

Waimate District Council

# ANNUAL REPORT

## 2015/16

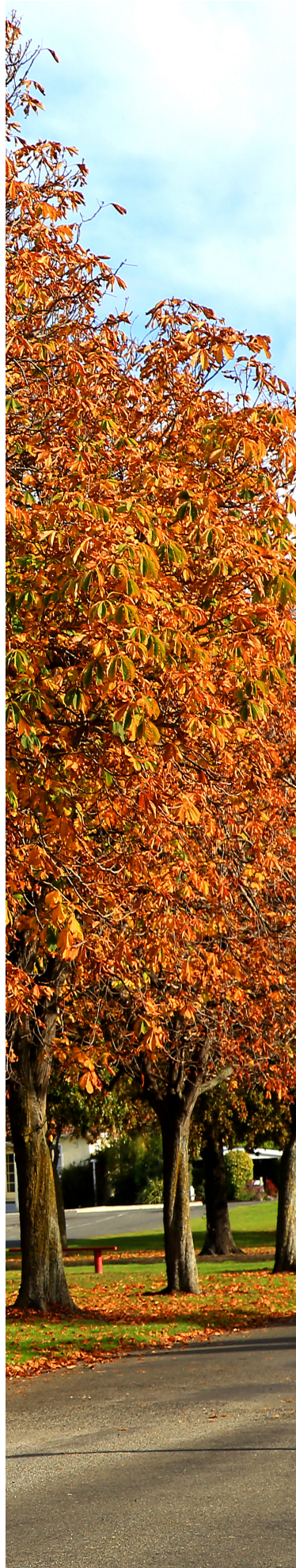


4 October 2016



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# Message from the Mayor and Chief Executive



## Major Capital Projects

Council has had involvement in a range of major capital projects. All of these are important in providing our community with first class recreation facilities and supporting economic development across the district.

## The Waimate Event Centre

A highlight of this financial year was the 'turning of the sod' and the blessing of the site for the build of the Waimate

Event Centre on 3 August 2015. It was a much anticipated day for Council, funding partner Gary Rooney/Rooney Earthmoving Ltd and the community, as the build began on this long-awaited facility. Council resolved that \$950,000 of external funding was required for this project to proceed and special recognition must be made of the sponsors, fundraising committee, staff and everyone who assisted in many ways to ensure that target was achieved. Stage One was completed mid-2016 and the grand opening will be held upon the completion of Stage Two in early 2017.

It is with pleasure that we present Council's Annual Report 2015/16.

The 2015/16 year has been one where significant projects have commenced and been delivered, not just by Council, but across the District by other key stakeholders.

The excellent financial result for Council shown in this report, demonstrates that it is committed to delivering its services and activities in a disciplined and financially prudent manner.

## Financial Performance

Council reported a surplus of \$1,483,000 against a reported Long Term Plan (LTP) budget surplus of \$773,000. The major variances are:

- NZ Transport Agency government grants are slightly lower than LTP budget following the deferral of renewal and maintenance programme works to next year.
- Building and resource consent charges are above LTP budgets due to an increased level of consent fees generally.
- Camping fees are above LTP budget with each camping area performing at, or above expected levels, with greater patronage, particularly at the Waitaki Lakes.
- Legal expenses are above LTP budget due to rating policy advice and the ongoing defence of a court case.

We continue to work diligently to maintain an 'open door' policy between Council and the community. We increased communication with members of the media and the public on some of the positive projects and work undertaken by Council and staff.

There are three areas where Council has delivered or supported significant achievements. They are:

- (i) major capital projects;
- (ii) community projects and activities; and
- (iii) operational and 'business as usual' activities.

## Dairy Factory Expansions

During the year Council received resource consent applications from the two dairy factories located within the district.

Site works for the stage two expansion for the Oceania Dairy Factory at Glenavy has commenced after resource consent was granted in April 2016, and this coupled with the likely expansion planned for an extra dryer, is expected to create some 285 jobs over the next 10 years. A resource consent application for the expansion of the Fonterra Dairy Factory at Studholme was considered by Commissioners on behalf of Waimate District Council and Environment Canterbury. This was conditionally approved in July 2016.

These projects are vitally important as part of supporting economic development across the District.

## Irrigation Schemes

Council has been actively involved in supporting the development of irrigation schemes both from the district and across the Canterbury region. Waimate is leading the Value-Added Production work stream for the Canterbury Regional Economic Development Strategy developed and supported by the Canterbury Mayoral Forum.

Two irrigation schemes that have long-term substantial benefits for our district are the Waihao Downs Irrigation Scheme, which opened in April 2016, and the Hunter Downs Irrigation Scheme, currently in the scheme development stage.

Congratulations to the many people who have worked tirelessly to move these projects forward.

## Community Projects and Activities

During the year a number of notable community related projects and activities were undertaken. The Waimate District is fortunate and privileged to have so many members of the community contributing voluntarily to groups and organisations across the district. There are too many to name individually but Council is hugely appreciative of the contribution these individuals and groups make to the great district we live in. Without these contributions we would not have nearly as much to offer to residents and visitors alike. Council wants to continue to build its relationship with community groups both locally and nationally.

### Waimate District Civic Awards

One of the highlights of the year is recognising some of our people who make a quiet yet invaluable contribution to the community.

The Waimate District Civic Awards 2016 held in March saw four adult volunteers, one youth volunteer and a local group recognised and thanked for their community service.

### Electric Vehicle Roadshow

Smaller in scale than many other projects, but in keeping us connected to a changing world, in April 2016 there was the installation and public opening of Waimate's electric vehicle charging station on Queen Street outside Seddon Square. The charging station was installed by Alpine Energy in association with ChargeNET. Along with Timaru, we are the first to receive a fast-charging station in the South Island.

## Operational and 'Business as Usual' Activities

Many of the activities Council carries out during the year are part of its 'business as usual' operations. Council is striving to deliver its services to a high standard, looking at how to do it more effectively and efficiently and to ensure that the community has an input on issues that matter to them. It is also important that Council strongly advocate to central government on matters of importance to rural communities. Some of the work undertaken to highlight these objectives are set out below.

### Joint Council Rooding Collaboration

Ashburton, Mackenzie, Timaru and Waimate District Councils have jointly prepared new Road Network Operations and Maintenance Contracts as part of the Mid-South Canterbury roading collaboration. These contracts were tendered concurrently as four individual contracts. The five-year Waimate contract was awarded to Whitestone Contracting Ltd who started work on 1 December 2015. A collaborative contract for the road surfacing in the Mackenzie, Timaru and Waimate Districts has been awarded to Downer NZ Ltd (Dunedin) for a two year period.

## Regulatory Services

Council is responsible for a range of regulatory services to protect and advance the health and wellbeing of the community. Some the achievements in the regulatory area include:

- **Environmental Health** - the Environmental Health team has been involved in the development and implementation of the Joint Local Alcohol Policy in partnership with Mackenzie and Timaru District Councils. The joint policy came in to force in March 2016.
- **Dog and Animal Control** - the Dog Control Policy and Dog Control Bylaw underwent a full review, were adopted by Council and came in to force on 1 July 2015. In December 2015 Council achieved registration of 98.7% of all known dogs in the District.

## External Submissions

The number of submissions by Waimate District Council to Government select committees increased as Council focused on strengthening the local voice on issues that effect rural communities such as fresh water reform, building standards and Easter holiday trading hours.

## And Finally...

2015/16 has been a productive year for Council and we have continued to effectively and efficiently deliver the services our communities need. Our work has been made all the more successful through collaboration with many stakeholders and the wider community.

We thank those who have contributed to the all the achievements noted in this report - elected members, council staff, agencies, contractors, local businesses, volunteers and the community.

We look forward to working with you all to continue to grow our fantastic district.



Craig Rowley, Mayor



Bede Carran, Chief Executive

# Glossary

## Annual Report

Assesses the performance of Council against the objectives, policies, activities, performance targets, indicative costs, and sources of funds outlined in the Long Term Plan or Annual Plan.

## Asset Management

Refers to the programme to fund and maintain Council's essential infrastructural assets in a sound condition in the future. This includes roads, bridges, and water and sewage reticulation.

## Cash Flow Statement

Provides a summary of cash flows from operating activities, investing activities and financing activities.

## Current Assets

Assets which can be readily converted to cash, or will be used up during the year. These include cash, stock, receivables and short-term investments.

## Current Liabilities

Payables and other liabilities due for payment within the next financial year.

## Days

Included within the Objectives and Performance Measures section of the Statement of Service Performance, days mean working days, which do not include statutory holidays or weekends.

## Debt Management Policy

Covers Council's policy on management of its debt.

## Decline in Service Potential (Depreciation)

Is the measure of the wearing out, consumption or other reduction in the economic benefits embodied in an asset whether arising from use, the passing of time or obsolescence.

## Fair Value

The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction.

## Funding Impact Statement

The Funding Impact Statement (either at Council or group of activities level) represents the actual cash impacts on the reported area. It specifically excludes depreciation and amortisation as these are non-cash, but does include capital expenditure.

## Funding Policy

Provides a statement of the mix of funding mechanisms for Council as a whole, the funding mechanisms for each of Council's functions, and the rationale of how the funding mix for each function has been determined.

## Infrastructural Assets

Infrastructural assets are utility service networks i.e. water, wastewater, stormwater and roading. They also include associated assets such as pump stations, treatment plants, street lighting and bridges.

## Investment Policy

Is a statement of Council's financial asset mix and how these assets are managed.

## Long Term Plan

A plan that describes the activities of the local authority, the Community Outcomes, and long term focus for the decisions and activities of the local authority.

## Objectives

Objectives are the results Council is aiming to achieve for the community.

## Operating Costs

Expenditure through outputs on such items as wages, materials, electricity and plant expenses. All these inputs are consumed within the financial year.

## Operating Revenue

Money earned through the outputs in return for a service provided, or by way of a grant or subsidy received. Examples include New Zealand Transport Agency subsidies, rental revenue, and licence fees.

## Operating Surplus

Operating Surplus is an accounting term meaning the excess of revenue over expenditure. Revenue and expenditure in this context exclude capital items, loan uplifts and repayments, and transfers to and from reserves. An operating surplus is inclusive of non-cash items such as revenue and expenditure owing but not paid (Receivables and Payables) and depreciation.

## Property, Plant and Equipment

These consist of land, buildings, operational and infrastructural assets including wastewater and water systems, roading, motor vehicles, plant and equipment, and furniture and fittings. They are sometimes referred to as capital assets.

## Resources

These are the assets, staff and funds needed to produce the outputs of Council.

## Service Measures

Also referred to as performance measures - a measure that shows how well Council is doing in achieving the goals it has set for itself.

## Statement of Changes in Equity

Is the change in Ratepayers' Equity (difference between Council's total assets and total liabilities) from year to year. It also records the gross movement in reserve accounts.

## Statement of Comprehensive Revenue and Expenditure

Accounts for all of Council's revenue and expenditure over a period of time according to accounting conventions.

## Statement of Financial Position

Provides a financial snapshot of Council's assets, liabilities, term loans and ratepayers equity at a point in time.

## Statement of Service Performance

Is the statement for each Activity, or Group of Activities, that reflects the revenue and expenditure over a period of time. Unlike the Funding Impact Statement, the Service Performance Statement includes depreciation and amortisation, and excludes capital expenditure.

## Working Capital

These are Council's net current assets which are held in cash or can be readily converted to cash less liabilities due for payment within one year. This is indicative of Council's ability to meet its obligations as they fall due.



# Council Information

## Elected Members

Mayor Craig Rowley  
Deputy Mayor Sharyn Cain  
Councillor Peter McLraith, BA, MinstD  
Councillor David Anderson (elected March 2015)  
Councillor Tom O'Connor JP  
Councillor Sheila Paul  
Councillor Miriam Morton, BSc  
Councillor Peter Collins  
Councillor Arthur Gavegan

## Ward

Waimate  
Hakataramea-Waihaorunga  
Pareora-Otaio-Makikihi  
Pareora-Otaio-Makikihi  
Waihao  
Waimate  
Waimate  
Waimate

## Leadership Team

Bede Carran, CA	Chief Executive
Graham Durston, CA (resigned April 2016)	Chief Financial Officer
Dan Mitchell, BSc	Asset Group Manager
Carolyn Johns, Dip Com	Community, Planning and Development Group Manager
Sue Kelly	Property and Regulatory Group Manager
Fiona Hester-Smith	Human Resources Manager

## General Information

Bank	ANZ New Zealand Ltd, Waimate
Auditor	Audit New Zealand on behalf of the Office of the Controller and Auditor-General
Solicitors	Anderson Lloyd, Dunedin Hope and Associates Legal, Waimate Simpson Grierson, Wellington

## Contact Details

Waimate District Council, 125 Queen Street, Waimate 7924  
PO Box 122, Waimate 7960

Telephone: (03) 689 0000 Facsimile: (03) 689 8075

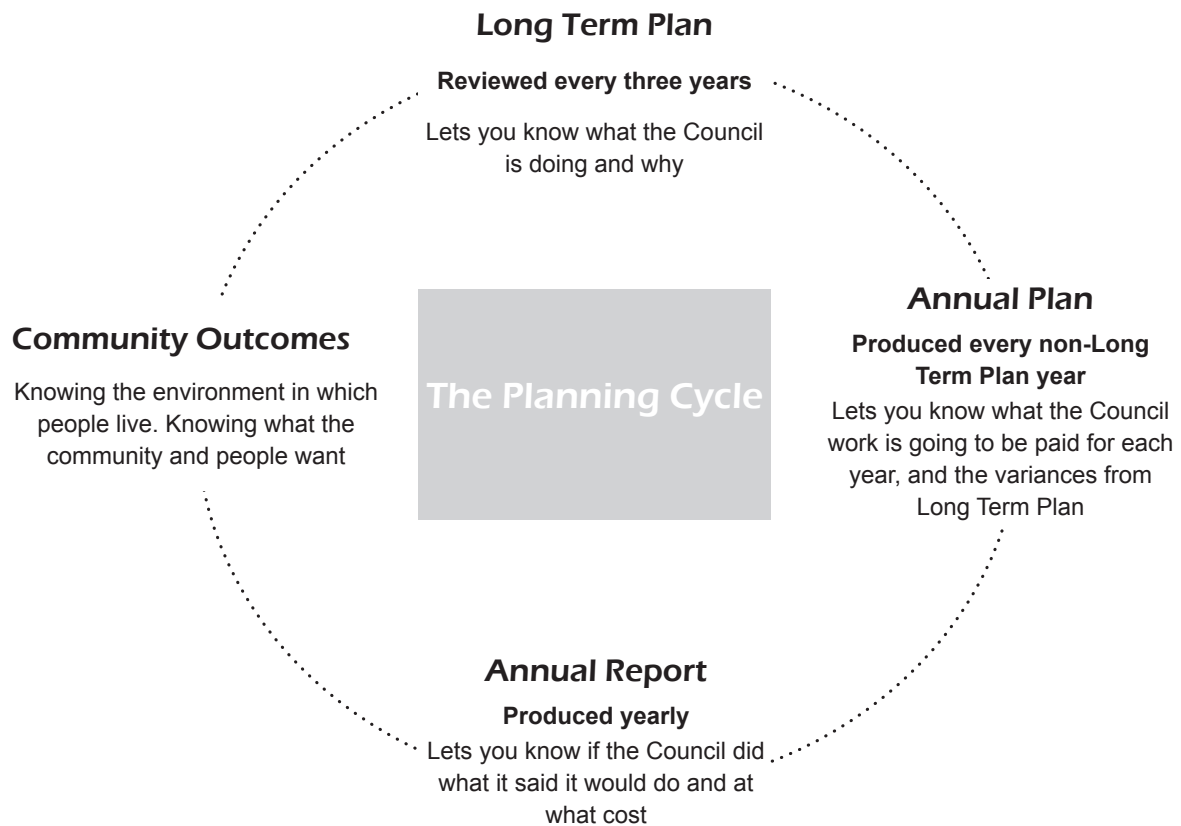
Email: [council@waimatedc.govt.nz](mailto:council@waimatedc.govt.nz) Website: [www.waimatedc.govt.nz](http://www.waimatedc.govt.nz)





# About the Annual Report

The purpose of the Annual Report is to explain how we delivered on the 2015/16 Annual Plan (or year one of the 2015-25 Long Term Plan) as required by section 98 of the Local Government Act 2002.



The Annual Report details Council's achievements and progress across the 10 Groups of Activities:

Group	Activities Within Group
Water Supply	Urban, Rural
Waste Management	Waste Management
Stormwater Drainage	Stormwater Drainage
Sewerage and Sewage	Sewerage and Sewage
Roading and Footpaths	Roading and Footpaths
Property and Investments	Forestry, Investments and Finance, Property
Parks and Recreation	Camping, Cemeteries, Parks and Public Spaces and Swimming
Organisation and Governance	Community Representation, Strategy and Managing Services
Environmental Services	Building Control, Resource Management, Emergency Management, Regulatory Services, Dog and Animal Control
Community Services	Economic Development and Promotions, Community Support and Library

# Report on Long Term Plan and Policies

## Long Term Plan

The Local Government Act 2002 (LGA), brought major changes in the way local bodies operate and the way they interact with the communities they represent. Greater emphasis is put on requirements for Councils to be guided by the aspirations and needs of the local community and to ensure that they truly understand what those aspirations and needs are.

One piece of this picture is the generation of a Long Term Plan (LTP). The LGA outlines purpose of a LTP, what it must contain and how it will be used as the basis of all Council decision-making and operations. Effective consultation with the community is a key requirement.

The LTP must be reviewed every three years. Annually, Council will consider interim amendments following the Annual Plan procedure. This will allow for unforeseen changes or events that have altered the basis for budgeting and scheduling operations. An annual budget will also be released, based on the intentions contained in the LTP, but again, allowing for changed circumstances.

## What does the LTP Intend to Achieve?

The LTP represents the agreement between the community of the District and Council as to how the community should develop to meet the local citizens' wishes, and the part that Council will play in reaching those objectives.

It therefore presents a 'future view' of what type of community we should ideally be living in by approximately the year 2025, and sets out a plan for Council to do its part in making that future happen.

It outlines the 'outcomes' or results that the community have identified as the important themes for the future and describes what must change in order to achieve these outcomes.

The role of Council in making these outcomes come into being, determines its future work programme, budgets and resource requirements.

Council's LTP covers the years 2015-25 and within this document the Consolidated Comprehensive Revenue and Expenditure information for each of these 10 years is shown. In the Statements of Service Performance by Activities later in this Annual Report document explanations of any significant variances in the LTP for year 2015/16 budget and the actual results achieved are shown.

## Treasury Policy

This policy incorporates Council's **Investment Policy** 403 and **Liability Management Policy** 402 prepared in accordance with the Local Government Act 2002.

The **Investment Policy** states:

- the objectives in terms of which financial and equity investments are to be managed; and
- the mix of investments; and
- the acquisition of new investments; and
- an outline of the procedures by which investments are managed and reported on to the local authority; and
- an outline of how risks associated with investments are assessed and managed.

The **Liability Management Policy** states in respect to borrowing and other liabilities:

- interest rate exposure; and
- credit exposure; and
- specific borrowing limits; and
- liquidity; and
- debt repayment; and
- the giving of securities.

## Funding Policy

This policy incorporates Council's **Revenue and Financing Policy** 401 in accordance with the Local Government Act 2002.

The **Revenue and Financing Policy** states in respect to:

- funding of operating expenses from the various funding sources
- funding of capital expenditure from the various funding sources

These funding sources come from the following:

- general rates;
- fees and charges;
- borrowing;
- grants and subsidies;
- development and financial contributions;
- targeted rates;
- interest and dividends from investments;
- proceeds from asset sales;
- financial contributions under the Resource Management Act 1991;
- any other source.

This policy can be found in Part 2 of the LTP 2015-25


# Statement of Compliance and Responsibility

## Compliance

The Council and management of Waimate District Council confirm that they have complied with all the statutory requirements of the Local Government Act 2002 regarding financial management and borrowing.

## Responsibility

- The Council and management of Waimate District Council accept responsibility for the preparation of the Annual Report and the judgements used in them.
- The Council and management of Waimate District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- In the opinion of the Council and management of Waimate District Council, the Annual Report for the year ended 30 June 2016, fairly reflects the financial position and operations of the Council.



Craig Rowley  
Mayor



Bede Carran  
Chief Executive

## Independent Auditor's Report

### To the readers of Waimate District Council's annual report for the year ended 30 June 2016

The Auditor-General is the auditor of Waimate District Council (the District Council). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, on her behalf, to:

- audit the information included in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the audited information); and
- report on whether the District Council has complied with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report and the Local Government (Financial Reporting and Prudence) Regulations 2014.

#### Opinion on the audited information

In our opinion:

- the financial statements on pages 16 to 19 and pages 27 to 73:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2016;
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime;
- the funding impact statements on page 20, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan;
- the statement of service provision on pages 78 to 153:
  - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2016, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand;

- the statement about capital expenditure for each group of activities on pages 74 to 76, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long-term plan; and
- the funding impact statement for each group of activities on pages 80 to 147, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

## **Compliance with requirements**

The District Council has:

- complied with the requirements of schedule 10 of the Local Government Act 2002 that apply to the annual report; and
- made the disclosures on pages 16 to 147 which are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information.

Our audit was completed on 4 October 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

## **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the information we audited is free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the audited information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council's preparation of the information we audited in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;

- the adequacy of the disclosures in the information we audited;
- determining the appropriateness of the reported statement of service provision within the District Council's framework for reporting performance; and
- the overall presentation of the information we audited.

We did not examine every transaction, nor do we guarantee complete accuracy of the information we audited.

When reporting on whether the District Council complied with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report, we limited our procedures to making sure the annual report included the required information and identifying material inconsistencies, if any, with the information we audited. We carried out this work in accordance with International Standard on Auditing (New Zealand) 720; The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements.

We did not evaluate the security and controls over the electronic publication of the information we are required to audit and report on. We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Council**

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to ensure that the annual report is free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the annual report, whether in printed or electronic form.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the annual report in accordance with the reporting requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014. Our responsibility arises from the Public Audit Act 2001.

### **Independence**

When carrying out our audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. Other than this audit, we have no relationship with or interests in the District Council.



Scott Tobin  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand



# Financial Statements

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# Financial Summary

## Council Financial Statistics

	2016 Actual	2016 LTP Budget	2016 Annual Plan	2015 Actual
Proportion of rates to total revenue	56.4%	60.7%	60.7%	63.0%
Average rates per rateable property (equals Total Rates divided by Total Rateable Units)	\$ 2,563	\$ 2,474	\$ 2,474	\$ 2,464
Net public debt as a percentage of total assets	0.49%	0.86%	0.86%	0.13%
Public debt per rateable property	\$ 587	\$ 1,010	\$ 1,010	\$ 146
Rating units				
- rateable	3,409			3,422
- non-rateable	1,076			1,068
Total Rating units at the start of the financial year	4,485			4,490
Total Capital Value of Rating Units at the start of the financial year (\$000)	\$ 4,001,871			\$ 3,999,262
Total Land Value of Rating Units at the start of the financial year (\$000)	\$ 2,562,231			\$ 2,560,391

## Council Five Year Financial Performance Summary

	2016 Actual \$000	2015 Actual \$000	2014 Actual \$000	2013 Actual \$000	2012 Actual \$000
General/Civic Amenities rates	3,263	5,305	5,301	5,048	4,595
Targeted rates	5,475	3,125	2,890	2,695	2,611
Net surplus/(deficit)	1,483	(50)	(3)	(314)	468
Working capital	3,092	1,821	1,478	1,142	1,784
Public debt	2,000	500	500	1,100	1,280
Net assets	399,439	396,335	379,398	368,105	365,696

# Statement of Comprehensive Revenue and Expenditure

## for the year ended 30 June 2016

		2016	2016	2016	2015
	Note	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000
<b>Operating Revenue</b>					
Rates (net of remissions)	2	\$ 8,739	\$ 8,698	\$ 8,698	\$ 8,430
Development and Financial contributions	3	181	93	93	146
Subsidies and Grants	3	2,866	3,190	3,190	2,252
Fees and charges	3	1,298	899	899	1,013
Interest revenue	4	92	30	30	81
Other revenue	5	2,307	1,413	1,413	1,465
<b>Total Operating Revenue</b>		<b>15,483</b>	<b>14,323</b>	<b>14,323</b>	<b>13,387</b>
<b>Operating Expenditure</b>					
Employment benefit expenses	6	3,360	3,439	3,439	3,304
Depreciation	15	4,341	4,053	4,053	4,110
Amortisation	17	12	11	11	48
Finance costs	4	48	43	43	22
Other expenses	8	6,239	6,004	6,004	5,953
<b>Total Operating Expenditure</b>		<b>14,000</b>	<b>13,550</b>	<b>13,550</b>	<b>13,437</b>
<b>Operating Surplus/(Deficit) before Taxation</b>		<b>1,483</b>	<b>773</b>	<b>773</b>	<b>(50)</b>
Taxation expense	9	-	-	-	-
<b>Total Surplus/(Deficit)</b>		<b>\$ 1,483</b>	<b>\$ 773</b>	<b>\$ 773</b>	<b>\$ (50)</b>
<b>Other Comprehensive Revenue and Expenditure</b>					
Increase/(decrease) in discretionary reserves/restricted assets	22	-	-	-	(3)
Increase/(decrease) in revaluation reserves	22	-	-	-	2,383
Impairment of revalued assets and reversal of a prior year value	22	-	-	-	-
Financial assets at fair value through other comprehensive revenue	22	1,621	1,000	1,000	14,607
<b>Total Other Comprehensive Revenue and Expenditure</b>		<b>1,621</b>	<b>1,000</b>	<b>1,000</b>	<b>16,987</b>
<b>Total Comprehensive Revenue and Expenditure</b>		<b>\$ 3,104</b>	<b>\$ 1,773</b>	<b>\$ 1,773</b>	<b>\$ 16,937</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

## Statement of Changes in Equity

for the year ended 30 June 2016

		2016	2016	2016	2015
	Note	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000
Equity as at 1 July	22	\$ 396,335	\$ 407,654	\$ 407,654	\$ 379,398
Total Comprehensive Revenue and Expenditure		3,104	1,773	1,773	16,937
<b>Equity at 30 June</b>		<b>\$ 399,439</b>	<b>\$ 409,427</b>	<b>\$ 409,427</b>	<b>\$ 396,335</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

# Statement of Financial Position

## as at 30 June 2016

	Note	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	10	\$ 2,683	\$ 370	\$ 370	\$ 1,905
Trade and other receivables	11	1,854	804	804	1,447
Inventories	12	496	152	152	540
Other financial assets	13	649	65	65	593
Derivative financial instruments	14	-	-	-	-
Total Current Assets		5,682	1,391	1,391	4,485
<b>Non-Current Assets</b>					
Trade and other receivables	11	-	-	-	-
Infrastructural assets	15	345,520	377,276	377,276	346,392
Operational assets	15	22,609	20,943	20,943	19,332
Forestry assets	16	1,489	1,553	1,553	1,749
Intangible assets	17	168	137	137	121
Other financial assets	13	28,600	13,485	13,485	26,986
Total Non-Current Assets		398,386	413,394	413,394	394,580
<b>Total Assets</b>		<b>\$ 404,068</b>	<b>\$ 414,785</b>	<b>\$ 414,785</b>	<b>\$ 399,065</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade and other payables	18	\$ 2,219	\$ 1,346	\$ 1,346	\$ 1,799
Public debt	21	22	500	500	500
Provisions	19	6	6	6	5
Derivative financial instruments	14	-	-	-	-
Employee benefit liabilities	20	343	410	410	360
Total Current Liabilities		2,590	2,262	2,262	2,664
<b>Non-Current Liabilities</b>					
Public Debt	21	1,978	3,049	3,049	-
Provisions	19	61	47	47	66
Derivative financial instruments	14	-	-	-	-
Employee benefit liabilities	20	-	-	-	-
Total Non-Current Liabilities		2,039	3,096	3,096	66
<b>Equity</b>					
Public Equity	22	84,602	83,199	83,199	82,768
Special separate and trust funds	22	1,487	1,384	1,384	1,838
Asset revaluation reserve	22	293,849	320,571	320,571	293,849
Other reserves	22	19,501	4,273	4,273	17,880
Total Equity		399,439	409,427	409,427	396,335
<b>Total Liabilities and Equity</b>		<b>\$ 404,068</b>	<b>\$ 414,785</b>	<b>\$ 414,785</b>	<b>\$ 399,065</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

# Statement of Cash Flows

## for the year ended 30 June 2016

		2016	2016	2016	2015
	Note	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000
<b>Cash flows from operating activities</b>					
<b>Cash was received from:</b>					
Receipts from rates revenue		\$ 8,675	\$ 8,698	\$ 8,698	\$ 8,418
Interest received		92	30	30	81
Dividends received		631	576	576	589
Receipts from other revenue		5,038	5,372	5,372	4,224
		14,436	14,676	14,676	13,312
<b>Cash was applied to:</b>					
Payments to suppliers and employees		8,690	9,395	9,395	9,219
Interest paid		47	43	43	34
		8,737	9,438	9,438	9,253
<b>Net Cash Flows from operating activities</b>	23	<b>5,699</b>	<b>5,238</b>	<b>5,238</b>	<b>4,059</b>
<b>Cash flows from investing activities</b>					
<b>Cash was received from:</b>					
Proceeds from sale of property, plant and equipment		210	-	-	75
Proceeds from sale of harvested forests		447	-	-	14
Proceeds from sale of investment property		-	134	134	-
Proceeds from sale of investments		7	3	3	12
		664	137	137	101
<b>Cash was applied to:</b>					
Purchase of property, plant and equipment		6,970	8,525	8,525	3,510
Purchase of intangible assets		59	40	40	6
Purchase of silviculture		-	44	44	-
Acquisition of investments		56	-	-	292
Payment of prior surplus to community board		-	-	-	-
		7,085	8,609	8,609	3,808
<b>Net Cash Flows from investing activities</b>		<b>(6,421)</b>	<b>(8,472)</b>	<b>(8,472)</b>	<b>(3,707)</b>
<b>Cash flows from financing activities</b>					
<b>Cash was received from:</b>					
Proceeds from public debt		2,000	3,050	3,050	-
		2,000	3,050	3,050	-
<b>Cash was applied to:</b>					
Repayment of public debt		500	1	1	-
		500	1	1	-
<b>Net Cash Flows from financing activities</b>		<b>1,500</b>	<b>3,049</b>	<b>3,049</b>	<b>-</b>
Net increase/(decrease) in cash held		778	(185)	(185)	352
Add opening cash balance (1 July)		1,905	555	555	1,553
<b>Closing cash (30 June)</b>	10	<b>\$ 2,683</b>	<b>\$ 370</b>	<b>\$ 370</b>	<b>\$ 1,905</b>
<b>Represented by:</b>					
Cash, cash equivalents and bank overdrafts	10	2,683	370	370	1,905
		<b>\$ 2,683</b>	<b>\$ 370</b>	<b>\$ 370</b>	<b>\$ 1,905</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

# Funding Impact Statement

## for the year ended 30 June 2016

	2016	2016	2016	2015	2015
	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000	LTP Budget \$000
<b>Sources of operating funding</b>					
General rates, UAGC and rates penalties	\$ 1,172	\$ 1,143	\$ 1,143	\$ 5,368	\$ 5,574
Targeted rates	7,635	7,594	7,594	3,126	3,017
Subsidies and grants for operating purposes	1,798	1,879	1,879	978	849
Fees and charges	1,298	898	898	911	766
Interest and dividends from investments	737	607	607	683	663
Local authority fuel tax, fines, infringement fees other	1,424	653	653	714	630
<b>Total sources of operating funding</b>	<b>14,064</b>	<b>12,774</b>	<b>12,774</b>	<b>11,780</b>	<b>11,499</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	9,575	9,348	9,348	9,242	9,080
Finance costs	48	43	43	22	83
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding</b>	<b>9,623</b>	<b>9,391</b>	<b>9,391</b>	<b>9,264</b>	<b>9,163</b>
<b>Surplus/(deficit) of operating funding</b>	<b>4,441</b>	<b>3,383</b>	<b>3,383</b>	<b>2,516</b>	<b>2,336</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	1,068	1,312	1,312	1,303	1,134
Development and financial contributions	181	93	93	146	93
Increase/(decrease) in debt	1,500	3,049	3,049	-	(35)
Gross proceeds from sale of assets	210	-	-	75	25
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>2,959</b>	<b>4,454</b>	<b>4,454</b>	<b>1,524</b>	<b>1,217</b>
<b>Applications of capital funding</b>					
Capital expenditure - to meet additional demand	46	546	546	8	-
Capital expenditure - to improve level of service	4,216	4,384	4,384	642	378
Capital expenditure - to replace existing assets	2,694	3,679	3,679	2,855	2,647
Increase/(decrease) in reserves	388	(772)	(772)	243	528
Increase/(decrease) in investments	56	-	-	292	-
<b>Total applications of capital funding</b>	<b>7,400</b>	<b>7,837</b>	<b>7,837</b>	<b>4,040</b>	<b>3,553</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(4,441)</b>	<b>(3,383)</b>	<b>(3,383)</b>	<b>(2,516)</b>	<b>(2,336)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

# Reconciliation of Surplus/(deficit) after tax to operating funding per the Funding Impact Statement for the year ended 30 June 2016

	2016	2016	2016	2015	2015
	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000	LTP Budget \$000
<b>Service Performance Statement operating surplus/(deficit) by Activity</b>					
Forestry	\$ 51	\$ 33	\$ 33	\$ 88	\$ 28
Investments and Finance	212	37	37	52	34
Community Property	737	781	781	(125)	(72)
Building Control	224	7	7	23	-
Resource Management	190	82	82	75	44
Emergency Management	18	-	-	(12)	-
Regulatory Services	57	3	3	(8)	-
Dog and Animal Control	44	-	-	59	-
Community Representation	89	12	12	107	14
Strategy	107	33	33	(41)	(11)
Managing Services	126	1	1	-	-
Economic Development and Promotions	(12)	-	-	19	-
Community Support	(5)	-	-	1	-
Library	22	-	-	19	-
Camping	63	(8)	(8)	70	(3)
Cemeteries	9	(10)	(10)	(21)	-
Parks and Public Spaces	58	(17)	(17)	52	-
Swimming	(42)	(4)	(4)	(12)	-
Roading	(937)	(235)	(235)	(547)	(360)
Sewerage and Sewage	87	20	20	88	(11)
Stormwater Drainage	12	5	5	18	8
Waste Management	153	19	19	40	4
Water Supply	219	18	18	5	(28)
<b>Total Surplus/(Deficit) after tax per the Statement of Comprehensive Revenue and Expenditure</b>	<b>1,482</b>	<b>777</b>	<b>777</b>	<b>(50)</b>	<b>(353)</b>
less Subsidies and grants for capital expenditure	(1,068)	(1,312)	(1,312)	(1,303)	(1,134)
less Development and financial contributions	(181)	(93)	(93)	(146)	(93)
less Revaluation losses/(gains) not included in the FIS	(167)	(147)	(147)	(159)	(142)
add Loss on sale not included in the FIS	22	94	94	16	-
add Depreciation/amortisation not included in the FIS	4,353	4,064	4,064	4,158	4,058
<b>Surplus/(deficit) of operating funding per the Funding Impact Statement</b>	<b>\$ 4,441</b>	<b>\$ 3,383</b>	<b>\$ 3,383</b>	<b>\$ 2,516</b>	<b>\$ 2,336</b>

This statement is to be read in conjunction with the Statement of Accounting Policies and Notes to the Financial Statements.

