

ANNUAL REPORT

2019/20



ADOPTED
15 DECEMBER 2020



Cover photo - View from the top of White Horse overlooking Waimate

Photographer Unknown

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MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE



WELCOME TO THE WAIMATE DISTRICT COUNCIL'S ANNUAL REPORT 2019/20

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

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

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

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

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

community.

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

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

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

With the establishment of Taumata Arowai as the Government's Water Services Regulator, the Council continues to have an active participation in the Three

Waters Reforms. What these reforms mean for Council and our district remains unclear in these early discussion stages, however we will continue to monitor the situation closely, and prepare for any potential impact on Council's existing management of urban and rural water supplies.

Following the initial lease of a commercial property at 4 to 6 Gorge Road, the property was purchased as a Council investment. The property has since provided options for present and future use to mitigate identified issues including crowding at the Local Government Centre office and anticipated maintenance work requiring employee displacement. The property is presently utilised as office space and occupied by Council's Asset Team.

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

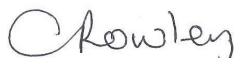
The Waimate Event Centre received funding through Sport Canterbury to introduce the Give Sport A Go programme for school children, enabling our young people the opportunity to try their hand at a new sport and receive coaching at no cost. This has been well supported and continues to be a highlight for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

Following last year's installation of RFID (scanning) technology at the Library, library staff have concentrated this year's efforts on educating and encouraging customers to use the new technology. To this end, it's pleasing to report the vast majority of members now use the new system to self-issue and self-return books, but don't forget our friendly staff are always on hand to help too with this or other queries.

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

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

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



Craig Rowley
Mayor



Stuart Duncan
Chief Executive

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, inventory, 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 Colin Pankhurst
Councillor Sandy McAlwee
Councillor Tom O'Connor JP
Councillor Sheila Paul
Councillor Fabia Fox
Councillor Miriam Morton
Councillor David Owen JP

WARD

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

LEADERSHIP TEAM

| | |
|------------------------------|---|
| Stuart Duncan | Chief Executive |
| Dan Mitchell, BSc | Asset Group Manager |
| Tina Stevenson, ACA, Dip Bus | Corporate Services Group Manager |
| Carolyn Johns, Dip Com | Community and Strategy Group Manager |
| Paul Cooper | Regulatory and Compliance Group Manager |
| Fiona Hester-Smith | Human Resources Manager |
| Michelle Jones | 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 Lane Neave, Christchurch |

CONTACT DETAILS

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Waimate 7924

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Email: council@waimatedc.govt.nz

PO Box 122,
Waimate 7960

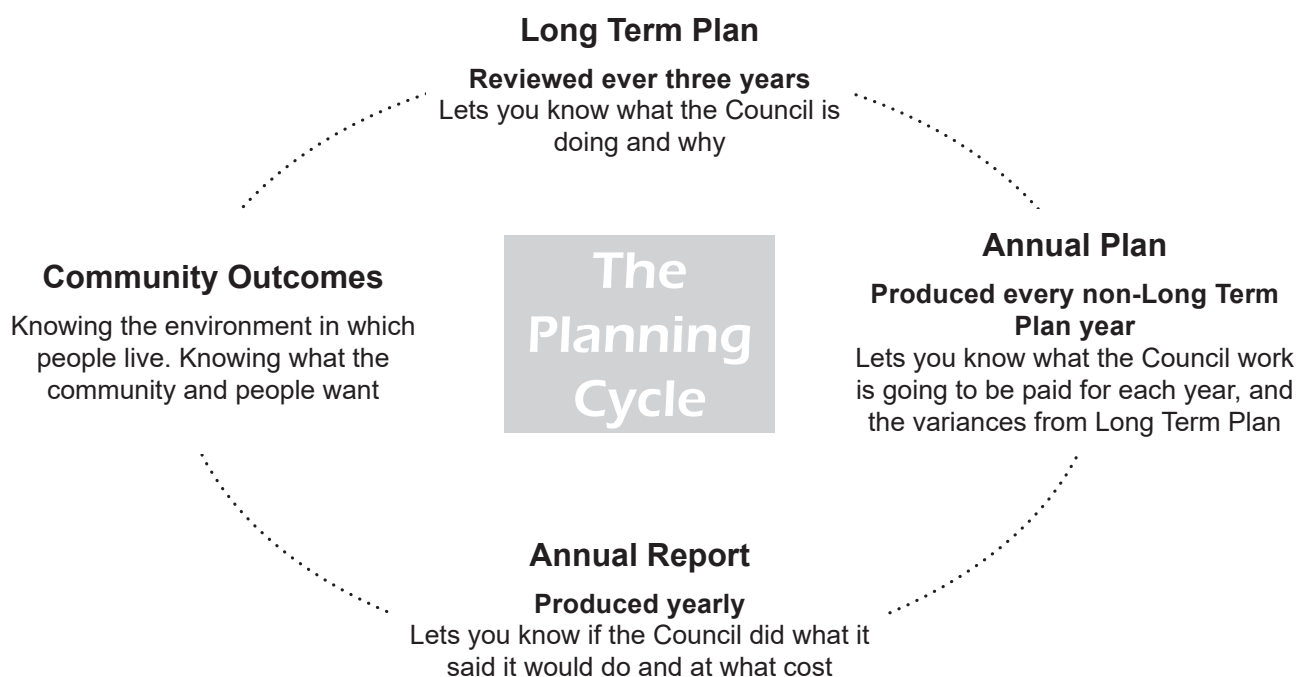
Facsimile: (03) 689 8075

Website: www.waimatedc.govt.nz



ABOUT THE ANNUAL REPORT

The purpose of the Annual Report is to explain how we delivered on year two of the 2018-28 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 9 Groups of Activities:

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| Water Supply Group | 87 | Community Services Group | 131 |
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| Building Control | | | |
| Environmental Services | | | |
| Resource Management | | | |

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 2028, 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 2018-28 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 2018/19 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.

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 2020, fairly reflects the financial position, operations of the Council and activity performance reporting.



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 2020

The Auditor-General is the auditor of Waimate District Council (the District Council). The Auditor-General has appointed me, Rudie Tomlinson, 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 15 December 2020. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 19 to 25 and pages 31 to 77:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2020; and
 - 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.
- the funding impact statement on pages 23 to 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 Council activities performance reporting on pages 87 to 91, 95 to 101, 103 to 105, 107 to 111, 115 to 119, 123 to 128, 131 to 136, 139 to 144:
 - presents fairly, in all material respects, the District Council’s levels of service for each group of activities for the year ended 30 June 2020, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand.
- the statement about capital expenditure for each group of activities on pages 79 to 82, 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 92, 98, 102, 106, 112, 120, 129, 137 and 145, 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 26 to 30, 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.

Emphasis of matter – Impact of COVID-19

Without modifying our opinion, we draw attention to the disclosures about the impact of COVID-19 on the District Council as set out in note 33 to the financial statements.

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 Council activities performance reporting, 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 1 to 11, 17 to 18, 86, 93 to 94, 113 to 114, 121 to 122, 130, 138, 146 to 150, 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.

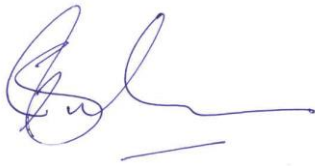
Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If,

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: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit and our report on the disclosure requirements, we have no relationship with or interests in the District Council.

A handwritten signature in blue ink, appearing to read 'Rudie Tomlinson', with a horizontal line underneath.

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

FINANCIAL STATEMENTS

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Financial Summary

Council Financial Statistics

| | Actual 30 June 2020 | Annual Plan 30 June 2020 | Actual 30 June 2019 | Long Term Plan 30 June 2019 |
|--|------------------------|-----------------------------|------------------------|-----------------------------------|
| Proportion of rates to total revenue | 61.8% | 61.2% | 59.5% | 62.2% |
| Average rates per rateable property (equals Total Rates divided by Total Rateable Units) | \$ 2,551 | \$ 2,361 | \$ 2,284 | \$ 2,302 |
| Net public debt as a percentage of total assets | 0.58% | 2.27% | 0.63% | 1.43% |
| Public debt per rateable property | \$ 634 | \$ 2,382 | \$ 617 | \$ 1,442 |
| Rating units | | | | |
| - rateable | 4,092 | | 4,322 | |
| - non-rateable | 237 | | 249 | |
| Total Rating units at the start of the financial year | 4,329 | | 4,571 | |
| Total Capital Value of Rating Units at the start of the financial year (\$000) | \$ 4,795,176 | | \$ 4,784,056 | |
| Total Land Value of Rating Units at the start of the financial year (\$000) | \$ 3,169,515 | | \$ 3,169,229 | |

Historical Financial Performance Summary

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 | Actual 30 June 2018 \$000 | Actual 30 June 2017 \$000 |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| General/Civic Amenities rates | 3,681 | 3,547 | 3,436 | 3,195 |
| Targeted rates | 6,757 | 6,326 | 5,868 | 5,746 |
| Net surplus/(deficit) | (284) | 732 | (345) | 2,131 |
| Working capital | 3,804 | 4,506 | 4,872 | 3,944 |
| Public debt | 2,595 | 2,666 | 2,737 | 2,805 |
| Net assets | 445,908 | 421,548 | 420,815 | 433,511 |

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

| | Note | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|------|---------------------------------|--------------------------------------|---------------------------------|
| Operating Revenue | | | | |
| Rates (net of remissions) | 2 | 10,438 | 10,149 | 9,873 |
| Development and financial contributions | 3 | 135 | 63 | 140 |
| Subsidies and grants | 3 | 3,149 | 3,507 | 3,435 |
| Fees and charges | 3 | 1,172 | 1,079 | 1,099 |
| Interest revenue | 4 | 50 | 3 | 112 |
| Other revenue | 5 | 1,958 | 1,783 | 1,926 |
| Total Operating Revenue | | 16,902 | 16,584 | 16,586 |
| Operating Expenditure | | | | |
| Employment benefit expenses | 6 | 4,456 | 4,544 | 4,019 |
| Depreciation | 14 | 5,078 | 4,856 | 4,719 |
| Amortisation | 16 | 60 | 54 | 49 |
| Finance costs | 4 | 107 | 201 | 108 |
| Other expenses | 8 | 7,484 | 7,256 | 6,959 |
| Total Operating Expenditure | | 17,186 | 16,910 | 15,854 |
| Operating Surplus / (Deficit) before Taxation | | (284) | (326) | 732 |
| Taxation expense | 9 | - | - | - |
| Total Surplus / (Deficit) | | (284) | (326) | 732 |
| Other Comprehensive Revenue and Expenditure | | | | |
| Increase / (decrease) in restricted reserves | 21 | - | - | - |
| Increase / (decrease) in revaluation reserves | 21 | 24,242 | 32,686 | - |
| Financial assets at fair value through other comprehensive revenue and expenditure | 21 | 571 | 797 | - |
| Total other comprehensive revenue and expenditure | | 24,813 | 33,483 | - |
| Total Comprehensive Revenue and Expenditure | | 24,529 | 33,157 | 732 |

The accompanying accounting policies and notes should be read in conjunction with the financial statements

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

| | Note | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|------|---------------------------------|--------------------------------------|---------------------------------|
| Equity at start of year | | 421,548 | 406,724 | 420,815 |
| Total comprehensive income | | 24,529 | 33,157 | 732 |
| Downlands Joint Operation - Share adjustment * | | (168) | - | - |
| Equity at end of year | 21 | 445,908 | 439,882 | 421,548 |

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

The accompanying accounting policies and notes should be read in conjunction with the financial statements

Statement of Financial Position as at 30 June 2020

| | Note | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--------------------------------------|------|---------------------------------|--------------------------------------|---------------------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 10 | 3,837 | 1,620 | 4,530 |
| Trade and other receivables | 11 | 1,595 | 754 | 1,593 |
| Inventories | 12 | 104 | 94 | 113 |
| Other financial assets | 13 | 631 | 12 | 637 |
| Total current assets | | 6,167 | 2,479 | 6,873 |
| Non-current assets | | | | |
| Infrastructural assets | 14 | 399,860 | 403,081 | 375,711 |
| Operational assets | 14 | 27,606 | 25,512 | 27,126 |
| Forestry assets | 15 | 1,691 | 1,827 | 1,894 |
| Intangible assets | 16 | 283 | 186 | 277 |
| Other financial assets | 13 | 15,252 | 18,964 | 14,683 |
| Total non-current assets | | 444,692 | 449,569 | 419,691 |
| Total assets | | 450,859 | 452,049 | 426,564 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Trade and other payables | 17 | 1,817 | 1,448 | 1,923 |
| Borrowings | 20 | 71 | 24 | 71 |
| Provisions | 18 | 6 | 6 | 5 |
| Employment benefit liabilities | 19 | 469 | 410 | 368 |
| Total current liabilities | | 2,363 | 1,887 | 2,367 |
| Non-current liabilities | | | | |
| Provisions | 18 | 64 | 61 | 54 |
| Borrowings | 20 | 2,524 | 10,219 | 2,595 |
| Total non-current liabilities | | 2,588 | 10,280 | 2,649 |
| Equity | | | | |
| Public Equity | 21 | 85,428 | 90,646 | 85,535 |
| Special separate and trust funds | 21 | 2,729 | (4,773) | 3,071 |
| Asset revaluation reserve | 21 | 351,458 | 346,730 | 327,219 |
| Other reserves | 21 | 6,294 | 7,278 | 5,722 |
| Total equity | | 445,908 | 439,882 | 421,548 |
| Total liabilities and equity | | 450,859 | 452,049 | 426,564 |

The accompanying accounting policies and notes should be read in conjunction with the financial statements

Statement of Cash Flows for the year ended 30 June 2020

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

The accompanying accounting policies and notes should be read in conjunction with the financial statements

Funding Impact Statement for the year ended 30 June 2020

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

The accompanying accounting policies and notes should be read in conjunction with the financial statements

Significant variations from the Annual Plan 2020

Subsidies and grants for operating purposes includes the New Zealand Transport Agency subsidy income which increased from the Annual Plan and Actual 2019, following increased operational and maintenance spends.

Fees and charges income exceeded the Annual Plan budget due to higher levels of camping revenue, mainly for the Waitaki Lakes camping areas, and increased income for building consents and health and liquor licenses. The Waste Management activity had reduced fees and charges, compared to the Annual Plan budget, following Level 4 Covid.19 lockdown restrictions, however this was partially offset by reduced contractor costs over the lockdown period.

Local authority fuel tax, fines, infringements fees, and other income has exceeded the Annual Plan budget and Actual 2019 due to increased Community Housing rental income, along with increased recoveries for Urban and Rural Water schemes, and a \$90,000 donation received towards the Waimate Community Vehicle garage at the Waimate Event Centre.

Payments to staff and suppliers has reduced from the Annual Plan budget as a result of reduced salaries and wages due to vacant positions and the timing of replacements (\$142,000 below budget), reduced expenditure for Economic Development and Promotions (\$111,000 below budget), District Plan review expenditure deferred (\$179,000 below budget) and other general spends.

Subsidies and grants for capital expenditure includes the New Zealand Transport Agency subsidy income which reduced from the Annual Plan and Actual 2019. This was predominately due to reduced roading capital spends this year following a delay in works during the Covid.19 Level 4 lockdown, and a staff vacancy and the timing of that replacement in the roading department.

Finance costs were below the Annual Plan budget due to positive cash reserves following reduced capital spends, therefore no additional borrowings were required during 2019/20 as planned.

Capital expenditure was below the Annual Plan budget predominately due to reduced roading spends (\$1.05m below budget) and water supply spends (\$1.75m below budget).

Reconciliation of Net Surplus to Funding Impact Statement for the year ended 30 June 2020

| | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|--------------------------------------|---------------------------------|
| Operating Surplus / (deficit) from Group Statements | | | |
| Water Supply | \$ 130 | \$ (133) | \$ 35 |
| Waste Management | (111) | (8) | (81) |
| Stormwater | 32 | - | 23 |
| Sewerage | 14 | (37) | 46 |
| Roading and Footpaths | (477) | 356 | (139) |
| Organisation and Governance | 213 | 248 | 610 |
| District Planning & Regulatory Services | 85 | (131) | 261 |
| Community Services | 10 | (105) | 199 |
| Community Facilities | (179) | (516) | (221) |
| Surplus / (deficit) per Statement of Comprehensive Income | (284) | (326) | 732 |
| Less donated assets and interest on internal borrowing not included in the FIS | - | - | - |
| Surplus / (deficit) before vested assets and internal interest | (284) | (326) | 732 |
| Less capital grants, subsidies and donations | (1,523) | (2,023) | (1,963) |
| Less development and financial contributions | (135) | (63) | (140) |
| Less revaluation (gains)/losses not included in the FIS | 203 | (166) | (241) |
| Add loss on sale and bad debts not included in the FIS | 51 | - | 21 |
| Add other non-cash items not included in the FIS | - | - | 80 |
| Add depreciation and amortisation not included in the FIS | 5,138 | 4,910 | 4,768 |
| | 3,735 | 2,658 | 2,526 |
| Surplus / (deficit) of operating funding | 3,451 | 2,332 | 3,258 |
| Balance as per Council FIS surplus/(deficit) of funding | 3,451 | 2,332 | 3,258 |

The accompanying accounting policies and notes should be read in conjunction with the financial statements

Disclosure Statement for the year ended 30 June 2020

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.

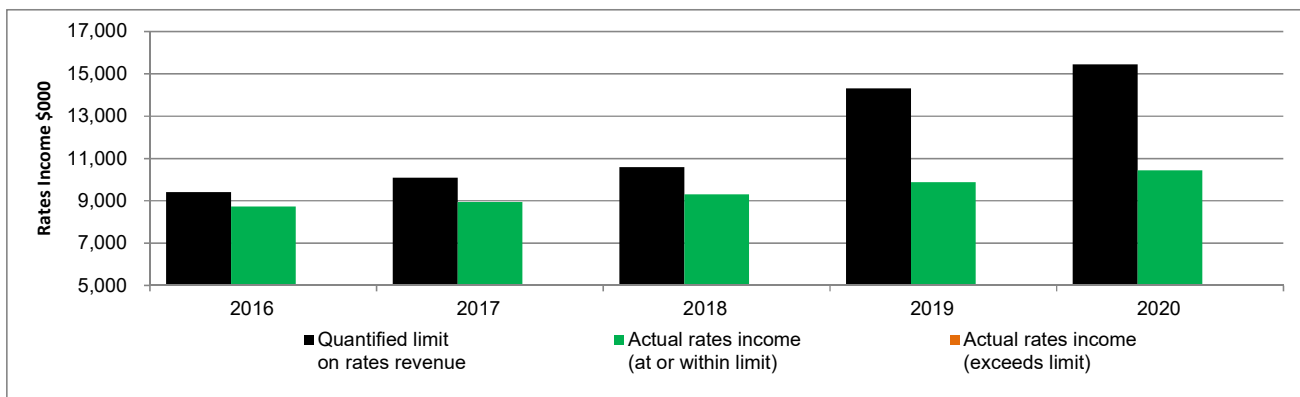
Rates affordability benchmark

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.

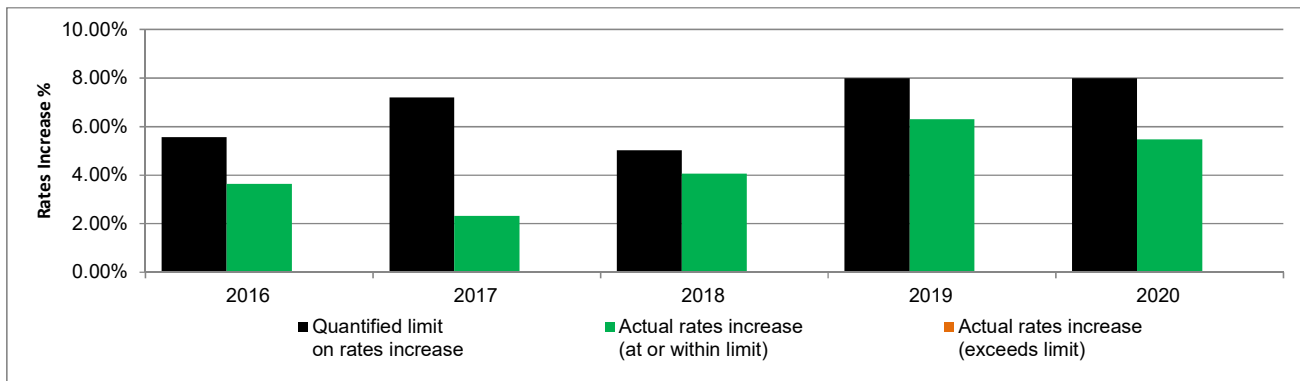
Rates (income) affordability

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.

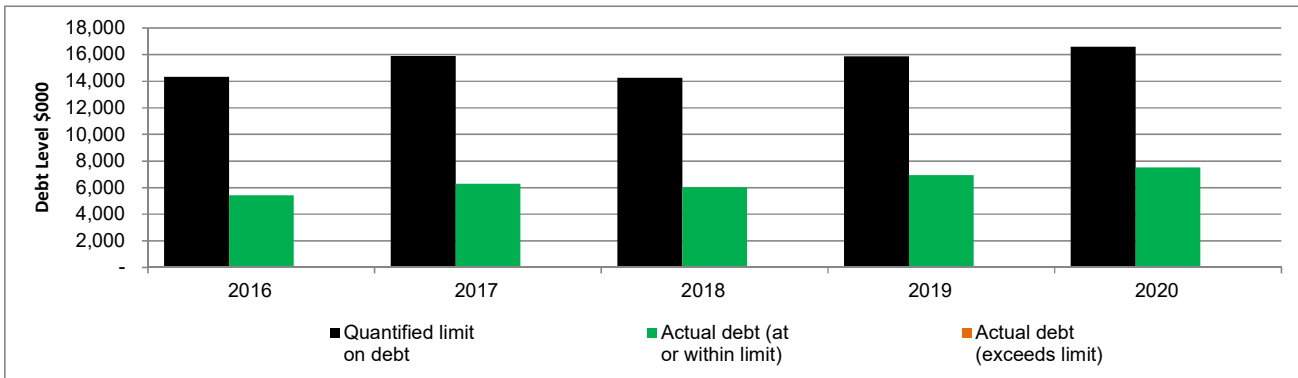


Note that as demonstrated in the above graphs Council has strived and achieved remaining within the total rates requirement as set.

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.

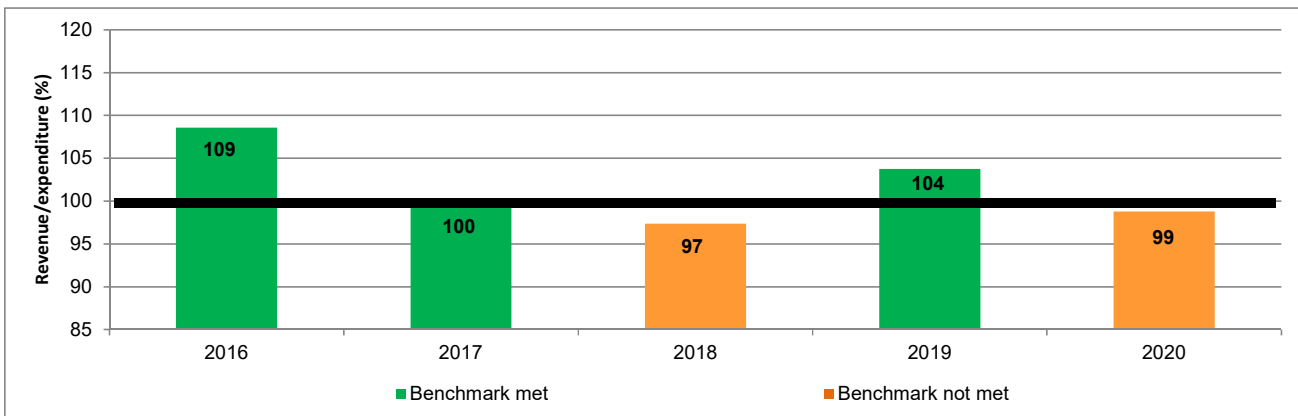


The quantified limit on debt that has been used is the projected Public debt (or Borrowings), both external and internal debt.

