



# **WAIMATE DISTRICT COUNCIL ANNUAL REPORT 2017/18**

**Adopted  
6 November 2018**

Cover photo Hakataramea Valley June 2012

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# Message from the Mayor and Chief Executive



## Welcome to the Waimate District Council's Annual Report 2017/18

It's been another busy year and as this Annual Report goes to print the district is certainly experiencing growth and plenty of activity.

Council has played its part over the last 12 months to facilitate this growth and champion our district as a great place for people to live and visit. While we're relatively small, we certainly punch above our weight and enjoy a district with some unique attractions.

### **Economic development and promotions**

We know the meeting of minds can create something pretty special and this has been evidenced as we've been developing our Economic Development Strategy and the subsequent working groups that have been established to develop action plans based on five themes.

We know how important it is to promote our district to the wider world so the Explore Waimate District website and Facebook page are doing a fine job of this.

Our roads are also key to economic development – without well performing roads our largely rural sector would struggle so it's important we invest in them. We do this with assistance from the New Zealand Transport Agency (NZTA) in the form of subsidies. We receive a

56% subsidy rate from NZTA, however, that increases to 76% for flood damage.

In our latest funding bid NZTA have indicated their investment for our maintenance and renewal programme will increase 24% to over \$14 million for maintenance and \$11.5 million for renewal work over the next three years.

### **Recreation**

Promoting our events and attractions is important but it's also important that we have recreational amenities that encourage people outdoors so we installed a new playground at Victoria Park and upgraded the toilets. At Knottingley Park we purchased a new seesaw and junior double slide and bought a giant inflatable crocodile for the swimming pool – lots of fun for our younger citizens!

The Waimate Event Centre is a multifunction facility that caters for a wide range of activities and over the last 12 months we've seen an increase in the number of people using it, both for sporting activities and using the meeting room facilities.



## Literacy

Our library continues to be a place of learning and literacy. From school holiday programmes to colourful displays that have incorporate literacy themes, we saw a steady stream of people using the library.

One highlight was the Books Blokes and a Beer programme. This programme encouraged fathers of young children to support their children's language and literacy development and proved to be very successful.

## Community safety

We all want to live in a safe community and there's a number of ways we've helped achieve this. We worked in partnership with the NZ Police and installed CCTV cameras around town and we've produced two Civil Defence Community Response Plans for St Andrews/Southburn/Otaio and Cannington/Maungati respectively. These plans have been tailor-made for their respective communities, giving specific information that is pertinent to them during a civil defence emergency. (A further seven plans for local areas will be completed by 2019/20.)

Having safe water to drink has and continues to be a high priority. There's been a lot of publicity about the country's water supplies and while we're waiting to see if the Government makes changes to the national Drinking Water Standards, we continue to press on and upgrade some of our supplies.

As at the end of last year the registration of all known dogs in the district was 99%, which is a significant achievement in comparison to other councils.

## Protecting our environment

Another hot topic is recycling and it's incumbent on all of us to do what we can to help protect our environment. Our kerbside recycling service is important to this community but we need to get it right. We've found examples where recyclables are 'contaminated' and end up in landfills rather than being recycled so we've provided more information about the 'dos' and 'don'ts' of recycling.

## Doing business with Council

We interact with people across our community in many ways and we continue to improve how we do that. Some of our systems have been upgraded, making it easier for people to deal with us. This includes property developers and other business people who have commented on how easy it has been dealing with us! We launched a new website, so it's easier for people to find information about our activities and services.

We've sold the last sections in the Eric Batchelor Place subdivision and we've upgraded the interiors of the Tennant Street camping cabins with fireproof ceilings, painting, new lighting and new beds and bunks.

## Community engagement

We're delighted to mention that the consultation document we produced for our recent 2018-28 Long Term Plan was one of four finalists in a national competition. Although we didn't win, we received a highly commended mention with comments expressed by the judges as it being well designed and easily understood.

## The money

At the beginning of the year we were budgeting for a deficit of \$139,000. We have exceeded this deficit, with a reported deficit of \$345,000. For more information on the major variances to budget, please see Note 31.

## One last thing

Thank you to everyone who's contributed to making Waimate a great place to live and work in. We're in this together and it's our privilege to help create a community we're all proud to be part of.



Craig Rowley  
Mayor



Stuart Duncan  
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

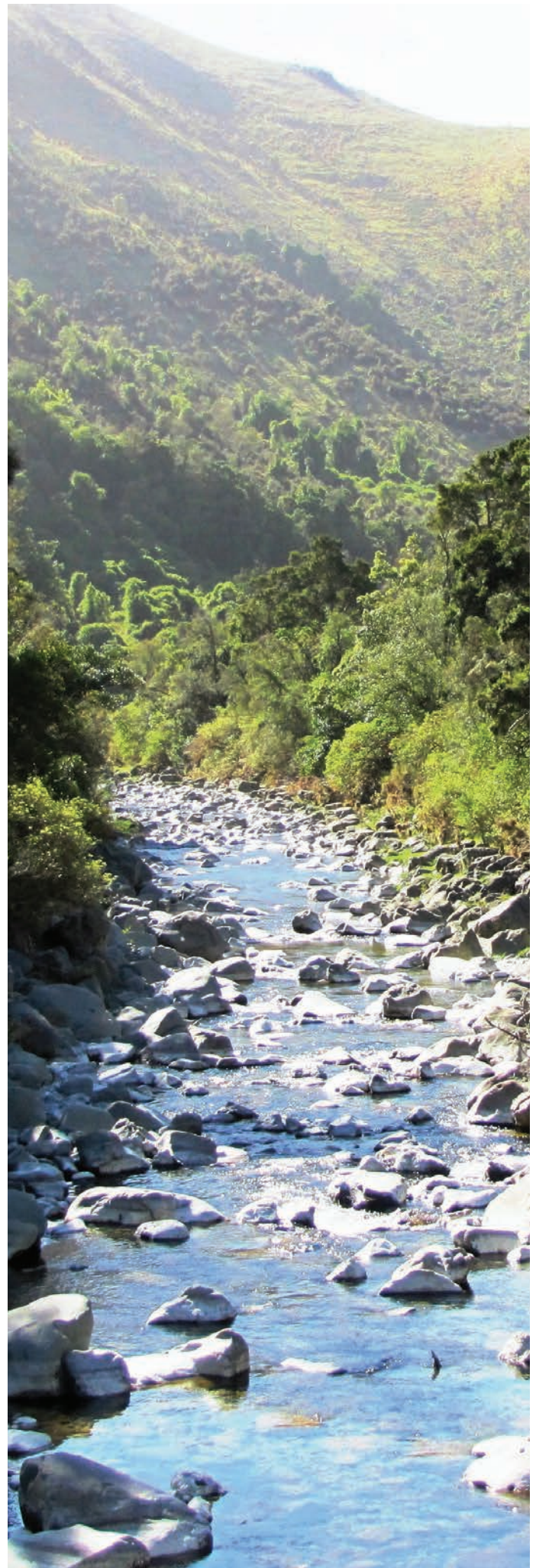
Provides a financial snapshot of Council's assets, liabilities, term loans and ratepayers equity at a point in time.

## 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 Jakki Guilford  
Councillor David Anderson  
Councillor Tom O'Connor JP  
Councillor Sheila Paul  
Councillor David Owen JP  
Councillor Miriam Morton  
Councillor Peter Collins

## Ward

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

## Leadership Team

Stuart Duncan  
Dan Mitchell, BSc  
Andy Hilton, ACMA  
Carolyn Johns, Dip Com  
Sue Kelly  
Fiona Hester-Smith  
Michelle Jones

Chief Executive  
Asset Group Manager  
Corporate Services Manager  
Community and Strategy Group Manager  
Regulatory and Compliance Group Manager  
Human Resources Manager  
Executive Support Manager

## General Information

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

## Contact Details

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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 2017/18 Annual Plan (or year three 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:

|                                       | Page       |                                          | Page       |
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# 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 2017/18 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 the LTP 2018-28.



# 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 with the exception of section 98(3) that requires that the Annual Report must be completed and adopted, by resolution, within 4 months after the end of the financial year to which it relates. The Council was unable to meet the deadline of 31 October 2018.

## 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 2018, fairly reflects the financial position and operations of the Council.



Craig Rowley  
Mayor



Stuart Duncan  
Chief Executive

## Independent Auditor's Report

### To the readers of Waimate District Council's annual report for the year ended 30 June 2018

The Auditor-General is the auditor of Waimate District Council (the District Council). The Auditor-General has appointed me, Dereck Ollsson, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 6 November 2018. This is the date on which we give our report.

### Opinion on the audited information

In our opinion:

- the financial statements on pages 21 to 24 and pages 33 to 76:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2018;
    - 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 in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and
- the funding impact statement on page 25, 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 annual plan;
- the statement of service provision on pages 77 to 163:
  - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2018, 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; and
- the statement about capital expenditure for each group of activities on pages 77 to 163, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s annual plan; and
- the funding impact statement for each group of activities on pages 77 to 163, 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.

## **Report on the disclosure requirements**

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 27 to 31, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s long-term plan and annual plans.

## **Basis for our opinion on the audited information**

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

## **Responsibilities of the Council for the audited information**

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 enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

## **Responsibilities of the auditor for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast a significant doubt on the District Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the District Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 4 to 11, 32, and 165 to 167, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit of the audited information and our report on the disclosure requirements, we have audited the District Council's 2018-28 long term plan. Other than these engagements, we have no relationship with, or interests in, the District Council.



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









# Financial Statements

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# Financial Summary

## Council Financial Statistics

|                                                                                          | 2018<br>Actual | 2018<br>LTP Budget | 2018<br>Annual Plan | 2017<br>Actual |
|------------------------------------------------------------------------------------------|----------------|--------------------|---------------------|----------------|
| Proportion of rates to total revenue                                                     | 58.8%          | 66.5%              | 62.1%               | 52.0%          |
| Average rates per rateable property (equals Total Rates divided by Total Rateable Units) | \$ 2,737       | \$ 2,688           | \$ 2,641            | \$ 2,631       |
| Net public debt as a percentage of total assets                                          | 0.64%          | 0.90%              | 0.80%               | 0.64%          |
| Public debt per rateable property                                                        | \$ 805         | \$ 1,113           | \$ 974              | \$ 825         |
| Rating units                                                                             |                |                    |                     |                |
| - rateable                                                                               | 4,317          |                    |                     | 3,399          |
| - non-rateable                                                                           | 254            |                    |                     | 912            |
| Total Rating units at the start of the financial year                                    | 4,571          |                    |                     | 4,311          |
| Total Capital Value of Rating Units at the start of the financial year (\$000)           | \$ 4,768,422   |                    |                     | \$ 4,031,827   |
| Total Land Value of Rating Units at the start of the financial year (\$000)              | \$ 3,167,407   |                    |                     | \$ 2,569,400   |

## Council Five Year Financial Performance Summary

|                               | 2018<br>Actual<br>\$000 | 2017<br>Actual<br>\$000 | 2016<br>Actual<br>\$000 | 2015<br>Actual<br>\$000 | 2014<br>Actual<br>\$000 |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| General/Civic Amenities rates | 3,436                   | 3,195                   | 3,263                   | 5,305                   | 5,301                   |
| Targeted rates                | 5,868                   | 5,746                   | 5,475                   | 3,126                   | 2,890                   |
| Net surplus/(deficit)         | (345)                   | 2,131                   | 1,483                   | (50)                    | (3)                     |
| Working capital               | 3,949                   | 3,944                   | 3,092                   | 1,819                   | 1,478                   |
| Public debt                   | 2,737                   | 2,805                   | 2,000                   | 500                     | 500                     |
| Net assets                    | 420,815                 | 433,511                 | 399,439                 | 396,334                 | 379,398                 |

# Statement of Comprehensive Revenue and Expenditure

for the year ended 30 June 2018

|                                                                    |      | 2018               | 2018                 | 2017             |
|--------------------------------------------------------------------|------|--------------------|----------------------|------------------|
|                                                                    | Note | Actual<br>\$000    | Annual Plan<br>\$000 | Actual<br>\$000  |
| <b>Operating Revenue</b>                                           |      |                    |                      |                  |
| Rates (net of remissions)                                          | 2    | \$ 9,303           | \$ 9,283             | \$ 8,941         |
| Development and Financial contributions                            | 3    | 83                 | 87                   | 68               |
| Subsidies and Grants                                               | 3    | 3,098              | 2,841                | 2,655            |
| Fees and charges                                                   | 3    | 1,078              | 1,013                | 1,024            |
| Interest revenue                                                   | 4    | 101                | 35                   | 53               |
| Other revenue                                                      | 5    | 2,150              | 1,696                | 4,465            |
| <b>Total Operating Revenue</b>                                     |      | <b>15,813</b>      | <b>14,955</b>        | <b>17,206</b>    |
| <b>Operating Expenditure</b>                                       |      |                    |                      |                  |
| Employment benefit expenses                                        | 6    | 3,883              | 3,728                | 3,634            |
| Depreciation                                                       | 14   | 4,437              | 4,568                | 4,681            |
| Amortisation                                                       | 16   | 36                 | 39                   | 26               |
| Finance costs                                                      | 4    | 114                | 207                  | 96               |
| Other expenses                                                     | 8    | 7,689              | 6,551                | 6,639            |
| <b>Total Operating Expenditure</b>                                 |      | <b>16,158</b>      | <b>15,094</b>        | <b>15,076</b>    |
| <b>Operating Surplus/(Deficit) before Taxation</b>                 |      | <b>(345)</b>       | <b>(139)</b>         | <b>2,130</b>     |
| Taxation expense                                                   | 9    | -                  | -                    | -                |
| <b>Total Surplus/(Deficit)</b>                                     |      | <b>\$ (345)</b>    | <b>\$ (139)</b>      | <b>\$ 2,130</b>  |
| <b>Other Comprehensive Revenue and Expenditure</b>                 |      |                    |                      |                  |
| Increase/(decrease) in discretionary reserves/restricted assets    | 21   | -                  | -                    | -                |
| Increase/(decrease) in revaluation reserves                        | 21   | 2,652              | 3,630                | 30,718           |
| Impairment of revalued assets and reversal of a prior year value   | 21   | -                  | -                    | -                |
| Financial assets at fair value through other comprehensive revenue | 21   | (15,002)           | -                    | 1,223            |
| <b>Total Other Comprehensive Revenue and Expenditure</b>           |      | <b>(12,350)</b>    | <b>3,630</b>         | <b>31,941</b>    |
| <b>Total Comprehensive Revenue and Expenditure</b>                 |      | <b>\$ (12,695)</b> | <b>\$ 3,491</b>      | <b>\$ 34,071</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 2018

|                                             |             | <b>2018</b>             | <b>2018</b>                  | <b>2017</b>             |
|---------------------------------------------|-------------|-------------------------|------------------------------|-------------------------|
|                                             | <b>Note</b> | <b>Actual<br/>\$000</b> | <b>Annual Plan<br/>\$000</b> | <b>Actual<br/>\$000</b> |
| Equity as at 1 July                         | 21          | \$ 433,511              | \$ 417,120                   | \$ 399,439              |
| Total Comprehensive Revenue and Expenditure |             | (12,695)                | 3,491                        | 34,071                  |
| <b>Equity as at 30 June</b>                 |             | <b>\$ 420,815</b>       | <b>\$ 420,611</b>            | <b>\$ 433,511</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 2018

|                                      |             | <b>2018</b>       | <b>2018</b>        | <b>2017</b>       |
|--------------------------------------|-------------|-------------------|--------------------|-------------------|
|                                      | <b>Note</b> | <b>Actual</b>     | <b>Annual Plan</b> | <b>Actual</b>     |
|                                      |             | <b>\$000</b>      | <b>\$000</b>       | <b>\$000</b>      |
| <b>Assets</b>                        |             |                   |                    |                   |
| <b>Current Assets</b>                |             |                   |                    |                   |
| Cash and cash equivalents            | 10          | \$ 4,199          | \$ 612             | \$ 3,701          |
| Trade and other receivables          | 11          | 1,796             | 1,439              | 1,253             |
| Inventories                          | 12          | 96                | 296                | 284               |
| Other financial assets               | 13          | 5                 | 647                | 781               |
| <b>Total Current Assets</b>          |             | <b>6,097</b>      | <b>2,994</b>       | <b>6,019</b>      |
| <b>Non-Current Assets</b>            |             |                   |                    |                   |
| Trade and other receivables          | 11          | -                 | -                  | -                 |
| Infrastructural assets               | 14          | 374,739           | 366,915            | 375,559           |
| Operational assets                   | 14          | 27,258            | 25,763             | 25,209            |
| Forestry assets                      | 15          | 1,727             | 1,424              | 1,471             |
| Intangible assets                    | 16          | 293               | 170                | 198               |
| Other financial assets               | 13          | 15,616            | 28,711             | 29,925            |
| <b>Total Non-Current Assets</b>      |             | <b>419,632</b>    | <b>422,983</b>     | <b>432,362</b>    |
| <b>Total Assets</b>                  |             | <b>\$ 425,729</b> | <b>\$ 425,977</b>  | <b>\$ 438,381</b> |
| <b>Liabilities</b>                   |             |                   |                    |                   |
| <b>Current Liabilities</b>           |             |                   |                    |                   |
| Trade and other payables             | 17          | \$ 1,746          | \$ 1,465           | \$ 1,656          |
| Public debt                          | 20          | 33                | 26                 | 71                |
| Provisions                           | 18          | 6                 | 6                  | 6                 |
| Employee benefit liabilities         | 19          | 364               | 410                | 342               |
| <b>Total Current Liabilities</b>     |             | <b>2,148</b>      | <b>1,907</b>       | <b>2,075</b>      |
| <b>Non-Current Liabilities</b>       |             |                   |                    |                   |
| Public Debt                          | 20          | 2,704             | 3,398              | 2,734             |
| Provisions                           | 18          | 61                | 61                 | 61                |
| Employee benefit liabilities         | 19          | -                 | -                  | -                 |
| <b>Total Non-Current Liabilities</b> |             | <b>2,765</b>      | <b>3,459</b>       | <b>2,795</b>      |
| <b>Equity</b>                        |             |                   |                    |                   |
| Public Equity                        | 21          | 84,667            | 91,714             | 86,351            |
| Special separate and trust funds     | 21          | 3,207             | (4,648)            | 1,869             |
| Asset revaluation reserve            | 21          | 327,219           | 314,044            | 324,567           |
| Other reserves                       | 21          | 5,722             | 19,501             | 20,724            |
| <b>Total Equity</b>                  |             | <b>420,815</b>    | <b>420,611</b>     | <b>433,511</b>    |
| <b>Total Liabilities and Equity</b>  |             | <b>\$ 425,729</b> | <b>\$ 425,977</b>  | <b>\$ 438,381</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 2018

|                                                     | 2018            | 2018                 | 2017            |
|-----------------------------------------------------|-----------------|----------------------|-----------------|
| Note                                                | Actual<br>\$000 | Annual Plan<br>\$000 | Actual<br>\$000 |
| <b>Cash flows from operating activities</b>         |                 |                      |                 |
| <b>Cash was received from:</b>                      |                 |                      |                 |
| Receipts from rates revenue                         | \$ 9,345        | \$ 9,323             | \$ 8,877        |
| Interest received                                   | 101             | 35                   | 53              |
| Dividends received                                  | 456             | 754                  | 708             |
| Receipts from other revenue                         | 5,054           | 4,816                | 5,607           |
|                                                     | <b>14,956</b>   | <b>14,928</b>        | <b>15,245</b>   |
| <b>Cash was applied to:</b>                         |                 |                      |                 |
| Payments to suppliers and employees                 | 11,269          | 10,547               | 10,378          |
| Interest paid                                       | 114             | 207                  | 96              |
|                                                     | <b>11,383</b>   | <b>10,754</b>        | <b>10,474</b>   |
| <b>Net Cash Flows from operating activities</b>     | <b>3,573</b>    | <b>4,174</b>         | <b>4,771</b>    |
| <b>Cash flows from investing activities</b>         |                 |                      |                 |
| <b>Cash was received from:</b>                      |                 |                      |                 |
| Proceeds from sale of property, plant and equipment | 15              | -                    | 27              |
| Proceeds from sale of harvested forests             | 284             | -                    | 216             |
| Proceeds from sale of investment property           | 169             | 134                  | -               |
| Proceeds from sale of investments                   | -               | -                    | 12              |
|                                                     | <b>468</b>      | <b>134</b>           | <b>255</b>      |
| <b>Cash was applied to:</b>                         |                 |                      |                 |
| Purchase of property, plant and equipment           | 3,199           | 5,040                | 4,513           |
| Purchase of intangible assets                       | 130             | 29                   | 56              |
| Purchase of silviculture                            | -               | -                    | -               |
| Acquisition of investments                          | 146             | -                    | 244             |
|                                                     | <b>3,475</b>    | <b>5,069</b>         | <b>4,813</b>    |
| <b>Net Cash Flows from investing activities</b>     | <b>(3,007)</b>  | <b>(4,935)</b>       | <b>(4,558)</b>  |
| <b>Cash flows from financing activities</b>         |                 |                      |                 |
| <b>Cash was received from:</b>                      |                 |                      |                 |
| Proceeds from public debt                           | -               | -                    | 850             |
|                                                     | <b>-</b>        | <b>-</b>             | <b>850</b>      |
| <b>Cash was applied to:</b>                         |                 |                      |                 |
| Repayment of public debt                            | 68              | 26                   | 45              |
|                                                     | <b>68</b>       | <b>26</b>            | <b>45</b>       |
| <b>Net Cash Flows from financing activities</b>     | <b>(68)</b>     | <b>(26)</b>          | <b>805</b>      |
| Net increase/(decrease) in cash held                | 498             | (787)                | 1,018           |
| Add opening cash balance (1 July)                   | 3,701           | 1,399                | 2,683           |
| <b>Closing cash (30 June)</b>                       | <b>\$ 4,199</b> | <b>\$ 612</b>        | <b>\$ 3,701</b> |
| <b>Represented by:</b>                              |                 |                      |                 |
| Cash, cash equivalents and bank overdrafts          | 4,199           | 612                  | 3,701           |
|                                                     | <b>\$ 4,199</b> | <b>\$ 612</b>        | <b>\$ 3,701</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 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 | 2017<br>Annual Plan<br>\$000 |
|----------------------------------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|
| <b>Sources of operating funding</b>                      |                         |                              |                         |                              |
| General rates, UAGC and rates penalties                  | \$ 1,149                | \$ 1,106                     | \$ 1,022                | \$ 1,052                     |
| Targeted rates                                           | 8,246                   | 8,281                        | 8,004                   | 7,975                        |
| Subsidies and grants for operating purposes              | 1,842                   | 1,169                        | 1,619                   | 986                          |
| Fees and charges                                         | 1,078                   | 1,013                        | 1,023                   | 876                          |
| Interest and dividends from investments                  | 557                     | 789                          | 761                     | 607                          |
| Local authority fuel tax, fines, infringement fees other | 1,212                   | 745                          | 1,355                   | 796                          |
| <b>Total sources of operating funding</b>                | <b>14,084</b>           | <b>13,103</b>                | <b>13,784</b>           | <b>12,292</b>                |
| <b>Applications of operating funding</b>                 |                         |                              |                         |                              |
| Payments to staff and suppliers                          | 10,815                  | 10,224                       | 10,221                  | 9,715                        |
| Finance costs                                            | 114                     | 207                          | 96                      | 199                          |
| Other operating funding applications                     | -                       | -                            | -                       | -                            |
| <b>Total applications of operating funding</b>           | <b>10,929</b>           | <b>10,431</b>                | <b>10,317</b>           | <b>9,914</b>                 |
| <b>Surplus/(deficit) of operating funding</b>            | <b>3,155</b>            | <b>2,672</b>                 | <b>3,467</b>            | <b>2,378</b>                 |
| <b>Sources of capital funding</b>                        |                         |                              |                         |                              |
| Subsidies and grants for capital expenditure             | 1,261                   | 1,672                        | 1,251                   | 1,681                        |
| Development and financial contributions                  | 83                      | 87                           | 68                      | 92                           |
| Increase/(decrease) in debt                              | (68)                    | (26)                         | 805                     | 375                          |
| Gross proceeds from sale of assets                       | 15                      | -                            | 27                      | -                            |
| Lump sum contributions                                   | -                       | -                            | -                       | -                            |
| Other dedicated capital funding                          | -                       | -                            | -                       | -                            |
| <b>Total sources of capital funding</b>                  | <b>1,291</b>            | <b>1,733</b>                 | <b>2,151</b>            | <b>2,148</b>                 |
| <b>Applications of capital funding</b>                   |                         |                              |                         |                              |
| Capital expenditure - to meet additional demand          | 5                       | -                            | 464                     | 546                          |
| Capital expenditure - to improve level of service        | 560                     | 1,237                        | 1,545                   | 1,556                        |
| Capital expenditure - to replace existing assets         | 2,763                   | 3,832                        | 2,560                   | 3,394                        |
| Increase/(decrease) in reserves                          | 1,117                   | (664)                        | 805                     | (1,079)                      |
| Increase/(decrease) in investments                       | -                       | -                            | 244                     | 109                          |
| <b>Total applications of capital funding</b>             | <b>4,445</b>            | <b>4,405</b>                 | <b>5,618</b>            | <b>4,526</b>                 |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(3,155)</b>          | <b>(2,672)</b>               | <b>(3,467)</b>          | <b>(2,378)</b>               |
| <b>Funding balance</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 2018

|                                                                                                     | 2018            | 2018                 | 2017            |
|-----------------------------------------------------------------------------------------------------|-----------------|----------------------|-----------------|
|                                                                                                     | Actual<br>\$000 | Annual Plan<br>\$000 | Actual<br>\$000 |
| <b>Service Performance Statement</b>                                                                |                 |                      |                 |
| <b>operating surplus/(deficit) by Activity</b>                                                      |                 |                      |                 |
| Forestry                                                                                            | \$ 394          | \$ 65                | \$ 22           |
| Investments and Finance                                                                             | (414)           | 171                  | (92)            |
| Community Property                                                                                  | 36              | (180)                | 2,235           |
| Building Control                                                                                    | 118             | -                    | 20              |
| Resource Management                                                                                 | 86              | 51                   | 60              |
| Emergency Management                                                                                | (270)           | -                    | (16)            |
| Regulatory Services                                                                                 | 24              | -                    | 26              |
| Dog and Animal Control                                                                              | (10)            | -                    | (9)             |
| Community Representation                                                                            | 46              | 12                   | 42              |
| Strategy                                                                                            | (63)            | (82)                 | 4               |
| Managing Services                                                                                   | 194             | (13)                 | 147             |
| Economic Development and Promotions                                                                 | 58              | (33)                 | 27              |
| Community Support                                                                                   | 11              | -                    | (48)            |
| Library                                                                                             | 10              | -                    | 11              |
| Camping                                                                                             | 30              | (27)                 | 45              |
| Cemeteries                                                                                          | (20)            | (10)                 | 6               |
| Parks and Public Spaces                                                                             | (76)            | (34)                 | 160             |
| Swimming                                                                                            | 20              | (2)                  | (23)            |
| Roading                                                                                             | (774)           | (235)                | (848)           |
| Sewerage and Sewage                                                                                 | 75              | 45                   | 136             |
| Stormwater Drainage                                                                                 | 16              | (6)                  | 13              |
| Waste Management                                                                                    | 24              | 12                   | 99              |
| Water Supply                                                                                        | 140             | 127                  | 113             |
| <b>Total Surplus/(Deficit) after tax per the Statement of Comprehensive Revenue and Expenditure</b> | <b>(345)</b>    | <b>(139)</b>         | <b>2,131</b>    |
| less donated assets and interest on internal borrowing not included in the FIS                      | -               | -                    | (1,922)         |
| <b>Total Surplus/(Deficit) before vested assets not included in the FIS</b>                         | <b>(345)</b>    | <b>(139)</b>         | <b>209</b>      |
| less Subsidies and grants for capital expenditure                                                   | (1,261)         | (1,672)              | (1,251)         |
| less Development and financial contributions                                                        | (83)            | (87)                 | (68)            |
| less Revaluation losses/(gains) not included in the FIS                                             | (379)           | (133)                | (181)           |
| add Loss on sale not included in the FIS                                                            | 232             | 94                   | 51              |
| add other Non Cash items not included in the FIS                                                    | 518             | 2                    | -               |
| add Depreciation/amortisation not included in the FIS                                               | 4,472           | 4,608                | 4,707           |
| <b>Surplus/(deficit) of operating funding per the Funding Impact Statement</b>                      | <b>\$ 3,155</b> | <b>\$ 2,672</b>      | <b>\$ 3,467</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 2018

## What is the purpose of this statement?

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its reserves, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the **regulations**). Refer to the regulations for more information, including the definitions of some of the terms used in this statement.

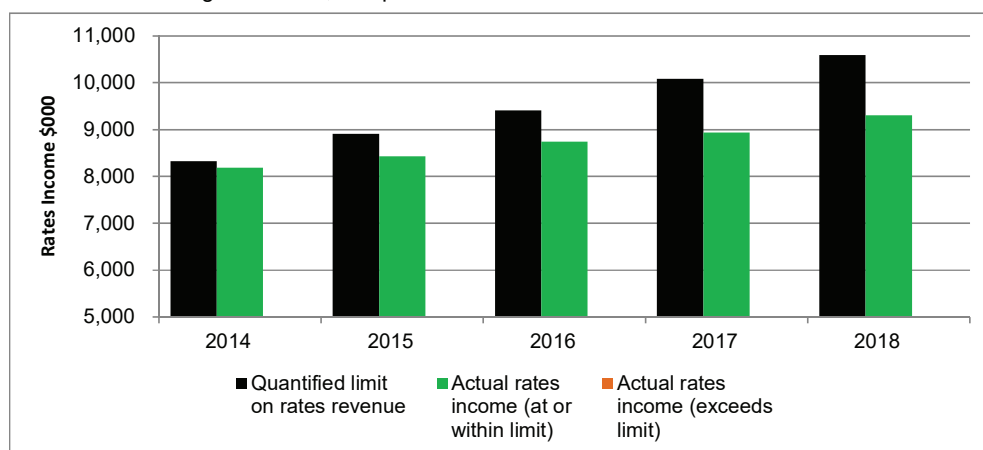
## Rates affordability benchmark

Council meets the rates affordability benchmark if:

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

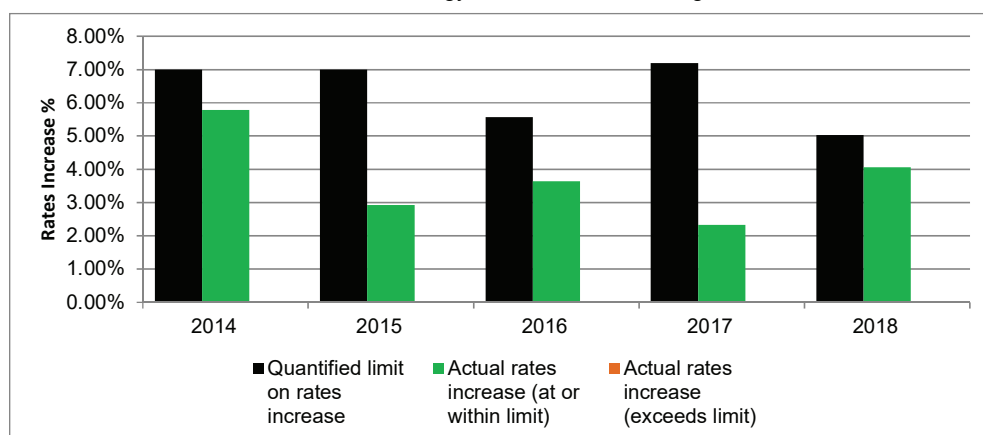
### Rates (income) affordability

The following graph compares Council's actual rates income with the quantified limit on rates income 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 income 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.

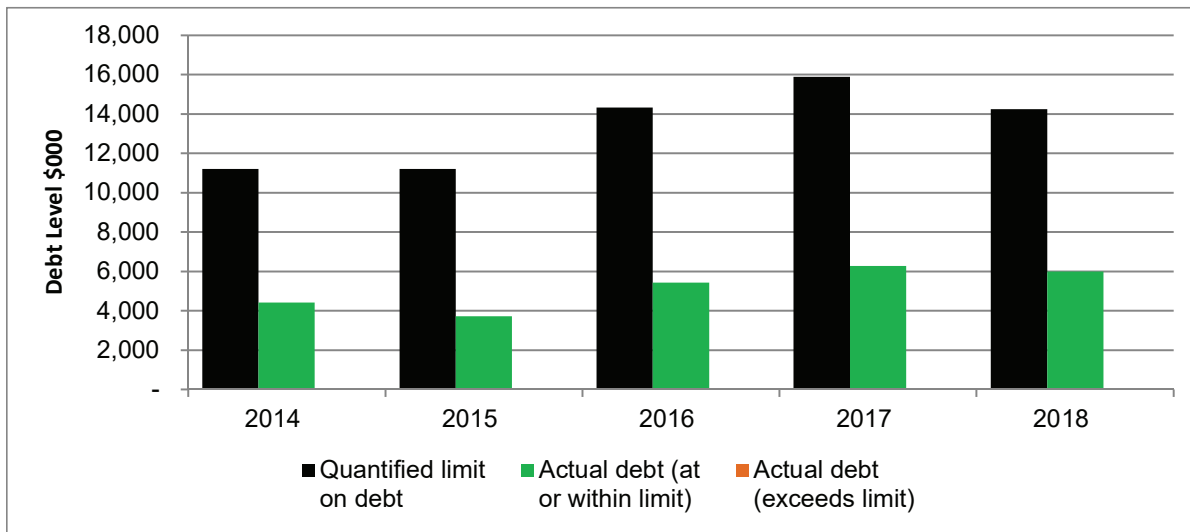


Note that as demonstrated in the above graphs Council has strived and achieved remaining within the total rates requirement as set.

# 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.

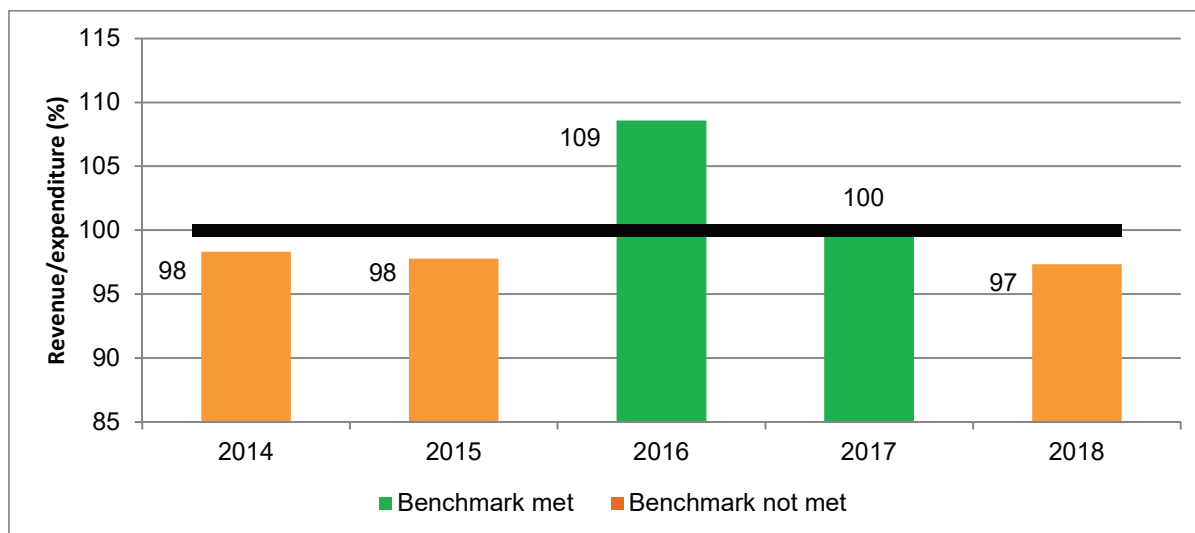


The quantified limit on debt that has been used is the projected Public debt (or Borrowings), both external and internal debt.

## 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):



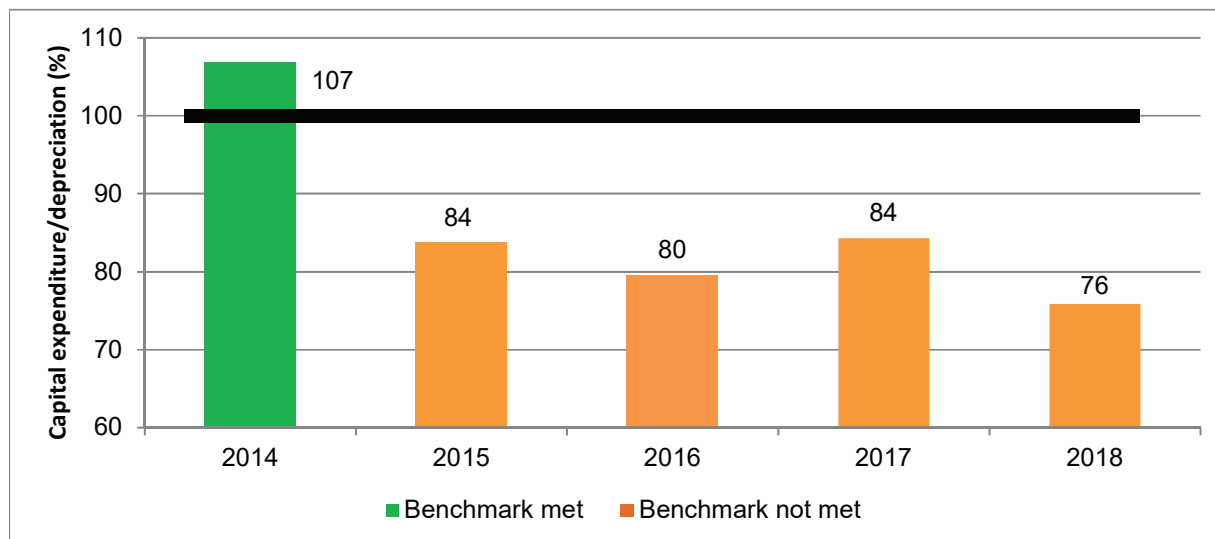
Council has previously decided not to fully fund the depreciation cost of specific assets. This may be for a number of different reasons: that Council has resolved not to replace the asset; that it is unfair to existing ratepayers to pay for a new asset and its replacement; that annual maintenance will 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.