# Disclosure Statement

## for the year ended 30 June 2016

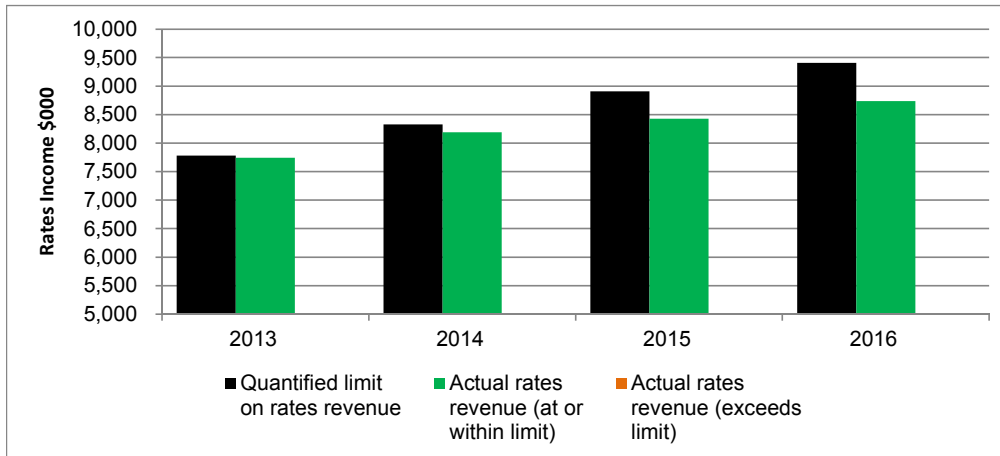
### Rates affordability benchmark

Council meets the rates affordability benchmark if:

1. Actual rates revenue is equal to or less than each quantified limit on rates revenue, and
2. Actual rates increases are equal to or less than each quantified limit on rates increases.

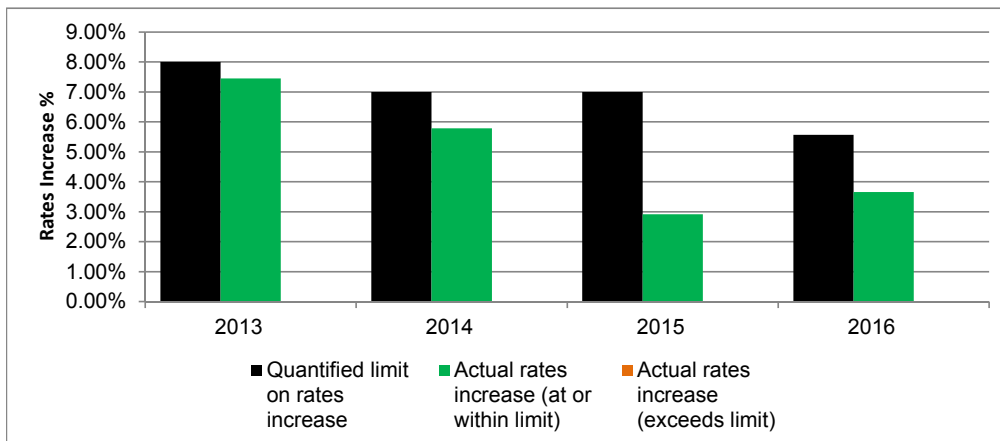
#### Rates (revenue) affordability

The following graph compares Council's actual rates revenue with the quantified limit on rates revenue contained in the Financial Strategy section within the Long Term Plan. Limits are calculated based on the rates percentage increase limits (disclosed in the second graph below) as forecast in the Long Term Plan, compared to actual rates revenue forecast on an annual basis.



#### Rates (increases) affordability

The following graph compares Council's actual rates increases with the quantified limit on rates increases contained in the Financial Strategy section within the Long Term Plan.



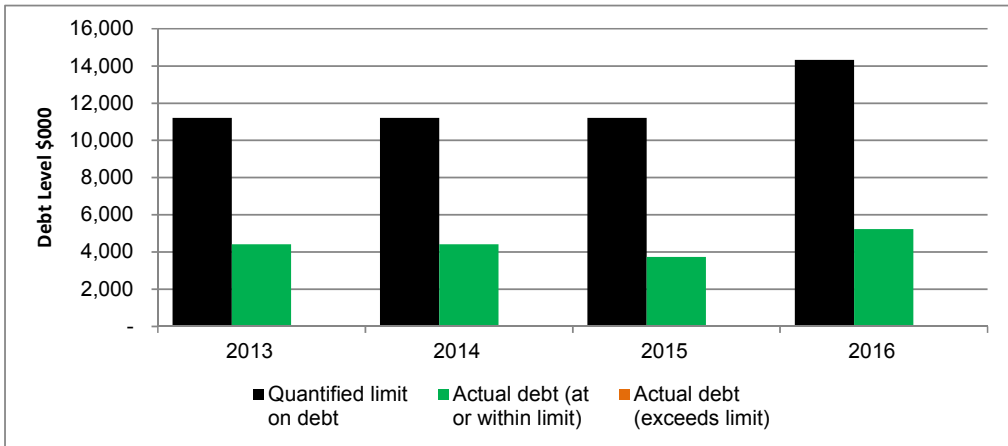
Note that as demonstrated in the above graphs Council has strived and achieved remaining within the total rates requirement as set.



## Debt affordability benchmark

Council meets the debt affordability benchmark if actual borrowing is within each quantified limit on borrowing.

The following graph compares Council's actual borrowing with the quantified limit on borrowing contained in the Financial Strategy section within the Long Term Plan.

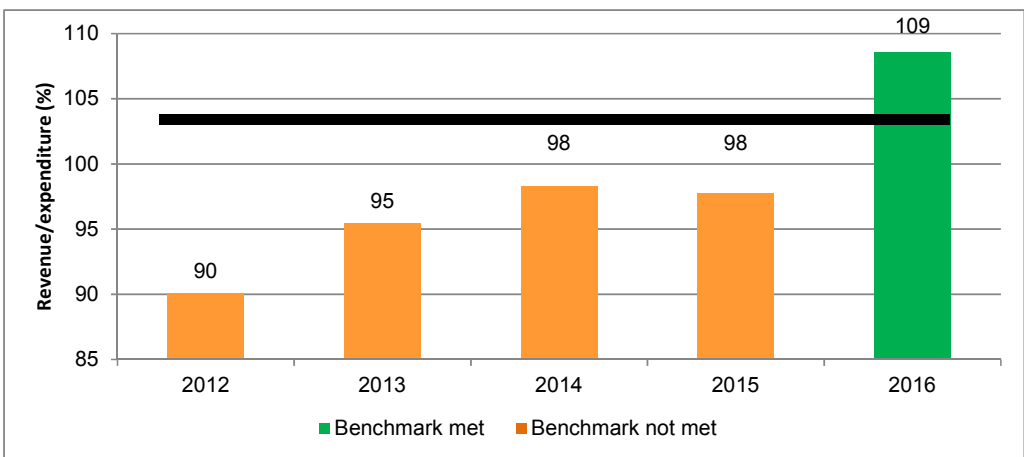


The quantified limit on debt that has been used is the projected Public debt (or Borrowings), both external and internal debt.

## Balanced budget benchmark

Council meets the balanced budget benchmark if revenue is equal to or is greater than operating expenses.

The following graph displays Council's actual revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment):



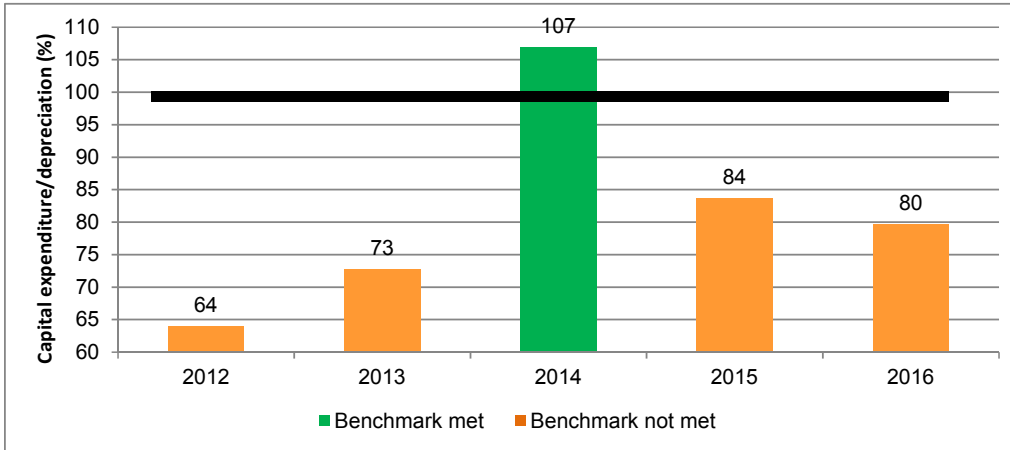
Council has previously decided not to fully fund the depreciation cost of specific assets. This may be for a number of different reasons: that Council has resolved not to replace the asset; that it is unfair to existing ratepayers to pay for a new asset and its replacement; that annual maintenance will maintain the service level; that Council can fundraise or borrow the funds in the future to replace the asset; that Council wishes to smooth the rate impact of revaluations.

The decisions around not fully funding depreciation have the largest impact on the deficit or surplus. There are a number of other items that may have an impact: Grants, Subsidies or donations received for Capital Expenditure; Self funding activities that do not contribute to the rate or receive a rate allocation which may be funded from reserve funds; forestry activity where harvest revenue may be outside the period under review; rate funding for contributions to Reserve Funds for use at a time in the future; operating expenditure and grants funded by Reserve Funds; rates smoothing relative to the nature of the expenditure to spread the funding over more than one year to manage the rating impact.

## Essential services benchmark

Council meets the essential services benchmark if capital expenditure on network services (infrastructure related to: water supply; sewerage and treatment and disposal of sewage; stormwater drainage; flood protection and control works; and provision of roads and footpaths) is equal to or is greater than depreciation on those network services.

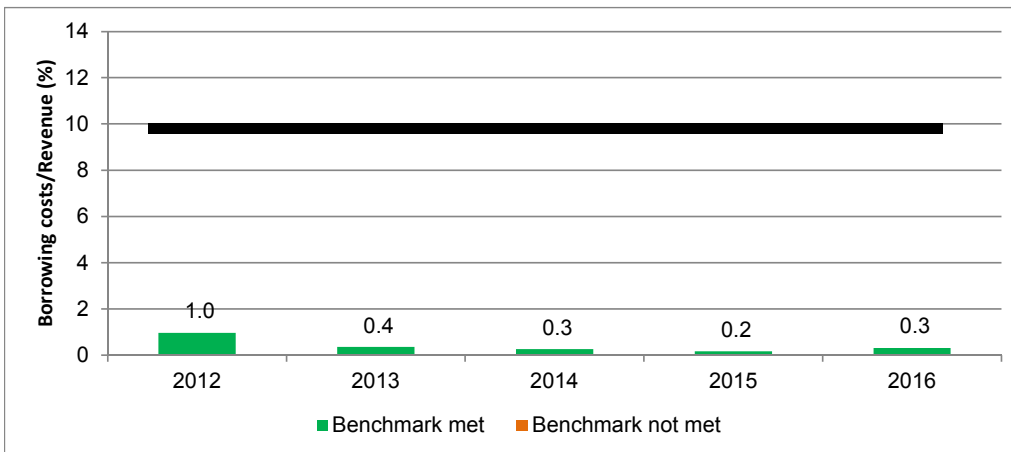
The following graph displays Council's capital expenditure on network services as a proportion of depreciation on those network services:



## Debt servicing benchmark

Because Statistics New Zealand projects the district's population will grow more slowly than the national population growth, Council meets the debt servicing benchmark if borrowing costs are equal to or are less than 10% of revenue.

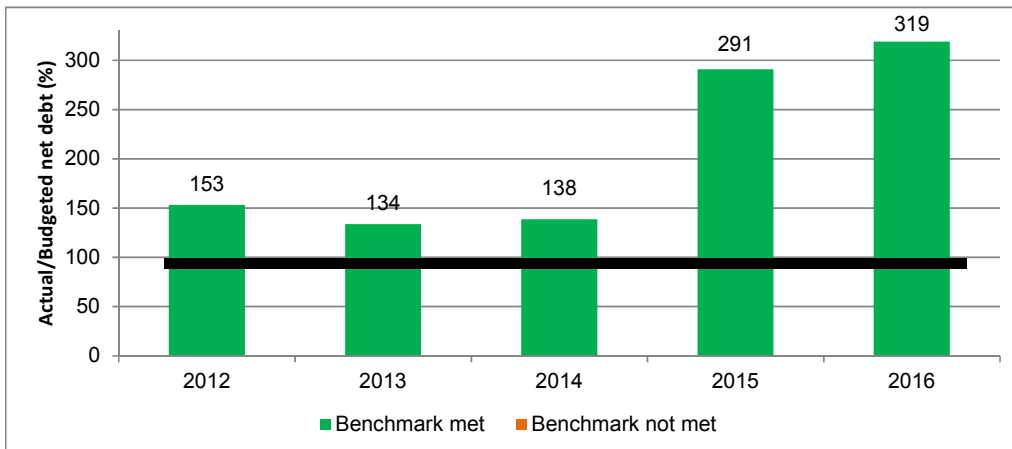
The following graph displays Council's borrowing costs as a proportion of actual revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment):



## Debt control benchmark

Council meets the debt control benchmark if actual net debt is equal to or is less than planned net debt.

The following graph displays Council's actual net debt as a proportion of planned net debt. **Net debt** means financial liabilities less financial assets (exclusive of trade and other receivables):

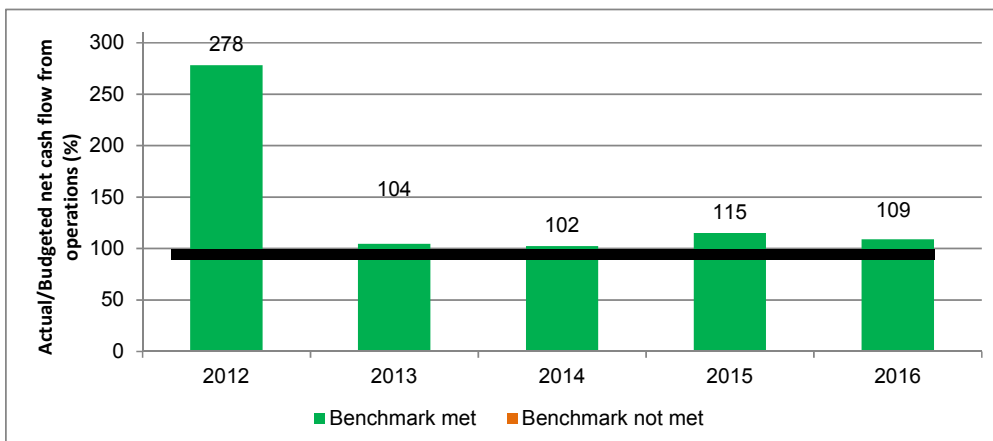


In a situation where Council planned to have net assets, financial assets (excluding trade and other receivables) were planned to exceed financial liabilities, the above graph will show "benchmark met" wherever Council is better off (either less indebted or with greater net assets) than planned. In each of the years in the graph above Council planned to have net assets and has greater net assets than planned.






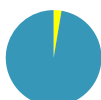


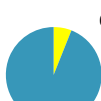
## Operations control benchmark

Council meets the operations control benchmark if actual net cash flow from operations is equal to or is greater than planned net cash flow from operations.

The following graph displays Council's actual net cash flow from operations as a proportion of planned net cash flow from operations.



# Activities - Rates vs Other Revenue

	How operating costs are funded	Rates proportion of total Rates	Rates 2015/16
<b>Water Supply</b> Urban Water - Two secure ground water bores and associated reticulation  Rural Water - Six rural water schemes	■ Rates 84%	 20.5%	\$ 1,906,423
	■ Other, including fees and charges 16%		
<b>Waste Management</b> Recycling and refuse collection and disposal services for urban and rural areas	■ Rates 83%	 10.1%	\$ 937,289
	■ Other, including fees and charges 17%		
<b>Stormwater Drainage</b> Underground pipe system for the removal of surplus surface water in the urban area	■ Rates 83%	 0.7%	\$ 61,798
	■ Other, including fees and charges 17%		
<b>Sewerage and Sewage</b> An urban system comprised of gravity sewer mains, gravity lateral connections, manholes  A treatment and disposal facility	■ Rates 87%	 4.9%	\$ 458,316
	■ Other, including fees and charges 13%		
<b>Roading and Footpaths</b> A district wide network of sealed and unsealed roads, excluding Transit Highways 1 and 82  Bridges, culverts, footpaths, signage, and street lighting	■ Rates 57%	 23.8%	\$ 2,215,945
	■ Other, including fees and charges 43%		
<b>Parks and Recreation</b> Camping grounds and cabins  Cemeteries management  Managing Parks and Reserves  Swimming pool in Waimate	■ Rates 52%	 7.1%	\$ 657,594
	■ Other, including fees and charges 48%		
<b>Property and Investments</b> Managing a portfolio of forestry  Managing Council's share holdings  A collection of land and buildings	■ Rates 14%	 2.6%	\$ 241,906
	■ Other, including fees and charges 86%		
<b>Organisation and Governance</b> Operational support of the Council's decision-making  Strategic Planning and Reporting  District wide governance by the Mayor and Councillors	■ Rates 66%	 14.3%	\$ 1,327,594
	■ Other, including fees and charges 34%		
<b>Environmental Services</b> Building Control services  Resource Management  Emergency Management  Health Services and Noise Control  Dog and Animal Control	■ Rates 49%	 10.0%	\$ 927,753
	■ Other, including fees and charges 51%		
<b>Community Services</b> Economic Development and Promotions  Administration of grants  District Library service	■ Rates 90%	 6.1%	\$ 565,370
	■ Other, including fees and charges 10%		

# Statement of Accounting Policies

## Reporting entity

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

The Council consists of the Council, forestry joint ventures (53.41% owned) 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 for the purposes of PBE IPSAS.

The financial statements of the Council are for the year ended 30 June 2016. The financial statements were authorised for issue by Council on 4 October 2016.

## Basis of preparation

### Statement of compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) accounting standards, as Total Expenditure is below the \$30 million threshold.

### Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

### Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Council is New Zealand dollars.

### Changes in accounting policies

There have been no changes in accounting policies during the financial year.

## Significant accounting policies

The following accounting policies which materially affect the measurement of results and the financial position have been applied:

### Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations, the Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of revenue that it earns from the joint venture.

The Council has a proportionate share in 5 forestry joint venture agreements. This ranges from 34% to 74% and the Council accounts for its share of revenue and all expenses.

The Council also has a joint venture ownership of 14.81% with Timaru District Council and Mackenzie District Council for the maintenance and operation of the Downlands rural water scheme.

## Revenue

Revenue is measured at the fair value of consideration received or receivable.

### Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised at the start of the financial year.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

### Government grants

Government grants are received from the New Zealand Transport Agency, which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

### Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

### Vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Waimate District Council are recognised as revenue when control over the asset is obtained.

### Sale of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

### Agency arrangements

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

### Interest and dividends

Interest revenue is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recorded net of imputation credits.

### Development contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contributions were charged. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

## Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

## Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

## Foreign currency transactions

Foreign currency transactions (including those for which foreign exchange contracts are held) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the operating surplus/(deficit).

## **Income tax**

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Current and deferred tax is recognised against the operating surplus/(deficit) for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue or expenditure or directly

## **Leases**

### **Finance leases**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the operating surplus/(deficit) over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

## **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within trade and other payables in current liabilities in the Statement of Financial Position.

## **Trade and other receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

## **Derivative financial instruments and hedge accounting**

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date. The associated gains or losses of derivatives that are not hedge accounted are recognised in the operating surplus/(deficit).

## Other financial assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through the operating surplus/(deficit) in which case the transaction costs are recognised in the operating surplus/(deficit).

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- Fair value through the operating surplus/(deficit)
- Loans and receivables
- Held to maturity investments
- Fair value through other comprehensive revenue and expenditure

The classification of a financial asset depends on the purpose for which the instrument was acquired.

### Financial assets at fair value through the operating surplus/(deficit)

Financial assets at fair value through the operating surplus/(deficit) include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking.

Derivatives are also categorised as held for trading.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the operating surplus/(deficit).

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the operating surplus/(deficit).

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the operating surplus/(deficit) as a grant.

Council's loans and receivables comprise debtors and other receivables, community and related party loans. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

### Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the operating surplus/(deficit).

Council's investments in this category includes bank term deposits.

### Available for sale

Financial assets available for sale are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date.

Council includes in this category:

- Investments that it intends to hold long-term but which may be realised before maturity
- Shareholdings that it holds for strategic purposes

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expenditure, except for impairment losses, which are recognised in the operating surplus/(deficit).

On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expenditure is reclassified from equity to the operating surplus/(deficit).

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recorded at cost.



## Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the operating surplus/(deficit).

### Loans and other receivables

Impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For trade and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the operating surplus/(deficit). When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock, and community loans, are recognised directly against the instruments carrying amount.

### Financial assets at fair value through other comprehensive revenue and expenditure

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for the investments at fair value through other comprehensive revenue and expenditure, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the operating surplus/(deficit)) recognised in other comprehensive revenue and expenditure is reclassified from equity to the operating surplus/(deficit).

Equity instrument impairment losses recognised in the operating surplus/(deficit) are not reversed through the operating surplus/(deficit).

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the operating surplus/(deficit).

## Inventory

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost, adjusted when applicable, for any loss of service potential. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the first-in first-out (FIFO) method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the operating surplus/(deficit) in the period of the write-down.

When land held for development and future resale is transferred from investment property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

## Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of assets held for sale are recognised in the operating surplus/(deficit).

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## Property, plant and equipment

Property, plant and equipment consists of:

Operational assets - These include land, buildings, library books, plant and equipment, and motor vehicles.

Restricted assets - Restricted assets are parks and reserves owned by the Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructural assets - Infrastructural assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### Revaluation

Land and buildings (operational and restricted) and infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other assets are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant and equipment are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expenditure and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expenditure but is recognised in the operating surplus/(deficit). Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the operating surplus/(deficit) will be recognised first in the operating surplus/(deficit) up to the amount previously expensed, and then recognised in other comprehensive revenue and expenditure.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the operating surplus/(deficit). When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

		Depreciable life (years)	Depreciable rate (SL%)	
<b>Infrastructural assets</b>	<b>Roading</b>	Land	Not depreciable	
		Road formation - shoulders	Not depreciable	
		Road pavement -sealed and unsealed	100	1.00%
		Road surfacing	6 - 16	6.25% - 16.16%
		Culverts	100	1.00%
		Kerb and channel	50	2.00%
		Footpaths	50 - 70	1.42% - 2.00%
		Bridges	80 - 120	0.83% - 1.25%
	<b>Water</b>	Pipe reticulation	65 - 130	0.77% - 1.54%
		Pumps	25	4.00%
Reservoir components		20 - 100	1.00% - 5.00%	
<b>Wastewater</b>	Pipe reticulation	100 - 120	0.83% - 1.00%	
	Treatment facilities	20 - 100	1.00% - 5.00%	
<b>Sanitation</b>	Transfer station	3 - 100	1.00% - 33.33%	
<b>Stormwater</b>	Network	100	1.00%	
	Elephant Hill drainage	40	5.00% DV	

<b>Operational assets</b>	<b>Depreciable life (years)</b>	<b>Depreciable rate (SL% or DV%)</b>
Buildings	5 - 67	1.50% - 20.00% SL
Furniture and fittings	5 - 20	10.00% - 40.00% DV
Office equipment	5 - 10	20.00% - 40.00% DV
Plant and machinery	5 - 20	10.00% - 40.00% DV
Motor vehicles	10	20.00% DV
Library books	20	10.00% DV
Computer hardware	10	20.00% DV

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

## **Intangible assets**

### **Emissions Trading Scheme - Carbon credits**

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

### **Software acquisition and development**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Subsequent staff training costs are recognised in the operating surplus/(deficit) when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

### **Easements**

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

### **Amortisation**

ETS Carbon credits do not attract amortisation as they have an indefinite life. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the operating surplus/(deficit).

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

	<b>Useful life (years)</b>	<b>Amortisation rate (DV%)</b>
Computer software	8	20%

## **Impairment of property, plant and equipment and intangible assets**

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the operating surplus/(deficit).

For assets not carried at a revalued amount, the total impairment loss is recognised in the operating surplus/(deficit).

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the operating surplus/(deficit), a reversal of the impairment loss is also recognised in the operating surplus/(deficit).

For assets not carried at a revalued amount (other than goodwill), the reversal of an impairment loss is recognised in the operating surplus/(deficit).

## **Forestry assets**

Standing forestry assets are independently revalued annually at fair value less estimated cost to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the operating surplus/(deficit).

Forestry maintenance costs are recognised in the operating surplus/(deficit) when incurred.

## **Investment property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at cost, including transaction costs.

After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer.

Gains and losses arising from a change in the fair value of investment property are recognised in the operating surplus/(deficit).

## **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## **Borrowings**

Borrowings are initially recognised at their fair value net of transactions costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled after 12 months of balance date.

## **Employee entitlements**

### **Short-term employee entitlements**

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, long service leave entitlements expected to be settled within twelve months, and sick leave.

A liability for sick leave is recognised to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense is recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

### **Long-term employee entitlements**

#### **Long service leave**

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actual entitlement basis at current rates of pay accrued on the number of years service. Entitlements have not been calculated on an actual basis as this would not be significantly different from the method used. The calculations are based on likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information.

#### **Presentation of employee entitlements**

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

## Superannuation schemes

### **Defined benefit scheme**

Council makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit plan accounting, as it is not possible to determine from the terms of the scheme the extent to which the scheme's surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Further information on this scheme is disclosed in Note 25 - Contingencies.

### **Defined contribution scheme**

Obligations for contributions KiwiSaver, SuperEasy, and other National Provident Fund schemes are accounted for as defined contribution superannuation schemes and are recognised as an expense in the operating surplus/(deficit) when

## Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a standalone arms length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value.

The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value for the future expenditure.

## Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into the following components:

- Public equity - accumulated funds
- Asset revaluation reserves
- Restricted reserves
- Fair value through other comprehensive revenue and expenditure reserves

### **Asset revaluation reserves**

These reserves relate to the revaluation of property, plant and equipment to fair value.

### **Restricted reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

The Council's objectives, policies and processes for managing capital are described in note 33.

### **Fair value through other comprehensive revenue and expenditure reserves**

This reserve comprises the cumulative net change in the fair value of fair value through other comprehensive revenue and expenditure instruments.

## **Goods and services tax (GST)**

All items in the financial statements are stated exclusive of goods and services tax (GST), except for debtors and other receivables and creditors and other payables, which are stated on a GST inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget figures**

The budget figures are those approved by the Council in its Long Term Plan 2012-2022. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

## **Cost allocation**

The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below:

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff time surveys, and floor area.

## **Statement of cash flows**

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management. GST is disclosed net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all revenue sources and cash payments made for the supply of goods and services. Agency transactions are recognised as receipts and payments in the Statement of Cash Flows because they flow through the Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt structure of the Council.

## **Cost of service statements**

The cost of service statements, as provided in the Statements of Service Performance, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

## **Critical accounting estimates and assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### **Landfill aftercare provision**

Note 19 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

### **Infrastructural assets**

Note 15 provides information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

## **Critical judgments in applying Council's accounting policies**

Management has exercised the following critical judgments in applying accounting policies for the year ended 30 June

### **Classification of property**

The Council owns a number of properties held to provide housing to the community. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are accounted for as property, plant and equipment.

## 1 Summary of Services

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
<b>Property and Investments Group</b>				
Forestry	\$ 630	\$ 194	\$ 194	\$ 209
Investments and Finance	848	450	450	361
Property	1,515	1,748	1,748	583
<b>Environmental Services Group</b>				
Building Control	656	502	502	476
Resource Management	478	268	268	223
Emergency Management	279	274	274	248
Regulatory Services	196	151	151	114
Dog and Animal Control	290	269	269	253
<b>Organisation and Governance Group</b>				
Community Representation	841	834	834	876
Strategy	548	537	537	582
Managing Services	3,011	2,647	2,647	2,615
<b>Community Services Group</b>				
Economic Development and Promotions	151	160	160	164
Community Support	133	132	132	132
Library	341	336	336	335
<b>Parks and Recreation Group</b>				
Camping	360	275	275	337
Cemeteries	90	72	72	62
Parks and Public Spaces	661	631	631	658
Swimming	146	148	148	142
<b>Roading Group</b>				
Roading	4,379	4,416	4,416	4,484
<b>Utilities Group</b>				
Sewerage and Sewage	524	526	526	557
Stormwater Drainage	74	79	79	96
Waste Management	1,133	1,066	1,066	1,025
Water Supply	2,321	2,074	2,074	2,206
	<b>\$ 19,605</b>	<b>\$ 17,789</b>	<b>\$ 17,789</b>	<b>\$ 16,738</b>

Included within the above amounts is Internal revenue as follows:

<b>Property and Investments Group</b>				
Forestry	\$ 9	\$ 8	\$ 8	\$ 7
Investments and Finance	488	219	219	186
Property	305	282	282	256
<b>Environmental Services Group</b>				
Building Control	-	-	-	-
Resource Management	18	15	15	11
Emergency Management	2	-	-	2
Regulatory Services	-	-	-	-
Dog and Animal Control	4	-	-	-
<b>Organisation and Governance Group</b>				
Community Representation	12	6	6	3
Strategy	50	45	45	48
Managing Services	2,861	2,625	2,625	2,540
<b>Community Services Group</b>				
Economic Development and Promotions	5	4	4	3
Community Support	-	-	-	-
Library	5	2	2	3
<b>Parks and Recreation Group</b>				
Camping	49	34	34	36
Cemeteries	-	-	-	-
Parks and Public Spaces	56	42	42	41
Swimming	17	17	17	14
<b>Roading Group</b>				
Roading	7	-	-	21
<b>Utilities Group</b>				
Sewerage and Sewage	51	43	43	38
Stormwater Drainage	11	15	15	10
Waste Management	29	26	26	21
Water Supply	145	83	83	111
	<b>\$ 4,124</b>	<b>\$ 3,466</b>	<b>\$ 3,466</b>	<b>\$ 3,351</b>

## 1 Summary of Services (continued)

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Expenditure</b>				
<b>Property and Investments Group</b>				
Forestry	\$ 579	\$ 161	\$ 161	\$ 121
Investments and Finance	636	413	413	309
Property	778	967	967	708
<b>Environmental Services Group</b>				
Building Control	432	495	495	453
Resource Management	288	186	186	148
Emergency Management	261	274	274	260
Regulatory Services	139	148	148	122
Dog and Animal Control	246	269	269	194
<b>Organisation and Governance Group</b>				
Community Representation	752	822	822	768
Strategy	441	504	504	624
Managing Services	2,904	2,646	2,646	2,615
<b>Community Services Group</b>				
Economic Development and Promotions	163	160	160	145
Community Support	138	132	132	131
Library	319	336	336	316
<b>Parks and Recreation Group</b>				
Camping	297	283	283	267
Cemeteries	81	82	82	83
Parks and Public Spaces	603	648	648	606
Swimming	188	152	152	154
<b>Roading Group</b>				
Roading	5,316	4,651	4,651	5,031
<b>Utilities Group</b>				
Sewerage and Sewage	437	506	506	469
Stormwater Drainage	62	74	74	78
Waste Management	980	1,047	1,047	985
Water Supply	2,059	2,056	2,056	2,201
	<b>\$ 18,099</b>	<b>\$ 17,012</b>	<b>\$ 17,012</b>	<b>\$ 16,788</b>

Included within the above amounts is Internal expenses as follows:

<b>Property and Investments Group</b>				
Forestry	\$ 89	\$ 91	\$ 91	\$ 72
Investments and Finance	526	285	285	214
Property	191	143	143	147
<b>Environmental Services Group</b>				
Building Control	187	201	201	185
Resource Management	58	60	60	57
Emergency Management	73	72	72	72
Regulatory Services	75	78	78	68
Dog and Animal Control	194	203	203	151
<b>Organisation and Governance Group</b>				
Community Representation	426	474	474	434
Strategy	193	207	207	196
Managing Services	168	79	79	72
<b>Community Services Group</b>				
Economic Development and Promotions	37	40	40	37
Community Support	20	21	21	20
Library	133	139	139	128
<b>Parks and Recreation Group</b>				
Camping	37	19	19	32
Cemeteries	15	(5)	(5)	9
Parks and Public Spaces	106	(167)	(167)	62
Swimming	12	10	10	10
<b>Roading Group</b>				
Roading	865	721	721	656
<b>Utilities Group</b>				
Sewerage and Sewage	133	152	152	143
Stormwater Drainage	19	24	24	20
Waste Management	130	142	142	113
Water Supply	437	477	477	453
	<b>\$ 4,124</b>	<b>\$ 3,466</b>	<b>\$ 3,466</b>	<b>\$ 3,351</b>



## 2 Rates Revenue

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>General rates</b>	\$ 1,118	\$ 1,125	\$ 1,125	\$ 4,095
<b>Civic Amenities rates</b>	2,160	2,145	2,145	1,268
<b>Targeted rates attributable to activities:</b>				
Water Supply	1,897	1,883	1,883	1,902
Wastewater	465	460	460	451
Refuse and sanitation	685	684	684	665
Waimate Event Centre	70	70	70	70
Roading and Footpaths	2,216	2,197	2,197	-
Civil Defence	103	102	102	-
Community halls	47	53	53	43
<b>Total rates</b>	<b>\$ 8,761</b>	<b>\$ 8,719</b>	<b>\$ 8,719</b>	<b>\$ 8,494</b>
<b>Rates Remissions</b>				
Land used for sport	\$ (1)	\$ -	\$ -	\$ (1)
Halls, community centres, and other organisations	(9)	-	-	(7)
Land protected for historical or cultural purposes	(3)	-	-	(3)
Resulting from Urban Boundary changes	(1)	-	-	(20)
Civic Amenities for multiple SUIP rating units	(8)	(21)	(21)	(33)
<b>Total remissions</b>	<b>\$ (22)</b>	<b>\$ (21)</b>	<b>\$ (21)</b>	<b>\$ (64)</b>
<b>Rates (net of remissions)</b>	<b>\$ 8,739</b>	<b>\$ 8,698</b>	<b>\$ 8,698</b>	<b>\$ 8,430</b>

### Rates Remissions

Rates revenue reported has been reduced by rates remissions. Council's rates remission policy provides for rates to be remitted for:

- Halls and Community Centres – Waimate Urban Ward (50% of General Rate and 50% of the Sewer Charge)
- Halls and Community Centres – Outside of the Waimate Urban Rating Area qualifying for Rates Remissions (50% of General Rate)
- Regent Theatre (all rates excluding that portion leased to a private concern)
- Land upon which the Occupier has voluntarily preserved or enhanced natural historical or cultural features (100% Remission on the area of land involved)
- Deceased Estates (Rates Penalties – in certain circumstances)
- Glenavy Fishing Camp and Pareora River Huts (75% of Civic Amenities Charges)
- Urban Differential – for properties greater than 20ha within the urban area boundary (General Rate Remission as per calculation formula)
- Properties Classified as Urban, that were previously classified as Rural, following the 2011/12 review of the Urban Rating Boundary (General Rate Remission: 25% for the 2012/13 rating year, 16.5% for 2013/14 and 8% 2014/15)
- Community Housing – Waimate District Council (50% of Civic Amenities Charges)
- Rating Units affected by Natural Calamity or Fire
- Rates Penalties – in certain circumstances

### 3 Contributions, Subsidies and Grants, and Fees and charges

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Development and Financial contributions</b>	<b>\$ 181</b>	<b>\$ 93</b>	<b>\$ 93</b>	<b>\$ 146</b>
NZ Transport Agency government grants	\$ 2,035	\$ 2,173	\$ 2,173	\$ 2,208
Waimate Event Centre Community Fundraising	733	950	950	-
Alpine Energy Grant for Waimate Stadium	48	20	20	-
Other Grants	50	47	47	44
<b>Subsidies and Grants</b>	<b>\$ 2,866</b>	<b>\$ 3,190</b>	<b>\$ 3,190</b>	<b>\$ 2,252</b>
Building and resource consent charges	\$ 635	\$ 357	\$ 357	\$ 374
Camping fees	313	242	242	300
Dog registration and animal control fees	141	127	127	131
Cemetery fees	56	38	38	45
Swimming pool revenue	21	24	24	24
Library fees	12	12	12	11
Refuse collection and disposal	102	79	79	102
Other	18	20	20	26
<b>Fees and charges</b>	<b>\$ 1,298</b>	<b>\$ 899</b>	<b>\$ 899</b>	<b>\$ 1,013</b>

There are no unfulfilled conditions and other contingencies attached to government grants recognised.

