions                           | 64                              | 61                                   | 54                              |
| Borrowings                           | 2,524                           | 10,219                               | 2,595                           |
| <b>Total non-current liabilities</b> | <b>2,588</b>                    | <b>10,280</b>                        | <b>2,649</b>                    |
| <b>Equity</b>                        |                                 |                                      |                                 |
| Public Equity                        | 85,428                          | 90,646                               | 85,535                          |
| Special separate and trust funds     | 2,729                           | (4,773)                              | 3,071                           |
| Asset revaluation reserve            | 351,458                         | 346,730                              | 327,219                         |
| Other reserves                       | 6,294                           | 7,278                                | 5,722                           |
| <b>Total equity</b>                  | <b>445,908</b>                  | <b>439,882</b>                       | <b>421,548</b>                  |
| <b>Total liabilities and equity</b>  | <b>450,859</b>                  | <b>452,049</b>                       | <b>426,564</b>                  |



# Statement of Cash Flows

## for the year ended 30 June 2020

|   | Actual<br>30 June 2020<br>\$000 | Annual Plan<br>30 June 2020<br>\$000 | Actual<br>30 June 2019<br>\$000 |
|---|---------------------------------|--------------------------------------|---------------------------------|
| <b>Cash flows from operating activities</b>         |                                 |                                      |                                 |
| <b>Cash was received from:</b>                      |                                 |                                      |                                 |
| Receipts from rates revenue                         | 10,398                          | 10,190                               | 9,909                           |
| Interest received                                   | 50                              | 3                                    | 112                             |
| Dividends received                                  | 783                             | 756                                  | 757                             |
| Receipts from other revenue                         | 5,617                           | 5,470                                | 5,786                           |
|   | <b>16,848</b>                   | <b>16,418</b>                        | <b>16,563</b>                   |
| <b>Cash was applied to:</b>                         |                                 |                                      |                                 |
| Payments to suppliers and employees                 | 11,652                          | 11,865                               | 10,536                          |
| Interest paid                                       | 107                             | 201                                  | 108                             |
|   | <b>11,760</b>                   | <b>12,066</b>                        | <b>10,645</b>                   |
| <b>Net cash flow from operating activities</b>      | <b>5,088</b>                    | <b>4,352</b>                         | <b>5,918</b>                    |
| <b>Cash flows from investing activities</b>         |                                 |                                      |                                 |
| <b>Cash was received from:</b>                      |                                 |                                      |                                 |
| Proceeds from sale of property, plant and equipment | 20                              | -                                    | 46                              |
| Proceeds from sale of harvested forests             | 18                              | -                                    | 87                              |
| Proceeds from sale of investments                   | -                               | -                                    | -                               |
|   | <b>38</b>                       | <b>-</b>                             | <b>133</b>                      |
| <b>Cash was applied to:</b>                         |                                 |                                      |                                 |
| Purchase of property, plant and equipment           | 5,682                           | 8,156                                | 5,591                           |
| Purchase of intangible assets                       | 66                              | -                                    | 59                              |
| Purchase of silviculture capital expenditure        | -                               | -                                    | -                               |
| Acquisition of investments                          | -                               | -                                    | -                               |
|   | <b>5,748</b>                    | <b>8,156</b>                         | <b>5,649</b>                    |
| <b>Net cash flow from investing activities</b>      | <b>(5,710)</b>                  | <b>(8,156)</b>                       | <b>(5,516)</b>                  |
| <b>Cash flows from financing activities</b>         |                                 |                                      |                                 |
| <b>Cash was received from:</b>                      |                                 |                                      |                                 |
| Proceeds from borrowings                            | -                               | 4,200                                | -                               |
|   | <b>-</b>                        | <b>4,200</b>                         | <b>-</b>                        |
| <b>Cash was applied to:</b>                         |                                 |                                      |                                 |
| Repayment of borrowings                             | 71                              | 24                                   | 71                              |
|   | <b>71</b>                       | <b>24</b>                            | <b>71</b>                       |
| <b>Net cash flow from financing activities</b>      | <b>(71)</b>                     | <b>4,176</b>                         | <b>(71)</b>                     |
| Net increase / (decrease) in cash held              | (693)                           | 372                                  | 331                             |
| Add cash at start of year (1 July)                  | 4,530                           | 1,248                                | 4,199                           |
| <b>Balance at end of year (30 June)</b>             | <b>3,837</b>                    | <b>1,620</b>                         | <b>4,530</b>                    |
| <b>Represented by:</b>                              |                                 |                                      |                                 |
| Cash, cash equivalents and bank overdrafts          | 3,837                           | 1,620                                | 4,530                           |
|   | <b>3,837</b>                    | <b>1,620</b>                         | <b>4,530</b>                    |