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):



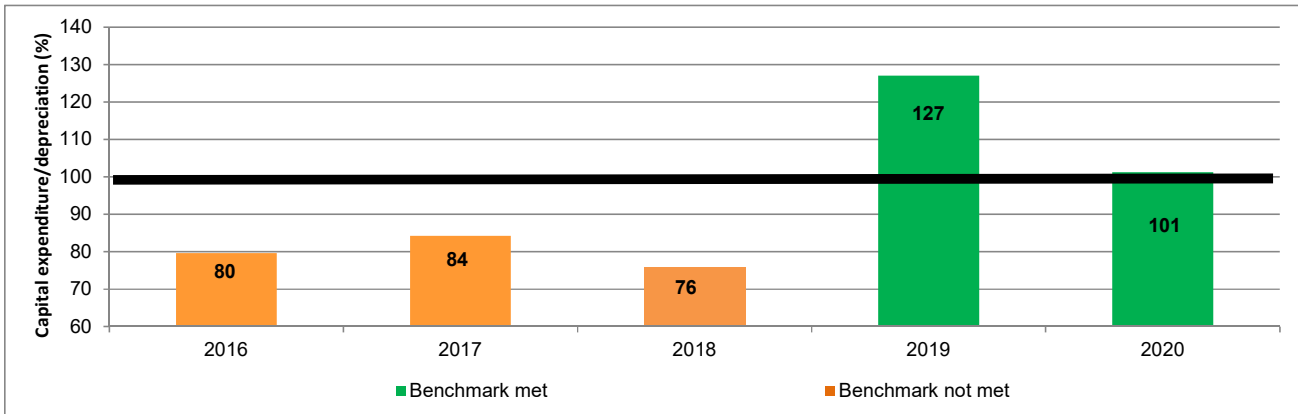
Council has previously decided not to fully fund the depreciation cost of specific assets. This may be for a number of different reasons: that Council has resolved not to replace the asset; that it is unfair to existing ratepayers to pay for a new asset and its replacement; that annual maintenance will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

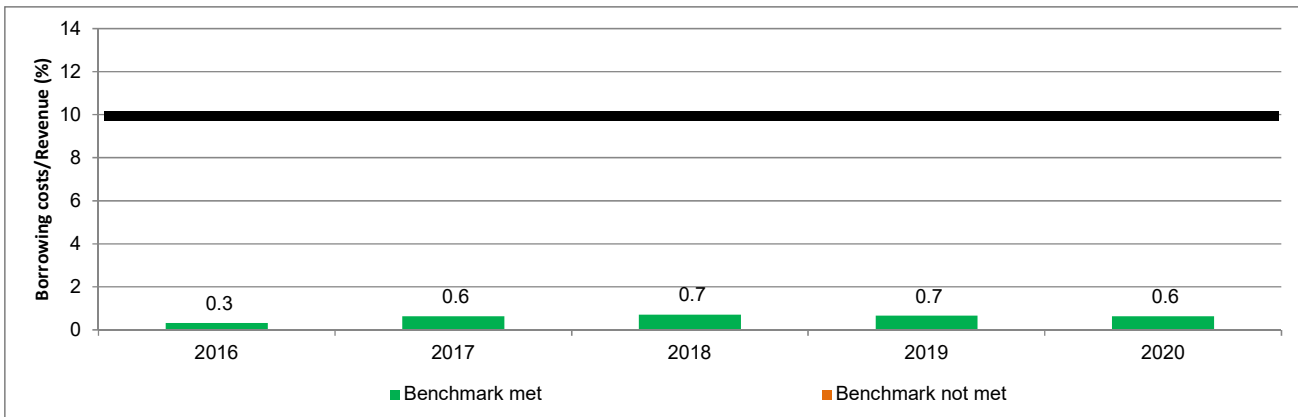
The following graph displays Council's capital expenditure on network services as a proportion of depreciation on those network services:



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.

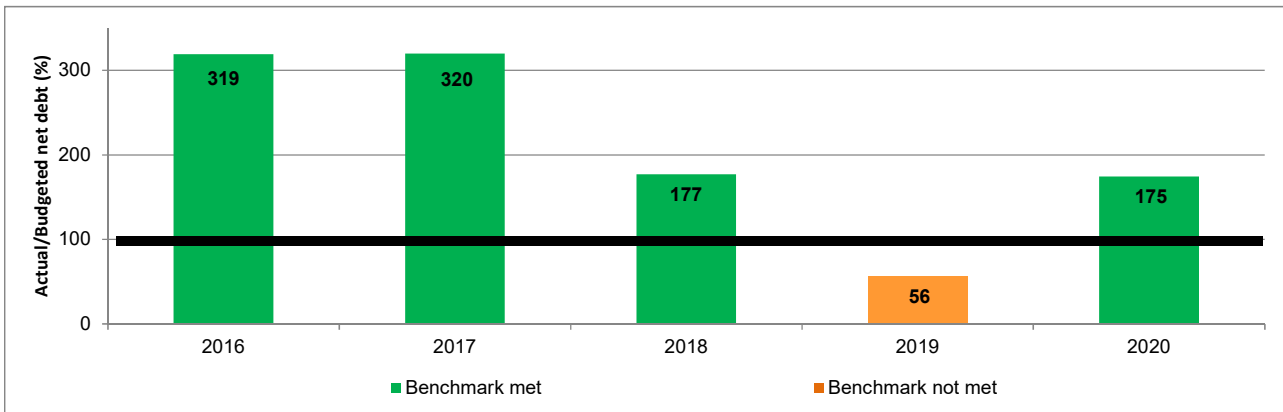
The following graph displays Council's borrowing costs as a proportion of actual revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment):



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):

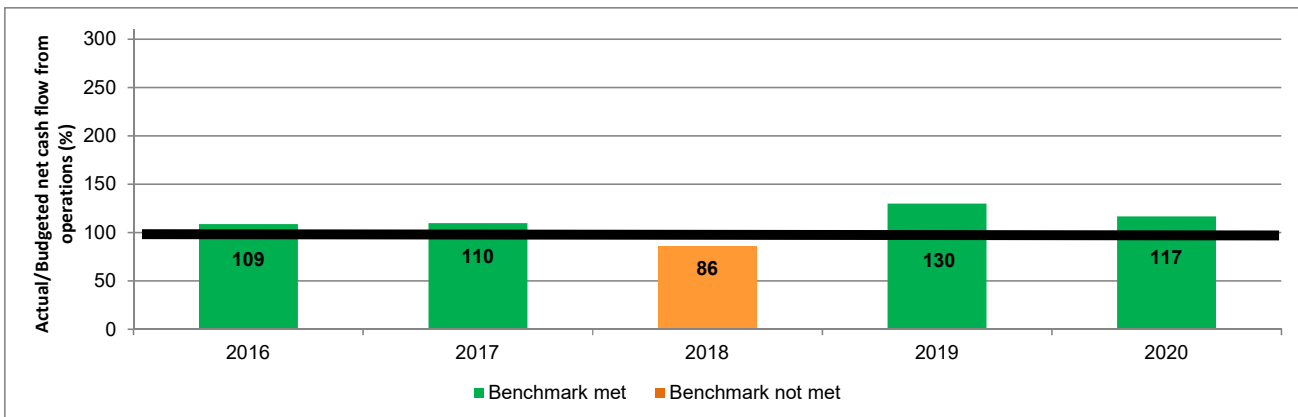











The above graph will show "benchmark met" wherever Council is better off (either less indebted or with greater net assets) than planned. In the graph above Council had net assets greater than planned net assets, except for the 2019 year. The benchmark was not met in 2019 due to a reduction in the value of the Alpine Energy Limited investment compared to the budget which included an increased investment value.

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.



| | How operating costs are funded | Rates proportion of total Rates | Rates 2019/20 |
|--|--|---|---------------|
| Water Supply Urban Water - Two secure ground water bores and associated reticulation Rural Water - Six rural water schemes | ■ Rates 84% ■ Other, including fees and charges 16% |  22.3% | \$ 2,333,431 |
| Waste Management Recycling and refuse collection and disposal services for urban and rural areas | ■ Rates 84% ■ Other, including fees and charges 16% |  9.9% | \$ 1,040,778 |
| Stormwater Drainage Underground pipe system for the removal of surplus surface water in the urban area | ■ Rates 93% ■ Other, including fees and charges 7% |  1.2% | \$ 127,635 |
| Sewerage and Sewage An urban system comprised of gravity sewer mains, gravity lateral connections, manholes A treatment and disposal facility | ■ Rates 83% ■ Other, including fees and charges 17% |  5.2% | \$ 546,896 |
| Roading and Footpaths A district wide network of sealed and unsealed roads, excluding State Highways 1 and 82 Bridges, culverts, footpaths, signage, and street lighting | ■ Rates 46% ■ Other, including fees and charges 54% |  26.0% | \$ 2,730,453 |
| Community Facilities Camping grounds and cabins Cemeteries Managing Parks and Reserves Swimming pool in Waimate Waimate Event Centre Property - A collection of land and buildings | ■ Rates 53% ■ Other, including fees and charges 47% |  15.2% | \$ 1,588,589 |
| Organisation and Governance Operational support of the Council's decision-making Strategic Planning and Reporting District wide governance by the Mayor and Councillors Investments - Managing Council's share holdings, including forestry | ■ Rates 13% ■ Other, including fees and charges 87% |  7.6% | \$ 795,940 |
| District Planning & Regulatory Services Building Control services Resource Management Emergency Management Health Services and Noise Control Animal Management | ■ Rates 44% ■ Other, including fees and charges 56% |  4.6% | \$ 485,159 |
| Community Services Economic Development and Promotions Administration of grants District Library service | ■ Rates 91% ■ Other, including fees and charges 9% |  8.0% | \$ 834,875 |

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 Downlands Rural Water Scheme is a joint committee domiciled in New Zealand and established under the Local Government Act 2002.

Council is a separate legal entity and does not have any subsidiaries.

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

The financial statements of the Council are for the year ended 30 June 2020. The financial statements were authorised for issue by Council on 15 December 2020.

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

There has been one change in accounting policy during the financial year. In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34-38). These new standards replace the expired standards for interests in other entities (PBE IPSAS 6-8). The new standards are effective for annual periods beginning on or after 1 January 2019. Council has applied the new standards in preparing the 30 June 2020 financial statements.

Council's interest in the Downlands Water Scheme has been assessed as a Joint Arrangement (Joint Operation) under PBE IPSAS 37, thereby recognizing its assets, liabilities, revenue and expenses relating to Council's 14% interest in the scheme.

This is a change from the 2019 'joint venture' classification, which saw the application of the proportionate consolidation method of accounting. The impact of this change is negligible.

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

Standards issued and not yet effective, and not early adopted

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council are:

Financial Instruments

In January 2017, the XRB issued PBE IFRS 9 *Financial Instruments*. PBE IFRS 9 replaces PBE IPSAS 29 *Financial Instruments: Recognition and Measurement*. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early adoption permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

Significant accounting policies

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

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 on a quarterly basis when the invoice is issued.

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.

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.

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.

Joint arrangement

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control exists when there is a binding agreement between the parties involved in the arrangement and this agreement requires the relevant activities of the arrangement to be decided by unanimous consent from all parties involved in the arrangement.

For joint arrangements, the Council recognises in its financial statements its assets, liabilities, revenue and expenses relating to its share in the arrangement.

The Council has a joint arrangement with the Timaru District Council and Mackenzie District Council for the Downlands Rural Water Scheme. The Downlands Rural Water Scheme is a joint operation rather than a joint venture because the three Councils jointly own their specified share of the whole scheme and have rights to the assets and obligations for the liabilities relating to the arrangement, due to the structure of the arrangement not being through a separate vehicle. Council's share in this joint arrangement equates to 14%, with Timaru District Council's share being 82% and Mackenzie District Council's 4%.

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 otherwise they are non-current.

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:

| Infrastructural assets | | Depreciable life (years) | Depreciable rate (SL%) | |
|---------------------------|------------------------|-------------------------------------|--|-----------------|
| Roading | Land and Formation | Not depreciable | | |
| | Formation | Not depreciable | | |
| | Pavement Surface | 5 - 18 | 5.56% - 20.00% | |
| | Pavement Unsealed | Not depreciable | | |
| | Pavement Base-course | 100 | 1.00% | |
| | Pavement Sub-base | Not depreciable | | |
| | Drainage | 20 - 100 | 1.00% - 5.00% | |
| | Surface Water Channel | 80 | 1.25% | |
| | Footpaths | 25 - 50 | 2.00% - 4.00% | |
| | Sign | 14 - 30 | 3.33% - 7.14% | |
| | Street Lighting | 30 - 50 | 2.00% - 3.33% | |
| | Traffic Facilities | 15 - 50 | 2.00% - 6.67% | |
| | Bridges | 70 - 100 | 1.00% - 1.43% | |
| | Culvert Bridges | 100 | 1.00% | |
| | Drain Fords | 40 | 2.50% | |
| | Water | Urban Schemes (inc non-pipe) | 1 - 105 | 0.95% - 100.00% |
| | | Rural Schemes (inc non-pipe) | 1 - 100 | 1.00% - 100.00% |
| Downlands Water Scheme | | 1 - 100 | 1.00% - 100.00% | |
| Wastewater | Laterals | 80 | 1.25% | |
| | Manholes | 150 | 0.67% | |
| | Mains Reticulation | 25 - 150 | 0.67% - 4.00% | |
| | Ponds (inc outlets) | 33 - 150 | 0.67% - 3.03% | |
| | Other Assets | 10 - 100 | 1.0% - 10.0% | |
| Sanitation | Solid Waste Assets | 2 - 100 | 1.00% - 34.00% | |
| Stormwater | Pipes | 80 - 150 | 0.67% - 1.25% | |
| | Open Drains | Not depreciable | | |
| | Nodes | 120 | 0.83% | |
| | Elephant Hill drainage | 40 | 3.90% - 4.00% | |
| Operational assets | | Depreciable life (years) | Depreciable rate (SL% or DV%) | |
| | 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:

| | Useful life (years) | Amortisation rate (DV%) |
|-------------------|---------------------|-------------------------|
| 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 the Contingencies Note.

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
- . Special separate and trust funds
- . Asset revaluation reserves
- . Other reserves

Asset revaluation reserves

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

Special separate and trust funds

These 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 the Capital Management Note.

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 2019/20 Annual Plan. 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.

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

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

Infrastructural assets

The Property, Plant and Equipment Note provides information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

Fair Value of Alpine Energy Investment

The Other Financial Assets Note provides information about the estimates and assumptions applied in determining the fair value of the Alpine Energy Limited investment.

Fair Value of Forestry investment

The Forestry Asset Note provides information about the estimates and assumptions applied in determining the fair value of Council's forestry investment.

Fair Value of Land and Buildings

In determining the fair value of land and buildings assets Council acquired an indicative percentage movement of the Council property portfolio from an independent source, to use as the basis for its fair value assessment. No material movement was identified as a result of this assessment.

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 2020:

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

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Revenue | | |
| Community Facilities | | |
| Camping | 472 | 405 |
| Cemeteries | 114 | 82 |
| Event Centre | 585 | 475 |
| Parks and Public Spaces | 824 | 753 |
| Property | 730 | 646 |
| Swimming Pool | 278 | 246 |
| Community Services | | |
| Community Support | 153 | 150 |
| Economic Development and Promotions | 212 | 255 |
| Emergency Management | 181 | 176 |
| Library | 372 | 368 |
| District Planning & Reg. Serv. | | |
| Animal Management | 155 | 169 |
| Building Control | 516 | 540 |
| Environmental Services | 177 | 182 |
| Resource Management | 252 | 280 |
| Organisation and Governance | | |
| Central Administration | 3,804 | 3,782 |
| Community Representation | 911 | 882 |
| Investments and Finance | 770 | 1,025 |
| Strategy | 547 | 586 |
| Roading and Footpaths | | |
| Roading and Footpaths | 5,883 | 6,045 |
| Water Supply | | |
| Rural Water Supply | 1,928 | 1,666 |
| Urban Water Supply | 851 | 779 |
| Sewerage and Sewage | | |
| Sewerage and Sewage | 654 | 581 |
| Waste Management | | |
| Waste Management | 1,239 | 1,181 |
| Stormwater | | |
| Stormwater Drainage | 137 | 104 |
| Total Revenue | 21,744 | 21,360 |

Included within total revenue is "Internal Revenue" as follows:

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Community Facilities | | |
| Camping | 51 | 48 |
| Event Centre | - | - |
| Parks and Public Spaces | 38 | 43 |
| Property | 362 | 341 |
| Swimming Pool | 5 | 11 |
| Community Services | | |
| Community Support | 2 | - |
| Economic Development and Promotions | 21 | 10 |
| Emergency Management | 3 | 1 |
| Library | 7 | 5 |
| District Planning & Reg. Serv. | | |
| Animal Management | 5 | 4 |
| Building Control | - | 11 |
| Environmental Services | 6 | 5 |
| Resource Management | 23 | 22 |
| Organisation and Governance | | |
| Central Administration | 3,684 | 3,670 |
| Community Representation | 19 | 17 |
| Investments and Finance | 380 | 357 |
| Strategy | 15 | 10 |
| Roading and Footpaths | | |
| Roading and Footpaths | - | - |
| Water Supply | | |
| Rural Water Supply | 116 | 120 |
| Urban Water Supply | 32 | 19 |
| Sewerage and Sewage | | |
| Sewerage and Sewage | 40 | 40 |
| Waste Management | | |
| Waste Management | 26 | 33 |
| Stormwater | | |
| Stormwater Drainage | 8 | 6 |
| | 4,842 | 4,774 |

1 Summary of Services

Expenditure

Community Facilities

| | | |
|-------------------------|-----|-----|
| Camping | 542 | 396 |
| Cemeteries | 101 | 103 |
| Event Centre | 533 | 506 |
| Parks and Public Spaces | 891 | 917 |
| Property | 830 | 668 |
| Swimming Pool | 285 | 240 |

Community Services

| | | |
|-------------------------------------|-----|-----|
| Community Support | 161 | 141 |
| Economic Development and Promotions | 226 | 137 |
| Emergency Management | 181 | 146 |
| Library | 340 | 326 |

District Planning & Reg. Serv.

| | | |
|------------------------|-----|-----|
| Animal Management | 187 | 157 |
| Building Control | 475 | 432 |
| Environmental Services | 174 | 166 |
| Resource Management | 179 | 154 |

Organisation and Governance

| | | |
|--------------------------|-------|-------|
| Central Administration | 3,457 | 3,441 |
| Community Representation | 932 | 847 |
| Investments and Finance | 946 | 900 |
| Strategy | 484 | 478 |

Roading and Footpaths

| | | |
|-----------------------|-------|-------|
| Roading and Footpaths | 6,360 | 6,184 |
|-----------------------|-------|-------|

Water Supply

| | | |
|--------------------|-------|-------|
| Rural Water Supply | 1,811 | 1,649 |
| Urban Water Supply | 839 | 761 |

Sewerage and Sewage

| | | |
|---------------------|-----|-----|
| Sewerage and Sewage | 640 | 535 |
|---------------------|-----|-----|

Waste Management

| | | |
|------------------|-------|-------|
| Waste Management | 1,350 | 1,262 |
|------------------|-------|-------|

Stormwater

| | | |
|---------------------|-----|----|
| Stormwater Drainage | 104 | 81 |
|---------------------|-----|----|

Total Expenditure

| | |
|---------------|---------------|
| 22,028 | 20,628 |
|---------------|---------------|

Included within total expenditure is "Internal Expenditure" as follows:

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Community Facilities | | |
| Camping | 82 | 76 |
| Cemeteries | 32 | 32 |
| Event Centre | 176 | 178 |
| Parks and Public Spaces | 237 | 255 |
| Property | 128 | 125 |
| Swimming Pool | 49 | 49 |
| Community Services | | |
| Community Support | 32 | 31 |
| Economic Development and Promotions | 69 | 69 |
| Emergency Management | 57 | 60 |
| Library | 114 | 108 |
| District Planning & Reg. Serv. | | |
| Animal Management | 55 | 53 |
| Building Control | 175 | 165 |
| Environmental Services | 86 | 83 |
| Resource Management | 53 | 52 |
| Organisation and Governance | | |
| Central Administration | 137 | 182 |
| Community Representation | 351 | 353 |
| Investments and Finance | 498 | 608 |
| Strategy | 279 | 283 |
| Roading and Footpaths | | |
| Roading and Footpaths | 882 | 774 |
| Water Supply | | |
| Rural Water Supply | 473 | 469 |
| Urban Water Supply | 310 | 255 |
| Sewerage and Sewage | | |
| Sewerage and Sewage | 225 | 207 |
| Waste Management | | |
| Waste Management | 287 | 277 |
| Stormwater | | |
| Stormwater Drainage | 56 | 31 |
| | 4,842 | 4,774 |

2 Rates Revenue

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| General rates | \$ 1,131 | \$ 1,124 |
| Civic Amenities rates | 2,567 | 2,437 |
| Targeted rates attributable to activities: | | |
| Water Supply | 2,332 | 2,172 |
| Wastewater | 547 | 524 |
| Refuse and sanitation | 789 | 737 |
| Waimate Event Centre | 190 | 191 |
| Roothing and Footpaths | 2,730 | 2,537 |
| Civil Defence | 149 | 146 |
| Community halls | 48 | 47 |
| Total rates | \$ 10,484 | \$ 9,915 |
| Rates Remissions | | |
| Land used for sport | \$ (5) | \$ (1) |
| Halls, community centres, and other organisations | (10) | (11) |
| Land protected for historical or cultural purposes | - | - |
| Resulting from Urban Boundary changes | (4) | (4) |
| Waimate District Event Centre remission | (18) | (18) |
| Civic Amenities for multiple SUIP rating units | (9) | (9) |
| Total remissions | \$ (46) | \$ (42) |
| Rates (net of remissions) | \$ 10,438 | \$ 9,873 |

Rates Remissions

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

- Halls and Community Centres – Waimate Urban Ward (50% of the General Rate, 50% of the Roothing and Footpaths and Civil Defence Targeted Rates, and 50% of the Sewer Charge)
- Halls and Community Centres – Outside of the Waimate Urban Rating Area qualifying for Rates Remissions (50% of the General Rate, 50% of the Roothing and Footpaths and Civil Defence Targeted Rates)
- 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)
- South Canterbury Agricultural and Pastoral Association Inc - Partial remission for various Sewer Multi Targeted rates.
- Bushtown Waimate Inc - 50% remission on the Sewer Targeted rates.
- Rating Units affected by Natural Calamity or Fire
- Rates Penalties – in certain circumstances

3 Contributions, Subsidies and Grants, and Fees and charges

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Development and Financial contributions | \$ 135 | \$ 140 |
| NZ Transport Agency government grants | 2,988 | 3,384 |
| Waimate Event Centre Community Garage donation | 90 | - |
| Other grants | 71 | 52 |
| Subsidies and Grants | \$ 3,149 | \$ 3,435 |
| Building and resource consent charges | 427 | 412 |
| Camping fees | 416 | 354 |
| Dog registration and animal control fees | 111 | 125 |
| Cemetery fees | 50 | 34 |
| Swimming pool revenue | 28 | 27 |
| Library fees | 8 | 12 |
| Refuse collection and disposal | 96 | 111 |
| Other | 35 | 26 |
| Fees and charges | \$ 1,172 | \$ 1,099 |

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

4 Interest Revenue / Finance Costs

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|------------------------------|---------------------------------|---------------------------------|
| Interest revenue | | |
| Interest on term deposits | 50 | 112 |
| Interest on community loans | - | - |
| Total finance revenue | \$ 50 | \$ 112 |
| Interest expense | | |
| Interest on bank borrowings | 107 | 108 |
| Interest on other items | - | - |
| Total finance costs | \$ 107 | \$ 108 |

5 Other Revenue

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Petrol tax | 84 | 93 |
| Dividend revenue | 783 | 757 |
| Forestry Sales | 18 | 87 |
| Gain on disposal of property, plant and equipment | 7 | 11 |
| Gain on changes in fair value of forestry assets | - | 241 |
| Other | 1,066 | 737 |
| Total other revenue | \$ 1,958 | \$ 1,926 |

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

6 Employee Benefit Expenses

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Salaries and Wages | \$ 4,115 | \$ 3,810 |
| Employer contributions to multi-employer defined benefit plans and defined contribution plans | 239 | 205 |
| Other employment benefit expenses | - | - |
| Increase/(decrease) in employee benefit liabilities | 102 | 4 |
| Total employee benefit expenses | \$ 4,456 | \$ 4,019 |

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.

The DBP Contributors Scheme ('the Scheme') is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the Scheme, the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation.

As at 31 March 2020, the Scheme had a past service deficit of \$2.8 million (4.1% of the liabilities). This amount is exclusive of Employer Superannuation Contribution Tax. This deficit was calculated using a discount rate equal to the expected return on the assets but otherwise the assumptions and methodology were consistent with the requirements of PBE IPSAS 25.

The current employer contribution rate is three times contributor contributions, inclusive of Employer Contribution Withholding Tax. The Actuary has recommended a stepped approach to changing the employer contribution rate, as follows:

- 1 April 2020 – 31 March 2021 Three times contributor contributions
- 1 April 2021 – 31 March 2022 Four times contributor contributions
- From 1 April 2022 Five times contributor contributions

The key assumptions in the review were:

- * the difference between the future investment returns and the rates of CPI inflation assumed when calculating future factors for transfers from this Scheme to the DBPAnnuitants Scheme (DBPA Scheme)
- * the pensioner mortality assumptions, which are based on the results of a recent pensioners' mortality investigation, and include an allowance for improving mortality
- * the future investment returns assumed for the Scheme over the next ten years.