### 4 Interest Revenue/Finance Costs

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Interest revenue</b>				
Interest on term deposits	\$ 68	\$ 9	\$ 9	\$ 55
Interest on community loans	24	21	21	26
<b>Total finance revenue</b>	<b>\$ 92</b>	<b>\$ 30</b>	<b>\$ 30</b>	<b>\$ 81</b>
<b>Interest expense</b>				
Interest on bank borrowings	\$ 48	\$ 43	\$ 43	\$ 22
Interest on other items	-	-	-	-
<b>Total finance costs</b>	<b>\$ 48</b>	<b>\$ 43</b>	<b>\$ 43</b>	<b>\$ 22</b>

### 5 Other Revenue

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Deemed revenue from vested assets/carbon credits	\$ -	\$ -	\$ -	\$ 28
Petrol tax	91	92	92	92
Dividend revenue	646	576	576	602
Forestry sales	447	43	43	14
Sales of Eric Batchelor Place sections	54	134	134	-
Gain on disposal of property, plant and equipment	9	-	-	9
Gain on changes in fair value of forestry assets	169	143	143	159
Other	891	425	425	561
<b>Total other revenue</b>	<b>\$ 2,307</b>	<b>\$ 1,413</b>	<b>\$ 1,413</b>	<b>\$ 1,465</b>

Other, within Other revenue, includes Rental revenue and other Miscellaneous revenue.

## 6 Employee Benefit Expenses

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Salaries and Wages	\$ 3,202	\$ 3,218	\$ 3,218	\$ 3,218
Employer contributions to multi-employer defined benefit plans and defined contribution plans	175	171	171	170
Other employment benefit expenses	-	-	-	-
Increase/(decrease) in employee benefit liabilities	(17)	50	50	(84)
<b>Total employee benefit expenses</b>	<b>\$ 3,360</b>	<b>\$ 3,439</b>	<b>\$ 3,439</b>	<b>\$ 3,304</b>

Employer contributions to multi-employer defined benefit plans and defined contribution plans include contributions to KiwiSaver, SuperEasy at work, Supertrust, AXA, National Provident Fund, and Lumpsum.

## 7 Depreciation and Amortisation by Activity

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Property	\$ 236	\$ 289	\$ 289	\$ 281
Building Control	13	18	18	6
Emergency Management	33	35	35	37
Dog and Animal Control	-	2	2	1
Community Representation	1	1	1	1
Strategy	-	-	-	36
Managing Services	130	114	114	121
Library	49	51	51	48
Camping	78	72	72	64
Cemeteries	4	7	7	3
Parks and Public Spaces	99	113	113	92
Swimming	29	25	25	25
Roading	2,818	2,473	2,473	2,599
Sewerage and Sewage	191	196	196	189
Stormwater Drainage	34	28	28	33
Waste Management	45	50	50	46
Water Supply	594	590	590	576
<b>Total depreciation and amortisation by Activity</b>	<b>\$ 4,354</b>	<b>\$ 4,064</b>	<b>\$ 4,064</b>	<b>\$ 4,158</b>

## 8 Other Expenses

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Fees to principal auditor:				
Audit New Zealand fees for financial statement audit	\$ 87	\$ 92	\$ 92	\$ 85
Audit New Zealand fees for Long Term Plan audit	-	-	-	67
Change in provision for doubtful debts/bad debts written off	16	-	-	2
Cost of forestry harvested	430	43	43	16
Roading emergency reinstatement	-	-	-	4
Roading sealed pavement maintenance	448	426	426	546
Inventories	44	-	-	46
Minimum lease payments under operating leases	63	70	70	70
Loss on disposal of property, plant and equipment	22	2	2	16
Other operating expenses	5,129	5,371	5,371	5,101
<b>Total other expenses</b>	<b>\$ 6,239</b>	<b>\$ 6,004</b>	<b>\$ 6,004</b>	<b>\$ 5,953</b>

Other operating expenses above includes Computer Support, Grants, Legal fees, Repairs and maintenance, Insurance, Electricity, Roothing expenditure (not itemised above), Water schemes related costs, and other Miscellaneous expenses.

## 9 Taxation expense

	2016 Actual \$000	2015 Actual \$000
<b>Taxation expense</b>		
Operating surplus/(deficit) before tax	\$ 1,483	\$ (50)
Income tax at 28%	415	(14)
Taxation effect of permanent differences	(132)	239
Effect of imputation credits	(245)	(232)
Deferred tax	(26)	(4)
Prior period adjustments	-	(1)
Tax effect of losses recognised	26	4
Tax effect of income tax rate change	-	-
Tax effect of loss movements	(38)	8
<b>Taxation expense</b>	<b>\$ -</b>	<b>\$ -</b>

### Deferred tax assets/(liabilities)

	Forestry	Tax losses	Total
Balance at 1 July 2014	\$ (62)	\$ 62	\$ -
Charged to statement of comprehensive revenue and expenditure	26	(26)	-
Charge to equity	-	-	-
Balance at 30 June 2015	(36)	36	-
Charged to statement of comprehensive revenue and expenditure	26	(26)	-
Charge to equity	-	-	-
<b>Balance at 30 June 2016</b>	<b>\$ (10)</b>	<b>\$ 10</b>	<b>\$ -</b>

The Council has unrecognised tax losses of \$780,046 (2015: \$822,566) with a tax effect of \$218,413 (2015: \$230,318) which are available to carry forward. In addition the Council has recognised tax losses of \$127,946 (2015: \$222,502) with a tax effect of \$35,825 (2015: \$62,301) to offset deferred tax liabilities recognised for forestry activities.

## 10 Cash and Cash Equivalents

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
ANZ Bank cheque account	\$ 416	\$ 370	\$ 370	\$ 68
ANZ Call deposit	2,247	-	-	1,822
National Bank accounts - Hakataramea	22	-	-	11
BNZ Bank accounts - Downlands	(2)	-	-	4
<b>Total cash and cash equivalents</b>	<b>\$ 2,683</b>	<b>\$ 370</b>	<b>\$ 370</b>	<b>\$ 1,905</b>

The carrying value of cash at bank and short term deposits with maturities less than three months approximates their fair value.

### Fair Value

The carrying value of short term deposits approximates their fair value.

Cash and cash equivalents include the following for the purposes of the Statement of Cash Flows:

Cash at bank and on hand	\$ 436	\$ 370	\$ 370	\$ 83
Short term bank deposits (less than 3 months)	2,247	-	-	1,822
<b>Total cash, cash equivalents and bank overdrafts</b>	<b>\$ 2,683</b>	<b>\$ 370</b>	<b>\$ 370</b>	<b>\$ 1,905</b>

## 11 Trade and Other Receivables

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Rates receivables	\$ 279	\$ 84	\$ 84	\$ 215
Other receivables	1,268	510	510	787
Related party receivables	79	43	43	78
Sundry receivables	78	70	70	226
Prepayments	29	30	30	37
GST refund due	142	73	73	110
Less provision for doubtful debts	(21)	(6)	(6)	(6)
<b>Total Trade and Other Receivables</b>	<b>\$ 1,854</b>	<b>\$ 804</b>	<b>\$ 804</b>	<b>\$ 1,447</b>
<b>Represented by:</b>				
Current	\$ 1,854	\$ 804	\$ 804	\$ 1,447
Non-current	-	-	-	-
	<b>\$ 1,854</b>	<b>\$ 804</b>	<b>\$ 804</b>	<b>\$ 1,447</b>

### Fair Value

Trade and other receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of trade and other receivables approximates their fair value.

The age of trade and other receivables that are not impaired are as follows:

Current	\$ 1,665	\$ 1,295
3 to 6 months	67	54
6 to 9 months	47	30
9 to 12 months	32	38
Greater than 12 months	43	30
	<b>\$ 1,854</b>	<b>\$ 1,447</b>

## 11 Trade and Other Receivables (continued)

### Impairment

The Council provided for an impairment on one rate receivable as the debtor had been placed in receivership. The Council does not provide for any other impairment on rates receivables as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place, debts are discounted to the present value of future repayments if the impact of discounting is material.

The aging profile of trade and other receivables at year end is detailed below:

	2016			2015		
	Gross	Impairment	Net	Gross	Impairment	Net
Current	\$ 1,665	\$ -	\$ 1,665	\$ 1,295	\$ -	\$ 1,295
3 to 6 months	67	-	67	54	-	54
6 to 9 months	47	-	47	30	-	30
9 to 12 months	32	-	32	38	-	38
Greater than 12 months	64	(21)	43	36	(6)	30
	<b>\$ 1,875</b>	<b>\$ (21)</b>	<b>\$ 1,854</b>	<b>\$ 1,453</b>	<b>\$ (6)</b>	<b>\$ 1,447</b>

The impairment provision has been calculated based on a review of specific overdue receivables and a collective assessment. The collective impairment provision is based on an analysis of past collection history and debt write-offs.

	2016	2016	2016	2015
	Actual	LTP Budget	Annual Plan	Actual
	\$000	\$000	\$000	\$000
Impairment	\$ 21	\$ -	\$ -	\$ 6
<b>Total provision for impairment</b>	<b>\$ 21</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>

Movements in the provision for impairment of trade and other receivables and community loans are as follows:

As at 1 July	\$ 6	\$ -	\$ -	\$ 5
Additional provisions made during the year	15	-	-	1
Receivables written off during the year	-	-	-	-
<b>As at 30 June</b>	<b>\$ 21</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>

## 12 Inventories

	2016	2016	2016	2015
	Actual	LTP Budget	Annual Plan	Actual
	\$000	\$000	\$000	\$000
Utilities Department stores	\$ 88	\$ -	\$ -	\$ 89
Information Centre souvenirs	7	11	11	7
Refuse collection bags	2	2	2	2
Land held for sale - Eric Batchelor sections	399	139	139	442
	<b>\$ 496</b>	<b>\$ 152</b>	<b>\$ 152</b>	<b>\$ 540</b>

The carrying value of inventories held for distribution that are measured at cost (adjusted where applicable for any loss of service potential) as at 30 June 2016 amounted to \$97,000 (2015: \$98,000).

The Council has developed land for future sale and costs capitalised to date are not expected to be recovered until after 30 June 2017 in line with the expected business operating cycle for this activity.

No inventories are pledged as security for liability.

## 13 Other Financial Assets

### Current portion

#### Investments

Short Term Deposits - Downlands and Hakataramea

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
\$ 642	\$ 57	\$ 57	\$ 586	
7	8	8	7	
<b>\$ 649</b>	<b>\$ 65</b>	<b>\$ 65</b>	<b>\$ 593</b>	

#### Loans and receivables

Loans to community groups

**Total current other financial assets**

### Non-current portion

#### Loans and receivables

Loans to community groups

#### Equity investments (at cost)

Combined Rural Traders Ltd (CRT)

NZ Local Government Insurance Company Ltd

MGI Irrigation Company Ltd

Hunter Downs Irrigation Limited

#### Equity investments (at fair value)

Alpine Energy Ltd

Total Equity Investments

**Total non-current other financial assets**

\$ 10	\$ 15	\$ 15	\$ 18	
7	6	6	6	
28	28	28	28	
1	1	1	1	
141	250	250	141	
28,413	13,185	13,185	26,792	
28,590	13,470	13,470	26,968	
<b>\$ 28,600</b>	<b>\$ 13,485</b>	<b>\$ 13,485</b>	<b>\$ 26,986</b>	

#### Term deposits

The carrying value of term deposits approximate their fair value.

#### Unlisted shares - valuation

The fair value of unlisted shares of Alpine Energy Limited have been determined using a valuation technique based on discounted cash flows. The independent valuation was completed by Deloitte, Chartered Accountants, at 31 March

#### Listed shares - valuation

Listed shares are recognised at fair value. The fair values of listed shares are determined by reference to published current bid price quotations in an active market. The Council currently has no publicly listed shares.

#### Maturity analysis and effective interest rates

The maturity dates for financial assets, with the exception of equity investments, and advances to subsidiaries and associates, are as follows:

	2016 Actual \$000	Weighted average effective interest rate
Investments maturing within the next year	\$ 650	4.15%
Investments maturing between 1-5 years	10	9.65%
Investments maturing after 5 years	-	0.00%
<b>Total current other financial assets</b>	<b>\$ 660</b>	

## 14 Derivative Financial Instruments

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Current asset portion</b>				
Interest rate swaps - fair value hedges	\$ -	\$ -	\$ -	\$ -
<b>Total current asset</b>	\$ -	\$ -	\$ -	\$ -
<b>Current liability portion</b>				
Interest rate swaps - fair value hedges	\$ -	\$ -	\$ -	\$ -
<b>Total current liability</b>	\$ -	\$ -	\$ -	\$ -
<b>Non-current liability portion</b>				
Interest rate swaps - fair value hedges	\$ -	\$ -	\$ -	\$ -
<b>Total non-current liability</b>	\$ -	\$ -	\$ -	\$ -

### Fair value

The fair value of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices.

### Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2016 is Nil (2015: Nil). At 30 June 2016 no fixed interest rates of cash flow hedge interest rate swap exist (2015: Nil).



## 15 Property, Plant and Equipment

	Cost/valuation 1 July 2015 \$000	Accumulated depreciation and impairment charges 1 July 2015 \$000	Carrying amount 1 July 2015 \$000	Current year additions \$000	Current year disposals at cost/valuation \$000	Current year depreciation/ impairment \$000	Accumulated depreciation disposals \$000	Gain / (loss) on sale of asset \$000	Cost/valuation 30 June 2016 \$000	Accumulated depreciation and impairment charges 30 June 2016 \$000	Carrying amount 30 June 2016 \$000
<b>2016</b>											
<b>Operational Assets</b>											
<b>Operating</b>											
Land	\$ 5,058	\$ -	\$ 5,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,058	\$ -	\$ 5,058
Buildings	6,454	(1)	6,453	50	(398)	-	-	-	6,505	(399)	6,106
Library books	855	(447)	408	47	(44)	-	-	-	902	(491)	411
Plant and Equipment	1,518	(690)	828	148	(40)	(129)	15	-	1,626	(804)	822
Motor vehicles	1,048	(503)	545	56	(95)	(101)	66	-	1,008	(537)	471
Work in progress	139	-	139	3,702	-	-	-	-	3,840	-	3,840
<b>Total operating assets</b>	<b>15,072</b>	<b>(1,641)</b>	<b>13,431</b>	<b>4,003</b>	<b>(135)</b>	<b>(672)</b>	<b>81</b>	<b>-</b>	<b>18,939</b>	<b>(2,231)</b>	<b>16,708</b>
<b>Restricted</b>											
Land	5,901	-	5,901	-	-	-	-	-	5,901	-	5,901
Buildings	-	-	-	-	-	-	-	-	-	-	-
<b>Total restricted assets</b>	<b>5,901</b>	<b>-</b>	<b>5,901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,901</b>	<b>-</b>	<b>5,901</b>
<b>Total operational assets</b>	<b>\$ 20,973</b>	<b>\$ (1,641)</b>	<b>\$ 19,332</b>	<b>\$ 4,003</b>	<b>\$ (135)</b>	<b>\$ (672)</b>	<b>\$ 81</b>	<b>\$ -</b>	<b>\$ 24,840</b>	<b>\$ (2,231)</b>	<b>\$ 22,609</b>
<b>Infrastructural Assets</b>											
Wastewater schemes	\$ 8,704	(186)	\$ 8,518	\$ 12	\$ -	(187)	\$ -	\$ -	\$ 8,715	(373)	\$ 8,342
Rural water schemes	9,796	(464)	9,332	97	-	(300)	-	-	9,893	(764)	9,129
Urban water schemes	6,600	(210)	6,390	581	-	(221)	-	-	7,181	(430)	6,751
Downlands water scheme	2,740	(656)	2,084	73	-	(69)	-	-	2,814	(726)	2,088
Rural drainage schemes	57	(46)	11	-	-	(2)	-	-	57	(48)	9
Roading network	319,118	(2,599)	316,519	2,009	(231)	(2,817)	62	(14)	320,896	(5,355)	315,541
Stormwater schemes	2,735	(34)	2,701	19	-	(34)	-	-	2,753	(68)	2,685
Sanitation	573	(39)	534	-	-	(39)	-	-	573	(79)	494
Work in progress	303	-	303	177	-	-	-	-	481	-	481
<b>Total infrastructural assets</b>	<b>\$ 350,626</b>	<b>\$ (4,234)</b>	<b>\$ 346,392</b>	<b>\$ 2,968</b>	<b>\$ (231)</b>	<b>\$ (3,669)</b>	<b>\$ 62</b>	<b>\$ (14)</b>	<b>\$ 353,363</b>	<b>\$ (7,843)</b>	<b>\$ 345,520</b>
<b>Total Property, plant and equipment</b>	<b>\$ 371,599</b>	<b>\$ (5,875)</b>	<b>\$ 365,724</b>	<b>\$ 6,971</b>	<b>\$ (366)</b>	<b>\$ (4,341)</b>	<b>\$ 143</b>	<b>\$ (14)</b>	<b>\$ 378,203</b>	<b>\$ (10,074)</b>	<b>\$ 368,129</b>

## 15 Property, Plant and Equipment (continued)

	Cost/valuation 1 July 2014 \$000	Accumulated depreciation and impairment charges 1 July 2014 \$000	Carrying amount 1 July 2014 \$000	Current year additions \$000	Current year disposals at cost/valuation \$000	Current year depreciation/ impairment \$000	Accumulated depreciation of disposals \$000	Revaluation surplus/ (deficit) \$000	Cost/valuation 30 June 2015 \$000	Accumulated depreciation and impairment charges 30 June 2015 \$000	Carrying amount 30 June 2015 \$000
<b>2015</b>											
<b>Operational Assets</b>											
<b>Operating</b>											
Land	\$ 4,307	\$ -	\$ 4,307	\$ -	\$ (34)	\$ -	\$ -	\$ 785	\$ 5,058	\$ -	\$ 5,058
Buildings	6,973	(807)	6,166	40	(413)	-	-	660	6,454	(1)	6,453
Library books	811	(404)	407	44	(43)	-	-	-	855	(447)	408
Plant and Equipment	1,373	(601)	772	199	(55)	(129)	40	-	1,518	(690)	828
Motor vehicles	860	(467)	393	279	(91)	(92)	57	-	1,048	(503)	545
Work in progress	32	-	32	107	-	-	-	-	139	-	139
<b>Total operating assets</b>	<b>14,356</b>	<b>(2,279)</b>	<b>12,077</b>	<b>669</b>	<b>(180)</b>	<b>(677)</b>	<b>97</b>	<b>1,445</b>	<b>15,072</b>	<b>(1,641)</b>	<b>13,431</b>
<b>Restricted</b>											
Land	5,459	-	5,459	12	-	-	-	430	5,901	-	5,901
Buildings	-	-	-	-	-	-	-	-	-	-	-
<b>Total restricted assets</b>	<b>5,459</b>	<b>-</b>	<b>5,459</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430</b>	<b>5,901</b>	<b>-</b>	<b>5,901</b>
<b>Total operational assets</b>	<b>\$ 19,815</b>	<b>\$ (2,279)</b>	<b>\$ 17,536</b>	<b>\$ 681</b>	<b>\$ (180)</b>	<b>\$ (677)</b>	<b>\$ 97</b>	<b>\$ 1,875</b>	<b>\$ 20,973</b>	<b>\$ (1,641)</b>	<b>\$ 19,332</b>
<b>Infrastructural Assets</b>											
Wastewater schemes	\$ 10,476	(577)	\$ 9,899	\$ 71	\$ -	(186)	\$ -	(1,266)	\$ 8,704	(186)	\$ 8,518
Rural water schemes	11,577	(1,012)	10,565	275	-	(296)	-	(1,211)	9,796	(464)	9,332
Urban water schemes	4,785	(656)	4,129	133	-	(209)	-	2,338	6,600	(210)	6,390
Downlands water scheme	2,707	(587)	2,120	33	-	(69)	-	-	2,740	(656)	2,084
Rural drainage schemes	57	(44)	13	-	-	(2)	-	-	57	(46)	11
Roading network	316,804	-	316,804	2,314	-	(2,599)	-	-	319,118	(2,599)	316,519
Stormwater schemes	2,286	(81)	2,205	77	-	(33)	-	452	2,735	(34)	2,701
Sanitation	502	(124)	378	-	-	(39)	-	195	573	(39)	534
Work in progress	355	-	355	(52)	-	-	-	-	303	-	303
<b>Total infrastructural assets</b>	<b>\$ 349,549</b>	<b>\$ (3,081)</b>	<b>\$ 346,468</b>	<b>\$ 2,851</b>	<b>\$ -</b>	<b>\$ (3,433)</b>	<b>\$ -</b>	<b>\$ 508</b>	<b>\$ 350,626</b>	<b>\$ (4,234)</b>	<b>\$ 346,392</b>
<b>Total Property, plant and equipment</b>	<b>\$ 369,364</b>	<b>\$ (5,360)</b>	<b>\$ 364,004</b>	<b>\$ 3,532</b>	<b>\$ (180)</b>	<b>\$ (4,110)</b>	<b>\$ 97</b>	<b>\$ 2,383</b>	<b>\$ 371,599</b>	<b>\$ (5,875)</b>	<b>\$ 365,724</b>

## 15 Property, Plant and Equipment (continued)

<b>Core Assets additional disclosure</b>	<b>Closing Book Value \$000</b>	<b>Acquisitions - constructed \$000</b>	<b>Acquisitions - transferred \$000</b>	<b>Estimated replacement cost \$000</b>
<b>Water Supply</b>				
Treatment plants and facilities	\$ 3,682	\$ 84	\$ -	\$ 7,250
Other assets (such as reticulations systems)	14,285	667	-	28,126
<b>Total Water Supply</b>	<b>\$ 17,967</b>	<b>\$ 751</b>	<b>\$ -</b>	<b>\$ 35,376</b>
Water Supply assets were revalued in July 2014				
<b>Sewerage</b>				
Treatment plants and facilities	\$ 945	\$ -	\$ -	\$ 2,267
Other assets (such as reticulations systems)	7,397	46	-	17,733
<b>Total Sewerage</b>	<b>\$ 8,342</b>	<b>\$ 46</b>	<b>\$ -</b>	<b>\$ 20,000</b>
Sewerage assets were revalued in July 2014				
<b>Stormwater drainage</b>	\$ 2,685	\$ 19	\$ -	\$ 4,345
Stormwater Drainage assets were revalued in July 2014				
<b>Flood protection and control works</b>	\$ -	\$ -	\$ -	-
Flood protection is undertaken by ECAN				
<b>Roading and footpaths</b>	\$ 315,541	\$ 2,009	\$ -	\$ 411,014
Roading and footpath assets were revalued in June 2014				

## 15 Property, Plant and Equipment (continued)

### Valuation - general

Land, buildings (operational and restricted) and infrastructural assets (excluding Downlands Water Scheme and rural drainage at Elephant Hill) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. The Downlands Water Scheme was last revalued at 30 June 2005 and Elephant Hill at 30 June 1993. All other assets are carried at depreciated historical cost.

The Council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of financial performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

### Valuation - operational assets

#### Land (operational and restricted)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the "unencumbered" land value where there is a designation against the land or the use of the land is restricted because of reserve and endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

The most recent valuation was performed by Michelle Laming of Quotable Value and the valuation is effective as at 30 June 2015. Additions are recorded at cost.

#### Buildings (operational and restricted)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

The most recent valuation was performed by Michelle Laming of Quotable Value and the valuation is effective as at 30 June 2015. Additions are recorded at cost.

#### Plant and equipment

Plant and equipment consists of furniture, plant and equipment and office equipment. This was valued by Gerald Norton (ANZIV SNZPI FREINZ) of Morton and Company Ltd and the valuation is effective as at 30 June 2009. From this date additions are recorded at cost and no further valuations will be undertaken.

#### Motor vehicles

Motor vehicles are recorded at cost.

#### Library books

Library books were valued internally as at 30 June 2006 by the Council's librarian and Corporate Services Manager using the fair value basis recommended by the National Asset Managers Standards (NAMS). These valuations were not independently reviewed. From this date Library books additions are recorded cost.

## 15 Property, Plant and Equipment (continued)

### Valuation - infrastructural assets

Infrastructural asset classes are: wastewater, urban and rural water, Downlands water scheme, rural drainage, roading, stormwater and sanitation.

Infrastructural asset classes (except Downlands water scheme and rural drainage) are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over-or under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expenditure. To minimise this risk, infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.

Wastewater assets were valued by Council and peer reviewed by Roger Khoo of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2014.

Urban and rural water assets were valued by Council and peer reviewed by Roger Khoo of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2014.

Downlands water scheme assets were valued by Graeme Hughson (BE, CEng, MIPENZ, MNZIM) of Maunsell & Co using depreciated replacement cost and the valuation is effective at 1 July 2005. Downlands water scheme assets are now valued at deemed cost.

Rural drainage assets (Elephant Hill) were valued by Environment Canterbury using replacement cost and the valuation is effective as at 30 June 1993. Rural drainage assets are now valued at deemed cost.

Roading assets were valued by Mel England of Opus International Consultants Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2014. Land under roads is valued at cost or the value determined from the 2011 revaluation.

Stormwater assets were valued by Council and peer reviewed by Roger Khoo of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2014.

Sanitation assets (transfer station and recycling building) were valued by Debbie Weeds, and John Vessey of Opus International Consultants Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2014.

All additions are recorded at cost.

Land and Buildings - 30 June 2015 - Michelle Laming of Quotable Value	17,357,137
Furniture, plant & machinery and office equipment - 30 June 2009 - Gerald Morton of Morton & Company Ltd	385,620
Roading - 30 June 2014 - Mel England of Opus International Consultants	316,804,000
Wastewater, urban and rural water, and stormwater - 1 July 2014 - valued by Council and peer reviewed by Roger Khoo of Beca Projects NZ Limited	26,800,812
Sanitation - 1 July 2014 - Debbie Weeds and John Vessey of Opus International Consultants	597,714

### Impairment

The value of impairment gains/losses was \$nil (2015 nil).

### Work in progress

The total amount of property, plant and equipment in the course of construction is \$4,321,000 (2015 \$442,000). Work in progress is disclosed above.

### Leasing

The net carrying amount of plant and equipment held under finance leases is \$nil (2015 \$nil).

## 16 Forestry Assets

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Opening balance	\$ 1,749	\$ 1,453	\$ 1,453	\$ 1,569
Gains/(losses) arising from changes in fair value less estimated point of sale costs	169	143	143	159
Capital works	1	-	-	37
Decreases due to harvest	(430)	(43)	(43)	(16)
Transfer to non-current assets held for sale	-	-	-	-
<b>Closing balance</b>	<b>\$ 1,489</b>	<b>\$ 1,553</b>	<b>\$ 1,553</b>	<b>\$ 1,749</b>

### Represented by (R M Consulting Ltd yearly valuation dated 1 July 2016):

Joint venture	\$ 390	\$ 471	\$ 471	\$ 616
Reserves	244	432	432	384
Waihao Forest	855	650	650	749
Transfer to non-current assets held for sale	-	-	-	-
<b>Closing balance</b>	<b>\$ 1,489</b>	<b>\$ 1,553</b>	<b>\$ 1,553</b>	<b>\$ 1,749</b>

### Valuation Method

The 2016 valuation uses the Hybrid method. Council's interest in each of the forest stands it either fully owns or has under joint venture or stumpage agreements. The total value of the forestry estate is the sum of each of these values. The valuation was performed by Mike Marren (B.For.Sc(Hons)) of R M Consulting Ltd.

The "Hybrid" method uses the following procedure:

- For stands under 6 years old, cost compounding is applied to current efficient operations costs.
- For stands over 15 years old the value has been determined by discounting estimated future costs and returns.
- For stands between 6 years and 14 years old a transition of 10% per annum is applied to cost compound and discounting. For a 6 year old stand the value is 90% cost compounded and discounted by 10%, whereas a 13 year old stand is 20% cost compounded and discounted by 80%.
- Each stand value is added to give an overall value. Separate values are shown for the three management units used by the Council.

The New Zealand Institute of Forestry Forest Valuation Standards adopt the convention that trees change age at 11.30pm on 30 June each year. This valuation is assumed to have been conducted after midnight on 30 June 2016, so that trees planted in 2008, for example, are aged eight years in terms of this convention.

### Date to Maturity

Council monitors its forests for harvest in general once they reach 28-30 years of age.

The following table shows Council's current age class distributions, by forest, at 30 June 2016:

	Area by Age (years) by Class (ha)						Total
	0-5	5-10	10-15	15-20	20-25	25-30	
<b>Forest</b>							
Joint Venture	-	-	-	-	-	30.0	33.0
Reserves	22.0	3.5	-	6.0	17.4	-	48.9
Waihao Forest	-	-	-	103.3	-	-	103.3
<b>Total</b>	<b>22.0</b>	<b>3.5</b>	<b>-</b>	<b>109.3</b>	<b>17.4</b>	<b>30.0</b>	<b>185.2</b>
Percentage	11.9%	1.9%	-	59.0%	9.4%	16.3%	100.0%

## 17 Intangible Assets

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>ETS Carbon Credits</b>				
<b>Cost</b>				
Balance at 1 July	\$ 69	\$ 42	\$ 42	\$ 41
Additions	-	-	-	28
<b>Balance at 30 June</b>	<b>\$ 69</b>	<b>\$ 42</b>	<b>\$ 42</b>	<b>\$ 69</b>
<b>Software</b>				
<b>Cost</b>				
Balance at 1 July	\$ 163	\$ 176	\$ 176	\$ 158
Additions	59	40	40	5
<b>Balance at 30 June</b>	<b>\$ 222</b>	<b>\$ 216</b>	<b>\$ 216</b>	<b>\$ 163</b>
<b>Accumulated amortisation and impairment losses</b>				
Balance at 1 July	\$ (111)	\$ (110)	\$ (110)	\$ (63)
Amortisation charge for the year	(12)	(11)	(11)	(48)
<b>Balance at 30 June</b>	<b>\$ (123)</b>	<b>\$ (121)</b>	<b>\$ (121)</b>	<b>\$ (111)</b>
<b>Software carrying value at 30 June</b>	<b>\$ 99</b>	<b>\$ 95</b>	<b>\$ 95</b>	<b>\$ 52</b>
<b>Total Intangible assets carrying value at 30 June</b>	<b>\$ 168</b>	<b>\$ 137</b>	<b>\$ 137</b>	<b>\$ 121</b>

Following registration with the Emissions Trading Scheme, Council has applied for carbon credits for the pre-1990 forests it operates. A total number of 2,460 credits has been received so far, and if sold these would have a value of \$44,034 on the tradable carbon credit market as at 30 June 2016. Council has also registered 99.8ha of post-1989 forest and was able to claim 7,577 credits for carbon sequestered between 1 Jan 2008 and 31 Dec 2012. As at 30 June 2016 these have a value of \$135,628.30 on the tradable carbon credit market. No Voluntary Emissions Return was lodged in 2015 or 2016.

The cost of the remaining intangibles is amortised over the estimated useful life. There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

### Easements

Easements are non cash generating in nature as they give the Council the right to access private property where infrastructural assets are located. These easements have not been valued as the Council believes that this amount would be immaterial. As a result, no value for easements has been included as intangible assets.

## 18 Trade and Other Payables

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Sundry payables	\$ 1,700	\$ 1,063	\$ 1,063	\$ 1,414
Revenue received in advance	273	200	200	329
Related party payables	8	43	43	23
Other	237	40	40	33
<b>Total Trade and other payables</b>	<b>\$ 2,219</b>	<b>\$ 1,346</b>	<b>\$ 1,346</b>	<b>\$ 1,799</b>

### Fair value

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

## 19 Provisions

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Current liability portion</b>				
Landfill aftercare	\$ 6	\$ 6	\$ 6	\$ 5
<b>Total Current liability portion</b>	<b>\$ 6</b>	<b>\$ 6</b>	<b>\$ 6</b>	<b>\$ 5</b>
<b>Non-current liability portion</b>				
Landfill aftercare	\$ 61	\$ 47	\$ 47	\$ 66
<b>Total Non-current liability portion</b>	<b>\$ 61</b>	<b>\$ 47</b>	<b>\$ 47</b>	<b>\$ 66</b>
<b>Total Provisions</b>	<b>\$ 67</b>	<b>\$ 53</b>	<b>\$ 53</b>	<b>\$ 71</b>

The 2014 valuation prepared by Waimate District Council is on the same basis as the 2012 valuation. The 2012 valuation was peer reviewed by MWH New Zealand Limited on 6 August 2012.

### Landfill aftercare (post-closure) costs

As operator of the Waimate District landfills, the Council has a legal obligation under the resource consent to provide on-going maintenance and monitoring services at the landfill sites after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements, and know improvements in technology. The provision includes all other costs associated with landfills post-closure.

Post-closure care is required on seven closed rural landfills through to and including the year commencing 1 July 2033. Care for the Waimate landfill is required for one further year. This assumes that care is not required beyond the term of current resource consents.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to Council.

## 20 Employee Benefit Liabilities

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
Accrued salaries and wages	\$ 81	\$ 120	\$ 120	\$ 26
Annual leave	255	246	246	292
Long service leave	7	16	16	14
Retirement gratuities	-	28	28	28
<b>Total employee benefit liabilities</b>	<b>\$ 343</b>	<b>\$ 410</b>	<b>\$ 410</b>	<b>\$ 360</b>
<b>Represented by:</b>				
Current liabilities	343	410	410	360
Non-current liabilities	-	-	-	-
	<b>\$ 343</b>	<b>\$ 410</b>	<b>\$ 410</b>	<b>\$ 360</b>



## 21 Public Debt

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<b>Actual</b>	<b>LTP Budget</b>	<b>Annual Plan</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Current liability portion</b>				
Secured loans	\$ 22	\$ 500	\$ 500	\$ 500
<b>Total Current liability portion</b>	<b>\$ 22</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 500</b>
<b>Non-current liability portion</b>				
Secured loans	\$ 1,978	\$ 3,049	\$ 3,049	\$ -
<b>Total Non-current liability portion</b>	<b>\$ 1,978</b>	<b>\$ 3,049</b>	<b>\$ 3,049</b>	<b>\$ -</b>
<b>Total Public Debt</b>	<b>\$ 2,000</b>	<b>\$ 3,549</b>	<b>\$ 3,549</b>	<b>\$ 500</b>

The range of interest rates applying to the above loans is 2.74% with a weighted average of 3.16% (2015: 4.44%).

### Fixed-rate debt

The Council's secured debt of \$2,000,000 (2015: \$500,000) is issued at fixed rates of interest.

### Security

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is \$200,000 (2015: \$200,000). There are no restrictions on the use of this facility.

Council loans are secured over either separate or general rates of the District.

### Refinancing

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These have been adopted as part of the Council Long Term Plan.

### Maturity analysis and effective interest rates

The following is a maturity analysis of Council borrowings. There are no early repayment options.

	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>Less than one year</b>		
Overdraft	\$ -	\$ -
Weighted average effective interest rate	9.40%	10.40%
Secured loans	\$ 22	\$ 500
Weighted average effective interest rate	3.16%	6.76%
<b>Between one and five years</b>		
Secured loans	\$ 1,978	\$ -
Weighted average effective interest rate	-	-

### Fair values of non-current borrowings

The carrying amounts of borrowings repayable approximate their fair value, as the effect of discounting is not significant.