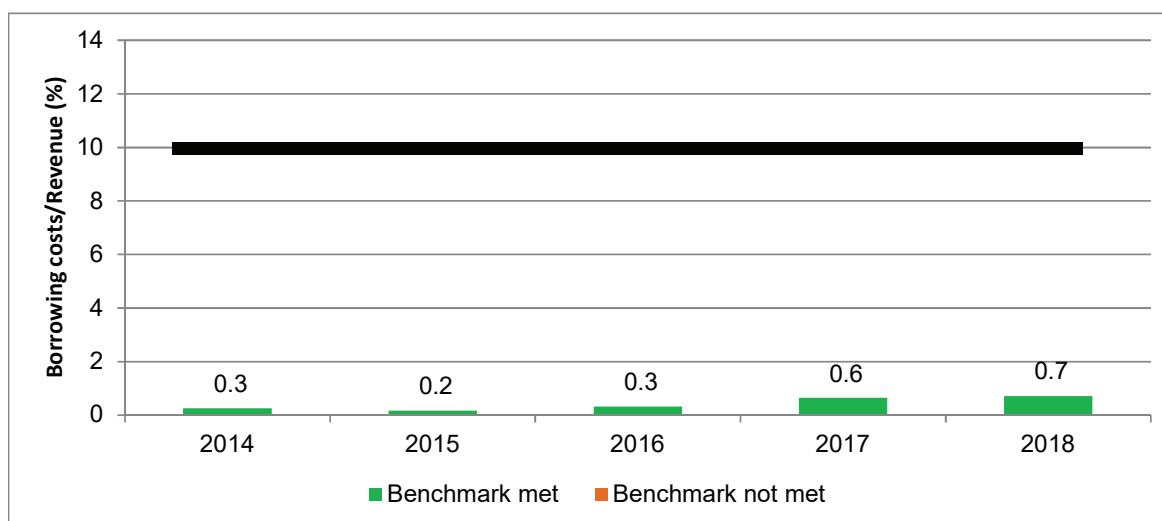
The following graph displays Council's capital expenditure on network services as a proportion of depreciation on those network services:



## 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.

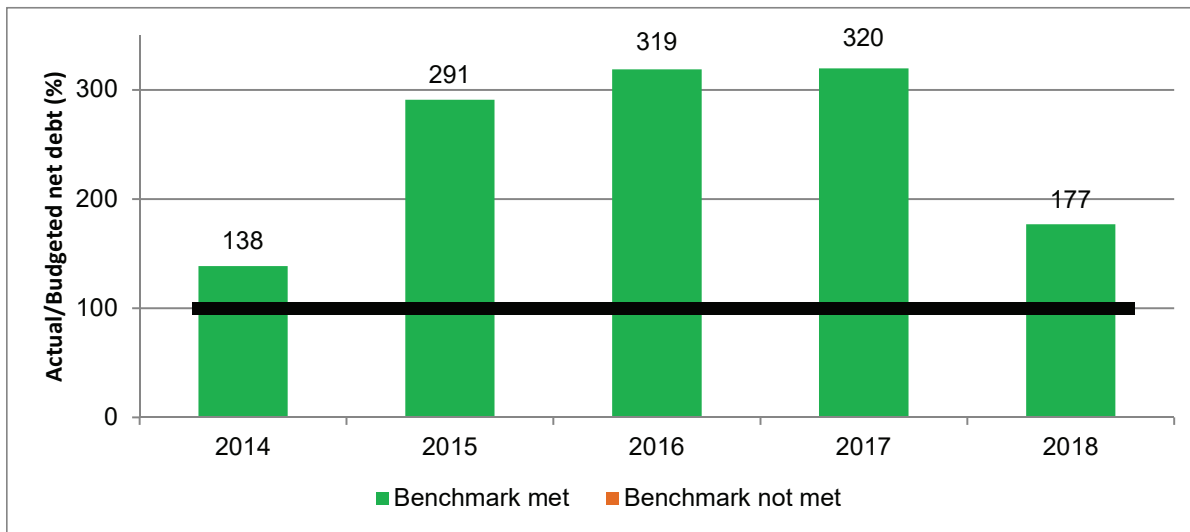
The following graph displays Council's borrowing costs as a proportion of actual revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment):



## 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):

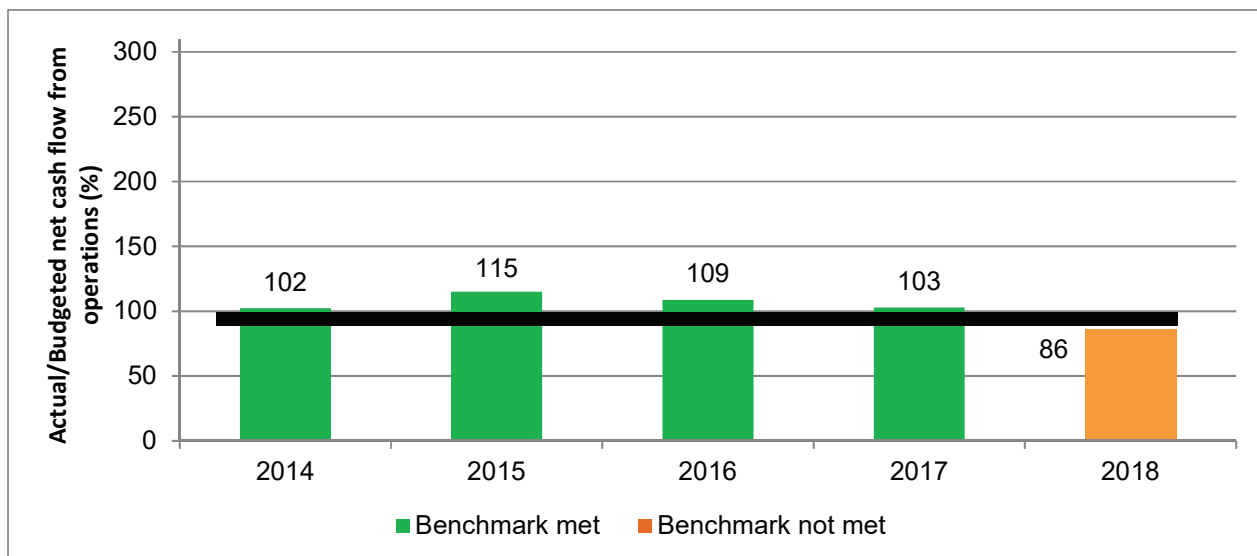


In a situation where Council planned to have net assets, financial assets (excluding trade and other receivables) were planned to exceed financial liabilities, the above graph will show "benchmark met" wherever Council is better off (either less indebted or with greater net assets) than planned. In each 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 2017/18 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------|---------------|
| <b>Water Supply</b><br>Urban Water<br>- Two secure ground water bores and associated reticulation<br><br>Rural Water<br>- Six rural water schemes                                               | ■ Rates 89%<br>■ Other, including fees and charges 11% | 20.0%                           | \$ 2,003,246  |
| <b>Waste Management</b><br>Recycling and refuse collection and disposal services for urban and rural areas                                                                                      | ■ Rates 84%<br>■ Other, including fees and charges 16% | 9.4%                            | \$ 944,928    |
| <b>Stormwater Drainage</b><br>Underground pipe system for the removal of surplus surface water in the urban area                                                                                | ■ Rates 95%<br>■ Other, including fees and charges 5%  | 1.1%                            | \$ 107,148    |
| <b>Sewerage and Sewage</b><br>An urban system comprised of gravity sewer mains, gravity lateral connections, manholes<br><br>A treatment and disposal facility                                  | ■ Rates 86%<br>■ Other, including fees and charges 14% | 4.9%                            | \$ 486,736    |
| <b>Roading and Footpaths</b><br>A district wide network of sealed and unsealed roads, excluding State Highways 1 and 82<br><br>Bridges, culverts, footpaths, signage, and street lighting       | ■ Rates 43%<br>■ Other, including fees and charges 57% | 23.4%                           | \$ 2,346,102  |
| <b>Parks and Recreation</b><br>Camping grounds and cabins<br><br>Cemeteries management<br><br>Managing Parks and Reserves<br><br>Swimming pool in Waimate                                       | ■ Rates 57%<br>■ Other, including fees and charges 43% | 7.5%                            | \$ 756,384    |
| <b>Property and Investments</b><br>Managing a portfolio of forestry<br><br>Managing Council's share holdings<br><br>A collection of land and buildings                                          | ■ Rates 15%<br>■ Other, including fees and charges 85% | 3.8%                            | \$ 382,579    |
| <b>Organisation and Governance</b><br>Operational support of the Council's decision-making<br><br>Strategic Planning and Reporting<br><br>District wide governance by the Mayor and Councillors | ■ Rates 31%<br>■ Other, including fees and charges 69% | 14.9%                           | \$ 1,497,976  |
| <b>Environmental Services</b><br>Building Control services<br>Resource Management<br>Emergency Management<br>Health Services and Noise Control<br>Dog and Animal Control                        | ■ Rates 59%<br>■ Other, including fees and charges 41% | 8.2%                            | \$ 817,856    |
| <b>Community Services</b><br>Economic Development and Promotions<br><br>Administration of grants<br><br>District Library service                                                                | ■ Rates 92%<br>■ Other, including fees and charges 8%  | 6.9%                            | \$ 690,086    |

# Statement of Accounting Policies

## Reporting entity

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

The Council consists of the Council, 1 forestry joint ventures (73.6% 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 (PBE) for the purposes of PBE IPSAS.

The financial statements of the Council are for the year ended 30 June 2018. The financial statements were authorised for issue by Council on 6 November 2018.

## Basis of preparation

### Statement of compliance

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

These financial statements have been prepared in accordance with Tier 2 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

Following a review of the useful life of Operational and Infrastructural Assets the depreciable life and rates have been updated as appropriate to better reflect the service over time.

## 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 73.6% share in 1 forestry joint venture agreement. 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.

*Note: The Downlands Joint Venture has been accounted for using the proportionate consolidation method (PBE IPSAS 8) for the year ended 30 June 2018. From 1 January 2019 (Annual Report 2019) this Joint Venture will be accounted for using the equity method (PBE IPSAS 36 effective 1 January 2019).*

## 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 & Financial 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 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 in equity.

## **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. Derivatives designated as hedging instruments are classified as current; those not formally held for hedging purposes are classified as current if they are realised/settled within 12 months of balance date. 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<br>(years)  | Depreciable rate<br>(SL%) |                |
|-------------------------------|------------------------------|------------------------------|---------------------------|----------------|
| <b>Infrastructural assets</b> | <b>Roading</b>               | Land and Formation           | Not depreciable           |                |
|                               |                              | Formation                    | Not depreciable           |                |
|                               |                              | Pavement Surface             | 6 - 16                    | 6.25% - 16.16% |
|                               |                              | Pavement Unsealed            | Not depreciable           |                |
|                               |                              | Pavement Base-course         | 45 - 50                   | 2.00% - 2.20%  |
|                               |                              | Pavement Sub-base            | Not depreciable           |                |
|                               |                              | Drainage                     | 43 - 50                   | 2.00% - 2.30%  |
|                               |                              | Surface Water Channel        | 66                        | 1.5%           |
|                               |                              | Footpaths                    | 10 - 12                   | 7.7% - 9.2%    |
|                               |                              | Sign                         | 11 - 13                   | 7.2% - 8.7%    |
|                               |                              | Street Lighting              | 9                         | 10.3% - 10.6%  |
|                               |                              | Traffic Facilities           | 13 - 16                   | 6.2% - 7.2%    |
|                               |                              | Bridges                      | 47 - 55                   | 1.8% - 2.1%    |
|                               |                              | Culvert Bridges              | 50 - 58                   | 1.7% - 2.0%    |
|                               |                              | Drain Fords                  | 9                         | 10.1% - 10.5%  |
|                               |                              | <b>Water</b>                 |                           |                |
|                               |                              | Urban Schemes (inc non-pipe) | 31 - 40                   | 2.50% - 3.20%  |
|                               | Rural Schemes (inc non-pipe) | 9 - 52                       | 1.9% - 10.40%             |                |
|                               | <b>Wastewater</b>            |                              |                           |                |
|                               | Laterals                     | 27 - 30                      | 3.30% - 3.70%             |                |
|                               | Manholes                     | 81 - 84                      | 1.19% - 1.23%             |                |
|                               | Mains Reticulation           | 41 - 43                      | 2.30% - 2.40%             |                |
|                               | Ponds (inc outlets)          | 119 - 125                    | 0.80% - 0.84%             |                |
|                               | Other Assets                 | 50 - 100                     | 1.0% - 2.0%               |                |
|                               | <b>Sanitation</b>            |                              |                           |                |
|                               | Solid Waste Assets           | 2 - 100                      | 1.00% - 34.00%            |                |
|                               | <b>Stormwater</b>            |                              |                           |                |
|                               | Pipes                        | 68 - 71                      | 1.40% - 1.45%             |                |
|                               | Open Drains                  | Not depreciable              |                           |                |
|                               | Nodes                        | 80 - 82                      | 1.21% - 1.24%             |                |
|                               | Elephant Hill drainage       | 40                           | 3.90% - 4.00%             |                |

| <b>Operational assets</b> | <b>Depreciable life<br/>(years)</b> | <b>Depreciable rate<br/>(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            | 5 - 10                              | 20.00% - 40.00% DV                       |
| Library books             | 20                                  | 10.00% DV                                |
| Computer hardware         | 3 - 10                              | 20.00% - 67.00% DV                       |

Because of the unique nature of the Waimate Event Centre (WEC), specific depreciation rates have been applied to the components of this asset:

|                                          |      |          |
|------------------------------------------|------|----------|
| WEC - Structure / External Fabric        | 64.5 | 1.56% SL |
| WEC - Services (inc Stormwater Services) | 44.5 | 2.27% SL |
| WEC - Internal Fit out                   | 24.5 | 4.17% SL |

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 (ETS) - 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).

## **Trade 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**

The Council pays 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 24 - 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 incurred.

## 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 liability.

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 30.

### **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 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 2015-2025. 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 18 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

### **Infrastructural assets**

Note 14 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 2018:

### **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

|                                          | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                           |                         |                              |                         |
| <b>Property and Investments Group</b>    |                         |                              |                         |
| Forestry                                 | 687                     | 166                          | 417                     |
| Investments and Finance                  | 355                     | 602                          | 395                     |
| Property                                 | 1,183                   | 978                          | 3,401                   |
| <b>Environmental Services Group</b>      |                         |                              |                         |
| Building Control                         | 571                     | 510                          | 515                     |
| Resource Management                      | 250                     | 276                          | 223                     |
| Emergency Management                     | 135                     | 134                          | 301                     |
| Regulatory Services                      | 170                     | 150                          | 182                     |
| Dog and Animal Control                   | 269                     | 267                          | 252                     |
| <b>Organisation and Governance Group</b> |                         |                              |                         |
| Community Representation                 | 1,000                   | 940                          | 907                     |
| Strategy                                 | 619                     | 586                          | 579                     |
| Managing Services                        | 3,190                   | 3,102                        | 3,526                   |
| <b>Community Services Group</b>          |                         |                              |                         |
| Economic Development and Promotions      | 232                     | 230                          | 172                     |
| Community Support                        | 150                     | 145                          | 140                     |
| Library                                  | 367                     | 362                          | 361                     |
| <b>Parks and Recreation Group</b>        |                         |                              |                         |
| Camping                                  | 360                     | 285                          | 358                     |
| Cemeteries                               | 80                      | 79                           | 82                      |
| Parks and Public Spaces                  | 684                     | 654                          | 871                     |
| Swimming                                 | 214                     | 211                          | 157                     |
| <b>Roading Group</b>                     |                         |                              |                         |
| Roading                                  | 5,435                   | 5,055                        | 4,757                   |
| <b>Utilities Group</b>                   |                         |                              |                         |
| Sewerage and Sewage                      | 569                     | 575                          | 568                     |
| Stormwater Drainage                      | 113                     | 106                          | 96                      |
| Waste Management                         | 1,126                   | 1,111                        | 1,119                   |
| Water Supply                             | 2,260                   | 2,347                        | 2,135                   |
|                                          | <b>20,019</b>           | <b>18,871</b>                | <b>21,514</b>           |

Included within the above amounts is Internal revenue as follows:

|                                          |              |              |              |
|------------------------------------------|--------------|--------------|--------------|
| <b>Property and Investments Group</b>    |              |              |              |
| Forestry                                 | 27           | 33           | 20           |
| Investments and Finance                  | 329          | 318          | 243          |
| Property                                 | 341          | 292          | 348          |
| <b>Environmental Services Group</b>      |              |              |              |
| Building Control                         | 5            | -            | 4            |
| Resource Management                      | 18           | 10           | 16           |
| Emergency Management                     | 1            | 1            | 1            |
| Regulatory Services                      | 4            | 1            | 3            |
| Dog and Animal Control                   | 5            | 1            | 5            |
| <b>Organisation and Governance Group</b> |              |              |              |
| Community Representation                 | 15           | -            | 13           |
| Strategy                                 | 55           | 46           | 53           |
| Managing Services                        | 3,107        | 3,027        | 3,291        |
| <b>Community Services Group</b>          |              |              |              |
| Economic Development and Promotions      | 5            | 1            | 4            |
| Community Support                        | -            | -            | -            |
| Library                                  | 5            | -            | 5            |
| <b>Parks and Recreation Group</b>        |              |              |              |
| Camping                                  | 43           | 22           | 40           |
| Cemeteries                               | -            | -            | -            |
| Parks and Public Spaces                  | 44           | 29           | 44           |
| Swimming                                 | 9            | 9            | 12           |
| <b>Roading Group</b>                     |              |              |              |
| Roading                                  | 7            | -            | 23           |
| <b>Utilities Group</b>                   |              |              |              |
| Sewerage and Sewage                      | 29           | 9            | 41           |
| Stormwater Drainage                      | 6            | -            | 8            |
| Waste Management                         | 31           | 20           | 28           |
| Water Supply                             | 119          | 97           | 106          |
|                                          | <b>4,205</b> | <b>3,916</b> | <b>4,308</b> |

## 1 Summary of Services (continued)

|                                          | 2018             | 2018                 | 2017             |
|------------------------------------------|------------------|----------------------|------------------|
|                                          | Actual<br>\$000  | Annual Plan<br>\$000 | Actual<br>\$000  |
| <b>Expenditure</b>                       |                  |                      |                  |
| <b>Property and Investments Group</b>    |                  |                      |                  |
| Forestry                                 | \$ 293           | \$ 101               | \$ 395           |
| Investments and Finance                  | 769              | 431                  | 487              |
| Property                                 | 1,147            | 1,158                | 1,166            |
| <b>Environmental Services Group</b>      |                  |                      |                  |
| Building Control                         | 453              | 510                  | 495              |
| Resource Management                      | 164              | 225                  | 163              |
| Emergency Management                     | 405              | 134                  | 317              |
| Regulatory Services                      | 146              | 150                  | 156              |
| Dog and Animal Control                   | 279              | 267                  | 261              |
| <b>Organisation and Governance Group</b> |                  |                      |                  |
| Community Representation                 | 954              | 928                  | 865              |
| Strategy                                 | 682              | 668                  | 575              |
| Managing Services                        | 2,996            | 3,115                | 3,379            |
| <b>Community Services Group</b>          |                  |                      |                  |
| Economic Development and Promotions      | 174              | 263                  | 145              |
| Community Support                        | 139              | 145                  | 188              |
| Library                                  | 357              | 362                  | 350              |
| <b>Parks and Recreation Group</b>        |                  |                      |                  |
| Camping                                  | 330              | 312                  | 313              |
| Cemeteries                               | 100              | 89                   | 76               |
| Parks and Public Spaces                  | 760              | 688                  | 711              |
| Swimming                                 | 194              | 213                  | 180              |
| <b>Roading Group</b>                     |                  |                      |                  |
| Roading                                  | 6,209            | 5,290                | 5,605            |
| <b>Utilities Group</b>                   |                  |                      |                  |
| Sewerage and Sewage                      | 494              | 530                  | 432              |
| Stormwater Drainage                      | 97               | 112                  | 83               |
| Waste Management                         | 1,101            | 1,099                | 1,020            |
| Water Supply                             | 2,120            | 2,220                | 2,022            |
|                                          | <b>\$ 20,363</b> | <b>\$ 19,010</b>     | <b>\$ 19,384</b> |

## 1 Summary of Services (continued)

| Expenditure                                                               | 2018            | 2018                 | 2017            |
|---------------------------------------------------------------------------|-----------------|----------------------|-----------------|
|                                                                           | Actual<br>\$000 | Annual Plan<br>\$000 | Actual<br>\$000 |
| <b>Included within the above amounts is Internal expenses as follows:</b> |                 |                      |                 |
| <b>Property and Investments Group</b>                                     |                 |                      |                 |
| Forestry                                                                  | \$ 90           | \$ 71                | \$ 84           |
| Investments and Finance                                                   | 347             | 155                  | 319             |
| Property                                                                  | 293             | 283                  | 266             |
| <b>Environmental Services Group</b>                                       |                 |                      |                 |
| Building Control                                                          | 188             | 196                  | 197             |
| Resource Management                                                       | 66              | 66                   | 65              |
| Emergency Management                                                      | 84              | 86                   | 78              |
| Regulatory Services                                                       | 80              | 80                   | 84              |
| Dog and Animal Control                                                    | 209             | 209                  | 219             |
| <b>Organisation and Governance Group</b>                                  |                 |                      |                 |
| Community Representation                                                  | 532             | 535                  | 506             |
| Strategy                                                                  | 235             | 235                  | 232             |
| Managing Services                                                         | 176             | 145                  | 162             |
| <b>Community Services Group</b>                                           |                 |                      |                 |
| Economic Development and Promotions                                       | 53              | 53                   | 47              |
| Community Support                                                         | 25              | 24                   | 24              |
| Library                                                                   | 154             | 154                  | 159             |
| <b>Parks and Recreation Group</b>                                         |                 |                      |                 |
| Camping                                                                   | 26              | 25                   | 40              |
| Cemeteries                                                                | -               | (2)                  | 20              |
| Parks and Public Spaces                                                   | (127)           | (128)                | 163             |
| Swimming                                                                  | 13              | 13                   | 16              |
| <b>Roading Group</b>                                                      |                 |                      |                 |
| Roading                                                                   | 865             | 791                  | 809             |
| <b>Utilities Group</b>                                                    |                 |                      |                 |
| Sewerage and Sewage                                                       | 149             | 165                  | 138             |
| Stormwater Drainage                                                       | 35              | 42                   | 25              |
| Waste Management                                                          | 146             | 148                  | 135             |
| Water Supply                                                              | 566             | 570                  | 520             |
|                                                                           | <b>\$ 4,205</b> | <b>\$ 3,916</b>      | <b>\$ 4,308</b> |

## 2 Rates Revenue

|                                                    | <b>2018</b>     | <b>2018</b>        | <b>2017</b>     |
|----------------------------------------------------|-----------------|--------------------|-----------------|
|                                                    | <b>Actual</b>   | <b>Annual Plan</b> | <b>Actual</b>   |
|                                                    | <b>\$000</b>    | <b>\$000</b>       | <b>\$000</b>    |
| <b>General rates</b>                               | \$ 1,070        | \$ 1,042           | \$ 951          |
| <b>Civic Amenities rates</b>                       | 2,378           | 2,381              | 2,257           |
| <b>Targeted rates attributable to activities:</b>  |                 |                    |                 |
| Water Supply                                       | 1,992           | 2,006              | 1,924           |
| Wastewater                                         | 493             | 495                | 481             |
| Refuse and sanitation                              | 715             | 718                | 694             |
| Waimate Event Centre                               | 189             | 188                | 183             |
| Roading and Footpaths                              | 2,348           | 2,334              | 2,333           |
| Civil Defence                                      | 112             | 111                | 110             |
| Community halls                                    | 47              | 48                 | 47              |
| <b>Total rates</b>                                 | <b>\$ 9,344</b> | <b>\$ 9,323</b>    | <b>\$ 8,980</b> |
| <b>Rates Remissions</b>                            |                 |                    |                 |
| Land used for sport                                | \$ (1)          | \$ -               | \$ (1)          |
| Halls, community centres, and other organisations  | (9)             | (10)               | (7)             |
| Land protected for historical or cultural purposes | -               | -                  | (3)             |
| Resulting from Urban Boundary changes              | (2)             | -                  | -               |
| Waimate District Event Centre remission            | (19)            | (20)               | (18)            |
| Civic Amenities for multiple SUIP rating units     | (10)            | (10)               | (10)            |
| <b>Total remissions</b>                            | <b>\$ (41)</b>  | <b>\$ (40)</b>     | <b>\$ (39)</b>  |
| <b>Rates (net of remissions)</b>                   | <b>\$ 9,303</b> | <b>\$ 9,283</b>    | <b>\$ 8,941</b> |

### Rates Remissions

Rates revenue reported has been reduced by rates remissions. Council's rates remission policy provides for rate 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 Hall rate remission for Glenavy Fishing Camp (two-thirds of Glenavy Hall Rate)
- Urban Differential – for properties greater than 20ha within the urban area boundary (General Rate Remission as per calculation formula)
- Waimate District Event Centre remission- for properties paying both a WEC and Rural Hall rate (25% of WEC rate)
- 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

|                                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Development and Financial contributions</b>     | <b>\$ 83</b>            | <b>\$ 87</b>                 | <b>\$ 68</b>            |
| NZ Transport Agency government grants              | \$ 2,962                | \$ 2,656                     | \$ 2,292                |
| Ministry of Health Drinking Water Standards grants | -                       | 133                          | -                       |
| Waimate Event Centre Community Fundraising         | 84                      | -                            | 312                     |
| Alpine Energy Grant for Waimate Stadium            | -                       | -                            | -                       |
| Other Grants                                       | 52                      | 52                           | 51                      |
| <b>Subsidies and Grants</b>                        | <b>\$ 3,098</b>         | <b>\$ 2,841</b>              | <b>\$ 2,655</b>         |
| Building and resource consent charges              | \$ 403                  | \$ 357                       | \$ 371                  |
| Camping fees                                       | 316                     | 263                          | 319                     |
| Dog registration and animal control fees           | 119                     | 127                          | 122                     |
| Cemetery fees                                      | 46                      | 47                           | 43                      |
| Swimming pool revenue                              | 28                      | 25                           | 21                      |
| Library fees                                       | 13                      | 12                           | 14                      |
| Refuse collection and disposal                     | 119                     | 112                          | 18                      |
| Other                                              | 34                      | 70                           | 116                     |
| <b>Fees and charges</b>                            | <b>\$ 1,078</b>         | <b>\$ 1,013</b>              | <b>\$ 1,024</b>         |

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

### 4 Interest Revenue/Finance Costs

|                              | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Interest revenue</b>      |                         |                              |                         |
| Interest on term deposits    | \$ 76                   | \$ 34                        | \$ 33                   |
| Interest on community loans  | 25                      | 1                            | 20                      |
| <b>Total finance revenue</b> | <b>\$ 101</b>           | <b>\$ 35</b>                 | <b>\$ 53</b>            |
| <b>Interest expense</b>      |                         |                              |                         |
| Interest on bank borrowings  | \$ 114                  | \$ 207                       | \$ 96                   |
| Interest on other items      | -                       | -                            | -                       |
| <b>Total finance costs</b>   | <b>\$ 114</b>           | <b>\$ 207</b>                | <b>\$ 96</b>            |

### 5 Other Revenue

|                                                   | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|---------------------------------------------------|-------------------------|------------------------------|-------------------------|
| Deemed revenue from vested assets/carbon credits  | \$ -                    | \$ -                         | \$ -                    |
| Petrol tax                                        | 93                      | 97                           | 92                      |
| Dividend revenue                                  | 456                     | 754                          | 708                     |
| Forestry Sales                                    | 284                     | -                            | 216                     |
| Sales of Eric Batchelor Place sections            | 169                     | 134                          | 289                     |
| Gain on disposal of property, plant and equipment | 8                       | -                            | 8                       |
| Gain on vesting of Boland Park assets             | -                       | -                            | 202                     |
| Gain on vesting of Waimate Event Centre           | -                       | -                            | 1,922                   |
| Gain on changes in fair value of forestry assets  | 379                     | 133                          | 181                     |
| Other                                             | 761                     | 578                          | 847                     |
| <b>Total other revenue</b>                        | <b>\$ 2,150</b>         | <b>\$ 1,696</b>              | <b>\$ 4,465</b>         |

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

## 6 Employee Benefit Expenses

|                                                                                               | <b>2018</b>     | <b>2018</b>        | <b>2017</b>     |
|-----------------------------------------------------------------------------------------------|-----------------|--------------------|-----------------|
|                                                                                               | <b>Actual</b>   | <b>Annual Plan</b> | <b>Actual</b>   |
|                                                                                               | <b>\$000</b>    | <b>\$000</b>       | <b>\$000</b>    |
| Salaries and Wages                                                                            | \$ 3,669        | \$ 3,540           | \$ 3,455        |
| Employer contributions to multi-employer defined benefit plans and defined contribution plans | 193             | 188                | 180             |
| Other employment benefit expenses                                                             | -               | -                  | -               |
| Increase/(decrease) in employee benefit liabilities                                           | 21              | -                  | (1)             |
| <b>Total employee benefit expenses</b>                                                        | <b>\$ 3,883</b> | <b>\$ 3,728</b>    | <b>\$ 3,634</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

|                                                        | <b>2018</b>     | <b>2018</b>        | <b>2017</b>     |
|--------------------------------------------------------|-----------------|--------------------|-----------------|
|                                                        | <b>Actual</b>   | <b>Annual Plan</b> | <b>Actual</b>   |
|                                                        | <b>\$000</b>    | <b>\$000</b>       | <b>\$000</b>    |
| Property                                               | \$ 386          | \$ 346             | \$ 323          |
| Building Control                                       | 9               | 17                 | 11              |
| Emergency Management                                   | 30              | 5                  | 56              |
| Dog and Animal Control                                 | 3               | 3                  | 3               |
| Community Representation                               | 1               | 1                  | 1               |
| Managing Services                                      | 141             | 157                | 133             |
| Library                                                | 52              | 51                 | 49              |
| Camping                                                | 87              | 98                 | 83              |
| Cemeteries                                             | 13              | 11                 | 3               |
| Parks and Public Spaces                                | 136             | 150                | 102             |
| Swimming                                               | 32              | 68                 | 31              |
| Roading                                                | 2,734           | 2,779              | 3,027           |
| Sewerage and Sewage                                    | 207             | 208                | 192             |
| Stormwater Drainage                                    | 33              | 39                 | 34              |
| Waste Management                                       | 44              | 46                 | 45              |
| Water Supply                                           | 564             | 628                | 611             |
| <b>Total depreciation and amortisation by activity</b> | <b>\$ 4,472</b> | <b>\$ 4,608</b>    | <b>\$ 4,706</b> |

## 8 Other Expenses

|                                                              | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|--------------------------------------------------------------|-------------------------|------------------------------|-------------------------|
| Fees to principal auditor:                                   |                         |                              |                         |
| Audit New Zealand fees for financial statement audit         | \$ 90                   | \$ 97                        | \$ 94                   |
| Audit New Zealand fees for Long Term Plan audit              | 76                      | 82                           | -                       |
| Additional Audit fees                                        | 15                      | -                            | -                       |
| Change in provision for doubtful debts/bad debts written off | -                       | 1                            | -                       |
| Cost of forestry harvested                                   | 123                     | -                            | 199                     |
| Cost of sections sold                                        | 144                     | -                            | -                       |
| Roading emergency reinstatement                              | 664                     | 60                           | -                       |
| Roading sealed pavement maintenance                          | 440                     | 454                          | 493                     |
| Inventories                                                  | -                       | -                            | 211                     |
| Minimum lease payments under operating leases                | -                       | -                            | 63                      |
| Loss on disposal of property, plant and equipment            | 240                     | 94                           | 51                      |
| Other operating expenses                                     | 5,897                   | 5,763                        | 5,528                   |
| <b>Total other expenses</b>                                  | <b>\$ 7,689</b>         | <b>\$ 6,551</b>              | <b>\$ 6,639</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

|                                          | 2018<br>Actual<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------------|-------------------------|-------------------------|
| <b>Taxation expense</b>                  |                         |                         |
| Operating surplus/(deficit) before tax   | \$ (345)                | \$ 2,131                |
| Income tax at 28%                        | (97)                    | 597                     |
| Taxation effect of permanent differences | 430                     | (335)                   |
| Effect of imputation credits             | (287)                   | (266)                   |
| Deferred tax                             | (23)                    | 1                       |
| Prior period adjustments                 | -                       | -                       |
| Tax effect of losses recognised          | 23                      | (1)                     |
| Tax effect of income tax rate change     | -                       | -                       |
| Tax effect of loss movements             | (46)                    | 4                       |
| <b>Taxation expense</b>                  | <b>\$ -</b>             | <b>\$ -</b>             |

### Deferred tax assets/(liabilities)

|                                                               | Forestry       | Tax losses   | Total       |
|---------------------------------------------------------------|----------------|--------------|-------------|
| Balance at 1 July 2017                                        | \$ (37)        | \$ 37        | \$ -        |
| Charged to statement of comprehensive revenue and expenditure | 23             | (23)         | -           |
| Charge to equity                                              | -              | -            | -           |
| Balance at 30 June 2018                                       | (14)           | 14           | -           |
| Charged to statement of comprehensive revenue and expenditure | -              | -            | -           |
| Charge to equity                                              | -              | -            | -           |
| <b>Balance at 30 June 2018</b>                                | <b>\$ (14)</b> | <b>\$ 14</b> | <b>\$ -</b> |

Council has unrecognised tax losses of \$708,121 (2017: \$793,026) with a tax effect of \$198,274 (2017: \$222,047) which are available to carry forward. In addition Council has recognised \$49,640 of tax losses (2017: \$130,417) with a tax effect of \$13,899 (2017: \$36,517) to offset deferred tax liabilities recognised for forestry activities.

## 10 Cash and Cash Equivalents

|                                        | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------|-------------------------|------------------------------|-------------------------|
| ANZ Bank cheque account                | \$ 1,661                | \$ 50                        | \$ 310                  |
| ANZ Call deposit                       | 2,500                   | 561                          | 3,369                   |
| Petty cash                             | 13                      | 1                            | -                       |
| National Bank accounts - Hakataramea   | 22                      | -                            | 22                      |
| BNZ Bank accounts - Downlands          | 3                       | -                            | -                       |
| <b>Total cash and cash equivalents</b> | <b>\$ 4,199</b>         | <b>\$ 612</b>                | <b>\$ 3,701</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                                | \$ 1,699        | \$ 51         | \$ 332          |
| Short term bank deposits (less than 3 months)           | 2,500           | 561           | 3,369           |
| <b>Total cash, cash equivalents and bank overdrafts</b> | <b>\$ 4,199</b> | <b>\$ 612</b> | <b>\$ 3,701</b> |

## 11 Trade and Other Receivables

|                                          | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------------|-------------------------|------------------------------|-------------------------|
| Rates receivables                        | \$ 302                  | \$ 30                        | \$ 343                  |
| Other receivables                        | 362                     | 1,339                        | 460                     |
| Related party receivables                | 57                      | -                            | 89                      |
| Sundry receivables                       | 942                     | 70                           | 158                     |
| Prepayments                              | 62                      | -                            | 81                      |
| GST refund due                           | 90                      | -                            | 141                     |
| Less provision for doubtful debts        | (19)                    | -                            | (19)                    |
| <b>Total Trade and Other Receivables</b> | <b>\$ 1,796</b>         | <b>\$ 1,439</b>              | <b>\$ 1,253</b>         |
| <b>Represented by:</b>                   |                         |                              |                         |
| Current                                  | \$ 1,796                | \$ 1,439                     | \$ 1,253                |
| Non-current                              | -                       | -                            | -                       |
|                                          | <b>\$ 1,796</b>         | <b>\$ 1,439</b>              | <b>\$ 1,253</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                | \$ 1,552        | \$ 996          |
| 3 to 6 months          | 65              | 70              |
| 6 to 9 months          | 52              | 46              |
| 9 to 12 months         | 66              | 33              |
| Greater than 12 months | 61              | 107             |
|                        | <b>\$ 1,796</b> | <b>\$ 1,253</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:

|                        | 2018            |                |                 | 2017            |                |                 |
|------------------------|-----------------|----------------|-----------------|-----------------|----------------|-----------------|
|                        | Actual<br>\$000 |                |                 | Actual<br>\$000 |                |                 |
|                        | Gross           | Impairment     | Net             | Gross           | Impairment     | Net             |
| Current                | \$ 1,552        | \$ -           | \$ 1,552        | \$ 1,016        | \$ (20)        | \$ 996          |
| 3 to 6 months          | 65              | -              | 65              | 70              | -              | 70              |
| 6 to 9 months          | 52              | -              | 52              | 46              | -              | 46              |
| 9 to 12 months         | 66              | -              | 66              | 33              | -              | 33              |
| Greater than 12 months | 81              | (20)           | 61              | 107             | -              | 107             |
|                        | <b>\$ 1,816</b> | <b>\$ (20)</b> | <b>\$ 1,796</b> | <b>\$ 1,272</b> | <b>\$ (20)</b> | <b>\$ 1,252</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.

|                                       | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|---------------------------------------|-------------------------|------------------------------|-------------------------|
| Impairment                            | \$ 20                   | \$ -                         | \$ 20                   |
| <b>Total provision for impairment</b> | <b>\$ 20</b>            | <b>\$ -</b>                  | <b>\$ 20</b>            |

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

|                                            |              |             |              |
|--------------------------------------------|--------------|-------------|--------------|
| As at 1 July                               | \$ 20        | \$ -        | \$ 21        |
| Additional provisions made during the year | -            | -           | (1)          |
| Receivables written off during the year    | -            | -           | -            |
| <b>As at 30 June</b>                       | <b>\$ 20</b> | <b>\$ -</b> | <b>\$ 20</b> |

## 12 Inventories

|                                              | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------------|-------------------------|------------------------------|-------------------------|
| Utilities Department stores                  | \$ 91                   | \$ -                         | \$ 133                  |
| Information Centre souvenirs                 | 4                       | 8                            | 6                       |
| Refuse collection bags                       | 1                       | 3                            | 1                       |
| Land held for sale - Eric Batchelor sections | -                       | 285                          | 144                     |
|                                              | <b>\$ 96</b>            | <b>\$ 296</b>                | <b>\$ 284</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 2018 amounted to \$96,000 (2017: \$140,000).