The following table shows the Scheme investment return over the next ten years, and the difference between investment return and CPI inflation assumed when calculating future factors for transfers from the Scheme to the DBPA Scheme.

| Valuation date | 31 March 2020 % | 31 March 2019 % |
|--|--------------------|--------------------|
| DBPC Scheme investment return, next 10 years | 2.5 | 1.7 |
| Transfer factors: Difference between investment return and CPI inflation | | |
| First 10 years | 0.6 | 0.4 |
| Thereafter | 1.2 | 1.5 |

7 Depreciation and Amortisation by Activity

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Community Facilities | | |
| Camping | 101 | 96 |
| Cemeteries | 24 | 24 |
| Event Centre | 127 | 124 |
| Parks and Public Spaces | 170 | 157 |
| Property | 276 | 278 |
| Swimming Pool | 78 | 39 |
| Community Services | | |
| Economic Development and Promotions | 5 | 3 |
| Emergency Management | 20 | 24 |
| Library | 59 | 53 |
| District Planning & Reg. Serv. | | |
| Animal Management | 9 | 3 |
| Building Control | 13 | 11 |
| Organisation and Governance | | |
| Central Administration | 187 | 158 |
| Community Representation | 1 | 1 |
| Investments and Finance | 6 | - |
| Roading and Footpaths | | |
| Roading and Footpaths | 3,134 | 2,926 |
| Water Supply | | |
| Rural Water Supply | 384 | 361 |
| Urban Water Supply | 239 | 213 |
| Sewerage and Sewage | | |
| Sewerage and Sewage | 227 | 220 |
| Waste Management | | |
| Waste Management | 46 | 45 |
| Stormwater | | |
| Stormwater Drainage | 33 | 33 |
| Total depreciation and amortisation by activity | 5,138 | 4,768 |

8 Other Expenses

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Fees to principal auditor: | | |
| Audit New Zealand fees for financial statement audit | \$ 92 | \$ 91 |
| Audit New Zealand fees for prior year under accrual | - | - |
| Audit New Zealand fees for Long Term Plan audit | - | - |
| Cost of forestry harvested | - | 74 |
| Roading emergency reinstatement | 38 | 435 |
| Roading sealed pavement maintenance | 497 | 558 |
| Loss on disposal of property, plant and equipment | 52 | 32 |
| Loss on changes in fair value of forestry assets | 203 | - |
| Other operating expenses | 6,602 | 5,769 |
| Total other expenses | \$ 7,484 | \$ 6,959 |

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

9 Taxation expense

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Taxation expense | | |
| Operating surplus/(deficit) before tax | \$ (284) | \$ 732 |
| Income tax at 28% | (80) | 205 |
| Taxation effect of permanent differences | 368 | 79 |
| Effect of imputation credits | (305) | (295) |
| Deferred tax | - | (14) |
| Prior period adjustments | (4) | - |
| Tax effect of losses recognised | - | 14 |
| Tax effect of loss movements | 21 | 11 |
| Taxation expense | \$ - | \$ - |

Deferred tax assets/(liabilities)

| | Forestry | Tax losses | Total |
|---|-------------|-------------|-------------|
| Balance at 1 July 2019 | \$ - | \$ - | \$ - |
| Charged to statement of comprehensive revenue and expenditure | - | - | - |
| Charge to equity | - | - | - |
| Balance at 30 June 2020 | \$ - | \$ - | \$ - |

Council has unrecognised tax losses of \$870,350 (2019: \$796,459) with a tax effect of \$243,698 (2019: \$223,009) which are available to carry forward.

10 Cash and Cash Equivalents

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| ANZ Bank cheque account | \$ 247 | \$ 627 |
| ANZ Call deposit and Short term investments | 3,234 | 3,458 |
| Petty cash | 1 | 1 |
| ANZ Bank accounts - Hakataramea | 50 | 22 |
| BNZ Bank accounts - Downlands | 305 | 423 |
| Total cash and cash equivalents | \$ 3,837 | \$ 4,530 |

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 | \$ 603 | \$ 1,072 |
| Short term bank deposits (less than 3 months) | 3,234 | 3,458 |
| Total cash, cash equivalents and bank overdrafts | \$ 3,837 | \$ 4,530 |

11 Trade and Other Receivables

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Rates receivables | \$ 395 | \$ 309 |
| Other receivables | 288 | 298 |
| Related party receivables | 86 | 53 |
| Sundry receivables | 636 | 716 |
| Prepayments | 129 | 145 |
| GST refund due | 71 | 85 |
| Less provision for doubtful debts | (10) | (13) |
| Total Trade and Other Receivables | \$ 1,595 | \$ 1,593 |
| Represented by: | | |
| Current | \$ 1,595 | \$ 1,593 |
| Non-current | - | - |
| | \$ 1,595 | \$ 1,593 |

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 | \$ 1,304 | \$ 1,373 |
| 3 to 6 months | 84 | 73 |
| 6 to 9 months | 61 | 51 |
| 9 to 12 months | 38 | 36 |
| Greater than 12 months | 108 | 60 |
| | \$ 1,595 | \$ 1,593 |

11 Trade and Other Receivables (continued)

Impairment

The Council provided for nil impairments on rate receivables (2019: One 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:

| | Actual 30 June 2020 \$000 | | | Actual 30 June 2019 \$000 | | |
|------------------------|---------------------------------|-------------|-----------------|---------------------------------|-------------|-----------------|
| | Gross | Impairment | Net | Gross | Impairment | Net |
| Current | \$ 1,304 | | \$ 1,304 | \$ 1,374 | \$ - | \$ 1,374 |
| 3 to 6 months | 84 | | 84 | 73 | - | 73 |
| 6 to 9 months | 61 | | 61 | 51 | - | 51 |
| 9 to 12 months | 38 | | 38 | 36 | - | 36 |
| Greater than 12 months | 118 | (10) | 108 | 73 | (13) | 60 |
| | \$ 1,605 | (10) | \$ 1,595 | \$ 1,606 | (13) | \$ 1,593 |

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.

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---------------------------------------|---------------------------------|---------------------------------|
| Impairment | \$ 10 | \$ 13 |
| Total provision for impairment | \$ 10 | \$ 13 |

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

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| As at 1 July | \$ 13 | \$ 20 |
| Additional provisions made during the year | 6 | - |
| Receivables written off during the year | (9) | (7) |
| As at 30 June | \$ 10 | \$ 13 |

12 Inventories

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|------------------------------|---------------------------------|---------------------------------|
| Utilities Department stores | \$ 96 | \$ 109 |
| Information Centre souvenirs | 2 | 4 |
| Refuse collection bags | 6 | - |
| | \$ 104 | \$ 113 |

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 2020 amounted to \$104,000 (2019: \$113,000).

No inventories are pledged as security for liability.

13 Other Financial Assets

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Current portion | | |
| Investments | | |
| Joint Operation - Downlands | \$ 630 | \$ 592 |
| JV - Hakataramea | - | 44 |
| Loans and receivables | | |
| Loans to community groups | 1 | 1 |
| Total current other financial assets | \$ 631 | \$ 637 |
| Non-current portion | | |
| Loans and receivables | | |
| Loans to community groups | \$ 11 | \$ 12 |
| Total Loans and receivables | 11 | 12 |
| Equity investments (at cost) | | |
| Combined Rural Traders Ltd (CRT) | 7 | 7 |
| NZ Local Government Insurance Company Ltd | 28 | 28 |
| MGI Irrigation Company Ltd | 1 | 1 |
| Equity investments (at fair value) | | |
| Alpine Energy Ltd | 15,206 | 14,635 |
| Total Equity Investments | 15,242 | 14,671 |
| Total non-current other financial assets | \$ 15,252 | \$ 14,683 |

Term deposits

The carrying value of term deposits approximate their fair value.

Unlisted shares - valuation

The fair values have been determined primarily by using a valuation technique based on discounted cash flows and a capitalization of maintainable earnings approach, using a mid-point WACC of 4.2%. Waimate District Councils share of the valuation ranges in value from \$14.7m to \$15.8m with the mid-point of \$15.2m reflected as the fair value in these financial statements. The independent valuation was completed by EY, at 31 March 2020. There were no material changes in the business following 31 March 2020, so it was concluded that valuing the business at 30 June 2020 would not produce a material difference.

Listed shares - valuation

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

14 Property, Plant and Equipment

| 2020 | Cost/Valuation 1 July 2019 \$000 | Accumulated depreciation and impairment charges 1 July 2019 \$000 | Carrying amount 1 July 2019 \$000 | Current year additions \$000 | Current year disposals at cost/valuation \$000 | Current year depreciation/impairment \$000 | Current year transfers \$000 | Accumulated depreciation of disposals \$000 | Revaluation Surplus \$000 | Cost / valuation 30 June 2020 \$000 | Accumulated depreciation and impairment charges 30 June 2020 \$000 | Carrying amount 30 June 2020 \$000 |
|--|----------------------------------|---|-----------------------------------|------------------------------|--|--|------------------------------|---|---------------------------|-------------------------------------|--|------------------------------------|
| Operational Assets | | | | | | | | | | | | |
| Operating | | | | | | | | | | | | |
| Land | \$ 5,773 | \$ - | \$ 5,773 | \$ 75 | \$ (6) | \$ - | \$ - | \$ - | \$ - | \$ 5,841 | \$ - | \$ 5,841 |
| Buildings | 12,978 | (599) | 12,379 | 726 | - | (607) | - | - | - | 13,704 | (1,205) | 12,499 |
| Library books | 1,063 | (625) | 438 | 56 | - | (47) | - | - | - | 1,119 | (672) | 447 |
| Plant and Equipment | 2,426 | (1,053) | 1,373 | 712 | (200) | (285) | - | 137 | - | 2,938 | (1,202) | 1,736 |
| Motor vehicles | 941 | (570) | 371 | 161 | - | (92) | - | - | - | 1,102 | (662) | 440 |
| Work in progress | 367 | - | 367 | 156 | - | - | (325) | - | - | 198 | - | 198 |
| Total operating assets | 23,548 | (2,847) | 20,701 | 1,886 | (206) | (1,031) | (325) | 137 | - | 24,902 | (3,741) | 21,161 |
| Restricted | | | | | | | | | | | | |
| Land | 6,425 | - | 6,425 | 19 | - | - | - | - | - | 6,444 | - | 6,444 |
| Buildings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total restricted assets | 6,425 | - | 6,425 | 19 | - | - | - | - | - | 6,444 | - | 6,444 |
| Total operational assets | \$ 29,973 | \$ (2,847) | \$ 27,126 | \$ 1,905 | \$ (206) | \$ (1,031) | \$ (325) | \$ 137 | \$ - | \$ 31,347 | \$ (3,741) | \$ 27,606 |
| Infrastructural Assets | | | | | | | | | | | | |
| Wastewater schemes | \$ 10,636 | \$ (419) | \$ 10,217 | \$ 2 | \$ - | \$ (223) | \$ - | \$ - | \$ 445 | \$ 10,441 | \$ - | \$ 10,441 |
| Rural water schemes | 9,509 | (855) | 8,654 | 145 | - | (263) | (31) | - | 835 | 9,342 | - | 9,342 |
| Cattle Creek and Haka water schemes | - | - | - | - | - | (2) | 31 | - | - | 362 | (333) | 30 |
| Urban water schemes | 8,430 | (426) | 8,004 | 1,341 | - | (237) | - | - | 468 | 9,576 | - | 9,576 |
| Downlands water scheme | 2,987 | (930) | 2,057 | 201 | (120) | (114) | - | - | 2,267 | 4,426 | (136) | 4,290 |
| Rural drainage schemes | 57 | (56) | 2 | - | - | (1) | - | - | - | 57 | (57) | - |
| Roading network | 348,374 | (5,660) | 342,714 | 2,420 | - | (3,134) | - | - | 19,559 | 361,558 | - | 361,558 |
| Stormwater schemes | 3,167 | (67) | 3,100 | 10 | - | (33) | - | - | 669 | 3,746 | - | 3,746 |
| Sanitation | 572 | (77) | 495 | - | - | (39) | - | - | - | 457 | - | 457 |
| Work in progress | 468 | - | 468 | 253 | - | - | (300) | - | - | 421 | - | 421 |
| Total infrastructural assets | \$ 384,200 | \$ (8,490) | \$ 375,711 | \$ 4,372 | \$ (120) | \$ (4,046) | \$ (300) | \$ - | \$ 24,243 | \$ 400,385 | \$ (526) | \$ 399,860 |
| Total Property, plant and equipment | \$ 414,173 | \$ (11,337) | \$ 402,837 | \$ 6,277 | \$ (326) | \$ (5,077) | \$ (625) | \$ 137 | \$ 24,243 | \$ 431,732 | \$ (4,267) | \$ 427,466 |

14 Property, Plant and Equipment (continued)

| 2019 | Cost/Valuation 1 July 2018 \$000 | Accumulated depreciation and impairment charges 1 July 2018 \$000 | Carrying amount 1 July 2018 \$000 | Current year additions \$000 | Current year disposals at cost/valuation \$000 | Current year depreciation/impairment \$000 | Current year transfers \$000 | Accumulated depreciation of disposals \$000 | Revaluation Surplus \$000 | Cost / valuation 30 June 2019 \$000 | Accumulated depreciation and impairment charges 30 June 2019 \$000 | Carrying amount 30 June 2019 \$000 |
|--|----------------------------------|---|-----------------------------------|------------------------------|--|--|------------------------------|---|---------------------------|-------------------------------------|--|------------------------------------|
| Operational Assets | | | | | | | | | | | | |
| Operating | | | | | | | | | | | | |
| Land | \$ 5,773 | \$ - | \$ 5,773 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,773 | \$ - | \$ 5,773 |
| Buildings | 12,911 | - | 12,911 | 66 | - | (599) | - | - | - | 12,978 | (599) | 12,379 |
| Library books | 999 | (579) | 420 | 64 | - | (46) | - | - | - | 1,063 | (625) | 438 |
| Plant and Equipment | 2,110 | (889) | 1,221 | 413 | (97) | (199) | - | 35 | - | 2,426 | (1,053) | 1,373 |
| Motor vehicles | 1,002 | (535) | 467 | - | (61) | (91) | - | 55 | - | 941 | (570) | 371 |
| Work in progress | 73 | - | 73 | 357 | - | - | (63) | - | - | 367 | - | 367 |
| Total operating assets | 22,868 | (2,003) | 20,865 | 900 | (158) | (935) | (63) | 90 | - | 23,548 | (2,847) | 20,701 |
| Restricted | | | | | | | | | | | | |
| Land | 6,402 | - | 6,402 | 24 | - | - | - | - | - | 6,425 | - | 6,425 |
| Buildings | - | - | - | - | - | - | - | - | - | - | - | - |
| Total restricted assets | 6,402 | - | 6,402 | 24 | - | - | - | - | - | 6,425 | - | 6,425 |
| Total operational assets | \$ 29,270 | \$ (2,003) | \$ 27,267 | \$ 924 | \$ (158) | \$ (935) | \$ (63) | \$ 90 | \$ - | \$ 29,973 | \$ (2,847) | \$ 27,126 |
| Infrastructural Assets | | | | | | | | | | | | |
| Wastewater schemes | \$ 9,911 | \$ (204) | \$ 9,707 | \$ 726 | \$ - | \$ (216) | \$ - | \$ - | \$ - | \$ 10,636 | \$ (419) | \$ 10,217 |
| Rural water schemes | 9,339 | (566) | 8,773 | 170 | - | (291) | - | - | - | 9,509 | (855) | 8,654 |
| Urban water schemes | 7,750 | (215) | 7,535 | 680 | - | (211) | - | - | - | 8,430 | (426) | 8,004 |
| Downlands water scheme | 2,905 | (863) | 2,042 | 83 | - | (67) | - | - | - | 2,987 | (930) | 2,057 |
| Rural drainage schemes | 57 | (53) | 4 | - | - | (2) | - | - | - | 57 | (56) | 2 |
| Roading network | 345,431 | (2,734) | 342,697 | 2,943 | - | (2,926) | - | - | - | 348,374 | (5,660) | 342,714 |
| Stormwater schemes | 2,651 | (33) | 2,618 | 516 | - | (33) | - | - | - | 3,167 | (67) | 3,100 |
| Sanitation | 572 | (38) | 534 | - | - | (39) | - | - | - | 572 | (77) | 495 |
| Work in progress | 819 | - | 819 | 309 | - | - | (661) | - | - | 468 | - | 468 |
| Total infrastructural assets | \$ 379,435 | \$ (4,706) | \$ 374,729 | \$ 5,427 | \$ - | \$ (3,785) | \$ (661) | \$ - | \$ - | \$ 384,200 | \$ (8,490) | \$ 375,711 |
| Total Property, plant and equipment | \$ 408,705 | \$ (6,709) | \$ 401,996 | \$ 6,351 | \$ (158) | \$ (4,720) | \$ (724) | \$ 90 | \$ - | \$ 414,173 | \$ (11,337) | \$ 402,837 |

14 Core Assets additional disclosure

| | Closing Book Value \$000 | Acquisitions - constructed \$000 | Acquisitions - transferred \$000 | Estimated replacement cost \$000 |
|--|--------------------------------|--|--|---|
| Water Supply | | | | |
| Treatment plants and facilities | \$ 3,198 | \$ 754 | \$ - | \$ 6,327 |
| Other assets (such as reticulations systems) | 19,712 | 787 | - | 42,896 |
| Total Water Supply | \$ 22,910 | \$ 1,541 | \$ - | \$ 49,223 |
| Water Supply assets were revalued in June 2020 | | | | |
| Sewerage | | | | |
| Treatment plants and facilities | \$ 2,149 | \$ - | \$ - | \$ 2,716 |
| Other assets (such as reticulations systems) | 8,292 | 2 | - | 22,380 |
| Total Sewerage | \$ 10,441 | \$ 2 | \$ - | \$ 25,096 |
| Sewerage assets were revalued in June 2020 | | | | |
| Stormwater drainage | \$ 3,746 | \$ 10 | \$ - | \$ 6,171 |
| Stormwater Drainage assets were revalued in June 2020 | | | | |
| Flood protection and control works | \$ - | \$ - | \$ - | - |
| Flood protection is undertaken by ECAN | | | | |
| Roading and footpaths | \$ 361,558 | \$ 2,420 | \$ - | \$ 495,890 |
| Roading and footpath assets were revalued in June 2020 | | | | |

Valuation - general

Land, buildings (operational and restricted) and infrastructural assets (excluding 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 Elephant Hill drainage scheme was revalued 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 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 Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2020. The valuation was peer reviewed by Council.

Urban and rural water assets were valued 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 2020. The valuation was peer reviewed by Council.

Downlands water scheme assets were valued by Timaru District Council and peer reviewed by Brian Smith Advisory Services Limited (B Com CA), using a replacement cost basis and the valuation is effective at 1 July 2019.

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 Irene Wu and Aaron Hartland of WSP New Zealand Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2020. Land under roads is valued at cost or the value determined from the 2011 revaluation.

Stormwater assets were valued 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 2020. The valuation was peer reviewed by Council.

Sanitation assets (transfer station and recycling building) were valued by Belen Rada and Kerry Mayes of WSP New Zealand Limited using optimised depreciated replacement cost and the valuation is effective as at 30 June 2020. The valuation was peer reviewed by Council.

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 2020 - Irene Wu and Aaron Hartland of WSP New Zealand Limited | 361,557,887 |
| Wastewater, urban and rural water, and stormwater - 30 June 2020 - valued by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited, peer reviewed by Council. | 33,106,096 |
| Downlands Water Scheme - 1 July 2019 - valued by Timaru District Council and peer reviewed by Brian Smith Advisory Services Limited (B Com CA). | 28,937,209 |
| Waimate District Council share (14% : \$4,051,209) | |
| Sanitation - 30 June 2020 - Belen Rada and Kerry Mayes of WSP New Zealand Limited, peer reviewed by Council. | 483,232 |

Covid-19 - Impacts on infrastructural revaluations

The impacts on infrastructural revaluations are outlined in the Covid-19 disclosure.

Impairment

The value of impairment losses was \$33,816 for Plant and Equipment (2019 nil).

Work in progress

The total amount of property, plant and equipment in the course of construction is \$619,000 (2019 \$835,000). Work in progress is disclosed above.

Leasing

The net carrying amount of plant and equipment held under finance leases is \$nil (2019 \$nil).

Water Schemes (additional note)

Rural Water Scheme and Urban Water Scheme asset classes comprise of assets that were not revalued in 2020. 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.

Downlands Water Scheme measurement basis

The measurement basis for Downlands Water Scheme has changed from historical cost to the revaluation model for the 2019/20 financial year, in agreement with the joint arrangement parties being Waimate, Timaru and MacKenzie District Council's.

15 Forestry Assets

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Opening balance | \$ 1,894 | \$ 1,727 |
| Gains/(losses) arising from changes in fair value less estimated point of sale costs | (203) | 241 |
| Capital works | - | - |
| Decreases due to harvest | - | (74) |
| Transfer to non-current assets held for sale | - | - |
| Closing balance | \$ 1,691 | \$ 1,894 |

Represented by (Laurie Forestry Ltd yearly valuation dated 1 July 2020):

| | | |
|------------------------|-----------------|-----------------|
| Reserves | \$ 281 | \$ 391 |
| Waihao Forest | 1,410 | 1,503 |
| Closing balance | \$ 1,691 | \$ 1,894 |

Valuation Method

The 2020 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 Kirsten Stuart (RMNZIF) of Laurie Forestry Ltd. The 2019 Annual Report 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 2020, so that trees planted in 2010, for example, are aged ten years in terms of this convention.

Covid-19 - Impacts on forestry valuation

The impacts on forestry valuations are outlined in the Covid-19 disclosure.

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 2020:

| | Area by Age (years) by Class (ha) | | | | | | | Total |
|---------------|-----------------------------------|------------|------------|-------|--------------|-------------|-----|--------------|
| | 0-5 | 5-10 | 10-15 | 15-20 | 20-25 | 25-30 | 30+ | |
| Forest | | | | | | | | |
| Reserves | - | 7.7 | 1.4 | - | 9.8 | 14.2 | - | 33.1 |
| Waihao Forest | - | - | - | - | 103.3 | - | - | 103.3 |
| Total | - | 7.7 | 1.4 | - | 113.1 | 14.2 | - | 136.4 |
| Percentage | - | 5.6% | 1.0% | - | 82.9% | 10.4% | - | 100.0% |

16 Intangible Assets

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| ETS Carbon Credits | | |
| Cost | | |
| Balance at 1 July | \$ 69 | \$ 69 |
| Additions | - | - |
| Balance at 30 June | \$ 69 | \$ 69 |
| Software | | |
| Cost | | |
| Balance at 1 July | \$ 441 | \$ 409 |
| Additions | 66 | 32 |
| Disposals | (18) | - |
| Balance at 30 June | \$ 489 | \$ 441 |
| Accumulated amortisation and impairment losses | | |
| Balance at 1 July | \$ (233) | \$ (185) |
| Amortisation charge for the year | (60) | (49) |
| Disposals | 18 | - |
| Balance at 30 June | \$ (275) | \$ (233) |
| Software carrying value at 30 June | \$ 214 | \$ 207 |
| Total Intangible assets carrying value at 30 June | \$ 283 | \$ 277 |

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 \$78,474 on the tradable carbon credit market as at 30 June 2020.

As at 30 June 2020 there were 20,239 NZUs in the account pertaining to the Post89 Registration, with a tradable value of \$645,624. The last emissions return was lodged in February 2018 where a total of 12,662 NZUs were claimed.

Note: The tradeable values are based on a unit price of \$31.90/NZU as at 30 June 2020.

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

Easements

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

17 Trade and Other Payables

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---------------------------------------|---------------------------------|---------------------------------|
| Sundry payables | \$ 1,388 | \$ 1,577 |
| Revenue received in advance | 263 | 216 |
| Accrued expenses | 2 | 3 |
| Related party payables | 57 | 47 |
| Other | 107 | 80 |
| Total Trade and other payables | \$ 1,817 | \$ 1,923 |

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

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Current liability portion | | |
| Landfill aftercare | \$ 6 | \$ 5 |
| Total Current liability portion | \$ 6 | \$ 5 |
| Non-current liability portion | | |
| Landfill aftercare | \$ 64 | \$ 54 |
| Total Non-current liability portion | \$ 64 | \$ 54 |
| Total Provisions | \$ 70 | \$ 59 |

The 2018 valuation prepared by Waimate District Council is on the same basis as the 2014 and 2012 valuations. 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.

Waimate Urban Sewer Main - Waimate Landfill

Whilst Landfill aftercare (post-closure) costs have been reviewed (and allowed for), a contingent liability still remains. The contingent liability relates to the main trunk sewer that traverses below the closed landfill and its replacement due to failure. No provision is provided as it is anticipated that the trunk sewer can be renewed using modern techniques that replace open trenching and at a comparable cost.