The carrying amounts and the fair values of borrowings are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>Carrying amount</b>		
Secured loans	\$ 2,000	\$ 500
<b>Fair Value</b>		
Secured loans	\$ 2,000	\$ 500

## 22 Equity

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Public Equity - Retained earnings</b>				
As at 1 July	\$ 82,768	\$ 82,426	\$ 82,426	\$ 83,272
Transfers from/(to) special separate and trust funds	351	-	-	(454)
Transfers from/(to) asset revaluation reserves	-	-	-	-
Surplus/(deficit) for the year	1,483	773	773	(50)
<b>Total Public Equity as at 30 June</b>	<b>\$ 84,602</b>	<b>\$ 83,199</b>	<b>\$ 83,199</b>	<b>\$ 82,768</b>
<b>Asset revaluation reserve</b>				
As at 1 July	\$ 293,849	\$ 320,571	\$ 320,571	\$ 291,466
Transfers from/(to) public equity	-	-	-	-
Revaluation gains/(losses)	-	-	-	2,383
Impairment of revalued asset/reversal	-	-	-	-
<b>Total Asset revaluation reserve as at 30 June</b>	<b>\$ 293,849</b>	<b>\$ 320,571</b>	<b>\$ 320,571</b>	<b>\$ 293,849</b>
<b>Special separate and trust funds (restricted reserves)</b>				
As at 1 July	\$ 1,838	\$ 1,384	\$ 1,384	\$ 1,387
Transfers from/(to) public equity	(351)	-	-	454
Transfers from comprehensive revenue and expenditure	-	-	-	(3)
<b>Total Special separate and trust funds as at 30 June</b>	<b>\$ 1,487</b>	<b>\$ 1,384</b>	<b>\$ 1,384</b>	<b>\$ 1,838</b>
<b>Fair value through comprehensive revenue and expenditure reserve (shares)</b>				
As at 1 July	\$ 17,880	\$ 3,273	\$ 3,273	\$ 3,273
Revaluation gains/(losses)	1,621	1,000	1,000	14,607
<b>Total Fair value through comprehensive revenue and expenditure reserve as at 30 June</b>	<b>\$ 19,501</b>	<b>\$ 4,273</b>	<b>\$ 4,273</b>	<b>\$ 17,880</b>
<b>Asset revaluation reserves consist of:</b>				
<b>Operational assets</b>				
Land - freehold	\$ 4,463	\$ 4,037	\$ 4,037	\$ 4,463
Buildings	5,519	5,191	5,191	5,519
Plant and equipment	-	-	-	-
<b>Restricted assets</b>				
Land - restricted	4,219	4,169	4,169	4,219
<b>Infrastructural assets</b>				
Wastewater schemes	5,600	8,451	8,451	5,600
Rural water schemes	5,167	7,804	7,804	5,167
Urban water scheme	4,900	3,132	3,132	4,900
Roading network	261,289	285,310	285,310	261,289
Stormwater schemes	2,333	2,276	2,276	2,333
Sanitation	359	201	201	359
<b>Total</b>	<b>\$ 293,849</b>	<b>\$ 320,571</b>	<b>\$ 320,571</b>	<b>\$ 293,849</b>
<b>Special separate and trust funds (restricted reserves) consist of:</b>				
Discretionary reserves	\$ 831	\$ 615	\$ 615	\$ 640
Restricted reserves	497	530	530	495
Trusts	198	204	204	185
Special Reserves	2,321	1,635	1,635	476
Depreciation Reserves	3,483	1,232	1,232	2,865
Non-Cash Reserves	674	402	402	408
Internal Loan Reserves	(6,517)	(3,234)	(3,234)	(3,231)
<b>Total</b>	<b>\$ 1,487</b>	<b>\$ 1,384</b>	<b>\$ 1,384</b>	<b>\$ 1,838</b>

Restricted reserves relate to funds that are subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Also included in restricted reserves are reserves restricted by Council decision and Council may alter these reserves without reference to the Courts or a third party.

## 22 Equity (continued)

### Financial reserves

Council has Restricted Reserves, several types of Council created Reserves, and a Fair value through other comprehensive revenue and expenditure reserve (for movements in share investments value).

The Council created reserves, which are maintained by the council for a specific purpose, are categorised as follows:

- General Reserves
- Civic Amenities Rate Reserves
- Targeted Rate Reserves
- Internal Loan Reserves
- Asset Renewal Reserves

Separate Accounts are maintained for each activity to ensure that the funds are held and used for the specific purpose intended.

	Opening balance 1 July 2015			Closing balance 30 June 2016
	\$000	\$000	\$000	\$000
<b>Restricted Reserves</b>				
<b>Discretionary</b>				
Perpetual Graves	\$ 80	\$ 6	\$ -	\$ 86
Esplanade	45	4	(7)	42
Subdivision Contribution	431	161	(4)	588
Waste Minimisation	82	35	(2)	115
Mayors Welfare Relief Fund	3	-	(1)	2
<b>Restricted</b>				
Endowment Land	194	14	-	208
Te Aka Road Grant - Rock fall Protection	59	4	-	63
Te Aka Road Grant - Recreational	71	5	-	76
Waimate District Community Complex	162	82	(105)	139
Heritage Fund Reserve	6	-	-	6
Ministry of Youth Development Grant	-	-	-	-
Creative New Zealand Grant Reserve	-	2	-	2
NZ Sport & Recreation Grants - Reserve	-	1	-	1
Community Grant Reserve	2	-	-	2
<b>Trusts</b>				
Friends of Knottingley Park	1	-	-	1
Library Bequests	184	13	-	197
<b>Non-cash</b>				
Downlands Asset Replacement	393	266	-	659
Downlands Capital Contributions	15	-	-	15
<b>Total Restricted Reserves</b>	<b>\$ 1,728</b>	<b>\$ 593</b>	<b>\$ (119)</b>	<b>\$ 2,202</b>
<b>General Reserves</b>				
General Reserves	\$ (509)	\$ 1,447	\$ (595)	\$ 343
Property Reserve	(206)	101	(23)	(128)
Community Housing	(156)	-	-	(156)
Forestry Reserve	(411)	313	-	(98)
Camping	521	81	(15)	587
Rates Smoothing Reserve	261	63	-	324
<b>Total General Reserves</b>	<b>\$ (500)</b>	<b>\$ 2,005</b>	<b>\$ (633)</b>	<b>\$ 872</b>
<b>Civic Amenities Rate Reserve</b>				
Civic Amenities Rate Reserve	\$ 1,068	\$ 235	\$ (90)	\$ 1,213
<b>Total Civic Amenities Rate Reserve</b>	<b>\$ 1,068</b>	<b>\$ 235</b>	<b>\$ (90)</b>	<b>\$ 1,213</b>
<b>Targeted Rate Reserves</b>				
Urban Water Scheme	\$ (329)	\$ 194	\$ -	\$ (135)
Sewerage	50	86	-	137
Waste Management - Collection	107	41	-	148
<b>Rural Water Scheme Operating Reserves</b>				
Cannington/Motukaika	41	22	-	62
Cattle Creek	(13)	-	(1)	(14)
Hook/Waituna	(76)	-	(10)	(86)
Lower Waihao	83	28	-	111
Otaio/Makikihi	112	-	(23)	89
Waihaorunga	(51)	4	-	(48)
Waikakahi	(16)	-	(12)	(28)
<b>Total Targeted Rate Reserves</b>	<b>\$ (92)</b>	<b>\$ 375</b>	<b>\$ (46)</b>	<b>\$ 236</b>

## 22 Equity (continued)

### Financial reserves

For each reserve the below specifies the purpose of that Reserve/Fund, and the Council Activity to which it relates.

<b>Restricted Reserves</b>	<b>Purpose</b>	<b>Council Activity</b>
<b>Discretionary</b>		
Perpetual Graves	Future development of cemeteries in the District	Cemeteries
Esplanade	To purchase/develop esplanade strips or reserves	Parks and Public Spaces
Subdivision	Development of recreational reserves in the Waimate district	Parks and Public Spaces
Waste Minimisation	Waste Levy revenue received to fund waste minimisation initiatives	Waste Management
<b>Restricted</b>		
Endowment Land	Purchase of endowment land	Property
Te Aka Road Grant - Rock fall Protection	Rock fall protection at Te Akatarawa Road	Roading
Te Aka Road Grant - Recreational	Development of public recreational areas adjoining Te Akatarawa Road	Camping
Waimate District Community Complex	Investigation and/or refurbishment of the Waimate District Community Complex	Property
Heritage Fund Reserve		
Ministry of Youth Development Grant	Youth development in the community	Community Support
<b>Trusts</b>		
Friends of Knottingley Park	Beautification of Knottingley Park	Parks and Public Spaces
Library Bequests	Purchase of Library Books	Library
<b>Non-cash</b>		
Downlands Asset Replacement	Asset Replacement for Downlands Water Scheme	Water Supply
Downlands Capital Contributions	Capital Contributions for Downlands Water Scheme	Water Supply
<b>General Reserves</b>		
General Reserves	General funds accumulated/borrowed over time	Investments and Finance, Building Control, Emergency Management, Regulatory Services, Dog and Animal Control, Community Representation, Strategy, Managing Services, Economic Development and Promotions, Community Support, Roading, and Stormwater
Property Reserve	Funds accumulated over time for Council property, including Rental Property, Local Government Centre, Waimate Airport, Waimate District Community Complex and Queen Street Subdivision	Property
Community Housing	Funds accumulated/borrowed over time for Community Housing	Property
Forestry Reserve	Funds accumulated/borrowed over time for Forestry	Forestry
Camping	Funds accumulated over time for Camping facilities at Waitaki Lakes, Victoria Camp, Knottingley Park Camp and St Andrews Recreational Reserve Camp	Camping
Rates Smoothing Reserve	To spread the funding of specific expenditure items over a number of years to smooth the rates impact, e.g. District Plan revenue and expenditure	Resource Management
<b>Civic Amenities Rate Reserve</b>		
Civic Amenities Rate Reserve	Civic Amenities rates accumulated funds over time for activities subject to the Civic Amenities Rate	Property, Library, Cemeteries, Parks and Public Spaces, Swimming, and Waste Management
<b>Targeted Rate Reserves</b>		
Urban Water Scheme	General funds accumulated/borrowed for operation of the Waimate Urban Water Supply	Water Supply
Sewerage	General funds accumulated/borrowed for operation of the Waimate Urban Sewerage Network	Sewerage and Sewage
Waste Management - Collection	General funds accumulated for the operation of Waste Management	Waste Management
<b>Rural Water Scheme Operating Reserves</b>		
Cannington/Motukaika	Funds accumulated for operation of the water supply scheme	Water Supply
Cattle Creek	Funds accumulated for operation of the water supply scheme	Water Supply
Hook/Waituna	Funds accumulated for operation of the water supply scheme	Water Supply
Lower Waihao	Funds accumulated for operation of the water supply scheme	Water Supply
Otaio/Makikihi	Funds accumulated for operation of the water supply scheme	Water Supply
Waihaorunga	Funds accumulated for operation of the water supply scheme	Water Supply
Waikakahi	Funds accumulated for operation of the water supply scheme	Water Supply

## 22 Equity (continued)

	Opening balance 1 July 2015 \$000	Deposits \$000	Withdrawals \$000	Closing balance 30 June 2016 \$000
<b>Internal Loan Reserves</b>				
Urban Water Scheme	\$ (1,385)	\$ 41	\$ -	\$ (1,344)
Sewerage	(1,108)	33	-	(1,075)
Roading Renewals / Bridge Renewals	-	-	(400)	(400)
Waste Management - Disposal	(638)	22	-	(616)
Waimate District Community Complex	(100)	-	(2,982)	(3,082)
<b>Total Internal Loan Reserves</b>	<b>\$ (3,231)</b>	<b>\$ 96</b>	<b>\$ (3,382)</b>	<b>\$ (6,517)</b>
<b>Asset Renewal Reserves</b>				
<b>General Asset Renewal Reserves</b>				
General Reserves	\$ 611	\$ 235	\$ (251)	\$ 595
Property Reserve	327	313	(14)	626
Community Housing	334	37	(1)	370
Forestry Reserve	(84)	-	(1)	(85)
Camping	(13)	78	(37)	28
Stormwater	68	34	(41)	61
<b>Civic Amenities Rate Asset Renewal Reserve</b>				
Civic Amenities Rate Asset Renewal Reserve	124	193	(69)	248
<b>Targeted Rate Asset Renewal Reserves</b>				
Sewerage	557	158	(58)	657
Waste Management - Collection	117	31	(6)	142
Roading Reserve	102	2,363	(2,009)	454
Urban Water Scheme	510	176	(602)	84
<b>Rural Water Schemes</b>				
Cannington/Motukaika	103	15	(5)	113
Cattle Creek	4	1	-	5
Hook/Waituna	158	70	(40)	188
Lower Waihao	(85)	44	(120)	(161)
Otaio/Makikihi	(233)	63	(2)	(172)
Waihaorunga	52	16	(12)	56
Waikakahi	213	59	-	272
<b>Total Asset Renewal Reserves</b>	<b>\$ 2,865</b>	<b>\$ 3,886</b>	<b>\$ (3,268)</b>	<b>\$ 3,481</b>
<b>Fair Value through other Comprehensive Revenue and Expenditure Reserve</b>				
Fair Value through other Comprehensive Revenue and Expenditure	\$ 17,880	\$ 1,621	\$ -	\$ 19,501
<b>Total Fair Value through other Comprehensive Revenue and Expenditure Reserve</b>	<b>\$ 17,880</b>	<b>\$ 1,621</b>	<b>\$ -</b>	<b>\$ 19,501</b>
<b>Total Reserves</b>	<b>\$ 19,718</b>	<b>\$ 8,811</b>	<b>\$ (7,538)</b>	<b>\$ 20,988</b>

## 22 Equity (continued)

### Internal Loan Reserves

Urban Water Scheme	Internally borrowed funds for future repayment by the users of the	Water Supply
Sewerage	Internally borrowed funds for future repayment by the users of the	Sewerage and Sewage
Waste Management - Disposal	Internally borrowed funds for future repayment by the users of the service	Waste Management
Waimate District Community Complex	Internally borrowed funds for future repayment by the users of the service	Property

### Asset Renewal Reserves

#### General Asset Renewal Reserves

General Reserves	Funds accumulated for future asset replacement	Investments and Finance, Building Control, Resource Management, Emergency Management, Regulatory Services, Dog and Animal Control, Community Representation, Strategy, Managing Services, Economic Development and Promotions, and Community Support
Property Reserve	Funds accumulated for future asset replacement	Property
Community Housing	Funds accumulated for future asset replacement	Property
Forestry Reserve	Funds accumulated for future asset replacement	Forestry
Camping	Funds accumulated for future asset replacement for Camping facilities at Waitaki Lakes, Victoria Camp, Knottingley Park Camp and St Andrews Recreational Reserve Camp	Camping
Stormwater	Funds accumulated for future asset replacement	Stormwater Drainage

#### Civic Amenities Rate Asset Renewal Reserve

Civic Amenities Rate Asset Renewal Reserve	Funds accumulated for future asset replacement for activities subject to the Civic Amenities Rate	Property, Library, Cemeteries, Parks and Public Spaces, Swimming, and Waste Management
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#### Targeted Rate Asset Renewal Reserves

Sewerage	Funds accumulated for future asset replacement	Sewerage and Sewage
Waste Management - Collection	Funds accumulated for future asset replacement	Waste Management
Roading Reserve	Funds accumulated for future asset replacement	Roading
Urban Water Scheme	Funds accumulated for future asset replacement	Water Supply

#### Rural Water Schemes

Cannington/Motukaika	Funds accumulated for future asset replacement of the Cannington/Motukaika water supply	Water Supply
Cattle Creek	Funds accumulated for future asset replacement of the Cattle Creek water supply	Water Supply
Hook/Waituna	Funds accumulated for future asset replacement of the Hook/Waituna water supply	Water Supply
Lower Waihao	Funds accumulated for future asset replacement of the Lower Waihao water supply	Water Supply
Otaio/Makikihi	Funds accumulated for future asset replacement of the Otaio/Makikihi water supply	Water Supply
Waihaorunga	Funds accumulated for future asset replacement of the Waihaorunga water supply	Water Supply
Waikakahi	Funds accumulated for future asset replacement of the Waikakahi water supply	Water Supply

### Fair Value through other Comprehensive Revenue and Expenditure Reserve

Fair Value through other Comprehensive Revenue and Expenditure	Financial assets revaluation gains/(losses), at fair value, through Other Comprehensive Revenue and Expenditure	Investments and Finance
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## 23 Reconciliation of Net Surplus/(Deficit) to Net Cash Flow from Operating Activities

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Surplus/(deficit) after tax</b>	\$ 1,483	\$ (50)
<b>Add/(less) non cash items</b>		
Depreciation	4,341	4,110
Amortisation	12	48
Revenue from vested assets/carbon credits	-	(28)
Cost of forestry harvested	430	16
	4,783	4,146
<b>Add/(less) items classified as investing or financing activities</b>		
Losses/(gains) on sale of forestry assets	(447)	(14)
Losses/(gains) in fair value of forestry assets	(169)	(159)
Losses/(gains) on disposal of property, plant and equipment	14	16
Increase/(decrease) in derivative financial instruments	-	(12)
Decrease/(increase) in capital creditors	-	(70)
	(602)	(239)
<b>Add/(less) movements in working capital items</b>		
Decrease/(increase) in inventories	44	46
Decrease/(increase) in trade and other receivables	(407)	65
Increase/(decrease) in trade and other payables	420	178
Increase/(decrease) in employee benefit liabilities	(17)	(84)
Increase/(decrease) in provisions	(5)	(3)
	35	202
<b>Net Cash Flows from operating activities</b>	<b>\$ 5,699</b>	<b>\$ 4,059</b>

## 24 Capital Commitments and Operating Leases

There was one capital commitments in relation to projects from Council's capital programme (2015: Two).

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

Roading - In October 2015 Council signed a new three year contract commencing 1 November 2015.

Refuse Collection - the contract was entered into with Metallic Sweeping (1998) Limited on 1 October 2009. This five year contract has consolidated all refuse and recycling collection and processing. The contract has been extended for a further two years and is subject to a Local Government Act 2002 section 17a review.

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Capital Commitments</b>		
Capital expenditure contracted for at balance date not yet incurred for property, plant and equipment:		
Buildings	\$ -	\$ 3,700
Rural Water Schemes	-	222
Roading	9,862	-
	<b>\$ 9,862</b>	<b>\$ 3,922</b>
<b>Capital Commitments</b>		
Not later than one year	3,791	3,922
Later than one year, not later than five years	6,072	-
Later than five years	-	-
	<b>\$ 9,862</b>	<b>\$ 3,922</b>

### Operating leases as lessee

Council leases property, plant and equipment in the normal course of business. The majority of these leases have non-cancellable terms between 36 to 60 months. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Non-cancellable operating leases as lessee</b>		
Not later than one year	\$ 94	\$ 100
Later than one year, not later than five years	24	60
Later than five years	-	-
	<b>\$ 118</b>	<b>\$ 160</b>

### Operating leases as lessor

Council leases its vacant and leased land and property under operating leases. The majority of these leases have non-cancellable terms between 36 to 60 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Non-cancellable operating leases as lessor</b>		
Not later than one year	\$ 99	\$ 100
Later than one year, not later than five years	78	153
Later than five years	8	12
	<b>\$ 185</b>	<b>\$ 265</b>

No contingent rents have been recognised in the Statement of Comprehensive Revenue and Expenditure during the



## 25 Contingencies

### Contingent Assets

There are no Contingent Assets as at 30 June 2016 (30 June 2015: nil).

### Contingent Liabilities

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

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.

As at 31 March 2016, the scheme had a past service surplus of \$11.712 million (exclusive of Employer Superannuation Contribution Tax), (Net assets of \$169.219 million, Past service liabilities \$157.507 million, at a funding level of 107.4%). This surplus was calculated using a discounted rate equal to the expected return on net assets.

The Actuary of the scheme has recommended that the employer contribution continue to be suspended from 1 April 2016. This recommendation was accepted and endorsed by the Board.

Council is not aware of any other contingent assets or contingent liabilities at 30 June 2016 (2015: \$nil). There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.

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## 26 Related Party Transactions and Key Management personnel

The following groups have been identified as related parties, through their relationship as subsidiaries, associates and joint ventures.

### Joint Ventures

Joint venture forestry blocks

Timaru District Council - Downlands rural water scheme

#### Related party transactions and balances (Inter group transactions and balances)

##### Timaru District Council - Downlands rural water scheme

Services provided by Council

Accounts payable to Council

	<b>2016</b>	<b>2015</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
\$	200	\$ 185
	(200)	(185)
<b>\$</b>	<b>-</b>	<b>\$ -</b>

Waimate District Council collects rates on behalf of the Downlands Water Scheme and distributes them exactly to Timaru District Council.

#### Key Management personnel

Salaries and other short term employee benefits

Post employment benefits

Termination benefits

Councillors

	<b>2016</b>	<b>2015</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
\$	775	\$ 781
	-	-
	-	-
	211	206
<b>\$</b>	<b>986</b>	<b>\$ 987</b>

Key management personnel includes the Mayor, Councillors, Chief Executive and other senior management personnel.

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## 27 Remuneration

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Chief Executive (current from 4 August 2014)</b>	\$ 175	\$ 150
<b>Chief Executive (previous up to 1 August 2014)</b>	-	48
<b>Additional benefits</b>		
Employer Superannuation contribution	9	12
Motor Vehicle	5	7
Communication expenses	1	-
<b>Total Chief Executive</b>	<b>\$ 190</b>	<b>\$ 217</b>
<b>Council Representatives</b>		
Craig Rowley (Mayor)	\$ 64	\$ 62
Sharyn Cain (Deputy Mayor)	25	23
David Anderson	17	4
Peter Collins	17	17
Arthur Gavegan	17	17
Peter McIlraith	20	22
Miriam Morton	17	17
Tom O'Connor	17	17
Sheila Paul	17	17
Stuart Thomson	-	10
<b>Total Council representatives</b>	<b>\$ 211</b>	<b>\$ 206</b>

Note that the above amounts for Council Representatives are inclusive of reimbursement of expenses claimed.

## 28 Employee Staffing Levels and Remuneration

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Total full time equivalent number of employees</b>	<b>43.71</b>	<b>45.32</b>
<b>Represented by:</b>		
Full time employees	40.00	41.00
Full time equivalent of all other employees	3.71	4.32
<p>(Full time employees have employment contracts that are expressed as either 40 hours per week or 37.5 hours per week. An employee working either of these hours per week is classified as a "full time employee". For other employees their full time equivalent value is expressed as a ratio of either 40 hours per week or 37.5 hours per week depending on the employment contract they are a party to).</p>		
<b>Numbers of employees, who are employed at 30 June, where annual remuneration is within the following bands:</b>		
\$0 - \$60,000	25.00	28.00
\$60,000 - \$80,000	14.00	14.00
\$80,000 - \$100,000	6.00	6.00
\$100,000 - \$140,000	5.00	5.00
\$180,000 - \$200,000	1.00	1.00
	<b>51.00</b>	<b>54.00</b>

For both 2016 and 2015, the number of employees in the \$100,000 - \$120,000 band was minimal and has been combined with the \$120,000 - \$140,000 band for a combined band of \$100,000 - \$140,000.

## 29 Severance Payments

For the year ended 30 June 2016 there were no (2015: one) severance payments made to employees (2015: \$7,000).

## 30 Financial Instrument Categories

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000
<b>Financial Assets</b>		
<b>Fair value through comprehensive revenue and expenditure</b>		
Derivative financial instrument assets	\$ -	\$ -
<b>Loans and receivables</b>		
Cash and cash equivalents	\$ 2,683	\$ 1,905
Trade and other receivables (excluding Prepayments)	1,775	1,410
Term deposits	642	586
Community loans	17	25
Loans to related parties	-	-
	<b>\$ 5,117</b>	<b>\$ 3,926</b>
<b>Available for sale:</b>		
<b>Equity investments (at cost)</b>		
Combined Rural Traders Ltd (CRT)	\$ 7	\$ 6
NZ Local Government Insurance Company Ltd	28	28
MGI Irrigation Company Ltd	1	1
Hunter Downs Irrigation Limited	141	141
<b>Equity investments (at fair value)</b>		
Alpine Energy Ltd	28,413	26,792
	<b>\$ 28,590</b>	<b>\$ 26,968</b>
<b>Total financial assets</b>	<b>\$ 33,707</b>	<b>\$ 30,894</b>
<b>Financial Liabilities</b>		
<b>Fair value through comprehensive revenue and expenditure</b>		
Derivative financial instrument liabilities	\$ -	\$ -
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	\$ 2,219	\$ 1,799
Borrowings	2,000	500
	<b>\$ 4,219</b>	<b>\$ 2,299</b>
<b>Total financial liabilities</b>	<b>\$ 4,219</b>	<b>\$ 2,299</b>

### 31 Financial Instrument Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following valuation techniques and hierarchy:

- Quoted market value (level 1) - financial instruments with quoted prices for identical instruments in active markets.
- Observable inputs (level 2) - financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where one or more significant inputs are observable.
- Significant non-observable inputs (level 3) - financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the Statement of Financial Position:

	Valuation technique:			
	Total \$000	Quoted market price \$000	Observable inputs \$000	Significant non- observable inputs \$000
<b>2016</b>				
<b>Financial assets</b>				
Shares	28,413	-	-	28,413
<b>2015</b>				
<b>Financial assets</b>				
Shares	26,792	-	-	26,792

There were no transfers between the different levels of the fair value hierarchy.

#### Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	2016 Actual \$000	2015 Actual \$000
Balance at 1 July	\$ 26,792	\$ 12,185
Gains/(losses) recognised in the operating surplus/(deficit)	-	-
Gains/(losses) recognised in other comprehensive revenue and expenditure	1,621	14,607
Purchases	-	-
Sales	-	-
Transfers into level 3	-	-
Transfers out of level 3	-	-
<b>Balance at 30 June</b>	<b>\$ 28,413</b>	<b>\$ 26,792</b>

Changing a valuation assumption to a reasonably possible alternative assumption would not significantly change the fair value.

## 32 Financial Instrument Risks

The Council has a series of policies to manage the risks associated with financial instruments and is risk adverse and seeks to minimise exposure from its treasury activities. The Council has established an investment policy specifying what transactions can be entered into. The policy does not allow any transactions that are speculative in nature to be entered into.

### Market Risk

#### Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Equity securities price risk arises on listed share investments, which are classified as financial assets held at fair value through other comprehensive revenue and expenditure. This price risk arises due to market movements in listed shares. Price risk is managed by diversification of Council's investment portfolio in accordance with the limits set out in Council's investment policy.

Equity securities price risk is not managed as the Council does not hold any quoted share investments.

#### Currency risk

Currency risk is the risk that the value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Council has no exposure to currency risk.

#### Interest rate risk

The interest rates on the Council's investments are disclosed in note 13 (Other Financial Assets) and on the Council's borrowings in note 21 (Public Debt).

#### *Fair value interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose the Council to fair value interest rate risk. Council's investment policy outlines the level of borrowing that is to be secured using fixed rate instruments.

Investments were made only with those counter-parties specified in the investment policy.

#### *Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Council to cash flow interest rate risk.

### Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Council, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits which gives rise to credit risk.

The maximum amount of credit risk for each class is the carrying amount in the statement of financial position. Council has minimal credit risk in its holdings of various financial instruments. These financial instruments include bank balances, stock and receivables.

Council invests funds only with registered banks. It limits the amount of credit exposure to any one institution or organisation. Accordingly, the Council does not require any collateral or security to support the financial instruments with organisations it deals with.

The Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

#### *Maximum exposure to credit risk*

Council's maximum credit exposure for each class of financial instrument is as follows:

	<b>2016</b>	<b>2015</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>
Cash at bank and term deposits	\$ 2,683	\$ 1,905
Trade and other receivables	1,775	1,410
Community and related party loans	17	25
Other financial instruments	642	586
Loans to related parties	-	-
Derivate financial instrument assets	-	-
Financial guarantees	-	-
	<b>\$ 5,117</b>	<b>\$ 3,926</b>

## 32 Financial Instrument Risks (continued)

### *Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	<b>2016 Actual \$000</b>	<b>2015 Actual \$000</b>
<b>Counterparties with Credit Ratings</b>		
<b>Cash at bank and term deposits</b>		
AA-	\$ 2,683	\$ 1,905
<b>Total cash at bank and term deposits</b>	<b>\$ 2,683</b>	<b>\$ 1,905</b>
<b>Counterparties without Credit Ratings</b>		
<b>Cash at bank and term deposits</b>		
Existing counterparty with no defaults in the past	\$ -	\$ -
Existing counterparty with defaults in the past	-	-
<b>Total cash at bank and term deposits</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Community and related party loans</b>		
Existing counterparty with no defaults in the past	\$ -	\$ -
Existing counterparty with defaults in the past	5	9
<b>Total community and related party loans</b>	<b>\$ 5</b>	<b>\$ 9</b>

Debtors and other receivables mainly arise from the Council's statutory functions. Therefore, there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. The Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

### **Liquidity Risk**

#### **Management of liquidity risk**

Liquidity risk is the risk that the Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a target level of investments that must mature within the next 12 months. The Council manages its borrowings in accordance with its funding and financial policies, which include an investment policy document. This policy has been adopted as part of the Council's Long Term Plan.

The maturity profiles of the Council's interest bearing investments and borrowings are disclosed in notes 13 and 21 respectively.

## 32 Financial Instrument Risks (continued)

### *Contractual maturity analysis of financial liabilities, excluding derivatives*

The table below analyses the Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted principal amount of the financial liabilities.

	Carrying amount \$000	Contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>2016</b>						
Trade and other payables	\$ 2,219	\$ 2,219	\$ 2,219	\$ -	\$ -	\$ -
Net settled derivative liabilities	-	-	-	-	-	-
Secured loans	2,000	2,241	55	55	2,131	-
Financial guarantees	-	-	-	-	-	-
<b>Total</b>	<b>\$ 4,219</b>	<b>\$ 4,460</b>	<b>\$ 2,274</b>	<b>\$ 55</b>	<b>\$ 2,131</b>	<b>\$ -</b>
<b>2015</b>						
Trade and other payables	\$ 1,799	\$ 1,799	\$ 1,799	\$ -	\$ -	\$ -
Net settled derivative liabilities	-	-	-	-	-	-
Secured loans	500	519	519	-	-	-
Financial guarantees	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,299</b>	<b>\$ 2,318</b>	<b>\$ 2,318</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### *Contractual maturity analysis of derivative financial liabilities*

The Council does not hold any derivative financial instrument liabilities.

### *Contractual maturity analysis of financial assets*

The table below analyses the Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying amount \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
<b>2016</b>					
Cash and cash equivalents	\$ 2,683	\$ 2,683	\$ -	\$ -	\$ -
Trade and other receivables	1,775	1,775	-	-	-
Net settled derivative assets	-	-	-	-	-
Community loans	17	7	7	4	-
Other financial instruments	642	642	-	-	-
<b>Total</b>	<b>\$ 5,117</b>	<b>\$ 5,107</b>	<b>\$ 7</b>	<b>\$ 4</b>	<b>\$ -</b>
<b>2015</b>					
Cash and cash equivalents	\$ 1,905	\$ 1,905	\$ -	\$ -	\$ -
Trade and other receivables	1,410	1,410	-	-	-
Net settled derivative assets	-	-	-	-	-
Community loans	25	7	7	11	-
Other financial instruments	586	586	-	-	-
<b>Total</b>	<b>\$ 3,926</b>	<b>\$ 3,908</b>	<b>\$ 7</b>	<b>\$ 11</b>	<b>\$ -</b>

### 33 Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. The act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities.

The source and levels of funding are set out in the funding and financial policies in the Council's LTP.

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

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### 34 Insurance Disclosure

Insurance cover for all New Zealanders has become a prominent issue following the 2010/11 Canterbury earthquakes, and this includes Local Government. International reinsurance companies have reassessed their view of disaster events in New Zealand and a return to pre 2010 price levels is nowhere in sight.

During the 2015/16 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%.

The impact on insurance costs for the past four years is shown below:

	<b>2016</b> Actual \$000	<b>2015</b> Actual \$000	<b>2014</b> Actual \$000	<b>2013</b> Actual \$000
Insurance costs	\$ 211	\$ 219	\$ 218	\$ 270

#### Insurance on Assets

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.

#### Water Network Assets

The Council insures 40% of its value of underground water network assets with LAPP (Local Authority Protection Programme) with the remaining 60% being funded by Central Government. The total asset value for insurance purposes is \$49,811,000. Total group cover across 27 member councils in any one event is to a maximum of \$50 million less a \$10 million excess.

#### Property, Plant and Equipment

The combined sum insured of all Council Property, Plant and Equipment is \$36,909,471.

#### Vehicles and Moving plant

The total asset value for insurance purposes is \$1,010,595. All vehicles are insured for replacement value.

#### Forestry

The maximum insurance cover is \$1,569,209 for fire events and \$784,605 for windstorm.

#### Roading and Footpath Assets

The total asset value is \$315,541,000. However In the event of a loss, Council would receive a minimum of 51% subsidy from the NZTA, with the remaining portion of the loss to be funded internally. The NZTA financial assistance rate is currently under review and may change.

### 35 Explanation of Major Variances against Budget

Council reported a surplus of \$1,483,000 against a reported LTP Budget surplus of \$773,000. The major variances are explained in the following table:

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2016 Var to LTP \$000
Targeted rates	\$ 5,207	\$ 5,172	\$ 5,172	\$ 35
NZ Transport Agency government grants	2,035	2,173	2,173	(138)
Building and resource consent charges	635	357	357	278
Camping fees	313	242	242	71
Interest revenue	92	30	30	62
General Recoveries (Manchesters Road insurance claim)	93	-	-	93
Reserve contributions	131	46	46	85
Dividend revenue	646	576	576	70
Employee benefit expenses	(3,360)	(3,439)	(3,439)	79
Conferences, Seminars and Training	(114)	(166)	(166)	51
Legal expenses	(89)	(39)	(39)	(50)
<b>Sub-total Major Variances</b>	<b>5,589</b>	<b>4,952</b>	<b>4,952</b>	<b>637</b>
All other revenues and expenditure	(4,106)	(4,179)	(4,179)	73
<b>Total Surplus/(deficit)</b>	<b>\$ 1,483</b>	<b>\$ 773</b>	<b>\$ 773</b>	<b>\$ 710</b>

NZ Transport Agency government grants are slightly lower than LTP Budget following the deferral of renewal and maintenance programme works to next year.

Building and resource consent charges are favourable compared to LTP Budget due to an increased level of consent fees generally. Large consents processed include the Waimate Event Centre and milk processing plant expansions.

Camping fees are favourable compared to LTP Budget with each camping area performing at or above expected levels and greater patronage, particularly at the Waitaki Lakes.

Finance costs are favourable compared to LTP Budget as the budget includes the cost of derivatives interest, however this has already been provided for in prior years as part of the derivative liability. Additionally cash reserves are better than expected resulting in interest revenue exceeding budget.

Legal expenses are above LTP Budget and Annual Plan due to rating policy advice and the ongoing defence of a court case.

### 36 Events After Balance Date

There are no significant events after balance date.