All sections at Eric Batchelor Place have been sold as at June 2018.

No inventories are pledged as security for liability.

## 13 Other Financial Assets

### Current portion

#### Investments

JV Investments - Downlands and Hakataramea

#### Loans and receivables

Loans to community groups

#### Total current other financial assets

### Non-current portion

#### Investments

JV Investments - Downlands and Hakataramea

#### Loans and receivables

Loans to community groups

Total Loans and receivables

#### 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

|                                                 | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|-------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Current portion</b>                          |                         |                              |                         |
| <b>Investments</b>                              |                         |                              |                         |
| JV Investments - Downlands and Hakataramea      | \$ -                    | \$ 631                       | \$ 777                  |
| <b>Loans and receivables</b>                    |                         |                              |                         |
| Loans to community groups                       | 5                       | 16                           | 4                       |
| <b>Total current other financial assets</b>     | <b>\$ 5</b>             | <b>\$ 647</b>                | <b>\$ 781</b>           |
| <b>Non-current portion</b>                      |                         |                              |                         |
| <b>Investments</b>                              |                         |                              |                         |
| JV Investments - Downlands and Hakataramea      | \$ 923                  | \$ 10                        | \$ -                    |
| <b>Loans and receivables</b>                    |                         |                              |                         |
| Loans to community groups                       | \$ 22                   | \$ 2                         | \$ 2                    |
| Total Loans and receivables                     | 945                     | 12                           | 2                       |
| <b>Equity investments (at cost)</b>             |                         |                              |                         |
| Combined Rural Traders Ltd (CRT)                | 7                       | 7                            | 7                       |
| NZ Local Government Insurance Company Ltd       | 28                      | 28                           | 28                      |
| MGI Irrigation Company Ltd                      | 1                       | 1                            | 1                       |
| Hunter Downs Irrigation Limited                 | -                       | 250                          | 250                     |
| <b>Equity investments (at fair value)</b>       |                         |                              |                         |
| Alpine Energy Ltd **                            | 14,635                  | 28,413                       | 29,637                  |
| Total Equity Investments                        | 14,671                  | 28,699                       | 29,923                  |
| <b>Total non-current other financial assets</b> | <b>\$ 15,616</b>        | <b>\$ 28,711</b>             | <b>\$ 29,925</b>        |

#### \*\* Alpine Energy Ltd

This was the first year that EY valued the shares. EY applied a revised approach to the valuation. EY's valuation also included updated information on the future regulatory environment for AEL, and on the profitability of AEL's subsidiaries and associates.

#### Term deposits

The carrying value of term deposits approximate their fair value.

#### Unlisted shares - valuation

The fair values have been determined using a valuation technique based on discounted cash flows and an earnings multiple approach, using a mid-point WACC of 5.71% and earnings multiple for the terminal value of 10.4%. Waimate District Councils share of the valuation ranges in value from \$13.749m to \$15.538 with the mid-point of \$14.635m reflected as the fair value in these financial statements. The independent valuation was completed by EY, at 31 March 2018.

#### 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

#### 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:

|                                             | 2018<br>Actual<br>\$000 |
|---------------------------------------------|-------------------------|
| Investments maturing within the next year   | \$ 5                    |
| Investments maturing between 1-5 years      | 15                      |
| Investments maturing after 5 years          | 7                       |
| <b>Total current other financial assets</b> | <b>\$ 27</b>            |



## 14 Property, Plant and Equipment

### 2018

|                                            | Cost/valuation<br>1 July 2017<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>1 July 2017<br>\$000 | Carrying<br>amount<br>1 July 2017<br>\$000 | Current year<br>additions<br>\$000 | Current year<br>disposals at<br>cost/valuation<br>\$000 | Current year<br>depreciation/<br>impairment<br>\$000 | Accumulated<br>depreciation of<br>disposals<br>\$000 | Revaluation<br>Surplus<br>\$000 | Cost/valuation<br>30 June 2018<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>30 June 2018<br>\$000 | Carrying<br>amount<br>30 June 2018<br>\$000 |
|--------------------------------------------|----------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------|------------------------------------|---------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|---------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------|
| <b>Operational Assets</b>                  |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |
| <b>Operating</b>                           |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |
| Land                                       | \$ 5,063                               | \$ -                                                                             | \$ 5,063                                   | \$ -                               | \$ -                                                    | \$ -                                                 | \$ -                                                 | \$ 710                          | \$ 5,773                                | \$ -                                                                              | \$ 5,773                                    |
| Buildings                                  | 12,837                                 | (884)                                                                            | 11,953                                     | 187                                | (123)                                                   | (551)                                                | 4                                                    | 1,442                           | 12,911                                  | -                                                                                 | 12,911                                      |
| Library books                              | 948                                    | (534)                                                                            | 414                                        | 51                                 | -                                                       | (44)                                                 | -                                                    | -                               | 999                                     | (579)                                                                             | 420                                         |
| Plant and Equipment                        | 1,923                                  | (788)                                                                            | 1,135                                      | 310                                | (123)                                                   | (163)                                                | 62                                                   | -                               | 2,110                                   | (889)                                                                             | 1,221                                       |
| Motor vehicles                             | 1,159                                  | (621)                                                                            | 538                                        | 110                                | (267)                                                   | (112)                                                | 198                                                  | -                               | 1,002                                   | (535)                                                                             | 467                                         |
| Work in progress                           | 205                                    | -                                                                                | 205                                        | -                                  | (132)                                                   | -                                                    | -                                                    | -                               | 73                                      | -                                                                                 | 73                                          |
| <b>Total operating assets</b>              | <b>22,135</b>                          | <b>(2,827)</b>                                                                   | <b>19,308</b>                              | <b>658</b>                         | <b>(645)</b>                                            | <b>(870)</b>                                         | <b>264</b>                                           | <b>2,152</b>                    | <b>22,868</b>                           | <b>(2,003)</b>                                                                    | <b>20,865</b>                               |
| <b>Restricted</b>                          |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |
| Land                                       | 5,901                                  | -                                                                                | 5,901                                      | -                                  | -                                                       | -                                                    | -                                                    | 500                             | 6,402                                   | -                                                                                 | 6,402                                       |
| 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>500</b>                      | <b>6,402</b>                            | <b>-</b>                                                                          | <b>6,402</b>                                |
| <b>Total operational assets</b>            | <b>\$ 28,036</b>                       | <b>\$ (2,827)</b>                                                                | <b>\$ 25,209</b>                           | <b>\$ 658</b>                      | <b>\$ (645)</b>                                         | <b>\$ (870)</b>                                      | <b>\$ 264</b>                                        | <b>\$ 2,652</b>                 | <b>\$ 29,270</b>                        | <b>\$ (2,003)</b>                                                                 | <b>\$ 27,267</b>                            |
| <b>Infrastructural Assets</b>              |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |
| Wastewater schemes                         | \$ 9,879                               | \$ -                                                                             | \$ 9,879                                   | \$ 32                              | \$ -                                                    | \$ (203)                                             | \$ -                                                 | \$ -                            | \$ 9,911                                | \$ (204)                                                                          | \$ 9,707                                    |
| Rural water schemes                        | 9,302                                  | (278)                                                                            | 9,024                                      | 37                                 | -                                                       | (288)                                                | -                                                    | -                               | 9,339                                   | (566)                                                                             | 8,773                                       |
| Urban water schemes                        | 7,715                                  | (13)                                                                             | 7,702                                      | 35                                 | -                                                       | (202)                                                | -                                                    | -                               | 7,750                                   | (215)                                                                             | 7,535                                       |
| Downlands water scheme                     | 2,844                                  | (795)                                                                            | 2,049                                      | 62                                 | -                                                       | (67)                                                 | -                                                    | -                               | 2,905                                   | (863)                                                                             | 2,042                                       |
| Rural drainage schemes                     | 57                                     | (51)                                                                             | 6                                          | -                                  | -                                                       | (2)                                                  | -                                                    | -                               | 57                                      | (53)                                                                              | 4                                           |
| Roading network                            | 342,990                                | -                                                                                | 342,990                                    | 2,441                              | -                                                       | (2,734)                                              | -                                                    | -                               | 345,431                                 | (2,734)                                                                           | 342,697                                     |
| Stormwater schemes                         | 2,651                                  | -                                                                                | 2,651                                      | -                                  | -                                                       | (33)                                                 | -                                                    | -                               | 2,651                                   | (33)                                                                              | 2,618                                       |
| Sanitation                                 | 572                                    | -                                                                                | 572                                        | -                                  | -                                                       | (39)                                                 | -                                                    | -                               | 572                                     | (38)                                                                              | 534                                         |
| Work in progress                           | 686                                    | -                                                                                | 686                                        | 133                                | -                                                       | -                                                    | -                                                    | -                               | 819                                     | -                                                                                 | 819                                         |
| <b>Total infrastructural assets</b>        | <b>\$ 376,696</b>                      | <b>\$ (1,137)</b>                                                                | <b>\$ 375,559</b>                          | <b>\$ 2,740</b>                    | <b>\$ -</b>                                             | <b>\$ (3,568)</b>                                    | <b>\$ -</b>                                          | <b>\$ -</b>                     | <b>\$ 379,435</b>                       | <b>\$ (4,706)</b>                                                                 | <b>\$ 374,729</b>                           |
| <b>Total Property, plant and equipment</b> | <b>\$ 404,732</b>                      | <b>\$ (3,964)</b>                                                                | <b>\$ 400,768</b>                          | <b>\$ 3,398</b>                    | <b>\$ (645)</b>                                         | <b>\$ (4,438)</b>                                    | <b>\$ 264</b>                                        | <b>\$ 2,652</b>                 | <b>\$ 408,705</b>                       | <b>\$ (6,709)</b>                                                                 | <b>\$ 401,996</b>                           |

## 14 Property, Plant and Equipment (continued)

|                                            | 2017                                   |                                                                                  | 2016                                       |                                    | 2015                                                    |                                                      | 2014                                                 |                                 | 2013                                    |                                                                                   | 2012                                        |                                         | 2011                                                                              |                                             | 2010                                    |                                                                                   |
|--------------------------------------------|----------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------|------------------------------------|---------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|---------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------|
|                                            | Cost/valuation<br>1 July 2016<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>1 July 2016<br>\$000 | Carrying<br>amount<br>1 July 2016<br>\$000 | Current year<br>additions<br>\$000 | Current year<br>disposals at<br>cost/valuation<br>\$000 | Current year<br>depreciation/<br>impairment<br>\$000 | Accumulated<br>depreciation of<br>disposals<br>\$000 | Revaluation<br>Surplus<br>\$000 | Cost/valuation<br>30 June 2017<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>30 June 2017<br>\$000 | Carrying<br>amount<br>30 June 2017<br>\$000 | Cost/valuation<br>30 June 2016<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>30 June 2016<br>\$000 | Carrying<br>amount<br>30 June 2016<br>\$000 | Cost/valuation<br>30 June 2015<br>\$000 | Accumulated<br>depreciation<br>and impairment<br>charges<br>30 June 2015<br>\$000 |
| <b>Operational Assets</b>                  |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |                                         |                                                                                   |                                             |                                         |                                                                                   |
| <b>Operating</b>                           |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |                                         |                                                                                   |                                             |                                         |                                                                                   |
| Land                                       | \$ 5,058                               | \$ -                                                                             | \$ 5,058                                   | \$ 5                               | \$ -                                                    | \$ -                                                 | \$ -                                                 | \$ 5,063                        | \$ -                                    | \$ 5,063                                                                          | \$ -                                        | \$ -                                    | \$ 5,063                                                                          | \$ -                                        | \$ -                                    | \$ 5,063                                                                          |
| Buildings                                  | 6,505                                  | (399)                                                                            | 6,106                                      | 6,332                              | (485)                                                   | (485)                                                | -                                                    | 12,837                          | (884)                                   | 11,953                                                                            | 12,837                                      | (884)                                   | 11,953                                                                            | 12,837                                      | (884)                                   | 11,953                                                                            |
| Library books                              | 902                                    | (491)                                                                            | 411                                        | 46                                 | (44)                                                    | (44)                                                 | -                                                    | 948                             | (534)                                   | 414                                                                               | 948                                         | (534)                                   | 414                                                                               | 948                                         | (534)                                   | 414                                                                               |
| Plant and Equipment                        | 1,626                                  | (804)                                                                            | 822                                        | 502                                | (205)                                                   | (135)                                                | 150                                                  | 1,923                           | (788)                                   | 1,135                                                                             | 1,923                                       | (788)                                   | 1,135                                                                             | 1,923                                       | (788)                                   | 1,135                                                                             |
| Motor vehicles                             | 1,008                                  | (537)                                                                            | 471                                        | 203                                | (52)                                                    | (120)                                                | 36                                                   | 1,159                           | (621)                                   | 538                                                                               | 1,159                                       | (621)                                   | 538                                                                               | 1,159                                       | (621)                                   | 538                                                                               |
| Work in progress                           | 3,840                                  | -                                                                                | 3,840                                      | (3,636)                            | -                                                       | -                                                    | -                                                    | 205                             | -                                       | 205                                                                               | 205                                         | -                                       | 205                                                                               | 205                                         | -                                       | 205                                                                               |
| <b>Total operating assets</b>              | <b>18,939</b>                          | <b>(2,231)</b>                                                                   | <b>16,708</b>                              | <b>3,452</b>                       | <b>(257)</b>                                            | <b>(784)</b>                                         | <b>186</b>                                           | <b>22,135</b>                   | <b>(2,827)</b>                          | <b>19,308</b>                                                                     | <b>22,135</b>                               | <b>(2,827)</b>                          | <b>19,308</b>                                                                     | <b>22,135</b>                               | <b>(2,827)</b>                          | <b>19,308</b>                                                                     |
| <b>Restricted</b>                          |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |                                         |                                                                                   |                                             |                                         |                                                                                   |
| Land                                       | 5,901                                  | -                                                                                | 5,901                                      | -                                  | -                                                       | -                                                    | -                                                    | 5,901                           | -                                       | 5,901                                                                             | 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>5,901</b>                    | <b>-</b>                                | <b>5,901</b>                                                                      | <b>5,901</b>                                | <b>-</b>                                | <b>5,901</b>                                                                      | <b>5,901</b>                                | <b>-</b>                                | <b>5,901</b>                                                                      |
| <b>Total operational assets</b>            | <b>\$ 24,840</b>                       | <b>\$ (2,231)</b>                                                                | <b>\$ 22,609</b>                           | <b>\$ 3,452</b>                    | <b>\$ (257)</b>                                         | <b>\$ (784)</b>                                      | <b>\$ 186</b>                                        | <b>\$ 28,036</b>                | <b>\$ (2,827)</b>                       | <b>\$ 25,209</b>                                                                  | <b>\$ 28,036</b>                            | <b>\$ (2,827)</b>                       | <b>\$ 25,209</b>                                                                  | <b>\$ 28,036</b>                            | <b>\$ (2,827)</b>                       | <b>\$ 25,209</b>                                                                  |
| <b>Infrastructural Assets</b>              |                                        |                                                                                  |                                            |                                    |                                                         |                                                      |                                                      |                                 |                                         |                                                                                   |                                             |                                         |                                                                                   |                                             |                                         |                                                                                   |
| Wastewater schemes                         | \$ 8,715                               | (373)                                                                            | \$ 8,342                                   | \$ 68                              | \$ -                                                    | (188)                                                | \$ -                                                 | \$ 9,879                        | \$ -                                    | \$ 9,879                                                                          | \$ 9,879                                    | \$ -                                    | \$ 9,879                                                                          | \$ 9,879                                    | \$ -                                    | \$ 9,879                                                                          |
| Rural water schemes                        | 9,893                                  | (764)                                                                            | 9,129                                      | 427                                | (303)                                                   | (303)                                                | -                                                    | 9,302                           | (278)                                   | 9,024                                                                             | 9,302                                       | (278)                                   | 9,024                                                                             | 9,302                                       | (278)                                   | 9,024                                                                             |
| Urban water schemes                        | 7,181                                  | (430)                                                                            | 6,751                                      | 323                                | (235)                                                   | (235)                                                | 864                                                  | 7,715                           | (13)                                    | 7,702                                                                             | 7,715                                       | (13)                                    | 7,702                                                                             | 7,715                                       | (13)                                    | 7,702                                                                             |
| Downlands water scheme                     | 2,813                                  | (726)                                                                            | 2,087                                      | 30                                 | (69)                                                    | (69)                                                 | -                                                    | 2,844                           | (795)                                   | 2,049                                                                             | 2,844                                       | (795)                                   | 2,049                                                                             | 2,844                                       | (795)                                   | 2,049                                                                             |
| Rural drainage schemes                     | 57                                     | (47)                                                                             | 10                                         | -                                  | (2)                                                     | (2)                                                  | -                                                    | 57                              | (51)                                    | 6                                                                                 | 57                                          | (51)                                    | 6                                                                                 | 57                                          | (51)                                    | 6                                                                                 |
| Roading network                            | 320,896                                | (5,355)                                                                          | 315,541                                    | 2,137                              | (3,027)                                                 | (3,027)                                              | 28,339                                               | 342,990                         | -                                       | 342,990                                                                           | 342,990                                     | -                                       | 342,990                                                                           | 342,990                                     | -                                       | 342,990                                                                           |
| Stormwater schemes                         | 2,753                                  | (68)                                                                             | 2,685                                      | 29                                 | (34)                                                    | (34)                                                 | (29)                                                 | 2,651                           | -                                       | 2,651                                                                             | 2,651                                       | -                                       | 2,651                                                                             | 2,651                                       | -                                       | 2,651                                                                             |
| Sanitation                                 | 573                                    | (79)                                                                             | 494                                        | -                                  | (39)                                                    | (39)                                                 | 117                                                  | 572                             | -                                       | 572                                                                               | 572                                         | -                                       | 572                                                                               | 572                                         | -                                       | 572                                                                               |
| Work in progress                           | 481                                    | -                                                                                | 481                                        | 205                                | -                                                       | -                                                    | -                                                    | 686                             | -                                       | 686                                                                               | 686                                         | -                                       | 686                                                                               | 686                                         | -                                       | 686                                                                               |
| <b>Total infrastructural assets</b>        | <b>\$ 353,362</b>                      | <b>\$ (7,842)</b>                                                                | <b>\$ 345,520</b>                          | <b>\$ 3,219</b>                    | <b>\$ (3,897)</b>                                       | <b>\$ (3,897)</b>                                    | <b>\$ -</b>                                          | <b>\$ 30,719</b>                | <b>\$ (1,137)</b>                       | <b>\$ 375,559</b>                                                                 | <b>\$ 375,559</b>                           | <b>\$ (1,137)</b>                       | <b>\$ 375,559</b>                                                                 | <b>\$ 375,559</b>                           | <b>\$ (1,137)</b>                       | <b>\$ 375,559</b>                                                                 |
| <b>Total Property, plant and equipment</b> | <b>\$ 378,202</b>                      | <b>\$ (10,073)</b>                                                               | <b>\$ 368,129</b>                          | <b>\$ 6,671</b>                    | <b>\$ (257)</b>                                         | <b>\$ (4,681)</b>                                    | <b>\$ 186</b>                                        | <b>\$ 404,752</b>               | <b>\$ (3,964)</b>                       | <b>\$ 400,768</b>                                                                 | <b>\$ 404,752</b>                           | <b>\$ (3,964)</b>                       | <b>\$ 400,768</b>                                                                 | <b>\$ 404,752</b>                           | <b>\$ (3,964)</b>                       | <b>\$ 400,768</b>                                                                 |

**Core Assets additional disclosure**

|                                                        | <b>Closing Book Value<br/>\$000</b> | <b>Acquisitions - constructed<br/>\$000</b> | <b>Acquisitions - transferred<br/>\$000</b> | <b>Estimated replacement cost<br/>\$000</b> |
|--------------------------------------------------------|-------------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>Water Supply</b>                                    |                                     |                                             |                                             |                                             |
| Treatment plants and facilities                        | \$ 5,016                            | \$ -                                        | \$ -                                        | \$ 10,254                                   |
| Other assets (such as reticulations systems)           | 13,335                              | 134                                         | -                                           | 27,437                                      |
| <b>Total Water Supply</b>                              | <b>\$ 18,351</b>                    | <b>\$ 134</b>                               | <b>\$ -</b>                                 | <b>\$ 37,691</b>                            |
| Water Supply assets were revalued in July 2017         |                                     |                                             |                                             |                                             |
| <b>Sewerage</b>                                        |                                     |                                             |                                             |                                             |
| Treatment plants and facilities                        | \$ 1,353                            | \$ -                                        | \$ -                                        | \$ 3,190                                    |
| Other assets (such as reticulations systems)           | 8,354                               | 32                                          | -                                           | 20,110                                      |
| <b>Total Sewerage</b>                                  | <b>\$ 9,707</b>                     | <b>\$ 32</b>                                | <b>\$ -</b>                                 | <b>\$ 23,300</b>                            |
| Sewerage assets were revalued in July 2017             |                                     |                                             |                                             |                                             |
| <b>Stormwater drainage</b>                             | \$ 2,618                            | \$ -                                        | \$ -                                        | \$ 4,377                                    |
| Stormwater Drainage assets were revalued in July 2017  |                                     |                                             |                                             |                                             |
| <b>Flood protection and control works</b>              | \$ -                                | \$ -                                        | \$ -                                        | \$ -                                        |
| Flood protection is undertaken by ECAN                 |                                     |                                             |                                             |                                             |
| <b>Roading and footpaths</b>                           | \$ 342,697                          | \$ 2,441                                    | \$ -                                        | \$ 455,797                                  |
| Roading and footpath assets were revalued in June 2017 |                                     |                                             |                                             |                                             |

## 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 Aidan Young of Quotable Value and the valuation is effective as at 30 June 2018. 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 assumptions include:

- 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 Aidan Young of Quotable Value and the valuation is effective as at 30 June 2018. 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

From 1 July 2006 Library books additions are recorded cost.

## 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 Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July

Urban and rural water assets were valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2017.

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 Tui Craven of Opus International Consultants Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2017. 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 Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July

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 30 June 2017.

All additions are recorded at cost.

|                                                                                                                                                                         |             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Land and Buildings - 30 June 2018 - Aidan Young of Quotable Value                                                                                                       | 25,085,452  |
| Furniture, plant & machinery and office equipment - 30 June 2009 - Gerald Morton of Morton & Company Ltd                                                                | 385,620     |
| Roading - 30 June 2017 - Tui Craven of Opus International Consultants                                                                                                   | 342,990,268 |
| Wastewater, urban and rural water, and stormwater - 30 June 2017 - valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited | 29,256,581  |
| Sanitation - 30 June 2017 - Debbie Weeds and John Vessey of Opus International Consultant                                                                               | 572,158     |

### Impairment

The value of impairment gains/losses was \$nil (2017 nil).

### Work in progress

The total amount of property, plant and equipment in the course of construction is \$892,000 (2017 \$891,000). Work in progress is disclosed above.

### Leasing

The net carrying amount of plant and equipment held under finance leases is \$nil (2017 \$nil).

### Water Schemes (additional note)

Rural Water Scheme and Urban Water Scheme asset classes comprise of assets that were not revalued in 2017. The assets not subject to revaluation continue to be depreciated, and therefore retain accumulated depreciation as per the note; in the case an asset is revalued, accumulated depreciation is booked to the asset revaluation reserve.

## 15 Forestry Assets

|                                                                                      | <b>2018</b>     | <b>2018</b>        | <b>2017</b>     |
|--------------------------------------------------------------------------------------|-----------------|--------------------|-----------------|
|                                                                                      | <b>Actual</b>   | <b>Annual Plan</b> | <b>Actual</b>   |
|                                                                                      | <b>\$000</b>    | <b>\$000</b>       | <b>\$000</b>    |
| Opening balance                                                                      | \$ 1,471        | \$ 1,291           | \$ 1,489        |
| Gains/(losses) arising from changes in fair value less estimated point of sale costs | 379             | 133                | 181             |
| Capital works                                                                        | -               | -                  | -               |
| Decreases due to harvest                                                             | (123)           | -                  | (199)           |
| Transfer to non-current assets held for sale                                         | -               | -                  | -               |
| <b>Closing balance</b>                                                               | <b>\$ 1,727</b> | <b>\$ 1,424</b>    | <b>\$ 1,471</b> |

Represented by (R M Consulting Ltd yearly valuation dated 1 July 2018):

|                                              |                 |                 |                 |
|----------------------------------------------|-----------------|-----------------|-----------------|
| Joint venture                                | \$ 74           | \$ -            | \$ 197          |
| Reserves                                     | 344             | 316             | 277             |
| Waihao Forest                                | 1,309           | 1,108           | 997             |
| Transfer to non-current assets held for sale | -               | -               | -               |
| <b>Closing balance</b>                       | <b>\$ 1,727</b> | <b>\$ 1,424</b> | <b>\$ 1,471</b> |

### Valuation Method

The 2018 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 2018, so that trees planted in 2008, for example, are aged ten 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 2018:

|               | <b>Area by Age (years) by Class (ha)</b> |             |              |              |              |              |            | <b>Total</b> |
|---------------|------------------------------------------|-------------|--------------|--------------|--------------|--------------|------------|--------------|
|               | <b>0-5</b>                               | <b>5-10</b> | <b>10-15</b> | <b>15-20</b> | <b>20-25</b> | <b>25-30</b> | <b>30+</b> |              |
| <b>Forest</b> |                                          |             |              |              |              |              |            |              |
| Joint Venture | -                                        | -           | -            | -            | -            | -            | 4.0        | 4.0          |
| Reserves      | 17.0                                     | 5.0         | 3.5          | 2.5          | 20.9         | -            | -          | 48.9         |
| Waihao Forest | -                                        | -           | -            | -            | 103.3        | -            | -          | 103.3        |
| <b>Total</b>  | <b>17.0</b>                              | <b>5.0</b>  | <b>3.5</b>   | <b>2.5</b>   | <b>124.2</b> | <b>-</b>     | <b>4.0</b> | <b>156.2</b> |
| Percentage    | 10.9%                                    | 3.2%        | 2.2%         | 1.6%         | 79.5%        | -            | 2.6%       | 100.0%       |

## 16 Intangible Assets

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>ETS Carbon Credits</b>                                |                         |                              |                         |
| <b>Cost</b>                                              |                         |                              |                         |
| Balance at 1 July                                        | \$ 69                   | \$ 69                        | \$ 69                   |
| Additions                                                | -                       | -                            | -                       |
| <b>Balance at 30 June</b>                                | <b>\$ 69</b>            | <b>\$ 69</b>                 | <b>\$ 69</b>            |
| <b>Software</b>                                          |                         |                              |                         |
| <b>Cost</b>                                              |                         |                              |                         |
| Balance at 1 July                                        | \$ 278                  | \$ 270                       | \$ 222                  |
| Additions                                                | 131                     | 25                           | 56                      |
| <b>Balance at 30 June</b>                                | <b>\$ 409</b>           | <b>\$ 295</b>                | <b>\$ 278</b>           |
| <b>Accumulated amortisation and impairment losses</b>    |                         |                              |                         |
| Balance at 1 July                                        | \$ (149)                | \$ (155)                     | \$ (123)                |
| Amortisation charge for the year                         | (36)                    | (39)                         | (26)                    |
| <b>Balance at 30 June</b>                                | <b>\$ (185)</b>         | <b>\$ (194)</b>              | <b>\$ (149)</b>         |
| <b>Software carrying value at 30 June</b>                | <b>\$ 224</b>           | <b>\$ 101</b>                | <b>\$ 129</b>           |
| <b>Total Intangible assets carrying value at 30 June</b> | <b>\$ 293</b>           | <b>\$ 170</b>                | <b>\$ 198</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 \$51,414 on the tradable carbon credit market as at 30 June 2018.

As at 30th June 2018 there were 20,239 NZUs in the account pertaining to the Post89 Registration, with a tradable value of \$422,955. The last emissions return was lodged in February 2018 where a total of 12,662 NZUs were claimed.

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

## 17 Trade and Other Payables

|                                       | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|---------------------------------------|-------------------------|------------------------------|-------------------------|
| Sundry payables                       | \$ 1,486                | \$ 1,465                     | \$ 1,359                |
| Revenue received in advance           | 214                     | -                            | 227                     |
| Accrued expenses                      | 3                       | -                            | -                       |
| Amounts due on contract work          | -                       | -                            | -                       |
| Related party payables                | 19                      | -                            | 18                      |
| GST payable                           | -                       | -                            | -                       |
| Other                                 | 25                      | -                            | 52                      |
| <b>Total Trade and other payables</b> | <b>\$ 1,746</b>         | <b>\$ 1,465</b>              | <b>\$ 1,656</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.



## 18 Provisions

|                                            | <b>2018</b>   | <b>2018</b>        | <b>2017</b>   |
|--------------------------------------------|---------------|--------------------|---------------|
|                                            | <b>Actual</b> | <b>Annual Plan</b> | <b>Actual</b> |
|                                            | <b>\$000</b>  | <b>\$000</b>       | <b>\$000</b>  |
| <b>Current liability portion</b>           |               |                    |               |
| Landfill aftercare                         | \$ 6          | \$ 6               | \$ 6          |
| <b>Total Current liability portion</b>     | <b>\$ 6</b>   | <b>\$ 6</b>        | <b>\$ 6</b>   |
| <b>Non-current liability portion</b>       |               |                    |               |
| Landfill aftercare                         | \$ 61         | \$ 61              | \$ 61         |
| <b>Total Non-current liability portion</b> | <b>\$ 61</b>  | <b>\$ 61</b>       | <b>\$ 61</b>  |
| <b>Total Provisions</b>                    | <b>\$ 67</b>  | <b>\$ 67</b>       | <b>\$ 67</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.

## 19 Employee Benefit Liabilities

|                                           | <b>2018</b>   | <b>2018</b>        | <b>2017</b>   |
|-------------------------------------------|---------------|--------------------|---------------|
|                                           | <b>Actual</b> | <b>Annual Plan</b> | <b>Actual</b> |
|                                           | <b>\$000</b>  | <b>\$000</b>       | <b>\$000</b>  |
| Accrued salaries and wages                | \$ 75         | \$ 120             | \$ 50         |
| Annual leave                              | 285           | 246                | 286           |
| Long service leave                        | 4             | 16                 | 6             |
| Retirement gratuities                     | -             | 28                 | -             |
| <b>Total employee benefit liabilities</b> | <b>\$ 364</b> | <b>\$ 410</b>      | <b>\$ 342</b> |
| <b>Represented by:</b>                    |               |                    |               |
| Current liabilities                       | 364           | 410                | 342           |
| Non-current liabilities                   | -             | -                  | -             |
|                                           | <b>\$ 364</b> | <b>\$ 410</b>      | <b>\$ 342</b> |

## 20 Public Debt

|                                            | <b>2018</b>     | <b>2018</b>        | <b>2017</b>     |
|--------------------------------------------|-----------------|--------------------|-----------------|
|                                            | <b>Actual</b>   | <b>Annual Plan</b> | <b>Actual</b>   |
|                                            | <b>\$000</b>    | <b>\$000</b>       | <b>\$000</b>    |
| <b>Current liability portion</b>           |                 |                    |                 |
| Secured debt                               | \$ 33           | \$ 26              | \$ 71           |
| <b>Total Current liability portion</b>     | <b>\$ 33</b>    | <b>\$ 26</b>       | <b>\$ 71</b>    |
| <b>Non-current liability portion</b>       |                 |                    |                 |
| Secured debt                               | \$ 2,704        | \$ 3,398           | \$ 2,734        |
| <b>Total Non-current liability portion</b> | <b>\$ 2,704</b> | <b>\$ 3,398</b>    | <b>\$ 2,734</b> |
| <b>Total Public Debt</b>                   | <b>\$ 2,737</b> | <b>\$ 3,424</b>    | <b>\$ 2,805</b> |

The interest rates applying to the above loans is 3.99% (2017: 3.99%).

### Fixed-rate debt

The Council's secured debt of \$2,737,000 (2017: \$2,804,780) is issued at fixed rates of interest until 2021.

### Security

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is \$200,000 (2017: \$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>2018</b>  | <b>2017</b>  |
|------------------------------------------|--------------|--------------|
|                                          | <b>\$000</b> | <b>\$000</b> |
| <b>Less than one year</b>                |              |              |
| Overdraft                                | \$ -         | \$ -         |
| Weighted average effective interest rate | 9.50%        | 9.40%        |
| Secured loans                            | \$ 33        | \$ 71        |
| Weighted average effective interest rate | 3.99%        | 3.99%        |
| <b>Between one and five years</b>        |              |              |
| Secured loans                            | \$ 2,704     | \$ 2,734     |
| Weighted average effective interest rate | 3.99%        | 3.99%        |

### 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>2018</b>  | <b>2017</b>  |
|------------------------|--------------|--------------|
|                        | <b>\$000</b> | <b>\$000</b> |
| <b>Carrying amount</b> |              |              |
| Secured loans          | \$ 2,737     | \$ 2,805     |
| <b>Fair Value</b>      |              |              |
| Secured loans          | \$ 2,737     | \$ 2,805     |

## 21 Equity

|                                                                                             | <b>2018</b>       | <b>2018</b>        | <b>2017</b>       |
|---------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|
|                                                                                             | <b>Actual</b>     | <b>Annual Plan</b> | <b>Actual</b>     |
|                                                                                             | <b>\$000</b>      | <b>\$000</b>       | <b>\$000</b>      |
| <b>Public Equity - Retained earnings</b>                                                    |                   |                    |                   |
| As at 1 July                                                                                | \$ 86,351         | \$ 91,187          | \$ 84,602         |
| Transfers from/(to) special separate and trust funds                                        | (1,338)           | 665                | (382)             |
| Transfers from/(to) asset revaluation reserves                                              | -                 | -                  | -                 |
| Surplus/(deficit) for the year                                                              | (345)             | (138)              | 2,131             |
| <b>Total Public Equity as at 30 June</b>                                                    | <b>\$ 84,667</b>  | <b>\$ 91,714</b>   | <b>\$ 86,351</b>  |
| <b>Asset revaluation reserve</b>                                                            |                   |                    |                   |
| As at 1 July                                                                                | \$ 324,567        | \$ 310,414         | \$ 293,849        |
| Transfers from/(to) public equity                                                           | -                 | -                  | -                 |
| Revaluation gains/(losses)                                                                  | 2,652             | 3,630              | 30,718            |
| Impairment of revalued asset/reversal                                                       | -                 | -                  | -                 |
| <b>Total Asset revaluation reserve as at 30 June</b>                                        | <b>\$ 327,219</b> | <b>\$ 314,044</b>  | <b>\$ 324,567</b> |
| <b>Special separate and trust funds (restricted reserves)</b>                               |                   |                    |                   |
| As at 1 July                                                                                | \$ 1,869          | \$ (3,983)         | \$ 1,487          |
| Transfers from/(to) public equity                                                           | 1,338             | (665)              | 382               |
| Transfers from comprehensive revenue and expenditure                                        | -                 | -                  | -                 |
| <b>Total Special separate and trust funds as at 30 June</b>                                 | <b>\$ 3,207</b>   | <b>\$ (4,648)</b>  | <b>\$ 1,869</b>   |
| <b>Fair value through comprehensive revenue and expenditure reserve (shares)</b>            |                   |                    |                   |
| As at 1 July                                                                                | \$ 20,724         | \$ 19,501          | \$ 19,501         |
| Revaluation gains/(losses)                                                                  | (15,002)          | -                  | 1,223             |
| <b>Total Fair value through comprehensive revenue and expenditure reserve as at 30 June</b> | <b>\$ 5,722</b>   | <b>\$ 19,501</b>   | <b>\$ 20,724</b>  |
| <b>Asset revaluation reserves consist of:</b>                                               |                   |                    |                   |
| <b>Operational assets</b>                                                                   |                   |                    |                   |
| Land - freehold                                                                             | \$ 5,172          | \$ 4,667           | \$ 4,462          |
| Buildings                                                                                   | 6,961             | 5,857              | 5,519             |
| Plant and equipment                                                                         | -                 | -                  | -                 |
| <b>Restricted assets</b>                                                                    |                   |                    |                   |
| Land - restricted                                                                           | 4,720             | 4,530              | 4,219             |
| <b>Infrastructural assets</b>                                                               |                   |                    |                   |
| Wastewater schemes                                                                          | 7,257             | 7,093              | 7,257             |
| Rural water schemes                                                                         | 4,938             | 7,551              | 4,938             |
| Urban water scheme                                                                          | 5,763             | 6,544              | 5,763             |
| Roading network                                                                             | 289,628           | 275,109            | 289,629           |
| Stormwater schemes                                                                          | 2,304             | 2,333              | 2,304             |
| Sanitation                                                                                  | 476               | 359                | 476               |
| <b>Total</b>                                                                                | <b>\$ 327,219</b> | <b>\$ 314,043</b>  | <b>\$ 324,567</b> |
| <b>Special separate and trust funds (restricted reserves) consist of:</b>                   |                   |                    |                   |
| Discretionary reserves                                                                      | \$ 755            | \$ 687             | \$ 690            |
| Restricted reserves                                                                         | 601               | 519                | 619               |
| Trusts                                                                                      | 214               | 201                | 204               |
| Special Reserves                                                                            | 3,825             | 89                 | 3,297             |
| Depreciation Reserves                                                                       | 3,029             | (111)              | 2,663             |
| Non-Cash Reserves                                                                           | 811               | 402                | 674               |
| Internal Loan Reserves                                                                      | (6,028)           | (6,435)            | (6,278)           |
| <b>Total</b>                                                                                | <b>\$ 3,207</b>   | <b>\$ (4,648)</b>  | <b>\$ 1,869</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.