19 Employee Benefit Liabilities

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Accrued salaries and wages | \$ 126 | \$ 83 |
| Annual leave | 339 | 281 |
| Long service leave | 3 | 3 |
| Retirement gratuities | - | - |
| Total employee benefit liabilities | \$ 469 | \$ 368 |
| Represented by: | | |
| Current liabilities | 469 | 368 |
| Non-current liabilities | - | - |
| | \$ 469 | \$ 368 |

20 Public Debt

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Secured debt | \$ 71 | \$ 71 |
| Total Current liability portion | \$ 71 | \$ 71 |
| Non-current liability portion | | |
| Secured debt | \$ 2,524 | \$ 2,595 |
| Total Non-current liability portion | \$ 2,524 | \$ 2,595 |
| Total Public Debt | \$ 2,595 | \$ 2,666 |

The interest rate applying to the above loan is 3.99% (2019: 3.99%).

Fixed-rate debt

The Council's secured debt of \$2,595,000 (2019: \$2,666,000) is issued at a fixed rate of interest until 2021.

Security

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is \$200,000 (2019: \$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.

| | Actual \$000 | Actual \$000 |
|--|-----------------|-----------------|
| Less than one year | | |
| Overdraft | \$ - | \$ - |
| Overdraft Interest rate | 8.35% | 9.50% |
| Secured loans | \$ 71 | \$ 71 |
| Weighted average effective interest rate | 3.99% | 3.99% |
| Between one and five years | | |
| Secured loans | \$ 2,524 | \$ 2,595 |
| 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:

| | Actual \$000 | Actual \$000 |
|------------------------|-----------------|-----------------|
| Carrying amount | | |
| Secured loans | \$ 2,595 | \$ 2,666 |
| Fair Value | | |
| Secured loans | \$ 2,595 | \$ 2,666 |

21 Equity

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Public Equity (Retained earnings) | | |
| As at 1 July | \$ 85,535 | \$ 84,667 |
| Downlands Joint Operation - Share adjustment | (168) | - |
| Transfers from/(to) special separate and trust funds | 341 | 136 |
| Transfers from/(to) asset revaluation reserves | 4 | - |
| Surplus/(deficit) for the year | (284) | 732 |
| Total Public Equity as at 30 June | \$ 85,428 | \$ 85,535 |
| Special separate and trust funds | | |
| As at 1 July | \$ 3,071 | \$ 3,207 |
| Transfers from/(to) public equity | (341) | (136) |
| Transfers from comprehensive revenue and expenditure | - | - |
| Total Special separate and trust funds as at 30 June | \$ 2,729 | \$ 3,071 |
| Asset revaluation reserves | | |
| As at 1 July | \$ 327,219 | \$ 327,219 |
| Transfers from/(to) public equity | - | - |
| Revaluation gains/(losses) | 24,242 | - |
| Impairment of revalued asset/reversal | (4) | - |
| Total Asset revaluation reserves as at 30 June | \$ 351,458 | \$ 327,219 |
| Other reserves | | |
| As at 1 July | \$ 5,722 | \$ 5,722 |
| Revaluation gains/(losses) | 571 | - |
| Total Other reserves | \$ 6,294 | \$ 5,722 |
| Total Equity | \$ 445,909 | \$ 421,547 |
| Asset revaluation reserves consist of: | | |
| Operational assets | | |
| Land - freehold | \$ 5,168 | \$ 5,172 |
| Buildings | 6,961 | 6,961 |
| Restricted assets | | |
| Land - restricted | 4,720 | 4,720 |
| Infrastructural assets | | |
| Wastewater schemes | 7,702 | 7,257 |
| Rural water schemes | 5,774 | 4,938 |
| Downlands water scheme | 2,267 | - |
| Urban water scheme | 6,231 | 5,763 |
| Roading network | 309,187 | 289,628 |
| Stormwater schemes | 2,973 | 2,304 |
| Sanitation | 477 | 476 |
| | \$ 351,458 | \$ 327,219 |
| Special separate and trust funds consist of: | | |
| Discretionary reserves | \$ 792 | \$ 857 |
| Restricted reserves | 614 | 582 |
| Trusts | 224 | 221 |
| Special Reserves | 5,406 | 4,330 |
| Asset Renewal Reserves | 2,259 | 3,002 |
| Non-Cash Reserves | 969 | 1,026 |
| Internal Loan Reserves | (7,536) | (6,947) |
| | \$ 2,729 | \$ 3,071 |

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.

21 Equity (continued)

Other reserves

Council has Restricted Reserves, several types of Council Created Reserves, and a Fair value through Other Comprehensive Revenue and Expenditure reserve (for movements in share investments value).

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

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

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

| | Opening balance 1 July 2019 \$000 | Deposits \$000 | Withdrawals \$000 | Closing balance 30 June 2020 \$000 |
|---|--|-------------------|----------------------|---|
| Restricted Reserves | | | | |
| Discretionary | | | | |
| Perpetual Graves | \$ 98 | \$ 5 | \$ - | \$ 103 |
| Esplanade | 48 | 2 | - | 51 |
| Subdivision Contribution | 537 | 34 | (93) | 477 |
| Waste Minimisation | 171 | 30 | (41) | 160 |
| Mayors Welfare Relief Fund | 1 | - | - | 1 |
| Restricted | | | | |
| Endowment Land | 240 | 12 | - | 252 |
| Te Aka Road Grant - Rock fall Protection | 65 | 3 | - | 69 |
| Te Aka Road Grant - Recreational | 89 | 4 | - | 93 |
| Waimate Event Centre | 140 | 75 | (71) | 144 |
| Heritage Fund Reserve | 10 | - | (2) | 8 |
| Creative New Zealand Grant Reserve | - | 13 | - | 12 |
| NZ Sport & Recreation Grants - Reserve | 1 | - | (1) | - |
| Community Grant Reserve | - | - | - | - |
| Waimate Community Halls | 28 | 1 | - | 30 |
| Track Development Grant | 10 | 20 | (23) | 6 |
| Trusts | | | | |
| Friends of Knottingley Park | - | 4 | (4) | - |
| Library Bequests | 222 | 11 | (8) | 224 |
| Non-cash | | | | |
| Downlands Asset Replacement | 1,011 | - | (55) | 955 |
| Downlands Capital Contributions | 15 | - | (1) | 14 |
| Total Restricted Reserves | \$ 2,686 | \$ 214 | \$ (299) | \$ 2,599 |
| General Reserves | | | | |
| General Reserves | \$ 1,091 | \$ 1,092 | \$ (169) | \$ 2,014 |
| Property Reserve | 159 | 15 | (66) | 107 |
| Community Housing | (156) | 1 | - | (154) |
| Forestry Reserve | 50 | 42 | (95) | (3) |
| Camping | 672 | 9 | (61) | 621 |
| Rates Smoothing Reserve | 466 | 66 | - | 532 |
| Economic Development Special Grant Fund | 101 | 117 | - | 219 |
| Total General Reserves | \$ 2,383 | \$ 1,342 | \$ (391) | \$ 3,336 |
| Civic Amenities Rate Reserve | | | | |
| Civic Amenities Rate Reserve | \$ 1,272 | \$ 194 | \$ (140) | \$ 1,327 |
| Total Civic Amenities Rate Reserve | \$ 1,272 | \$ 194 | \$ (140) | \$ 1,327 |

21 Equity (continued)

| | Opening balance 1 July 2019 \$000 | Deposits \$000 | Withdrawals \$000 | Closing balance 30 June 2020 \$000 |
|--|--|-------------------|----------------------|---|
| Targeted Rate Reserves | | | | |
| Urban Water Scheme | \$ (8) | \$ 12 | \$ - | \$ 4 |
| Sewerage | 433 | 21 | - | 453 |
| Waste Management - Collection | 111 | - | (28) | 83 |
| Rural Water Scheme Operating Reserves | | | | |
| Cannington/Motukaika | 97 | 16 | - | 114 |
| Cattle Creek | (16) | - | - | (16) |
| Hook/Waituna | (112) | 25 | - | (87) |
| Lower Waihao | 147 | 30 | - | 177 |
| Otaio/Makikihi | 122 | 9 | - | 131 |
| Waihaorunga | (73) | - | (1) | (73) |
| Waikakahi | (26) | - | (16) | (43) |
| Total Targeted Rate Reserves | \$ 675 | \$ 113 | \$ (45) | \$ 743 |
| Internal Loan Reserves | | | | |
| Urban Water Scheme | \$ (2,052) | \$ 40 | \$ (800) | \$ (2,812) |
| Sewerage | (971) | 38 | - | (933) |
| Stormwater | (350) | 20 | - | (330) |
| Roading Renewals / Bridge Renewals | (358) | 20 | - | (338) |
| Waste Management - Disposal | (550) | 22 | - | (527) |
| Library / Local Government Centre Extension | - | - | - | - |
| Waimate District Community Complex | (2,666) | 71 | - | (2,595) |
| WEC Build - Additional Spend | - | - | - | - |
| Total Internal Loan Reserves | \$ (6,947) | \$ 211 | \$ (800) | \$ (7,536) |

21 Equity (continued)

| | Opening balance 1 July 2019 \$000 | Deposits \$000 | Withdrawals \$000 | Closing balance 30 June 2020 \$000 |
|---|--|-------------------|----------------------|---|
| Asset Renewal Reserves | | | | |
| General Asset Renewal Reserves | | | | |
| General Reserves | \$ 486 | \$ 187 | \$ (330) | \$ 342 |
| Property Reserve | 960 | 266 | (752) | 474 |
| Community Housing | 485 | 64 | (9) | 541 |
| Forestry Reserve | (85) | - | - | (85) |
| Camping | 156 | 103 | (58) | 201 |
| Stormwater | (118) | 13 | (17) | (122) |
| Civic Amenities Rate Asset Renewal Reserve | | | | |
| Civic Amenities Rate Asset Renewal Reserve | (275) | 292 | (537) | (520) |
| Targeted Rate Asset Renewal Reserves | | | | |
| Sewerage | 366 | 183 | (109) | 441 |
| Waste Management - Collection | 180 | 23 | (6) | 197 |
| Roading Reserve | - | - | - | - |
| Urban Water Scheme | 166 | 998 | (1,148) | 16 |
| Rural Water Schemes | | | | |
| Cannington/Motukaika | 154 | 14 | - | 168 |
| Cattle Creek | 9 | 1 | - | 10 |
| Hook/Waituna | 325 | 72 | (28) | 369 |
| Lower Waihao | (175) | 43 | (49) | (181) |
| Otaio/Makikihi | (29) | 69 | (80) | (40) |
| Waihaorunga | 48 | 11 | (4) | 56 |
| Waikakahi | 349 | 54 | (11) | 392 |
| Total Asset Renewal Reserves | \$ 3,002 | \$ 2,393 | \$ (3,138) | \$ 2,259 |
| Special Separate and Trust Funds | \$ 3,071 | \$ 4,468 | \$ (4,812) | \$ 2,729 |

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 |
|----------------------------|--|--------------------------|
| Discretionary | | |
| Perpetual Graves | Future development of cemeteries in the District | Cemeteries |
| Esplanade | To purchase/develop esplanade strips or reserves | Parks and Public Spaces |
| Subdivision Contribution | 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 |

Restricted

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

Trusts

| | | |
|-----------------------------|------------------------------------|-------------------------|
| Friends of Knottingley Park | Beautification of Knottingley Park | Parks and Public Spaces |
| Library Bequests | Purchase of Library Books | Library |

Non-cash

| | | |
|---------------------------------|--|--------------|
| 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, Roading, 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 |

21 Equity (continued)

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

| | | |
|----------------------|--|--------------|
| Cannington/Motukaika | Funds accumulated for operation of the water supply scheme | Water Supply |
| Cattle Creek | Funds accumulated for operation of the water supply scheme | Water Supply |
| Hook/Waituna | Funds accumulated for operation of the water supply scheme | Water Supply |
| Lower Waihao | Funds accumulated for operation of the water supply scheme | Water Supply |
| Otaio/Makikihi | Funds accumulated for operation of the water supply scheme | Water Supply |
| Waihaorunga | Funds accumulated for operation of the water supply scheme | Water Supply |
| Waikakahi | Funds accumulated for operation of the water supply scheme | Water Supply |

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 |
| Library / Local Government Centre Extension | 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 |

Civic Amenities Rate Asset Renewal Reserve

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

21 Equity (continued)

Asset Renewal Reserves (continued)

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 (2019: 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 2018 Council signed a new three year contract commencing 1 November 2018.

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Capital Commitments | | |
| Capital expenditure contracted for at balance date not yet incurred for property, plant and equipment: | | |
| Buildings | \$ - | \$ 28 |
| Plant and Equipment | - | 154 |
| Urban Sewer and Water | 135 | - |
| Roading | - | - |
| | \$ 135 | \$ 182 |
| Capital Commitments | | |
| Not later than one year | 135 | 90 |
| Later than one year, not later than five years | - | - |
| Later than five years | - | - |
| | \$ 135 | \$ 90 |

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 1 to 3 months. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Non-cancellable operating leases as lessee | | |
| Not later than one year | \$ 198 | \$ 133 |
| Later than one year, not later than five years | - | - |
| Later than five years | - | - |
| | \$ 198 | \$ 133 |

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:

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Non-cancellable operating leases as lessor | | |
| Not later than one year | \$ 121 | \$ 129 |
| Later than one year, not later than five years | 188 | 298 |
| Later than five years | - | - |
| | \$ 309 | \$ 427 |

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 2020 (30 June 2019: nil).

Contingent Liabilities

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

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

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

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 arrangements.

Joint Operation

Timaru District Council - Downlands rural water scheme

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|---------------------------------|
| Related party transactions and balances (Inter group transactions and balances) | | |
| Timaru District Council - Downlands rural water scheme | | |
| Services provided by Council | \$ 252 | \$ 249 |
| Accounts payable to Council | (252) | (249) |
| | \$ - | \$ - |

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

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Key Management personnel | | |
| Chief Executive and senior management personnel | | |
| Full time equivalent members | 6.80 | 6.80 |
| Salaries and other short term employee benefits | \$ 963 | \$ 921 |
| Councillors | | |
| Full time equivalent members | 9.00 | 9.00 |
| Councillors | 286 | 232 |
| Total full time equivalent personnel | 15.80 | 15.80 |
| Total key management personnel remuneration | \$ 1,249 | \$ 1,153 |

Key management personnel includes the Mayor, Councillors, Chief Executive and other senior management personnel. Due to the difficulty in determining the full-time equivalents for Councillors, the full-time equivalent figure is taken as the number of Councillors.

25 Remuneration

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--------------------------------------|---------------------------------|---------------------------------|
| Chief Executive | \$ 212 | \$ 210 |
| Additional benefits | | |
| Employer Superannuation contribution | 16 | 16 |
| Motor Vehicle | 4 | 4 |
| Communication expenses | 2 | - |
| Total Chief Executive | \$ 234 | \$ 230 |
| Council Representatives | | |
| Craig Rowley (Mayor) | \$ 83 | \$ 71 |
| Sharyn Cain (Deputy Mayor) | 35 | 27 |
| David Anderson | 6 | 19 |
| Peter Collins | 6 | 19 |
| Fabia Fox | 18 | - |
| Jakki Guildford | 6 | 19 |
| Sandy McAlwee | 18 | - |
| Miriam Morton | 24 | 19 |
| Tom O'Connor | 24 | 19 |
| Sheila Paul | 24 | 20 |
| Colin Pankhurst | 18 | - |
| David Owen | 24 | 19 |
| Total Council representatives | \$ 286 | \$ 232 |

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

26 Employee Staffing Levels and Remuneration

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Total full time equivalent number of employees | 53.08 | 50.47 |
| Represented by: | | |
| Full time employees | 44 | 44 |
| Full time equivalent of all other employees | 9.08 | 6.47 |

(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).

Numbers of employees, who are employed at 30 June, where annual remuneration is within the following bands:

| | | |
|-----------------------|-----------|-----------|
| \$0 - \$60,000 | 29 | 29 |
| \$60,001 - \$80,000 | 17 | 14 |
| \$80,001 - \$140,000 | 16 | 16 |
| \$140,001 - \$240,000 | 1 | 1 |
| | 63 | 60 |

For both 2020 and 2019, 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 2020 there were nil (2019: nil) severance payments made to employees.

28 Financial Instrument Categories

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|---------------------------------|
| Financial Assets | | |
| Loans and receivables | | |
| Cash and cash equivalents | \$ 3,837 | \$ 4,530 |
| Trade and other receivables (excluding prepayments) | 1,466 | 1,448 |
| Term deposits | 630 | 636 |
| Community loans | 12 | 13 |
| Loans to related parties | - | - |
| | \$ 5,944 | \$ 6,627 |
| Available for sale: | | |
| Equity investments (at cost) | | |
| Combined Rural Traders Ltd (CRT) | \$ 7 | \$ 7 |
| NZ Local Government Insurance Company Ltd | 28 | 28 |
| MGI Irrigation Company Ltd | 1 | 1 |
| Equity investments (at fair value) | | |
| Alpine Energy Ltd | 15,206 | 14,635 |
| | \$ 15,242 | \$ 14,671 |
| Total financial assets | \$ 21,186 | \$ 21,298 |
| Financial Liabilities | | |
| Financial liabilities at amortised cost | | |
| Trade and other payables (excluding revenue in advance) | \$ 1,553 | \$ 1,706 |
| Borrowings | 2,595 | 2,666 |
| | \$ 4,148 | \$ 4,372 |
| Total financial liabilities | \$ 4,148 | \$ 4,372 |

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.

30 Insurance Disclosure

During the 2019/20 year Council had cover in place for its below ground infrastructure assets, provided by the Local Authority Protection Programme Disaster Fund (LAPP). In the event of a claim during this year Council would have had to fund 8 times its annual contribution before the LAPP Fund would pay 40% of the reinstatement costs of the loss, with Central Government meeting the remaining 60%.

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

| | Actual 30 June 2020 \$000 | Actual 30 June 2019 \$000 | Actual 30 June 2018 \$000 | Actual 30 June 2017 \$000 |
|-----------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Insurance costs | \$ 337 | \$ 261 | \$ 228 | \$ 211 |

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 \$46,440,264.

Vehicles and Moving plant

The total asset value for insurance purposes is \$1,097,464. All vehicles are insured for replacement value.

Forestry

The maximum insurance cover is \$1,653,139 for fire events and \$645,396 for windstorm.

Roading and Footpath Assets

The total asset value is \$495,890,000. 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 \$284,000 against the Annual Plan budget deficit of \$326,000. The major variances are explained in the following table:

| | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Variance to 30 June 2020 \$000 |
|---|---------------------------------|--------------------------------------|--------------------------------------|
| Income Variances | | | |
| General and Targeted rates | \$ 10,438 | \$ 10,149 | \$ 289 |
| NZ Transport Agency government grants | 2,988 | 3,453 | (464) |
| Financial contributions | 135 | 63 | 72 |
| Fees and charges | 1,172 | 1,079 | 92 |
| Gain / (losses) on changes in fair value of forestry assets | (203) | 166 | (369) |
| Donation Waimate Community Vehicle Garage | 90 | - | 90 |
| Expenditure Variances | | | |
| Employee benefit expenses | 4,456 | 4,544 | 87 |
| Councillor remuneration | 286 | 225 | (61) |
| Depreciation and amortisation | 5,138 | 4,910 | (228) |
| Consultancy and legal expenses | 65 | 207 | 142 |
| District Plan Review expenditure | - | 179 | 179 |
| Economic Development, Promotions and Council initiatives | 35 | 141 | 106 |
| Electricity | 548 | 447 | (101) |
| Roading emergency reinstatement | 38 | - | (38) |
| All other Roothing expenditure | 2,754 | 2,634 | (119) |
| Sub-total Major Variances | 1,299 | 1,624 | (325) |
| All other revenues and expenditure | (1,583) | (1,950) | 367 |
| Total Surplus/(deficit) | \$ (284) | \$ (326) | \$ 42 |

Rates income exceeded budget due to a change in accounting treatment for Downlands Water Supply. Council's interest in the Downlands Water Scheme has been accounted for as a joint operation under PBE IPSAS 37, therefore Council has recognised in its financial statements its assets, liabilities, revenue and expenses relating to its share in the arrangement. The Annual Plan budget was based on the equity method.

NZ Transport Agency government grants income was less than the Annual Plan budget due to reduced capital spends.

Financial contributions exceeded budget due to increased economic activity.

Fees and charges income exceeded budget mainly due to increased camping revenue at the Waitaki Lakes, and also increased income for building consents and health and liquor licenses. The Waste Management activity had reduced fees and charges, compared to the Annual Plan budget, following Level 4 Covid.19 lockdown restrictions, however this was partially offset by reduced contractor costs over the lockdown period.

Gain on changes in fair value of forestry assets are the gains Council receive based on the Annual Forest Valuations, the gains on tree growth. This year saw a reduction in forest values due to price changes.

Council received a donation towards the build of a garage for the community vehicles at the Waimate Event Centre.

Employment Benefit Expenses were below budget due to vacant positions and the timing of staff replacements.

Councillor remuneration, determined by the Remuneration Authority, exceeded the Annual Plan forecast.

Depreciation and amortisation expenses exceeded budget, predominately due to the Roothing activity, where asset values and associated depreciation increased at 1 July 2019 compared to the basis for the Annual Plan forecast. The Downlands Water Scheme depreciation expense also exceeded budget, due to the change in accounting treatment (as noted above).

A reduction in the need for legal expertise and consultancy has resulted in expenditure favourable to budget.

There were no District Plan Review expenses incurred this year. The budget for this expenditure will be carried forward to the 2020/21 financial year.

Economic Development, Promotions and Council Initiatives expenditure is below budget, with the budget to be carried forward to the 2020/21 year for implementation of the Economic Development strategy and initiatives.

Electricity costs exceeded budget mainly in the Rural Water Schemes areas.

Some roading emergency works was completed during the year following rainfall events. Other roading operational scheduled maintenance exceeded budget due to increased focus on unsealed pavement maintenance and metalling.

32 Events After Balance Date

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

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

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

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

(2019: No significant post balance date events).

33 The effects of COVID-19 on Waimate District Council

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

During this period, the Council:

- * Activated its Civil Defence Emergency Operations Centre (EOC) in support of the health led response to the pandemic. Systems were quickly established over a 14 day period to meet emerging welfare needs within the community, including grocery delivery to households and patient transfers to hospital. This required a sustained effort from several staff working long hours to meet the needs.
- * As the Emergency was declared Council responded developing systems to enable governance decisions to be made remotely via the internet (e.g. Zoom) and work streams were assessed to establish what levels of service across the organisation would look like in a Level 4 and then Level 3 Alert Level.
- * Some staff were able to work from home with some limitations, others required significant IT input in order to be able to work remotely – such as staff in the Building Control team. Some staff worked longer than normal hours to maintain necessary functions and the added layer of COVID-19 considerations.
- * Some areas of service delivery were simply put on hold during the lockdown, others had statutory requirements to be provided, such as Resource Planning, Animal Control, the 3 Waters, Waste Management and Building Control. Even though statutory functions continued, it was in some instances a limited capacity – a much reduced level of service.

What did this mean for specific Council operations?

- * The Council Offices were closed to the public from 23 March 2020 and re-opened on 18 May 2020. Phone calls were initially diverted to an after-hours provider from 1pm on 26 March and then were diverted to staff operating from home from 31 March 2020.
- * The Event Centre and Library closed at midday on 23 March 2020 and re-opened on 18 May 2020.
- * The swimming pool closed for the season at midday on 23 March 2020, slightly earlier than the planned season closing of 29 March 2020.
- * Cemeteries were closed during alert levels 4 and 3, with exceptions for burials which were undertaken under strict COVID-19 rules.
- * The Waitaki Lakes camping season closed early at midday Tuesday 24 March 2020, whereas the season usually ends in April.
- * Public Toilets were closed for the duration of alert levels 4 and 3, re-opening at alert level 2.
- * The Resource Recovery Park was open every Thursday during the Level 4 restrictions from 10.30am to 4.30pm, and only accepted up to three standard rubbish bags of house hold domestic waste (60 litres).
- * The Resource Recovery Park resumed regular business hours under Alert Level 3 on 28 April 2020, with Greenwaste accepted, but no recycling, metal or tyres. The Refuse shop was closed.
- * Rubbish collection continued as usual through the Level 4 restrictions of the COVID-19 pandemic. Recycling collection ceased (both kerb side and Resource Recovery Park) from 24 March 2020 until 18 May 2020. Residents were asked to put recycling in their refuse bin, therefore there was an increase in waste to landfill.
- * Rural recycling drop off facilities were closed from 27 March 2020 and resumed on 18 May 2020. Rural residents were asked to put their recycling in their refuse bin for collection as normal. Alternatively, residents could take refuse to the Resource Recovery Park on Thursdays as noted above.
- * All building consent processing were undertaken remotely, with consent applications being lodged through the Simpli Portal. Inspections took place from 29 April (these were a mix of inspections in person and virtually).
- * The Waimate District Council EOC activated from 24 March to 15 May 2020, in support of the Ministry of Health lead response to COVID-19. The EOC was open 8am to 5pm business days and on call on public holidays and weekends. The Welfare 0800 number was manned 7am to 7pm, 7 days a week from 3 April to 8 May 2020, and 8am to 5pm from 9 May to 12 June.
- * Planning for capital works projects was undertaken during the lockdown period but could not be progressed to the implementation phase, resulting in some works being uncompleted.