# Funding Impact Statement for the year ended 30 June 2020

|  | LTP<br>30 June 2019<br>\$000 | Actual<br>30 June 2019<br>\$000 | Annual Plan<br>30 June 2020<br>\$000 | Actual<br>30 June 2020<br>\$000 |
|--|------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| <b>Sources of operating funding</b>                                  |                              |                                 |                                      |                                 |
| General rates, uniform annual general charges and rates penalties    | 1,195                        | 1,187                           | 1,183                                | 1,198                           |
| Targeted rates   | 8,812                        | 8,791                           | 9,087                                | 9,352                           |
| Subsidies and grants for operating purposes                          | 1,320                        | 1,473                           | 1,483                                | 1,626                           |
| Fees and charges   | 1,015                        | 1,099                           | 1,079                                | 1,172                           |
| Interest and dividends from investments                              | 873                          | 869                             | 759                                  | 833                             |
| Local authorities fuel tax, fines, infringements, and other receipts | 761                          | 854                             | 782                                  | 1,102                           |
| <b>Total operating funding</b>                                       | <b>13,975</b>                | <b>14,274</b>                   | <b>14,373</b>                        | <b>15,283</b>                   |
| <b>Applications of operating funding</b>                             |                              |                                 |                                      |                                 |
| Payments to staff and suppliers                                      | 11,689                       | 10,907                          | 11,841                               | 11,725                          |
| Finance costs  | 182                          | 108                             | 201                                  | 107                             |
| Other operating funding applications                                 | -                            | -                               | -                                    | -                               |
| <b>Total application of operating funding</b>                        | <b>11,871</b>                | <b>11,016</b>                   | <b>12,041</b>                        | <b>11,832</b>                   |
| <b>Surplus / (deficit) of operating funding</b>                      | <b>2,104</b>                 | <b>3,258</b>                    | <b>2,332</b>                         | <b>3,451</b>                    |
| <b>Sources of capital funding</b>                                    |                              |                                 |                                      |                                 |
| Subsidies and grants for capital expenditure                         | 1,679                        | 1,963                           | 2,023                                | 1,523                           |
| Development and financial contributions                              | 61                           | 140                             | 63                                   | 135                             |
| Increase / (decrease) in debt  | 3,400                        | (71)                            | 4,176                                | (71)                            |
| Gross proceeds from sale of assets                                   | -                            | 46                              | -                                    | 20                              |
| Lump sum contributions   | -                            | -                               | -                                    | -                               |
| Other dedicated capital funding                                      | -                            | -                               | -                                    | -                               |
| <b>Total capital funding</b>   | <b>5,141</b>                 | <b>2,077</b>                    | <b>6,262</b>                         | <b>1,606</b>                    |
| <b>Applications of capital funding</b>                               |                              |                                 |                                      |                                 |
| Capital expenditure - to meet additional demand                      | -                            | 22                              | -                                    | -                               |
| Capital expenditure - to improve the level of service                | 2,911                        | 1,745                           | 4,042                                | 2,298                           |
| Capital expenditure - to replace existing assets                     | 4,058                        | 3,882                           | 4,116                                | 3,449                           |
| Increase/(decrease) in reserves                                      | 276                          | (314)                           | 437                                  | (690)                           |
| Increase/(decrease) of investments                                   | -                            | -                               | -                                    | -                               |
| <b>Total applications of capital funding</b>                         | <b>7,245</b>                 | <b>5,335</b>                    | <b>8,594</b>                         | <b>5,057</b>                    |
| <b>Surplus/(deficit) of Capital Funding</b>                          | <b>(2,104)</b>               | <b>(3,258)</b>                  | <b>(2,332)</b>                       | <b>(3,451)</b>                  |
| <b>Funding balance</b>   | <b>-</b>                     | <b>-</b>                        | <b>-</b>                             | <b>-</b>                        |





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