## Cost of Service Variances for the year ended 30 June 2016

	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<b>Actual</b>	<b>LTP Budget</b>	<b>Annual Plan</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Forestry	\$ 51	\$ 33	\$ 33	\$ 88
Investments and Finance	213	33	33	52
Property	737	781	781	(125)
Building Control	224	7	7	23
Resource Management	190	82	82	75
Emergency Management	18	-	-	(12)
Regulatory Services	57	3	3	(8)
Dog and Animal Control	44	-	-	59
Community Representation	89	12	12	108
Strategy	107	33	33	(41)
Managing Services	126	1	1	-
Economic Development and Promotions	(12)	-	-	19
Community Support	(5)	-	-	1
Library	22	-	-	19
Camping	63	(8)	(8)	70
Cemeteries	9	(10)	(10)	(21)
Parks and Public Spaces	58	(17)	(17)	52
Swimming	(42)	(4)	(4)	(12)
Roading	(937)	(235)	(235)	(547)
Sewerage and Sewage	87	20	20	88
Stormwater Drainage	12	5	5	18
Waste Management	153	19	19	40
Water Supply	219	18	18	4
<b>Total Surplus/(deficit)</b>	<b>\$ 1,483</b>	<b>\$ 773</b>	<b>\$ 773</b>	<b>\$ (50)</b>

**Capital Expenditure  
for the year ended 30 June 2016**

	<b>Key</b>	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Forestry</b>					
Planting costs - various sites/blocks	REP	\$ 1	\$ 44	\$ 44	\$ -
		<b>\$ 1</b>	<b>\$ 44</b>	<b>\$ 44</b>	<b>\$ -</b>
<b>Property</b>					
Local Government Centre - Blinds	REP	\$ -	\$ 3	\$ 3	\$ -
Local Government Centre - Vinyl	REP	-	5	5	-
Local Government Centre - Office Upgrade	REP	-	-	-	1
Local Government Centre - Replace spouting	REP	8	-	-	-
Waimate Event Centre - Refurbishment	LOS	3,693	3,800	3,800	100
Local Government Centre - sundry	REP	-	3	3	-
Council Property - Fencing	REP	2	-	-	-
Community Housing - furniture and fittings	REP	1	8	8	1
		<b>\$ 3,704</b>	<b>\$ 3,819</b>	<b>\$ 3,819</b>	<b>\$ 102</b>
<b>Building Control</b>					
Building Control officers motor vehicle	REP	\$ -	\$ -	\$ -	\$ 62
Building Control - Inspection Hardware/Software	LOS	8	52	52	-
Building Control - Sundry	REP	2	1	1	-
		<b>\$ 10</b>	<b>\$ 53</b>	<b>\$ 53</b>	<b>\$ 62</b>
<b>Emergency Management</b>					
Rural Fire - fire tanker (Waihaorunga)	LOS	\$ -	\$ -	\$ -	\$ -
Rural Fire - Vehicle	REP	10	10	10	-
Rural Fire - plant	REP	5	6	6	7
Rural Fire - radio digital upgrade	REP	9	9	9	-
Civil Defence - Mobile technology Hardware	REP	-	1	1	-
		<b>\$ 24</b>	<b>\$ 26</b>	<b>\$ 26</b>	<b>\$ 7</b>
<b>Dog and Animal Control</b>					
Dog and Animal Control - Motor Vehicle replacement	REP	\$ -	\$ 10	\$ 10	\$ -
Dog Pound - Concrete Run Yard	REP	-	-	-	5
		<b>\$ -</b>	<b>\$ 10</b>	<b>\$ 10</b>	<b>\$ 5</b>
<b>Community Representation</b>					
Community Representation - Mayors Motor Vehicle	REP	\$ -	\$ -	\$ -	\$ 30
		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30</b>
<b>Managing Services</b>					
Hardware	REP	\$ 6	\$ 18	\$ 18	\$ 36
Motor vehicles	REP	88	141	141	187
Plant	REP	8	11	11	-
Furniture	REP	-	-	-	6
Utilities office upgrade	LOS	10	-	-	-
Miscellaneous	REP	2	-	-	-
Electronic Document Management System	LOS	39	-	-	-
GIS Platform Upgrade	LOS	59	-	-	-
Software	REP	5	5	5	6
		<b>\$ 217</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>\$ 235</b>

**Capital Expenditure (continued)  
for the year ended 30 June 2016**

	Key	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Library</b>					
Library books	REP	\$ 47	\$ 60	\$ 60	\$ 44
Shelving	REP	4	4	4	3
		<b>\$ 51</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 47</b>
<b>Camping</b>					
Waitaki Lakes - Water pipes investigation/replace	REP	\$ 20	\$ 10	\$ 10	\$ -
Hakataramea Mower replacement	REP	-	-	-	6
Knottingley camp - provide powered camping sites	LOS	-	-	-	19
Victoria Park - Upgrade Cabins	LOS	4	-	-	4
Victoria Park - Appliances	REP	8	5	5	3
St Andrews Camping - Mower (nett of trade in)	REP	4	-	-	-
		<b>\$ 36</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 32</b>
<b>Cemeteries</b>					
Cemetery Workshop/Office/Toilets replacement	REP	\$ -	\$ 50	\$ 50	\$ -
Cemetery Mower replacement	REP	-	-	-	27
		<b>\$ -</b>	<b>\$ 50</b>	<b>\$ 50</b>	<b>\$ 27</b>
<b>Parks and Public Spaces</b>					
Morven Reserve - Hall Sewerage System Upgrade	REP	\$ -	\$ 30	\$ 30	\$ -
Morven Reserve - Plant and machinery	LOS	-	-	-	34
Morven Reserve - Hall Kitchen and Floor	REP	-	40	40	-
Victoria park - mower replacement	REP	-	32	32	35
Victoria park - parks officer motor vehicle	REP	-	18	18	-
Victoria park - parks sundry plant	REP	4	6	6	-
Victoria park - playground extension	AD	-	-	-	1
Victoria park - glasshouse upgrade (roof and walls)	REP	(4)	-	-	16
Knottingley park - driveway upgrade	LOS	3	10	10	12
Urban Reserves - playground equipment	LOS	13	-	-	-
Wainono Lagoon Fencing	REP	-	-	-	11
		<b>\$ 16</b>	<b>\$ 136</b>	<b>\$ 136</b>	<b>\$ 109</b>
<b>Swimming</b>					
Swimming Pool ladder	REP	\$ -	\$ -	\$ -	\$ 5
Upgrade Womens Changing rooms	REP	-	22	22	-
Swimming Pool Platforms	REP	1	-	-	-
		<b>\$ 1</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>\$ 5</b>
<b>Roading Group</b>					
Roads - minor improvements	LOS	\$ 182	\$ 254	\$ 254	\$ 282
Roads - seal widening	LOS	-	-	-	105
Roads - resealing	REP	1,026	984	984	1,010
Drainage construction	REP	37	89	89	97
Concrete ford culverts	REP	-	25	25	40
Culvert replacements	REP	114	69	69	86
Kerb and channel renewal	REP	77	95	95	77
Pavement rehabilitation	REP	316	426	426	383
Structures component replacement	REP	8	170	170	35
Sign renewal	REP	48	50	50	72
Footpath renewal	REP	79	90	90	112
Roading development	LOS	83	50	50	-
Roads - minor improvements (not subsidised)	REP	-	10	10	11
Dust Suppression	LOS	-	-	-	3
Seal extensions	REP	40	50	50	-
		<b>\$ 2,010</b>	<b>\$ 2,362</b>	<b>\$ 2,362</b>	<b>\$ 2,313</b>

**Capital Expenditure (continued)  
for the year ended 30 June 2016**

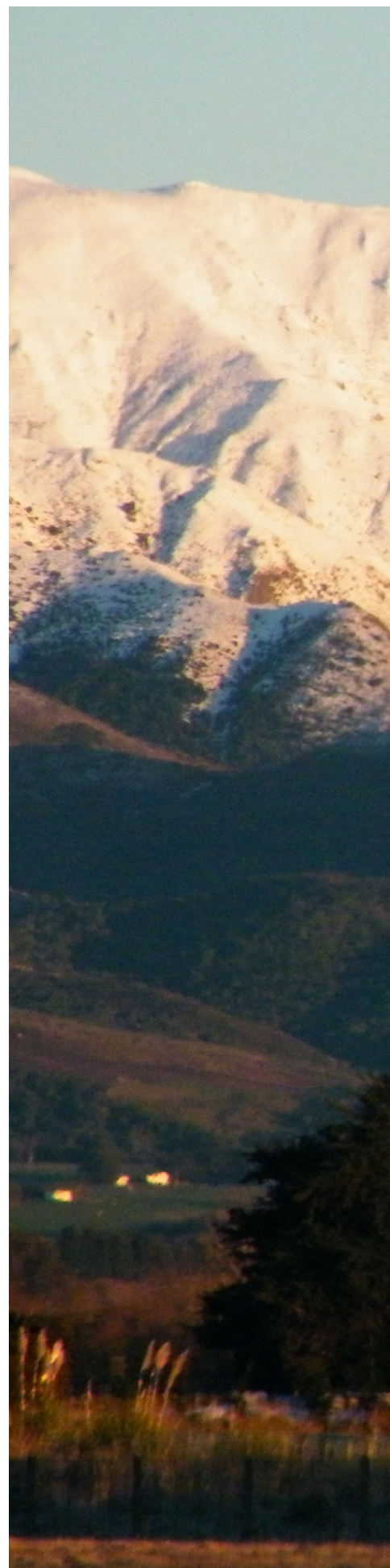
	Key	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Sewerage and Sewage Group</b>					
Mill Road Sewer Extension	AD	\$ 46	\$ 546	\$ 546	\$ 7
Sewerage - Programmed renewals	REP	3	200	200	-
Sewerage - Smoke Testing equipment	REP	1	3	3	-
Wastewater (John St)	REP	8	-	-	71
Waimate Urban - SCADA Upgrades	REP	-	-	-	3
Wastewater - renewals/upgrades	REP	-	-	-	6
		<b>\$ 58</b>	<b>\$ 749</b>	<b>\$ 749</b>	<b>\$ 87</b>
<b>Stormwater Drainage Group</b>					
Manse Street/Harris Street Stormwater Upgrade	LOS	\$ 10	\$ 143	\$ 143	\$ -
High Street/Manse Street Stormwater Upgrade	LOS	-	-	-	77
Stormwater - Consent and Management Plan	LOS	31	70	70	-
		<b>\$ 41</b>	<b>\$ 213</b>	<b>\$ 213</b>	<b>\$ 77</b>
<b>Waste Management Group</b>					
Wheelie Bin Replacements	REP	\$ 6	\$ -	\$ -	\$ 3
		<b>\$ 6</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3</b>
<b>Water Supply Group (Rural and Urban)</b>					
Hook/Waituna - drinking water standards	LOS	\$ -	\$ -	\$ -	\$ 1
Hook/Waituna - Filtration/Coagulation upgrade	REP	-	100	100	-
Hook/Waituna - renewals	REP	40	33	33	5
Lower Waihao - drinking water standards	LOS	81	-	-	-
Lower Waihao - Pipe Renewal (Ferry Road)	REP	-	-	-	29
Lower Waihao - renewals	REP	39	75	75	53
Otaio/Makikihi - drinking water standards	LOS	-	-	-	4
Otaio/Makikihi - renewals	REP	2	36	36	54
Waihaorunga - renewals	REP	10	17	17	4
Waihaorunga - Pump Renewal	REP	2	4	4	8
Waikakahi - renewals	REP	-	15	15	29
Cannington/Motukaika - renewals	REP	6	12	12	6
Urban Supply - Redevelop Timaru Road Bore	LOS	-	5	5	-
Urban Supply - rising main renewals	REP	280	200	200	141
Urban Supply - cast iron main renewals	REP	146	150	150	12
Urban Supply - AC Water mains renewals	REP	84	100	100	-
Urban Supply - Lateral renewals	REP	69	50	50	-
Urban Supply - Pressure management	REP	-	75	75	-
Urban Supply - utilities/sundry plant	REP	-	-	-	12
SCADA upgrades	REP	-	-	-	7
Manchesters Road Bore - Pumps	REP	23	-	-	-
		<b>\$ 782</b>	<b>\$ 872</b>	<b>\$ 872</b>	<b>\$ 365</b>
<b>Total Capital Expenditure</b>		<b>\$ 6,957</b>	<b>\$ 8,609</b>	<b>\$ 8,609</b>	<b>\$ 3,506</b>
<b>Represented by:</b>					
Infrastructural assets		\$ 2,897	\$ 4,195	\$ 4,195	\$ 2,845
Operational assets		4,060	4,414	4,414	661
		<b>\$ 6,957</b>	<b>\$ 8,609</b>	<b>\$ 8,609</b>	<b>\$ 3,506</b>
<b>Categories</b>					
Meets additional demand	AD	\$ 46	\$ 546	\$ 546	\$ 8
Improve level of performance/service	LOS	4,216	4,384	4,384	641
Replace existing assets	REP	2,695	3,679	3,679	2,857
		<b>\$ 6,957</b>	<b>\$ 8,609</b>	<b>\$ 8,609</b>	<b>\$ 3,506</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets



# Waimate District Council Activities

Group	Activities Within Group
Water Supply	Urban, Rural
Waste Management	Waste Management
Stormwater Drainage	Stormwater Drainage
Sewerage and Sewage	Sewerage and Sewage
Roading and Footpaths	Roading and Footpaths
Property and Investments	Forestry, Investments and Finance, Property
Parks and Recreation	Camping, Cemeteries, Parks and Public Spaces and Swimming
Organisation and Governance	Community Representation, Strategy and Managing Services
Environmental Services	Building Control, Resource Management, Emergency Management, Regulatory Services, Dog and Animal Control
Community Services	Economic Development and Promotions, Community Support and Library





# Water Supply Group

## What is Water Supply and Why Do We Deliver It?

Council's Water Supply services provide the essentials of life for our community.

The Water Supply Group includes the following activities:

**Water Supply — Urban** The provision of a clean safe supply of water for drinking and fire-fighting purposes.

**Water Supply — Rural** The provision of a clean safe supply of water for drinking, stock, irrigation and fire fighting purposes.

## Community Outcomes to which this group of activities primarily contributes

**Water Supply** Safe and Healthy People.



**Funding Impact Statement - Water Supply Group (Rural and Urban)**  
for the year ended 30 June 2016

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 10	\$ 10	\$ 10	\$ 12
Targeted rates	1,896	1,883	1,883	1,828
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	17	19	19	25
Internal charges and overheads recovered	155	83	83	46
Local authority fuel tax, fines, infringement fees other	208	55	55	90
<b>Total sources of operating funding</b>	<b>2,286</b>	<b>2,050</b>	<b>2,050</b>	<b>2,001</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,070	978	978	1,062
Finance costs	-	10	10	-
Internal charges and overheads applied	447	477	477	261
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,517</b>	<b>1,465</b>	<b>1,465</b>	<b>1,323</b>
<b>Surplus/(deficit) of operating funding</b>	<b>769</b>	<b>585</b>	<b>585</b>	<b>678</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	44	23	23	33
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>44</b>	<b>23</b>	<b>23</b>	<b>33</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	81	5	5	32
Capital expenditure - to replace existing assets	700	867	867	495
Increase/(decrease) in reserves	32	(264)	(264)	184
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>813</b>	<b>608</b>	<b>608</b>	<b>711</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(769)</b>	<b>(585)</b>	<b>(585)</b>	<b>(678)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 89	\$ 32	\$ 32	\$ 38
Included within Internal charges and overheads applied is Internal Interest Expense of:	153	102	102	133
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	2,189	2,436	2,436	2,027
Increases in Internal Borrowings for the year	-	809	809	255
Decreases in Internal Borrowings for the year	-	(401)	(401)	(149)

**Service Performance Statement - Water Supply Group (Rural and Urban)  
for the year ended 30 June 2016**

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ 10	\$ 10	\$ 10	\$ 10
Targeted rates	1,896	1,883	1,883	1,901
Revenue from activities	325	149	149	228
Other revenue	90	32	32	66
<b>Total revenue</b>	<b>2,321</b>	<b>2,074</b>	<b>2,074</b>	<b>2,205</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	594	590	590	576
Finance expenses	153	112	112	125
Other expenses	1,355	1,354	1,354	1,500
<b>Total expenditure</b>	<b>2,102</b>	<b>2,056</b>	<b>2,056</b>	<b>2,201</b>
Operating Surplus/(deficit)	<b>\$ 219</b>	<b>\$ 18</b>	<b>\$ 18</b>	<b>\$ 4</b>
<b>Capital Expenditure</b>				
	<b>Key</b>			
Hook/Waituna - drinking water standards	LOS	\$ -	\$ -	\$ 1
Hook/Waituna - Filtration/Coagulation upgrade	REP	-	100	-
Hook/Waituna - renewals	REP	40	33	5
Lower Waihao - drinking water standards	LOS	81	-	-
Lower Waihao - Pipe Renewal (Ferry Road)	REP	-	-	29
Lower Waihao - renewals	REP	39	75	53
Otaio/Makikihi - drinking water standards	LOS	-	-	4
Otaio/Makikihi - renewals	REP	2	36	54
Waihaorunga - renewals	REP	10	17	4
Waihaorunga - Pump Renewal	REP	2	4	8
Waikakahi - renewals	REP	-	15	29
Cannington/Motukaika - renewals	REP	6	12	6
Urban Supply - Redevelop Timaru Road Bore	LOS	-	5	-
Urban Supply - rising main renewals	REP	280	200	141
Urban Supply - cast iron main renewals	REP	146	150	12
Urban Supply - AC Water mains renewals	REP	84	100	-
Urban Supply - Lateral renewals	REP	69	50	-
Urban Supply - Pressure management	REP	-	75	-
Urban Supply - utilities/sundry plant	REP	-	-	12
SCADA upgrades	REP	-	-	7
Manchesters Road Bore - Pumps	REP	23	-	-
<b>Total Capital Expenditure</b>		<b>\$ 782</b>	<b>\$ 872</b>	<b>\$ 365</b>
<b>Categories</b>				
Meets additional demand	AD	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	81	5	5
Replace existing assets	REP	701	867	360
		<b>\$ 782</b>	<b>\$ 872</b>	<b>\$ 365</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities are favourable compared to LTP Budget due to insurance proceeds received from the Manchesters Road Bore fire.

Other revenue is favourable compared to LTP Budget due to internal interest on reserves generating more revenue than anticipated. This is offset by higher Finance expenses where internal interest on negative reserves has exceeded budget.

Other expenses are favourable compared to LTP Budget due to lower expenditure on Line, Pump and Operational maintenance.

## Urban Water Supply

### What Do We Do Now?

Council provides a regular supply of potable water to the designated urban area and the fringe rural areas of Waimate (population 3,000 approx.) to serve drinking, commercial and fire protection uses. Two secure ground water bores at Timaru Road and Manchester Road supply the urban network via a reservoir at Mill Road. Council monitors water quality, and plans for future water supply needs.

Council utilities staff and vehicles support the water supply.

### Why Do We Do It?

Council is required by statute to provide potable water to the residents of Waimate (Health Act 1956, Local Government Act 2002).

The supply of a reliable and cost-effective water service contributes to the health of the community as well as serving providing for fire-fighting capability. Council must meet rising demand from residential and industrial growth.

## Rural Water Supply

### What Do We Do Now?

Council operates six rural water schemes (Cannington/Motukaika, Lower Waihao, Otaio/Makikihi, Waihaorunga, Waikakahi, Hook/Waituna) and in addition, incorporated societies run Hakataramea and Cattle Creek (Upper Waihao), with Downlands being supplied and administered by Timaru District Council, with a share holding by Waimate District Council. Some schemes do not currently comply with New Zealand Drinking Water Standards 2005 (revised 2008).

Council provides five utilities staff and vehicles dedicated to support the water schemes.

Council's Finance Department provide quarterly management reports and financial reports for the schemes Council operates.

### Why Do We Do It?

The Local Government Act 2002 places responsibility with the Council to supply a safe, regular and efficient potable supply of water to the consumers within the District.

### How We Measure The Service Provided Water Supply Group (Rural and Urban)

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Safety of Drinking Water. Council will provide potable water. (M)	The extent of compliance with part four of the drinking-water standards (bacteria compliance criteria).	Waimate: Timaru Rd - Yes. Waimate: Manchesters Bore - Yes. Otaio/Makikihi: Tavistock - Yes. Hook/Waituna - No, plant still being commissioned. Lower Waihao - No, plant yet to be upgraded. Waikakahi - Yes. Waihaorunga: Main - Yes. Waihaorunga: Tavendales - No, plant yet to be upgraded. Cannington/Motukaika - No, plant yet to be upgraded.	Partially achieved. <sup>1</sup>  (2015: Not measured)

**Customer Performance Measure**

<b>Level of Service (M) - Mandatory level of service</b>	<b>Performance Measure</b>	<b>Result</b>		<b>Achievement 2015/16</b>
Safety of Drinking Water. Council will provide potable water. (M)	The extent of compliance with part five of the drinking-water standards (protozoal compliance criteria).	Waimate: Timaru Rd - Yes. Waimate: Manchesters Bore - Yes. Otaio/Makikihi: Tavistock - Yes Hook/Waituna - No, plant yet to be commissioned. Lower Waihao - No, plant yet to be upgraded. Waikakahi - No, plant yet to be upgraded. Waihaorunga: Main - No, plant yet to be upgraded. Waihaorunga: Tavendales - No, plant yet to be upgraded. Cannington/Motukaika - No, plant yet to be upgraded.		Partially achieved. <sup>1</sup>  (2015: Not measured)
	Maintain secure source status (Waimate Urban, Otaio-Makikihi RWS)	Waimate: Timaru Rd - Reassessment criteria submitted to Drinking Water Assessor, awaiting approval.  Waimate: Manchesters Bore - Reassessment criteria submitted to Drinking Water Assessor, awaiting approval.  Otaio-Makikihi: Tavistock - Achieved.		Not yet achieved, awaiting assessment approval. <sup>2</sup>
	Comply with UV requirements (Hook-Waituna RWS)	Hook-Waituna - Non-Compliant. In process of upgrading plant to meet requirements.		Not achieved.  (2015: Not measured)
Customer satisfaction. Council manages the water schemes wisely. (M)	The total number of complaints received by the local authority about any of the following: (a) drinking water clarity; (b) drinking water taste; (c) drinking water odour; (d) drinking water pressure; (e) continuity of supply; and (f) the local authority's response to any of these issues.  Target: Urban < 10 justified complaints per 1000 connections.  Target Rural < 40 justified complaints per 1000 connections.	Urban connections = 1905 Urban Water: (a) nil; (b) one unjustified; (c) nil; (d) one justified; (e) two justified, one unjustified (f) nil.  Justified complaints per 1000 connections = 3/1905 = 2 per 1000 connections  Total complaints per 1000 = 5/1095 = 3 per 1000 connections.	Rural connections = 1235 Rural Water: (a) six justified, one unjustified; (b) two justified, one unjustified; (c) one justified; (d) 18 justified, six unjustified; (e) 70 justified, eight unjustified; (f) nil.  Justified complaints per 1000 = 97/1235 = 79 per 1000 connections.  Total complaints per 1000 = 113/1235 = 91 per 1000 connections.	Urban Water: Achieved.  Rural Water: Not achieved.  (2015: Not measured)
Demand Management. Council manages the water schemes wisely. (M)	Average consumption of drinking water per day per resident within the territorial authority district.  Target: average normal demand <840 litres per day.	Average consumption per day per resident: 1677.1m3 per day / 3000 population = 559 litres per day per person.		Achieved.  (2015: Not measured)

**Customer Performance Measure**

Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
<p>Fault response times. Council will minimise disruptions to the supply. (M)</p>	<p>Where the local authority attends to a call-out in response to a fault or unplanned interruption of its networked reticulation system, the following median response times measured:</p> <p>(a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site;</p> <p>Target: response time ≤ one hour.</p> <p>(b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.</p> <p>Target: resolution time ≤ 24 hours.</p> <p>(c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site;</p> <p>Target: response time ≤ 24 hours.</p> <p>(d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.</p> <p>Target: resolution time ≤ 72 hours.</p>	<p>(a) territorial authority median response time to urgent call-out = 1:18 (h:mm)</p> <p>(b) territorial authority median response to resolve urgent call-out = 3:30 (h:mm)</p> <p>(c) territorial authority median response to a non-urgent call-out = 2:41 (h:mm)</p> <p>(d) territorial authority median response to resolve a non-urgent call-out = 5:02 (h:mm)</p>	<p>Not achieved.<sup>3</sup> (2015: Not measured)</p> <p>Achieved. (2015: Not measured)</p> <p>Achieved. (2015: Not measured)</p> <p>Achieved. (2015: Not measured)</p>
<p>Maintenance of the reticulation network. Water is used efficiently and in a sustainable manner. (M)</p>	<p>The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).</p> <p>Target: &lt; 50% real water loss.</p>	<p>Real water loss from urban reticulation = 50.2%</p> <p>(Calculation methodology: Minimum Night Flow (MNF) Analysis)</p>	<p>Not achieved. (2015: Not measured)</p>
<p>Council manages the water scheme wisely.</p>	<p>Percentage of satisfied or very satisfied residents with the overall performance of the water service.</p> <p>Target: &gt; 85% satisfied or very satisfied residents.</p>	<p>Not measured - next survey to be conducted early 2017.</p>	<p>Not measured. (2015: 88% of users (74% of residents) satisfied or very satisfied)</p>

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Council will minimise disruptions to the supply.	Number of unprogrammed maintenance interruptions to service per year.  Target: Urban < five interruptions.  Target: Rural < 50 interruptions.	Number of unprogrammed urban interruptions = Two.  Number of unprogrammed rural interruptions = None.  (Note: Council Rural Water Scheme Policy requires consumers to have 96 hours storage. Therefore any interruption is minimised or a non-event.)	Urban: Achieved.  (2015: Not measured)  Rural: Achieved.  (2015: Not measured)
Council provides a restricted supply of water to customers for its rural water schemes.	Number of complaints per year on restricted rate of flow to tanks on rural water schemes sufficient to deliver not less than the contracted water litreage per day (this excludes complaints relating to the actions of parties external to Council).  Target: < six complaints.	Rural low pressure/no water complaints = 102  (86 justified complaints, 16 unjustified complaints.)	Not achieved. <sup>4</sup>  (2015: Not achieved)

## Details

<sup>1</sup> **Compliance (bacterial and protozoal) with drinking-water standards:** This measure is only partially achieved as a number of the plants are yet to be upgraded to meet the bacteria and protozoal compliance criteria required by the drinking water standards. The following plants are to be upgraded:

Hook/Waituna: completion of the upgrade is planned for the 2016/17 financial year;

Lower Waihao: programmed for commissioning in December 2016, likely to be completed in 2016/17 financial year;

Waikakahi. Waihaorunga: Main and Tavendales and Cannington/Motukaika: The Water Safety Plans for these schemes are currently being reviewed by the Drinking Water Assessor. Council is exploring potential options for the upgrading of these plants and these options will be discussed with the necessary scheme committees. Continual steps are being made towards compliance for these water schemes and plans will be made as soon as possible to upgrade the plants.

**Note:** These results are provisional, pending the assessment of compliance by the independent Drinking-Water Assessor.

<sup>2</sup> **Maintain secure source status:** The target was not achieved as secured source status requires isotope analysis to confirm the age of the water within the aquifer. Results from testing take a number of months to analyse based on radio isotope half-lives.

<sup>3</sup> **Response times to complaints** The target for Council's median response times to an urgent call-out for a fault of unplanned interruption of the networked reticulation system is less than one hour. Council's median response time was 1 hour 18 minutes. The geographical location and after-hours time of some of these call-outs has impacted a number of these response times as has the consideration for staff health and safety.

<sup>4</sup> **Complaints on restricted flow:** With regards to the number of complaints per year on restricted rate of flow to tanks on rural water schemes, Council recorded the number of low pressure/no water complaints, where the user was not getting their contracted rate of water due to a fault (eg partially blocked ballcock, leak, mechanical damage to the main). There have been no complaints where the Council has deliberately or mistakenly provided less than the consumer was paying for.

## Points of Significance

An extension to the Stage Three urban water main renewal is complete with the termination now sited at the Mill Road and Allan Streets intersection. Stage Four is programmed for 2016/17 and will result in the crossing of the Waimate Creek at the Mill Road bridge.

Cast iron and asbestos cement water main renewals have been completed as programmed and additional length was achieved due to favourable installation rates.

Continued improvements in both asset knowledge and asset management processes will assist in updating the asset management plans in 2016/17.

# Waste Management Group

## What is Waste Management and Why Do We Deliver It?

Council's Waste Management services provide a solid waste collection, processing and disposal system that encourages recycling and waste reduction.

The Waste Management Group includes one activity:

### Waste Management

## Community Outcomes to which this group of activities primarily contributes

### Waste Management

Safe and Healthy People.

Sustainable District and Environment.





**Funding Impact Statement - Waste Management Group**  
for the year ended 30 June 2016

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ 330
Targeted rates	937	934	934	622
Subsidies and grants for operating purposes	29	26	26	24
Fees and charges	102	79	79	-
Internal charges and overheads recovered	29	26	26	8
Local authority fuel tax, fines, infringement fees other	36	-	-	73
<b>Total sources of operating funding</b>	<b>1,133</b>	<b>1,065</b>	<b>1,065</b>	<b>1,057</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	804	855	855	909
Finance costs	-	-	-	-
Internal charges and overheads applied	130	142	142	91
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>934</b>	<b>997</b>	<b>997</b>	<b>1,000</b>
<b>Surplus/(deficit) of operating funding</b>	<b>199</b>	<b>68</b>	<b>68</b>	<b>57</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	6	-	-	-
Increase/(decrease) in reserves	193	68	68	57
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>199</b>	<b>68</b>	<b>68</b>	<b>57</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(199)</b>	<b>(68)</b>	<b>(68)</b>	<b>(57)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 29	\$ 26	\$ 26	\$ 8
Included within Internal charges and overheads applied is Internal Interest Expense of:	45	45	45	50
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	638	615	615	754
Increases in Internal Borrowings for the year	-	-	-	-
Decreases in Internal Borrowings for the year	-	(139)	(139)	(22)

# Waste Management

## What Do We Do Now?

Provide a range of refuse collection and disposal services for urban and rural areas of the Waimate District for homes and businesses. Provide a range of recycling services for urban and rural areas of the Waimate District for homes and businesses. Operate a resource recovery park to process and sell recyclable materials and to transfer residual waste to landfill in Timaru District. Provide education regarding recycling and waste reduction.

## Why Do We Do It?

Solid Waste Management is necessary for the health and wellbeing of the community and environment. It supports business activity and should encourage waste minimisation across all sectors ensuring compliance with the provisions and directions of the Waste Minimisation Act 2008. Council has a statutory requirement to ensure adequate solid waste services are provided.

The Council also aims to eliminate all uncontrolled disposal of waste and the storage of potentially harmful substances where no longer required for immediate use.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Convenient and accessible waste management services are provided to the community.	Council provides access to kerbside refuse collection service for a minimum of 67% of our District's properties. Target: ≥ 67% of District properties.	Council provides access to kerbside refuse collection service for 72.2% of our District's properties.	Achieved. (2015: Achieved - 72%)
	Council provides access to kerbside recycling collection services for a minimum of 45% of our District properties. Target: ≥ 45% of District properties.	Council provides access to kerbside recycling collection services for 52.6% of our District's properties.	Achieved. (2015: Not achieved - 43.2%)
	Council provides a minimum of 6 rural recycling drop-off points. Target: ≥ six drop-off points.	Council provides eight drop-off points for rural recycling.	Achieved. (2015: Achieved - 8 drop-off points)
Council manages the waste management services wisely.	Percentage of satisfied or very satisfied residents with the overall performance of the waste management service. Target: ≥ 80% satisfied or very satisfied.	Not measured - next survey to be conducted early 2017.	Not measured. (2015: Achieved - 70%)
	Provide waste minimisation information and education programmes to households and schools to encourage the reduction in quantity of waste sent to landfill. Target: Two programmes annually.	Council provided information (pamphlets) on request, to non-compliers, new bin allocations, school education programme.	Achieved. (2015: Not achieved)
	Reduce waste tonnage to landfill. Target: ≤ 51% residual waste.	Residual waste = 53.6%	Not achieved. (2015: Not measured)

## Points of Significance

The Waihao Downs Rural Drop-Off facility has been relocated to the Waihao Forks Hotel in order to allow further development at the former Waihao Downs School site.

**Service Performance Statement - Waste Management Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Civic Amenities rates	252	251	251	217
Targeted rates	685	684	684	665
Revenue from activities	167	105	105	122
Other revenue	29	26	26	21
<b>Total revenue</b>	<b>1,133</b>	<b>1,066</b>	<b>1,066</b>	<b>1,025</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	45	50	50	46
Finance expenses	45	45	45	38
Other expenses	890	952	952	901
<b>Total expenditure</b>	<b>980</b>	<b>1,047</b>	<b>1,047</b>	<b>985</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 153</b>	<b>\$ 19</b>	<b>\$ 19</b>	<b>\$ 40</b>
<b>Capital Expenditure</b>				
Wheelie Bin Replacements	6	-	-	3
<b>Total Capital Expenditure</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>3</b>
<b>Categories</b>				
Meets additional demand	AD	-	-	-
Improve level of performance/service	LOS	-	-	-
Replace existing assets	REP	6	-	3
	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities are favourable compared to LTP Budget due to Hook Landfill remediation works expenditure allowed for in 2015 not being required.

Other expenses are favourable compared to LTP Budget due to lower contractor expenditure.

# Stormwater Drainage Group

## What is Stormwater Drainage and Why Do We Deliver It?

Council provides stormwater drainage systems for the removal of surface water following rainfall events for the safety and well being of the public.

The Stormwater Drainage Group includes one activity:

**Stormwater Drainage**

## Community Outcomes to which this group of activities primarily contributes

**Stormwater Drainage**

Safe and Healthy People

Wealthy Community



## Funding Impact Statement - Stormwater Drainage Group for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 62	\$ 61	\$ 61	\$ 100
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	11	15	15	-
Local authority fuel tax, fines, infringement fees other	-	-	-	-
<b>Total sources of operating funding</b>	<b>73</b>	<b>76</b>	<b>76</b>	<b>100</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	9	22	22	35
Finance costs	-	-	-	-
Internal charges and overheads applied	19	25	25	18
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>28</b>	<b>47</b>	<b>47</b>	<b>53</b>
<b>Surplus/(deficit) of operating funding</b>	<b>45</b>	<b>29</b>	<b>29</b>	<b>47</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	2	4	4	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	41	213	213	-
Capital expenditure - to replace existing assets	-	-	-	-
Increase/(decrease) in reserves	6	(180)	(180)	47
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>47</b>	<b>33</b>	<b>33</b>	<b>47</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(45)</b>	<b>(29)</b>	<b>(29)</b>	<b>(47)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 11	\$ 15	\$ 15	\$ -
Included within Internal charges and overheads applied is Internal Interest Expense of:	-	-	-	14
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	-	183	183	369
Increases in Internal Borrowings for the year	-	183	183	-
Decreases in Internal Borrowings for the year	-	(369)	(369)	(11)

**Service Performance Statement - Stormwater Drainage Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 62	\$ 61	\$ 61	\$ 76
Targeted rates	-	-	-	-
Revenue from activities	2	4	4	9
Other revenue	10	14	14	11
<b>Total revenue</b>	<b>74</b>	<b>79</b>	<b>79</b>	<b>96</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	34	28	28	33
Finance expenses	-	-	-	-
Other expenses	28	46	46	45
<b>Total expenditure</b>	<b>62</b>	<b>74</b>	<b>74</b>	<b>78</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 12</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 18</b>
<b>Capital Expenditure</b>				
		<b>Key</b>		
Manse Street/Harris Street Stormwater Upgrade	LOS \$ 10	\$ 143	\$ 143	\$ -
High Street/Manse Street Stormwater Upgrade	LOS -	-	-	77
Stormwater - Consent and Management Plan	LOS 31	70	70	-
<b>Total Capital Expenditure</b>	<b>\$ 41</b>	<b>\$ 213</b>	<b>\$ 213</b>	<b>\$ 77</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS 41	213	213	77
Replace existing assets	REP -	-	-	-
	<b>\$ 41</b>	<b>\$ 213</b>	<b>\$ 213</b>	<b>\$ 77</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

General rates revenue has reduced compared to Actual 2015 due to reduced expenditure.