## 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<br>balance<br>1 July 2017<br>\$000 | Deposits<br>\$000 | Withdrawals<br>\$000 | Closing<br>balance<br>30 June 2018<br>\$000 |
|----------------------------------------------|--------------------------------------------|-------------------|----------------------|---------------------------------------------|
| <b>Restricted Reserves</b>                   |                                            |                   |                      |                                             |
| <b>Discretionary</b>                         |                                            |                   |                      |                                             |
| Perpetual Graves                             | \$ 90                                      | \$ 3              | \$ -                 | \$ 94                                       |
| Esplanade                                    | 44                                         | 2                 | -                    | 46                                          |
| Subdivision Contribution                     | 407                                        | 36                | -                    | 443                                         |
| Waste Minimisation                           | 149                                        | 23                | -                    | 172                                         |
| Mayors Welfare Relief Fund                   | 2                                          | -                 | (1)                  | 1                                           |
| <b>Restricted</b>                            |                                            |                   |                      |                                             |
| Endowment Land                               | 219                                        | 11                | -                    | 229                                         |
| Te Aka Road Grant - Rock fall Protection     | 59                                         | 3                 | -                    | 62                                          |
| Te Aka Road Grant - Recreational             | 80                                         | 4                 | -                    | 84                                          |
| Waimate Event Centre                         | 226                                        | 9                 | (47)                 | 188                                         |
| Heritage Fund Reserve                        | 6                                          | 2                 | -                    | 6                                           |
| Creative New Zealand Grant Reserve           | 1                                          | -                 | (1)                  | 1                                           |
| NZ Sport & Recreation Grants - Reserve       | 1                                          | -                 | -                    | 2                                           |
| Community Grant Reserve                      | 2                                          | -                 | -                    | 2                                           |
| Waimate Community Halls                      | 26                                         | 1                 | -                    | 27                                          |
| <b>Trusts</b>                                |                                            |                   |                      |                                             |
| Friends of Knottingley Park                  | 1                                          | -                 | -                    | 1                                           |
| Library Bequests                             | 201                                        | 9                 | -                    | 212                                         |
| <b>Non-cash</b>                              |                                            |                   |                      |                                             |
| Downlands Asset Replacement                  | 659                                        | 137               | -                    | 796                                         |
| Downlands Capital Contributions              | 15                                         | -                 | -                    | 15                                          |
| <b>Total Restricted Reserves</b>             | <b>\$ 2,188</b>                            | <b>\$ 240</b>     | <b>\$ (49)</b>       | <b>\$ 2,381</b>                             |
| <b>General Reserves</b>                      |                                            |                   |                      |                                             |
| General Reserves                             | \$ 769                                     | \$ 623            | \$ (716)             | \$ 675                                      |
| Property Reserve                             | 11                                         | 225               | (78)                 | 157                                         |
| Community Housing                            | (156)                                      | -                 | -                    | (156)                                       |
| Forestry Reserve                             | (58)                                       | 249               | (111)                | 80                                          |
| Camping                                      | 634                                        | 44                | (14)                 | 663                                         |
| Rates Smoothing Reserve                      | 368                                        | 70                | -                    | 437                                         |
| Economic Development Special Grant Fund      | -                                          | 100               | (93)                 | 7                                           |
| <b>Total General Reserves</b>                | <b>\$ 1,568</b>                            | <b>\$ 1,311</b>   | <b>\$ (1,012)</b>    | <b>\$ 1,863</b>                             |
| <b>Civic Amenities Rate Reserve</b>          |                                            |                   |                      |                                             |
| Civic Amenities Rate Reserve                 | \$ 1,277                                   | \$ 193            | \$ (153)             | \$ 1,317                                    |
| <b>Total Civic Amenities Rate Reserve</b>    | <b>\$ 1,277</b>                            | <b>\$ 193</b>     | <b>\$ (153)</b>      | <b>\$ 1,317</b>                             |
| <b>Targeted Rate Reserves</b>                |                                            |                   |                      |                                             |
| Urban Water Scheme                           | \$ (117)                                   | \$ 63             | \$ -                 | \$ (54)                                     |
| Sewerage                                     | 272                                        | 76                | -                    | 349                                         |
| Waste Management - Collection                | 161                                        | 7                 | -                    | 169                                         |
| <b>Rural Water Scheme Operating Reserves</b> |                                            |                   |                      |                                             |
| Cannington/Motukaika                         | 79                                         | 4                 | -                    | 82                                          |
| Cattle Creek                                 | (15)                                       | -                 | (1)                  | (16)                                        |
| Hook/Waituna                                 | (92)                                       | -                 | (2)                  | (94)                                        |
| Lower Waihao                                 | 99                                         | 28                | -                    | 127                                         |
| Otaio/Makikihi                               | 133                                        | 8                 | -                    | 140                                         |
| Waihaorunga                                  | (53)                                       | -                 | (11)                 | (64)                                        |
| Waikakahi                                    | (12)                                       | -                 | (5)                  | (16)                                        |
| <b>Total Targeted Rate Reserves</b>          | <b>\$ 455</b>                              | <b>\$ 186</b>     | <b>\$ (19)</b>       | <b>\$ 623</b>                               |

## 21 Equity (continued)

### Financial reserves

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

| Restricted Reserves                      | Purpose                                                                | Council Activity         |
|------------------------------------------|------------------------------------------------------------------------|--------------------------|
| <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         |
| Mayors Welfare Relief Fund               | Mayoral reserve for district welfare claims                            | Community Representation |
| <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 Event Centre                     | Investigation and/or refurbishment of the Waimate Event Centre         | Property                 |
| Heritage Fund Reserve                    | Funding of district heritage related funds                             | Community Support        |
| Creative New Zealand Grant Reserve       | Funds allocated for distribution in the coming year                    | Community Support        |
| NZ Sport & Recreation Grants - Reserve   | Funds allocated for distribution in the coming year                    | Community Support        |
| Community Grant Reserve                  | Funds allocated or to be allocated for distribution in the coming year | Community Support        |
| Waimate Community Halls                  | To be determined - surplus funds from old Stadium Committee            | TBD                      |
| <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             |

### General Reserves

|                         |                                                                                                                                                                          |                                                                                                                                                                                                                                                               |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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, Rooding, and Stormwater Drainage |
| Property Reserve        | Funds accumulated over time for Council property, including Rental Property, Local Government Centre, Waimate Airport, Waimate Event Centre 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                                                                                                                                                                                                                                           |

### Civic Amenities Rate Reserve

|                              |                                                                                                      |                                                                                        |
|------------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| 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 |
|------------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|

### Targeted Rate Reserves

|                               |                                                                                        |                     |
|-------------------------------|----------------------------------------------------------------------------------------|---------------------|
| 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    |

### Rural Water Scheme Operating Reserves

## 21 Equity (continued)

|                                                                                     | Opening<br>balance<br>1 July 2017<br>\$000 | Deposits<br>\$000 | Withdrawals<br>\$000 | Closing<br>balance<br>30 June 2018<br>\$000 |
|-------------------------------------------------------------------------------------|--------------------------------------------|-------------------|----------------------|---------------------------------------------|
| <b>Internal Loan Reserves</b>                                                       |                                            |                   |                      |                                             |
| Urban Water Scheme                                                                  | \$ (1,303)                                 | \$ 41             | \$ -                 | \$ (1,262)                                  |
| Sewerage                                                                            | (1,043)                                    | 33                | -                    | (1,009)                                     |
| Roading Renewals / Bridge Renewals                                                  | (400)                                      | 2                 | -                    | (398)                                       |
| Waste Management - Disposal                                                         | (593)                                      | 22                | -                    | (572)                                       |
| Waimate District Community Complex                                                  | (2,805)                                    | 68                | -                    | (2,737)                                     |
| WEC Build - Additional Spend                                                        | (133)                                      | 83                | -                    | (50)                                        |
| <b>Total Internal Loan Reserves</b>                                                 | <b>\$ (6,277)</b>                          | <b>\$ 249</b>     | <b>\$ -</b>          | <b>\$ (6,028)</b>                           |
| <b>Asset Renewal Reserves</b>                                                       |                                            |                   |                      |                                             |
| <b>General Asset Renewal Reserves</b>                                               |                                            |                   |                      |                                             |
| General Reserves                                                                    | \$ 364                                     | \$ 197            | \$ (159)             | \$ 402                                      |
| Property Reserve                                                                    | 760                                        | 161               | (55)                 | 866                                         |
| Community Housing                                                                   | 398                                        | 48                | -                    | 446                                         |
| Forestry Reserve                                                                    | (85)                                       | -                 | -                    | (85)                                        |
| Camping                                                                             | 43                                         | 87                | (17)                 | 113                                         |
| Stormwater                                                                          | (36)                                       | 33                | (11)                 | (14)                                        |
| <b>Civic Amenities Rate Asset Renewal Reserve</b>                                   |                                            |                   |                      |                                             |
| Civic Amenities Rate Asset Renewal Reserve                                          | 141                                        | 212               | (371)                | (18)                                        |
| <b>Targeted Rate Asset Renewal Reserves</b>                                         |                                            |                   |                      |                                             |
| Sewerage                                                                            | 327                                        | 174               | (31)                 | 470                                         |
| Waste Management - Collection                                                       | 173                                        | 28                | (4)                  | 197                                         |
| Roading Reserve                                                                     | 142                                        | -                 | (142)                | -                                           |
| Urban Water Scheme                                                                  | 2                                          | 157               | (139)                | 20                                          |
| <b>Rural Water Schemes</b>                                                          |                                            |                   |                      |                                             |
| Cannington/Motukaika                                                                | 128                                        | 14                | -                    | 141                                         |
| Cattle Creek                                                                        | 6                                          | 1                 | -                    | 8                                           |
| Hook/Waituna                                                                        | 230                                        | 70                | (16)                 | 284                                         |
| Lower Waihao                                                                        | (200)                                      | 41                | (12)                 | (172)                                       |
| Otaio/Makikihi                                                                      | (115)                                      | 67                | (33)                 | (82)                                        |
| Waihaorunga                                                                         | 59                                         | 16                | -                    | 75                                          |
| Waikakahi                                                                           | 325                                        | 52                | -                    | 378                                         |
| <b>Total Asset Renewal Reserves</b>                                                 | <b>\$ 2,662</b>                            | <b>\$ 1,358</b>   | <b>\$ (990)</b>      | <b>\$ 3,029</b>                             |
| <b>Fair Value through other Comprehensive Revenue and Expenditure Reserve</b>       |                                            |                   |                      |                                             |
| Fair Value through other Comprehensive Revenue and Expenditure                      | \$ 20,724                                  | \$ -              | \$ (15,002)          | \$ 5,722                                    |
| <b>Total Fair Value through other Comprehensive Revenue and Expenditure Reserve</b> | <b>\$ 20,724</b>                           | <b>\$ -</b>       | <b>\$ (15,002)</b>   | <b>\$ 5,722</b>                             |
| <b>Total Reserves</b>                                                               | <b>\$ 22,597</b>                           | <b>\$ 3,537</b>   | <b>\$ (17,225)</b>   | <b>\$ 8,907</b>                             |



## 21 Equity (continued)

### Internal Loan Reserves

|                                    |                                                                            |                     |
|------------------------------------|----------------------------------------------------------------------------|---------------------|
| Urban Water Scheme                 | Internally borrowed funds for future repayment by the users of the service | Water Supply        |
| Sewerage                           | Internally borrowed funds for future repayment by the users of the service | Sewerage and Sewage |
| Roading Renewals / Bridge Renewals | Internally borrowed funds for future repayment by the users of the service | Roading             |
| 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            |
| WEC Build - Additional Spend       | 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                                                                                                                                                                                                                                  |
| <b>Civic Amenities Rate Asset Renewal Reserve</b> |                                                                                                                                                                       |                                                                                                                                                                                                                                                      |
| 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                                                                                                                                                               |

#### 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 |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------|

## 22 Capital Commitments and Operating Leases

There was one capital commitment in relation to projects from Council's capital programme (2017: One).

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

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

|                                                                                                        | <b>2018</b><br>Actual<br>\$000 | <b>2017</b><br>Actual<br>\$000 |
|--------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| <b>Capital Commitments</b>                                                                             |                                |                                |
| Capital expenditure contracted for at balance date not yet incurred for property, plant and equipment: |                                |                                |
| Buildings                                                                                              | \$ -                           | \$ -                           |
| Rural Water Schemes                                                                                    | -                              | -                              |
| Roading                                                                                                | 2,261                          | 5,105                          |
|                                                                                                        | <b>\$ 2,261</b>                | <b>\$ 5,105</b>                |
| <b>Capital Commitments</b>                                                                             |                                |                                |
| Not later than one year                                                                                | 2,261                          | 3,829                          |
| Later than one year, not later than five years                                                         | -                              | 1,276                          |
| Later than five years                                                                                  | -                              | -                              |
|                                                                                                        | <b>\$ 2,261</b>                | <b>\$ 5,105</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>2018</b><br>Actual<br>\$000 | <b>2017</b><br>Actual<br>\$000 |
|---------------------------------------------------|--------------------------------|--------------------------------|
| <b>Non-cancellable operating leases as lessee</b> |                                |                                |
| Not later than one year                           | \$ 152                         | \$ 171                         |
| Later than one year, not later than five years    | 35                             | 106                            |
| Later than five years                             | -                              | -                              |
|                                                   | <b>\$ 187</b>                  | <b>\$ 277</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>2018</b><br>Actual<br>\$000 | <b>2017</b><br>Actual<br>\$000 |
|---------------------------------------------------|--------------------------------|--------------------------------|
| <b>Non-cancellable operating leases as lessor</b> |                                |                                |
| Not later than one year                           | \$ 110                         | \$ 82                          |
| Later than one year, not later than five years    | 362                            | 26                             |
| Later than five years                             | 3                              | 6                              |
|                                                   | <b>\$ 475</b>                  | <b>\$ 114</b>                  |

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

## 23 Contingencies

### Contingent Assets

There are no Contingent Assets as at 30 June 2018 (30 June 2017: 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 2018, the scheme had a past service surplus of \$6.606 million (exclusive of Employer Superannuation Contribution Tax), (Net assets of \$114.853 million, Past service liabilities \$108.247 million, at a funding level of 106.1%). 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 2018 (2017: \$nil). There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.

## 24 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

|           | 2018<br>Actual<br>\$000 | 2017<br>Actual<br>\$000 |
|-----------|-------------------------|-------------------------|
| \$        | 234                     | \$ 214                  |
|           | (234)                   | (214)                   |
| <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

|           | 2018<br>Actual<br>\$000 | 2017<br>Actual<br>\$000 |
|-----------|-------------------------|-------------------------|
| \$        | 918                     | \$ 893                  |
|           | -                       | -                       |
|           | -                       | -                       |
|           | 215                     | 216                     |
| <b>\$</b> | <b>1,133</b>            | <b>\$ 1,109</b>         |

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

## 25 Remuneration

|                                                         | <b>2018<br/>Actual<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|---------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Chief Executive (current from 6 February 2017)</b>   | \$ 175                           | \$ 67                            |
| <b>Chief Executive (previous up to 4 December 2016)</b> | -                                | 93                               |
| <b>Additional benefits</b>                              |                                  |                                  |
| Employer Superannuation contribution                    | 9                                | 9                                |
| Motor Vehicle                                           | 4                                | 4                                |
| Communication expenses                                  | -                                | 1                                |
| <b>Total Chief Executive</b>                            | <b>\$ 188</b>                    | <b>\$ 174</b>                    |
| <b>Council Representatives</b>                          |                                  |                                  |
| Craig Rowley (Mayor)                                    | \$ 66                            | \$ 65                            |
| Sharyn Cain (Deputy Mayor)                              | 25                               | 25                               |
| David Anderson                                          | 18                               | 18                               |
| Peter Collins                                           | 18                               | 18                               |
| Arthur Gavegan                                          | -                                | 5                                |
| Peter McIlraith                                         | -                                | 6                                |
| Miriam Morton                                           | 18                               | 18                               |
| Tom O'Connor                                            | 18                               | 18                               |
| Sheila Paul                                             | 18                               | 18                               |
| Jakki Guildford                                         | 18                               | 13                               |
| David Owen                                              | 18                               | 13                               |
| <b>Total Council representatives</b>                    | <b>\$ 215</b>                    | <b>\$ 216</b>                    |

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

## 26 Employee Staffing Levels and Remuneration

|                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>2018<br/>Actual<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Total full time equivalent number of employees</b>                                                                                                                                                                                                                                                                                                                                                               | <b>48.58</b>                     | <b>47.61</b>                     |
| <b>Represented by:</b>                                                                                                                                                                                                                                                                                                                                                                                              |                                  |                                  |
| Full time employees                                                                                                                                                                                                                                                                                                                                                                                                 | 42.00                            | 43.00                            |
| Full time equivalent of all other employees                                                                                                                                                                                                                                                                                                                                                                         | 6.58                             | 4.61                             |
| <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                                                                                                                                                                                                                                                                                                                                                                                                      | 35.00                            | 30.00                            |
| \$60,001 - \$80,000                                                                                                                                                                                                                                                                                                                                                                                                 | 10.00                            | 15.00                            |
| \$80,001 - \$140,000                                                                                                                                                                                                                                                                                                                                                                                                | 12.00                            | 10.00                            |
| \$140,001 - \$200,000                                                                                                                                                                                                                                                                                                                                                                                               | 1.00                             | 1.00                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>58.00</b>                     | <b>56.00</b>                     |

For both 2018 and 2017, the number of employees in the \$80,001 - \$100,000, and \$100,001 to \$120,000 bands was minimal and has been combined in the \$80,001 - \$140,000 band.

## 27 Severance Payments

For the year ended 30 June 2018 there were two (2017: nil) severance payments made to employees of \$20,000 and \$6,000 (2017: \$nil).

## 28 Financial Instrument Categories

|                                                                 | <b>2018</b>      | <b>2017</b>      |
|-----------------------------------------------------------------|------------------|------------------|
|                                                                 | <b>Actual</b>    | <b>Actual</b>    |
|                                                                 | <b>\$000</b>     | <b>\$000</b>     |
| <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                                       | \$ 4,199         | \$ 3,701         |
| Trade and other receivables (excluding Prepayments)             | 1,734            | 1,172            |
| Term deposits                                                   | 923              | 777              |
| Community loans                                                 | 27               | 6                |
| Loans to related parties                                        | -                | -                |
|                                                                 | <b>\$ 6,883</b>  | <b>\$ 5,656</b>  |
| <b>Available for sale:</b>                                      |                  |                  |
| <b>Equity investments (at cost)</b>                             |                  |                  |
| Combined Rural Traders Ltd (CRT)                                | \$ 7             | \$ 7             |
| NZ Local Government Insurance Company Ltd                       | 28               | 28               |
| MGI Irrigation Company Ltd                                      | 1                | 1                |
| Hunter Downs Irrigation Limited                                 | -                | 250              |
| <b>Equity investments (at fair value)</b>                       |                  |                  |
| Alpine Energy Ltd                                               | 28,150           | 29,637           |
|                                                                 | <b>\$ 28,186</b> | <b>\$ 29,923</b> |
| <b>Total financial assets</b>                                   | <b>\$ 35,069</b> | <b>\$ 35,579</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                                        | \$ 1,746         | \$ 1,656         |
| Borrowings                                                      | 2,737            | 2,805            |
|                                                                 | <b>\$ 4,483</b>  | <b>\$ 4,461</b>  |
| <b>Total financial liabilities</b>                              | <b>\$ 4,483</b>  | <b>\$ 4,461</b>  |

## 29 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 LGA 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 LGA 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 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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## 30 Insurance Disclosure

During the 2017/18 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>2018</b>   | <b>2017</b>   | <b>2016</b>   | <b>2015</b>   |
|-----------------|---------------|---------------|---------------|---------------|
|                 | <b>Actual</b> | <b>Actual</b> | <b>Actual</b> | <b>Actual</b> |
|                 | <b>\$000</b>  | <b>\$000</b>  | <b>\$000</b>  | <b>\$000</b>  |
| Insurance costs | \$ 228        | \$ 228        | \$ 211        | \$ 219        |

### 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 \$58,613,933. 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 \$40,557,774.

### Vehicles and Moving plant

The total asset value for insurance purposes is \$1,028,694. All vehicles are insured for replacement value.

### Forestry

The maximum insurance cover is \$1,472,033 for fire events and \$645,396 for windstorm.

### Roading and Footpath Assets

The total asset value is \$455,797,000. However there is no current insurance for roads or bridges within the Waimate District. There is an expectation that Council will use NZTA emergency funds and council reserves and/or loans for local share. This is a risk in itself given NZTA has indicated that emergency works will be subject to stricter regime in the future.

### 31 Explanation of Major Variances against Budget

Council reported a deficit of \$345,000 against a reported LTP Budget deficit of \$575,000. The major variances are explained in the following table:

|                                                   | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2018<br>Var to LTP<br>\$000 |
|---------------------------------------------------|-------------------------|-----------------------------|------------------------------|-----------------------------|
| <b>Income Variances</b>                           |                         |                             |                              |                             |
| General rates                                     | \$ 1,070                | \$ 1,242                    | \$ 1,042                     | \$ (172)                    |
| Rates Penalties                                   | 92                      | 42                          | 64                           | 50                          |
| NZ Transport Agency government grants             | 2,962                   | 2,363                       | 2,656                        | 599                         |
| Fees and Charges income                           | 1,078                   | 892                         | 1,013                        | 186                         |
| Interest Revenue                                  | 101                     | 28                          | 35                           | 73                          |
| Dividend revenue                                  | 456                     | 577                         | 754                          | (120)                       |
| Forestry sales                                    | 284                     | -                           | -                            | 284                         |
| Sales of Eric Batchelor Place sections            | 169                     | -                           | 134                          | 169                         |
| Gain on changes in fair value of forestry assets  | 379                     | 133                         | 133                          | 246                         |
| <b>Expenditure Variances</b>                      |                         |                             |                              |                             |
| Employee benefit expenses                         | 3,690                   | 3,439                       | 3,540                        | (251)                       |
| Depreciation and amortisation                     | 4,472                   | 4,694                       | 4,608                        | 222                         |
| Finance costs                                     | 114                     | 258                         | 207                          | 144                         |
| Cost of forestry harvested                        | 123                     | -                           | -                            | (123)                       |
| Cost of sections sold                             | 144                     | -                           | -                            | (144)                       |
| Roading emergency reinstatement                   | 664                     | -                           | 60                           | (664)                       |
| All other Roothing expenditure                    | 1,946                   | 1,432                       | 1,566                        | (514)                       |
| Loss on disposal of property, plant and equipment | 240                     | 2                           | 94                           | (239)                       |
| Conferences, Seminars and Training                | 100                     | 172                         | 183                          | 72                          |
| Consultancy                                       | 53                      | 144                         | 129                          | 91                          |
| Repairs and Maintenance                           | 187                     | 233                         | 232                          | 46                          |
| Impairment of investments                         | 250                     | -                           | -                            | (250)                       |
| Insurance                                         | 228                     | 255                         | 264                          | 26                          |
| <b>Sub-total Major Variances</b>                  | (5,622)                 | (5,351)                     | (5,050)                      | (270)                       |
| All other revenues and expenditure                | 5,276                   | 4,776                       | 4,912                        | 500                         |
| <b>Total Surplus/(deficit)</b>                    | <b>\$ (345)</b>         | <b>\$ (575)</b>             | <b>\$ (139)</b>              | <b>\$ 230</b>               |

General rates income is lower than the LTP Budget but in line with the Annual Plan Budget. Each year revenue and expenditure is reviewed and rates revenue may change depending on what level of expenditure is required.

NZ Transport Agency government grants income have exceeded the LTP and Annual Plan Budgets due to additional Roothing Expenditure, along with Emergency Reinstatement works carried out.

Forestry Sales were not allowed for in the LTP and Annual Plan Budgets. This income is partially offset by the Cost of forestry harvested expense.

Gain on changes in fair value of forestry assets are the gains Council receive based on the Annual Forest Valuations, the gains on tree growth. This year the gains have exceeded LTP and Annual Plan Budgets due to price changes.

Employment Benefit Expenses have exceeded LTP and Annual Plan Budgets due to additional resources required. This has been partially offset by reduced spending on conferences, seminars and training.

Depreciation costs are below Budget and is predominately due to reduced depreciation than planned in the Water activity, in addition to reduced depreciation on plant and equipment.

Following the transfer of assets, from 1 July 2017, to Fire and Emergency New Zealand (FENZ) an impairment of those assets resulted in a Loss on disposal of \$239,000.

Impairment of investments - The Hunter Downs Irrigation development shares have been impaired as they hold no value to Council.

### 32 Events After Balance Date

There are no significant events after balance date.

### 33 Breach of Statutory Deadline

As outlined in the Statement of Compliance and Responsibility, Council breached its statutory deadline of adopting the audited financial statements and annual report by 31 October 2018.



## Cost of Service Variances for the year ended 30 June 2018

|                                     | <b>2018</b>   | <b>2018</b>        | <b>2017</b>   |
|-------------------------------------|---------------|--------------------|---------------|
|                                     | <b>Actual</b> | <b>Annual Plan</b> | <b>Actual</b> |
|                                     | <b>\$000</b>  | <b>\$000</b>       | <b>\$000</b>  |
| Forestry                            | 394           | 65                 | 22            |
| Investments and Finance             | (414)         | 171                | (92)          |
| Property                            | 36            | (180)              | 2,235         |
| Building Control                    | 118           | -                  | 20            |
| Resource Management                 | 86            | 51                 | 60            |
| Emergency Management                | (270)         | -                  | (16)          |
| Regulatory Services                 | 24            | -                  | 26            |
| Dog and Animal Control              | (10)          | -                  | (9)           |
| Community Representation            | 46            | 12                 | 42            |
| Strategy                            | (63)          | (82)               | 4             |
| Managing Services                   | 194           | (13)               | 147           |
| Economic Development and Promotions | 58            | (33)               | 27            |
| Community Support                   | 11            | -                  | (48)          |
| Library                             | 10            | -                  | 11            |
| Camping                             | 30            | (27)               | 45            |
| Cemeteries                          | (20)          | (10)               | 6             |
| Parks and Public Spaces             | (76)          | (34)               | 160           |
| Swimming                            | 20            | (2)                | (23)          |
| Roading                             | (774)         | (235)              | (848)         |
| Sewerage and Sewage                 | 75            | 45                 | 136           |
| Stormwater Drainage                 | 16            | (6)                | 13            |
| Waste Management                    | 25            | 12                 | 99            |
| Water Supply                        | 140           | 127                | 113           |
| <b>Total Surplus/(deficit)</b>      | <b>(345)</b>  | <b>(139)</b>       | <b>2,131</b>  |

**Capital Expenditure  
for the year ended 30 June 2018**

|                                                     | Key | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|-----------------------------------------------------|-----|-------------------------|------------------------------|-------------------------|
| <b>Property</b>                                     |     |                         |                              |                         |
| Local Government Centre - Blinds                    | REP | \$ -                    | \$ 3                         | \$ -                    |
| Local Government Centre - Vinyl                     | REP | -                       | 5                            | -                       |
| Local Government Centre - Sundry purchases          | REP | 2                       | 5                            | -                       |
| Local Government Centre - Floor coverings           | REP | -                       | -                            | -                       |
| Council Property - Reseal Michael Street yard       | REP | 9                       | 10                           | -                       |
| Council Property - Tennant St dwelling              | REP | 2                       | -                            | 8                       |
| Community Housing - Replacement stoves              | REP | -                       | 3                            | -                       |
| Community Housing - Hot water cylinders             | REP | -                       | 5                            | -                       |
| Community Housing - Bathroom upgrade                | REP | -                       | -                            | 16                      |
| Public Toilets - Waimate town (new)                 | LOS | -                       | 200                          | -                       |
| Public Toilets - Victoria Park Playground           | LOS | 44                      | -                            | 31                      |
| Waimate Event Centre - Refurbishment                | LOS | -                       | -                            | 330                     |
| Waimate Event Centre - IT and CCTV equipment        | LOS | -                       | -                            | 18                      |
| Waimate Event Centre - Stormwater installation      | LOS | -                       | -                            | 55                      |
| Waimate Event Centre - Internal fitout (WDCF Funds) | LOS | 39                      | -                            | 164                     |
| Waimate Event Centre - Miscellaneous purchases      | LOS | 4                       | -                            | -                       |
|                                                     |     | <b>\$ 99</b>            | <b>\$ 231</b>                | <b>\$ 622</b>           |
| <b>Building Control</b>                             |     |                         |                              |                         |
| Building Control - Inspection hardware/software     | LOS | -                       | -                            | 10                      |
| Building Control - Sundry                           | REP | -                       | 1                            | 0                       |
|                                                     |     | <b>\$ -</b>             | <b>\$ 1</b>                  | <b>\$ 11</b>            |
| <b>Emergency Management</b>                         |     |                         |                              |                         |
| Rural Fire - Cannington appliance                   | LOS | \$ -                    | \$ -                         | \$ 75                   |
| Rural Fire - St Andrews tanker                      | LOS | -                       | -                            | 80                      |
| Rural Fire - Plant                                  | REP | -                       | -                            | 7                       |
| Rural Fire - Computer equipment and radio upgrade   | REP | -                       | -                            | 3                       |
| Civil Defence - Mobile technology hardware          | REP | -                       | 1                            | -                       |
|                                                     |     | <b>\$ -</b>             | <b>\$ 1</b>                  | <b>\$ 164</b>           |
| <b>Dog and Animal Control</b>                       |     |                         |                              |                         |
| Dog and Animal Control - Animal cage and dog box    | REP | \$ -                    | \$ -                         | \$ 1                    |
|                                                     |     | <b>\$ -</b>             | <b>\$ -</b>                  | <b>\$ 1</b>             |
| <b>Managing Services</b>                            |     |                         |                              |                         |
| Hardware                                            | REP | \$ -                    | \$ -                         | \$ 19                   |
| Motor vehicles                                      | REP | 28                      | -                            | 47                      |
| Plant                                               | REP | -                       | -                            | 11                      |
| Furniture and other equipment                       | REP | 2                       | -                            | 11                      |
| Utilities - Office upgrade and furniture            | LOS | -                       | -                            | 6                       |
| Utilities - Sundry plant and equipment              | REP | 7                       | 6                            | -                       |
| Miscellaneous                                       | REP | 4                       | 10                           | -                       |
| Computers/hardware                                  | REP | 6                       | 10                           | -                       |
| Electronic Document Management System               | LOS | -                       | -                            | 17                      |
| Server replacement                                  | REP | -                       | 90                           | 64                      |
| Telephone / PABX upgrade                            | REP | -                       | 15                           | -                       |
| Single Customer Database                            | LOS | 27                      | 5                            | -                       |
| Magiq - Performance and EPO upgrades                | REP | 64                      | -                            | 22                      |
| UPS                                                 | REP | 3                       | 15                           | -                       |
| Event Centre                                        | REP | -                       | 7                            | -                       |
| General                                             | REP | -                       | 2                            | -                       |
| Magiq / NCS Upgrade                                 | REP | 17                      | -                            | -                       |
| Health and Safety - Equipment                       | REP | -                       | -                            | 10                      |
| CCTV Equipment                                      | LOS | 45                      | -                            | -                       |
|                                                     |     | <b>\$ 204</b>           | <b>\$ 160</b>                | <b>\$ 208</b>           |

**Capital Expenditure (continued)  
for the year ended 30 June 2018**

|                                                    | Key | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------------------|-----|-------------------------|------------------------------|-------------------------|
| <b>Library</b>                                     |     |                         |                              |                         |
| Library books                                      | REP | \$ 51                   | \$ 62                        | \$ 46                   |
| Furniture and shelving                             | REP | -                       | 4                            | 18                      |
|                                                    |     | <b>\$ 51</b>            | <b>\$ 66</b>                 | <b>\$ 64</b>            |
| <b>Camping</b>                                     |     |                         |                              |                         |
| Waitaki Lakes - Water pipes investigation/replace  | REP | \$ -                    | \$ -                         | \$ 27                   |
| Waitaki Lakes - Water monitoring system            | REP | 1                       | 1                            | -                       |
| Waitaki Lakes - Signage                            | REP | -                       | 4                            | -                       |
| St Andrews Camping - Upgrade power sites           | REP | -                       | -                            | 16                      |
| St Andrews Camping - Miscellaneous                 | REP | -                       | -                            | 2                       |
| Victoria Park - Upgrade cabins                     | REP | 13                      | -                            | 18                      |
| Victoria Park - Appliances                         | REP | 3                       | 5                            | 2                       |
| Knottingley Park - Miscellaneous                   | REP | -                       | -                            | 2                       |
|                                                    |     | <b>\$ 17</b>            | <b>\$ 10</b>                 | <b>\$ 67</b>            |
| <b>Cemeteries</b>                                  |     |                         |                              |                         |
| Replace tip truck                                  | REP | \$ -                    | \$ -                         | \$ 46                   |
| Upgrade workshop / office / toilet                 | REP | 7                       | -                            | 33                      |
|                                                    |     | <b>\$ 7</b>             | <b>\$ -</b>                  | <b>\$ 79</b>            |
| <b>Parks and Public Spaces</b>                     |     |                         |                              |                         |
| Morven Reserve - Domain electrical points          | REP | \$ -                    | \$ 4                         | \$ -                    |
| Morven Reserve - Relocate playground               | REP | 1                       | 5                            | -                       |
| Victoria park - Mower replacement                  | REP | -                       | 61                           | 16                      |
| Victoria park - Parks officer motor vehicle        | REP | 30                      | -                            | -                       |
| Victoria park - Sundry plant                       | REP | 8                       | 7                            | 6                       |
| Victoria park - Repair asphalt in works yard       | REP | -                       | 5                            | -                       |
| Victoria park - Repair asphalt, playground carpark | REP | -                       | 2                            | -                       |
| Victoria park - Restrain cycle track oval fence    | REP | -                       | 9                            | -                       |
| Victoria park - Replace Ausplay, playground        | REP | 209                     | 47                           | -                       |
| Knottingley park - Driveway upgrade                | REP | 3                       | -                            | -                       |
| Knottingley park - Replace see saws                | REP | 1                       | -                            | 5                       |
| Urban Reserves - Playground safety matting         | REP | -                       | 14                           | -                       |
|                                                    |     | <b>\$ 252</b>           | <b>\$ 153</b>                | <b>\$ 27</b>            |
| <b>Swimming</b>                                    |     |                         |                              |                         |
| Pool Cover replacement                             | REP | \$ -                    | \$ -                         | \$ 20                   |
| Upgrade Mens changing rooms                        | REP | -                       | -                            | 23                      |
| Other - Plant and equipment                        | REP | 6                       | -                            | 12                      |
|                                                    |     | <b>\$ 16</b>            | <b>\$ 244</b>                | <b>\$ 55</b>            |
| <b>Roading Group</b>                               |     |                         |                              |                         |
| Resealing                                          | REP | \$ 1,203                | \$ 1,160                     | \$ 1,208                |
| Drainage construction                              | REP | 291                     | 85                           | 129                     |
| Culvert replacements                               | REP | 133                     | 60                           | 70                      |
| Kerb and channel renewal                           | REP | 2                       | 86                           | 25                      |
| Concrete ford renewals                             | REP | -                       | 25                           | -                       |
| Pavement rehabilitation                            | REP | 110                     | 175                          | 137                     |
| Structures component replacement                   | REP | 152                     | 260                          | 29                      |
| Sign renewal                                       | REP | 60                      | 52                           | 43                      |
| Minor improvements                                 | LOS | 380                     | 340                          | 379                     |
| Footpath renewal                                   | REP | 107                     | 91                           | 21                      |
| Minor improvements (not subsidised)                | REP | -                       | 25                           | 19                      |
| Seal extensions                                    | REP | -                       | 51                           | 15                      |
| Roading development                                | LOS | -                       | 51                           | 40                      |
| Holme Station bridge replacement                   | LOS | -                       | 482                          | 25                      |
|                                                    |     | <b>\$ 2,436</b>         | <b>\$ 2,942</b>              | <b>\$ 2,142</b>         |