After 13 May, the Council reopened a number of facilities including Council Offices, Event Centre and Library which all re-opened on Monday the 18 of May. This allowed time to ensure appropriate systems and equipment were in place prior to opening, including sneeze guards, social distancing protocols, sanitisers, contract tracing and all related signage and information to ensure the safety of staff and the public. A return to work safety plan was distributed by the Chief Executive to all staff on Wednesday 13 May 2020, which included integrating staff back to the office, a staggered approach by department, from Monday 18 May.

The effect on our operations is reflected in these financial statements, based on the information available to the date these financial statements are signed. At this time, it is difficult to determine the full on going effect of COVID-19 and therefore some uncertainties remain. There could also be other matters that affect the Council in future, of which we are not yet aware.

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

Revenue

Rates Revenue

- * There was no impact on the rates revenue recognized for the 2020 financial year due to rates being set at the start of the year. There was however, a minor impact on rates revenue cash flow received for instalment 4, with outstanding rates at 30 June 2020 being \$83,000 more than the prior year.

New Zealand Transport Agency subsidies

- * Due to the Level 4 lockdown restrictions the roading maintenance and capital works program was halted, except for street cleaning and emergency works, resulting in reduced NZTA funding income. It is planned that works not completed by 30 June 2020 will be carried forward to the 2020/21 financial year along with the associated NZTA funding income.

Accommodation revenue

* The Waitaki Lakes camping season was closed early due to the lockdown restrictions, however there was no significant impact on camping revenue as a result, primarily due to season tickets being sold early in the season. Some expected revenue from the Easter holiday period was unable to be achieved.

Fees and charges revenue

* The lockdown restrictions meant that the Resource Recovery Park received less income than budgeted, however overall Council's fees and charges income was in line with budget and the prior year income. Currently the Council is negotiating an offset for services with the Waste Management Contractor that could not be performed, or were reduced due to COVID-19. This includes Kerbside recycling collection and possibly the Resource Recovery Park Operation.

Operating expenses

As a result of COVID-19, Council has incurred additional expenditure:

* The Emergency Operations Centre (EOC) was activated for 52 days, from 24 March to 15 May 2020. During this time the EOC was available 24/7 and staff were on call, resulting in additional expenditure of \$9,520 for extra staff cover and allowances. Some EOC staff were required to work additional hours, outside their normal contracts, to a value of \$8,200. These hours are to be taken as time off in lieu leave at a later date.

* Other costs incurred for advertising, safety equipment and Zoom meeting expenses amounted to \$4,920.

* Special leave of \$86,120 was paid to staff who were unable to work or be redeployed during lockdown.

Asset Valuations

Wastewater, urban water, rural water and stormwater:

* As a result of COVID-19, construction costs are expected to be impacted differently depending on the forms of construction. The timeframe and extent of these impacts will be largely dependent on international responses to the pandemic and associated recovery time for increasing economic activity and trade. Market conditions are changing daily and at the date of valuation it was considered that there is significant market uncertainty. The value assessed may change significantly and unexpectedly over a relatively short period of time as a result of factors outside the control of the valuer. Due to this uncertainty, no adjustment has been made for COVID-19 impacts on construction costs, which may result in variations to the valuation in short term timeframes.

Roading:

* The replacement costs used in Depreciated Replacement Cost (DRC) calculations should reflect typical and sustainable market conditions. The variability of market prices due to COVID-19 was taken into account for the valuation.

* The recent release of the March 2020 Waka Kotahi indices shows that there has been a decrease between December 2019 and March 2020 due to the drop-in oil prices. This does not, however, include other impacts of COVID-19 which are more likely to include short-term increase due to a number of reasons such as:

- Shrinking capacity (skill labour and supply) leading to a lack of large project capacity for Tier 1 contractors.
- Increased risk to stakeholders.
- Loss of temporary immigrant workers.
- Extra health and safety requirements.
- Supply chain disruption and rising exchange rate leading to higher cost of materials (one-third of construction cost).

* Optimisation: COVID-19 is unlikely to lead to any reduction in the demand for Council assets. Consequently, the quantum of assets remains appropriate and optimised for valuation and financial reporting purposes.

Forestry:

* The impact of COVID-19 was considered for the forestry valuation. The valuation utilised a 3-year average log price and it was determined that due to the timing of COVID-19 there was minimal impact.

* It is noted that the effects of COVID-19 on log prices are likely to be lingering and will be reviewed again for the 2021 annual valuation.

Alpine Energy Shares:

* To reflect the heightened uncertainty in the market conditions due to COVID-19, a specific risk adjustment range of 0.2% - 0.4% was assumed in calculating the Weighted Average Cost of Capital calculation used in the valuation.

* There was no significant impact on the resulting share valuation due to COVID-19.

Land & Buildings:

* An indicative percentage movement of the value of Council's land and buildings included consideration of the COVID-19 pandemic. The most up to date market information available was applied and there was no significant impact on the property market. There was no resulting valuation uncertainty in the assessment.

Impairment of tangible and intangible assets

* An impairment assessment has been completed for tangible and intangible assets. The result of this assessment was not significantly different as if COVID-19 was not a factor.

Employee Benefit Liabilities

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

Annual Plan 2020/21

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

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

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

Cost of service variances for the year ended 30 June 2020

| | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Variance 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|--------------------------------------|-----------------------------------|---------------------------------|
| Community Facilities | | | | |
| Camping | (70) | (172) | 102 | 9 |
| Cemeteries | 13 | (10) | 23 | (21) |
| Event Centre | 52 | (97) | 148 | (32) |
| Parks and Public Spaces | (66) | (92) | 26 | (163) |
| Property | (99) | (146) | 46 | (21) |
| Swimming Pool | (7) | - | (7) | 6 |
| Total Community Facilities | (179) | (516) | 338 | (222) |
| Community Services | | | | |
| Community Support | (8) | (26) | 17 | 9 |
| Economic Development and Promotions | (14) | (79) | 66 | 117 |
| Emergency Management | | - | | 30 |
| Library | 32 | - | 32 | 42 |
| Total Community Services | 10 | (105) | 115 | 199 |
| District Planning & Reg. Serv. | | | | |
| Animal Management | (32) | - | (32) | 12 |
| Building Control | 40 | 13 | 27 | 107 |
| Environmental Services | 3 | - | 3 | 16 |
| Resource Management | 73 | (144) | 217 | 126 |
| Total District Planning & Reg. Serv. | 85 | (131) | 216 | 261 |
| Organisation and Governance | | | | |
| Central Administration | 347 | (24) | 371 | 340 |
| Community Representation | (21) | (24) | 3 | 36 |
| Investments and Finance | (176) | 256 | (432) | 125 |
| Strategy | 62 | 40 | 23 | 108 |
| Total Organisation and Governance | 213 | 248 | (35) | 609 |
| Roading and Footpaths | | | | |
| Roading and Footpaths | (477) | 356 | (833) | (139) |
| Water Supply | | | | |
| Rural Water Supply | 117 | (107) | 224 | 18 |
| Urban Water Supply | 12 | (26) | 38 | 18 |
| Total Water Supply | 130 | (133) | 262 | 36 |
| Sewerage and Sewage | | | | |
| Sewerage and Sewage | 14 | (37) | 51 | 46 |
| Waste Management | | | | |
| Waste Management | (111) | (8) | (103) | (81) |
| Stormwater | | | | |
| Stormwater Drainage | 32 | - | 32 | 23 |
| Total Surplus / (deficit) | (284) | (326) | 42 | 732 |

Capital Expenditure for the year ended 30 June 2020

| | <i>Replacement Level of Service Additional Demand</i> | REP LOS AD | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---|---------------------------|--|---|--|
| Water Supply Group | | | | | |
| Cannington - Renewals | | REP | - | 5 | - |
| Hook / Waituna - Renewals | | REP | 2 | - | 3 |
| Hook / Waituna - Modelling future useage | | AD | - | - | 22 |
| Hook / Waituna - Drinking water intake/Plant compliance upgrade | | LOS | - | - | 1 |
| Hook / Waituna - Simmons pumphouse panel and telemetry | | LOS | 15 | 23 | - |
| Hook / Waituna - Simmons pumphouse Pump 2 renewal | | LOS | - | - | 4 |
| Hook / Waituna - Tekit pumphouse Pump 2 renewal | | LOS | 2 | 3 | - |
| Hook / Waituna - Garlands Road chlorine analyser (monitoring) | | LOS | 9 | 16 | - |
| Lower Waihao - Renewals | | REP | 9 | 5 | 1 |
| Lower Waihao - Drinking water intake/Plant compliance upgrade | | LOS | 28 | 797 | 5 |
| Lower Waihao - Lower Waihao Reservoir telemetry renewal | | REP | 9 | 9 | - |
| Lower Waihao - Old Ferry Rd 150mm AC renewal | | REP | 2 | - | 39 |
| Otaio / Makikihi - Water main renewals | | REP | 3 | - | 13 |
| Otaio / Makikihi - New bore redundancy | | LOS | 4 | - | - |
| Otaio / Makikihi - Wilton - 2500m 80mm PVC + 400m 32 OD | | REP | 50 | 28 | - |
| Otaio / Makikihi - Tavistock Bore - Treatment filter & UV | | LOS | 23 | - | 1 |
| Waihaorunga - Drink water intake/Plant compliance upgrade | | LOS | 4 | - | 42 |
| Waikakahi - Renewals | | REP | 9 | 5 | - |
| Waikakahi - Drinking water intake/Plant compliance upgrade | | LOS | 1 | 1,439 | 10 |
| Waikakahi - Dyer/Cochrane - 800m 40 OD | | REP | - | - | 5 |
| Waikakahi - Elephant Hill Rd Dyer -1.5km 63 OD (16bar), 1km | | REP | - | - | 17 |
| Waikakahi - H Dyer back face | | REP | - | - | 5 |
| Waikakahi - Telemetry - Claytons Reservoir | | REP | - | - | 7 |
| Waikakahi - Telemetry - Dog Kennel repeater | | REP | - | - | 7 |
| Waikakahi - Pump 2 renewal | | REP | - | - | 29 |
| Downlands - Various renewals | | REP | 201 | - | 83 |
| Urban Water - Rising main renewals | | LOS | - | 220 | 331 |
| Urban Water - Lateral renewals | | LOS | 59 | 62 | 66 |
| Urban Water - AC water main renewals | | LOS | 225 | 113 | 52 |
| Urban Water - CI water main renewals | | LOS | 292 | 164 | 146 |
| Urban Water - Manchester Road Bore replacement | | REP | 93 | - | 157 |
| Urban Water - Pressure management | | LOS | - | 77 | - |
| Urban Water - Man Rd Plant - Treatment filter & UV | | LOS | 434 | - | 68 |
| Urban Water - Tim Rd Plant - Treatment filter & UV | | REP | 33 | 279 | - |
| Urban Water - Waimate Reservoir chlorine analyser | | LOS | 11 | 16 | - |
| Urban Water - Telemetry - Waimate Reservoir | | REP | - | - | 9 |
| Urban Water - Waimate Reservoir 240V switch board | | REP | - | 8 | - |
| | | | 1,520 | 3,270 | 1,124 |
| Waste Management Group | | | | | |
| Waste Management - Wheelie bin replacements | | REP | 6 | 3 | 14 |
| Waste Management - Refuse / recycle bins - Boland Park | | LOS | - | 4 | - |
| Waste Management - Recycling crates | | REP | - | - | 2 |
| Waste Management - Portacom building | | LOS | 13 | - | - |
| Waste Management - Compactor | | LOS | 84 | - | 42 |
| | | | 104 | 7 | 58 |

Capital Expenditure continued for the year ended 30 June 2020

| | <i>Replacement Level of Service Additional Demand</i> | REP LOS AD | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---|---------------------------|--|---|--|
| Stormwater Group | | | | | |
| Stormwater - Manse Street (Town Belt to Harris) | | LOS | - | - | 460 |
| Stormwater - Consent and management plan | | LOS | 3 | - | - |
| Stormwater - Pipeline, new sumps intersection Shearman/Glasgow | | LOS | - | - | 28 |
| Stormwater - Queen Street upgrade | | LOS | 14 | 134 | - |
| Stormwater - Herbert St 225 iron pipe crossing | | LOS | - | 6 | - |
| | | | 17 | 140 | 488 |
| Sewerage Group | | | | | |
| Sewer - Waimate urban renewals | | REP | 89 | 242 | 108 |
| Sewer - Aerator 2 | | REP | - | - | 44 |
| Sewer - Aerator 1 | | REP | - | 34 | 9 |
| Sewer - Edward Street upgrade (renewal) | | LOS | 14 | - | 8 |
| Sewer - Cable extension for Aerator 1 | | REP | - | 20 | 11 |
| Sewer - Smoke testing equipment | | LOS | 4 | 4 | - |
| Sewer - Weather station - at WWTP | | LOS | - | - | 7 |
| Sewer - Permanent D.O. probe and control - dual probe | | REP | - | 10 | - |
| Sewer - Telemetry - WWTP | | REP | - | - | 15 |
| Sewer - WWTP repair of riprap wall on ponds | | REP | - | - | 25 |
| Sewer - WWTP alarming/monitoring of out flow meter | | REP | - | 4 | - |
| Sewer - Disposal field border dyke maintenance | | REP | 2 | - | - |
| | | | 109 | 314 | 227 |
| Roading and Footpaths Group | | | | | |
| Roading - Resealing | | REP | 1,236 | 1,278 | 1,273 |
| Roading - Drainage construction | | REP | 251 | 199 | 151 |
| Roading - Culvert replacement | | REP | 76 | 109 | 122 |
| Roading - Kerb and channel renewal | | REP | 6 | 126 | 238 |
| Roading - Concrete ford renewal | | REP | 54 | 46 | - |
| Roading - Pavement rehabilitation | | REP | 244 | 308 | 313 |
| Roading - Structures component replacements | | REP | 93 | 155 | 198 |
| Roading - Sign renewal | | REP | 80 | 60 | 48 |
| Roading - Minor improvements | | LOS | 162 | 337 | 272 |
| Roading - Bridge improvements | | LOS | - | 463 | - |
| Roading - Footpath renewal | | REP | 186 | 153 | 183 |
| Roading - Minor improvements (non-sub) | | LOS | - | 26 | 9 |
| Roading - Seal extensions | | LOS | 17 | 51 | 71 |
| Roading - Development | | LOS | 15 | 61 | 64 |
| Roading - Street lighting development | | LOS | - | 100 | - |
| | | | 2,420 | 3,472 | 2,943 |

Capital Expenditure continued for the year ended 30 June 2020

| | <i>Replacement Level of Service Additional Demand</i> | REP LOS AD | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---|---------------------------|--|---|--|
| Organisation and Governance Group | | | | | |
| Investments and Finance - Gorge Road premises | | LOS | 473 | - | - |
| Investments and Finance - Furniture and fittings | | LOS | 37 | - | - |
| Governance - Apple iPhone | | REP | 1 | - | - |
| Corporate Services - Vehicle replacement (pool car) | | REP | - | 36 | - |
| Corporate Services - Cleaners vehicle | | LOS | 39 | - | - |
| Corporate Services - General equipment | | REP | 16 | - | 4 |
| Corporate Services - Furniture and fittings | | REP | - | 15 | 16 |
| Corporate Services - Computers / hardware | | REP | 12 | 15 | 13 |
| Corporate Services - Telephone/PABX upgrade | | REP | 7 | 15 | - |
| Corporate Services - UPS | | REP | 1 | 15 | - |
| Corporate Services - Network switches x 5 | | LOS | 4 | 15 | - |
| Corporate Services - Workstations x 6 | | REP | 8 | 9 | - |
| Corporate Services - Firewall | | REP | - | 2 | - |
| Regulatory Group - Office equipment | | REP | 1 | - | 1 |
| Utilities - Sundry plant and equipment | | REP | 2 | 5 | 9 |
| Utilities - Replacement tablets for staff (AssetFinda) | | REP | - | - | 10 |
| Utilities - Data loggers | | REP | 6 | 6 | - |
| Utilities - Vehicle replacement | | REP | - | 33 | - |
| Utilities - Vehicle replacement | | REP | - | 33 | - |
| Utilities - Vehicle replacement | | REP | 47 | - | - |
| Utilities - Water Technician new vehicle | | REP | - | 49 | - |
| Roading - Vehicle replacement | | REP | 36 | 33 | - |
| Roading - Vehicle replacement | | REP | - | 33 | - |
| Roading - Office equipment | | REP | - | 5 | 4 |
| Asset Management - SCADA | | REP | - | - | 10 |
| Parks - Plant and machinery | | REP | - | 8 | 1 |
| Parks - Walker mower replacement | | REP | 49 | 42 | 48 |
| Parks - John Deere tractor replacement | | REP | - | - | 74 |
| Parks - Wood chipper | | REP | 30 | - | - |
| Asset Manager - Office equipment | | REP | 1 | - | - |
| | | | 771 | 369 | 188 |
| District Planning and Regulatory Services Group | | | | | |
| Animal Management - Vehicle replacement | | REP | 39 | - | - |
| Animal Management - Garmin safety device | | LOS | 1 | - | - |
| Building Control - Vehicle replacement | | REP | - | 31 | - |
| Building Control - Vehicle replacement | | LOS | - | 31 | - |
| Building control - General equipment | | REP | 2 | - | 1 |
| Building Control - Online building consents | | LOS | 16 | - | 17 |
| | | | 58 | 61 | 18 |
| Community Services Group | | | | | |
| Economic Development - Miscellaneous capital | | REP | - | - | 1 |
| Economic Development - Drone and camera | | LOS | - | - | 4 |
| Library - Furniture and shelving | | REP | - | - | 1 |
| Library - Books | | REP | 56 | 61 | 64 |
| Library Software - Online booking system | | REP | - | - | 1 |
| Library Software - Self service and item security | | LOS | 21 | - | 26 |
| | | | 77 | 61 | 97 |

Capital Expenditure continued for the year ended 30 June 2020

| | <i>Replacement Level of Service Additional Demand</i> | REP LOS AD | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---|---------------------------|--|---|--|
| Community Facilities Group | | | | | |
| Waitaki Lakes - SCADA water monitoring system | | REP | - | - | 2 |
| Waitaki Lakes - Pipe renewals | | REP | 2 | 10 | 21 |
| Waitaki Lakes - Chlorine dosing Te Aka & Waitangi | | LOS | 48 | 31 | - |
| Waitaki Lakes - Furniture and equipment | | REP | 2 | - | 4 |
| Victoria Park Camp - Appliances | | REP | 5 | 5 | 5 |
| Victoria Park Camp - Upgrade power points | | REP | - | - | 14 |
| Knottingley Park Camp - Power points | | REP | - | - | 5 |
| Knottingley Park Camp - Hot water cylinder | | REP | - | - | 2 |
| Cemetery - Large concrete storage bins | | REP | - | 10 | - |
| Event Centre - Landscaping | | LOS | - | 41 | - |
| Event Centre - Community Vehicle Trust Garage | | LOS | 176 | - | - |
| Event Centre - Sound system | | LOS | 34 | - | - |
| Event Centre - Furniture and equipment | | LOS | 9 | - | 8 |
| Morven Reserve - Fencing | | REP | 4 | - | - |
| Morven Reserve - Relocate playground | | REP | - | - | 23 |
| Victoria Park - Pavilion upgrade | | REP | 131 | 130 | - |
| Victoria Park - Sundry plant | | REP | 6 | 7 | 3 |
| Victoria Park - Repair asphalt in yard | | REP | - | - | 14 |
| Victoria Park - Repair asphalt in playground carpark | | REP | - | - | 2 |
| Victoria Park - 1.6m grab for Tractor | | REP | - | 10 | - |
| Victoria Park - Mower | | REP | - | - | 57 |
| Victoria Park - Alarm system | | REP | 3 | - | - |
| Victoria Park - Picnic tables and bench seats | | REP | 16 | 15 | - |
| Knottingley Park - Replace culvert and small bridge | | REP | 13 | - | 6 |
| Knottingley Park - Sealing and stormwater | | REP | - | - | 4 |
| Knottingley Park - Playground matting | | REP | 61 | 72 | - |
| Knottingley Park - Geogrid matting | | REP | - | 30 | - |
| Knottingley Park - Picnic tables, seating and rubbish bins | | REP | 14 | 5 | - |
| Urban Reserves - Playground safety matting | | REP | - | - | 22 |
| Property - Washdown concrete pad and interceptor | | REP | - | 12 | - |
| Property - Court House roof upgrade | | REP | - | - | 28 |
| Local Govt Centre - Meeting Room refurbishment | | REP | - | - | 4 |
| Local Govt Centre - Library / LGC extension scoping and plan | | REP | 23 | - | 1 |
| Local Govt Centre - Sundry | | LOS | - | 5 | 3 |
| Local Govt Centre - Floor coverings | | REP | - | 31 | - |
| Local Govt Centre - Heat pumps | | REP | - | 10 | 5 |
| Community Housing - Hot water cylinders and stoves | | REP | 3 | 8 | - |
| Community Housing - Heat pumps | | LOS | 6 | - | - |
| Public Toilets - Victoria Park playground | | LOS | - | - | 7 |
| Swimming Pool - Upgrade changing rooms | | REP | - | - | 21 |
| Swimming pool - Heating system | | REP | 97 | - | 239 |
| Swimming Pool - Inflatables | | REP | - | - | 4 |
| Swimming Pool - Replace centre channel water outlet | | REP | 14 | 30 | - |
| Swimming Pool - Alarm system | | REP | 3 | - | - |
| Swimming Pool - Furniture and fittings | | REP | 2 | - | 2 |
| | | | 673 | 462 | 506 |
| Total Capital Expenditure | | | 5,748 | 8,156 | 5,649 |
| Replacement | | | 3,450 | 4,115 | 3,882 |
| Level of Service | | | 2,298 | 4,042 | 1,745 |
| Additional Demand | | | - | - | 22 |
| Total Capital Expenditure | | | 5,748 | 8,156 | 5,649 |

Statement of Internal Borrowings by Group for the year ended 30 June 2020

| Internal Borrowings | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|--|---------------------------------|--------------------------------------|---------------------------------|
| Water Supply Group | | | |
| Opening borrowings | (2,052) | (2,522) | (1,262) |
| Additional drawdown | (800) | (600) | (830) |
| Repayments | 40 | 40 | 40 |
| Closing borrowings | (2,812) | (3,082) | (2,052) |
| Waste Management Group | | | |
| Opening borrowings | (549) | (549) | (571) |
| Additional drawdown | - | - | - |
| Repayments | 22 | 22 | 22 |
| Closing borrowings | (527) | (527) | (549) |
| Stormwater Group | | | |
| Opening borrowings | (350) | (600) | - |
| Additional drawdown | - | - | (350) |
| Repayments | 20 | 20 | - |
| Closing borrowings | (330) | (580) | (350) |
| Sewerage Group | | | |
| Opening borrowings | (972) | (972) | (1,009) |
| Additional drawdown | - | - | - |
| Repayments | 38 | 38 | 38 |
| Closing borrowings | (933) | (934) | (972) |
| Roading and Footpaths Group | | | |
| Opening borrowings | (358) | (358) | (398) |
| Additional drawdown | - | (197) | - |
| Repayments | 20 | 20 | 40 |
| Closing borrowings | (338) | (536) | (358) |
| Organisation and Governance Group | - | - | - |
| District Planning and Regulatory Services Group | - | - | - |
| Community Services Group | - | - | - |
| Community Facilities Group | | | |
| Opening borrowings | (2,666) | (2,716) | (2,787) |
| Additional drawdown | - | - | - |
| Repayments | 71 | 24 | 121 |
| Closing borrowings | (2,595) | (2,692) | (2,666) |
| Total Internal Borrowings | (7,536) | (8,351) | (6,947) |

Statement of Internal Interest by Group for the year ended 30 June 2020

| | Actual 30 June 2020 \$000 | Annual Plan 30 June 2020 \$000 | Actual 30 June 2019 \$000 |
|---|---------------------------------|--------------------------------------|---------------------------------|
| Internal Interest Revenue | | | |
| Water Supply Group | 71 | 19 | 63 |
| Waste Management Group | 26 | 32 | 33 |
| Stormwater Group | 8 | - | 6 |
| Sewerage Group | 40 | 15 | 40 |
| Roading and Footpaths Group | - | - | - |
| Organisation and Governance Group - Other internal interest | 149 | 110 | 132 |
| Organisation and Governance Group - Interest on internal borrowings | 319 | 386 | 302 |
| District Planning and Regulatory Services Group | 34 | 31 | 42 |
| Community Services Group | 33 | 13 | 16 |
| Community Facilities Group | 179 | 127 | 178 |
| Total Internal Interest Revenue | 858 | 734 | 812 |
| Internal Interest Expenditure | | | |
| Water Supply Group - Other internal interest | 22 | 19 | 25 |
| Water Supply Group - Interest on internal borrowings | 103 | 126 | 63 |
| Waste Management Group - Interest on internal borrowings | 27 | 27 | 29 |
| Stormwater Group - Other internal interest | 6 | 26 | 1 |
| Stormwater Group - Interest on internal borrowings | 18 | - | - |
| Sewerage Group - Interest on internal borrowings | 49 | 49 | 50 |
| Roading and Footpaths Group - Other internal interest | 34 | 30 | 24 |
| Roading and Footpaths Group - Interest on internal borrowings | 18 | 18 | 20 |
| Organisation and Governance Group - Other internal interest | 415 | 268 | 437 |
| District Planning and Regulatory Services Group - Other internal interest | 6 | 4 | 1 |
| Community Services Group - Other internal interest | 10 | 8 | 9 |
| Community Facilities Group - Other internal interest | 46 | 23 | 44 |
| Community Facilities Group - Interest on internal borrowings | 105 | 136 | 108 |
| Total Internal Interest Expenditure | 858 | 734 | 812 |

WAIMATE DISTRICT COUNCIL ACTIVITIES

| | Page |
|--|------------|
| Water Supply Group | 87 |
| Urban Water Supply | |
| Rural Water Supply | |
| Waste Management Group | 95 |
| Waste Management | |
| Stormwater Drainage Group | 99 |
| Stormwater | |
| Sewerage and Sewage Group | 103 |
| Sewerage | |
| Roading and Footpaths Group | 107 |
| Roading and Footpaths | |
| Organisation & Governance Group | 115 |
| Central Administration | |
| Community Representation | |
| Investments and Finance | |
| Strategy | |
| District Planning & Regulatory Services Group | 123 |
| Animal Management | |
| Building Control | |
| Environmental Services | |
| Resource Management | |
| Community Services Group | 131 |
| Community Support | |
| Economic Development and Promotions | |
| Emergency Management | |
| Library | |
| Community Facilities Group | 139 |
| Camping | |
| Cemeteries | |
| Event Centre | |
| Parks and Public Spaces | |
| Property | |
| Swimming Pool | |

WATER SUPPLY GROUP

WHAT WE DO:

The Water Supply Group includes the following activities provided by Council:

- **Urban Water Supply**
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 purposes. Two secure ground water bores at Timaru Road and Manchester Road supply the urban network via a reservoir at Mill Road. Council monitors water quality, and plans for future water supply needs.
- **Rural Water Supply**
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 2018).