Other expenses are favourable compared to LTP Budget due to lower consultants, contractor and operational maintenance expenditure.

Capital expenditure for the Manse/Harris Street upgrade has not been completed with the project still in progress.

# Stormwater Drainage

## What Do We Do Now?

Council provides for the removal of surplus surface water resulting from heavy rainfall. The removal of surface water in urban catchments is by a piped stormwater drainage system and existing kerb and channel networks.

The stormwater drainage system comprises of 4km of gravity stormwater pipes.

## Why Do We Do It?

The stormwater collection and disposal enables the roading network to function in rain events and protects people and property and minimises the effects on the environment. There is a community expectation that high environmental standards will be met.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
System adequacy. (M)	(a) The number of flooding events that occur in a territorial district; and (b) For each flooding event, the number of habitable floors affected.  Target: Number of habitable floors affected is $\leq 1$ per 1000 properties.	Number of habitable floors affected per 1000 properties = 0	Achieved. (2015: Not measured)
Discharge compliance. (M)	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices; (b) infringement notices; (c) enforcement orders; and (d) convictions  received by the territorial authority in relation to those resource consents.  Target: Comply with resource consents	(a) abatement notices: 0 (b) infringement notices: 0 (c) enforcement orders: 0 (d) convictions: 0	Achieved. (2015: Not measured)
Response times. (M)	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.  Target: $\leq 180$ minutes.	Median response time = 0:20 (h:mm)	Achieved. (2015: Not measured)
Customer Satisfaction. (M)	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.  Target: Number of complaints $\leq 2$ complaints per 1000 properties.	Number of complaints per 1000 properties = 0	Achieved. (2015: Not measured)

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Council manages stormwater scheme wisely.	Percentage of satisfied or very satisfied residents with the overall performance of the stormwater service  Target: 70% of urban residents satisfied or very satisfied..	Not measured - next survey to be conducted early 2017.	Not measured.  (2015: Achieved - 82%)
A reliable stormwater collection system is provided for Waimate town.	Continuous access to the service is provided with no blockages to the pipework measured by complaints  Target: Nil complaints.	There where no blockages to the pipework.	Achieved.  (2015: Not achieved - three blockages)

## Points of Significance

The Manse Street stormwater upgrade has been delayed with construction programmed for early 2016/17. The delay enables further design around overland flow paths and simultaneous kerb and channel upgrades.

Council has commenced works to produce a Stormwater Management Plan and will apply for an Urban Stormwater Discharge Consent in early 2016/17.

Capacity upgrades of stormwater sumps and urban culverts.

Continued improvements in both asset knowledge and asset management processes will assist the Asset Management Plans in 2016/17.



# Sewerage and Sewage Group

## What is Sewerage and Sewage and Why Do We Deliver It?

Council's Sewerage and Sewage service provides a piped sewer collection system, a sewage treatment plant and disposal system that safely removes sewage from urban homes in Waimate.

The Sewerage and Sewage Group includes one activity:

### Sewerage and Sewage

## Community Outcomes to which this group of activities primarily contributes

### Sewerage and Sewage

Safe and Healthy People.

Wealthy Community.



**Funding Impact Statement - Sewerage and Sewage Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ -
Targeted rates	458	460	460	445
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	1	1	-
Internal charges and overheads recovered	54	43	43	-
Local authority fuel tax, fines, infringement fees other	10	2	2	5
<b>Total sources of operating funding</b>	<b>522</b>	<b>506</b>	<b>506</b>	<b>450</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	113	158	158	195
Finance costs	-	-	-	-
Internal charges and overheads applied	136	152	152	83
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>249</b>	<b>310</b>	<b>310</b>	<b>278</b>
<b>Surplus/(deficit) of operating funding</b>	<b>273</b>	<b>196</b>	<b>196</b>	<b>172</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	5	20	20	38
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>5</b>	<b>20</b>	<b>20</b>	<b>38</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	46	546	546	-
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	12	203	203	-
Increase/(decrease) in reserves	220	(533)	(533)	210
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>278</b>	<b>216</b>	<b>216</b>	<b>210</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(273)</b>	<b>(196)</b>	<b>(196)</b>	<b>(172)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 51	\$ 43	\$ 43	\$ -
Included within Internal charges and overheads applied is Internal Interest Expense of:	86	78	78	63
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	1,224	1,283	1,283	1,133
Increases in Internal Borrowings for the year	-	182	182	-
Decreases in Internal Borrowings for the year	-	(33)	(33)	(33)

**Service Performance Statement - Sewerage and Sewage Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Targeted rates	458	460	460	446
Revenue from activities	13	23	23	71
Other revenue	53	43	43	40
<b>Total revenue</b>	<b>524</b>	<b>526</b>	<b>526</b>	<b>557</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	191	196	196	189
Finance expenses	86	78	78	77
Other expenses	160	232	232	203
<b>Total expenditure</b>	<b>437</b>	<b>506</b>	<b>506</b>	<b>469</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 87</b>	<b>\$ 20</b>	<b>\$ 20</b>	<b>\$ 88</b>
<b>Capital Expenditure</b>				
Mill Road Sewer Extension	AD \$ 46	\$ 546	\$ 546	\$ 7
Sewerage - Programmed renewals	REP 3	200	200	-
Sewerage - Smoke Testing equipment	REP 1	3	3	-
Wastewater (John St)	REP 8	-	-	71
Waimate Urban - SCADA Upgrades	REP -	-	-	3
Wastewater - renewals/upgrades	REP -	-	-	6
<b>Total Capital Expenditure</b>	<b>\$ 58</b>	<b>\$ 749</b>	<b>\$ 749</b>	<b>\$ 87</b>
<b>Categories</b>				
Meets additional demand	AD \$ 46	\$ 546	\$ 546	\$ 7
Improve level of performance/service	LOS -	-	-	-
Replace existing assets	REP 12	203	203	80
	<b>\$ 58</b>	<b>\$ 749</b>	<b>\$ 749</b>	<b>\$ 87</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities are unfavourable compared to LTP Budget and Actual 2015 due to reduced capital contributions.

Other expenses are favourable compared to LTP Budget due to lower allocations of internal resources than anticipated.

progress. Programmed renewals were not completed due to investigation into the use of new technology. Some capitalised maintenance as a result with the remaining budget to be used during the 2016/17 financial year.

# Sewerage and Sewage

## What Do We Do Now?

Council operates a wastewater collection and treatment system for the majority of the Waimate township. Some outlying areas of the Waimate township and the smaller towns of St Andrews, Makikihi, Studholme, Morven and Glenavy are not serviced. The treatment plant was upgraded in 2002/03 to include screen, oxidation and maturation ponds with the treated effluent going to a land disposal area before entering the general environment. The Waimate Sewerage system comprises:

- 28km of gravity sewer mains;
- 15km of gravity lateral connections;
- 223 manholes or inspection eyes;
- One treatment and disposal facility; and
- 4km of gravity stormwater pipes.

It is Council policy to implement programmes for the relocation of wastewater disposal areas from riverbeds, wetlands or the margins of rivers, lakes and the coast, and to implement programmes to reduce, and eventually cease, the discharge of waste from Council's sewage reticulation and treatment systems into natural waters.

## Why Do We Do It?

Council is required by statute — the Health Act 1956 and the Local Government Act 2002 — to protect the health of the community and the environment by collecting, treating and appropriately disposing of treated wastewater.

This assists expansion and development of the township by enabling smaller lot sizes and averages the cost of treating and disposing of the treated effluent across the broader community.

## How We Measure The Service Provided

Customer Performance Measures			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
System and adequacy. (M)	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.  Target: ≤ 2 per 1000 connections.	Sewerage connections = 1707.  Number of dry weather sewerage overflows per 1000 connections = $1 / 1707 = 0.6$ per 1000 connections.	Achieved.  (2015: Not measured)
Discharge compliance. (M)	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:  (a) abatement notices; (b) infringement notices; (c) enforcement orders; and (d) convictions,  received by the territorial authority in relation to those resource consents.  Target: Comply with resource consents	(a) abatement notices = 0 (b) infringement notices = 0 (c) enforcement notices = 0 (d) convictions = 0	Achieved.  (2015: Not measured)

Customer Performance Measures			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Fault response times. (M)	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:  (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site;  Target: ≤ 60 minutes.  (b) resolution time: from the time that territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.  Target: ≤ 24 hours.	(a) attendance time: 0:27 (h:mm)  (b) resolution time: 2:51 (h:mm)	Achieved.  (2015: Not measured)
Customer satisfaction. (M)	The total number of complaints received by the territorial authority about any of the following:  (a) sewerage odour;  (b) sewerage system faults;  (c) sewerage system blockages; and  (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to the territorial authority's sewerage system.  Target: ≤ 5 complaints per 1000 connections.	Sewerage connections = 1707.  (a) odour = $1/1707 = 0.59$ per 1000 connections.  (b) system faults = $3/1707 = 1.76$ per 1000 connections.  (c) system blockages = $3/1707 = 1.76$ per 1000 connections.  (d) authorities response = $0/1707 = 0$ per 1000 connections.  Total complaints = $7/1707 = 4.1$ per 1000 connections.	Achieved.  (2015: Not measured)
Council manages sewerage and schemes wisely	Percentage of satisfied or very satisfied residents with the overall performance of the sewerage service.  Target: ≥ 80% satisfied or very satisfied.	Not measured - next survey to be conducted early 2017.	Not measured.  (2015: Achieved - 99%)
Sewerage connections are available upon request within the rateable area of the sewerage network	Sewerage connections for 100% of applicants are completed within the rateable area of the sewerage network  Target: 100% connection	100% of sewerage connections are available within the rateable area of the sewerage network.	Achieved.  (2015: Achieved - 100%)
Council will manage community infrastructure in a strategic manner	Improve the sustainability of the Waimate sewerage scheme by conducting pipe investigation programme  Target: 2015/16, 2016/17 and 2018/19.	Sustainability of the Waimate sewerage scheme continued by conducting pipe investigation through on-going CCTV studies.	Achieved.  (2015: Achieved)

## Points of Significance

Ongoing CCTV inspections to better inform the renewal programme.

CCTV footage used to identify locations at which capitalised maintenance has substituted full renewal and has allowed aged reticulation to remain in service.

Continued improvements in both asset knowledge and asset management processes will assist in updating the asset management plans in 2016/17.

# Roading and Footpaths Group

## What is Roothing and Footpaths and Why Do We Deliver It?

Council exists principally to supply core services that meet the needs of the community. The road network forms the backbone of Waimate's infrastructure, and is vital for the economic viability, and for potential development in the District. Roothing and Footpaths includes not only roads but many associated aspects such as bridges, culverts, footpaths, signage, and street lighting

The Roothing and Footpath Group includes one activity:

### Roothing and Footpaths

## Community Outcomes to which this group of activities primarily contributes

### Roothing and Footpaths

Safe and Healthy People.

Wealthy Community.



**Funding Impact Statement - Roading Group**  
for the year ended 30 June 2016

	<b>2016</b> Actual \$000	<b>2016</b> LTP Budget \$000	<b>2016</b> Annual Plan \$000	<b>2015</b> LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ 2,173
Targeted rates	2,216	2,197	2,197	-
Subsidies and grants for operating purposes	967	909	909	804
Fees and charges	-	-	-	-
Internal charges and overheads recovered	49	48	48	36
Local authority fuel tax, fines, infringement fees other	121	46	46	53
<b>Total sources of operating funding</b>	<b>3,353</b>	<b>3,200</b>	<b>3,200</b>	<b>3,066</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,618	1,444	1,444	1,617
Finance costs	-	14	14	-
Internal charges and overheads applied	907	769	769	541
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>2,525</b>	<b>2,227</b>	<b>2,227</b>	<b>2,158</b>
<b>Surplus/(deficit) of operating funding</b>	<b>828</b>	<b>973</b>	<b>973</b>	<b>908</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,068	1,265	1,265	1,134
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,068</b>	<b>1,265</b>	<b>1,265</b>	<b>1,134</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	265	304	304	260
Capital expenditure - to replace existing assets	1,745	2,058	2,058	1,782
Increase/(decrease) in reserves	(114)	(124)	(124)	-
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>1,896</b>	<b>2,238</b>	<b>2,238</b>	<b>2,042</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(828)</b>	<b>(973)</b>	<b>(973)</b>	<b>(908)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 7	\$ -	\$ -	\$ -
Included within Internal charges and overheads applied is Internal Interest Expense of:	31	6	6	11
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	444	517	517	157
Increases in Internal Borrowings for the year	-	360	360	-
Decreases in Internal Borrowings for the year	-	-	-	-

**Service Performance Statement - Roading Group  
for the year ended 30 June 2016**

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000	
<b>Revenue</b>					
General rates	\$ -	\$ -	\$ -	\$ 2,171	
Targeted rates	2,216	2,197	2,197	-	
New Zealand Transport Agency Subsidy	2,035	2,173	2,173	2,208	
Revenue from activities	121	46	46	84	
Other revenue	7	-	-	21	
<b>Total revenue</b>	<b>4,379</b>	<b>4,416</b>	<b>4,416</b>	<b>4,484</b>	
<b>Expenditure</b>					
Employee benefit expenses	-	-	-	-	
Roading expenses	2,137	1,807	1,807	2,147	
Depreciation and amortisation	2,817	2,473	2,473	2,599	
Finance expenses	31	19	19	26	
Other expenses	331	352	352	259	
<b>Total expenditure</b>	<b>5,316</b>	<b>4,651</b>	<b>4,651</b>	<b>5,031</b>	
Operating Surplus/(deficit)	\$ (937)	\$ (235)	\$ (235)	\$ (547)	
<b>Capital Expenditure</b>					
	<b>Key</b>				
Roads - minor improvements	LOS	\$ 182	\$ 254	\$ 254	\$ 282
Roads - seal widening	LOS	-	-	-	105
Roads - resealing	REP	1,026	984	984	1,010
Drainage construction	REP	37	89	89	97
Concrete ford culverts	REP	-	25	25	40
Culvert replacements	REP	114	69	69	86
Kerb and channel renewal	REP	77	95	95	77
Pavement rehabilitation	REP	316	426	426	383
Structures component replacement	REP	8	170	170	35
Sign renewal	REP	48	50	50	72
Lighting renewal	REP	-	-	-	-
Footpath renewal	REP	79	90	90	112
Roading development	LOS	83	50	50	-
Roads - minor improvements (not subsidised)	REP	-	10	10	11
Dust Suppression	LOS	-	-	-	3
Seal extensions	REP	40	50	50	-
<b>Total Capital Expenditure</b>		<b>\$ 2,010</b>	<b>\$ 2,362</b>	<b>\$ 2,362</b>	<b>\$ 2,313</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	265	304	304	390
Replace existing assets	REP	1,745	2,058	2,058	1,923
		<b>\$ 2,010</b>	<b>\$ 2,362</b>	<b>\$ 2,362</b>	<b>\$ 2,313</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Targeted rates revenue exceeded LTP Budget due to an increase in rating properties during late June 2015 which was not provided for in the LTP Budget. The rate requirement for LTP Budget increased compared to Actual 2015 due to increased expenditure budget.

The New Zealand Transport Agency subsidy is lower than both LTP Budget and Actual 2015 due to reduced renewals works which is to be deferred to the 2017 financial year.

Revenue from activities is favourable compared to LTP Budget and Actual 2015 due to the gain on sale for land at Studholme.

Roading expenses have exceeded LTP Budget predominately due to increased expenditure on sealed pavement maintenance of \$22,000, grading of \$79,000, and drainage maintenance of \$36,000. The capital expenditure programme was reduced to offset this

Depreciation expenses have exceeded LTP Budget and Actual 2015 due to increased renewal works.

Other expenses are favourable compared to LTP Budget due to lower allocations of internal resources than anticipated. Other expenses have increased from 2015 Actual due to increased internal overhead allocations.

Capital expenditure for 2016 was lower than LTP Budget due to an increased maintenance programme. Some capital expenditure will be deferred to the 2017 financial year.



# Roading and Footpaths

## What Do We Do Now?

Council is responsible for the day-to-day operation, maintenance, renewal and improvement of Waimate District's local roading network. This excludes State Highways 1 and 82 which service the District, as they are the responsibility of the New Zealand Transport Agency. They are an important part of the overall roading network of the District.

Council works with the New Zealand Transport Agency and the Regional Transport Committee to meet its obligations with regard to roading and to be consistent with the Regional Land Transport Strategy.

Regular tasks:

- Sealed Roads: Pavement maintenance reseals and seal widening;
- Unsealed Roads: Grading and metalling;
- Drainage: Maintenance and renewal of surface drains and culverts;
- Bridges: Maintenance and renewal of the District's 182 bridges;
- Footpaths: Maintenance, cleaning and renewal of footpaths;
- Traffic Services: Maintenance and renewal of lighting, signs and pavement marking;
- Environmental Maintenance: Routine care and attention of the road corridor includes snow and ice control, vegetation control, removal of slips, litter and spillages; and
- Network and Asset Management: Management and control of the road network and road assets. Includes bridge structural inspections and Road Assessment and Maintenance Management System (RAMM)

## Why Do We Do It?

Council is defined under the Land Transport Management Act 2003 as the "Road Controlling Authority" for the District's roads. As such it is required by law to control activities on roads, although it may choose the service level at which it will maintain a road and whether or not to maintain or form a road with limited public benefit.

The purpose of road assets is to provide a sustainable, safe, convenient, comfortable and cost effective road network for the movement of people, goods and vehicles throughout the Waimate District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Respond to customer complaints and requests in a timely manner. (M)	Reported maintenance related faults that are likely to affect driver behaviour (eg require evasive action or reduction in speed) will be responded to within two working days.  Target: 100% of reports responded to within two working days.	Council received five complaints which were responded to within two days. 100%	Achieved  (2015: Not measured)
	Customer complaints and service requests are responded to within five working days.  Target: 100% of reports responded to within five working days.	Council received 171 complaints and service requests and all were responded to within five working days. 100%	Achieved.  (2015: Not measured)
Provide a safe transport environment. (M)	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.  Target: reduction in number of fatalities and serious injuries.	2014/15 serious injuries and fatalities = 10 2015/16 serious injuries and fatalities = 1  Change = 9	Achieved  (2015: previous year not measured so no change recordable)

Customer Performance Measure			
Level of Service (M) - Mandatory level of service	Performance Measure	Result	Achievement 2015/16
Provide well maintained footpaths and cycleways. (M)	Compliance with the footpath prioritisation model. Target: < 7km non-compliant	Non-compliant footpaths = 4.7km.	Achieved. (2015: Not measured)
	The percentage of footpaths within a territorial authority's district that fall within the level of service or service standard for the condition of footpaths that is set out in the Roding Asset Management Plan. Target: 92% of footpaths with a condition rating of 1-3.	Footpaths with condition rating 1-3 = 98%.	Achieved. (2015: Not measured)
Adequate resurfacing of the seal road network is completed. (M)	Percentage of sealed network resurfaced. Target: ≥ 4.5% of network resurfaced.	Percentage of sealed network resurfaced = 5.6%.	Achieved. (2015: Achieved - 5.9%)
Provide quality roads and footpaths. (M)	The average quality of ride on a sealed local road network, measured by smooth travel exposure. Target: 94%.	Smooth travel exposure = 96%.	Achieved. (2015: Not reported on)
Provide quality roads and footpaths.	Percentage of customers satisfied with roads and footpaths. Target Roads: 75% satisfied. Target Footpaths: 60% satisfied.	Not measured - next survey early 2017.	Not measured. (2015: Roads - Not achieved - 58%. Footpaths - Achieved - 61%)

## Points of Significance

### Roding Network Operations and Maintenance Contract

Waimate, Ashburton, Timaru and Mackenzie District Councils have jointly prepared new Road Network Operations and Maintenance Contracts as part of the roding collaboration. The new contracts were tendered concurrently as four individual contracts. The Waimate Road Network Operations and Maintenance Contract was awarded to Whitestone Contracting Ltd. who started work on 1 December 2015. The contract is for a five year period and includes all road maintenance excluding street cleaning.

### Collaborative Contract for Road Resurfacing

A collaborative contract for the road resurfacing in the Waimate, Timaru and Mackenzie Districts has been awarded to Downer NZ Ltd. (Dunedin) for a two year period.

### Renewals and Improvements

Pavement Reconstruction: Ikawai Middle Road - 724m, Pareora River Road - 660m, Mill Road - 80m, Springbank Road - 90m, Woolshed Valley Road - 90m.

Seal Widening: Ikawai Middle Road - 1600m, Pakahi Road - 484m, Talbots Road - 170m, Crowes Road - 650m.

Resealing: 37.5km completed = 5.6% of sealed network area.

Kerb and Channel Replacement: Goldsmith Street - 190m.

New and Replacement Culverts: 12 culverts with a total length 200m have been installed.

New Footpaths: Makikihi Township - 170m, McLean Street Railway Terrace - 210m.

Footpath Replacement: Cameron Street - 184m, Edward Street, 260m, Goldsmith Street - 112m, Opie Street - 187m, Studholme Street - 260m, Wilkin Street - 82m.

# Property and Investments Group

## What is Property and Investments and Why Do We Deliver It?

This group of activities encompasses Council's investment portfolio and Council owned property used largely for running its operation and to provide community facilities.

The Property and Investments Group includes the following activities:

<b>Forestry</b>	A portfolio of forestry blocks.
<b>Investments and Finance</b>	Management of Council's share holdings and Council's internal and external cash flows.
<b>Property</b>	A collection of land and buildings owned by Council.

## Community Outcomes to which this group of activities primarily contributes

<b>Property and Investments</b>	Safe and Healthy People. Wealthy Community.
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## Funding Impact Statement - Property and Investments Group for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ (465)	\$ (473)	\$ (473)	\$ (447)
Targeted rates	215	220	220	121
Subsidies and grants for operating purposes	781	970	970	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	801	523	523	364
Local authority fuel tax, fines, infringement fees other	1,492	1,022	1,022	957
<b>Total sources of operating funding</b>	<b>2,824</b>	<b>2,262</b>	<b>2,262</b>	<b>995</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	904	620	620	676
Finance costs	48	19	19	83
Internal charges and overheads applied	805	532	532	167
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,757</b>	<b>1,171</b>	<b>1,171</b>	<b>926</b>
<b>Surplus/(deficit) of operating funding</b>	<b>1,067</b>	<b>1,091</b>	<b>1,091</b>	<b>69</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	1,500	3,049	3,049	(35)
Gross proceeds from sale of assets	-	-	-	25
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,500</b>	<b>3,049</b>	<b>3,049</b>	<b>(10)</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	3,693	3,800	3,800	-
Capital expenditure - to replace existing assets	12	63	63	24
Increase/(decrease) in reserves	(1,194)	277	277	35
Increase/(decrease) in investments	56	-	-	-
<b>Total applications of capital funding</b>	<b>2,567</b>	<b>4,140</b>	<b>4,140</b>	<b>59</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(1,067)</b>	<b>(1,091)</b>	<b>(1,091)</b>	<b>(69)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 553	\$ 262	\$ 262	\$ 114
Included within Internal charges and overheads applied is Internal Interest Expense of:	568	285	285	60
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	1,584	1,320	1,320	1,704
Increases in Internal Borrowings for the year	81	621	621	115
Decreases in Internal Borrowings for the year	(4)	(1,005)	(1,005)	-

**Service Performance Statement - Property and Investments Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>	
<b>Revenue</b>					
General rates	\$ (534)	\$ (513)	\$ (513)	\$ (650)	
Civic Amenities rates	97	97	97	79	
Targeted rates	117	123	123	113	
Revenue from activities	2,532	2,283	2,283	1,176	
Other revenue	781	402	402	435	
<b>Total revenue</b>	<b>2,993</b>	<b>2,392</b>	<b>2,392</b>	<b>1,153</b>	
<b>Expenditure</b>					
Employee benefit expenses	-	-	-	2	
Depreciation and amortisation	236	289	289	281	
Finance expenses	616	305	305	243	
Other expenses	1,141	947	947	612	
<b>Total expenditure</b>	<b>1,993</b>	<b>1,541</b>	<b>1,541</b>	<b>1,138</b>	
<b>Operating Surplus/(deficit)</b>	<b>\$ 1,000</b>	<b>\$ 851</b>	<b>\$ 851</b>	<b>\$ 15</b>	
<b>Capital Expenditure</b>					
	<b>Key</b>				
Planting costs - various sites/blocks	REP	\$ 1	\$ 44	\$ 44	\$ -
Local Government Centre - Blinds	REP	-	3	3	-
Local Government Centre - Vinyl	REP	-	5	5	-
Local Government Centre - Office Upgrade	REP	-	-	-	1
Local Government Centre - Replace spouting	REP	8	-	-	-
Waimate Event Centre - Refurbishment	LOS	3,693	3,800	3,800	100
Local Government Centre - sundry	REP	-	3	3	-
Council Property - Fencing	REP	2	-	-	-
Community Housing - furniture and fittings	REP	1	8	8	1
		<b>\$ 3,705</b>	<b>\$ 3,863</b>	<b>\$ 3,863</b>	<b>\$ 102</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	3,693	-	3,800	100
Replace existing assets	REP	12	44	63	2
		<b>\$ 3,705</b>	<b>\$ 44</b>	<b>\$ 3,863</b>	<b>\$ 102</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Refer to the attached Service Performance Statements for Forestry, Investments and Finance, and Property for explanation of variances.

# Forestry

## What Do We Do Now?

Waimate District Council has a unique mix of forestry assets.

The three distinct forest entities are:

- (1) Joint Venture Forests, where the Waimate District Council owns a varying share of the tree crop;
- (2) Waihao Forest, where land and trees are owned; and
- (3) Reserve forests which are scattered throughout the District where the District trees are owned and the land either owned or occupied.

The forest area as at 10 July 2016:

Forest	Stocked Area (ha)	Awaiting Replant	Total
Reserves	43.3	15.4	58.7
Joint Venture	55.3		55.3
Waihao	103.3		103.3
All Forests	201.9	15.4	217.3

## Why Do We Do It?

Forestry is a form of investment capable of adding dollar value to Council via way of harvested sales and gain on growth.

The forestry investment is confined to within the Waimate District and contributes to providing employment.

## Points of Significance

With another year of growth recorded an additional \$169,000 of value to the forest was recognised.

**Service Performance Statement - Forestry  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Targeted rates	-	-	-	-
Revenue from activities	621	186	186	202
Other revenue	9	8	8	7
<b>Total revenue</b>	<b>630</b>	<b>194</b>	<b>194</b>	<b>209</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	-	-	-	-
Finance expenses	43	43	43	26
Other expenses	536	118	118	95
<b>Total expenditure</b>	<b>579</b>	<b>161</b>	<b>161</b>	<b>121</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 51</b>	<b>\$ 33</b>	<b>\$ 33</b>	<b>\$ 88</b>
<b>Capital Expenditure</b>				
Planting costs - various sites/blocks	1	44	44	-
<b>Total Capital Expenditure</b>	<b>\$ 1</b>	<b>\$ 44</b>	<b>\$ 44</b>	<b>\$ -</b>

**Key**  
REP

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities is favourable compared to LTP Budget and 2015 Actual due to the harvesting of reserves and joint venture forests (\$405,000 above budget). The forests and carbon credits have been revalued with a total gain of \$136,000 above LTP Budget.

Finance expenses are comparable to LTP Budget and have increased compared to 2015 Actual due to lower reserve balances.

Other expenses have exceeded LTP Budget and 2015 Actual due to costs of harvesting (\$403,000 above budget).

Capital expenditure was lower than LTP Budget as replanting has not occurred for Forest Reserves.

# Investments and Finance

## What Do We Do Now?

Council's investments and finance function serves three major objectives:

- (1) Managing Council's annual cashflow cycle, in order to ensure there are always adequate current account bank funds to meet monthly commitments, whilst also maximising opportunities to invest surplus monies on call to gain interest earnings.
- (2) Managing Council's relationship with Council's principal bankers to ensure that when Council needs to borrow funds that adequate funds are available.
- (3) Managing Council's other financial assets, principally Council's share holding in Alpine Energy Ltd.

## Why Do We Do It?

To ensure the smooth functioning of receipt of Council revenues and paying Council expenses and to maximise interest earned on current account throughout the annual cashflow cycle.

To provide for longer term Council borrowing which may be necessary for long term projects and capital expenditures.

To ensure the Waimate community's voice is heard by Alpine Energy Ltd.

## Points of Significance

Due to having strong cash reserves short term deposits at 30 June 2016 were \$500,000 and the total external debt increased to \$2,000,000.

### Service Performance Statement - Investments and Finance for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ (561)	\$ (540)	\$ (540)	\$ (679)
Targeted rates	47	53	53	43
Revenue from activities	648	577	577	601
Other revenue	714	360	360	396
<b>Total revenue</b>	<b>848</b>	<b>450</b>	<b>450</b>	<b>361</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	-	-	-	-
Finance expenses	534	261	261	196
Other expenses	102	152	152	113
<b>Total expenditure</b>	<b>636</b>	<b>413</b>	<b>413</b>	<b>309</b>
Operating Surplus/(deficit)	<b>\$ 212</b>	<b>\$ 37</b>	<b>\$ 37</b>	<b>\$ 52</b>

### Significant variations from Long Term Plan 2015 - 2025

General Rates for Investments and Finance are intended to equate Revenue (exclusive of Rates Penalties) and Expenses initially from a budget perspective. With a larger revenue than expenditure this generally results in a negative rates calculation. The 2016 financial year requirement is lower than Actual 2015 predominately due to variances in dividend revenue and a reduction in internal and external interest expense.

Revenue from activities have exceeded the LTP Budget and 2015 Actual predominately due to increased dividend revenue.

Other Revenue has exceeded the LTP Budget and 2015 Actual predominately due to internal interest revenue received. This increased revenue is offset by increased internal interest expense within Finance expenses.

Finance expenses have increased compared to LTP Budget and Actual 2015 following the separate recognition of interest revenue charged on internal loans referred to above.

Other expenses are favourable to LTP Budget predominately due to bank fees expenditure lower than budget.



# Property

## What Do We Do Now?

Council manages a variety of properties for community use - mainly community venues, public toilets, Council administration buildings and community housing. Property consists of land and buildings as follows:

- 27 community houses provide affordable aged housing;
- One residential property which is tenanted;
- Leased land which is used for pastoral grazing where suitable;
- Restricted land, comprises of many small and separate parcels of land. Some are legally restricted reserves because of recreational and strategic uses, while some are owned by the Government departments;
- Waimate Event Centre provides a large sporting and community facility;
- Aerodrome provides a facility for recreational users and for emergency services and civil defence;
- Local Government Building provides Council's administrative service centre, partially occupied by the District's library;
- Utilities store is a former commercial building now occupied by utilities staff, records and storage, rural fire, civil defence and vehicles;
- Vacant land is held for future development of community assets;
- Public toilets are provided at Queen Street, Victoria Park, Glenavy and Waihao Box;
- Regent Theatre is managed by a community group named Regent Theatre Trust;
- Vacant land which may be unsuitable for leasing, such as gravel pits and solid waste sites; and
- Eric Batchelor Place subdivision provided 22 sections developed and marketed for sale to residents to build new houses.

## Why Do We Do It?

Council provides community venues because they offer an environment for a diverse range of social, cultural and community based activities, including sports, arts and theatre. Council provides public toilets to safe guard public health and ensure they are physically accessible, cleaned and maintained to an appropriate standard. We provide community housing to cater for low income, aged residents on the basis of zero cost to rate payers.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Council provides community housing at a cost to tenants which is equal to or less than market rental.	Each year Council will obtain a written report from a qualified Waimate real estate agent identifying market rental value of housing stock equivalent to Council's community housing configuration.  Target: Rental charge is equal to or less than market rental.	The rental charge is equal to or less than market rental.	Achieved.  (2015: Achieved)
Council maintains toilets throughout the District to a high standard.	80% of residents are satisfied or very satisfied with the standard of toilet facilities in our District.  Target: 69% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured.  (2015: Not achieved - 54%)
Council maintains community and corporate buildings at a safe standard.	The following properties owned by Council will be subject to monthly internal control checks and will achieve their building warrant of fitness to ensure health and safety of users: Waimate Local Government Centre building (including library), Waimate Regent Theatre and Waimate Event Centre.  Target: Building warrants of fitness in place.	Monthly internal control checks completed and WOF issued on Council's specified buildings.	Achieved.  (2015: Achieved)

## Points of Significance

Following the decision by Council to enter into a project partnership with Gary Rooney and Rooney Earthmoving Ltd for the building of an enhanced facility, work has proceeded at a fast pace. The building began late in 2015 with stage one scheduled to be completed June/July 2016. It is pleasing to report that work has been completed as scheduled, with stage one open for public use on 4 July 2016. Stage one comprises two full-size multi-use courts, offices, meeting rooms, ablutions, gallery, mezzanine floors and reception areas. A late addition to stage one is the climbing wall which is being sponsored by a private individual.

Stage two construction will begin immediately and is scheduled for completion in February 2017. This stage involves the building of space to accommodate the fitness centre, storage rooms, ablutions, renovation of the existing squash club area, car parking and landscaping. The official opening of the facility will take place at the completion of the build.

### Service Performance Statement - Property for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ 27	\$ 27	\$ 27	\$ 29
Civic Amenities rates	97	97	97	79
Targeted rates	70	70	70	70
Grants and Subsidies	-	-	-	-
Revenue from activities	1,263	1,520	1,520	372
Other revenue	58	34	34	33
<b>Total revenue</b>	<b>1,515</b>	<b>1,748</b>	<b>1,748</b>	<b>583</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	2
Depreciation and amortisation	236	289	289	281
Finance expenses	39	1	1	21
Other expenses	503	677	677	404
<b>Total expenditure</b>	<b>778</b>	<b>967</b>	<b>967</b>	<b>708</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 737</b>	<b>\$ 781</b>	<b>\$ 781</b>	<b>\$ (125)</b>
<b>Capital Expenditure</b>				
		<b>Key</b>		
Local Government Centre - Blinds	REP \$ -	\$ 3	\$ 3	\$ -
Local Government Centre - Vinyl	REP -	5	5	-
Local Government Centre - Office Upgrade	REP -	-	-	1
Local Government Centre - Replace spouting	REP 8	-	-	-
Waimate Event Centre - Refurbishment	LOS 3,693	3,800	3,800	100
Local Government Centre - sundry	REP -	3	3	-
Council Property - Fencing	REP 2	-	-	-
Community Housing - furniture and fittings	REP 1	8	8	1
<b>Total Capital Expenditure</b>	<b>\$ 3,704</b>	<b>\$ 3,819</b>	<b>\$ 3,819</b>	<b>\$ 102</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

### Significant variations from Long Term Plan 2015 - 2025

Civic Amenities rates revenue is comparable to LTP budget and has increased from Actual 2015 due to additional costs for Public

Revenue from activities includes community donations for the Waimate Event Centre. The LTP Budget allowed \$950,000 for the community donations compared to Actual revenue for 2016 of \$683,000. The balance of community donations to reach the \$950,000 budget are to be received in future. Also included in Revenue from activities is the sale of a section at Eric Batchelor Place received for \$54,000 compared to 2016 LTP budget sales of \$134,000.

Other Revenue has increased compared to LTP Budget and Actual 2015 mainly due internal interest revenue received. This increased revenue is offset by increased internal interest expense within Finance expenses.

Depreciation charges are favourable compared to LTP Budget following building revaluations which were applied from 1 July 2015.

Other expenses are favourable compared LTP Budget predominately due to repairs and maintenance costs (\$37,000 below budget) and consultancy expenses (\$38,000 below budget). The treatment of property sales at Eric Batchelor Place allowed \$93,000 in the LTP Budget where no costs were recognised for Actual 2016.