**Capital Expenditure (continued)  
for the year ended 30 June 2018**

|                                                                              | Key | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------------------------------------------------|-----|-------------------------|------------------------------|-------------------------|
| <b>Sewerage and Sewage Group</b>                                             |     |                         |                              |                         |
| Mill Road sewer extension                                                    | AD  | \$ 5                    | \$ -                         | \$ 464                  |
| Programmed renewals                                                          | REP | 26                      | 210                          | 16                      |
| Replace Aerator 2                                                            | REP | -                       | 33                           | -                       |
| Upgrade Allan St - King St                                                   | REP | -                       | -                            | 10                      |
|                                                                              |     | <b>\$ 31</b>            | <b>\$ 243</b>                | <b>\$ 490</b>           |
| <b>Stormwater Drainage Group</b>                                             |     |                         |                              |                         |
| Upgrade Manse Street/Harris Street                                           | LOS | \$ -                    | \$ -                         | \$ 24                   |
| Manse Street (Town Belt to Harris), New sumps<br>Consent and Management Plan | LOS | -                       | 145                          | -                       |
| Upgrade Belt Street to Town Belt                                             | LOS | 11                      | -                            | 107                     |
|                                                                              | LOS | -                       | 15                           | -                       |
|                                                                              |     | <b>\$ 11</b>            | <b>\$ 160</b>                | <b>\$ 131</b>           |
| <b>Waste Management Group</b>                                                |     |                         |                              |                         |
| Wheelie bin replacements                                                     | REP | \$ 4                    | \$ 6                         | \$ 16                   |
| Recycling Depot - Morven                                                     | REP | -                       | -                            | 3                       |
|                                                                              |     | <b>\$ 4</b>             | <b>\$ 6</b>                  | <b>\$ 19</b>            |
| <b>Water Supply Group (Rural and Urban)</b>                                  |     |                         |                              |                         |
| Hook/Waituna - Bells renewal (1600m)                                         | LOS | \$ 4                    | \$ -                         | \$ 17                   |
| Hook/Waituna - Renewals                                                      | REP | -                       | 11                           | 13                      |
| Hook/Waituna - Caywood renewal                                               | REP | -                       | -                            | -                       |
| Hook/Waituna - Filtration / Coagulation                                      | REP | 12                      | -                            | -                       |
| Lower Waihao - Rising main renewal (1600m)                                   | LOS | -                       | -                            | 57                      |
| Lower Waihao - Tawai renewal (2300m)                                         | LOS | -                       | -                            | 28                      |
| Lower Waihao - Renewals                                                      | REP | 5                       | 5                            | -                       |
| Lower Waihao - Drinking water standards                                      | LOS | 7                       | -                            | -                       |
| Otaio/Makikihi - Renewal (Skinner 2000m)                                     | LOS | -                       | -                            | 7                       |
| Otaio/Makikihi - Sullivan/Tavistock 1000m uPVC                               | REP | 33                      | 45                           | -                       |
| Waihaorunga - Renewals                                                       | REP | -                       | -                            | 11                      |
| Waihaorunga - Pump renewal                                                   | REP | -                       | -                            | 3                       |
| Waikakahi - Renewals                                                         | REP | -                       | 5                            | 6                       |
| Cannington/Motukaika - Renewals                                              | REP | -                       | -                            | 1                       |
| Urban Supply - Painting AVG filter                                           | LOS | -                       | -                            | 74                      |
| Urban Supply - Rising main renewals                                          | REP | 37                      | 214                          | 111                     |
| Urban Supply - CI main renewals                                              | REP | 33                      | 160                          | 91                      |
| Urban Supply - AC water mains renewals                                       | REP | 28                      | 107                          | 25                      |
| Urban Supply - Lateral renewals                                              | REP | -                       | 54                           | 45                      |
| Urban Supply - Manchester Road bore replacement                              | REP | -                       | 250                          | -                       |
| Urban Supply - Urban plant redundancy                                        | REP | 39                      | -                            | -                       |
| Urban Supply - Miscellaneous purchases                                       | REP | 2                       | -                            | -                       |
|                                                                              |     | <b>\$ 200</b>           | <b>\$ 852</b>                | <b>\$ 488</b>           |
| <b>Total Capital Expenditure</b>                                             |     |                         |                              |                         |
|                                                                              |     | <b>\$ 3,329</b>         | <b>\$ 5,069</b>              | <b>\$ 4,569</b>         |
| <b>Represented by:</b>                                                       |     |                         |                              |                         |
| Infrastructural assets                                                       |     | \$ 2,682                | \$ 4,202                     | \$ 3,269                |
| Operational assets                                                           |     | 647                     | 867                          | 1,300                   |
|                                                                              |     | <b>\$ 3,329</b>         | <b>\$ 5,069</b>              | <b>\$ 4,569</b>         |
| <b>Categories</b>                                                            |     |                         |                              |                         |
| Meets additional demand                                                      | AD  | \$ 5                    | \$ -                         | \$ 464                  |
| Improve level of performance/service                                         | LOS | 560                     | 1,237                        | 1,545                   |
| Replace existing assets                                                      | REP | 2,763                   | 3,832                        | 2,560                   |
|                                                                              |     | <b>\$ 3,329</b>         | <b>\$ 5,069</b>              | <b>\$ 4,569</b>         |

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

# Waimate District Council Activities

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# Water Supply Group

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

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

The Group involves 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.

| Water Supply — Community Outcomes and Rationale Linkages |                                                                                                  |                                                                                                                                         |                                      |                                 |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|
|                                                          | Wealthy Community                                                                                | Safe and Healthy People                                                                                                                 | Sustainable District and Environment | Active and Supportive Community |
| Outcome                                                  |                                                                                                  | A place where people are safe in their homes, work and public spaces.                                                                   | N/A                                  | N/A                             |
| Rationale                                                |                                                                                                  | <b>Water Supply</b> — Protecting the communities from drinking water related health issues and providing fire fighting capability.      |                                      |                                 |
| Outcome                                                  |                                                                                                  | Our services, infrastructure and environment maintains quality of life.                                                                 |                                      |                                 |
| Rationale                                                | <b>Water Supply</b> —the timely provision of utility services is essential to supporting growth. | <b>Water Supply</b> — we have reliable, efficient and well planned water infrastructure that meet the needs of residents the community. |                                      |                                 |





## Funding Impact Statement - Water Supply Group (Rural and Urban) for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ 12                   | \$ 12                       | \$ 11                       |
| Targeted rates                                           | 1,992                   | 1,936                       | 1,902                       |
| Subsidies and grants for operating purposes              | -                       | -                           | -                           |
| Fees and charges                                         | 32                      | 20                          | 20                          |
| Internal charges and overheads recovered                 | 117                     | 42                          | 33                          |
| Interest and dividends from investments                  | 29                      | 18                          | 18                          |
| Local authority fuel tax, fines, infringement fees other | 52                      | 96                          | 92                          |
| <b>Total sources of operating funding</b>                | <b>2,234</b>            | <b>2,124</b>                | <b>2,076</b>                |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 991                     | 1,245                       | 1,169                       |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 567                     | 296                         | 293                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>1,558</b>            | <b>1,541</b>                | <b>1,462</b>                |
| <b>Surplus/(deficit) of operating funding</b>            | <b>676</b>              | <b>583</b>                  | <b>614</b>                  |
| <b>Sources of capital funding</b>                        |                         |                             |                             |
| Subsidies and grants for capital expenditure             | -                       | -                           | -                           |
| Development and financial contributions                  | 28                      | 25                          | 24                          |
| 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>28</b>               | <b>25</b>                   | <b>24</b>                   |
| <b>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | 11                      | -                           | -                           |
| Capital expenditure - to replace existing assets         | 189                     | 611                         | 679                         |
| Increase/(decrease) in reserves                          | 504                     | (3)                         | (41)                        |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>704</b>              | <b>608</b>                  | <b>638</b>                  |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(676)</b>            | <b>(583)</b>                | <b>(614)</b>                |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |



## Service Performance Statement - Water Supply Group (Rural and Urban) for the year ended 30 June 2018

|                                                 | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|-------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                                  |                         |                              |                         |
| General rates                                   | \$ 12                   | \$ 11                        | \$ 11                   |
| Targeted rates                                  | 1,992                   | 2,005                        | 1,923                   |
| Revenue from activities                         | 204                     | 299                          | 94                      |
| Other revenue                                   | 52                      | 32                           | 107                     |
| <b>Total revenue</b>                            | <b>2,260</b>            | <b>2,347</b>                 | <b>2,135</b>            |
| <b>Expenditure</b>                              |                         |                              |                         |
| Employee benefit expenses                       | -                       | -                            | -                       |
| Depreciation and amortisation                   | 564                     | 628                          | 612                     |
| Finance expenses                                | 95                      | 134                          | 99                      |
| Other expenses                                  | 1,461                   | 1,458                        | 1,311                   |
| <b>Total expenditure</b>                        | <b>2,120</b>            | <b>2,220</b>                 | <b>2,022</b>            |
| <b>Operating Surplus/(deficit)</b>              | <b>\$ 140</b>           | <b>\$ 127</b>                | <b>\$ 113</b>           |
| <b>Capital Expenditure</b>                      |                         |                              |                         |
|                                                 | <b>Key</b>              |                              |                         |
| Hook/Waituna - Bells renewal (1600m)            | LOS                     | \$ 4                         | \$ - \$ 17              |
| Hook/Waituna - Renewals                         | REP                     | -                            | 11 13                   |
| Hook/Waituna - Caywood renewal                  | REP                     | -                            | - -                     |
| Hook/Waituna - Filtration / Coagulation         | REP                     | 12                           | - -                     |
| Lower Waihao - Rising main renewal (1600m)      | LOS                     | -                            | - 57                    |
| Lower Waihao - Tawai renewal (2300m)            | LOS                     | -                            | - 28                    |
| Lower Waihao - Renewals                         | REP                     | 5                            | 5 -                     |
| Lower Waihao - Drinking water standards         | LOS                     | 7                            | - -                     |
| Otaio/Makikihi - Renewal (Skinner 2000m)        | LOS                     | -                            | - 7                     |
| Otaio/Makikihi - Sullivan/Tavistock 1000m uPVC  | REP                     | 33                           | 45 -                    |
| Waihaorunga - Renewals                          | REP                     | -                            | - 11                    |
| Waihaorunga - Pump renewal                      | REP                     | -                            | - 3                     |
| Waikakahi - Renewals                            | REP                     | -                            | 5 6                     |
| Urban Supply - Painting AVG filter              | LOS                     | -                            | - 74                    |
| Urban Supply - Rising main renewals             | REP                     | 37                           | 214 111                 |
| Urban Supply - CI main renewals                 | REP                     | 33                           | 160 91                  |
| Urban Supply - AC water mains renewals          | REP                     | 28                           | 107 25                  |
| Urban Supply - Lateral renewals                 | REP                     | -                            | 54 45                   |
| Urban Supply - Manchester Road bore replacement | REP                     | -                            | 250 -                   |
| Urban Supply - Urban plant redundancy           | REP                     | 39                           | - -                     |
| Urban Supply - Miscellaneous purchases          | REP                     | 2                            | - -                     |
| <b>Total Capital Expenditure</b>                |                         | <b>\$ 200</b>                | <b>\$ 851 \$ 488</b>    |
| <b>Categories</b>                               |                         |                              |                         |
| Meets additional demand                         | AD                      | \$ -                         | \$ - \$ -               |
| Improve level of performance/service            | LOS                     | 11                           | - 183                   |
| Replace existing assets                         | REP                     | 189                          | 851 305                 |
|                                                 |                         | <b>\$ 200</b>                | <b>\$ 851 \$ 488</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 exceeded the LTP budget due to higher than expected recoveries and interest for Downlands Water Scheme.

Depreciation expenses are below the LTP budget due to reduced capital works and asset values following revaluations at 30 June 2017.

Other expenses have increased compared to Actual 2017 predominately due to increases in electricity costs (\$40,000), Asset Management Plan costs (\$22,000) and Downlands line maintenance costs (\$17,000).

## 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. Timaru Road and Manchester Road Bores supply the urban network via a reservoir at Mill Road. Council monitors water quality, and plans for future water supply needs. Currently only Timaru Road Bore holds secure ground water status. Upgrade works have been started at Manchesters Bore and Treatment Plant to meet current drinking water standards.

### Why Do We Do It?

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

## Rural Water Supply

### What Do We Do Now?

The Waimate District 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 NZ Drinking Water Standards 2005 (Revised 2008).

Council staff are dedicated to support the schemes 24 hours a day, seven days a week.

Council provides quarterly management reports and financial reports for the schemes it 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

| Customer Performance Measure                                      |                                                                                                         |                                                                                                                                                                                                                                                      |                                                                                |
|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Level of Service                                                  | Performance Measure (M) - Mandatory performance measure                                                 | Result                                                                                                                                                                                                                                               | Achievement 2017/18                                                            |
| 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<br>Waimate: Manchesters Bore - Yes<br>Otaio/Makikihi: Tavistock - Yes<br>Hook/Waituna - No<br>Lower Waihao - Yes<br>Waikakahi - Yes<br>Waihaorunga: Main -Yes<br>Waihaorunga: Tavendales - Yes<br>Cannington/Motukaika - No | Partially achieved <sup>1</sup><br>(2016/17: Partially achieved <sup>1</sup> ) |

## Customer Performance Measure

| Level of Service                                                  | Performance Measure (M) - Mandatory performance measure                                                  | Result                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Achievement 2017/18                                                                |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 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<br>Waimate: Manchesters Bore - No<br>Otaio/Makikihi: Tavistock - No<br>Hook/Waituna - No<br>Lower Waihao - No<br>Waikakahi - No<br>Waihaorunga: Main - No<br>Waihaorunga: Tavendales - No<br>Cannington/Motukaika - No                                                                                                                                                                                                                                                                                                           | Partially achieved <sup>1</sup><br><br>(2016/17: Partially achieved <sup>1</sup> ) |
|                                                                   | Maintain secure source status (Waimate Urban, Otaio-Makikihi RWS)                                        | Waimate: Timaru Rd - Achieved<br>Waimate: Manchesters Bore - Not Achieved. Could not fulfil Criterion 2 for secure bore head as there was no proof bore construction.<br>Otaio/Makikihi: Tavistock - Not Achieved. Bore security was lost on 7 May 2018. Ground water testing (constant composition) for re-establishing bore security status is in process. There are planned upgrades of the treatment processes (barriers) in the plant for the 2018/19 financial year to bring it up to protozoal complainant standards without bore security status. | Partially achieved <sup>2</sup><br><br>(2016/17: Partially achieved <sup>2</sup> ) |
|                                                                   | Comply with UV requirements (Hook-Waituna RWS)                                                           | Non-Compliant. In process of upgrading plant to meet requirements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Not achieved<br><br>(2016/17: Not Achieved)                                        |

**Note:**

All results for the 2017/18 compliance year are from Drinking Water Online data base and are unpublished. Community & Public Health Annual 2017/18 Compliance Report is still to be completed.





## Customer Performance Measure

| Level of Service                                                           | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Result                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                  | Achievement 2017/18                                                                                                                                                             |
|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customer satisfaction. Council manages the water schemes wisely. (M)       | <p>The total number of complaints received by Council about any of the following:</p> <ul style="list-style-type: none"> <li>drinking water clarity;</li> <li>drinking water taste;</li> <li>drinking water odour;</li> <li>drinking water pressure;</li> <li>continuity of supply; and</li> </ul> <p>Council's response to any of these issues.</p> <p>Target: Urban &lt; 10 justified complaints per 1000 connections.</p> <p>Target Rural &lt; 40 justified complaints per 1000 connections.</p>                                                                                                                                | <p>Urban connections = 1921</p> <p>Urban Water:</p> <ul style="list-style-type: none"> <li>3 justified;</li> <li>2 justified;</li> <li>1 justified;</li> <li>none; (1 unjustified)</li> <li>3 justified;</li> <li>none</li> </ul> <p>Justified complaints per 1000 connections = <math>9/1921 = 4.69</math> per 1000 connections</p> | <p>Rural connections = 1255</p> <p>Rural Water:</p> <ul style="list-style-type: none"> <li>1 justified; (1 unjustified)</li> <li>none; (2 unjustified)</li> <li>none;</li> <li>18 justified, (17 unjustified)</li> <li>27 justified, (10 unjustified)</li> <li>3 justified.</li> </ul> <p>Justified complaints per 1000 = <math>49/1255 = 39.04</math> per 1000 connections.</p> | <p>Urban Water: Achieved<br/>(2016/17: Achieved)</p> <p>Rural Water: Achieved<sup>3</sup><br/>(2016/17: Not achieved<sup>3</sup>)</p>                                           |
| Demand Management. Council manages the water schemes wisely. (M)           | <p>Average consumption of drinking water per day per resident within the Waimate district.</p> <p>Target: average normal demand &lt;840 litres per day.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>Average consumption per day per resident: <math>1387.7 \text{ m}^3/\text{day} / 3000 \text{ population} = 463 \text{ Litres per day per person.}</math></p>                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                  | <p>Achieved<br/>(2016/17: Achieved)</p>                                                                                                                                         |
| Fault response times. Council will minimise disruptions to the supply. (M) | <p>Where Council 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> <ul style="list-style-type: none"> <li>attendance for urgent call-outs:<br/>Target: response time <math>\leq</math> 1 hour.</li> <li>resolution of urgent call-outs: .<br/>Target: resolution time <math>\leq</math> 24 hours.</li> <li>attendance for non-urgent call-outs:<br/>Target: response time <math>\leq</math> 24 hours.</li> <li>resolution of non-urgent call-outs:<br/>Target: resolution time <math>\leq</math> 72 hours.</li> </ul> | <p>Council's median response time to urgent call-out = 0:30 (h:mm)</p> <p>Council's median response to resolve urgent call-out = 2:13 (h:mm)</p> <p>Council's median response to a non-urgent call-out = 2:00 (h:mm)</p> <p>Council's median response to resolve a non-urgent call-out = 4:18 (h:mm)</p>                             |                                                                                                                                                                                                                                                                                                                                                                                  | <p>(a) Achieved<br/>(2016/17: Achieved)</p> <p>(b) Achieved<br/>(2016/17: Achieved)</p> <p>(c) Achieved<br/>(2016/17: Achieved)</p> <p>(d) Achieved<br/>(2016/17: Achieved)</p> |

## Customer Performance Measure

| Level of Service                                                                                    | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                                | Result                                                                                                                                                                                                                                                            | Achievement 2017/18                                                                          |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Maintenance of the reticulation network. Water is used efficiently and in a sustainable manner. (M) | The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this).<br><br>Target: < 35% real water loss.                                                                                              | Real water loss from urban reticulation = 54.8%<br><br>(Calculation methodology: Minimum Night Flow (MNF) Analysis)                                                                                                                                               | Not achieved <sup>4</sup><br><br>(2016/17: Not achieved <sup>4</sup> )                       |
| Council manages the water scheme wisely.                                                            | Percentage of satisfied or very satisfied residents with the overall performance of the water service.<br><br>Target: > 85% satisfied or very satisfied residents.                                                                                                                     | Next survey 2018/19.                                                                                                                                                                                                                                              | Not measured<br><br>(2016/17: Achieved - 92%)                                                |
| Council will minimise disruptions to the supply.                                                    | Number of unprogrammed maintenance interruptions to service per year.<br><br>Target: Urban < five interruptions.<br><br>Target: Rural < 50 interruptions.                                                                                                                              | Number of unprogrammed urban interruptions = None<br><br>Number of unprogrammed rural interruptions = None.<br><br>(Note: Council Rural Water Scheme Policy requires consumers to have 96 hours storage. Therefore any interruption is minimised or a non-event.) | Urban: Achieved<br><br>(2016/17: Achieved)<br><br>Rural: Achieved<br><br>(2016/16: Achieved) |
| 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).<br><br>Target: < six complaints. | Rural low pressure/no water complaints = 62<br><br>(45 justified complaints, 17 unjustified complaints.)                                                                                                                                                          | Not achieved <sup>5</sup><br><br>(2015/16: Not achieved <sup>5</sup> )                       |

### Performance Measure 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: A trial ultrafiltration plant has been trailed at the plant with good results. Completion of the upgrade is planned for the 2018/19 financial year.
- Lower Waihao: Drinking Water Standards upgrades to be completed in 2020/21 year. The scheme has an active Water Safety Plan.
- Waikakahi. Waihaorunga: Main and Tavendales and Cannington/Motukaika: Water Safety Plans for these schemes have been approved and are being implemented. Note, currently there is a review of the present New Zealand drinking water standards, and depending on the outcomes of that review, these three water safety plans may be reviewed and re-submitted.

As there is a review of the present New Zealand drinking water standards, compliance upgrade options for water supplies are still being reviewed. This includes costings for a single plant supplying three schemes alongside proposed connecting pipework and affordability. Council continues to work with the rural water scheme Committees to ensure a suitable outcome as part of the 2018-28 Long Term Plan and compliance with drinking water standards.

<sup>2</sup> Maintain secure source status: The target was not achieved as secured source status for Otaio-Makikihi was reduced from provisional to unsecured groundwater status. Bore security was lost on 7 May 2018. Ground water testing (constant composition) for re-establishing bore security status is in process. There are planned upgrades of the treatment processes (barriers) in the plant for the 2018/19 financial year to bring it up to protozoal complainant

standards without bore security status.

The target was not also achieved for Manchester's Bore as Criterion 2 of the drinking water standards "for secure bore head" could not be fulfilled as there was no proof bore construction. At the time of this report work is being done to upgrade the bore and plant to meet current drinking water standards requirements for compliance.

<sup>3</sup> Complaints about rural water supply : Due to the nature and mechanics of a rural water scheme, and a number of factors beyond Council's control (ie members of public damaging pipe network) there is a greater potential for a loss of water pressure and continuity of supply. Council does have a renewals programme for pipe and points of supply (ie restrictors).

<sup>4</sup> Real Water Loss: At present Council only has meters at the Timaru Road and Manchesters Road plants and no zone or points of supply meters. Therefore we are unable to measure true water usage in Waimate and have to rely on an assumed water loss calculation for this reporting.

<sup>5</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 Interest

Drinking Water Standards changes and challenges

- Increased compliance expectations from Ministry of Health and Drinking Water Assessors
- The possibility of a single regulatory Drinking Water authority.
- The potential changes to the Drinking Water Standards.
- Consultation with community about the challenges around drinking water standards and water supply upgrades.
- LGNZ Water Forum and the future of 3 waters infrastructure (drinking water, wastewater and storm water) in New Zealand.
- Waimate District Councils input and petitioning around the potential changes to the drinking water industry and the standards, which may impact council management and rural water supplies.





# 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 for the households and business in our District. Resource Recovery Park for processing and transferring of waste and recycling.

| Waste Management — Community Outcomes and Rationale Linkages |                   |                                                                                                                             |                                                                                                             |                                 |
|--------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------|
|                                                              | Wealthy Community | Safe and Healthy People                                                                                                     | Sustainable District and Environment                                                                        | Active and Supportive Community |
| Outcome                                                      | N/A               | A place where people are safe in their homes, work and public spaces.                                                       | We value the natural environment, biodiversity and landscapes.                                              | N/A                             |
| Rationale                                                    |                   | <b>Waste Management</b> — we have reliable, efficient and well planned infrastructure that meet the needs of the community. | <b>Waste Management</b> — we encourage waste minimisation for long term sustainability within the District. |                                 |



## Funding Impact Statement - Waste Management for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ -                    | \$ -                        | \$ -                        |
| Targeted rates                                           | 945                     | 967                         | 947                         |
| Subsidies and grants for operating purposes              | 31                      | 27                          | 27                          |
| Fees and charges                                         | 119                     | 83                          | 81                          |
| Internal charges and overheads recovered                 | 31                      | 26                          | 26                          |
| Interest and dividends from investments                  | -                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | -                       | -                           | -                           |
| <b>Total sources of operating funding</b>                | <b>1,126</b>            | <b>1,103</b>                | <b>1,081</b>                |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 911                     | 929                         | 896                         |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 146                     | 123                         | 118                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>1,057</b>            | <b>1,052</b>                | <b>1,014</b>                |
| <b>Surplus/(deficit) of operating funding</b>            | <b>69</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>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | -                       | -                           | -                           |
| Capital expenditure - to replace existing assets         | 4                       | -                           | -                           |
| Increase/(decrease) in reserves                          | 65                      | 51                          | 67                          |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>69</b>               | <b>51</b>                   | <b>67</b>                   |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(69)</b>             | <b>(51)</b>                 | <b>(67)</b>                 |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |

**Service Performance Statement - Waste Management Group  
for the year ended 30 June 2018**

|                                      | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|--------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                       |                                  |                                       |                                  |
| Civic Amenities rates                | \$ 230                           | \$ 230                                | \$ 254                           |
| Targeted rates                       | 715                              | 718                                   | 694                              |
| Revenue from activities              | 150                              | 143                                   | 143                              |
| Other revenue                        | 31                               | 20                                    | 28                               |
| <b>Total revenue</b>                 | <b>1,126</b>                     | <b>1,111</b>                          | <b>1,119</b>                     |
| <b>Expenditure</b>                   |                                  |                                       |                                  |
| Employee benefit expenses            | -                                | -                                     | -                                |
| Depreciation and amortisation        | 44                               | 46                                    | 45                               |
| Finance expenses                     | 30                               | 32                                    | 31                               |
| Other expenses                       | 1,027                            | 1,021                                 | 944                              |
| <b>Total expenditure</b>             | <b>1,101</b>                     | <b>1,099</b>                          | <b>1,020</b>                     |
| <b>Operating Surplus/(deficit)</b>   | <b>\$ 25</b>                     | <b>\$ 12</b>                          | <b>\$ 99</b>                     |
| <b>Capital Expenditure</b>           |                                  |                                       |                                  |
| Wheelie bin replacements             | \$ 4                             | \$ 6                                  | \$ 16                            |
| Recycling Depot - Morven             | -                                | -                                     | 3                                |
| <b>Total Capital Expenditure</b>     | <b>\$ 4</b>                      | <b>\$ 6</b>                           | <b>\$ 19</b>                     |
| <b>Categories</b>                    |                                  |                                       |                                  |
| Meets additional demand              | AD \$ -                          | \$ -                                  | \$ -                             |
| Improve level of performance/service | LOS -                            | -                                     | -                                |
| Replace existing assets              | REP 4                            | 6                                     | 19                               |
|                                      | <b>\$ 4</b>                      | <b>\$ 6</b>                           | <b>\$ 19</b>                     |

**Key**

|     |             |             |              |
|-----|-------------|-------------|--------------|
| REP | \$ 4        | \$ 6        | \$ 16        |
| REP | -           | -           | 3            |
|     | <b>\$ 4</b> | <b>\$ 6</b> | <b>\$ 19</b> |
| AD  | \$ -        | \$ -        | \$ -         |
| LOS | -           | -           | -            |
| REP | 4           | 6           | 19           |
|     | <b>\$ 4</b> | <b>\$ 6</b> | <b>\$ 19</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 exceeded the LTP Budget due to increased income through Fees & Charges.

Other expenses have increased from Actual 2017 due to increased contractor costs (\$26,000), and Asset Management Plan costs (\$21,000).



# Waste Management

## What Do We Do Now?

Provide a range of refuse collection and disposal services for urban and rural areas of Waimate District for homes and businesses.

Provide a range of recycling services for urban and rural areas of 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?

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 waste services are provided.

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 (M) - Mandatory performance measure                                                                                                     | Result                                                                                                    | Achievement 2017/18                                 |
| 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.<br>Target: ≥ 67% of District properties.   | Council provides access to kerbside refuse collection service for 71.6% of our District's properties.     | Achieved<br>(2016/17: Achieved - 71.7%)             |
|                                                                                    | Council provides access to kerbside recycling collection services for a minimum of 45% of our District properties.<br>Target: ≥ 45% of District properties. | Council provides access to kerbside recycling collection services for 49.0% of our District's properties. | Achieved<br>(2016/17: Achieved - 49.1%)             |
|                                                                                    | Council provides a minimum of 6 rural recycling drop-off points.<br>Target: ≥ six drop-off points.                                                          | Council provides eight drop-off points for rural recycling.                                               | Achieved<br>(2016/17: Achieved - 8 drop-off points) |



## Customer Performance Measure

| Level of Service                                      | Performance Measure (M) - Mandatory performance measure                                                                                                                                             | Result                                                                                                                                                                                                                                                                                                                  | Achievement 2017/18                                 |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| Council manages the waste management services wisely. | Percentage of satisfied or very satisfied residents with the overall performance of the waste management service.<br><br>Target: ≥ 80% satisfied or very satisfied.                                 | Next survey 2018/19.                                                                                                                                                                                                                                                                                                    | Not measured<br><br>(2016/17: Not achieved - 70%)   |
|                                                       | Provide waste minimisation information and education programmes to households and schools to encourage the reduction in quantity of waste sent to landfill.<br><br>Target: Two programmes annually. | Council provided information (pamphlets) on request, to non-compliers, new bin allocations, Community education programmes provided by MSL. Over the last financial year MSL have taken five education programmes in the district. The Waimate District Council has also supported the “Love Food Hate Waste” campaign. | Achieved<br><br>(2016/17: Achieved)                 |
|                                                       | Reduce waste tonnage to landfill.<br><br>Target: ≤ 51% residual waste.                                                                                                                              | Residual waste = 53.4%<br><br>Note: Economic viability of recycling some materials has meant a reduction in recyclable product, and increase of refuse to landfill. There is potential that this percentage could still be reduced with more education around recycling within the district.                            | Not achieved<br><br>(2016/17: Not achieved - 53.3%) |

### Points of Interest

Council signalled to the community that we are to investigate options around the waste management collection and further education to improve the way people recycle.

An audit has been undertaken on the composition of refuse collected in the kerb-side rubbish bins.





# 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.

| Stormwater Drainage — Community Outcomes and Rationale Linkages |                                                                                          |                                                                                                                           |                                                                                                                  |                                 |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------------------|
|                                                                 | Wealthy Community                                                                        | Safe and Healthy People                                                                                                   | Sustainable District and Environment                                                                             | Active and Supportive Community |
| Outcome                                                         | A District that provides infrastructure for economic activity.                           | A place where people are safe in their homes, work and public spaces.                                                     | N/A                                                                                                              | N/A                             |
| Rationale                                                       | Stormwater — the timely provision of utility services is essential to supporting growth. | Stormwater — flooding is adequately managed within urban areas.                                                           | Stormwater — we preserve the environment by ensuring the quality and quantity of discharges to the environment . |                                 |
| Outcome                                                         |                                                                                          | Our services, infrastructure and environment maintains quality of life.                                                   |                                                                                                                  |                                 |
| Rationale                                                       |                                                                                          | Stormwater — we have reliable, efficient and well planned stormwater infrastructure that meet the needs of the community. |                                                                                                                  |                                 |





## Funding Impact Statement - Stormwater Drainage for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ 107                  | \$ 69                       | \$ 66                       |
| Targeted rates                                           | -                       | -                           | -                           |
| Subsidies and grants for operating purposes              | -                       | -                           | -                           |
| Fees and charges                                         | -                       | -                           | -                           |
| Internal charges and overheads recovered                 | 6                       | 15                          | 15                          |
| Interest and dividends from investments                  | -                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | -                       | -                           | -                           |
| <b>Total sources of operating funding</b>                | <b>113</b>              | <b>84</b>                   | <b>81</b>                   |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 28                      | 57                          | 42                          |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 35                      | 7                           | 6                           |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>63</b>               | <b>64</b>                   | <b>48</b>                   |
| <b>Surplus/(deficit) of operating funding</b>            | <b>50</b>               | <b>20</b>                   | <b>33</b>                   |
| <b>Sources of capital funding</b>                        |                         |                             |                             |
| Subsidies and grants for capital expenditure             | -                       | -                           | -                           |
| Development and financial contributions                  | -                       | 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>-</b>                | <b>4</b>                    | <b>4</b>                    |
| <b>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | 11                      | 160                         | 246                         |
| Capital expenditure - to replace existing assets         | -                       | -                           | -                           |
| Increase/(decrease) in reserves                          | 39                      | (136)                       | (209)                       |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>50</b>               | <b>24</b>                   | <b>37</b>                   |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(50)</b>             | <b>(20)</b>                 | <b>(33)</b>                 |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |

**Service Performance Statement - Stormwater Drainage Group  
for the year ended 30 June 2018**

|                                               | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |               |
|-----------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|---------------|
| <b>Revenue</b>                                |                                  |                                       |                                  |               |
| General rates                                 | \$ 107                           | \$ 103                                | \$ 86                            |               |
| Targeted rates                                | -                                | -                                     | -                                |               |
| Revenue from activities                       | -                                | 3                                     | 2                                |               |
| Other revenue                                 | 6                                | -                                     | 8                                |               |
| <b>Total revenue</b>                          | <b>113</b>                       | <b>106</b>                            | <b>96</b>                        |               |
| <b>Expenditure</b>                            |                                  |                                       |                                  |               |
| Employee benefit expenses                     | -                                | -                                     | -                                |               |
| Depreciation and amortisation                 | 34                               | 39                                    | 34                               |               |
| Finance expenses                              | 2                                | 9                                     | -                                |               |
| Other expenses                                | 61                               | 64                                    | 49                               |               |
| <b>Total expenditure</b>                      | <b>97</b>                        | <b>112</b>                            | <b>83</b>                        |               |
| <b>Operating Surplus/(deficit)</b>            | <b>\$ 16</b>                     | <b>\$ (6)</b>                         | <b>\$ 13</b>                     |               |
| <b>Capital Expenditure</b>                    |                                  |                                       |                                  |               |
|                                               | <b>Key</b>                       |                                       |                                  |               |
| Upgrade Manse Street/Harris Street            | LOS                              | \$ -                                  | \$ -                             | \$ 24         |
| Manse Street (Town Belt to Harris), New sumps | LOS                              | -                                     | 145                              | -             |
| Consent and Management Plan                   | LOS                              | 11                                    | -                                | 107           |
| <b>Total Capital Expenditure</b>              |                                  | <b>\$ 11</b>                          | <b>\$ 160</b>                    | <b>\$ 131</b> |
| <b>Categories</b>                             |                                  |                                       |                                  |               |
| Meets additional demand                       | AD                               | \$ -                                  | \$ -                             | \$ -          |
| Improve level of performance/service          | LOS                              | 11                                    | 160                              | 131           |
| Replace existing assets                       | REP                              | -                                     | -                                | -             |
|                                               |                                  | <b>\$ 11</b>                          | <b>\$ 160</b>                    | <b>\$ 131</b> |

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

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

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?

We provide 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.

## Why Do We Do It?

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             | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                                                                                                           | Result                                                                                     | Achievement 2017/18                 |
| System adequacy. (M)         | The number of flooding events that occur in a territorial district; and<br><br>For each flooding event, the number of habitable floors affected.<br><br>Target: Number of habitable floors affected is ≤ 1 per 1000 properties.                                                                                                                                   | Number of habitable floors affected per 1000 properties = 0                                | Achieved<br><br>(2016/17: Achieved) |
| Discharge compliance. (M)    | Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of:<br><br>abatement notices;<br>infringement notices;<br>enforcement orders; and<br>convictions<br><br>received by the territorial authority in relation to those resource consents.<br><br>Target: Comply with resource consents | abatement notices: 0<br>infringement notices: 0<br>enforcement orders: 0<br>convictions: 0 | Achieved<br><br>(2016/17: Achieved) |
| 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.<br><br>Target: ≤ 180 minutes.                                                                                                                                                 | Median response time = 0:00 (h:mm)                                                         | Achieved<br><br>(2016/17: Achieved) |

## Customer Performance Measure

| Level of Service                                                      | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                        | Result                                         | Achievement 2017/18                           |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| 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.<br><br>Target: Number of complaints ≤ 2 complaints per 1000 properties. | Number of complaints per 1000 properties = 0.6 | Achieved<br><br>(2016/17: Achieved)           |
| Council manages stormwater scheme wisely.                             | Percentage of satisfied or very satisfied residents with the overall performance of the stormwater service<br><br>Target: 70% of urban residents satisfied or very satisfied.                                                                                                  | Next survey 2018/19.                           | Not measured<br><br>(2016/17: Achieved - 72%) |
| 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<br><br>Target: Nil complaints.                                                                                                                                           | There where no blockages to the pipework.      | Achieved<br><br>(2016/17: Achieved)           |

### Points of Interest

Not only is drinking water under scrutiny by the Government, but also waste water and storm water. The investigation into a single regulatory authority for drinking water has includes waste water and storm water.