The Water Supply Group provides water to approximately 3,160 households, businesses and properties throughout the District. We aim to provide water continuously.

WHY WE PROVIDE IT:

Council is required by statute to provide potable water to the residents of Waimate. (ie Health Act, Local Government Act 2002). The supply of a reliable and cost-effective water service contributes to the health of the community as well as serving a fire-fighting capability. Council must meet rising demand from residential and industrial growth.

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

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|-----------------------|-------------------------------------|---|
| Urban and Rural Water | Social Economic Environmental | Thriving Community <ul style="list-style-type: none"> • A district that provides infrastructure for economic activity • A district that encourages development Safe and Healthy People <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading "Why we provide it", and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|---|
| There is an economic cost to the community to treat drinking water to meet the legislative requirements. | Council will actively lobby Central Government for funding to comply with Drinking Water Standards. |
| Without good management there is a risk that natural water sources are inappropriately depleted. | Water is a consented activity. Council are mindful to manage wisely our current water allocation. |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Provide safe drinking water | | | |
|-----------------------------------|---|---|--|
| How we do it | <ul style="list-style-type: none"> • Manage and monitor all water supplies under requirement of Drinking Water Standards • Monitor ongoing regulatory change for water supply activities • Implement Water Safety Plans for drinking water schemes | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Extent of compliance with Drinking Water Standards (Part 4) - Bacterial Compliance (M) Target: Bacterial Compliance all schemes | Waimate: Timaru Rd - Yes Waimate: Manchesters Bore - Yes Otaio/Makikihi: Tavistock - Yes Hook/Waituna - No Lower Waihao - Yes Waikakahi - Yes Waihaorunga: Main - Yes Waihaorunga: Tavendales - Yes Cannington/Motukaika - No | Partially achieved ¹ (2018/19: Partially achieved) |
| | Extent of compliance with Drinking Water Standards (Part 5) - Protozoal Compliance (M) Target: Protozoal Compliance all schemes | Waimate: Timaru Rd - Yes Waimate: Manchesters Bore - No Otaio/Makikihi: Tavistock - No Hook/Waituna - No Lower Waihao - No Waikakahi - No Waihaorunga: Main - No Waihaorunga: Tavendales - No Cannington/Motukaika - No | Not achieved (2018/19: Not achieved) |

2. Provide a continuous, appropriate and safe water system throughout the District with excellent customer service

| | | | | |
|-----------------------------------|---|---|--|---|
| How we do it: | <ul style="list-style-type: none"> • Manage and monitor all water supplies • Respond to complaints about water appearance, taste and smell • Provide a customer service request system 24 hours a day 7 days a week • Investigate and resolve water supply services complaints • Maintain water supply schemes and respond to service failures or faults | | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | | Achievement 2019/20 |
| | <p>Total number of justified complaints received about:</p> <p>1.drinking water clarity</p> <p>2.drinking water taste</p> <p>3.drinking water odour</p> <p>4.drinking water pressure or flow</p> <p>5.continuity of supply</p> <p>6.Council's response to these issues (M)</p> <p>Target: Urban < 10 justified complaints per 1000 connections.</p> <p>Target: Rural < 40 justified complaints per 1000 connections</p> | <p>Urban</p> <p>Total number of justified complaints was 5 over 1948 connections.</p> <p>1</p> <p>0</p> <p>2</p> <p>1</p> <p>1</p> <p>0</p> <p>Number of justified complaints per 1000 connections = 3</p> | <p>Rural</p> <p>Total number of justified complaints was 32 over 1014 connections.</p> <p>0</p> <p>0</p> <p>0</p> <p>7</p> <p>25</p> <p>0</p> <p>Number of justified complaints per 1000 connections = 32</p> | <p>Urban Water: Achieved (2018/19: Achieved)</p> <p>Rural Water: Achieved (2018/19: Achieved)</p> |
| | <p>Total number of complaints received about:</p> <p>1.drinking water clarity</p> <p>2.drinking water taste</p> <p>3.drinking water odour</p> <p>4.drinking water pressure or flow</p> <p>5.continuity of supply</p> <p>6.Council's response to these issues</p> <p>Target will not be set until next LTP 2021-31</p> | <p>Urban</p> <p>Total number of complaints was 7 over 1948 connections.</p> <p>1</p> <p>0</p> <p>2</p> <p>2</p> <p>2</p> <p>0</p> <p>Number of complaints per 1000 connections = 4</p> | <p>Rural</p> <p>Total number of complaints was 56 over 1014 connections.</p> <p>1</p> <p>0</p> <p>0</p> <p>19</p> <p>36</p> <p>0</p> <p>Number of complaints per 1000 connections = 55</p> | |

| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
|----------------------------|---|--|---|
| | Median attendance and resolution times for urgent and non-urgent call-outs for water supply faults or unplanned interruptions to the networked reticulation system* 2 (M) | | |
| | Attendance to urgent call-out - < 1 hour | Median attendance to urgent call-out = 0:50 (h:mm) | Achieved (2018/19: Achieved) |
| | Resolution for urgent call-out - < 24 hours | Median resolution to urgent call-out = 4:09 (h:mm) | Achieved (2018/19: Achieved) |
| | Attendance to non-urgent call-out - <24 hours | Median attendance to non urgent call-out = 2:34 (h:mm) | Achieved (2018/19: Achieved) |
| | Resolution for non-urgent call-out - 72 hours | Median resolution to non-urgent call out = 6:06 (h:mm) | Achieved (2018/19: Achieved) |
| | Percentage of residents satisfied with water supply services Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |

* Attendance: from the time Council receives notification to the time that service personnel reach site

Resolution: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption

3. Provide reliable, efficient and well planned water infrastructure and services that meets the needs of the community

| How we do it: | <ul style="list-style-type: none"> • Monitor demand on all water supply schemes • Manage growth of network • Provide water supply for domestic, commercial, fire-fighting, rural and industrial purposes • Monitor condition and performance of water supply reticulation and assets and analyse data to predict asset failure/identify priority improvements required • Complete capital expenditure programme associated with developing the network • Minimise the disruptions to water supplies • Provide a restricted supply of water to customers on rural water schemes • Implement leak detection and reduction programme | | |
|----------------------------|---|--|--|
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | The average consumption of drinking water per day per resident within the Waimate district (M) Target: Average normal demand < 840 litres per day | Average normal demand 498.5 litres per day | Achieved (2018/19: Achieved) |
| | Percentage of real water loss from Council's network reticulation systems (M) Target: < 35% real water loss. | Real water loss = 14.3% The significant decrease is a result of pipe renewals and two major leaks repaired. | Achieved ³ (2018/19: Not achieved) |

| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
|----------------------------|---|--|---------------------------------|
| | The number of unprogrammed maintenance interruptions to the urban network Target: Unprogrammed maintenance interruptions <5 | Unprogrammed maintenance interruptions = 0 | Achieved (2018/19: Achieved) |
| | The number of unprogrammed maintenance interruptions to the rural network Target: Unprogrammed maintenance interruptions <50 | Unprogrammed maintenance interruptions = 0 N.B. Council Rural Water Scheme policy requires consumers to have 96 hours (4 days) storage. Therefore any interruption is minimised or a non-event. | Achieved (2018/19: Achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

PERFORMANCE MEASURE DETAILS

¹ 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 ultra-filtration plant has been trialed at the plant with good results. The upgrade is still in process and will roll over into 2020/21 now.
- Lower Waihao: Drinking Water Standards upgrades to be completed in 2020/21 year. The scheme has an active Water Safety Plan.
- Waimate: Manchester Bore and Plant has been upgraded to meet Drinking Water Standards, and currently demonstrating preliminary compliance requirements (as per DWSNZ 2005 [Revised 2018]) i.e. UVT sampling etc., to meet Drinking Water Standards. Timaru Road Bore Treatment Plant upgrade is in process with addition of a UV reactor, and planned to be completed end of 2020.
- Otaio-Makikihi: The installation of a UV reactor is in process for Tavistock Bore, and also planned to be completed end of 2020.

Note: Bore Security will now not be sought for Manchesters Bore, Timaru Road or Tavistock Bore, because as method of compliance it does not demonstrate sufficient evidence that the water is safe from any bore. Therefore the Waimate District Council has chosen to use barriers instead.

Other Rural Water scheme Plants are planned to be upgraded to meet the Drinking Water Standards, however there are continuing reviews of the present New Zealand drinking water standards, legislation and 3 Waters industry, and therefore compliance upgrade options for water supplies are still being reviewed. Because of these reviews and potential changes and options, the planned upgrades for Rural Water schemes have been put on hold to a later date. This has been in agreement with Drinking Water Assessor, on the condition of increased remote monitoring via telemetry and control, which has been started. 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. The remaining plants to upgraded to meet compliance are:

- Cannington-Motukaika: Cannington Intake
- Waihaorunga: Waihaorunga Main
- Waihaorunga: Tavendales
- Waikakahi: Waikakahi Intake

² This performance measure does not align with the 2018-28 Long Term Plan performance measure. The results provided are for both urban and rural network supplies.

³ 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, minimum night flow methodology has been used. The reported results do not include the rural network, as the supply is not metered.

Water Supply Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ 2 | \$ 1 | \$ 1 |
| Targeted rates | 2,167 | 2,351 | 2,332 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 19 | 20 | 35 |
| Interest and dividends from investments | 23 | 19 | 19 |
| Internal charges and overheads recovered | 110 | 49 | 148 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 39 | 55 | 199 |
| Total operating funding | 2,359 | 2,494 | 2,735 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,058 | 1,077 | 1,240 |
| Finance costs | 26 | 60 | - |
| Internal charges and overheads applied | 750 | 846 | 783 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 1,834 | 1,983 | 2,023 |
| Surplus / (deficit) of operating funding | 525 | 512 | 711 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | 22 | 22 | 45 |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 22 | 22 | 45 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 1,743 | 3,399 | 1,108 |
| Capital expenditure - to replace existing assets | 491 | 385 | 412 |
| Increase/(decrease) in reserves | (1,687) | (3,249) | (764) |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 547 | 534 | 757 |
| Surplus/(deficit) of Capital Funding | (525) | (512) | (711) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Internal charges and overheads recovered and applied are favourable to the LTP, following deferral of some capital spends which resulted in reserves in a better position than anticipated at LTP.

Local authority fuel tax, fines, infringements fees, and other income has increased from the LTP budget due to increased recoveries for Rural and Urban Water, along with the Haka Rural Water Scheme.

Capital expenditure reduced from the LTP budget due to the deferral of some water supply NZ Drinking Water Standards upgrade projects.

POINTS OF INTEREST

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

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

Three Waters Reform Programme

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

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

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

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

WASTE MANAGEMENT GROUP

WHAT WE DO:

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 WE PROVIDE 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.

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|------------------|-------------------------|--|
| Waste management | Social Environmental | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life <p>Sustainable District and Environment</p> <ul style="list-style-type: none"> We value the natural environment, biodiversity, and landscapes |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|---|---|
| There is an economic cost of providing this service for our community. If Council reduces or stops the collection service for waste and recycling then it may be to the detriment of the environment. | Council continue to seek improvements to the collection services. |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Convenient and accessible waste management services | | | |
|--|---|---|---|
| How we do it | <p>Provide a range of refuse collection and disposal services for urban and rural areas for households and businesses</p> <p>Manage and maintain all aspects of the solid waste operation including a competitive tender process and management of solid waste contract</p> <p>Provision of customer service request system 24 hours a day, 7 days a week</p> <p>Provide solid waste facilities according to set hours of opening</p> | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Resident satisfaction with waste management services Target: > 85% satisfied or very satisfied residents. | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Council provides access to kerbside refuse collection Target: 67% of the district's properties | Council provides access to kerbside refuse collection to 71.5% of the districts properties | Achieved (2018/19: Achieved) |
| | Council provides access to kerbside recycling collection services Target: 45% of the district's properties | Council provides access to kerbside recycling collection to 49.3% of the districts properties | Achieved (2018/19: Achieved) |
| | Council provides rural recycling drop-off points Target: At least 6 | Council provides 8 rural recycling drop-off points. | Achieved (2018/19: Achieved) |

| 2. Council manages the waste management services wisely | | | |
|--|--|--|--|
| How we do it: | <p>Manages solid waste facilities under the conditions of the Resource Consent</p> <p>Apply for renewal of solid waste consents as required</p> <p>Monitor ongoing regulatory change for solid waste activities</p> <p>Waste is diverted from the landfill to the resource recovery park</p> | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | <p>Compliance with Resource Consent conditions</p> <p>Target: Full compliance</p> | <p>Overall Consent Compliance (9 consents)</p> <p>Complies = 7</p> <p>Non-compliance No Action Required = 0</p> <p>Non-compliance Action Required = 2</p> <p>An illegal car dumping was found during the site inspection of ECan on 12 August 2020. We got a notification of non-compliant action required for this consent with a date of 23 October 2020 to clear the waste. The car and its wreckages were removed on 20 August 2020.</p> <p>The site inspection of the Closed Morven landfill was carried out on 17 August 2020 and found that wire was dumped along the northern face of the landfill. We also got a notification of non-compliant action required for this consent with a date of 23 October 2020 to clear the waste from ECan. The contractor has already been contacted and waste will be removed by the due date.</p> | <p>Not achieved</p> <p>(2018/19: Not achieved)</p> |
| | <p>Reduce the percentage of residual waste to landfill</p> <p>Target: <49%</p> | <p>Residual waste = 61.9%</p> <p>Residual waste to landfill increased in the last 2 quarters due to COVID-19 when recycling was not collected under levels 3 and 4, and was sent to landfill with the waste.</p> | <p>Not achieved</p> <p>(2018/19: Not achieved 55.3%)</p> |
| 3. Public information and programmes promote waste minimisation and appropriate sorting of waste | | | |
| How we do it: | <p>Provide opportunities for the public, community organisations and businesses to learn about waste minimisation, including talks, tours, business support and event support</p> <p>Provide and disseminate written educational material to promote services available, waste minimisation and appropriate sorting of waste</p> <p>Conduct audits of kerbside collection for appropriate recycling</p> <p>Promote waste minimisation programmes</p> <p>Zero Waste programme</p> | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | <p>Waste minimisation information and education programmes are provided in a range of formats</p> <p>Target: Two programmes annually</p> | <p>Council provided information (pamphlets) on request, to non-compliers, new bin allocations, Community education programmes provided by Metallic Sweeping Ltd (MSL). On 10th of July 2019, a educational video on recycling was placed on the Council's Facebook site. On 5th of October 2019, a Waste Talk was conducted to the group of 26 senior citizens. On 10th of March 2020, another Waste Talk was also conducted to the Grey Power. Total 34 people participated in this Talk. These were a joint effort between WDC and MSL.</p> | <p>Achieved</p> <p>(2018/19: Achieved)</p> |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Waste Management Group Funding Impact Statement for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ - | \$ - | \$ - |
| Targeted rates | 1,009 | 1,043 | 1,041 |
| Subsidies and grants for operating purposes | 32 | 33 | 29 |
| Fees and charges | 112 | 114 | 96 |
| Interest and dividends from investments | - | - | - |
| Internal charges and overheads recovered | 32 | 32 | 26 |
| Local authority fuel tax, fines, infringements fees, and other receipts | - | - | 47 |
| Total operating funding | 1,185 | 1,222 | 1,239 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 873 | 890 | 1,018 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 294 | 294 | 287 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 1,166 | 1,184 | 1,305 |
| Surplus / (deficit) of operating funding | 19 | 37 | (66) |
| Sources of capital funding | | | |
| 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 | - | - | - |
| Total capital funding | - | - | - |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 4 | 4 | 98 |
| Capital expenditure - to replace existing assets | 3 | 3 | 6 |
| Increase/(decrease) in reserves | 12 | 30 | (170) |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 19 | 37 | (66) |
| Surplus/(deficit) of Capital Funding | (19) | (37) | 66 |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Local authority fuel tax, fines, infringements fees, and other receipts includes a recovery of \$47,000 from the contractor in relation to reduced services during Covid.19 Level 4 lockdown.

Payments to staff and suppliers increased from the LTP budget due to increased contract costs for waste collection and the Resource Recovery Park operation.

Capital expenditure increased from the LTP budget due to the purchase of a compactor, which was programmed for 2020/21 in the LTP.

POINTS OF INTEREST

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

STORMWATER GROUP

WHAT WE DO:

Council provides stormwater drainage systems for the removal of surface water following rainfall events.

WHY WE PROVIDE IT:

Stormwater collection and disposal enable the roading network to function, protecting people and property, minimising the effects on the environment.

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|------------|-------------------------------------|---|
| Stormwater | Social Economic Environmental | <p>Thriving Community</p> <ul style="list-style-type: none"> A District that provides infrastructure for economic activity <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|---|
| Absence of an adequate stormwater system can have severe economic effects for our community | Systems designed to a certain capacity based on ability to pay |
| Potential increased rainfall events due to climate change puts pressure on the stormwater system | Council have increased the budget to make and improvements to the stormwater system |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Maintain reliable stormwater network services | | | |
|--|---|---|---|
| How we do it | <ul style="list-style-type: none"> • Maintain stormwater scheme networks and respond to service failures • Develop and implement system for recording flooding events • Manage growth of network • Monitor demand on all stormwater schemes • Collection and disposal of stormwater via stormwater schemes • Monitor condition and performance of stormwater reticulation and assets • Complete capital expenditure programme associated with improving and developing the network | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Number of flooding events that occur in our district (M) Each flooding event, number of habitable floors affected in the district (M). Expressed per 1000 properties connected to the Council's stormwater system Target: <1 per 1000 properties | Number of habitable floors affected per 1000 properties = 0 | Achieved (2018/19: Achieved) |
| | Continuous access to the service is provided with no blockages to the pipework measured by complaints Target: Nil Complaints | Nil Complaints | Achieved (2018/19: Achieved) |
| | Capital works programme Target: Capital works programme completed annually | Not Completed. Please refer to Quarterly Projects Report presented to District Infrastructure Committee Meetings. | Not achieved (2018/19: Not achieved) |
| 2. Deliver stormwater services according to required environmental standards | | | |
| How we do it: | <ul style="list-style-type: none"> • Manage and monitor stormwater systems under conditions of resource consents • Monitor ongoing regulatory changes to stormwater activities • Develop a Demand Management Plan for the Stormwater activity • Update and review Risk Management Strategy • Investigate options for stormwater treatment • Develop stormwater quality monitoring systems • Apply for and receive stormwater resource consents within necessary time period | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Compliance with Resource Consents for discharge from stormwater system (M) Target: No abatement notices, infringement notices, enforcement orders and convictions | Number of abatement notices = 0 Number of infringement notices = 0 Number of enforcement orders = 0 Number of successful convictions = 0 | Achieved (2018/19: Achieved) |

3. Maintain excellent customer service for stormwater systems

| | | | |
|-----------------------------------|---|--|---|
| How we do it: | <ul style="list-style-type: none"> • Provide a customer service request system 24 hours a day, 7 days a week • Investigate and rectify stormwater service complaints in a timely manner • Maintain stormwater scheme networks and respond to service failures or faults in a timely manner | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Median response time to attend a flooding event.* (M) Target: <120 minutes | Response time = 0 minutes As no flooding events occurred | Achieved (2018/19: Achieved) |
| | Number of complaints received about the performance of the stormwater system (M) Target: <1.5 per 1000 properties | Total number of complaints was 1 over 1714 properties. Number of complaints per 1000 properties = 1 | Achieved (2018/19: Achieved) |
| | User satisfaction with stormwater services Target: > 85% satisfied or very satisfied users | Next survey 2021 | Not measured (2018/19: Not achieved) |

* Flooding event means an event where stormwater enters a habitable floor. Measured from the time of notification to the time that service personnel reach the site.

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Stormwater Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ 93 | \$ 105 | \$ 128 |
| Targeted rates | - | - | - |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | - | - | - |
| Interest and dividends from investments | - | - | - |
| Internal charges and overheads recovered | - | - | 8 |
| Local authority fuel tax, fines, infringements fees, and other receipts | - | - | - |
| Total operating funding | 93 | 105 | 135 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 26 | 27 | 15 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 35 | 45 | 56 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 61 | 72 | 71 |
| Surplus / (deficit) of operating funding | 32 | 34 | 64 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | 4 | 4 | 1 |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 4 | 4 | 1 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 195 | 67 | 17 |
| Capital expenditure - to replace existing assets | - | 73 | - |
| Increase/(decrease) in reserves | (159) | (102) | 48 |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 36 | 37 | 66 |
| Surplus/(deficit) of Capital Funding | (32) | (34) | (64) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Capital expenditure reduced from the LTP budget due to the delay of the Queen Street upgrade project which has commenced in 2019/20 (Actual \$14,000; LTP Budget \$134,000).