# Parks and Recreation Group

## What is Parks and Recreation and Why Do We Deliver It?

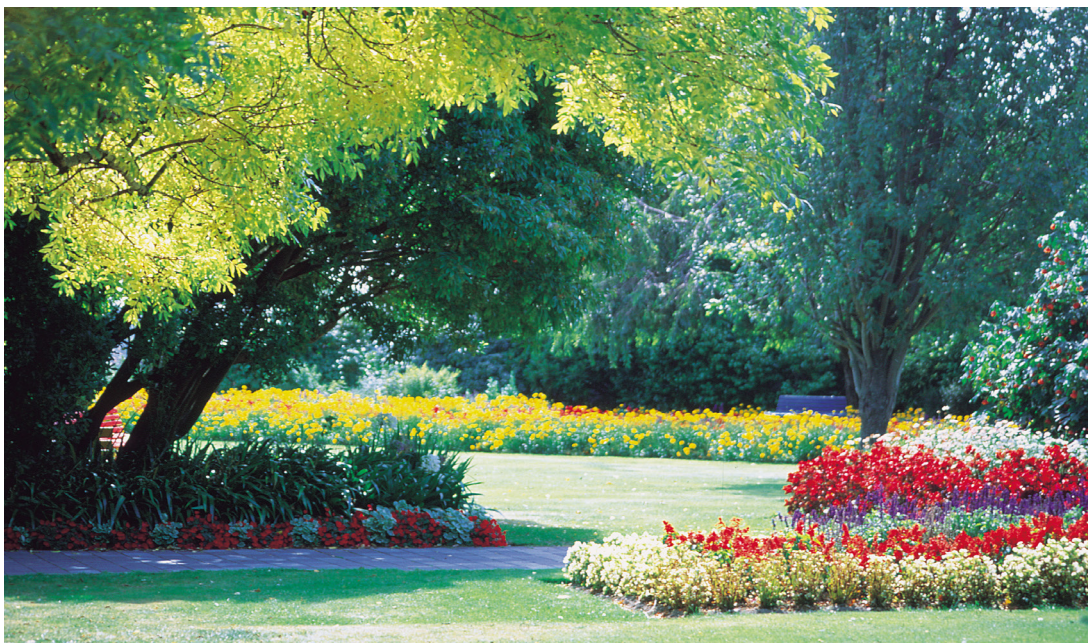
This group includes infrastructure to allow people to join together in sporting, social and cultural events and enjoy the outdoors. It also includes burial facilities which fulfils a social and cultural need in the community.

The Parks and Recreation Group includes the following activities:

<b>Camping</b>	A mix of camping grounds to meet the recreation and leisure needs of our community and visitors to the District.
<b>Cemeteries</b>	Provision of burial facilities that meet the needs of the community.
<b>Parks and Public Spaces</b>	A mix of parks and reserve facilities throughout the District.
<b>Swimming</b>	Provision of a public swimming pool to promote community wellbeing.

## Community Outcomes to which this group of activities primarily contributes

<b>Parks and Recreation</b>	Active and Supportive Community. Safe and Healthy People. Sustainable District and Environment. Wealthy Community.
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## Funding Impact Statement - Parks and Recreation Group for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ 619
Targeted rates	658	653	653	3
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	390	304	304	309
Internal charges and overheads recovered	122	354	354	44
Local authority fuel tax, fines, infringement fees other	87	76	76	64
<b>Total sources of operating funding</b>	<b>1,257</b>	<b>1,387</b>	<b>1,387</b>	<b>1,039</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	784	1,091	1,091	851
Finance costs	-	-	-	-
Internal charges and overheads applied	171	118	118	57
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>955</b>	<b>1,209</b>	<b>1,209</b>	<b>908</b>
<b>Surplus/(deficit) of operating funding</b>	<b>302</b>	<b>178</b>	<b>178</b>	<b>131</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	20	10	10	86
Capital expenditure - to replace existing assets	32	213	213	70
Increase/(decrease) in reserves	250	(45)	(45)	(25)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>302</b>	<b>178</b>	<b>178</b>	<b>131</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(302)</b>	<b>(178)</b>	<b>(178)</b>	<b>(131)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 122	\$ 93	\$ 93	\$ 44
Included within Internal charges and overheads applied is Internal Interest Expense of:	25	10	10	-
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	359	573	573	-
Increases in Internal Borrowings for the year	-	573	573	-
Decreases in Internal Borrowings for the year	-	-	-	-

**Service Performance Statement - Parks and Recreation Group  
for the year ended 30 June 2016**

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Civic Amenities rates	657	654	654	654
Targeted rates	-	-	-	-
Revenue from activities	477	379	379	453
Other revenue	123	93	93	92
<b>Total revenue</b>	<b>1,257</b>	<b>1,126</b>	<b>1,126</b>	<b>1,199</b>
<b>Expenditure</b>				
Employee benefit expenses	73	79	79	63
Depreciation and amortisation	210	217	217	184
Finance expenses	26	10	10	19
Other expenses	860	859	859	844
<b>Total expenditure</b>	<b>1,169</b>	<b>1,165</b>	<b>1,165</b>	<b>1,110</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 88</b>	<b>\$ (39)</b>	<b>\$ (39)</b>	<b>\$ 89</b>
<b>Capital Expenditure</b>				
Waitaki Lakes - Water pipes investigation/replace	REP \$ 20	\$ 10	\$ 10	\$ -
Hakataramea Mower replacement	REP -	-	-	6
Knottingley camp - provide powered camping sites	LOS -	-	-	19
Victoria Park - Upgrade Cabins	LOS 4	-	-	4
Victoria Park - Appliances	REP 7	5	5	3
St Andrews Camping - Mower (nett of trade in)	REP 4	-	-	-
Cemetery Workshop/Office/Toilets replacement	REP -	50	50	-
Cemetery Mower replacement	REP -	-	-	27
Morven Reserve - Hall Sewerage System Upgrade	REP -	30	30	-
Morven Reserve - Plant and machinery	LOS -	-	-	34
Morven Reserve - Hall Kitchen and Floor	REP -	40	40	-
Victoria park - mower replacement	REP -	32	32	35
Victoria park - parks officer motor vehicle	REP -	18	18	-
Victoria park - parks sundry plant	REP 4	6	6	-
Victoria park - playground extension	AD -	-	-	1
Victoria park - glasshouse upgrade (roof and walls)	REP (4)	-	-	16
Knottingley park - driveway upgrade	LOS 3	10	10	12
Urban Reserves - playground equipment	LOS 13	-	-	-
Wainono Lagoon Fencing	REP -	-	-	11
Swimming Pool ladder	REP -	-	-	5
Upgrade Womens Changing rooms	REP -	22	22	-
Swimming Pool Platforms	REP 1	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 52</b>	<b>\$ 223</b>	<b>\$ 223</b>	<b>\$ 173</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ 1
Improve level of performance/service	LOS 20	10	10	69
Replace existing assets	REP 32	213	213	103
<b>Total Categories</b>	<b>\$ 52</b>	<b>\$ 223</b>	<b>\$ 223</b>	<b>\$ 173</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Refer to the attached Service Performance Statements for Camping, Cemeteries, Parks and Public Spaces, and Swimming for explanation of variances.

# Camping

## What Do We Do Now?

Council operated camping grounds and cabins:

- Victoria Park is located on Naylor Street, Waimate, five minutes walk from the centre of town;
- Tennant Street Camp Facility, Waimate is located adjacent to Victoria Park;
- Knottingley Park Motor Camp is located on Waihao Back Road, 2km from the town centre;
- St Andrews Reserve is located on State Highway 1, St Andrews; and
- Waitaki Lakes Reserves are located on Lake Aviemore and Lake Waitaki, 90km from Waimate. There are camping sites at Briars Gully, Te Aka, Waitangi East, Waitangi West and Fisherman's Bend and other areas of camping along the shoreline.

## Why Do We Do It?

To provide and maintain camping grounds to meet the recreation and leisure needs of local residents and visitors to the District. To allow camping in essentially wilderness spaces of Waitaki Lakes to be safe and hygienic.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Provide quality camping facilities.	Less than five complaints about camping facilities not well maintained or tidy. Target: < five complaints per year.	No complaints received regarding the maintenance of camping facilities.	Achieved. (2015: Achieved)
Camping facilities are provided that meet user needs.	80% of customers are satisfied or very satisfied with camping facilities. Target: 80% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured. (2015: Achieved - 95%)

## Points of Significance

Victoria Park Camping Ground - New hot water cylinders have been installed.

Waitaki Lakes Camping Ground - Various upgrades commenced and to be completed prior to the 2016/17 camping season. These upgrades will provide greater reliability and capacity within the camping ground.

## Service Performance Statement - Camping for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
Revenue from activities	\$ 311	\$ 241	\$ 241	\$ 301
Other revenue	49	34	34	36
<b>Total revenue</b>	<b>360</b>	<b>275</b>	<b>275</b>	<b>337</b>
<b>Expenditure</b>				
Employee benefit expenses	27	26	26	23
Depreciation and amortisation	78	72	72	64
Finance expenses	14	7	7	13
Other expenses	178	178	178	167
<b>Total expenditure</b>	<b>297</b>	<b>283</b>	<b>283</b>	<b>267</b>
Operating Surplus/(deficit)	<b>\$ 63</b>	<b>\$ (8)</b>	<b>\$ (8)</b>	<b>\$ 70</b>
<b>Capital Expenditure</b>				
Waitaki Lakes - Water pipes investigation/replace	REP \$ 20	\$ 10	\$ 10	\$ -
Hakataramea Mower replacement	REP -	-	-	6
Knottingley camp - provide powered camping sites	LOS -	-	-	19
Victoria Park - Upgrade Cabins	LOS 4	-	-	4
Victoria Park - Appliances	REP 7	5	5	3
St Andrews Camping - Mower (nett of trade in)	REP 4	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 35</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 32</b>

### Key

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

## Significant variations from Long Term Plan 2015 - 2025

Revenue from activities is favourable compared to LTP Budget due to camping revenue exceeding budget by \$69,000.

Other Revenue is favourable compared to LTP Budget and Actual 2015 due to increased internal interest revenue on positive reserves balances.

Capital expenditure exceeded the LTP Budget due to increased expenditure for the Waitaki Lakes water pipe investigation and replacement project. The project was expanded to increase the reliability of supply at the bore situated at Waitangi, and also to increase reliability at the existing ablution blocks.

# Cemeteries

## What Do We Do Now?

There are nine cemeteries in the Waimate District.

The two active Council operated cemeteries are in Otaio (0.3495 ha), and Waimate (4.514 ha). Hakataramea area, Esk Valley and Waihao Downs cemeteries are run by community boards.

Glenavy (0.3462 ha), and Morven (0.814 ha) cemeteries are closed for interments but are maintained by Council.

There are two Maori cemeteries (Urupa) at Te Huru Road near Waimate and Waihao Marae where burial may be permitted upon application to Te Runanga O Waihao.

Burial records are maintained by Council for the Otaio and Waimate cemeteries to assist relatives and genealogical research.

## Why Do We Do It?

Local authorities are required through the Burial and Cremation Act 1964 to provide cemeteries for their communities.

To provide an interment facility to service the needs of the community.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Provide quality cemetery facilities .	80% of community are satisfied or very satisfied with cemeteries facilities and services. Target: 80%	Not measured - next survey conducted early 2017.	Not measured. (2015: Achieved - 94%)
	Less than five complaints per year about cemetery facilities. Target: < five complaints.	Two complaints received.	Achieved. (2015: Achieved)

## Points of Significance

New concrete beams installed in the Returned Services Association and burial/cremation areas.

The new workshop and toilet facility has been carried forward to 2016/17 due to contractor availability.

Remedial work was carried out on sunken graves by topping up with soil and grass seeding.



**Service Performance Statement - Cemeteries  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
Civic Amenities rates	\$ 34	\$ 34	\$ 34	\$ 16
Revenue from activities	56	38	38	45
Other revenue	-	-	-	1
<b>Total revenue</b>	<b>90</b>	<b>72</b>	<b>72</b>	<b>62</b>
<b>Expenditure</b>				
Depreciation and amortisation	4	7	7	3
Finance expenses	2	3	3	-
Other expenses	75	72	72	80
<b>Total expenditure</b>	<b>81</b>	<b>82</b>	<b>82</b>	<b>83</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 9</b>	<b>\$ (10)</b>	<b>\$ (10)</b>	<b>\$ (21)</b>
<b>Capital Expenditure</b>				
		<b>Key</b>		
Cemetery Workshop/Office/Toilets replacement	\$ -	REP	\$ 50	\$ -
Cemetery Mower replacement	-	REP	-	27
<b>Total Capital Expenditure</b>	<b>\$ -</b>		<b>\$ 50</b>	<b>\$ 27</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities was favourable compared to LTP Budget due to increased revenue from burials.

The capital expenditure project to replace the Workshop/Office/Toilets was not completed due to resourcing and time constraints. This project will be deferred to the 2016/17 financial year and is anticipated to be started in November 2016.

# Parks and Public Spaces

## What Do We Do Now?

Maintain and develop Council owned facilities being:

### Formal and Recreational Parks

In Waimate they consist of Victoria Park, Knottingley Park and Manchester Park internal propagation and display, glasshouse showhouse and nursery/small glasshouse.

Victoria Park comprises of animal and bird enclosures, barbecue area, annual show display, plants and shrubberies, sports facilities for netball, outdoor bowls, cycling and athletics as well as facilities for other local community organisations, eg Scouts.

Under internal propagation and display, Council undertakes plant rearing and propagation for annual garden displays in the town and at Victoria Park; while a show house display exists at Victoria Park. There are up to 30,000 plants.

The main formal, recreational tree park is in Knottingley Park, Waihao Back Road, Waimate, 2km from the town centre. The 33.59 ha have been extensively planted and attracts the attention of many visitors, it also has a barbecue area. A new parcel of land in Horgans Road has recently been added. A voluntary organisation called "Friends of Knottingley Park" also assist in the maintenance and development of the park. Knottingley Park hosts equestrian events and cricket. Knottingley Park includes a collection of specimen trees and is seeking recognition as an arboretum.

Manchester Park is the main sporting ground for playing rugby and touch rugby in both winter and summer.

### Rural Reserves

Intersection of State Highways 1 and 82, visually attractive roadsides and walkways, Waihao Box Reserve, wilderness reserves and Centrewood Park.

This includes the thresholds to the townships of St Andrews, Makikihi, Glenavy and Waimate. Totara forests at Maori Cemetery at Point Bush Road and reserves at William Street, Gorge Road and Railway Terrace.

### Rural Recreational Reserves

Morven - farming, Waihaorunga, Glenavy, Hunter and Studholme.

The rural recreational reserves are all self sufficient domains maintained by local committees.

### Urban Reserves

Boland Park, Seddon Square, general urban reserves (includes Gretna Green, Event Centre site, Town Belt, Cameron Street and Wilkin Street etc).

Urban reserves used for fairs and festivals, playgrounds and picnics are situated in the centre of Waimate township.

## Why Do We Do It?

Council provide these reserves for recreational and leisure purposes for the Waimate community and visitors to the District. Community pride and public expectation is that Council continues to provide these reserves.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Provide quality facilities.	80% of customers are satisfied or very satisfied with Parks and Public facilities, that have used them in the last year.  Target: 80% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured.  (2015: Achieved - 97% )
Safe playgrounds are provided.	All Council playgrounds are assessed against appropriate New Zealand Safety Standards.  Target: 100%	Not measured - playgrounds to be assessed 2016/17.	Not measured.  (2015: Not measured)

## Points of Significance

Replacement swing set installed at Cameron Street.

A second swing set, replacement slide and new see-saws are programmed for the Belt Street reserve and will be installed in early 2016/17.

Stormwater drainage upgraded within Knottingley Park (detention structure, open drains and culverts).

The Friends of Knottingley Park continue to plant additional trees alongside annual maintenance activities.

The show house at Victoria Park was officially re-opened as the 'Alex McRae Show House'.

**Service Performance Statement - Parks and Public Spaces  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
Civic Amenities rates	\$ 516	\$ 513	\$ 513	\$ 534
Revenue from activities	89	76	76	83
Other revenue	56	42	42	41
<b>Total revenue</b>	<b>661</b>	<b>631</b>	<b>631</b>	<b>658</b>
<b>Expenditure</b>				
Employee benefit expenses	3	8	8	4
Depreciation and amortisation	99	113	113	92
Finance expenses	10	-	-	6
Other expenses	491	527	527	504
<b>Total expenditure</b>	<b>603</b>	<b>648</b>	<b>648</b>	<b>606</b>
Operating Surplus/(deficit)	<b>\$ 58</b>	<b>\$ (17)</b>	<b>\$ (17)</b>	<b>\$ 52</b>
<b>Capital Expenditure</b>				
Morven Reserve - Hall Sewerage System Upgrade	REP	\$ -	\$ 30	\$ -
Morven Reserve - Plant and machinery	LOS	-	-	34
Morven Reserve - Hall Kitchen and Floor	REP	-	40	-
Victoria park - mower replacement	REP	-	32	35
Victoria park - parks officer motor vehicle	REP	-	18	-
Victoria park - parks sundry plant	REP	4	6	-
Victoria park - playground extension	AD	-	-	1
Victoria park - glasshouse upgrade (roof and walls)	REP	(4)	-	16
Knottingley park - driveway upgrade	LOS	3	10	12
Urban Reserves - playground equipment	LOS	13	-	-
Wainono Lagoon Fencing	REP	-	-	11
<b>Total Capital Expenditure</b>	<b>\$ 16</b>	<b>\$ 136</b>	<b>\$ 136</b>	<b>\$ 109</b>

**Key**

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Other revenue is favourable compared to LTP Budget and Actual 2015 due to increased internal interest revenue on positive

Other expenses are favourable compared to LTP Budget due to reduced repairs and maintenance (\$16,000 below budget), and reduced allocations of internal resources and overheads (\$15,000 below budget).

Capital expenditure projects for the Morven Hall and Reserve were not completed and will be deferred to the 2016/17 financial year. The Victoria Park mower will not be replaced due to the current mower being in good condition. The motor vehicle replacement will be deferred to the 2016/17 financial year and is anticipated to be purchased in October 2016.

# Swimming

## What Do We Do Now?

The Norman Kirk Memorial Swimming Pool is a memorial to the late Prime Minister Norman Kirk, who was born in Waimate. It was opened in November 1978 and is located at the south end of Queen Street, Waimate. It is a six-lane pool, 33.3 metres long set in a 0.28 ha enclosure. The pool is outdoors, heated, landscaped and has a canteen.

The swimming pool is generally open from Labour Weekend to mid-March. The average temperature is 24-30°C. There are sessions to cater for lane swimmers, children, swimming clubs and schools.

## Why Do We Do It?

The Council provision of a large, heated swimming pool contributes to community outcomes by providing a means of recreation and physical exercise for the community. Learning to swim is important for people's safety.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Safe swimming facilities are provided to public.	All safety incidents relating to the Swimming Pool are reported and responded to within two hours. Target: Report and response time ≤ two hours.	Three safety incidents were reported and responded to within two hours.	Achieved. (2015: Not measured)
	All serious incidents are responded to immediately. Target: 100% immediate response.	One serious incident was reported and was responded to immediately.	Achieved. (2015: Not measured)
Provide quality pool facilities.	85% of customers are satisfied or very satisfied with swimming pool facilities. Target: 85% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured. (2015: Achieved - 91%)

## Points of Significance

The Norman Kirk Memorial Pool continues to be well used by the public and visitors to the District. The local swimming club and schools continue to utilise the pool for swimming lessons and swim groups.

The showers at the Norman Kirk Memorial Pool have been upgraded.

**Service Performance Statement - Swimming  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
Civic Amenities rates	\$ 107	\$ 107	\$ 107	\$ 104
Revenue from activities	21	24	24	24
Other revenue	18	17	17	14
<b>Total revenue</b>	<b>146</b>	<b>148</b>	<b>148</b>	<b>142</b>
<b>Expenditure</b>				
Employee benefit expenses	43	45	45	36
Depreciation and amortisation	29	25	25	25
Other expenses	116	82	82	93
<b>Total expenditure</b>	<b>188</b>	<b>152</b>	<b>152</b>	<b>154</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ (42)</b>	<b>\$ (4)</b>	<b>\$ (4)</b>	<b>\$ (12)</b>
<b>Capital Expenditure</b>				
Swimming Pool ladder	REP \$ -	\$ -	\$ -	\$ 5
Upgrade Womens Changing rooms	REP -	22	22	-
Swimming Pool Platforms	REP 1	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 1</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>\$ 5</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Other expenses exceeded LTP Budget due to increased allocations of internal resources and overheads (\$19,000 above budget), and increased repairs and maintenance expenditure (\$7,000 above budget).

The capital expenditure project to upgrade the womens changing rooms was not completed due to resourcing and time constraints. This project will be deferred to the 2016/17 financial year and is anticipated to be started in October 2016.

# Organisation and Governance Group

## What is Organisation and Governance and Why Do We Deliver It?

Through this group of activities the elected Council help the community contribute to Council plans and processes and then make decisions on the community's behalf. These decisions help ensure that the Council is contributing towards improving social, cultural, economic and environmental wellbeing of the District's communities.

The Organisation and Governance Group includes the following activities:

<b>Community Representation</b>	Elected Members provide a governance role.
<b>Strategy</b>	To plan for the future of the Waimate District.
<b>Managing Services</b>	The organisational support functions that help Council to provide its activities in the most efficient and effective manner.

## Community Outcomes to which this group of activities primarily contributes

<b>Organisation and Governance</b>	Active and Supportive Community. Safe and Healthy People.
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## Funding Impact Statement - Organisation and Governance Group for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 498	\$ 492	\$ 492	\$ 1,552
Targeted rates	830	824	824	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	2,926	2,676	2,676	1,510
Local authority fuel tax, fines, infringement fees other	149	26	26	14
<b>Total sources of operating funding</b>	<b>4,403</b>	<b>4,018</b>	<b>4,018</b>	<b>3,076</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	3,157	3,097	3,097	2,463
Finance costs	-	-	-	-
Internal charges and overheads applied	790	760	760	480
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>3,947</b>	<b>3,857</b>	<b>3,857</b>	<b>2,943</b>
<b>Surplus/(deficit) of operating funding</b>	<b>456</b>	<b>161</b>	<b>161</b>	<b>133</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	210	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>210</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	108	-	-	-
Capital expenditure - to replace existing assets	109	175	175	201
Increase/(decrease) in reserves	449	(14)	(14)	(68)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>666</b>	<b>161</b>	<b>161</b>	<b>133</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(456)</b>	<b>(161)</b>	<b>(161)</b>	<b>(133)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 72	\$ 60	\$ 60	\$ 107
Included within Internal charges and overheads applied is Internal Interest Expense of:	40	1	1	1
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	568	128	128	36
Increases in Internal Borrowings for the year	416	92	92	-
Decreases in Internal Borrowings for the year	-	-	-	(1)



**Service Performance Statement - Organisation and Governance Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 498	\$ 492	\$ 492	\$ 1,408
Civic Amenities Rates	830	824	824	-
Targeted rates	-	-	-	-
Revenue from activities	617	445	445	440
Other revenue	2,455	2,257	2,257	2,226
<b>Total revenue</b>	<b>4,400</b>	<b>4,018</b>	<b>4,018</b>	<b>4,074</b>
<b>Expenditure</b>				
Employee benefit expenses	2,858	2,943	2,943	2,807
Depreciation and amortisation	131	115	115	158
Finance expenses	40	1	1	3
Other expenses	1,049	913	913	1,039
<b>Total expenditure</b>	<b>4,078</b>	<b>3,972</b>	<b>3,972</b>	<b>4,007</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 322</b>	<b>\$ 46</b>	<b>\$ 46</b>	<b>\$ 67</b>

**Capital Expenditure**

	<b>Key</b>	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
Community Representation - Mayors Motor Vehicle	REP	\$ -	\$ -	\$ -	\$ 30
Hardware	REP	6	18	18	36
Motor vehicles	REP	88	141	141	187
Plant	REP	8	11	11	-
Furniture	REP	-	-	-	6
Utilities office upgrade	LOS	10	-	-	-
Miscellaneous	REP	2	-	-	-
Electronic Document Management System	LOS	39	-	-	-
GIS Platform Upgrade	LOS	59	-	-	-
Software	REP	5	5	5	6
<b>Total Capital Expenditure</b>		<b>\$ 217</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>\$ 265</b>

**Categories**

	<b>Key</b>	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	108	-	-	-
Replace existing assets	REP	109	175	175	265
<b>Total Categories</b>		<b>\$ 217</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>\$ 265</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Refer to the attached Service Performance Statements for Community Representation, Strategy, and Managing Services for explanation of variances.

# Community Representation

## What Do We Do Now?

The Council provides services to enable effective District management by the Mayor and Councillors.

The activity provides management support and advice to Elected Members and Council officers. It also ensures that high levels of service are maintained, and that customers and staff are valued.

The role of the Elected Members and community representatives as part of this group is of the utmost importance. They represent the views of the community when decisions are being considered by Council. Council has a duty to recognise and respond to special local issues as they arise and is sometimes required to lobby central government on matters concerning the District.

Elected Members provide a governance role for the District, set the strategic direction of the Council, including determining the activities the Council undertakes (within legal parameters) and monitor the Council's performance on behalf of the District residents and ratepayers.

## Why Do We Do It?

To ensure good governance and good decision-making, and to meet legal requirements. To allow residents of the Waimate District to participate in decision making for the good of their community. To enable Council to understand what the desired outcomes of the community are.

## How We Measure The Service Provided

Customer			
Level of Service	Performance Measure	Result	Achievement 2015/16
Council provides opportunities for the community to raise local issues.	Council provides a time slot for public forum in the agenda of each of its ordinary Council Meetings. Target: Provide public forum at all ordinary Council Meetings.	Eight ordinary Council meetings were held during the year each offering a public forum.	Achieved. (2015: Not achieved)
Provide high quality Governance.	80% of residents are satisfied or very satisfied with access to elected members. Target: 80% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured. (2015: Not measured)

## Points of Significance

Due to the resignation of Councillor Thomson a By-election was held in March 2015 for the Pareora-Otaio-Makikihi ward. Councillor David Anderson was elected unopposed.

**Service Performance Statement - Community Representation  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ 873
Civic Amenities Rates	830	824	824	-
Revenue from activities	-	4	4	-
Other revenue	11	6	6	3
<b>Total revenue</b>	<b>841</b>	<b>834</b>	<b>834</b>	<b>876</b>
<b>Expenditure</b>				
Employee benefit expenses	128	113	113	141
Depreciation and amortisation	1	1	1	1
Other expenses	623	708	708	627
<b>Total expenditure</b>	<b>752</b>	<b>822</b>	<b>822</b>	<b>769</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 89</b>	<b>\$ 12</b>	<b>\$ 12</b>	<b>\$ 107</b>
<b>Capital Expenditure</b>				
Community Representation - Mayors Motor Vehicle	\$ -	\$ -	\$ -	\$ 30
<b>Total Capital Expenditure</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30</b>

**Key**

REP

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Civic amenities rates 2016 LTP Budget increased from Actual 2015 due to increased allocations of internal resources and overheads.

Other expenses are favourable compared to LTP Budget due to reduced allocations of internal resources and overheads (\$80,000 below budget).

# Strategy

## What Do We Do Now?

This activity comprises of the processes that support the Council's decision-making, for example, strategic planning, policy development, and monitoring and reporting.

Long Term Plans are produced three yearly, while Annual Plans are produced in the intervening two years. The Long Term Plan is rigorously examined by Audit NZ before releasing to the community, who may comment by way of submission.

The Annual Financial Report summaries the financial performance of Council every 30 June, but is supported throughout the year by quarterly reports.

## Why Do We Do It?

To plan for the future of the Waimate District in an integrated and sustainable way for community wellbeing.

## Points of Significance

The Annual Plan 2016/17 was produced following the identification of two minor issues for which targeted consultation with the affected parties was carried out.

The Annual Report 2014/15 received a clear opinion from Audit NZ.

The number of external submission by Waimate District Council to Government select committees increased as Council focused on strengthening the local voice on issues such as fresh water reform, building standards and Easter Holiday trading hours.

### Service Performance Statement - Strategy for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ 498	\$ 492	\$ 492	\$ 535
Other revenue	50	45	45	47
Total revenue	<b>548</b>	<b>537</b>	<b>537</b>	<b>582</b>
<b>Expenditure</b>				
Employee benefit expenses	166	174	174	160
Depreciation and amortisation	-	-	-	36
Other expenses	275	330	330	427
Total expenditure	<b>441</b>	<b>504</b>	<b>504</b>	<b>623</b>
Operating Surplus/(deficit)	<b>\$ 107</b>	<b>\$ 33</b>	<b>\$ 33</b>	<b>\$ (41)</b>

### Significant variations from Long Term Plan 2015 - 2025

Depreciation and amortisation has reduced compared to Actual 2015 due to Aerial Imagery being fully amortised in 2015.

Other expenses were favourable compared to LTP Budget due to reduced allocations of internal resources and overheads (\$31,000 below budget) and reduced consultancy (\$9,000 below budget). Other expenses have reduced compared to Actual 2015 due to Audit Fees for Long Term Plan and Annual Report (\$78,000 above Actual 2016), Aerial Imagery expenses (\$29,000 above Actual 2016) and customer satisfaction survey expenses (\$21,000 above Actual 2016).

# Managing Services

## What Do We Do Now?

Managing Services incorporates the organisational support functions that help Council to provide its other activities in the most efficient and effective manner. It includes:

### Community Services:

Customer Service, Corporate Planning, Finance, General Administration, Human Resources, Information Management, Office of the Chief Executive, Policy and Strategic Development, Monitoring and Reporting, Economic Development and District Promotion and Library.

### Environmental Services:

Resource Management, Building Control, Regulatory Services, Dog and Animal Control, and Emergency Management.

### Asset Management and Utilities:

Sewerage, Stormwater, Waste Management, Water - Rural and Urban, and Roading and Footpaths.

### Parks and Recreation:

Parks and Public Spaces, Swimming Pool, Camping and Cemetery.

## Why Do We Do It?:

This activity contributes to all Community Outcomes by supporting all of Council's activities.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Information about Council services is readily available.	Council's website is available to public 365 days a year. Target: Website available 365 days.	Other than for scheduled maintenance by our cloud service provider the website was available and accessible to the public throughout the 12 months.	Achieved. (2015: Achieved)
	Customers can reach Council by phone 24 hours a day, seven days a week. Target: Phone operating 24/7.	Customers could reach Council by phone during opening hours and through TAS (our answering service) after hours during the 12 months.	Achieved. (2015: Achieved)

## Service Performance Statement - Managing Services for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000	
<b>Revenue</b>					
Revenue from activities	\$ 617	\$ 441	\$ 441	\$ 440	
Other revenue	2,394	2,206	2,206	2,175	
<b>Total revenue</b>	<b>3,011</b>	<b>2,647</b>	<b>2,647</b>	<b>2,615</b>	
<b>Expenditure</b>					
Employee benefit expenses	2,564	2,656	2,656	2,505	
Depreciation and amortisation	130	114	114	121	
Finance expenses	40	1	1	3	
Other expenses	151	(125)	(125)	(14)	
<b>Total expenditure</b>	<b>2,885</b>	<b>2,646</b>	<b>2,646</b>	<b>2,615</b>	
Operating Surplus/(deficit)	<b>\$ 126</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ -</b>	
<b>Capital Expenditure</b>					
	<b>Key</b>				
Hardware	REP	\$ 6	\$ 18	\$ 18	\$ 36
Motor vehicles	REP	88	141	141	187
Plant	REP	8	11	11	-
Furniture	REP	-	-	-	6
Utilities office upgrade	LOS	10	-	-	-
Miscellaneous	REP	2	-	-	-
Electronic Document Management System	LOS	39	-	-	-
GIS Platform Upgrade	LOS	59	-	-	-
Software	REP	5	5	5	6
<b>Total Capital Expenditure</b>		<b>\$ 217</b>	<b>\$ 175</b>	<b>\$ 175</b>	<b>\$ 235</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

### Significant variations from Long Term Plan 2015 - 2025

The LTP Budget allocation methodology was based on support functions within a group of activities being allocated to those activities as direct costs. For the 2016 financial year both actual and budget values support costs, at an all of Council level as well as within specific groups of activities, have been classified as part of the Managing Services activity and allocated from Managing Services to appropriate activities. For some of the support functions the recovery of employee benefit expenses is reflected via an internal negative expense within Other expenses otherwise all net costs are then recovered via internal revenue reflected within Other revenue.

Revenue from activities are favourable compared to LTP Budget and Actual 2015 due to cost recoveries from Environment Canterbury Regional Council rates (\$87,000 above budget), and Roading and Utilities cost recoveries (\$90,000 above budget).

Employee benefit expenses are slightly favourable to LTP Budget predominately due to two staff resigning with replacements employed after June 2016.

Finance expenses have exceeded LTP Budget and 2015 Actual due to reduced reserve balances.

Other expenses have exceeded LTP Budget predominately due to allocations of internal resources and overheads. Other areas exceeding LTP Budget were legal fees (\$56,000 above budget) and general expenses (\$16,000 above budget).

Capital expenditure for motor vehicles was below LTP Budget due to some vehicles purchased in the prior year (Actual 2015). The Electronic Document Management System (EDMS) project will enable Council to comply with the Public Records Act. The GIS Platform Upgrade will replace and enhance the GIS system currently in place. The EDMS and GIS projects will be funded from

# Environmental Services Group

## What is Environmental Services and Why Do We Deliver It?

This group contains functions to make sure people are safe — from being prepared for emergencies to implementing bylaws to having well-constructed buildings. It includes activities that could affect public health and is largely managed through central government legislation.

The Environmental Services Group includes the following activities:

<b>Building Control</b>	The protection of people and communities by ensuring buildings are safe.
<b>Resource Management</b>	The sustainable management of natural and physical resources of the Waimate District.
<b>Emergency Management</b>	The promotion of individual and community resilience in emergencies, and the enhancement of community capability to respond to and recover from disasters.
<b>Regulatory Services</b>	Regulating and monitoring activities that affect community health and safety.
<b>Dog and Animal Control</b>	Enforcing public safety and effective regulation of animals within our District.

## Community Outcomes to which this group of activities primarily contributes

<b>Environmental Services</b>	Safe and Healthy People. Sustainable District and Environment. Wealthy Community.
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**Funding Impact Statement - Environmental Services Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 825	\$ 814	\$ 814	\$ 634
Targeted rates	103	102	102	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	776	484	484	420
Internal charges and overheads recovered	24	15	15	26
Local authority fuel tax, fines, infringement fees other	40	3	3	3
<b>Total sources of operating funding</b>	<b>1,768</b>	<b>1,418</b>	<b>1,418</b>	<b>1,083</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	733	706	706	836
Finance costs	-	-	-	-
Internal charges and overheads applied	586	614	614	173
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,319</b>	<b>1,320</b>	<b>1,320</b>	<b>1,009</b>
<b>Surplus/(deficit) of operating funding</b>	<b>449</b>	<b>98</b>	<b>98</b>	<b>74</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	131	46	46	21
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>131</b>	<b>46</b>	<b>46</b>	<b>21</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	8	52	52	-
Capital expenditure - to replace existing assets	26	37	37	6
Increase/(decrease) in reserves	546	55	55	89
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>580</b>	<b>144</b>	<b>144</b>	<b>95</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(449)</b>	<b>(98)</b>	<b>(98)</b>	<b>(74)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 24	\$ 15	\$ 15	\$ 26
Included within Internal charges and overheads applied is Internal Interest Expense of:	21	24	24	5
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	302	431	431	72
Increases in Internal Borrowings for the year	-	358	358	-
Decreases in Internal Borrowings for the year	(416)	-	-	-



**Service Performance Statement - Environmental Services Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 824	\$ 814	\$ 814	\$ 771
Targeted rates	103	102	102	-
Revenue from activities	947	533	533	530
Other revenue	25	15	15	13
<b>Total revenue</b>	<b>1,899</b>	<b>1,464</b>	<b>1,464</b>	<b>1,314</b>
<b>Expenditure</b>				
Employee benefit expenses	326	321	321	312
Depreciation and amortisation	46	55	55	44
Finance expenses	21	24	24	41
Other expenses	973	972	972	780
<b>Total expenditure</b>	<b>1,366</b>	<b>1,372</b>	<b>1,372</b>	<b>1,177</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 533</b>	<b>\$ 92</b>	<b>\$ 92</b>	<b>\$ 137</b>

**Capital Expenditure**

	<b>Key</b>				
Building Control officers motor vehicle	REP	\$ -	\$ -	\$ -	\$ 62
Building Control - Inspection Hardware/Software	LOS	8	52	52	-
Building Control - Sundry	REP	2	1	1	-
Rural Fire - Vehicle	REP	10	10	10	-
Rural Fire - plant	REP	5	6	6	7
Rural Fire - radio digital upgrade	REP	9	9	9	-
Civil Defence - Mobile technology Hardware	REP	-	1	1	-
Dog and Animal Control - Motor Vehicle replacement	REP	-	10	10	-
Dog Pound - Concrete Run Yard	REP	-	-	-	5
<b>Total</b>		<b>\$ 34</b>	<b>\$ 89</b>	<b>\$ 89</b>	<b>\$ 74</b>

**Categories**

Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	8	52	52	-
Replace existing assets	REP	26	37	37	74
<b>Total</b>		<b>\$ 34</b>	<b>\$ 89</b>	<b>\$ 89</b>	<b>\$ 74</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Refer to the attached Service Performance Statements for Building Control, Resource Management, Emergency Management, Regulatory Services, and Dog and Animal Control for explanation of variances.