# Sewerage and Sewage Group

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

Council provides a piped sewer collection system, a sewage treatment plant and disposal system that safely removes sewage from urban homes and businesses in Waimate.

| Group: Sewerage and Sewage — Community Outcomes and Rationale Linkages |                                                                                                         |                                                                                                                                         |                                                                                                                                 |                                 |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
|                                                                        | Wealthy Community                                                                                       | Safe and Healthy People                                                                                                                 | Sustainable District and Environment                                                                                            | Active and Supportive Community |
| Outcome                                                                | A District that provides infrastructure for economic activity.                                          | A place where people are safe in their homes, work and public spaces.                                                                   | We value the natural environment, biodiversity and landscapes.                                                                  | N/A                             |
| Rationale                                                              | <b>Sewerage and Sewage</b> —the timely provision of utility services is essential to supporting growth. | <b>Sewerage and Sewage</b> — protects public health by ensuring a safe and viable sewage disposal system.                               | <b>Sewerage and Sewage</b> — we preserve the environment by ensuring the quality and quantity of discharges to the environment. |                                 |
| Outcome                                                                |                                                                                                         | Our services, infrastructure and environment maintains quality of life.                                                                 |                                                                                                                                 |                                 |
|                                                                        |                                                                                                         | <b>Sewerage and Sewage</b> — we have reliable, efficient and well planned sewerage infrastructure that meet the needs of the community. |                                                                                                                                 |                                 |



## Funding Impact Statement - Sewerage and Sewage for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ -                    | \$ -                        | \$ -                        |
| Targeted rates                                           | 487                     | 477                         | 465                         |
| Subsidies and grants for operating purposes              | -                       | -                           | -                           |
| Fees and charges                                         | 2                       | 1                           | 1                           |
| Internal charges and overheads recovered                 | 29                      | 44                          | 43                          |
| Interest and dividends from investments                  | -                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | 12                      | 3                           | 3                           |
| <b>Total sources of operating funding</b>                | <b>530</b>              | <b>525</b>                  | <b>512</b>                  |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 137                     | 231                         | 197                         |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 149                     | 105                         | 104                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>286</b>              | <b>336</b>                  | <b>301</b>                  |
| <b>Surplus/(deficit) of operating funding</b>            | <b>244</b>              | <b>189</b>                  | <b>211</b>                  |
| <b>Sources of capital funding</b>                        |                         |                             |                             |
| Subsidies and grants for capital expenditure             | -                       | -                           | -                           |
| Development and financial contributions                  | 39                      | 21                          | 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>39</b>               | <b>21</b>                   | <b>21</b>                   |
| <b>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | 5                       | -                           | -                           |
| Capital expenditure - to improve level of service        | -                       | -                           | -                           |
| Capital expenditure - to replace existing assets         | 26                      | 243                         | 205                         |
| Increase/(decrease) in reserves                          | 252                     | (33)                        | 27                          |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>283</b>              | <b>210</b>                  | <b>232</b>                  |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(244)</b>            | <b>(189)</b>                | <b>(211)</b>                |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |



## Service Performance Statement - Sewerage and Sewage Group for the year ended 30 June 2018

|                                      | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|--------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                       |                                  |                                       |                                  |
| General rates                        | \$ -                             | \$ -                                  | \$ -                             |
| Targeted rates                       | 487                              | 495                                   | 475                              |
| Revenue from activities              | 53                               | 71                                    | 52                               |
| Other revenue                        | 29                               | 9                                     | 41                               |
| <b>Total revenue</b>                 | <b>569</b>                       | <b>575</b>                            | <b>568</b>                       |
| <b>Expenditure</b>                   |                                  |                                       |                                  |
| Employee benefit expenses            | -                                | -                                     | -                                |
| Depreciation and amortisation        | 207                              | 208                                   | 193                              |
| Finance expenses                     | 52                               | 68                                    | 55                               |
| Other expenses                       | 235                              | 254                                   | 184                              |
| <b>Total expenditure</b>             | <b>494</b>                       | <b>530</b>                            | <b>432</b>                       |
| <b>Operating Surplus/(deficit)</b>   | <b>\$ 75</b>                     | <b>\$ 45</b>                          | <b>\$ 136</b>                    |
| <b>Capital Expenditure</b>           |                                  |                                       |                                  |
| Mill Road sewer extension            | AD \$ 5                          | \$ -                                  | \$ 464                           |
| Programmed renewals                  | REP 26                           | 210                                   | 16                               |
| Replace Aerator 2                    | REP -                            | 33                                    | -                                |
| Upgrade Allan St - King St           | REP -                            | -                                     | 10                               |
| <b>Total Capital Expenditure</b>     | <b>\$ 31</b>                     | <b>\$ 243</b>                         | <b>\$ 490</b>                    |
| <b>Categories</b>                    |                                  |                                       |                                  |
| Meets additional demand              | AD \$ 5                          | \$ -                                  | \$ 464                           |
| Improve level of performance/service | LOS -                            | -                                     | -                                |
| Replace existing assets              | REP 26                           | 243                                   | 26                               |
|                                      | <b>\$ 31</b>                     | <b>\$ 243</b>                         | <b>\$ 490</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 have increased from Actual 2017 due to additional costs associated with St Andrews Wastewater consent and monitoring.

Capital expenditure - Some funding was reallocated to renew the WWTP screen and associated pipework. Funding also went towards the purchase of a new wet well sewer pump and the reconditioning of the older pump. Remaining funds will be diverted to wastewater mains replacements.

# Sewerage and Sewage

## What Do We Do Now?

Waimate District 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:

- 34.4km of gravity sewer mains
- 15km of gravity lateral connections
- 371 manholes, inspection pit, and cleaning eyes (combined total)
- One treatment and disposal facility
- 4.8km 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 the Council's sewage reticulation and treatment systems into natural waters.

## Why Do We Do It?

Waimate District 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 Measure |                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                        |                                     |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Level of Service             | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                                                                 | Result                                                                                                                                                                                                 | Achievement 2017/18                 |
| System and adequacy. (M)     | The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.<br><br>Target: ≤ 2 per 1000 connections.                                                                                                                                  | Sewerage connections = 1730.<br><br>Number of dry weather sewerage overflows per 1000 connections = 1                                                                                                  | Achieved<br><br>(2016/17: Achieved) |
| Discharge compliance. (M)    | Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:<br><br>abatement notices;<br>infringement notices;<br>enforcement orders; and<br>convictions,<br>received by Council in relation to those resource consents.<br><br>Target: Comply with resource consents | Number of abatement notices = 0<br>Number of infringement notices = 0<br>Number of enforcement orders = 0<br>Number of successful prosecutions = 0<br><br>Council target (all enforcement actions) = 0 | Achieved<br><br>(2016/17: Achieved) |

## Customer Performance Measure

| Level of Service                                                                                 | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                                                                                                       | Result                                                                                                                                                                                                                                                                                                                                                                   | Achievement 2017/18                                                        |
|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Fault response times. (M)                                                                        | Where council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the following median response times measured:<br>attendance time<br>Target: ≤ 60 minutes.<br>resolution time<br>Target: ≤ 12 hours.                                                                                                        | Time to get to site = 1:13 (h:mm)<br><br>Time to resolve the problem = 2:52 (h:mm)                                                                                                                                                                                                                                                                                       | Not achieved<br>(2016/17: Achieved)<br><br>Achieved<br>(2016/17: Achieved) |
| Customer satisfaction. (M)                                                                       | The total number of complaints received by Council about any of the following:<br>sewerage odour;<br>sewerage system faults;<br>sewerage system blockages;<br>and<br>the territorial authority's response to issues with its sewerage system,<br>expressed per 1000 connections to Council's sewerage system.<br>Target: ≤ 5 complaints per 1000 connections. | Sewerage connections = 1730.<br><br>odour = 0/1730 = 0.58 per 1000 connections. (1 unjustified)<br>system faults = 2/1730 = 1.16 per 1000 connections. (1 unjustified)<br>system blockages = 2/1730 = 1.16 per 1000 connections. (4 unjustified)<br>council response = 1/1730 = 0.58 per 1000 connections.<br><br>Total complaints = 5/1730 = 2.89 per 1000 connections. | Achieved<br>(2016/17: Achieved)                                            |
| Council manages sewerage and schemes wisely                                                      | Percentage of satisfied or very satisfied residents with the overall performance of the sewerage service.<br>Target: ≥ 80% satisfied or very satisfied.                                                                                                                                                                                                       | Next survey 2018/19.                                                                                                                                                                                                                                                                                                                                                     | Not measured<br>(2016/17: Achieved - 95%)                                  |
| 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<br>Target: 100% connection                                                                                                                                                                                                                         | 100% of sewerage connections are available within the rateable area of the sewerage network.                                                                                                                                                                                                                                                                             | Achieved<br>(2016/17: Achieved - 100%)                                     |
| Council will manage community infrastructure in a strategic manner                               | Improve the sustainability of the Waimate sewerage scheme by conducting pipe investigation programme<br>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<br>(2016/17: Achieved)                                            |

### Points of Interest

Not only is drinking water under scrutiny by the Government, but also waste water and storm water. The investigation into a single regulatory authority for drinking water also includes waste water and storm water.



# Roading and Footpaths Group

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

The Waimate District Council exists principally to supply core services that meet the needs of the community. The road network forms a backbone of Waimate's infrastructure and is vital for the economic viability and for potential development in the District.

The group involves the following activities:

### Roothing and Footpaths

Managing our road network includes providing and maintaining:

- Road pavements - sealed and unsealed; and
- Bridges; and
- Drainage (culverts, concrete fords and surface water channels); and
- Footpaths; and Street lighting.

| Roothing and Footpaths — Community Outcomes and Rationale Linkages |                                                                                                                                |                                                                                                                                |                                      |                                                                                                                                                                                |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                    | Wealthy Community                                                                                                              | Safe and Healthy People                                                                                                        | Sustainable District and Environment | Active and Supportive Community                                                                                                                                                |
| Outcome                                                            | A District that provides infrastructure for economic activity.                                                                 | A place where people are safe in their homes, work and public spaces.                                                          | N/A                                  | District assets that provide recreation and leisure choice.                                                                                                                    |
| Rationale                                                          | <b>Roads and Footpaths</b> — we have reliable, efficient and well planned infrastructure that meet the needs of the community. | <b>Roads and Footpaths</b> — users are safe when using the District Transportation network.                                    |                                      | Roads and Footpaths — roads and footpaths are an important element in both the residential and rural environment for physical exercise, leisure activities and social contact. |
| Outcome                                                            |                                                                                                                                | Our services, infrastructure and environment maintains quality of life.                                                        |                                      |                                                                                                                                                                                |
| Rationale                                                          |                                                                                                                                | <b>Roads and Footpaths</b> — we have reliable, efficient and well planned infrastructure that meet the needs of the community. |                                      |                                                                                                                                                                                |



## Funding Impact Statement - Roading for the year ended 30 June 2018

|                                                          | <b>2018</b>     | <b>2018</b>         | <b>2017</b>         |
|----------------------------------------------------------|-----------------|---------------------|---------------------|
|                                                          | Actual<br>\$000 | LTP Budget<br>\$000 | LTP Budget<br>\$000 |
| <b>Sources of operating funding</b>                      |                 |                     |                     |
| General rates, UAGC and rates penalties                  | \$ -            | \$ -                | \$ -                |
| Targeted rates                                           | 2,346           | 2,385               | 2,180               |
| Subsidies and grants for operating purposes              | 1,702           | 925                 | 889                 |
| Fees and charges                                         | -               | -                   | -                   |
| Internal charges and overheads recovered                 | 52              | 50                  | 49                  |
| Interest and dividends from investments                  | 1               | -                   | -                   |
| Local authority fuel tax, fines, infringement fees other | 118             | 48                  | 47                  |
| <b>Total sources of operating funding</b>                | <b>4,219</b>    | <b>3,408</b>        | <b>3,165</b>        |
| <b>Applications of operating funding</b>                 |                 |                     |                     |
| Payments to staff and suppliers                          | 2,610           | 1,870               | 1,830               |
| Finance costs                                            | -               | 42                  | 42                  |
| Internal charges and overheads applied                   | 910             | 380                 | 370                 |
| Other operating funding applications                     | -               | -                   | -                   |
| <b>Total applications of operating funding</b>           | <b>3,520</b>    | <b>2,292</b>        | <b>2,242</b>        |
| <b>Surplus/(deficit) of operating funding</b>            | <b>699</b>      | <b>1,116</b>        | <b>923</b>          |
| <b>Sources of capital funding</b>                        |                 |                     |                     |
| Subsidies and grants for capital expenditure             | 1,261           | 1,438               | 1,634               |
| Development and financial contributions                  | -               | -                   | -                   |
| Increase/(decrease) in debt                              | -               | (3)                 | 397                 |
| Gross proceeds from sale of assets                       | -               | -                   | -                   |
| Lump sum contributions                                   | -               | -                   | -                   |
| Other dedicated capital funding                          | -               | -                   | -                   |
| <b>Total sources of capital funding</b>                  | <b>1,261</b>    | <b>1,435</b>        | <b>2,031</b>        |
| <b>Applications of capital funding</b>                   |                 |                     |                     |
| Capital expenditure - to meet additional demand          | -               | -                   | -                   |
| Capital expenditure - to improve level of service        | 380             | 366                 | 815                 |
| Capital expenditure - to replace existing assets         | 2,056           | 2,131               | 2,087               |
| Increase/(decrease) in reserves                          | (476)           | 54                  | 52                  |
| Increase/(decrease) in investments                       | -               | -                   | -                   |
| <b>Total applications of capital funding</b>             | <b>1,960</b>    | <b>2,551</b>        | <b>2,954</b>        |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(699)</b>    | <b>(1,116)</b>      | <b>(923)</b>        |
| <b>Funding balance</b>                                   | <b>\$ -</b>     | <b>\$ -</b>         | <b>\$ -</b>         |

## Service Performance Statement - Roading Group for the year ended 30 June 2018

|                                      | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |                 |
|--------------------------------------|-------------------------|------------------------------|-------------------------|-----------------|
| <b>Revenue</b>                       |                         |                              |                         |                 |
| General rates                        | \$ -                    | \$ -                         | \$ -                    |                 |
| Targeted rates                       | 2,346                   | 2,334                        | 2,333                   |                 |
| New Zealand Transport Agency Subsidy | 2,962                   | 2,656                        | 2,292                   |                 |
| Revenue from activities              | 120                     | 65                           | 110                     |                 |
| Other revenue                        | 7                       | -                            | 22                      |                 |
| <b>Total revenue</b>                 | <b>5,435</b>            | <b>5,055</b>                 | <b>4,757</b>            |                 |
| <b>Expenditure</b>                   |                         |                              |                         |                 |
| Employee benefit expenses            | -                       | -                            | -                       |                 |
| Roading expenses                     | 3,155                   | 2,182                        | 2,342                   |                 |
| Depreciation and amortisation        | 2,734                   | 2,779                        | 3,027                   |                 |
| Finance expenses                     | 28                      | 31                           | 46                      |                 |
| Other expenses                       | 292                     | 298                          | 190                     |                 |
| <b>Total expenditure</b>             | <b>6,209</b>            | <b>5,290</b>                 | <b>5,605</b>            |                 |
| <b>Operating Surplus/(deficit)</b>   | <b>\$ (774)</b>         | <b>\$ (235)</b>              | <b>\$ (848)</b>         |                 |
| <b>Capital Expenditure</b>           |                         |                              |                         |                 |
|                                      | <b>Key</b>              |                              |                         |                 |
| Minor improvements                   | LOS                     | \$ 379                       | \$ 340                  | \$ 380          |
| Holme Station bridge replacement     | LOS                     | -                            | 482                     | 25              |
| Roading development                  | LOS                     | -                            | 51                      | 40              |
| Resealing                            | REP                     | 1,202                        | 1,159                   | 1,209           |
| Drainage construction                | REP                     | 291                          | 85                      | 129             |
| Concrete ford renewals               | REP                     | -                            | 25                      | -               |
| Culvert replacements                 | REP                     | 133                          | 60                      | 70              |
| Kerb and channel renewal             | REP                     | 2                            | 86                      | 25              |
| Pavement rehabilitation              | REP                     | 110                          | 175                     | 137             |
| Structures component replacement     | REP                     | 152                          | 260                     | 29              |
| Sign renewal                         | REP                     | 60                           | 52                      | 43              |
| Footpath renewal                     | REP                     | 107                          | 91                      | 21              |
| Minor improvements (not subsidised)  | REP                     | -                            | 25                      | 19              |
| Seal extensions                      | REP                     | -                            | 51                      | 15              |
| <b>Total Capital Expenditure</b>     |                         | <b>\$ 2,436</b>              | <b>\$ 2,942</b>         | <b>\$ 2,142</b> |
| <b>Categories</b>                    |                         |                              |                         |                 |
| Meets additional demand              | AD                      | \$ -                         | \$ -                    | \$ -            |
| Improve level of performance/service | LOS                     | 379                          | 873                     | 445             |
| Replace existing assets              | REP                     | 2,057                        | 2,069                   | 1,697           |
|                                      |                         | <b>\$ 2,436</b>              | <b>\$ 2,942</b>         | <b>\$ 2,142</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 New Zealand Transport Agency subsidy income exceeded LTP Budget and Actual 2017 due to an increased overall roading spend, including capital expenditure and emergency reinstatements.

Roading expenses exceeded the LTP Budget, and increased from Actual 2017, predominately due to emergency reinstatement works following a flood event (\$664,000 - partially subsidised by NZTA subsidy income). There was also increased expenditure on metalling of \$166,000 and drainage maintenance of \$100,000.

Depreciation expenses reduced from Actual 2017 following asset revaluations at 30 June 2017 and subsequent updated depreciation rates.

Capital expenditure - The Holme Station bridge replacement project was withdrawn due to detailed estimates exceeding budgets.



# Roading and Footpaths

## What Do We Do Now?

The Waimate District Council is responsible for the day-to-day operation, maintenance, renewal and improvement of the District's local roading network, this excludes State Highways 1 and 82 which are managed by the New Zealand Transport Agency.

Council works with 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, Reseal and Pavement Renewal.
- Unsealed Roads: Grading and metalling.
- Drainage: Maintenance and renewal of surface drains and culverts.
- Bridges: Maintenance and renewal of the Districts 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.
- 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).

## Roading Assets — as at June 2018

| Asset Description                        | Replacement Cost     |
|------------------------------------------|----------------------|
| Land                                     | \$72,308,496         |
| Formation                                | \$155,238,776        |
| Unsealed Pavement Structure              | \$38,098,140         |
| Seal Pavement Structure                  | \$107,411,921        |
| Sealed Pavement Surface                  | \$15,976,182         |
| Bridges and Large Culverts               | \$31,736,540         |
| Drainage Culverts, & Fords               | \$15,991,225         |
| Surface Water Channels                   | \$11,617,828         |
| Signs Street lights & Traffic Facilities | \$984,390            |
| Footpath                                 | \$6,256,665          |
| <b>Total Road Assets</b>                 | <b>\$455,890,163</b> |

| Asset                      | Number | Length  |
|----------------------------|--------|---------|
| Length of Road             |        | 1373 km |
| Sealed Road                |        | 644 km  |
| Unsealed Road              |        | 729 km  |
| Bridges and Large Culverts | 182    | 3362 m  |
| Culverts                   | 344    | 38485 m |
| Concrete Fords             | 77     | 1565 m  |
| Kerb and Channel           |        | 48244 m |
| Signs                      |        | 3047    |
| Street Lights              |        | 567     |
| Footpaths                  |        | 59 km   |

## Why Do We Do It?

Waimate District Council is defined under legislation as the "Road Controlling Authority" for the District's roads. As such it is required by law to control activities on roads, although Council 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                                                    | Performance Measure (M) - Mandatory performance measure                                                                                                                                                                                                                             | Result                                                                                                                               | Achievement 2017/18                         |
| 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.<br><br>Target: 100% of reports responded to within two working days.                                 | Apart from those that occurred in the Flooding Event on 21 July. Council received 2 complaint which were responded to within 2 days. | Achieved<br><br>(2016/17: Achieved)         |
|                                                                     | Customer complaints and service requests are responded to within five working days.<br><br>Target: 100% of reports responded to within five working days.                                                                                                                           | 407 complaints and service requests were received 405 and responded to within five working days = 99.5%                              | Not achieved<br><br>(2016/17: Achieved)     |
| 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.<br><br>Target: reduction in number of fatalities and serious injuries.                                                         | 2016/17 serious injuries and fatalities = 5<br>2017/18 serious injuries and fatalities = 7<br>Change = +1                            | Not Achieved<br><br>(2016/17: Not achieved) |
| Provide well maintained footpaths and cycleways. (M)                | Compliance with the footpath prioritisation model.<br><br>Target: < 7km non-compliant                                                                                                                                                                                               | 4.6km non-compliant.                                                                                                                 | Achieved<br><br>(2016/17: Achieved)         |
|                                                                     | 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.<br><br>Target: 92% of footpaths with a condition rating of 1-3. | 94% of footpaths with a condition rating of 1-3.                                                                                     | Achieved.<br><br>(2016/17: Achieved)        |
| Adequate resurfacing of the seal road network is completed. (M)     | Percentage of sealed network resurfaced.<br><br>Target: ≥ 4.5% of network resurfaced.                                                                                                                                                                                               | Percentage of sealed network resurfaced = 6.2%.                                                                                      | Achieved<br><br>(2016/17: Achieved - 5.6%)  |
| Provide quality roads and footpaths. (M)                            | The average quality of ride on a sealed local road network, measured by smooth travel exposure.<br><br>Target: 94%.                                                                                                                                                                 | Smooth travel exposure = 95%.                                                                                                        | Achieved<br><br>(2016/17: Achieved - 96%)   |

## Customer Performance Measure

| Level of Service                     | Performance Measure (M) - Mandatory performance measure                                                                                 | Result               | Achievement 2017/18                                                                                                      |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------|
| Provide quality roads and footpaths. | Percentage of customers satisfied with roads and footpaths.<br><br>Target Roads: 75% satisfied.<br><br>Target Footpaths: 60% satisfied. | Next survey 2018/19. | Roads: Not measured<br><br>(2016/17: Not achieved - 67%)<br><br>Footpaths: Not measured<br><br>(2016/17: Achieved - 61%) |

### Points of Interest

The 2015-18 National Land Transport Programme (NLTP) has been completed. The operation and renewal of the roading network received financial assistance from the New Zealand Transport Agency at a subsidy rate of 56% for the base programme and 76% for flood damage.

Council's Roding Activity Management Plan has been updated and enhanced to support our funding bid for the 2018-21 NLTP. NZ Transport Agency Board (NZTA) has indicative investment of our maintenance and renewal programme will increase 24% to \$14,247,000 on our current (2015-18) NLTP maintenance and renewal 3-year programme of \$11,500,000. The Financial Assistance Rate (FAR) will increase from 57% to 60%. NZTA has also signalled that footpath maintenance as now being eligible for NLTF funding.

Major rain storm caused wide spread damage to the roading network on 21 July 2017. Rain was especially heavy rain in the lower Hakataramea Valley. The Hakataramea River peaked at 712 cumecs, which is in excess of a 20 year annual recurrence interval (ARI) flood. The damage has been repaired for a cost of \$645,000.



# 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 operations and to provide community facilities.

The group involves the following activities:

### Forestry

- A portfolio of forestry assets.

### Investments and Finance

- Management of Council's share holdings and Council's internal and external cash flows.

### Property

- A collection of land and buildings, mainly owned by Council.

| Property and Investments — Community Outcomes and Rationale Linkages |                                                                |                                                                                                                                                                                                                                                                                                             |                                      |                                 |
|----------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|
|                                                                      | Wealthy Community                                              | Safe and Healthy People                                                                                                                                                                                                                                                                                     | Sustainable District and Environment | Active and Supportive Community |
| Outcome                                                              | A District that provides infrastructure for economic activity. | Our services, infrastructure and environment maintains quality of life.                                                                                                                                                                                                                                     | N/A                                  | N/A                             |
| Rationale                                                            |                                                                | <p><b>Property</b> — affordable community housing is provided.</p> <p><b>Property</b> — we have reliable and efficient infrastructure that meets the needs of the community.</p> <p><b>Property</b> — we have reliable and efficient property management that meets the needs of residents and Council.</p> |                                      |                                 |



## Funding Impact Statement - Property and Investments as at 30 June 2018

|                                                          | <b>2018</b><br>Actual<br>\$000 | <b>2018</b><br>LTP Budget<br>\$000 | <b>2017</b><br>LTP Budget<br>\$000 |
|----------------------------------------------------------|--------------------------------|------------------------------------|------------------------------------|
| <b>Sources of operating funding</b>                      |                                |                                    |                                    |
| General rates, UAGC and rates penalties                  | \$ (580)                       | \$ 78                              | \$ 76                              |
| Targeted rates                                           | 325                            | 374                                | 370                                |
| Subsidies and grants for operating purposes              | 84                             | 21                                 | 20                                 |
| Fees and charges                                         | -                              | -                                  | -                                  |
| Internal charges and overheads recovered                 | 697                            | 531                                | 522                                |
| Interest and dividends from investments                  | 525                            | 586                                | 585                                |
| Local authority fuel tax, fines, infringement fees other | 793                            | 270                                | 263                                |
| <b>Total sources of operating funding</b>                | <b>1,844</b>                   | <b>1,860</b>                       | <b>1,836</b>                       |
| <b>Applications of operating funding</b>                 |                                |                                    |                                    |
| Payments to staff and suppliers                          | 464                            | 576                                | 561                                |
| Finance costs                                            | 114                            | 216                                | 217                                |
| Internal charges and overheads applied                   | 729                            | 508                                | 488                                |
| Other operating funding applications                     | -                              | -                                  | -                                  |
| <b>Total applications of operating funding</b>           | <b>1,307</b>                   | <b>1,300</b>                       | <b>1,266</b>                       |
| <b>Surplus/(deficit) of operating funding</b>            | <b>537</b>                     | <b>560</b>                         | <b>570</b>                         |
| <b>Sources of capital funding</b>                        |                                |                                    |                                    |
| Subsidies and grants for capital expenditure             | -                              | -                                  | -                                  |
| Development and financial contributions                  | -                              | -                                  | -                                  |
| Increase/(decrease) in debt                              | (68)                           | (15)                               | (14)                               |
| Gross proceeds from sale of assets                       | -                              | -                                  | -                                  |
| Lump sum contributions                                   | -                              | -                                  | -                                  |
| Other dedicated capital funding                          | -                              | -                                  | -                                  |
| <b>Total sources of capital funding</b>                  | <b>(68)</b>                    | <b>(15)</b>                        | <b>(14)</b>                        |
| <b>Applications of capital funding</b>                   |                                |                                    |                                    |
| Capital expenditure - to meet additional demand          | -                              | -                                  | -                                  |
| Capital expenditure - to improve level of service        | 87                             | -                                  | 200                                |
| Capital expenditure - to replace existing assets         | 12                             | 19                                 | 13                                 |
| Increase/(decrease) in reserves                          | 370                            | 526                                | 343                                |
| Increase/(decrease) in investments                       | -                              | -                                  | -                                  |
| <b>Total applications of capital funding</b>             | <b>469</b>                     | <b>545</b>                         | <b>556</b>                         |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(537)</b>                   | <b>(560)</b>                       | <b>(570)</b>                       |
| <b>Funding balance</b>                                   | <b>\$ -</b>                    | <b>\$ -</b>                        | <b>\$ -</b>                        |



## Service Performance Statement - Property and Investments Group for the year ended 30 June 2018

|                                                     | <b>2018</b>   | <b>2018</b>        | <b>2017</b>     |
|-----------------------------------------------------|---------------|--------------------|-----------------|
|                                                     | <b>Actual</b> | <b>Annual Plan</b> | <b>Actual</b>   |
|                                                     | <b>\$000</b>  | <b>\$000</b>       | <b>\$000</b>    |
| <b>Revenue</b>                                      |               |                    |                 |
| General rates                                       | \$ (671)      | \$ (632)           | \$ (766)        |
| Civic Amenities rates                               | 108           | 109                | 98              |
| Targeted rates                                      | 216           | 213                | 212             |
| Grants and Subsidies                                | -             | -                  | -               |
| Revenue from activities                             | 2,051         | 1,586              | 2,158           |
| Other revenue                                       | 520           | 470                | 2,512           |
| <b>Total revenue</b>                                | <b>2,224</b>  | <b>1,746</b>       | <b>4,214</b>    |
| <b>Expenditure</b>                                  |               |                    |                 |
| Employee benefit expenses                           | 37            | 36                 | -               |
| Depreciation and amortisation                       | 386           | 346                | 323             |
| Finance expenses                                    | 610           | 448                | 490             |
| Other expenses                                      | 1,177         | 860                | 1,235           |
| <b>Total expenditure</b>                            | <b>2,210</b>  | <b>1,690</b>       | <b>2,048</b>    |
| <b>Operating Surplus/(deficit)</b>                  | <b>\$ 14</b>  | <b>\$ 56</b>       | <b>\$ 2,166</b> |
| <b>Capital Expenditure</b>                          |               |                    |                 |
|                                                     | <b>Key</b>    |                    |                 |
| Local Government Centre - Blinds                    | REP           | \$ -               | \$ 3            |
| Local Government Centre - Vinyl                     | REP           | -                  | 5               |
| Local Government Centre - Sundry purchases          | REP           | 2                  | 5               |
| Local Government Centre - Floor coverings           | REP           | -                  | -               |
| Council Property - Reseal Michael Street yard       | REP           | 9                  | 10              |
| Council Property - Tennant St dwelling              | REP           | 2                  | -               |
| Community Housing - Replacement stoves              | REP           | -                  | 3               |
| Community Housing - Hot water cylinders             | REP           | -                  | 5               |
| Community Housing - Bathroom upgrade                | REP           | -                  | -               |
| Public Toilets - Waimate town (new)                 | LOS           | -                  | 200             |
| Public Toilets - Victoria Park Playground           | LOS           | 44                 | -               |
| Waimate Event Centre - Refurbishment                | LOS           | -                  | -               |
| Waimate Event Centre - IT and CCTV equipment        | LOS           | -                  | -               |
| Waimate Event Centre - Stormwater installation      | LOS           | -                  | -               |
| Waimate Event Centre - Internal fitout (WDCF Funds) | LOS           | 39                 | -               |
| Waimate Event Centre - Miscellaneous purchases      | LOS           | 4                  | -               |
|                                                     |               | <b>\$ 99</b>       | <b>\$ 231</b>   |
|                                                     |               | <b>\$ 99</b>       | <b>\$ 622</b>   |
| <b>Categories</b>                                   |               |                    |                 |
| Meets additional demand                             | AD            | \$ -               | \$ -            |
| Improve level of performance/service                | LOS           | 86                 | 200             |
| Replace existing assets                             | REP           | 13                 | 31              |
|                                                     |               | <b>\$ 99</b>       | <b>\$ 231</b>   |
|                                                     |               | <b>\$ 99</b>       | <b>\$ 622</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; and
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 June 2018:

| Forest             | Stocked Area (ha) | Awaiting Replant | Total        |
|--------------------|-------------------|------------------|--------------|
| Reserves           | 48.9              | 8.0              | 56.9         |
| Joint Venture      | 4.0               | 0                | 4.0          |
| Waihao             | 103.3             | 0                | 103.3        |
| <b>All Forests</b> | <b>156.2</b>      | <b>8.0</b>       | <b>164.2</b> |

## Why Do We Do It?

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

### Service Performance Statement - Forestry for the year ended 30 June 2018

|                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                     |                         |                              |                         |
| General rates                      | \$ -                    | \$ -                         | \$ -                    |
| Targeted rates                     | -                       | -                            | -                       |
| Revenue from activities            | 660                     | 133                          | 397                     |
| Other revenue                      | 27                      | 33                           | 20                      |
| <b>Total revenue</b>               | <b>687</b>              | <b>166</b>                   | <b>417</b>              |
| <b>Expenditure</b>                 |                         |                              |                         |
| Employee benefit expenses          | -                       | -                            | -                       |
| Depreciation and amortisation      | -                       | -                            | -                       |
| Finance expenses                   | 34                      | 16                           | 29                      |
| Other expenses                     | 259                     | 85                           | 366                     |
| <b>Total expenditure</b>           | <b>293</b>              | <b>101</b>                   | <b>395</b>              |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 394</b>           | <b>\$ 65</b>                 | <b>\$ 22</b>            |

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

Revenue from activities exceeded the LTP Budget and Actual 2017 due to the harvesting of one Joint Venture forest block (\$180,000 above budget). The annual forest valuation resulted in gains on growth exceeding the LTP budget

Other expenses exceeded the LTP Budget due to costs of harvesting (\$123,000).

# Investments and Finance

## What Do We Do Now?

Council's Investments and Finance function serves three major objectives:

1. Managing Council's annual cash flow 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 of Council expenses, and to maximise interest earned on current account throughout the annual cash flow cycle.

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

### Service Performance Statement - Investments and Finance for the year ended 30 June 2018

|                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                     |                         |                              |                         |
| General rates                      | \$ (729)                | \$ (687)                     | \$ (806)                |
| Targeted rates                     | 46                      | 48                           | 47                      |
| Revenue from activities            | 616                     | 827                          | 702                     |
| Other revenue                      | 421                     | 414                          | 452                     |
| <b>Total revenue</b>               | <b>354</b>              | <b>602</b>                   | <b>395</b>              |
| <b>Expenditure</b>                 |                         |                              |                         |
| Employee benefit expenses          | -                       | -                            | -                       |
| Depreciation and amortisation      | -                       | -                            | -                       |
| Finance expenses                   | 411                     | 277                          | 367                     |
| Other expenses                     | 358                     | 154                          | 120                     |
| <b>Total expenditure</b>           | <b>769</b>              | <b>431</b>                   | <b>487</b>              |
| <b>Operating Surplus/(deficit)</b> | <b>\$ (415)</b>         | <b>\$ 171</b>                | <b>\$ (92)</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 Expenditure initially from a budget perspective. With a surplus of revenue this generally results in negative rates income for this activity. The 2018 financial year General Rates were lower than Actual 2017 predominately due to a reduction in reliance on Dividend income to reduce the overall rates requirement.

Revenue from Activities were lower than LTP Budget and Actual 2017 predominately due to dividend revenue recognition.

Other Revenue exceeded the LTP Budget and Actual 2017 predominately due to internal interest revenue received. This increased revenue is offset by reduced internal interest expense within Finance expenses.

Finance expenses have exceeded the LTP Budget and Actual 2017 predominately due to interest revenue charged on internal loans (referred to above), plus external interest on loans.

Other expenses includes an impairment of \$250,000 for the Hunter Downs Investment shares, therefore expenditure has exceeded the LTP Budget and Actual 2017.



# Property

## What Do We Do Now?

We manage a variety of properties for community use - mainly community venues, public toilets, Council administration buildings and community housing.

Property consists of land and buildings.

## Why Do We Do It?

We provide community venues because they offer an environment for a diverse range of social, cultural and community based activities, including sports, arts and theatre. We provide public toilets to safeguard 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 2017/18                               |
| 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.<br><br>Target: Rental charge is equal to or less than market rental.                          | The rental charge is equal to or less than the market rent as at July 2018.                                | Achieved<br><br>(2016/17: Achieved)               |
| Council maintains toilets throughout the District to a high standard.                                 | 69% of residents are satisfied or very satisfied with the standard of toilet facilities in our District.<br><br>Target: 69% satisfied or very satisfied.                                                                                                                                          | Next survey 2018/19.                                                                                       | Not measured<br><br>(2016/17: Not achieved - 61%) |
| Council maintains community and corporate buildings at a safe standard.                               | The following properties will be subject to monthly internal control checks and will achieve building warrant of fitness:<br>Waimate Local Government Centre building (including library), Waimate Regent Theatre and Waimate Event Centre.<br><br>Target: Building warrants of fitness in place. | Monthly internal control checks completed and awaiting BEOF to be issued on Council's specified buildings. | Achieved<br><br>(2016/17: Achieved)               |

## Points of Interest

The Waimate Event Centre is well utilised, which is evident with the increase of patronage. We are excited to see new hirers in both the sports and meeting room areas.

The last sections in the Eric Batchelor Place subdivision were sold, creating an additional 22 ratepayers.

Upgrading of public toilets at the Victoria Park playground.