POINTS OF INTEREST

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

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

SEWERAGE GROUP

WHAT WE DO:

Waimate District Council operates a waste water 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:

- 35km of gravity sewer mains
- 5km of rising sewer mains
- 15km of gravity lateral connections
- 307 manholes or inspection eyes
- One treatment and disposal facility

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 WE PROVIDE IT:

Waimate District Council is required by statute i.e. 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

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|----------|-------------------------------------|--|
| Sewerage | Social Economic Environmental | <p>Thriving Community</p> <ul style="list-style-type: none"> • A district that provides infrastructure for economic activity <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces <p>Sustainable District and Environment</p> <ul style="list-style-type: none"> • We value the natural environment, biodiversity and landscapes |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading "Why we provide it", and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|--|
| Potential overflow situations if sewerage infrastructure is not maintained to the right standard | Council plan to renew many of the sewerage pipes within the next 10 years, and will continue to closely monitor the infrastructure |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Maintain reliable sewerage network services | | | |
|---|---|---|---|
| How we do it | <ul style="list-style-type: none"> • Maintain wastewater scheme networks and respond to service failures • Manage growth of network • Monitor condition and performance of wastewater reticulation and assets • Complete capital expenditure programme associated with improving and developing the network • Ongoing pipe investigation programme | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Number of dry weather overflows from the sewerage system (M) Target: <2 per 1000 connections | Number of dry weather sewerage overflows per 1000 connections = 0 (nil overflow / 1714 connections) | Achieved (2018/19: Achieved) |
| | Annual pipe investigation completed Target: Target completed | Pipe investigation was undertaken July 2019 and March 2020. | Achieved (2018/19: Achieved) |
| | Capital works programme Target: Capital works programme completed | Not all capital works programme completed. Of note Waimate Urban Sewer renewal and Edward Street Sewer upgrade. Please refer to Quarterly Projects Report presented to District Infrastructure Committee Meetings. | Not achieved (2018/19: Not achieved) |
| 2. Deliver sewer services according to required environmental standards | | | |
| How we do it: | <ul style="list-style-type: none"> • Manage and monitor sewerage treatment and disposal system under conditions of resource consent • Monitor quality of effluent • Monitor ongoing regulatory change for wastewater activities • Treatment and disposal of domestic and industrial wastewater via the wastewater schemes • Update and review Risk Management Strategy | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Compliance with Resource Consents for discharge from sewerage system (M) Target: No abatement notices, infringement notices, enforcement orders and convictions | Number of abatement notices = 0 Number of infringement notices = 0 Number of enforcement orders = 0 Number of successful convictions = 0 Council target (all enforcement actions) = 0 | Achieved (2018/19: Achieved) |

3. Maintain excellent customer service for sewerage system

| | | | |
|-----------------------------------|---|---|-------------------------------------|
| How we do it: | <ul style="list-style-type: none"> • Provide a customer service request system 24 hours a day, 7 days a week • Investigate and rectify sewer services and wastewater odour complaints • Maintain wastewater scheme networks and respond to service failures or faults • Manage the collection, treatment and disposal of domestic and industrial wastewater • Monitor demand on all wastewater schemes | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Median attendance and resolution times to sewerage overflows resulting from blockages or other faults (M) | There were no sewerage overflows during the year, hence the median response and resolution times are Nil. | |
| | Target: Median attendance time <60 minutes Attendance: from the time Council receives notification to the time that service personnel reach site | Time to get to site = 0:00 (h:mm) | Achieved (2018/19: Achieved) |
| | Target: Median resolution time <12 hours Resolution: from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption. | Time to resolve the problem = 0:00 (h:mm) | Achieved (2018/19: Achieved) |
| | Total complaints received about: 1. Sewer odour 2. Sewerage system faults 3. Sewerage system blockages 4. The WDC response to sewerage system issues (M) Target: 3 or fewer complaints per 1000 connections | Total number of complaints was 7 over 1714 sewerage connections. 1 2 4 0 Number of complaints per 1000 connections = 4 | Not achieved (2018/19: Achieved) |
| | User satisfaction with sewerage services Target: > 85% satisfied or very satisfied users | Next survey 2021 | Not measured (2018/19: Achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Sewerage Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ - | \$ - | \$ - |
| Targeted rates | 532 | 563 | 547 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 52 | 54 | - |
| Interest and dividends from investments | - | - | - |
| Internal charges and overheads recovered | 28 | 6 | 40 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 3 | 3 | 16 |
| Total operating funding | 614 | 625 | 603 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 180 | 185 | 194 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 214 | 238 | 225 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 394 | 423 | 419 |
| Surplus / (deficit) of operating funding | 220 | 202 | 184 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | 16 | 16 | 56 |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 16 | 16 | 56 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 282 | 38 | 18 |
| Capital expenditure - to replace existing assets | 357 | 276 | 91 |
| Increase/(decrease) in reserves | (402) | (95) | 131 |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 236 | 219 | 240 |
| Surplus/(deficit) of Capital Funding | (220) | (202) | (184) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Fees and charges for the LTP budget included income for Mill Road and King Street sewer connections. These contributions are included in Development and financial contributions for 2019/20.

Capital expenditure reduced from the LTP budget due to reduced spends for urban sewer renewals and the Aerator.

POINTS OF INTEREST

Taumata Arowai – the Water Services Regulator will also in the future oversee, administer, and enforce compliance in the waste water (sewerage) sector. The Taumata Arowai - Water Services Regulator Act passed in July 2020 and establishes Taumata Arowai as a new Crown agent and provides for its objectives, functions, operating principles, and governance arrangements. As at 30 June 2020, the legislation was a Bill before Parliament.

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

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

ROADING AND FOOTPATHS GROUP

WHAT WE DO:

The main purpose of this activity is to provide for the safe, convenient and efficient movement of people and goods around and through the district. This is achieved by providing a network of roads, footpaths, bridges, signs and markers, street lights and associated drainage systems. The Roading Activity is managed by Waimate District Councils Roading Team, who manage most aspects of the activity internally, although the physical maintenance of the Roading assets is externally contracted. New Zealand Transport Agency (NZTA) is Councils co - investment partner for roading and the works programme which is approved on a three yearly cycle in the Regional Land Transport Plan.

The objective of this activity is to ensure that the condition of the roading network is maintained at an appropriate level, for all parts of the Network. This is delivered by Planned and reactive maintenance to remedy defects and Replacement (renewal) of assets that have reached the end of their life or are in substandard condition

Planned and reactive maintenance

- Repairing pot holes and other defects in the road carriageway.
- Unsealed road grading and metalling
- Drainage and culvert maintenance
- Repairing defects in bridges
- Rural verge mowing and vegetation control
- Maintenance of road signs and road markings
- Street cleaning and rubbish removal from street litter bins
- Repairing defects in street footpaths
- Operation and repair of the street lighting network

Replacement (renewal) of assets

- Resealing of sealed roads
- Rehabilitation of sealed road pavements
- Replacement of kerb and channel and culverts
- Replacement and upgrading of bridges
- Renewal of road signs
- Renewal of street lighting
- Renewal of footpaths

| Asset | Number | Length |
|----------------------------|-----------------------------|----------|
| Length of Road | | 1,338 km |
| Sealed Road | | 646 km |
| Unsealed Road | | 692 km |
| Bridges and Large Culverts | 182 | 3,364 m |
| Culverts | 3,482 | 36,485 m |
| Concrete Fords | 85 | 1,696 m |
| Kerb & Channel | | 48,462 m |
| Signs | Over 5,000 individual signs | |
| Street Lights | 495 | |
| Footpaths | | 63 km |

WHY WE DO IT:

Local Government was first organised in Waimate in 1864 with the formation of a Roads Board for the purpose of building roads. Roading was recognised as crucial to the development of the settlement.

The Road Network is still essential to the functioning of the District's economy. Maintaining roads is a core function of Council. Maintenance work is required to keep Council's roading assets functioning from day to day and protected from further damage.

The roading infrastructure deteriorates as it is used. Some assets last a long time such as bridges which are designed to last 100 years, and some are much shorter such as signs which last between 10 and 20 years. Although these design lives are only used as a guide for planning purposes, actual replacement is based upon condition. Renewal works are planned to replace assets that have failed or are nearing failure. As an example a seal road surfacing needs to be replaced every 8-18 years to maintain water proofing.

There are several key Acts of Parliament that determine Councils legal role in Transport. These include the Local Government Act 2002 and the Land Transport Management Act 2003. Council is required to control activities on roads and ensure the unhindered passage of the public along any road. While Council may choose the level at which it will maintain road assets and provide services, it must take sufficient precautions to protect the general safety of the public, traffic and workmen on or near any road.

WHAT WE DON'T DO:

- State Highways
- Any issues on private roads and property
- Rural entrance-ways pavement and culverts
- Control of plant pests on roadside
- Urban stormwater beyond the sump.

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|---------------------|--------------------------------|--|
| Roading & Footpaths | Social Economic Cultural | <p>Thriving Community</p> <ul style="list-style-type: none"> • A district that provides infrastructure for economic activity <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> • District assets provide recreation and leisure choice |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|---|---|
| Vehicle crashes can cause significant negative health and economic effects | <ul style="list-style-type: none"> • Council is a part of South Canterbury Road Safety which promotes and educates the community on road safety issues • Make improvements to the roading network to improve safety eg. widening • Speed restrictions are imposed to help ensure that motorists travel at speeds that are appropriate for the road |
| Activities on the road such as stock crossings, stock droving and vehicle entrances | Council’s Roding Bylaw and District Plan support the protection of its road network by regulating the behaviour of people who impact on road conditions |
| Dust from unsealed road effect on houses | Council contribute 50% of the cost for the dust suppression sealing for existing houses |
| The cost of providing the services | Council uses competitive tendering processes to achieve best value for money for works it undertakes |

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|------------------------|---|
| Emissions from traffic | On Waimate District roads traffic volumes are very low and there are no locations where motor vehicles emissions are known to be present issues |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Provide quality roads | | | |
|--|---|---------------------------------|---|
| How we do it | Planned and reactive maintenance <ul style="list-style-type: none"> • Repairing pot holes and other defects in the road carriageway. • Unsealed road grading and metalling • Drainage and culvert maintenance • Repairing defects in bridges • Rural verge mowing and vegetation control. • Maintenance of road signs and road markings • Street cleaning and rubbish removal from street litter bins • Operation and repair of the street lighting network | | |
| | Replacement (renewal) of assets <ul style="list-style-type: none"> • Resealing of sealed roads • Rehabilitation of sealed road pavements • Replacement of drains, channels and culverts • Replacement and upgrading of bridges • Renewal of road signs and street lighting • Renewal of footpaths | | |
| How we measure performance | Manage inspection and condition rating of roading network assets Good Road Assessment and Maintenance Management (RAMM) data Work collaboratively with neighbouring Councils Manage the roading forward works renewals and improvements programme Undertake Activity Management planning to ensure future needs for all transport modes Investigate improvement projects and long term network needs | | |
| | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Resident satisfaction with sealed roads Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Resident satisfaction with unsealed roads Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| Average quality of ride on a sealed local roads (M) Target: Smooth Travel Exposure: 94% | Smooth travel exposure = 96% | Achieved (2018/19: Achieved) | |

2. Respond to customer complaints and requests in a timely manner

| | | | |
|-----------------------------------|---|---|---|
| How we do it | <ul style="list-style-type: none"> • Provide customer service request system 24 hours a day, 7 days a week • Investigate and rectify roading and footpaths complaints | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Percentage of customer service requests relating to roads and footpaths responded to within 5 working days (M) Target: 100% | 201 complaints and service requests were received and 200 responded to within five working days | Not achieved (2018/19: Not achieved) |
| | Percentage of reported maintenance related faults that are likely to affect driver behaviour responded to within 2 working days Target: 100% | 5 maintenance related faults that affected driver behaviour were responded to within 2 working days | Achieved (2018/19: Achieved) |

3. Provide a safe transport environment

| | | | |
|-----------------------------------|--|---|--|
| How we do it | <ul style="list-style-type: none"> • Conduct safety audits on aspects of the district's roading network • Deliver quality community road safety campaigns to improve road behaviour and awareness • Monitor road accident statistics and locations • Manage vehicle crossings and road opening processes • Ensure Traffic Management Plans are in place for all road works sites • Licence and monitor all stock crossings | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | The change from the previous year in the number of fatalities and serious injury crashes on local road network (M) Target: Number of fatalities and serious injury crashes is less than the previous year on an annual basis | 2018/19 serious injuries & fatalities =2 2019/20 serious injuries & fatalities =6 Change = 4 | Not achieved (2018/19: Achieved) |
| | Licence and monitor all cow crossings Target: All known cow crossings licensed 10% of licences audited annually for compliance | Out of the 33 cow crossings, 23 licensed and 10 in renewal process, and one no longer in use. 76 audits were undertaken. Some licences audited multiple times during the year. | Not achieved (2018/19: Not achieved) Achieved (2018/19: Achieved) |

| 4. Provide well maintained footpaths | | | |
|---|---|---|---|
| How we do it | <ul style="list-style-type: none"> • Monitor, inspect and audit footpath assets • Manage footpath renewals and maintenance • Determine future footpath projects based on defined prioritisation approach | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Resident satisfaction with footpaths Target: > 60% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Compliance with footpath prioritisation model Target: No more than 7km non-complaint | 4.4km non-compliant | Achieved (2018/19: Achieved) |
| | Percentage of footpaths that fall within a condition rating of 1-3* (M) Target: 92% of footpaths fall within a condition rating of 1-3 | 85% of footpaths with a condition rating of 1-3 | Not achieved (2018/19: Not achieved) |
| 5. Provide adequate resurfacing of the road network | | | |
| How we do it | <ul style="list-style-type: none"> • Monitor and inspect the state of the roading network, including traffic counts, pavement roughness and condition • Renewals implemented at the right time with the right treatment | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Percentage of the sealed local road network that is resurfaced (M) Target: >5.5% | Percentage of sealed network resurfaced = 6.3% | Achieved (2018/19: Achieved) |
| | Annual quantity of metal spread on unsealed roads Target: 11,000 m ³ | 16,983m ³ | Achieved (2018/19: Achieved) |
| * As detailed in the Roading Activity Management Plan | | | |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Roading and Footpaths Group Funding Impact Statement for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ - | \$ - | \$ - |
| Targeted rates | 2,552 | 2,735 | 2,730 |
| Subsidies and grants for operating purposes | 1,399 | 1,429 | 1,555 |
| Fees and charges | - | - | - |
| Interest and dividends from investments | - | - | 1 |
| Internal charges and overheads recovered | - | - | 16 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 99 | 101 | 168 |
| Total operating funding | 4,049 | 4,265 | 4,470 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 2,560 | 2,617 | 2,348 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 414 | 416 | 898 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 2,974 | 3,033 | 3,246 |
| Surplus / (deficit) of operating funding | 1,075 | 1,232 | 1,224 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | 1,708 | 2,023 | 1,433 |
| Development and financial contributions | - | - | - |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 1,708 | 2,023 | 1,433 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 465 | 822 | 193 |
| Capital expenditure - to replace existing assets | 2,382 | 2,550 | 2,227 |
| Increase/(decrease) in reserves | (63) | (117) | 237 |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 2,783 | 3,255 | 2,657 |
| Surplus/(deficit) of Capital Funding | (1,075) | (1,232) | (1,224) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Subsidies and grants for operating purposes includes the New Zealand Transport Agency subsidy income which increased from the LTP, following increased operational and maintenance spends.

Local authority fuel tax, fines, infringements fees, and other income has increased from the LTP budget due to State Highway cost recoveries.

Payments to staff and suppliers was favourable to the LTP budget due to the allocation of internal staff resources, included in internal charges and overheads applied, resulting in a total increase of applications of operating funding to LTP of \$213,000. This increase is the result of additional operational and maintenance spends.

Subsidies and grants for capital expenditure includes the New Zealand Transport Agency subsidy income which reduced from the LTP budget. This was predominately due to reduced roading capital spends this year following a delay in works during the Covid.19 Level 4 lockdown, and a staff vacancy and the timing of that replacement in the roading department.

Capital expenditure has reduced from the LTP budget due to a delay in works during the Covid.19 Level 4 lockdown, and a staff vacancy and the timing of that replacement in the roading department.

POINTS OF INTEREST

Minor Projects

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

Clarksfield Road safety fence.

Parkers Bush / Centrewood Park intersection upgrade.

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

Point Bush Road seal widening.

Hakataramea Valley Road sealing widening.

Concrete Ford Renewal

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

Major Bridge Repairs

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

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

ORGANISATION & GOVERNANCE GROUP

WHAT WE DO:

The Organisation & Governance Group includes the following activities provided by Council:

- **Central Administration**

Central Administration comprises the core services that Council provides to its activity areas in order to support efficient delivery of each activities' outcomes. An appropriate operating structure of Council is the main function of Central Administration.

In the Corporate Services group, this includes Customer Service, Cleaning, Finance, Information Technology, Records & Archiving. In the Community and Strategy Group, Strategic Development, Monitoring & Reporting, Economic Development & District Promotions, Library, Emergency Management.

In the Regulatory and Compliance Group, this includes District Planning, Building, Environmental, Animal Management.

In the Asset Group, this includes Sewer, Stormwater, Waste Management, Water Supply (Urban & Rural) & Roothing, Property, Parks, Swimming Pool, Camping and Cemetery.

- **Community Representation**

Community representation ensures that the Mayor, Councillors and Officers receive the support and guidance required to deliver the high standard of service expected in the district.

Elected Members and community representatives are the voice of the community in this group. In order that Council decisions are made in the interest of the district, it is the role of these Elected Members to give due consideration to the issues at hand. Council has a further duty to review and respond to issues of special significance to the district, and from time to time represent the district views with Central Government. The Elected Members form the governance layer for the District. They agree Council's strategy, approve non-mandatory Council activities, and monitor the performance of Council on behalf of the districts residents and ratepayers.

- **Investments and Finance**

The Investment & Finance function is an activity of Council with the following objectives:

1. Manage Council's forestry investment assets.
2. Manage Council's cash-flow position, ensuring sufficient funds are available to pay creditors as well as investing any surplus in order to maximise interest return.
3. Maintain Council's relationship with Council's principal bankers ensuring appropriate debt facilities are available when required.
4. Manage the other investments of Council, principally its investment in Alpine Energy

- **Strategy**

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 3 yearly, while Annual Plans are produced in the intervening two years. The Draft Long Term Plan is rigorously examined by Audit NZ before releasing to the community, who may comment by way of submission.

The Annual Financial Report summarises the financial performance of Council every 30 June, but is supported throughout the year by periodic reports.

WHY WE PROVIDE IT:

These activities help ensure:

- A well-organised and efficiently run Central Administration activity will result in Council fully supporting its activity areas in achieving their aims and ensure the community gets the most value from Council services.
- Basis for fair and equitable decision making in the district. It ensures there is a robust governance framework underpinning decisions, and that these decisions comply with legal requirements. It also gives the residents and ratepayers in Waimate district the opportunity to participate in the decisions affecting their district.
- Careful management of Council investments should yield investment returns that, in turn, support the activities of Council. Council assumes a minimum return in its plans. Investment returns above expectation provide an additional fiscal benefit for the Council to redistribute as determined by policy.

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|--------------------------|---|---|
| Central Administration | Social | Safe and Healthy People <ul style="list-style-type: none"> Our services, infrastructure and environment enhance quality of life |
| Community Representation | Social Cultural | Safe and Healthy People <ul style="list-style-type: none"> Our services, infrastructure and environment enhance quality of life Active, Diverse and Supportive Community <ul style="list-style-type: none"> All people are encouraged to participate in our democratic processes |
| Investments and Finance | Economic Environmental | Safe and Healthy People <ul style="list-style-type: none"> Our services, infrastructure and environment enhance quality of life Sustainable District and Environment <ul style="list-style-type: none"> A district that is enhanced through sustainable and diverse development We value the natural environment, biodiversity and landscapes |
| Strategy | Social Economic Environmental Cultural | Thriving Community <ul style="list-style-type: none"> A district that provides infrastructure for economic activity A district that encourages development A district that actively promotes itself and its businesses Safe and Healthy People <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life Sustainable District and Environment <ul style="list-style-type: none"> A district that is enhanced through sustainable and diverse development Our heritage is valued and protected We value the natural environment, biodiversity and landscapes Active, Diverse and Supportive Community <ul style="list-style-type: none"> All people are encouraged to participate in our democratic processes District assets provide recreation and leisure choice We celebrate and support the good things about our community |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|--|
| <p>Where Community Representation fails to reflect adequately the interests of the district, a decision may be made which affects a proportion of the population without consideration to their views.</p> <p>In addition, without robust governance around the decision making process, said decisions may prove unenforceable thereby significantly influencing Council’s ability to operate effective or efficiently.</p> | <p>Council mitigates these risks providing as wide a basis for collecting residents’ views as possible – via public forums, direct or collective conversations, special consultations, ward meetings or written correspondence.</p> <p>Furthermore, Council aims to have the appropriate level of expertise available to it in order that decisions are made correctly, according to policy, and legally according to statute.</p> |
| <p>Poorly executed investment or cash-flow management may affect financial returns, or increase the cost or level of debt required to service activities.</p> | <p>Council mitigates the economic risk by ensuring appropriate controls and reporting are in place around investment returns and interest costs. Council ensures it has representation at Alpine Energy meetings and has regular dialogue with its principal bank.</p> |
| <p>Council relies on Central Administration to support its activities. In the event Central Administration cannot support an activity or activities, either by being unable to provide appropriate expertise to the activity or within appropriate budget limits, levels of service or the cost of delivery will be negatively impacted.</p> | <p>Council mitigates this risk by ensuring appropriate structures, plans, controls and reports are in place in each activity. In addition, Council provides its staff & volunteers with training, support and a safe working environment.</p> |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Provide good quality governance for the community in an open and transparent manner | | | |
|--|---|---|---|
| How we do it | <ul style="list-style-type: none"> • Lead, govern and make decisions about the overall direction of the Council on behalf of the community • Carry out regular Council and Standing Committee meeting programmes which are open to the public • Develop and implement planned policy review programme • Review, develop and adopt existing and new policy for issues as they arise • Maintain relationships with iwi • Fulfil the purpose of Local Government and all statutory obligations, as set by the Local Government Act 2002 and other relevant legislation • Prepare and adopt statutory planning and reporting documents as required (Annual Plan, Annual Report and Long Term Plan) • Conduct Elections, By-elections and Representation Reviews as required | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Provide opportunities for the community to raise local issues Target: Public forum timeslot for every ordinary Council meeting | Public forum was offered at each Ordinary Council meeting. | Achieved (2018/19: Achieved) |
| | Compliance with Local Government Act planning, and accountability Target: Audits of plans and reports receive a clear opinion | The 2018/19 Annual Report received an unqualified (clear) opinion from Audit NZ dated 8 October 2019. | Achieved (2018/19: Achieved) |
| | Response time to Local Government Official Information and Meeting Act (LGOIMA) requests Target: 100% responded to within statutory time-frame | Achieved 100% of the 61 requests received 3 were withdrawn, 1 superseded by an amended request and the remaining 57 were responded to in the 20 day time-frame. | Achieved (2018/19: Not achieved) |
| | Residents are satisfied with performance of elected members Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |

| 2. Communicate with the community | | | |
|-----------------------------------|--|--|---|
| How we do it: | <ul style="list-style-type: none"> • Provide opportunities for community engagement, including public forums, informal consultation and Special Consultative Procedures (SCPs) • Communicate Council activities to the community via WDC website, print and social media • Maintain an up-to-date website which is available 24 hours a day, 7 days a week | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Resident satisfaction with sufficiency of the information supplied by Council Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Continue to grow Facebook following Target: Number of Facebook likes increase annually | Likes = 1,282 Followers = 1,661 | Achieved (2018/19: Achieved) |
| | Continue to grow WDC website visitors Target: Number of website visitors increases annually | Website users = 29,354 Website new users = 26,686 Website page views = 127,150 | Achieved (2018/19: Achieved) |
| | Write regular media releases and articles Target: Number of media releases and articles increases | 24 media releases | Achieved (2018/19: Achieved) |
| 3. Advocate for the community | | | |
| How we do it: | <ul style="list-style-type: none"> • Prepare submissions on issues that will, or may impact the Waimate District community • Advocate on district issues on behalf of the community • Maintain, collaborate and develop relationships and partnerships with other agencies to provide solutions to district issues • Communicate issues of importance that may require advocacy to the community | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Formal WDC submissions are made to agencies Target: 4 submissions per year | 7 formal submissions were made to agencies throughout the year. | Achieved (2018/19: Not achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Organisation and Governance Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ (33) | \$ (33) | \$ (2) |
| Targeted rates | 871 | 879 | 865 |
| Subsidies and grants for operating purposes | - | - | 10 |
| Fees and charges | - | - | - |
| Interest and dividends from investments | 849 | 758 | 809 |
| Internal charges and overheads recovered | 3,522 | 3,760 | 4,098 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 161 | 164 | 269 |
| Total operating funding | 5,370 | 5,528 | 6,049 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 4,056 | 4,037 | 4,044 |
| Finance costs | 156 | 217 | 105 |
| Internal charges and overheads applied | 1,047 | 1,054 | 1,265 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 5,259 | 5,309 | 5,413 |
| Surplus / (deficit) of operating funding | 111 | 219 | 635 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | - | - | - |
| Increase / (decrease) in debt | 3,400 | 4,200 | (71) |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 3,400 | 4,200 | (71) |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 35 | 49 | 553 |
| Capital expenditure - to replace existing assets | 417 | 251 | 217 |
| Increase/(decrease) in reserves | 3,059 | 4,119 | (207) |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 3,511 | 4,419 | 564 |
| Surplus/(deficit) of Capital Funding | (111) | (219) | (635) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Subsidies and grants for operating purposes includes a grant from Ministry of Business, Innovation and Employment towards responsible camping from the Tourism Facilities Development Grant, which was not allowed for in the LTP.

Interest and dividends from investments includes income from Council's investment in Civic Financial Services following the sale of Civic Assurance House in Wellington (\$25,500), which was not allowed for in the LTP.

Internal charges and overheads recovered have increased to the LTP, however this is predominately offset by increased internal charges and overheads applied. The increases are due to internal interest on reserve balances, where reduced capital spends have meant reserves are in a better position than anticipated at LTP.

Finance costs were below LTP budgets due to overall reduced capital spends for Council, and overall positive cash reserves, therefore no additional borrowings were required during 2019/20 as planned in the LTP.

Capital expenditure for this activity has increased from the LTP budget predominately due to the purchase of the Gorge Road office premises.