# Building Control

## What Do We Do Now?

Council is accredited as a Building Consent Authority under the Building Act 2004.

Council carries out the following tasks:

- Inspection of buildings and issuing building consents (approximately 300 building consents issued each year);
- Inspection of swimming pool fencing;
- Administering and auditing Building Warrants of Fitness;
- Issuing Land and Project Information Memoranda; and
- Dealing with complaints relating to building work and illegal building.

## Why Do We Do It?

Council has statutory responsibilities under the Building Act 2004 section 12 (2) to provide the services for this activity.

The Building Act provides for the regulation of building work, a licensing regime for building practitioners and setting performance standards for buildings.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
The Building Control Authority process consents in a timely manner.	That Council issues building consents within the statutory time frame.  Target: 100% consents issues within 20 working days.	244 out of 244 building consents were issued within 20 working days. 100%	Achieved.  (2015: Not achieved - 99.66%)

## Points of Significance

The Building Control Department has fully implemented the new Quality Assurance System, greatly enhancing the overall knowledge and effectiveness of staff within the department. This improvement aligns the technical and non-technical aspects of the department and sets a firm foundation for ongoing Accreditation as a Building Control Authority.

**Service Performance Statement - Building Control  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 220	\$ 217	\$ 217	\$ 123
Revenue from activities	436	285	285	353
<b>Total revenue</b>	<b>656</b>	<b>502</b>	<b>502</b>	<b>476</b>
<b>Expenditure</b>				
Employee benefit expenses	182	172	172	170
Depreciation and amortisation	13	18	18	6
Finance expenses	14	20	20	34
Other expenses	223	285	285	243
<b>Total expenditure</b>	<b>432</b>	<b>495</b>	<b>495</b>	<b>453</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 224</b>	<b>\$ 7</b>	<b>\$ 7</b>	<b>\$ 23</b>
<b>Capital Expenditure</b>				
Building Control officers motor vehicle				
Building Control - Inspection Hardware/Software				
Building Control - Sundry				
<b>Total Capital Expenditure</b>	<b>\$ 10</b>	<b>\$ 53</b>	<b>\$ 53</b>	<b>\$ 62</b>

**Key**

REP	\$ -	\$ -	\$ -	\$ 62
LOS	8	52	52	-
REP	2	1	1	-

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

General rates 2016 LTP Budget increased from Actual 2015 due to anticipated reduced income and increased costs.

Revenue from activities was favourable compared to LTP Budget due to increased revenue from consents and fees. Revenue from the Building Control team being outsourced to another Council also resulted in an additional \$31,000.

Finance expenses are favourable compared to Actual 2015 due to reserves balances being in a better position than anticipated at budget.

Other expenses were lower than LTP Budget predominately due to reduced accreditation expenses (\$21,000 below budget), software expenses (\$12,000 below budget) and photocopying expenses (\$11,000 below budget).

Capital expenditure for the Inspection Hardware/Software has been deferred due to delays in the development of the programme.

# Resource Management

## What Do We Do Now?

Council has responsibilities for the sustainable management of natural and physical resources of the Waimate District. The main tasks associated with this are:

- Preparing and administering the Waimate District Plan;
- Processing land-use and subdivision resource consents, notices of requirement and District Plan variations;
- Involved in processing Land Information and Project Information Memorandums;
- Managing development of some land-use activities through the District Plan;
- Compliance monitoring and 'State of the Environment' reporting; and
- Providing information in response to public enquiries.

## Why Do We Do It?

Council has statutory obligations under the Resource Management Act 1991 (RMA) to provide the services for this activity. The RMA requires the sustainable management of natural and physical resources. This enables Council to ensure environmental wellbeing of the District, whilst complying with statutory obligations.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Respond to customer complaints and requests in a timely manner.	Council responds to all environmental complaints within 10 working days. Target: Respond to complaints within 10 working days.	Council responded to all 11 environmental complaints within ten days.	Achieved. (2015: Achieved)
That consents are actioned promptly .	That all resource consents are actioned within the statutory timeframe. Target non-notified: 100% actioned within 20 days. Target notified: 100% actioned within 70 days.	48 of 49 non-notified consents were actioned within statutory time frame. 98%  Two notified applications have been processed. 100%	Not achieved. (2015: Not achieved - 98%)  Achieved. (2015: Achieved - no applications)

## Points of Significance

Resource consent for the development of Stage Two of the Oceania Dairy Plant at Glenavy was approved.

Considerable work was undertaken on the resource consent application for the future development at Fonterra Dairy Plant at Studholme. This consent was considered by Council and Environment Committee appointed Commissioners.

**Service Performance Statement - Resource Management  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 164	\$ 162	\$ 162	\$ 170
Revenue from activities	296	91	91	42
Other revenue	18	15	15	11
<b>Total revenue</b>	<b>478</b>	<b>268</b>	<b>268</b>	<b>223</b>
<b>Expenditure</b>				
Employee benefit expenses	90	88	88	89
Other expenses	198	98	98	59
<b>Total expenditure</b>	<b>288</b>	<b>186</b>	<b>186</b>	<b>148</b>
Operating Surplus/(deficit)	<b>\$ 190</b>	<b>\$ 82</b>	<b>\$ 82</b>	<b>\$ 75</b>

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities is favourable compared to LTP Budget due to increased Reserve and Development Contributions income and Resource Consents income and cost recoveries redominately associated with Dairy development.

Other expenses have exceeded LTP Budget and Actual 2015 predominately due to increased costs (recovered in Revenue from activities) associated with Resource Consents.

# Emergency Management

## What Do We Do Now?

### Emergency Management

Council's role in emergency services includes developing contingency plans and maintaining a range of equipment for use in an emergency to save lives and protect property. This involves recruiting, training and managing an emergency management team within Council as well as a volunteer network from throughout the community.

### Fire-Fighting

Waimate District Council is a member of the Mid-South Canterbury Rural Fire Authority, which is responsible for Rural Fire activities undertaken in the Mid-South Canterbury Rural Fire District. The Authority is a legal entity formed by Mackenzie, Waimate and Timaru District Councils, Forest Managers of Blakely Pacific Limited and Waimate Forest Group, the Department of Conservation and the New Zealand Fire Service.

## Why Do We Do It?

Under the Civil Defence and Emergency Management Act 2002, Council must have local arrangements in place to provide for the maintenance and operation of a civil defence organisation, which are consistent with National and Regional Civil Defence Emergency Management Plans. Civil Defence Emergency Management arrangements for the Waimate District are included as part of the Canterbury Civil Defence Emergency Management Group.

The Mid-South Canterbury Rural Fire Authority role is to protect life, property and vegetation from the threat of wildfire and provides services such as volunteer training, hazard assessment, co-ordination, response to and recovery from rural fire incidents.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
To keep people well informed to Civil Defence Emergency Management matters.	That Emergency Management Co-ordinator interacts with sector posts at least two times per each year.  Target: interaction $\geq$ two times per year.	Communicated with sector wardens on several occasions: Emails: weather warnings, checking contact details. Phone: organise radio checks. Meeting: 12 of 16 wardens attended sector post review meeting. Minutes posted to all.	Achieved.  (2015: Not achieved)
	85% of residents are aware that Council is the organisation that is responsible for co-ordinating Civil Defence in the district.  Target: 85% community awareness.	Not measured - next survey conducted early 2017.	Not measured.  (2015: Not measured)
All Emergency Operations Centre staff trained.	All Emergency Operations Centre personnel undertake at least one Civil Defence Emergency Management training per year.  Target: 100% EOC personnel trained at least once per year.	Annual CDEM Exercise - 23/29 EOC staff took part. EOC 2 - two new EOC staff took part. EOC training - 18/29 EOC staff took part. Controller (introduction course) - three controllers attended.	Achieved.  (2015: Not measured)

## Points of Significance

No Civil Defence Emergency Management events occurred during the 2015/16 year, however monitoring was maintained throughout the year.

There have been nationwide changes to the structure of Rural Fire, this has resulted in a new structure which will be rolled out in July 2017.

### Service Performance Statement - Emergency Management for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ 174	\$ 172	\$ 172	\$ 246
Targeted rates	103	102	102	-
Other revenue	2	-	-	2
<b>Total revenue</b>	<b>279</b>	<b>274</b>	<b>274</b>	<b>248</b>
<b>Expenditure</b>				
Employee benefit expenses	32	40	40	33
Depreciation and amortisation	33	35	35	37
Finance expenses	7	4	4	7
Other expenses	189	195	195	183
<b>Total expenditure</b>	<b>261</b>	<b>274</b>	<b>274</b>	<b>260</b>
Operating Surplus/(deficit)	<b>\$ 18</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (12)</b>
<b>Capital Expenditure</b>				
Rural Fire - fire tanker (Waihaorunga)	LOS	\$ -	\$ -	\$ -
Rural Fire - Vehicle	REP	10	10	-
Rural Fire - plant	REP	5	6	7
Rural Fire - radio digital upgrade	REP	9	9	-
Civil Defence - Mobile technology Hardware	REP	-	1	-
<b>Total Capital Expenditure</b>		<b>\$ 24</b>	<b>\$ 26</b>	<b>\$ 7</b>

#### Key

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

# Regulatory Services

## What Do We Do Now?

Inspection of the Waimate District on all health and nuisance related complaints and identification and reporting on matters that may potentially create adverse health effects or pose a nuisance to the community.

Council's Environmental Health Section carries out the following tasks:

- Dealing with any public health issues arising from adverse weather leading to floods and power cuts (discharging sewers, food spoilage, water quality);
- Investigation and reporting on notifiable infectious diseases;
- Investigation of health nuisances as defined under the Health Act 1956, including failed on-site effluent systems;
- Responding, investigating and reporting on noise nuisance complaints;
- Regulatory, advisory licensing, inspection and administrative roles in liquor licensing, registered and unregistered food premises, and other registered premises;
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors and mobile shops;
- Reporting on building consent applications for premises required to be registered under the Health Act 1956;
- Investigating and report in relation to the Consolidated Bylaw, such as Trading in Public Places, Keeping of Animals, Liquor Ban Bylaw;
- Reporting on Land Information Memorandums regarding health hazards, food and liquor licences and outstanding requisitions;
- Liaise with other authorities, such as Ministry of Health and Regional Councils, regarding recreational water quality (beaches, rivers and lakes) - food complaints, drinking water, poisoning programmes, discharges to air (dust, smoke, odour), contaminated sites;
- Monitoring of substandard accommodation and investigation of health aspects of habitable buildings, eg dampness, overcrowding, insanitary conditions;
- Working with Public Health Unit/Police - Pandemic planning and Clandestine Laboratories (eg 'P' Labs);
- Respond and investigate complaints regarding litter;
- Public Health Education input - Polytechnic courses (Liquor and Food Safety), schools, interest/service groups; and
- Stock Crossing Licences.

## Why Do We Do It?

Council has statutory obligations under numerous statutes including the Health Act 1956, Resource Management Act 1991, Food Act 2014, and the Sale and Supply of Alcohol Act 2012 to provide the services for this activity.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Respond to customer complaints and requests in a timely manner.	Council actions food hygiene related complaints within 48 hours. Target: Complaints actioned within 48 hours.	One food hygiene related complaint was actioned within 48 hours.	Achieved. (2015: Achieved)
	Council actions noise complaints in the case of late night party noise within two hours. Target: Complaints actioned within two hours.	19 noise complaints, 17 complaints were actioned within two hours.	Not achieved. (2015: Not achieved)



Customer			
Level of Service	Performance Measure	Result	Achievement 2015/16
All cow crossings have the appropriate permits.	Council reviews every cow crossing permit annually. Target: Review all permits annually.	There are 34 permits, two are overdue.	Not achieved. (2015: Achieved)
	Council will audit for compliance a minimum of 10% of licenced crossing annually. Target: All crossings compliant.	Compliance is checked at time of renewal of two year licence. 20 licences were issued during the year - all were compliant. 58% of licences checked for compliance.	Achieved. (2015: Not measured)

## Points of Significance

The Regulatory Department has been involved in the progression of the Joint Provisional Local Alcohol Policy in partnership with Timaru and Mackenzie District Councils. It is expected that this policy was adopted late in 2015.

### Service Performance Statement - Regulatory Services for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
General rates	\$ 122	\$ 121	\$ 121	\$ 111
Revenue from activities	74	30	30	3
Total revenue	<b>196</b>	<b>151</b>	<b>151</b>	<b>114</b>
<b>Expenditure</b>				
Other expenses	139	148	148	122
Total expenditure	<b>139</b>	<b>148</b>	<b>148</b>	<b>122</b>
Operating Surplus/(deficit)	<b>\$ 57</b>	<b>\$ 3</b>	<b>\$ 3</b>	<b>\$ (8)</b>

### Significant variations from Long Term Plan 2015 - 2025

Revenue from activities is favourable compared to LTP Budget due to increased health licence income.

# Dog and Animal Control

## What Do We Do Now?

Council's Dog and Animal Control carries out the following tasks:

- Investigating and acting upon dog and animal related complaints;
- Enforcing Council's bylaws and policy pertaining to dogs and/or animals;
- Impounding dogs; and
- Maintaining a register of dogs

## Why Do We Do It?

Council has statutory responsibilities under the Dog Control Act 1996 and its subsequent amendments, along with the Impounding Act 1955, to provide the services for this activity.

The objectives of the Dog Control Act 1996 including amendments are:

The better provision for the care and control of dogs by:

- Requiring the registration of dogs; and
- Making special provision in relation to dangerous dogs; and
- Imposing on the owners of dogs, obligations designed to ensure that dogs do not cause a nuisance to any person and do not injure, endanger, or cause distress to any person; and
- Imposing on owners of dogs obligations designed to ensure that dogs do not injure, endanger or distress any stock, poultry, domestic animal, or protected wildlife.

We also administer the Waimate District Council Dog Control Bylaw and Policy. The bylaw and policy promotes public safety and effective regulation of dogs and wandering animals within our District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Known dogs are registered each year.	95% of all known dogs are registered by 1 December.  Target: 100%.	As at 1 December 2015 98.7% of known dogs were registered.	Achieved.  (2015: Not measured)
Council responds quickly to wandering stock complaints.	Council responds to all wandering stock and animal related complaints within two hours.  Target: Respond within two hours.	There were 189 wandering dogs and 80 wandering stock complaints. All were responded to within two hours. 100%.	Achieved.  (2015: Achieved - 100%)
Council responds quickly to dog attacks on people and stock.	Council staff interview complainants within two hours of a dog attack on people or stock.  Target: Interview within two hours.	There were eight attacks on animal/stock and six attacks on people. All complainants were interviewed within two hours. 100%.	Achieved.  (2015: Achieved - 100%)

## Points of Significance

The Dog Control Policy and Dog Control Bylaw have undergone full review and adoption by Council.

In December 2015 Council achieved registration of 98.7% of all known dogs as at 1 July 2015.

**Service Performance Statement - Dog and Animal Control  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 144	\$ 142	\$ 142	\$ 121
Revenue from activities	141	127	127	132
Other revenue	5	-	-	-
<b>Total revenue</b>	<b>290</b>	<b>269</b>	<b>269</b>	<b>253</b>
<b>Expenditure</b>				
Employee benefit expenses	22	21	21	20
Depreciation and amortisation	-	2	2	1
Other expenses	224	246	246	173
<b>Total expenditure</b>	<b>246</b>	<b>269</b>	<b>269</b>	<b>194</b>
Operating Surplus/(deficit)	<b>\$ 44</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59</b>
<b>Capital Expenditure</b>				
		<b>Key</b>		
Dog and Animal Control - Motor Vehicle replacement	\$ -	REP	\$ 10	\$ -
Dog Pound - Concrete Run Yard	-	REP	-	5
<b>Total Capital Expenditure</b>	<b>\$ -</b>		<b>\$ 10</b>	<b>\$ 5</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities is favourable to LTP Budget and Actual 2015 due to increased fees and charges income.

Other expenses are below LTP Budget due to reduced costs and allocations of internal resources and overheads. The increase in other expenses compared to Actual 2015 is also related to allocations of internal resources and overheads.

Capital expenditure for the replacement of the motor vehicle was not required because the internal transfer of an existing Council owned vehicle was sufficient.

# Community Services Group

## What is Community Services and Why Do We Deliver It?

The Community Services group of activities involves promoting the social, cultural and economic development of our communities to ensure they have a good quality of life.

The Community Services Group includes the following activities:

<b>Economic Development and Promotions</b>	To increase the wealth of the people and the viability of the businesses in the District.
<b>Community Support</b>	Assists the continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes.
<b>Library</b>	The provision of a walk-in library service offering a wide collection of reading material and electronic information.

## Community Outcomes to which this group of activities primarily contributes

<b>Community Services</b>	Active and Supportive Community. A Place of Culture and Learning. Safe and Healthy People. Wealthy Community.
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## Funding Impact Statement - Community Services Group for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 243	\$ 240	\$ 240	\$ 600
Targeted rates	322	320	320	-
Subsidies and grants for operating purposes	21	21	21	21
Fees and charges	12	12	12	12
Internal charges and overheads recovered	10	6	6	2
Local authority fuel tax, fines, infringement fees other	17	29	29	32
<b>Total sources of operating funding</b>	<b>625</b>	<b>628</b>	<b>628</b>	<b>667</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	382	377	377	437
Finance costs	-	-	-	-
Internal charges and overheads applied	190	200	200	163
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>572</b>	<b>577</b>	<b>577</b>	<b>600</b>
<b>Surplus/(deficit) of operating funding</b>	<b>53</b>	<b>51</b>	<b>51</b>	<b>67</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	51	64	64	68
Increase/(decrease) in reserves	2	(13)	(13)	(1)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>53</b>	<b>51</b>	<b>51</b>	<b>67</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(53)</b>	<b>(51)</b>	<b>(51)</b>	<b>(67)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 10	\$ 6	\$ 6	\$ 2
Included within Internal charges and overheads applied is Internal Interest Expense of:	-	-	-	1
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	-	30	30	18
Increases in Internal Borrowings for the year	-	30	30	-
Decreases in Internal Borrowings for the year	-	(18)	(18)	-

**Service Performance Statement - Community Services Group  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 242	\$ 239	\$ 239	\$ 252
Civic Amenities Rates	322	320	320	317
Targeted rates	-	-	-	-
Revenue from activities	49	62	62	55
Other revenue	12	7	7	7
<b>Total revenue</b>	<b>625</b>	<b>628</b>	<b>628</b>	<b>631</b>
<b>Expenditure</b>				
Employee benefit expenses	166	157	157	168
Depreciation and amortisation	49	51	51	48
Finance expenses	-	-	-	-
Other expenses	405	420	420	376
<b>Total expenditure</b>	<b>620</b>	<b>628</b>	<b>628</b>	<b>592</b>
Operating Surplus/(deficit)	<b>\$ 5</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39</b>
<b>Capital Expenditure</b>				
Library books	47	60	60	44
Shelving	4	4	4	3
	<b>\$ 51</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 47</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS -	-	-	-
Replace existing assets	REP 51	64	64	47
	<b>\$ 51</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 47</b>

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

**Significant variations from Long Term Plan 2015 - 2025**

Refer to the attached Service Performance Statements for Economic Development and Promotions, Community Support, and Library for explanation of variances.

# Economic Development and Promotions

## What Do We Do Now?

### Economic Development

Council takes a lead role in encouraging growth of the Waimate District by:

- Facilitating the creation and expansion of local business and industry; and
- Supporting events.

### Promotions

Council's Promotions Department markets the Waimate District and provides support for tourism. The Information Centre provides an information service for visitors and local residents.

## Why Do We Do It?

In order to sustain and stimulate economic growth in the Waimate District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Provide high quality information services.	85% of customers are satisfied or very satisfied with Information Centre services.  Target: 85% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured.  (2015: Achieved - 96%)
Support economic development in the District.	Produce an economic development strategy to guide Council to support development in within the District.  Target: Produce and economic development strategy in 2016/17.	A proposed Business Development Fund in the Long Term Plan 2015-25 was not approved. Part of this fund was to be used to produce an economic development strategy, however we aim to produce a strategy from internal resources by October 2017. This work has not yet commenced.	Not achieved.  (2015: Not measured)

## Points of Significance

The expansion of the Fonterra Dairy Factory at Studholme in two stages will create some 250 jobs over the next ten years.

The expansion of the Oceania Dairy Plant at Glenavy, also in two stages, will create some 285 jobs over the next ten years.

As part of the Canterbury Regional Economic Development Strategy, Waimate led a Value Added Production workstream.

**Service Performance Statement - Economic Development and Promotions  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 131	\$ 129	\$ 129	\$ 142
Revenue from activities	15	27	27	19
Other revenue	5	4	4	3
<b>Total revenue</b>	<b>151</b>	<b>160</b>	<b>160</b>	<b>164</b>
<b>Expenditure</b>				
Employee benefit expenses	49	38	38	50
Other expenses	114	122	122	95
<b>Total expenditure</b>	<b>163</b>	<b>160</b>	<b>160</b>	<b>145</b>
Operating Surplus/(deficit)	\$ (12)	\$ -	\$ -	\$ 19

**Significant variations from Long Term Plan 2015 - 2025**

Revenue from activities is unfavourable compared to budget due to reduced sales.



# Community Support

## What Do We Do Now?

Community Support provides decision-making and accountability for grants from Council to community organisations and individuals for community purposes. Funds come from both Council and non-Council sources and are given from contestable grants as well as from Council's annual budget.

## Why Do We Do It?

Council's Community Support activity assists the continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes for our District..

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Grants criteria meet the need of the community	All grants administered by Waimate District Council are fully subscribed  Target: All grants fully subscribed	Sports Fund – First funding round held October 2015. 8/11 applications were allocated a total of \$10,000 from an available pool fund of \$10,000.	Achieved.  (2015: Achieved)
		Creative NZ – First funding round held October 2015. 5/6 applications were allocated \$5,685 from an available pool fund of \$5,818. \$133 was carried forward to second funding round April 2016. Second funding round 4/4 applications were allocated \$5,770 from an available pool fund of \$6,172.80. \$402.80 plus an unspent amount of \$579.00 returned from a previous grant, a total of \$981.80 carried forward to next funding round in October 2016.	Not Achieved.  (2015: Not achieved)
		Sport NZ Rural Travel Fund – First funding round held October 2015. 3/3 applications were allocated \$4,000 from an available pool fund of \$4,512.50. \$512.50 carried forward to second funding round. Second funding round held April 2016. 5/5 applications were allocated \$5,025 from an available pool fund of \$5,025.	Achieved.  (2015: Achieved)
		Waimate District Council Community Fund – Funding round held February 2016. 9/12 applications were allocated \$10,000 from an available pool fund of \$10,000.	Achieved.  (2015: Not achieved)
		Heritage Fund - Three applications were allocated a total of \$2,800. Applications open throughout the year.	Not achieved.  (2015: Not achieved)

## Points of Significance

Council invited all groups receiving an annual grant to present how they spent their grant and plans for the following year.

**Service Performance Statement - Community Support  
for the year ended 30 June 2016**

	<b>2016 Actual \$000</b>	<b>2016 LTP Budget \$000</b>	<b>2016 Annual Plan \$000</b>	<b>2015 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 111	\$ 110	\$ 110	\$ 110
Revenue from activities	21	21	21	21
Other revenue	1	1	1	1
Total revenue	<b>133</b>	<b>132</b>	<b>132</b>	<b>132</b>
<b>Expenditure</b>				
Other expenses	138	132	132	131
Total expenditure	<b>138</b>	<b>132</b>	<b>132</b>	<b>131</b>
Operating Surplus/(deficit)	<b>\$ (5)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>

# Library

## What Do We Do Now?

Council provides, maintains and manages a comprehensive walk-in library service within the Local Government Centre Building, Queen Street, Waimate.

The collection comprises the latest of popular fiction, non-fiction, magazines, newspapers, large print, talking books, E-books, music CDs and a selection of DVDs that are exchanged on a regular basis. An inter-loan service is available. The library provides public computer access to the collection and general internet access, as well as free wi-fi.

The Library provides exchange collections for the Kurow Library.

## Why Do We Do It?

The Local Government Act 2002 identifies the provision of Library services as a core service. A community owned Library collection provides a resource available to all members of our community that is far greater than any one individual or family could amass. The research capabilities of our Library, ensures that our residents are able to participate extramurally in tertiary studies not otherwise available in our District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Council's provision of library services is sufficient to meet our community's needs.	85% of customers are satisfied or very satisfied with library services.  Target: 85% satisfied or very satisfied.	Not measured - next survey conducted early 2017.	Not measured.  (2015: Achieved - 91%)

## Service Performance Statement - Library for the year ended 30 June 2016

	2016 Actual \$000	2016 LTP Budget \$000	2016 Annual Plan \$000	2015 Actual \$000
<b>Revenue</b>				
Civic Amenities Rates	\$ 322	\$ 320	\$ 320	\$ 317
Revenue from activities	13	14	14	15
Other revenue	6	2	2	3
<b>Total revenue</b>	<b>341</b>	<b>336</b>	<b>336</b>	<b>335</b>
<b>Expenditure</b>				
Employee benefit expenses	117	119	119	118
Depreciation and amortisation	49	51	51	48
Other expenses	153	166	166	150
<b>Total expenditure</b>	<b>319</b>	<b>336</b>	<b>336</b>	<b>316</b>
Operating Surplus/(deficit)	\$ 22	\$ -	\$ -	\$ 19
<b>Capital Expenditure</b>				
Library books	\$ 47	\$ 60	\$ 60	\$ 44
Shelving	4	4	4	3
<b>Total Capital Expenditure</b>	<b>\$ 51</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 47</b>

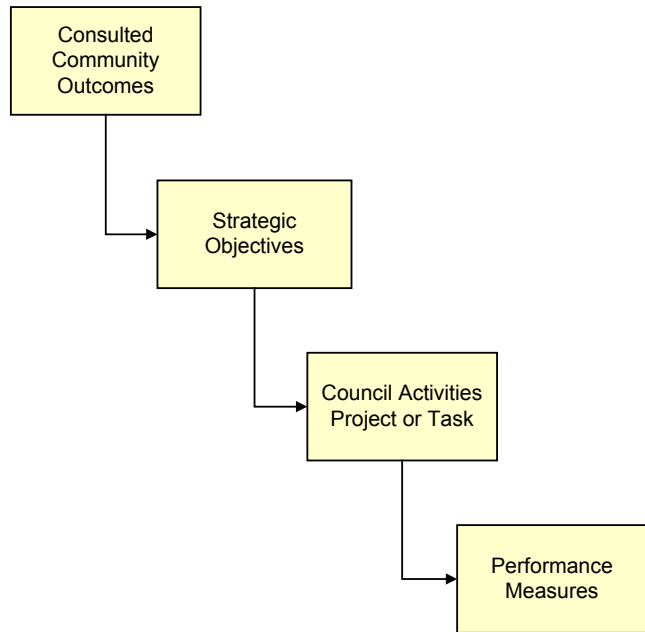
### Key

REP  
REP

Key: AD = Meets additional demand, LOS = Improve level of performance/service, REP = Replace existing assets

# Vision for Waimate District

Waimate District's Long Term Plan (LTP), which is reviewed three yearly, provides direction and long term focus for routine tasks and one-off projects, within Council's areas of activity by setting them within a framework of strategic objectives that are derived from our community's consulted, desired outcomes.



# Achieving Community Outcomes

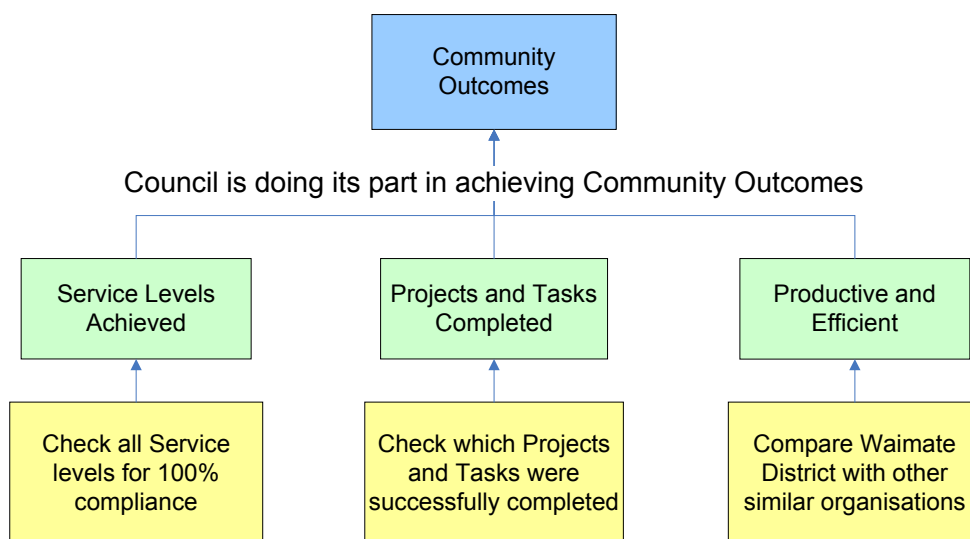
Each year, Council produces its Annual Report to disclose performance, against targets set in the LTP.

A three-pronged approach is used by Waimate District Council to help citizens judge whether the Council is doing a good job or not.

The Council will carry out its roles in advancing the Outcomes that the Community wants.

The Council will provide all its services to meet standards that have been agreed with the Community.

The Council will run its operations in a cost-effective and efficient manner.



# Equal Employment Opportunity

The Waimate District Council is committed to the principles and practices of Equal Employment Opportunity (EEO) as a means of ensuring that its current and potential employees have an equal opportunity to achieve their potential.

The Council therefore strives to implement a purposeful programme of action to ensure its recruitment policies and procedures, conditions of employment and employee training, and promotion opportunities are carried out with an awareness of and an intent to eliminate any unfair discrimination on the grounds of gender, marital status, religion, ethical belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family responsibilities, or sexual orientation.

The 1999/2000 EEO Management Plan identified the following objectives:

- A review and on-going monitoring of current policies and procedures dealing with the recruitment and selection process to ensure that all employment decisions are made on the basis of relevant merit.
- All Council managers are conscious of the need to consider employment equity issues upon recruitment of new staff members.
- A full review of Council's Terms of Employment to ensure adherence to EEO principles. This will include the development of a Code of Conduct, containing a sexual harassment policy and related disciplinary procedures, and includes an undertaking to identify and publicise behaviours, which are not acceptable in the workplace.

The review is continuing, however, all employee's Individual Employment Agreements or Collective Agreements were reviewed, including the definitions of misconduct.

The development of a grievance procedure for dealing with discrimination complaints based on the provisions of the Human Rights Act 1993, to be adopted as Council policy and included in all individual Employment Contracts. This policy will be reviewed on a regular basis to ensure compliance with current legal requirements.

Conditions of appointment for all Council staff contain a detailed description of procedures for addressing employment relationship problems which include personal grievance issues on the basis of discrimination.

Establishment of a training register to monitor accessibility, identification of special training requirements, and career aspirations as part of Council's role as a good employer to support and encourage all employees to seek career development and promotion within the organisation.

Employees in all Departments of Council have participated in a wide range of training courses in consultation with their managers.

An ongoing review of all Council's policies and documentation to ensure adherence to EEO principles. This will include regular liaison and consultation both within and outside Council to promote the interchange of EEO information and strategies.

Council has employed workplace support who visits fortnightly and who may function as an independent expert with whom staff may consult upon any grievance issues.

The Council confirms its commitment to this action, and with it the hope that by fostering a diverse range of employees who reflect the social mix within the community we serve, that Council staff will better understand customer needs, thus creating a better quality and more responsive service for the people of the Waimate District.

# Statement on Participation of Maori in the Decision-making Process

## Requirements of the Local Government Act 2002

The Local Government Act 2002, requires all Councils to take specific actions with regard to Maori. The relevant sections of the Act are as follows:

The 'headline' provision referring explicitly to Maori is section 4. It reads:

In order to recognise and respect the Crown's responsibility to take appropriate account of the Principles of the Treaty of Waitangi and to maintain and improve opportunities for Maori to contribute to local government decision-making processes, Parts 2 and 6 provide principles and requirements for local authorities that are intended to facilitate participation by Maori in local authority decision-making processes.

Section 14(1)(d) reads:

In performing its role, a local authority must act in accordance with the principle that a local authority should provide opportunities for Maori to contribute to its decision-making processes.

Section 77(1)(c) reads:

A local authority must in the course of the decision-making process, - ...if any of the options identified under paragraph:

- (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

Section 81(1) requires that a local authority must:

- (a) Establish and maintain processes to provide opportunities for Maori to contribute to decision-making processes of the local authority; and
- (b) Consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the local authority; and
- (c) Provide relevant information to Maori for the purposes of paragraphs (a) and (b).

Section 82(2) states:

A local authority must ensure that it has in place processes for consulting with Maori in accordance with subsection (1).

## Waimate District Council Initiatives

The Waimate District Council addresses these requirements by actively pursuing the following initiatives:

- The Council will work together with Maori organisations and individuals, to identify citizens who are considered to be Maori with an interest in the Community in accordance with the requirements of Section 81(1) of the Act. This includes all Maori, regardless of tribal affiliation, who reside in the District, who own land within the District or who have a recognised cultural affiliation with the District. This will also include Maori organisations that are directly involved in the interests of local Maori. This identified list of Maori will be maintained in partnership with local Maori groups.
- The Council will mail written advice of all issues to be referred to Community consultation to all Maori and organisations who have been identified as in the previous paragraphs, and where a postal address is known. This advice will include an overview of the proposals and instructions on registering submissions. This will be additional to all normal advertising methods employed for the community at large.
- The Council will meet with representatives of Te Runanga o Waihao at least once a year, to discuss current issues and the progress of the Long Term Plan. These meetings are in addition to other contact as part of the consultation process.
- The Council will provide meetings, on request, to explain current issues and proposals for consultation specifically for Maori groups, whenever practical considerations permit. These meetings can be, by request, limited to specific Maori group participation.
- The Council will continue to involve tangata whenua in all relevant deliberations with regard to the application of the Resource Management Act.

The Council will adhere to the basic principle that all its citizens are of equal importance in the community and are all part of that community. Accordingly, it will always strive to ensure that the interests of all its Maori citizens are fully addressed and considered in all decision-making processes and recognises the special need to ensure the capacity of Maori to play a full part in the decision-making process.