## Service Performance Statement - Property for the year ended 30 June 2018

|                                                     | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|-----------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                                      |                         |                              |                         |
| General rates                                       | \$ 58                   | \$ 55                        | \$ 40                   |
| Civic Amenities rates                               | 108                     | 109                          | 98                      |
| Targeted rates                                      | 170                     | 165                          | 165                     |
| Grants and Subsidies                                | -                       | -                            | -                       |
| Revenue from activities                             | 775                     | 626                          | 1,059                   |
| Other revenue                                       | 72                      | 23                           | 2,040                   |
| <b>Total revenue</b>                                | <b>1,183</b>            | <b>978</b>                   | <b>3,402</b>            |
| <b>Expenditure</b>                                  |                         |                              |                         |
| Employee benefit expenses                           | 37                      | 36                           | -                       |
| Depreciation and amortisation                       | 386                     | 346                          | 323                     |
| Finance expenses                                    | 165                     | 155                          | 94                      |
| Other expenses                                      | 560                     | 621                          | 749                     |
| <b>Total expenditure</b>                            | <b>1,148</b>            | <b>1,158</b>                 | <b>1,166</b>            |
| <b>Operating Surplus/(deficit)</b>                  | <b>\$ 35</b>            | <b>\$ (180)</b>              | <b>\$ 2,236</b>         |
| <b>Capital Expenditure</b>                          |                         |                              |                         |
|                                                     | <b>Key</b>              |                              |                         |
| Local Government Centre - Blinds                    | REP                     | \$ -                         | \$ 3                    |
| Local Government Centre - Vinyl                     | REP                     | -                            | 5                       |
| Local Government Centre - Sundry purchases          | REP                     | 2                            | 5                       |
| Local Government Centre - Floor coverings           | REP                     | -                            | -                       |
| Council Property - Reseal Michael Street yard       | REP                     | 9                            | 10                      |
| Council Property - Tennant St dwelling              | REP                     | 2                            | -                       |
| Community Housing - Replacement stoves              | REP                     | -                            | 3                       |
| Community Housing - Hot water cylinders             | REP                     | -                            | 5                       |
| Community Housing - Bathroom upgrade                | REP                     | -                            | -                       |
| Public Toilets - Waimate town (new)                 | LOS                     | -                            | 200                     |
| Public Toilets - Victoria Park Playground           | LOS                     | 44                           | -                       |
| Waimate Event Centre - Refurbishment                | LOS                     | -                            | -                       |
| Waimate Event Centre - IT and CCTV equipment        | LOS                     | -                            | -                       |
| Waimate Event Centre - Stormwater installation      | LOS                     | -                            | -                       |
| Waimate Event Centre - Internal fitout (WDCF Funds) | LOS                     | 39                           | -                       |
| Waimate Event Centre - Miscellaneous purchases      | LOS                     | 4                            | -                       |
| <b>Total Capital Expenditure</b>                    |                         | <b>\$ 99</b>                 | <b>\$ 231</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 includes community donations for the Waimate Event Centre. Actual 2018 included \$84,000 of community donations (Actual 2017 \$272,000). Also included in Revenue from activities are the sale of sections at Eric Batchelor Place (Actual 2018 \$169,000 : LTP Budget \$nil: Actual 2017 \$289,000).

Other Revenue for Actual 2017 included recognition of \$1.9m income in relation to the vesting of assets at the Waimate Event Centre.

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

Other expenses have reduced compared to Actual 2017 predominately due to the cost of sections sold at Eric Batchelor Place (Actual 2018 \$144,000 : Actual 2017 \$255,000).



# 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 group involves the following activities:

### Camping

- A mix of camping grounds to meet the recreation and leisure needs of our community and visitors to the District.

### Cemeteries

- Provision of burial facilities that meet the needs of the community.

### Parks and Public Spaces

- A mix of parks and reserve facilities throughout the District.

### Swimming

- Provision of a public swimming pool to promote community wellbeing.

| Parks and Recreation — Community Outcomes and Rationale Linkages |                                                                |                                                                                                                                                                   |                                                                |                                                                                                                                                                                                   |
|------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                  | Wealthy Community                                              | Safe and Healthy People                                                                                                                                           | Sustainable District and Environment                           | Active and Supportive Community                                                                                                                                                                   |
| Outcome                                                          | A District that provides infrastructure for economic activity. | A place where people are safe in their homes, work and public spaces.                                                                                             | We value the natural environment, biodiversity and landscapes. | District assets that provide recreation and leisure choice.                                                                                                                                       |
| Rationale                                                        |                                                                | <b>Parks and Public Spaces, Swimming</b> — users feel safe when using the facilities at Council's parks and recreation facilities.                                |                                                                | <b>Camping</b> — reserves, public open spaces and facilities are an important element in both the residential and rural environment for physical exercise, leisure activities and social contact. |
| Outcome                                                          |                                                                | Our services, infrastructure and environment maintains quality of life.                                                                                           |                                                                |                                                                                                                                                                                                   |
| Rationale                                                        |                                                                | <b>Camping, Cemeteries, Parks and Public Spaces, Swimming</b> — we have reliable, efficient and well planned infrastructure that meet the needs of the community. |                                                                |                                                                                                                                                                                                   |



## Funding Impact Statement - Parks and Recreation for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ -                    | \$ -                        | \$ -                        |
| Targeted rates                                           | 756                     | 792                         | 711                         |
| Subsidies and grants for operating purposes              | 4                       | -                           | -                           |
| Fees and charges                                         | 390                     | 323                         | 315                         |
| Internal charges and overheads recovered                 | 97                      | 112                         | 112                         |
| Interest and dividends from investments                  | 2                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | 88                      | 93                          | 90                          |
| <b>Total sources of operating funding</b>                | <b>1,337</b>            | <b>1,320</b>                | <b>1,228</b>                |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 1,203                   | 883                         | 866                         |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | (86)                    | 126                         | 122                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>1,117</b>            | <b>1,009</b>                | <b>988</b>                  |
| <b>Surplus/(deficit) of operating funding</b>            | <b>220</b>              | <b>311</b>                  | <b>240</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>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | -                       | -                           | -                           |
| Capital expenditure - to replace existing assets         | 293                     | 425                         | 158                         |
| Increase/(decrease) in reserves                          | (73)                    | (114)                       | 82                          |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>220</b>              | <b>311</b>                  | <b>240</b>                  |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(220)</b>            | <b>(311)</b>                | <b>(240)</b>                |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |

## Service Performance Statement - Parks and Recreation Group for the year ended 30 June 2018

|                                                    |            | <b>2018</b>    | <b>2018</b>        | <b>2017</b>   |
|----------------------------------------------------|------------|----------------|--------------------|---------------|
|                                                    |            | <b>Actual</b>  | <b>Annual Plan</b> | <b>Actual</b> |
|                                                    |            | <b>\$000</b>   | <b>\$000</b>       | <b>\$000</b>  |
| <b>Revenue</b>                                     |            |                |                    |               |
| General rates                                      |            | \$ -           | \$ -               | \$ -          |
| Civic Amenities rates                              |            | 757            | 758                | 670           |
| Targeted rates                                     |            | -              | -                  | -             |
| Revenue from activities                            |            | 482            | 412                | 500           |
| Other revenue                                      |            | 99             | 59                 | 298           |
| <b>Total revenue</b>                               |            | <b>1,338</b>   | <b>1,229</b>       | <b>1,468</b>  |
| <b>Expenditure</b>                                 |            |                |                    |               |
| Employee benefit expenses                          |            | 106            | 86                 | 80            |
| Depreciation and amortisation                      |            | 268            | 328                | 219           |
| Finance expenses                                   |            | 16             | 10                 | 14            |
| Other expenses                                     |            | 994            | 878                | 967           |
| <b>Total expenditure</b>                           |            | <b>1,384</b>   | <b>1,302</b>       | <b>1,280</b>  |
| <b>Operating Surplus/(deficit)</b>                 |            | <b>\$ (46)</b> | <b>\$ (73)</b>     | <b>\$ 188</b> |
| <b>Capital Expenditure</b>                         |            |                |                    |               |
|                                                    | <b>Key</b> |                |                    |               |
| Waitaki Lakes - Water pipes investigation/replace  | REP        | \$ -           | \$ -               | \$ 27         |
| Waitaki Lakes - Water monitoring system            | REP        | 1              | 1                  | -             |
| Waitaki Lakes - Signage                            | REP        | -              | 4                  | -             |
| St Andrews Camping - Upgrade power sites           | REP        | -              | -                  | 16            |
| St Andrews Camping - Miscellaneous                 | REP        | -              | -                  | 2             |
| Victoria Park - Upgrade cabins                     | REP        | 13             | -                  | 18            |
| Victoria Park - Appliances                         | REP        | 3              | 5                  | 2             |
| Knottingley Park - Miscellaneous                   | REP        | -              | -                  | 2             |
| Replace tip truck                                  | REP        | -              | -                  | 46            |
| Upgrade workshop / office / toilet                 | REP        | 7              | -                  | 33            |
| Morven Reserve - Domain electrical points          | REP        | -              | 4                  | -             |
| Morven Reserve - Relocate playground               | REP        | 1              | 5                  | -             |
| Victoria park - Mower replacement                  | REP        | -              | 61                 | 16            |
| Victoria park - Parks officer motor vehicle        | REP        | 30             | -                  | -             |
| Victoria park - Sundry plant                       | REP        | 8              | 7                  | 6             |
| Victoria park - Repair asphalt in works yard       | REP        | -              | 5                  | -             |
| Victoria park - Repair asphalt, playground carpark | REP        | -              | 2                  | -             |
| Victoria park - Restrain cycle track oval fence    | REP        | -              | 9                  | -             |
| Victoria park - Replace Ausplay, playground        | REP        | 209            | 47                 | -             |
| Knottingley park - Driveway upgrade                | REP        | 3              | -                  | -             |
| Knottingley park - Replace see saws                | REP        | 1              | -                  | 5             |
| Urban Reserves - Playground safety matting         | REP        | -              | 14                 | -             |
| Pool Cover replacement                             | REP        | -              | -                  | 20            |
| Upgrade Mens changing rooms                        | REP        | -              | -                  | 23            |
| Other - Plant and equipment                        | REP        | 6              | -                  | 12            |
| Heating system replacement                         | REP        | 10             | 243                | -             |
|                                                    |            | <b>\$ 292</b>  | <b>\$ 406</b>      | <b>\$ 228</b> |
| <b>Categories</b>                                  |            |                |                    |               |
| Meets additional demand                            | AD         | \$ -           | \$ -               | \$ -          |
| Improve level of performance/service               | LOS        | -              | -                  | -             |
| Replace existing assets                            | REP        | 292            | 406                | 228           |
|                                                    |            | <b>\$ 292</b>  | <b>\$ 406</b>      | <b>\$ 228</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.
- Morven Domain is located on Donald Street, Morven.
- 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 2017/18                       |
| Provide quality camping facilities.                   | Less than five complaints about camping facilities not well maintained or tidy.<br>Target: < five complaints per year. | Two complaints in total for the year. | Achieved<br>(2016/17: Not achieved)       |
| Camping facilities are provided that meet user needs. | 80% of customers are satisfied or very satisfied with camping facilities.<br>Target: 80% satisfied or very satisfied.  | Next survey 2018/19.                  | Not measured<br>(2016/17: Achieved - 86%) |

## Points of Interest

Interior upgrading in the Tennant Street cabins was undertaken. Fireproof ceilings, painting, new lighting and new beds and bunks.





## Service Performance Statement - Camping for the year ended 30 June 2018

|                                                   | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|---------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                                    |                         |                              |                         |
| General rates                                     | \$ -                    | \$ -                         | \$ -                    |
| Targeted rates                                    | -                       | -                            | -                       |
| Revenue from activities                           | 317                     | 263                          | 318                     |
| Other revenue                                     | 43                      | 22                           | 40                      |
| <b>Total revenue</b>                              | <b>360</b>              | <b>285</b>                   | <b>358</b>              |
| <b>Expenditure</b>                                |                         |                              |                         |
| Employee benefit expenses                         | 50                      | 26                           | 31                      |
| Depreciation and amortisation                     | 87                      | 99                           | 83                      |
| Finance expenses                                  | 9                       | 8                            | 9                       |
| Other expenses                                    | 184                     | 179                          | 190                     |
| <b>Total expenditure</b>                          | <b>330</b>              | <b>312</b>                   | <b>313</b>              |
| <b>Operating Surplus/(deficit)</b>                | <b>\$ 30</b>            | <b>\$ (27)</b>               | <b>\$ 45</b>            |
| <b>Capital Expenditure</b>                        |                         |                              |                         |
| Waitaki Lakes - Water pipes investigation/replace | REP \$ -                | \$ -                         | \$ 27                   |
| Waitaki Lakes - Water monitoring system           | REP 1                   | 1                            | -                       |
| Waitaki Lakes - Signage                           | REP -                   | 4                            | -                       |
| St Andrews Camping - Upgrade power sites          | REP -                   | -                            | 16                      |
| St Andrews Camping - Miscellaneous                | REP -                   | -                            | 2                       |
| Victoria Park - Upgrade cabins                    | REP 13                  | -                            | 18                      |
| Victoria Park - Appliances                        | REP 3                   | 5                            | 2                       |
| Knottingley Park - Miscellaneous                  | REP -                   | -                            | 2                       |
| <b>Total Capital Expenditure</b>                  | <b>\$ 17</b>            | <b>\$ 10</b>                 | <b>\$ 67</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 has exceeded the LTP Budget due to increased camping fees revenue.



# 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 the Council.
- There are two Maori cemeteries (Urupa) at Te Huruhuru 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 need of the community.

## How We Measure The Service Provided

| Customer Performance Measure         |                                                                                                          |                                      |                                               |
|--------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------|
| Level of Service                     | Performance Measure                                                                                      | Result                               | Achievement 2017/17                           |
| Provide quality cemetery facilities. | 80% of community are satisfied or very satisfied with cemeteries facilities and services.<br>Target: 80% | Next survey 2018/19                  | Not measured<br>(2015/16: Not achieved - 74%) |
|                                      | Less than five complaints per year about cemetery facilities.<br>Target: < five complaints.              | One complaint in total for the year. | Achieved<br>(2015/16: Achieved)               |

## Points of Interest

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





**Service Performance Statement - Cemeteries  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ -                             | \$ -                                  | \$ -                             |
| Civic Amenities rates              | 33                               | 33                                    | 39                               |
| Revenue from activities            | 45                               | 46                                    | 43                               |
| Other revenue                      | 2                                | -                                     | -                                |
| <b>Total revenue</b>               | <b>80</b>                        | <b>79</b>                             | <b>82</b>                        |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | -                                | -                                     | -                                |
| Depreciation and amortisation      | 13                               | 11                                    | 3                                |
| Finance expenses                   | 4                                | 2                                     | 1                                |
| Other expenses                     | 83                               | 76                                    | 72                               |
| <b>Total expenditure</b>           | <b>100</b>                       | <b>89</b>                             | <b>76</b>                        |
| <b>Operating Surplus/(deficit)</b> | <b>\$ (20)</b>                   | <b>\$ (10)</b>                        | <b>\$ 6</b>                      |
| <b>Capital Expenditure</b>         |                                  |                                       |                                  |
| Replace tip truck                  | REP \$ -                         | \$ -                                  | \$ 46                            |
| Upgrade workshop / office / toilet | REP 7                            | -                                     | 33                               |
| <b>Total Capital Expenditure</b>   | <b>\$ 7</b>                      | <b>\$ -</b>                           | <b>\$ 79</b>                     |

**Key**

|     |             |             |              |
|-----|-------------|-------------|--------------|
| REP | \$ -        | \$ -        | \$ 46        |
| REP | 7           | -           | 33           |
|     | <b>\$ 7</b> | <b>\$ -</b> | <b>\$ 79</b> |

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

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



# 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;
- Manchester Park; and
- 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, 2 km from the town centre. The 33.59 ha have been extensively planted species of trees and attracts the attention of many visitors. A new parcel of land in Horgans Road has recently been added. A voluntary organisation — Friends of Knottingley Park — also assist in the maintenance and development of the park. Knottingley Park hosts equestrian events and cricket.

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

### Rural Reserves

- Intersection of SH1 and SH82 — visually attractive roadsides and walkways; Wilderness Reserves; and Centrewood Park.

This includes thresholds to 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; St Andrews; and Studholme.

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

### Urban Reserves

- Boland Park; Seddon Square; and 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.

It is Council policy to maintain and enhance public access to the District's public forests and significant waterways, wetlands and coastal areas, having regard to their traditional importance as mahika kai.

## Why Do We Do It?

Waimate District 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 2017/18                           |
| Provide quality facilities.    | 80% of customers are satisfied or very satisfied with Parks and Public facilities, that have used them in the last year.<br><br>Target: 80% satisfied or very satisfied. | Next survey 2018/19.                                                                                                                                       | Not measured<br><br>(2016/17: Achieved - 97%) |
| Safe playgrounds are provided. | All Council playgrounds are assessed against appropriate New Zealand Safety Standards.<br><br>Target: 100%                                                               | No licensed playground assessor has been available to give a rating. However a Code of Compliance has been issued for the new playground in Victoria Park. | Not achieved<br><br>(2016/17: Not measured)   |

### Points of Interest

A new playground was installed in Victoria Park with safety surfacing to comply with New Zealand standards (NZ5828.2015).

Seesaw and a junior double slide was added to the Knottingley Park Playground.

An Arborist was engaged to prune out dead and damaged branches within Knottingley Park.





## Service Performance Statement - Parks and Public Spaces for the year ended 30 June 2018

|                                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|----------------------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                                     |                         |                              |                         |
| General rates                                      | \$ -                    | \$ -                         | \$ -                    |
| Civic Amenities rates                              | 547                     | 548                          | 506                     |
| Revenue from activities                            | 92                      | 78                           | 118                     |
| Other revenue                                      | 45                      | 28                           | 247                     |
| <b>Total revenue</b>                               | <b>684</b>              | <b>654</b>                   | <b>871</b>              |
| <b>Expenditure</b>                                 |                         |                              |                         |
| Employee benefit expenses                          | 12                      | 10                           | 3                       |
| Depreciation and amortisation                      | 136                     | 150                          | 102                     |
| Finance expenses                                   | 3                       | -                            | 4                       |
| Other expenses                                     | 609                     | 528                          | 602                     |
| <b>Total expenditure</b>                           | <b>760</b>              | <b>688</b>                   | <b>711</b>              |
| <b>Operating Surplus/(deficit)</b>                 | <b>\$ (76)</b>          | <b>\$ (34)</b>               | <b>\$ 160</b>           |
| <b>Capital Expenditure</b>                         |                         |                              |                         |
| Morven Reserve - Hall painting                     | REP                     | \$ -                         | \$ -                    |
| Morven Reserve - Domain electrical points          | REP                     | -                            | 4                       |
| Morven Reserve - Relocate playground               | REP                     | 1                            | 5                       |
| Victoria park - Mower replacement                  | REP                     | -                            | 61                      |
| Victoria park - Parks officer motor vehicle        | REP                     | 30                           | -                       |
| Victoria park - Sundry plant                       | REP                     | 8                            | 7                       |
| Victoria park - Repair asphalt in works yard       | REP                     | -                            | 5                       |
| Victoria park - Repair asphalt, playground carpark | REP                     | -                            | 2                       |
| Victoria park - Restrain cycle track oval fence    | REP                     | -                            | 9                       |
| Victoria park - Replace Ausplay, playground        | REP                     | 209                          | 47                      |
| Knottingley park - Driveway upgrade                | REP                     | 3                            | -                       |
| Knottingley park - Replace see saws                | REP                     | 1                            | -                       |
| Urban Reserves - Playground safety matting         | REP                     | -                            | 14                      |
| <b>Total Capital Expenditure</b>                   | <b>\$ 252</b>           | <b>\$ 153</b>                | <b>\$ 27</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 for Actual 2017 included recognition of income of \$202,000 in relation to the vesting of assets at Boland Park (Skatepark and Gym Equipment).

Other expenses have reduced from the LTP Budget and Actual 2017 due to reduced allocations of internal resources



# 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, fitness classes 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 and visitors. Learning to swim is important to people's safety.

## How We Measure The Service Provided

| Customer Performance Measure                     |                                                                                                                                                     |                                     |                                           |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------------|
| Level of Service                                 | Performance Measure                                                                                                                                 | Result                              | Achievement 2017/18                       |
| Safe swimming facilities are provided to public. | All safety incidents relating to the Swimming Pool are reported and responded to within two hours.<br>Target: Report and response time ≤ two hours. | All reports filed within two hours. | Achieved<br>(2016/17: Achieved)           |
|                                                  | All serious incidents are responded to immediately.<br>Target: 100% immediate response.                                                             | No serious incidents reported.      | Achieved<br>(2016/17: Achieved)           |
| Provide quality pool facilities.                 | 85% of customers are satisfied or very satisfied with swimming pool facilities.<br>Target: 85% satisfied or very satisfied.                         | Next survey 2018/19.                | Not Measured<br>(2016/17: Achieved - 90%) |

## Points of Interest

A large inflatable monster was purchased for the enjoyment of children aged 15 years and under.

Both women's and men's changing rooms flooring have had a covering of Allnex Terraflake applied.





## Service Performance Statement - Swimming for the year ended 30 June 2018

|                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                     |                         |                              |                         |
| General rates                      | \$ -                    | \$ -                         | \$ -                    |
| Civic Amenities rates              | 177                     | 177                          | 125                     |
| Revenue from activities            | 28                      | 25                           | 21                      |
| Other revenue                      | 9                       | 9                            | 11                      |
| <b>Total revenue</b>               | <b>214</b>              | <b>211</b>                   | <b>157</b>              |
| <b>Expenditure</b>                 |                         |                              |                         |
| Employee benefit expenses          | 44                      | 50                           | 46                      |
| Depreciation and amortisation      | 32                      | 68                           | 31                      |
| Finance expenses                   | -                       | -                            | -                       |
| Other expenses                     | 118                     | 95                           | 103                     |
| <b>Total expenditure</b>           | <b>194</b>              | <b>213</b>                   | <b>180</b>              |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 20</b>            | <b>\$ (2)</b>                | <b>\$ (23)</b>          |
| <b>Capital Expenditure</b>         |                         |                              |                         |
|                                    | <b>Key</b>              |                              |                         |
| Pool Cover replacement             | REP                     | \$ -                         | \$ 20                   |
| Upgrade Mens changing rooms        | REP                     | -                            | 23                      |
| Other - Plant and equipment        | REP                     | 6                            | 12                      |
| Heating system replacement         | REP                     | 10                           | 243                     |
| <b>Total Capital Expenditure</b>   |                         | <b>\$ 16</b>                 | <b>\$ 55</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 income has increased from Actual 2017 due to an expected increase in Depreciation and amortisation expenses, following the expected capital expenditure on the Heating System replacement.

Depreciation and amortisation expenses were below LTP and Annual Plan budgets due to the Heating System capital project not being completed.

# Organisation and Governance Group

## What is Organisation and Governance and Why do we do 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 the social, cultural, economic and environmental wellbeing of the District's communities.

The group involves the following activities:

### Community Representation

- Elected members perform a governance role.

### Strategy

- To plan for the future of the Waimate District.

### Managing Services

- The organisational support functions that help Council provide its activities in the most efficient and effective manner.

| Organisation and Governance — Community Outcomes and Rationale Linkages |                   |                                                                                    |                                      |                                                                                                                                                                                                               |
|-------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                         | Wealthy Community | Safe and Healthy People                                                            | Sustainable District and Environment | Active and Supportive Community                                                                                                                                                                               |
| Outcome                                                                 | N/A               | Our services, infrastructure and environment maintains quality of life.            | N/A                                  | People participate in our democratic process.                                                                                                                                                                 |
| Rationale                                                               |                   | <b>Managing Services</b><br>— we provide reliable information on Council services. |                                      | <b>Community Representation</b> — we encourage and value community feedback.<br><br><b>Community Representation</b> — we have a reliable and effective governance group that meet the needs of the community. |



## Funding Impact Statement - Organisation and Governance for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ 563                  | \$ 529                      | \$ 512                      |
| Targeted rates                                           | 935                     | 868                         | 845                         |
| Subsidies and grants for operating purposes              | -                       | -                           | -                           |
| Fees and charges                                         | -                       | -                           | -                           |
| Internal charges and overheads recovered                 | 3,178                   | 2,094                       | 2,033                       |
| Interest and dividends from investments                  | -                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | 126                     | 13                          | 13                          |
| <b>Total sources of operating funding</b>                | <b>4,802</b>            | <b>3,504</b>                | <b>3,403</b>                |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 3,547                   | 2,658                       | 2,547                       |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 943                     | 833                         | 807                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>4,490</b>            | <b>3,491</b>                | <b>3,354</b>                |
| <b>Surplus/(deficit) of operating funding</b>            | <b>312</b>              | <b>13</b>                   | <b>49</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                       | 15                      | -                           | -                           |
| Lump sum contributions                                   | -                       | -                           | -                           |
| Other dedicated capital funding                          | -                       | -                           | -                           |
| <b>Total sources of capital funding</b>                  | <b>15</b>               | <b>-</b>                    | <b>-</b>                    |
| <b>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | 72                      | -                           | -                           |
| Capital expenditure - to replace existing assets         | 132                     | 106                         | 88                          |
| Increase/(decrease) in reserves                          | 123                     | (93)                        | (39)                        |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>327</b>              | <b>13</b>                   | <b>49</b>                   |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(312)</b>            | <b>(13)</b>                 | <b>(49)</b>                 |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |

**Service Performance Statement - Organisation and Governance Group  
for the year ended 30 June 2018**

|                                          |            | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------------|------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                           |            |                                  |                                       |                                  |
| General rates                            |            | \$ 563                           | \$ 540                                | \$ 526                           |
| Civic Amenities Rates                    |            | 935                              | 936                                   | 892                              |
| Targeted rates                           |            | -                                | -                                     | -                                |
| Revenue from activities                  |            | 672                              | 549                                   | 643                              |
| Other revenue                            |            | 2,639                            | 2,603                                 | 2,951                            |
| <b>Total revenue</b>                     |            | <b>4,809</b>                     | <b>4,628</b>                          | <b>5,012</b>                     |
| <b>Expenditure</b>                       |            |                                  |                                       |                                  |
| Employee benefit expenses                |            | 3,182                            | 3,048                                 | 2,981                            |
| Depreciation and amortisation            |            | 142                              | 158                                   | 134                              |
| Finance expenses                         |            | 30                               | 3                                     | 29                               |
| Other expenses                           |            | 1,278                            | 1,502                                 | 1,675                            |
| <b>Total expenditure</b>                 |            | <b>4,632</b>                     | <b>4,711</b>                          | <b>4,819</b>                     |
| <b>Operating Surplus/(deficit)</b>       |            | <b>\$ 177</b>                    | <b>\$ (83)</b>                        | <b>\$ 193</b>                    |
| <b>Capital Expenditure</b>               |            |                                  |                                       |                                  |
|                                          | <b>Key</b> |                                  |                                       |                                  |
| Hardware                                 | REP        | \$ -                             | \$ -                                  | \$ 19                            |
| Motor vehicles                           | REP        | 28                               | -                                     | 47                               |
| Plant                                    | REP        | -                                | -                                     | 11                               |
| Furniture and other equipment            | REP        | 2                                | -                                     | 11                               |
| Utilities - Office upgrade and furniture | LOS        | -                                | -                                     | 6                                |
| Utilities - Sundry plant and equipment   | REP        | 7                                | 6                                     | -                                |
| Miscellaneous                            | REP        | 4                                | 10                                    | -                                |
| Computers/hardware                       | REP        | 6                                | 10                                    | -                                |
| Electronic Document Management System    | LOS        | -                                | -                                     | 17                               |
| Server replacement                       | REP        | -                                | 90                                    | 64                               |
| Telephone / PABX upgrade                 | REP        | -                                | 15                                    | -                                |
| Single Customer Database                 | LOS        | 27                               | 5                                     | -                                |
| Magiq - Performance and EPO upgrades     | REP        | 64                               | -                                     | 22                               |
| UPS                                      | REP        | 3                                | 15                                    | -                                |
| Event Centre                             | REP        | -                                | 7                                     | -                                |
| General                                  | REP        | -                                | 2                                     | -                                |
| Magiq / NCS Upgrade                      | REP        | 17                               | -                                     | -                                |
| Health and Safety - Equipment            | REP        | -                                | -                                     | 10                               |
| CCTV Equipment                           | LOS        | 45                               | -                                     | -                                |
|                                          |            | <b>\$ 204</b>                    | <b>\$ 160</b>                         | <b>\$ 208</b>                    |
| <b>Categories</b>                        |            |                                  |                                       |                                  |
| Meets additional demand                  | AD         | \$ -                             | \$ -                                  | \$ -                             |
| Improve level of performance/service     | LOS        | 72                               | 5                                     | 23                               |
| Replace existing assets                  | REP        | 131                              | 155                                   | 185                              |
|                                          |            | <b>\$ 204</b>                    | <b>\$ 160</b>                         | <b>\$ 208</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 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 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 Performance Measure                                            |                                                                                                                                                                             |                                                                                                                           |                                               |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| Level of Service                                                        | Performance Measure                                                                                                                                                         | Result                                                                                                                    | Achievement 2017/18                           |
| 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.<br><br>Target: Provide public forum at all ordinary Council Meetings. | 7 Ordinary Council Meetings and 8 Committee meetings were held between 1 July 2017 to 30 June 2018 offering Public Forum. | Achieved<br><br>(2016/17: Not achieved)       |
| Provide high quality Governance.                                        | 80% of residents are satisfied or very satisfied with access to elected members.<br><br>Target: 80% satisfied or very satisfied.                                            | Next survey 2018/19.                                                                                                      | Not measured<br><br>(2016/17: Achieved - 86%) |

## Points of Interest

The 6 yearly Representation Review process commenced and the initial proposal consulted on with the community under the Special Consultative Process.

**Service Performance Statement - Community Representation  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ -                             | \$ -                                  | \$ -                             |
| Civic Amenities Rates              | 935                              | 936                                   | 892                              |
| Revenue from activities            | 50                               | 4                                     | 2                                |
| Other revenue                      | 15                               | -                                     | 13                               |
| <b>Total revenue</b>               | <b>1,000</b>                     | <b>940</b>                            | <b>907</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | 99                               | 56                                    | 130                              |
| Depreciation and amortisation      | 1                                | 1                                     | 1                                |
| Finance expenses                   | -                                | 3                                     | -                                |
| Other expenses                     | 854                              | 868                                   | 734                              |
| <b>Total expenditure</b>           | <b>954</b>                       | <b>928</b>                            | <b>865</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 46</b>                     | <b>\$ 12</b>                          | <b>\$ 42</b>                     |

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

Civic Amenities rates increased from the LTP Budget due to increased costs.

Revenue from Activities have exceeded the LTP Budget and Actual 2017 predominately due to recoveries associated with administering the Lower Waitaki Zone Committee meetings.





# 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 being released 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 Interest

The Long Term Plan 2018-28 was produced and audited, receiving an unmodified opinion. The Consultation Document was distributed to all households in the Waimate District and 169 submissions were received. The Consultation Document was entered into the SOLGM competition and was awarded Highly Commended (top 4 across country).

### Service Performance Statement - Strategy for the year ended 30 June 2018

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ 563                           | \$ 540                                | \$ 526                           |
| Targeted rates                     | -                                | -                                     | -                                |
| Revenue from activities            | -                                | -                                     | -                                |
| Other revenue                      | 56                               | 46                                    | 53                               |
| Total revenue                      | <b>619</b>                       | <b>586</b>                            | <b>579</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | 230                              | 193                                   | 192                              |
| Depreciation and amortisation      | -                                | -                                     | -                                |
| Finance expenses                   | -                                | -                                     | -                                |
| Other expenses                     | 452                              | 475                                   | 383                              |
| Total expenditure                  | <b>682</b>                       | <b>668</b>                            | <b>575</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ (63)</b>                   | <b>\$ (82)</b>                        | <b>\$ 4</b>                      |

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

Employment Benefit Expenses have exceeded the LTP Budget due to additional resource required for this activity since the LTP Budget was adopted.

Other expenses have increased from Actual 2017 predominately due to additional Audit Fees in relation to the Long Term Plan process.

# 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, Library.
- **Environmental Services** - Resource Management, Building, Environmental, Dog and Animal Control, Emergency Management.
- **Asset Management and Utilities** - Sewer, Stormwater, Waste Management, Water - Rural and Urban, Rooding.
- **Parks and Recreation** - Parks and Public Spaces, Swimming Pool, Camping, 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 2017/18                 |
| Information about Council services is readily available. | Council's website is available to public 365 days a year.<br>Target: Website available 365 days.         | Other than for the scheduled maintenance by our cloud service provider the website was available and accessible to the public throughout the year. | Achieved<br>(2016/17: Achieved)     |
|                                                          | Customers can reach Council by phone 24 hours a day, seven days a week.<br>Target: Phone operating 24/7. | Customers could reach Council by phone during opening hours and through TAS (our answering service) after hours.                                   | Achieved<br>(2016/17: Not achieved) |

## Points of Interest

A new Council website was developed to improve the flow of information on Council's activities and increase public engagement.

Council implemented a new planning and performance reporting tool into its existing enterprise architecture. Magiq Performance significantly streamlined the production of 2018-28 Long Term Plan budgeting and reporting during 2017/18 and will markedly improve regular financial reporting and budgeting in future years.

Council adopted electronic purchase orders (EPO) in 2017/18. This has significantly improved the process of ordering at Council, reducing the use of physical paper and improving visibility of orders across the organisation whilst maintaining robust checks and balances.

Council partnered with the Waimate Police and the community to deliver Community CCTV in 2017/18. Cameras have been installed across the town, with a monitoring station housed at Waimate Police station, promoting safety and security in the centre.

**Service Performance Statement - Managing Services  
for the year ended 30 June 2018**

|                                          | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                           |                                  |                                       |                                  |
| General rates                            | \$ -                             | \$ -                                  | \$ -                             |
| Targeted rates                           | -                                | -                                     | -                                |
| Revenue from activities                  | 622                              | 545                                   | 641                              |
| Other revenue                            | 2,568                            | 2,557                                 | 2,885                            |
| <b>Total revenue</b>                     | <b>3,190</b>                     | <b>3,102</b>                          | <b>3,526</b>                     |
| <b>Expenditure</b>                       |                                  |                                       |                                  |
| Employee benefit expenses                | 2,853                            | 2,799                                 | 2,659                            |
| Depreciation and amortisation            | 141                              | 157                                   | 133                              |
| Finance expenses                         | 30                               | -                                     | 29                               |
| Other expenses                           | (28)                             | 159                                   | 558                              |
| <b>Total expenditure</b>                 | <b>2,996</b>                     | <b>3,115</b>                          | <b>3,379</b>                     |
| <b>Operating Surplus/(deficit)</b>       | <b>\$ 194</b>                    | <b>\$ (13)</b>                        | <b>\$ 147</b>                    |
| <b>Capital Expenditure</b>               |                                  |                                       |                                  |
|                                          | <b>Key</b>                       |                                       |                                  |
| Hardware                                 | REP                              | \$ -                                  | \$ 19                            |
| Motor vehicles                           | REP                              | 28                                    | 47                               |
| Plant                                    | REP                              | -                                     | 11                               |
| Furniture and other equipment            | REP                              | 2                                     | 11                               |
| Utilities - Office upgrade and furniture | LOS                              | -                                     | 6                                |
| Utilities - Sundry plant and equipment   | REP                              | 7                                     | -                                |
| Miscellaneous                            | REP                              | 4                                     | -                                |
| Computers/hardware                       | REP                              | 6                                     | -                                |
| Electronic Document Management System    | LOS                              | -                                     | 17                               |
| Server replacement                       | REP                              | -                                     | 64                               |
| Telephone / PABX upgrade                 | REP                              | -                                     | -                                |
| Single Customer Database                 | LOS                              | 27                                    | -                                |
| Magiq - Performance and EPO upgrades     | REP                              | 64                                    | 22                               |
| UPS                                      | REP                              | 3                                     | -                                |
| Event Centre                             | REP                              | -                                     | -                                |
| General                                  | REP                              | -                                     | -                                |
| Magiq / NCS Upgrade                      | REP                              | 17                                    | -                                |
| Health and Safety - Equipment            | REP                              | -                                     | 10                               |
| CCTV Equipment                           | LOS                              | 45                                    | -                                |
| <b>Total Capital Expenditure</b>         |                                  | <b>\$ 204</b>                         | <b>\$ 208</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 2017 and 2018 financial years both actual and budget values support costs, at an all of Council level as well as within specific groups of activities, and 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 exceeded the LTP Budget due to cost recoveries for the Roading Technical Business Unit, where professional services are allocated to other activities of Council.

Employee benefit expenses have exceeded the LTP Budget, Annual Plan Budget and Actual 2018 due to additional staff resources required.

Finance expenses are in line with Actual 2017, however exceeded the LTP Budget due to lower reserve balances than anticipated at LTP preparation.

Other expenses exceeded the LTP Budget predominately due to allocations of internal resources and overheads. Actual expenditure has reduced from Actual 2017 due to reduced expenditure for recruitment costs (Actual 2018 \$8,000 : Actual 2017 \$43,000), consultancy expenses (Actual 2018 \$25,000 : Actual 2017 \$77,000), and losses on sale of assets (Actual 2018 \$1,000 : Actual 2017 \$50,000).

Capital Expenditure - The Server replacement was completed during 2016/17, therefore was not required this year.



# 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 the application of central government legislation.

The group involves the following activities:

**Building Control:** The protection of people and communities by ensuring buildings are safe.

**Resource Management:** The sustainable management of natural and physical resources of the Waimate District.

**Emergency Management:** The promotion of individual and community resilience in emergencies, and the enhancement of community capability to respond to, and recover from disasters.

**Regulatory Services:** Regulating and monitoring activities that affect community health and safety.

**Dog and Animal Control:** Enforcing public safety and effective regulation of animals within our District.

| Environmental Services — Community Outcomes and Rationale Linkages |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                      |                                 |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|
|                                                                    | Wealthy Community                                                                                                   | Safe and Healthy People                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Sustainable District and Environment | Active and Supportive Community |
| Outcome                                                            | A District that provides infrastructure for economic activity.                                                      | A place where people are safe in their homes, work and public spaces.                                                                                                                                                                                                                                                                                                                                                                                                                                                   | N/A                                  | N/A                             |
| Rationale                                                          | <b>Building Control, Resource Management</b> — the timely processing of consents is essential to supporting growth. | <b>Emergency Management</b> — Waimate has emergency management staff and systems to assist and protect people in emergencies<br><b>Regulatory Services</b> — protecting the community from health and safety related issues.<br><b>Dog and Animal Control</b> — Council meets its legal obligations under the Dog Control Act 1996 and Impounding Act 1955.<br><b>Dog and Animal Control</b> — Council has systems in place to respond to dog and animal related issues such as dog attacks, wandering stock and noise. |                                      |                                 |
| Outcome                                                            |                                                                                                                     | Our services, infrastructure and environment maintains quality of life.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                      |                                 |



| Environmental Services — Community Outcomes and Rationale Linkages |                   |                                                                                                                                                          |                                      |                                 |
|--------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|
|                                                                    | Wealthy Community | Safe and Healthy People                                                                                                                                  | Sustainable District and Environment | Active and Supportive Community |
| Rationale                                                          |                   | <b>Emergency Management, Resource Management, Regulatory Services</b><br>— we have reliable and efficient services that meet the needs of the community. |                                      |                                 |

## Funding Impact Statement - Environmental Services for the year ended 30 June 2018

|                                                          | 2018<br>Actual<br>\$000 | 2018<br>LTP Budget<br>\$000 | 2017<br>LTP Budget<br>\$000 |
|----------------------------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>Sources of operating funding</b>                      |                         |                             |                             |
| General rates, UAGC and rates penalties                  | \$ 705                  | \$ 831                      | \$ 817                      |
| Targeted rates                                           | 112                     | 108                         | 106                         |
| Subsidies and grants for operating purposes              | -                       | -                           | -                           |
| Fees and charges                                         | 522                     | 509                         | 496                         |
| Internal charges and overheads recovered                 | 33                      | 21                          | 21                          |
| Interest and dividends from investments                  | -                       | -                           | -                           |
| Local authority fuel tax, fines, infringement fees other | 7                       | 4                           | 3                           |
| <b>Total sources of operating funding</b>                | <b>1,379</b>            | <b>1,473</b>                | <b>1,443</b>                |
| <b>Applications of operating funding</b>                 |                         |                             |                             |
| Payments to staff and suppliers                          | 539                     | 1,087                       | 1,094                       |
| Finance costs                                            | -                       | -                           | -                           |
| Internal charges and overheads applied                   | 625                     | 344                         | 336                         |
| Other operating funding applications                     | -                       | -                           | -                           |
| <b>Total applications of operating funding</b>           | <b>1,164</b>            | <b>1,431</b>                | <b>1,430</b>                |
| <b>Surplus/(deficit) of operating funding</b>            | <b>215</b>              | <b>42</b>                   | <b>13</b>                   |
| <b>Sources of capital funding</b>                        |                         |                             |                             |
| Subsidies and grants for capital expenditure             | -                       | -                           | -                           |
| Development and financial contributions                  | 16                      | 48                          | 47                          |
| 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>16</b>               | <b>48</b>                   | <b>47</b>                   |
| <b>Applications of capital funding</b>                   |                         |                             |                             |
| Capital expenditure - to meet additional demand          | -                       | -                           | -                           |
| Capital expenditure - to improve level of service        | -                       | -                           | 162                         |
| Capital expenditure - to replace existing assets         | -                       | -                           | -                           |
| Increase/(decrease) in reserves                          | 231                     | 90                          | (102)                       |
| Increase/(decrease) in investments                       | -                       | -                           | -                           |
| <b>Total applications of capital funding</b>             | <b>231</b>              | <b>90</b>                   | <b>60</b>                   |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(215)</b>            | <b>(42)</b>                 | <b>(13)</b>                 |
| <b>Funding balance</b>                                   | <b>\$ -</b>             | <b>\$ -</b>                 | <b>\$ -</b>                 |

**Service Performance Statement - Environmental Services Group  
for the year ended 30 June 2018**

|                                                   | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |               |
|---------------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|---------------|
| <b>Revenue</b>                                    |                                  |                                       |                                  |               |
| General rates                                     | \$ 705                           | \$ 676                                | \$ 808                           |               |
| Targeted rates                                    | 112                              | 111                                   | 110                              |               |
| Revenue from activities                           | 545                              | 537                                   | 524                              |               |
| Other revenue                                     | 33                               | 13                                    | 31                               |               |
| <b>Total revenue</b>                              | <b>1,395</b>                     | <b>1,337</b>                          | <b>1,473</b>                     |               |
| <b>Expenditure</b>                                |                                  |                                       |                                  |               |
| Employee benefit expenses                         | 382                              | 361                                   | 337                              |               |
| Depreciation and amortisation                     | 42                               | 25                                    | 70                               |               |
| Finance expenses                                  | 10                               | 21                                    | 5                                |               |
| Other expenses                                    | 1,013                            | 879                                   | 980                              |               |
| <b>Total expenditure</b>                          | <b>1,447</b>                     | <b>1,286</b>                          | <b>1,392</b>                     |               |
| <b>Operating Surplus/(deficit)</b>                | <b>\$ (52)</b>                   | <b>\$ 51</b>                          | <b>\$ 81</b>                     |               |
| <b>Capital Expenditure</b>                        |                                  |                                       |                                  |               |
| Building Control - Inspection hardware/software   | LOS                              | \$ -                                  | \$ -                             | \$ 10         |
| Building Control - Sundry                         | REP                              | -                                     | 1                                | -             |
| Rural Fire - Cannington appliance                 | LOS                              | -                                     | -                                | 75            |
| Rural Fire - St Andrews tanker                    | LOS                              | -                                     | -                                | 80            |
| Rural Fire - Plant                                | REP                              | -                                     | -                                | 7             |
| Rural Fire - Computer equipment and radio upgrade | REP                              | -                                     | -                                | 3             |
| Civil Defence - Mobile technology hardware        | REP                              | -                                     | 1                                | -             |
| Dog and Animal Control - Animal cage and dog box  | REP                              | -                                     | -                                | 1             |
|                                                   |                                  | <b>\$ -</b>                           | <b>\$ 2</b>                      | <b>\$ 176</b> |
| <b>Categories</b>                                 |                                  |                                       |                                  |               |
| Meets additional demand                           | AD                               | \$ -                                  | \$ -                             | \$ -          |
| Improve level of performance/service              | LOS                              | -                                     | -                                | 165           |
| Replace existing assets                           | REP                              | -                                     | 2                                | 11            |
|                                                   |                                  | <b>\$ -</b>                           | <b>\$ 2</b>                      | <b>\$ 176</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;
- Inspection of swimming pool fencing, spa pools and hot tubs;
- 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 s.12 (2) to provide the services for this activity.

The Building Act 2002 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 (M) - Mandatory performance measure                                                                        | Result                                                                                                                 | Achievement 2017/18                 |
| The Building Control Authority process consents in a timely manner. | That Council issues building consents within the statutory time frame.<br>Target: 100% consents issues within 20 working days. | 267 out of 268 building consents were issued within 20 working days. The exception was due to an administration error. | Not achieved<br>(2016/17: Achieved) |

## Points of Interest

IANZ completed its two yearly assessment of the BCA under the Accreditation of Building Control Authorities Regulations 2016. This resulted in retention of Accreditation with only one corrective action required and very minor recommendations for process improvement.

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

**Service Performance Statement - Building Control  
for the year ended 30 June 2018**

|                                                 | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|-------------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                                  |                                  |                                       |                                  |
| General rates                                   | \$ 231                           | \$ 221                                | \$ 209                           |
| Targeted rates                                  | -                                | -                                     | -                                |
| Revenue from activities                         | 335                              | 289                                   | 302                              |
| Other revenue                                   | 5                                | -                                     | 4                                |
| <b>Total revenue</b>                            | <b>571</b>                       | <b>510</b>                            | <b>515</b>                       |
| <b>Expenditure</b>                              |                                  |                                       |                                  |
| Employee benefit expenses                       | 198                              | 191                                   | 181                              |
| Depreciation and amortisation                   | 9                                | 17                                    | 11                               |
| Finance expenses                                | 1                                | 9                                     | 1                                |
| Other expenses                                  | 245                              | 293                                   | 302                              |
| <b>Total expenditure</b>                        | <b>453</b>                       | <b>510</b>                            | <b>495</b>                       |
| <b>Operating Surplus/(deficit)</b>              | <b>\$ 118</b>                    | <b>\$ -</b>                           | <b>\$ 20</b>                     |
| <b>Capital Expenditure</b>                      |                                  |                                       |                                  |
| Building Control - Inspection hardware/software | -                                | -                                     | 10                               |
| Building Control - Sundry                       | -                                | 1                                     | -                                |
| <b>Total Capital Expenditure</b>                | <b>\$ -</b>                      | <b>\$ 1</b>                           | <b>\$ 10</b>                     |

**Key**

|     |   |   |    |
|-----|---|---|----|
| LOS | - | - | 10 |
| REP | - | 1 | -  |

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

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

fees.

Finance expenses are below the LTP Budget due to reserves balances being in a better position than anticipated at LTP preparation.

Other expenses are below the LTP and Annual Plan Budgets predominately due to reduced general expenditure and accreditation fees.

Capital expenditure for the Inspection Hardware/Software was been deferred in this year due to delays in the development of the programme.

# Resource Management

## What Do We Do Now?

Council has responsibilities for the sustainable management of the 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 sub-division 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 2017/18                                                                   |
| Respond to customer complaints and requests in a timely manner. | Council responds to all environmental complaints within 10 working days.<br>Target: Respond to complaints within 10 working days.                                                | 15 complaints received. 1 complaint was unable to be actioned as the property owner is deceased and unable to contact next of kin.                                                                                                                                                                                                                                                                                                                                                      | Achieved<br>(2016/17: Achieved)                                                       |
| That consents are actioned promptly.                            | That all resource consents are actioned within the statutory time frame.<br>Target non-notified: 100% actioned within 20 days.<br>Target notified: 100% actioned within 70 days. | 33 of 34 resource consents were actioned within the statutory time-frame. The exception was due to staff working with the applicant to achieve an additional condition on the consent. The condition related to improved fire protection conditions for the four units. This condition was not legally required but the time exceedance was considered acceptable given the improvement which was negotiated for future property owners.<br><br>No notified applications were received. | Not achieved<br>(2016/17: Achieved)<br><br>Achieved<br>(2016/17: Not achieved - 100%) |

## Points of Interest

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

**Service Performance Statement - Resource Management  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ 182                           | \$ 175                                | \$ 166                           |
| Targeted rates                     | -                                | -                                     | -                                |
| Revenue from activities            | 49                               | 91                                    | 41                               |
| Other revenue                      | 19                               | 10                                    | 16                               |
| <b>Total revenue</b>               | <b>250</b>                       | <b>276</b>                            | <b>223</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | 92                               | 91                                    | 87                               |
| Depreciation and amortisation      | -                                | -                                     | -                                |
| Finance expenses                   | -                                | -                                     | -                                |
| Other expenses                     | 72                               | 134                                   | 76                               |
| <b>Total expenditure</b>           | <b>164</b>                       | <b>225</b>                            | <b>163</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 86</b>                     | <b>\$ 51</b>                          | <b>\$ 60</b>                     |

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

Revenue from activities is unfavourable compared to the LTP Budget due to lower Reserve and Development Contributions income and Resource Consent income.



# Emergency Management

## What Do We Do Now?

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.

## Why Do We Do It?

Under the Civil Defence and Emergency Management Act 2002, the 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.

## How We Measure The Service Provided

| Customer Performance Measure                                                |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                   |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Level of Service                                                            | Performance Measure                                                                                                                                                      | Result                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Achievement 2017/18                               |
| 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.<br><br>Target: interaction $\geq$ two times per year.               | Invited CDEM Community representatives to undertake radio checks on 5 September 2017 and 4 March 2018. Held several planning sessions and launched Maungati/Cannington Community Response Plan August 2017 and St Andrews/Southburn/Otaio Community Response Plan on 22 May 2018. Meet with Hakataramea and Cattle Creek Community representatives regarding their Community Response Plans.<br><br>Inaugural Waimate CDEM Local Welfare Committee meeting (9 May)<br>Waimate DC Communications Officer takes on lead Public Information Management role - results in increased use of Facebook for public education and information. | Achieved<br><br>(2016/17: Achieved)               |
|                                                                             | 85% of residents are aware that Council is the organisation that is responsible for co-ordinating Civil Defence in the district.<br><br>Target: 85% community awareness. | Next survey 2018/19.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Not measured<br><br>(2016/17: Not achieved - 83%) |

## Customer Performance Measure

| Level of Service                               | Performance Measure                                                                                                                                                                      | Result                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Achievement<br>2017/18              |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| All Emergency Operations Centre staff trained. | All Emergency Operations Centre personnel undertake at least one Civil Defence Emergency Management training per year.<br><br>Target: 100% EOC personnel trained at least once per year. | All EOC staff took part in either response to 21 July 2017 flood event or took part in Exercise Pandora 8 August 2017.<br><br>Developed with Local Controllers new strategy for keeping Emergency Operations Centre staff 'warm' through monthly interaction (electronic, face to face).<br>Developed Duty Roster with Local Controllers to provide increase capacity and capability.<br>Logistic support systems tested - ECAN radio checks (weekly), BGAN Satellite Phone (8 October), Generator checks (monthly), Timaru CDEM Radio Check (weekly).<br><br>EOC Set Up - logistics briefing 15 March, 18/19 staff attended. Annual Canterbury CDEM Welfare Forum (12 April). 2 staff attended. Annual Canterbury CDEM Controllers Forum (18 May). 2 controllers attended.<br>Emergency Operations Centre Function Training Level 3 (11-14 June). 5 staff attended. | Achieved<br><br>(2016/17: Achieved) |

### Points of Interest

To increase resilience the Civil Defence Emergency Management Community Response Plans were developed for St Andrews/Southburn/Otaio and Cannington & Maungati. Other Community Area's Response Plans have been started and we aim to complete them by 2019/20.

Increased integration/cooperation across South Canterbury through attendance of many agencies at the newly formed South Canterbury Civil Defence Emergency Management Coordination Committee.

**Service Performance Statement - Emergency Management  
for the year ended 30 June 2018**

|                                                   | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|---------------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                                    |                                  |                                       |                                  |
| General rates                                     | \$ 23                            | \$ 22                                 | \$ 188                           |
| Targeted rates                                    | 112                              | 111                                   | 110                              |
| Revenue from activities                           | -                                | -                                     | -                                |
| Other revenue                                     | -                                | 1                                     | 3                                |
| <b>Total revenue</b>                              | <b>135</b>                       | <b>134</b>                            | <b>301</b>                       |
| <b>Expenditure</b>                                |                                  |                                       |                                  |
| Employee benefit expenses                         | 41                               | 44                                    | 47                               |
| Depreciation and amortisation                     | 30                               | 5                                     | 56                               |
| Finance expenses                                  | 9                                | 12                                    | 4                                |
| Other expenses                                    | 325                              | 73                                    | 210                              |
| <b>Total expenditure</b>                          | <b>405</b>                       | <b>134</b>                            | <b>317</b>                       |
| <b>Operating Surplus/(deficit)</b>                | <b>\$ (270)</b>                  | <b>\$ -</b>                           | <b>\$ (16)</b>                   |
| <b>Capital Expenditure</b>                        |                                  |                                       |                                  |
|                                                   |                                  | <b>Key</b>                            |                                  |
| Rural Fire - Cannington appliance                 | \$ -                             | LOS                                   | \$ 75                            |
| Rural Fire - St Andrews tanker                    | -                                | LOS                                   | 80                               |
| Rural Fire - Plant                                | -                                | REP                                   | 7                                |
| Rural Fire - Computer equipment and radio upgrade | -                                | REP                                   | 3                                |
| Civil Defence - Mobile technology hardware        | -                                | REP                                   | -                                |
| <b>Total Capital Expenditure</b>                  | <b>\$ -</b>                      |                                       | <b>\$ 165</b>                    |

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 of 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 (surcharging 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 licencing, 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 reporting in relation to the Consolidated Bylaw, such as Trading in Public Places, Keeping of Animals and Liquor Ban bylaw;
- Reporting on Land Information Memorandums regarding health hazards, food and liquor licences and outstanding requisitions;
- Liaising 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, drinking water, 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 ('P' Labs);
- Responding and investigating complaints regarding litter; and
- Public Health Education input – Polytechnic courses (Liquor and Food Safety), schools, interest/service groups.

## 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 2017/18                      |
| Respond to customer complaints and requests in a timely manner. | Council actions food hygiene related complaints within 48 hours.<br>Target: Complaints actioned within 48 hours.                          | 2 complaints actioned within 48 hours.                                                                                                                                                         | Achieved.<br>(2016/17: Achieved)         |
|                                                                 | Council actions noise complaints in the case of late night party noise within two hours.<br>Target: Complaints actioned within two hours. | 15 late night party noise (between hours 2100 - 0700) complaints received.<br>One complaint was attended by First Security but not actioned due to the road being closed for Waimate 50 event. | Not achieved.<br>(2016/17: Not achieved) |

## Customer Performance Measure

| Level of Service                                | Performance Measure                                                                                                   | Result                                                                                         | Achievement 2017/18                     |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------|
| All cow crossings have the appropriate permits. | Council reviews every cow crossing permit annually.<br>Target: Review all permits annually.                           | 32/33 One crossing is overdue for renewal - This is now administered by the Roding Department. | Not achieved<br>(2016/17: Not achieved) |
|                                                 | Council will audit for compliance a minimum of 10% of licenced crossing annually.<br>Target: All crossings compliant. | 6 audits were undertaken.                                                                      | Achieved<br>(2016/17: Achieved)         |

## Points of Interest

Waimate District Council Consolidated Bylaw Review. The bylaws were set in 2008 and the required 10 year bylaw review is underway. Public consultation will take place in October/November with adoption of the new/amended bylaws occurring in December 2018.

### Service Performance Statement - Regulatory Services for the year ended 30 June 2018

|                                    | 2018<br>Actual<br>\$000 | 2018<br>Annual Plan<br>\$000 | 2017<br>Actual<br>\$000 |
|------------------------------------|-------------------------|------------------------------|-------------------------|
| <b>Revenue</b>                     |                         |                              |                         |
| General rates                      | \$ 124                  | \$ 119                       | \$ 120                  |
| Targeted rates                     | -                       | -                            | -                       |
| Revenue from activities            | 42                      | 30                           | 59                      |
| Other revenue                      | 4                       | 1                            | 3                       |
| <b>Total revenue</b>               | <b>170</b>              | <b>150</b>                   | <b>182</b>              |
| <b>Expenditure</b>                 |                         |                              |                         |
| Employee benefit expenses          | -                       | -                            | -                       |
| Depreciation and amortisation      | -                       | -                            | -                       |
| Finance expenses                   | -                       | -                            | -                       |
| Other expenses                     | 146                     | 150                          | 156                     |
| <b>Total expenditure</b>           | <b>146</b>              | <b>150</b>                   | <b>156</b>              |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 24</b>            | <b>\$ -</b>                  | <b>\$ 26</b>            |

# Dog and Animal Control

## What Do We Do Now?

Council 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;
- 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 are:

The better provision for the care and control of dogs by:

- Requiring the registration of dogs;
- Making special provision in relation to dangerous dogs;
- 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.

## How We Measure The Service Provided

| Customer Performance Measure                                 |                                                                                                                                  |                                                                                                                      |                                 |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Level of Service                                             | Performance Measure                                                                                                              | Result                                                                                                               | Achievement 2017/18             |
| Known dogs are registered each year.                         | 95% of all known dogs are registered by 1 December.<br>Target: 95%.                                                              | As at 1 December 2017 99% of known dogs were registered (2838).                                                      | Achieved<br>(2016/17: Achieved) |
| Council responds quickly to wandering stock complaints.      | Council responds to all wandering stock and animal related complaints within two hours.<br>Target: Respond within two hours.     | There were 152 wandering dogs and 54 wandering stock complaints.<br>All responded to within two hours.               | Achieved<br>(2016/17: Achieved) |
| 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.<br>Target: Interview within two hours. | There were 9 attacks on animal/stock and 3 attacks on people.<br>All complainants were interviewed within two hours. | Achieved<br>(2016/17: Achieved) |

## Points of Interest

In December registration of all known dogs in the district was 99%, which is a significant achievement in comparison to other councils.



**Service Performance Statement - Dog and Animal Control  
for the year ended 30 June 2018**

|                                                  | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|--------------------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                                   |                                  |                                       |                                  |
| General rates                                    | \$ 145                           | \$ 139                                | \$ 125                           |
| Targeted rates                                   | -                                | -                                     | -                                |
| Revenue from activities                          | 119                              | 127                                   | 122                              |
| Other revenue                                    | 5                                | 1                                     | 5                                |
| <b>Total revenue</b>                             | <b>269</b>                       | <b>267</b>                            | <b>252</b>                       |
| <b>Expenditure</b>                               |                                  |                                       |                                  |
| Employee benefit expenses                        | 51                               | 35                                    | 22                               |
| Depreciation and amortisation                    | 3                                | 3                                     | 3                                |
| Finance expenses                                 | -                                | -                                     | -                                |
| Other expenses                                   | 225                              | 229                                   | 236                              |
| <b>Total expenditure</b>                         | <b>279</b>                       | <b>267</b>                            | <b>261</b>                       |
| <b>Operating Surplus/(deficit)</b>               | <b>\$ (10)</b>                   | <b>\$ -</b>                           | <b>\$ (9)</b>                    |
| <b>Capital Expenditure</b>                       |                                  |                                       |                                  |
| Dog and Animal Control - Animal cage and dog box | -                                | -                                     | 1                                |
| <b>Total Capital Expenditure</b>                 | <b>\$ -</b>                      | <b>\$ -</b>                           | <b>\$ 1</b>                      |

**Key**

REP

|           |          |           |          |           |          |
|-----------|----------|-----------|----------|-----------|----------|
| \$        | -        | \$        | -        | \$        | 1        |
| <b>\$</b> | <b>-</b> | <b>\$</b> | <b>-</b> | <b>\$</b> | <b>1</b> |

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



# 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 group involves the following activities:

### Economic Development and Promotions

- To increase the wealth of the people and the viability of the businesses in the District.

### Community Support

- Assist the continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes.

### Library

- The provision of a walk in library service offering a wide collection of reading material and electronic information.

| Community Services — Community Outcomes and Rationale Linkages |                                                                                                   |                                                                                                                                                  |                                      |                                                                                                          |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------|
|                                                                | Wealthy Community                                                                                 | Safe and Healthy People                                                                                                                          | Sustainable District and Environment | Active and Supportive Community                                                                          |
| Outcome                                                        | A District that actively promotes itself and encourages development.                              | Our services, infrastructure and environment maintains quality of life.                                                                          | N/A                                  | We celebrate and support the good things about our community.                                            |
| Rationale                                                      | <b>Economic Development and Promotions</b> — we provide reliable information on Council services. | <b>Economic Development and Promotions, Library</b> — we have reliable efficient and well planned services that meet the needs of the community. |                                      | <b>Community Support</b> — we have reliable and efficient services that meet the needs of the community. |



## Funding Impact Statement - Community Services for the year ended 30 June 2018

|                                                          | <b>2018</b>   | <b>2018</b>       | <b>2017</b>       |
|----------------------------------------------------------|---------------|-------------------|-------------------|
|                                                          | <b>Actual</b> | <b>LTP Budget</b> | <b>LTP Budget</b> |
|                                                          | <b>\$000</b>  | <b>\$000</b>      | <b>\$000</b>      |
| <b>Sources of operating funding</b>                      |               |                   |                   |
| General rates, UAGC and rates penalties                  | \$ 342        | \$ 253            | \$ 247            |
| Targeted rates                                           | 348           | 346               | 336               |
| Subsidies and grants for operating purposes              | 21            | 22                | 22                |
| Fees and charges                                         | 13            | 13                | 12                |
| Internal charges and overheads recovered                 | 10            | 6                 | 6                 |
| Interest and dividends from investments                  | -             | 1                 | 1                 |
| Local authority fuel tax, fines, infringement fees other | 15            | 29                | 29                |
| <b>Total sources of operating funding</b>                | <b>749</b>    | <b>670</b>        | <b>653</b>        |
| <b>Applications of operating funding</b>                 |               |                   |                   |
| Payments to staff and suppliers                          | 386           | 394               | 385               |
| Finance costs                                            | -             | -                 | -                 |
| Internal charges and overheads applied                   | 231           | 222               | 215               |
| Other operating funding applications                     | -             | -                 | -                 |
| <b>Total applications of operating funding</b>           | <b>617</b>    | <b>616</b>        | <b>600</b>        |
| <b>Surplus/(deficit) of operating funding</b>            | <b>132</b>    | <b>54</b>         | <b>53</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>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            | 63                | 61                |
| Increase/(decrease) in reserves                          | 81            | (9)               | (8)               |
| Increase/(decrease) in investments                       | -             | -                 | -                 |
| <b>Total applications of capital funding</b>             | <b>132</b>    | <b>54</b>         | <b>53</b>         |
| <b>Surplus/(deficit) of capital funding</b>              | <b>(132)</b>  | <b>(54)</b>       | <b>(53)</b>       |
| <b>Funding balance</b>                                   | <b>\$ -</b>   | <b>\$ -</b>       | <b>\$ -</b>       |

## Service Performance Statement - Community Services Group for the year ended 30 June 2018

|                                      | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|--------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                       |                                  |                                       |                                  |
| General rates                        | \$ 342                           | \$ 328                                | \$ 273                           |
| Civic Amenities Rates                | 348                              | 348                                   | 343                              |
| Revenue from activities              | 49                               | 60                                    | 49                               |
| Other revenue                        | 10                               | 1                                     | 8                                |
| <b>Total revenue</b>                 | <b>749</b>                       | <b>737</b>                            | <b>673</b>                       |
| <b>Expenditure</b>                   |                                  |                                       |                                  |
| Employee benefit expenses            | 176                              | 198                                   | 174                              |
| Depreciation and amortisation        | 52                               | 51                                    | 50                               |
| Finance expenses                     | -                                | -                                     | -                                |
| Other expenses                       | 443                              | 521                                   | 459                              |
| <b>Total expenditure</b>             | <b>671</b>                       | <b>770</b>                            | <b>683</b>                       |
| <b>Operating Surplus/(deficit)</b>   | <b>\$ 78</b>                     | <b>\$ (33)</b>                        | <b>\$ (10)</b>                   |
| <b>Capital Expenditure</b>           |                                  |                                       |                                  |
| Library books                        | 51                               | 62                                    | 46                               |
| Furniture and shelving               | -                                | 4                                     | 18                               |
|                                      | <b>\$ 51</b>                     | <b>\$ 66</b>                          | <b>\$ 64</b>                     |
| <b>Key</b>                           |                                  |                                       |                                  |
| Meets additional demand              | AD                               | \$ -                                  | \$ -                             |
| Improve level of performance/service | LOS                              | -                                     | -                                |
| Replace existing assets              | REP                              | 51                                    | 66                               |
|                                      |                                  | <b>\$ 51</b>                          | <b>\$ 66</b>                     |
|                                      |                                  | <b>\$ 64</b>                          | <b>\$ 64</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 2017/18                               |
| Provide high quality information services.    | 85% of customers are satisfied or very satisfied with Information Centre services.<br><br>Target: 85% satisfied or very satisfied.                                        | Next survey 2018/19.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Not measured<br><br>(2016/17: Not achieved - 72%) |
| Support economic development in the District. | Produce an economic development strategy to guide Council to support development within the District.<br><br>Target: Produce an economic development strategy in 2017/18. | Five themes for the Economic Development Strategy were identified. Terms of Reference for the establishment of five working groups were approved by Council in January 2018. Forty-five members of the community registered at a public meeting on 12 March 2018 to participate in one or more of the working groups. Working group meetings have concluded and action plans developed by 30 June 2018. The plans are currently being collated to form part of the Economic Development Strategy and will be available for Council consideration before the end of the 2018 calendar year. | Not achieved<br><br>(2016/17: Not achieved)       |

## Points of Interest

Work continued on the Economic Development Strategy. Five themes were identified and a working group established for each theme which developed proposed action plans.

'Explore Waimate District' website and Facebook page was developed to promote the district. Promotion of the district was highlighted as a weakness during the initial consultation phase of the Economic Development Strategy, and identified as a priority by Council.

**Service Performance Statement - Economic Development and Promotions  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ 213                           | \$ 204                                | \$ 154                           |
| Targeted rates                     | -                                | -                                     | -                                |
| Revenue from activities            | 14                               | 25                                    | 14                               |
| Other revenue                      | 5                                | 1                                     | 4                                |
| <b>Total revenue</b>               | <b>232</b>                       | <b>230</b>                            | <b>172</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | 57                               | 69                                    | 49                               |
| Depreciation and amortisation      | -                                | -                                     | -                                |
| Finance expenses                   | -                                | -                                     | -                                |
| Other expenses                     | 118                              | 194                                   | 96                               |
| <b>Total expenditure</b>           | <b>175</b>                       | <b>263</b>                            | <b>145</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 57</b>                     | <b>\$ (33)</b>                        | <b>\$ 27</b>                     |

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

General rates income exceeded the LTP Budget and Actual 2017 due to an increased budget for Marketing and Promotions.



# 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 Councils 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 2017/18                         |
| Grants criteria meet the need of the community | All grants administered by Waimate District Council are fully subscribed<br><br>Target: All grants fully subscribed | Sports Fund – One funding round per year.<br><br>November 2017 - 8/8 applications were allocated a total of \$9,806.55 from an available pool fund of \$10,924.00. \$1117.45 carried forward to funding round October 2018.                                                                                                                                                                                                     | Not achieved<br><br>(2016/17: Not achieved) |
|                                                |                                                                                                                     | Creative NZ – (two funding rounds per year April and October).<br><br>October 2017 - 2/2 applications were allocated \$1,525.00 from an available pool fund of \$5,712.00. \$4,187.00 carried forward to second funding round. 2 refunds received totalling \$925.<br><br>April 2018 - 10/13 applications allocated \$10,158.75. from an available fund of \$10,316.00. \$157.00 carried forward to funding round October 2018. | Not achieved<br><br>(2016/17: Not achieved) |
|                                                |                                                                                                                     | Sport NZ Rural Travel Fund – (two funding rounds per year April and October).<br><br>October 2017 - 6/6 applications were allocated \$4,089.60 from an available pool fund of \$4,512.50. \$422.90 carried forward to second funding round.<br><br>April 2018 - 4/4 applications allocated \$4,935.40 from an available pool fund of \$4,935.40.                                                                                | Achieved<br><br>(2016/17: Achieved)         |
|                                                |                                                                                                                     | Waimate District Council Community Fund – (1 funding round per year) February 2018 - 12/12 applications were allocated \$8335.97 from an available pool fund of \$12,379.00. \$4043.03 carried forward to February 2019.                                                                                                                                                                                                        | Not achieved<br><br>(2016/17: Not achieved) |
|                                                |                                                                                                                     | Heritage Fund - open throughout the year. One application allocated \$1000.00 from an available pool fund of \$3,661.72. \$2661.72 carried forward to 2018/19 year.                                                                                                                                                                                                                                                             | Not achieved<br><br>(2016/17: Not achieved) |
|                                                |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                             |

**Service Performance Statement - Community Support  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ 129                           | \$ 124                                | \$ 119                           |
| Targeted rates                     | -                                | -                                     | -                                |
| Revenue from activities            | 21                               | 21                                    | 21                               |
| Other revenue                      | -                                | -                                     | -                                |
| <b>Total revenue</b>               | <b>150</b>                       | <b>145</b>                            | <b>140</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | -                                | -                                     | -                                |
| Depreciation and amortisation      | -                                | -                                     | -                                |
| Finance expenses                   | -                                | -                                     | -                                |
| Other expenses                     | 139                              | 145                                   | 188                              |
| <b>Total expenditure</b>           | <b>139</b>                       | <b>145</b>                            | <b>188</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 11</b>                     | <b>\$ -</b>                           | <b>\$ (48)</b>                   |

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

Other expenses have reduced from Actual 2017 due to the A&P Showgrounds Grant payment of \$50,000 included in Actual 2017.

# 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 Waimate Library collection comprises the latest 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. There is one computer for the public to access all our holdings and general internet access.

The Library also provides exchange collections for Kurow.

## 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 ensure 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 2017/18                          |
| Council's provision of library services is sufficient to meet our community's needs. | 85% of customers satisfied / very satisfied with library services. | Next survey 2018/19. | Not measured<br>(2016/17:<br>Achieved - 96%) |

## Points of Interest

Books Blokes and a Beer, an Early Reading Together® programme for fathers was introduced and proved to be very successful.

New adjustable height customer counters were installed in the Library, benefiting both staff and customers.

**Service Performance Statement - Library  
for the year ended 30 June 2018**

|                                    | <b>2018<br/>Actual<br/>\$000</b> | <b>2018<br/>Annual Plan<br/>\$000</b> | <b>2017<br/>Actual<br/>\$000</b> |
|------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| <b>Revenue</b>                     |                                  |                                       |                                  |
| General rates                      | \$ -                             | \$ -                                  | \$ -                             |
| Civic Amenities Rates              | 348                              | 348                                   | 343                              |
| Revenue from activities            | 14                               | 14                                    | 14                               |
| Other revenue                      | 5                                | -                                     | 4                                |
| <b>Total revenue</b>               | <b>367</b>                       | <b>362</b>                            | <b>361</b>                       |
| <b>Expenditure</b>                 |                                  |                                       |                                  |
| Employee benefit expenses          | 119                              | 129                                   | 125                              |
| Depreciation and amortisation      | 52                               | 51                                    | 50                               |
| Finance expenses                   | -                                | -                                     | -                                |
| Other expenses                     | 186                              | 182                                   | 175                              |
| <b>Total expenditure</b>           | <b>357</b>                       | <b>362</b>                            | <b>350</b>                       |
| <b>Operating Surplus/(deficit)</b> | <b>\$ 10</b>                     | <b>\$ -</b>                           | <b>\$ 11</b>                     |
| <b>Capital Expenditure</b>         |                                  |                                       |                                  |
| Library books                      | \$ 51                            | \$ 62                                 | \$ 46                            |
| Furniture and shelving             | REP -                            | REP 4                                 | REP 18                           |
| <b>Total Capital Expenditure</b>   | <b>\$ 51</b>                     | <b>\$ 66</b>                          | <b>\$ 64</b>                     |

**Key**

|              |              |              |              |
|--------------|--------------|--------------|--------------|
| REP          | \$ 51        | \$ 62        | \$ 46        |
| REP          | -            | 4            | 18           |
| <b>Total</b> | <b>\$ 51</b> | <b>\$ 66</b> | <b>\$ 64</b> |

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

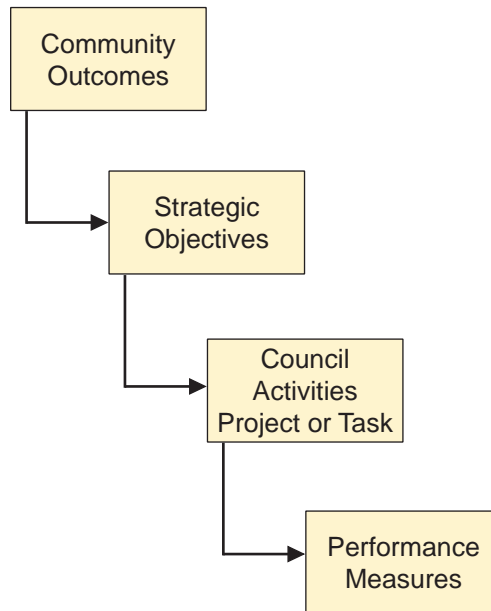




# Vision for Waimate District

Leading our communities towards a diverse, thriving and sustainable 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 desired outcomes.



## Achieving Community Outcomes

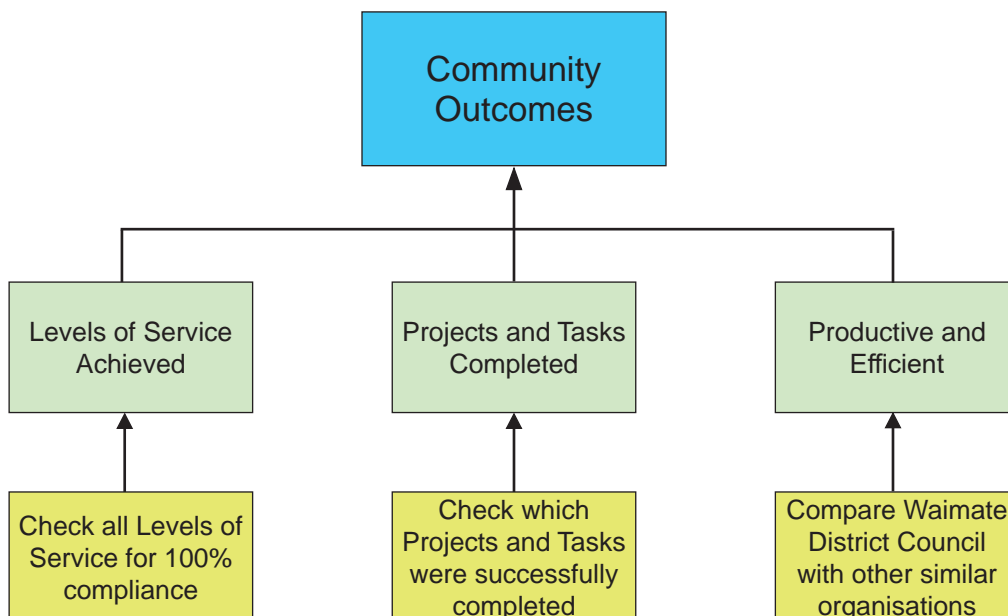
Each year, Council produces its Annual Report to disclose performance against targets set in the LTP.

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.