POINTS OF INTEREST

CENTRAL ADMINISTRATION

IT Business Unit

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

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

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

COMMUNITY REPRESENTATION

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

INVESTMENTS AND FINANCE

Purchase of Gorge Road Property – Following the initial lease of a commercial property at 4 to 6 Gorge Road, the property was purchased as a Council investment. The property provided options for present and future use to mitigate identified issues including crowding at the Local Government Centre office and anticipated maintenance work requiring employee displacement. The property is utilised as office space and occupied by Council’s Asset Team.

STRATEGY

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

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

DISTRICT PLANNING & REGULATORY SERVICES GROUP

WHAT WE DO:

The District Planning and Regulatory Services Group includes the following activities provided by Council:

- **Animal Management**

Animal Management is responsible for enforcing Council's bylaws and policies relating to dogs in our District. This activity focuses on promoting responsible dog ownership that allows owners to enjoy their dogs without infringing on the enjoyment and safety of others. To achieve this, Council works closely with the public to provide education around responsible pet ownership. An important facet of this work is visiting schools and early childhood centres, educating children how to interact with dogs.

We maintain a register of dogs within the District as part of our legislative responsibilities and this assists us to investigate and respond appropriately to dog related complaints. We also maintain a pound in Waimate to ensure we are able to deal appropriately with dogs and other animals which need to be contained.

We also work hard to ensure all wandering stock are attended to quickly, making sure our roads and residents are safe.

- **Building Control**

Building Control is responsible for implementing and administering the provisions of the Building Control Act 2004. Under the Act, Council must maintain accreditation as a Building Control Authority (BCA) to be able to provide this service. The main purpose of the Act, and our work, is to provide regulation for building work, set a licensing regime for building practitioners and to set performance standards for buildings.

As an accredited BCA we ensure buildings are safe and healthy for the people who use them. Our work varies from consenting and inspecting new building developments to the standards set by the legislation, to ensuring existing buildings are safe and hazards are dealt with. The 2016 amendment to the Building Act now requires Council to ensure that all potentially Earthquake Prone Buildings within the District are assessed within the statutory time frame.

- **Environmental Services**

The Environmental Services activity is primarily concerned with improving, maintaining and promoting public health, wellness and safety within our District.

The activity deals with a broad range of issues including food safety, noise control, containment of any infectious diseases, hazardous substances and health nuisances, liquor licensing, gambling control and offensive trades. Environmental Services also encompasses a number of activities in the community that require rules to safeguard public health and safety. These range from premises such as hairdressers, beauty salons, tattooists and skin piercing businesses, funeral directors and mobile shops, and the keeping of animals, poultry and bees.

Council has a contractual and joint shared service arrangement with Timaru District Council and Mackenzie District Council for the provision of environmental services and liquor licensing services.

The activity is also responsible for the administration and review of the Waimate District Consolidated Bylaws.

- **Resource Management**

The Resource Management Activity focuses on land use and the sustainable management of natural and physical resources within the Waimate District. This is achieved primarily through administering the Waimate District Plan, which has policies, rules and standards for a range of land use activities that reflect the responsibilities of Council under the Resource Management Act 1991 and the Resource Legislation Amendment Act 2017.

The Waimate District Plan is prepared and administered as a function of this activity. The District Plan is the key tool for addressing the District's resource management issues and objectives. Council uses the District Plan to achieve integrated management of the effects of use, development and protection of land and associated natural and physical resources.

Other tasks include the processing and administering of land use and subdivision consents, notices of requirement, District Plan variations and processing of Land Information and Project Information Memoranda (LIMs and PIMs). Council also undertakes compliance monitoring, State of Environment reporting and is always available to provide policy advice on planning and development, conservation, design, heritage and environmental issues that affect our District.

The central focus of this group is administering Council's statutory and regulatory responsibilities across a wide number of statutes. Its primary concern is the protection of community health, safety and amenity. District Planning is also a major function of the group and is important not only to meet the needs of our communities ahead of change, but also so that we can retain the diversity, character and natural values that make the

WHY WE PROVIDE IT:

Our District Planning and Regulatory Services activities are in the business of safeguarding residents in every-day community life. This means residents don't need to worry their new house might fall over in a stiff breeze, or that wandering dogs will get into the rubbish bins. Residents don't need to stress that new developments might poison a stream, or that the food they buy hasn't been prepared hygienically. Council will take care of any late-night bag-pipe practices and will make sure that gambling and licensed liquor premises are doing things by the book.

Council is required to provide District Planning and Regulatory Service activities under a number of Acts of Parliament including, but not limited to; the Local Government Act, Resource Management Act, Dog Control Act, Building Act, Health Act, Sale and Supply of Alcohol Act and the Food Act. In addition, this group of activities also oversees and enforces our bylaws and District plan.

Although there are legislative drivers, Council sees this group of activities as contributing strongly to our vision of "Leading our communities towards a diverse, thriving and sustainable district."

These activities help ensure:

- Our built and natural environment is safe to live, work and play in
- Building or land developments are managed in a safe and sustainable way
- Land is used appropriately through enforcing building and planning rules and legislation
- Any negative effects of activities which may occur in the District are minimised or managed (for example noise or wandering animals)
- Food premises are practising a high standard of hygiene
- Communities and individuals are kept safe from nuisances;
- The natural and built environment is protected and enhanced to promote sustainable development

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|------------------------|---------------------------|--|
| Animal Management | Social | Safe and Healthy People <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |
| Building Control | Economic Environmental | Safe and Healthy People <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |
| Environmental Services | Social Environmental | Safe and Healthy People <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |
| Resource Management | Social Environmental | Thriving Community <ul style="list-style-type: none"> • A district that encourages development Safe and Healthy People <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading ““Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|--|
| The cost of compliance (eg consent fees, dog registration, license fees etc) for all regulatory activities may be a barrier for some people and could have adverse economic effects on some operators. | Costs of these activities are set based on a user pays model and our publicly consulted funding policy. This recognises that benefits are primarily to individuals or services that are regulated by these activities. Council is very mindful of providing cost efficient services and review our internally set fees and charges annually to ensure they are appropriate and comparable to similar councils. Some fees are set by external bodies. |
| Conflict over consenting and regulation outcomes. Some applicants might not agree with the outcome/decision of a consenting or regulatory process, | We provide education and information on legislative requirements, building code requirements, bylaws and District Plan rules and policies. |
| Enforcement of district planning requirements may impact on economic development. | Development proposals are subject to the District Plan and adverse environmental effects must be avoided, remedied, or mitigated. Council will ensure a robust District Plan in consultation with the community, which provides an appropriate balance between protecting people and the environment, while encouraging appropriate and sustainable development. |
| Restriction of rights - some people may believe their rights are restricted by regulations such as those managed by this group of activities (eg liquor ban, Dog Control Policy, and areas covered by general bylaws). | Council decision-making regarding policy and bylaws is made following sound examination of all options, potential effects and consequences, and community consultation when appropriate. Council provides information and advice on all legislative requirements relating to its activities. |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Perform statutory functions as required | | | |
|--|--|--|--|
| How we do it | <ul style="list-style-type: none"> Administer legislative requirements under District Planning and Regulatory Services related legislation Meet requirements to remain accredited as a Building Consent Authority Review District Plan, bylaws and related policies Monitor ongoing legislative and regulatory changes | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Retain accreditation as Building Consent Authority Target: Associated audit processes ensure accreditation retained | Retained in 2019/20 year. | Achieved (2018/19: Achieved) |
| | District Plan and bylaws reviewed within statutory time-frame Target: 100% reviewed and adopted within statutory time-frame | Initial preparation for the District Plan Review has commenced. A time-line programme and a list of people/groups for initial non-regulatory consultation has been compiled. | Achieved (2018/19: Achieved) |
| 2. Deliver timely, efficient processing of consents and related requirements | | | |
| How we do it | <ul style="list-style-type: none"> Process and grant building consents Process and grant resource consents Process and issue Land Information Memorandums (LIMs) and Project Information Memorandums (PIMs) Process and issue other Building Act requirements (eg notices to fix) Process Resource Management Act requirements (eg alterations to designations) | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Building consent processing within statutory time-frames and average processing time Target: 100% of building consents granted within 20 working days | 278 out of 307 building consents were issued within 20 working days. This included 19 amendments to building consents. 90.55% achieved for the year. COVID-19 lockdown period caused some delays. | Not achieved (2018/19: Not achieved) |
| | Resource Consent processing to take place within statutory time-frames and average processing time Target: 100% non- notified processed within 20 working days Target: 100% notified processed within 70 working days | 45 of 45 non- notified resource consents were actioned within the statutory time-frame. 2 notified applications were processed to a decision and were actioned within the statutory time-frame. | Achieved (2018/19: Achieved) Achieved (2018/19: Achieved) |

| 3. Investigate and respond to public complaints | | | |
|---|---|---|---|
| How we do it | <ul style="list-style-type: none"> Respond to regulatory service complaints in a timely fashion Provision of customer service request system 24 hours a day, 7 days a week | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Response to food hygiene related complaints Target: All complaints actioned within 48 hours | No food hygiene related complaints | Achieved (2018/19: Achieved) |
| | Response to late night party noise Target: All complaints actioned within 2 hours | 29 late night party (between 2100 - 0700) complaints received. 7 complaints were not responded to within 2 hours. Noise control now delivered by in-house staff, not contractors. | Not achieved (2018/19: Not achieved) |
| | Response to environmental complaints Target: All complaints actioned within 10 working days | 16 complaints received. All actioned within the statutory time-frame. | Achieved (2018/19: Achieved) |
| 4. Resource Consents are monitored to ensure compliance | | | |
| How we do it | <ul style="list-style-type: none"> Monitor and enforce conditions of notified and non-notified Resource Consents Monitor effects of development on the environment Provide policy advice on planning and development in the District to ensure adherence to the Waimate District Plan and Resource Management Act 1991 | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Percentage of implemented Resource Consents monitored | | |
| | Target: 100% of implemented subdivision consents and notified land use consents monitored annually | 16 of 16 implemented subdivision consents monitored. 1 of 1 notified (limited) land use consent was monitored. | Achieved (2018/19: Achieved) |
| | 50% of implemented non-notified land use consents monitored annually | 10 of 14 implemented non-notified land use consents were monitored. | Achieved (2018/19: Not achieved) |

5. Protect the public from dog and animal related nuisances and dangers

| | | | |
|-----------------------------------|---|--|-------------------------------------|
| How we do it | <ul style="list-style-type: none"> Investigate and respond to dog and animal related complaints Enforce Council bylaws and policy pertaining to dogs Statutory review of bylaws and policy pertaining to dogs Impound dangerous and wandering dogs and animals Maintain a safe pound Maintain a register of dogs in the District Provide public education on responsible ownership of dogs | | |
| How we measure performance | Performance Measure (M) - Mandatory performance measure | Result | Achievement 2019/20 |
| | Response to wandering stock and animal related complaints Target: All complaints actioned within 2 hours | 289 calls relating wandering stock and animal related complaints. 4 were not responded to within the required time. | Not achieved (2018/19: Achieved) |
| | Response to dog attacks on people and stock Target: All complainants interviewed within 2 hours of attack | There were 15 reported attacks on animals. 1 report for attack on people. All were responded to within the required times. | Achieved (2018/19: Not achieved) |
| | Percentage of known dogs in the District registered by 1 December Target: 95% of all known dogs registered | As at the 1 December 2019 over 99% of dogs were registered (2856). | Achieved (2018/19: Achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

District Planning and Regulatory Services Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ 507 | \$ 533 | \$ 485 |
| Targeted rates | - | - | - |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 475 | 484 | 538 |
| Interest and dividends from investments | - | - | - |
| Internal charges and overheads recovered | 34 | 34 | 34 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 3 | 3 | 11 |
| Total operating funding | 1,019 | 1,054 | 1,068 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 630 | 829 | 620 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 357 | 362 | 369 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 988 | 1,192 | 989 |
| Surplus / (deficit) of operating funding | 31 | (138) | 79 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | - |
| Development and financial contributions | 20 | 20 | 32 |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | - |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | 20 | 20 | 32 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 20 | - | 17 |
| Capital expenditure - to replace existing assets | 37 | 61 | 41 |
| Increase/(decrease) in reserves | (6) | (179) | 52 |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 51 | (118) | 111 |
| Surplus/(deficit) of Capital Funding | (31) | 138 | (79) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Fees and charges income has increased from the LTP due to higher income for building consents and health and liquor licences.

Payments to staff and suppliers was favourable to the LTP budget due to deferral of the District Plan review expenditure (Actual \$nil; LTP Budget \$190,000).

POINTS OF INTEREST

BUILDING CONTROL

The new GoGet processing system is now fully functional.

COMMUNITY SERVICES GROUP

WHAT WE DO:

The Community Services Group includes the following activities provided by Council:

- **Community Support**
Community Support provides decision making and accountability for contestable and annual grants. Funds come from both Council and non-Council sources.
- **Economic Development and Promotions**
This activity promotes economic development and visitor activity in the district. Council have a focus on an economic development strategy and implementation of its projects.
- **Emergency Management**
Civil Defence Emergency Management (CDEM) focuses on supporting our community in the understanding and management of their hazards and risks and the management of and recovery from emergencies. This is primarily achieved through annual work programmes which are linked to the Canterbury Group and Welfare Plans which in turn reflects the responsibilities of Councils under the National Plan and Civil Defence Emergency Management Act (2002). All activity is guided by 4Rs of CDEM: Reduction, Readiness, Response and Recovery.
- **Library**
The provision of a walk in and online library service offering a wide collection of reading material and electronic information. In addition to the traditional borrowing, people make extensive use of reading in the library, use of computers and free wifi. The library is also a meeting place for groups and school visits.

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.

WHY WE PROVIDE IT:

Our Community Services activities are in the business of enhancing the residents in every-day community life.

These activities help ensure:

- Continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes for our District.
- Sustainable economic growth in the Waimate District
- The district can be prepared for an emergency and will be supported through any emergency that arises
- Potential impacts of disasters are reduced, for a quicker recovery
- Research capabilities are available to residents enabling them to participate extramurally in tertiary studies not otherwise available in our District
- Resources are available to all members of our community

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|-------------------------------------|--------------------------------|--|
| Community Support | Social Economic Cultural | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> • District assets provide recreation and leisure choice • We celebrate and support the good things about our community |
| Economic Development and Promotions | Social Economic Cultural | <p>Thriving Community</p> <ul style="list-style-type: none"> • A district that provides infrastructure for economic activity • A district that encourages development • A district that actively promotes itself and its businesses <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> • We celebrate and support the good things about our community |
| Emergency Management | Social | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life |
| Library | Social Cultural | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> • A place where people are safe in their homes, work and public spaces • Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> • District assets provide recreation and leisure choice • We celebrate and support the good things about our community |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|--|
| An economic development focus on one area could create distortions away from potentially more economically viable job sectors. There is an opportunity cost to focusing heavily on one industry. | The development of the Economic Development Strategy is a joint project between Council and the community. This places balances on projects with the plan. |
| Due to the large number of community groups and limited funding sources community support activity may have more approaches for assistance than the amount of funding available. | Council will continue to monitor applications and amount allocated within the contestable and annual grants. |
| The Library provides a place for congregation which may result in noise and disturbance to others. | One staff member is on front counter and monitors library users. |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Provide quality community services that meet the expectations of the community | | | |
|---|---|--|---|
| How we do it | <ul style="list-style-type: none"> Provide quality library services to community and visitors | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Resident satisfaction with library services Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| 2. Improve individual, community and business awareness of the risks from hazards and assist them to build resilience to emergency events | | | |
| How we do it: | <ul style="list-style-type: none"> Educate and inform the public and businesses about the risks to their communities from hazards via presentations, media campaigns and printed material in order to improve community resilience Review Civil Defence Plan Identify hazards that require research for risk reduction and assist in the delivery of results from research as part of ongoing community education Provide training for volunteers and staff so they can respond to emergency events in a manner that supports our communities Monitor hazard information and events as they progress | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Percentage of residents who feel Council has provided them with enough information to be able to cope in an emergency Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Number of emergency management community engagement activities Target: 6 per year | <p>The thirteen community based radios were checked by Community Representatives contacting council offices in September, December, March, and June.</p> <p>The review of the Cannington & Maungati Community Response plans was finalised and 130 printed copies were distributed in September.</p> <p>The national earthquake drill (NZ ShakeOut) took place on 17 October, most schools within the district took part.</p> <p>Strawberry Fare on 14 December was used to promote Civil Defence preparedness into the community.</p> <p>Started review of Glenavy-Ikawai and Studholme-Willowbridge-Morven Community Response Plans.</p> <p>Waimate EOC activated for 52 days responding to the COVID-19 pandemic event.</p> | Achieved (2018/19: Achieved) |

3. Civil Defence Emergency Management personnel appropriately trained and prepared to assist community in the event of an emergency

| | | | |
|-----------------------------------|---|--|---------------------------------|
| How we do it: | <ul style="list-style-type: none"> • Civil Defence Emergency management personnel and partner agencies participate in in-house/regional/national exercises • Civil Defence Emergency management personnel attend training courses | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Annual Group exercise Target: 1 annually | 1 group exercise held. | Achieved (2018/19: Achieved) |
| | Civil Defence Emergency Management personnel within the EOC offered training Target: 2 training opportunities per year | 3 training opportunities offered this year. One Emergency Operations Centre Level 2, 2 day training was held on 19 and 20 September. CDEM C10 residential training was held between 23 and 27 September. South Island Civil Defence Emergency Management Conference on 24 and 25 October. | Achieved (2018/19: Achieved) |

4. Manage and allocate community funding scheme grants

| | | | |
|-----------------------------------|---|--|---|
| How we do it: | <ul style="list-style-type: none"> Administration, promotion and management of Council's community funding schemes, Creative Communities Scheme and Sport NZ Rural Travel Fund Grant accountability forms collected to ensure appropriate use of funds Promote the availability of all Council funding opportunities | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | All grants administered by Council are fully subscribed. Target: All grants fully subscribed | WDC Sports Grant <ul style="list-style-type: none"> 11 applications were allocated a total of \$11,638.73. No balance carried forward. | Achieved (2018/19: Not achieved) |
| | | Creative NZ Communities Grant <ul style="list-style-type: none"> 8 applications were allocated a total of \$14,062.57. Balance of \$4,898.01 carried forward. Round 2 decisions were deferred due to COVID-19 lockdown, less applications were received as it was unknown if events could continue. Creative NZ Communities allowed the balance to be carried forward. | Not achieved (2018/19: Achieved) |
| | | Sport NZ Rural Travel Grant <ul style="list-style-type: none"> 3 applications were allocated a total of \$7,000. Balance of \$2,500 carried forward. Sport NZ Rural Travel grant applications were lower than normal due to COVID-19 restrictions. Sport NZ approved balance to be carried forward. | Not achieved (2018/19: Achieved) |
| | | WDC Community Grant <ul style="list-style-type: none"> 8 applications were allocated a total of \$10,000. No balance carried forward. | Achieved (2018/19: Achieved) |
| | | WDC Heritage Grant <ul style="list-style-type: none"> 2 applications were allocated a total of \$2,000. Balance of \$7,687.32 carried forward. | Not achieved (2018/19: Not achieved) |
| | | Recreational Track Grant <ul style="list-style-type: none"> 4 applications were allocated a total of \$29,913. No balance carried forward. | Achieved (2018/19: Not achieved) |

5. Support economic development in the District

| | | | |
|-----------------------------------|---|--|-------------------------------------|
| How we do it: | <ul style="list-style-type: none"> • Maintain a business friendly Council approach to customer relations • Ensure economic development is a high priority in decision-making • Finalise implementation of Economic Development Strategy • Supporting local events | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Implementation of Economic Development Strategy Target: Strategic aims identified and prioritized and commenced | Work has commenced on the following prioritised projects: <ol style="list-style-type: none"> 1. Roll out the Waimate District brand 2. Develop a signage plan 3. Develop a landscaping plan 4. Enhance the White Horse monument and surrounds 5. Investigate the development of an industrial/business park | Achieved (2018/19: Achieved) |
| | Positive perception of living in Waimate District (As measured in biennial survey) Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Achieved) |

6. Information and Library services, programmes and material are accessible to district residents, schools and visitors

| | | | |
|-----------------------------------|---|---|---------------------------------|
| How we do it: | <ul style="list-style-type: none"> • Ensure information and library services are accessible to the community and visitors with consistent and appropriate opening hours • Ensure information centre is stocked with a variety of quality local information • Provide skilled staff to assist with enquiries • Provide access to physical collections at the library facilities and online • Provide a wide range of high quality library material • Produce and promote an annual programme of library exhibitions on a range of subject material | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Provide educational programmes at the library Target: 4 programmes provided annually | The library provided 6 programmes throughout the year: <ul style="list-style-type: none"> • Elections at the Library • Joy Langston – Bones Talking • ECan – Log Burners • Success with Seeds – Jonnie Rutherford • Michele McConnochie Book Launch • Mystery Book Parcels Note: the library was closed due to COVID-19 level 3 and 4 restrictions. | Achieved (2018/19: Achieved) |
| | Visitors to Explore Waimate website Target: Number of visitors increases annually | Website <ul style="list-style-type: none"> • Unique visitors = 34,309 • Visits = 33,404 • Page views = 60,245 Facebook <ul style="list-style-type: none"> • Likes = 1,703 • Followers = 1,762 Instagram <ul style="list-style-type: none"> • Followers = 580 | Achieved (2018/19: Achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Community Services Group Funding Impact Statement for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ 368 | \$ 351 | \$ 332 |
| Targeted rates | 495 | 506 | 503 |
| Subsidies and grants for operating purposes | 21 | 21 | 32 |
| Fees and charges | 13 | 13 | 8 |
| Interest and dividends from investments | 1 | 1 | - |
| Internal charges and overheads recovered | 5 | 2 | 33 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 28 | 28 | 10 |
| Total operating funding | 931 | 922 | 918 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 743 | 699 | 551 |
| Finance costs | - | - | - |
| Internal charges and overheads applied | 271 | 271 | 272 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 1,014 | 970 | 823 |
| Surplus / (deficit) of operating funding | (83) | (47) | 95 |
| Sources of capital funding | | | |
| 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 | - | - | - |
| Total capital funding | - | - | - |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 60 | - | 21 |
| Capital expenditure - to replace existing assets | 60 | 61 | 56 |
| Increase/(decrease) in reserves | (203) | (109) | 18 |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | (83) | (47) | 95 |
| Surplus/(deficit) of Capital Funding | 83 | 47 | (95) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Payments to staff and suppliers has reduced from the LTP budget due to reduced actual spends for Economic Development and Promotions (Actual \$36,000; LTP Budget \$176,000).

POINTS OF INTEREST

ECONOMIC DEVELOPMENT

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

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

PROMOTIONS

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

EMERGENCY MANAGEMENT

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



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

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

LIBRARY

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

WHAT WE DO:

The Community Facilities Group includes the following activities provided by Council:

- **Camping**

Council provides a range of formal and informal camping grounds throughout the District. This includes cabins and camp sites at Victoria Park, and camp sites at the Knottingley Park Motor Camp, St Andrews Reserve and the Morven Camping Ground (which is managed by a Domain Board). These camp grounds all offer powered and non-powered sites. Our Waitaki Lakes camp grounds offer seasonal non-powered camping sites at five locations on the shores of the picturesque Waitaki Lakes. Council cleans and maintains our camping sites to ensure residents and visitors alike have access to quality, safe and appealing camping grounds and facilities.

- **Cemeteries**

Council manages and maintains a number of cemeteries across the district. We have two active cemeteries, Waimate and Otaio. The Glenavy and Morven cemeteries are closed for interments but are maintained by Council. Council provides land and services for the burial or interment of ashes of the dead and ensure cemeteries are well maintained so they are peaceful places for family, friends, the community and visitors. We also maintain and update an electronic cemetery database for the Waimate and Otaio cemeteries to assist with enquires about burials in these Council cemeteries.

- **Event Centre**

Opened in December 2016, the Waimate Event Centre is a modern facility offering a mix of spaces for indoor recreation, meetings and events. The Event Centre hosts a number of tenants including the Information Centre, providing a dual service to both residents and visitors alike.

The features of the Event Centre include:

- Two multi-use courts
- Climbing wall
- Netted cricket lane
- Squash courts
- Fitness centre
- Function and meeting rooms with kitchen and bar facilities

The Event Centre is available for bookings seven days a week. We work together with community, sport and school groups to co-ordinate a range of events to cater for the recreational and social needs of our community.

- **Parks and Public Spaces**

Parks and Public Spaces provides and manages over 100 hectares of parks, reserves, sports grounds, playgrounds and gardens throughout the district. These vary in size and use. Our premier parks – Victoria Park and Knottingley Park and Arboretum offer a range of sport and recreational activities in park settings that showcase the natural beauty of our district. Urban reserves and neighbourhood playgrounds, such as Boland Park and the Town Belt, enhance the urban environment and provide recreation for residents and visitors. Our rural reserves provide roadside plantings to enhance town entrances. We also maintain a number of heritage monument and plaques including the war memorials, the Margaret Cruikshank monument and the White Horse.

- **Property**

We own and manage a variety of properties for community use. These properties supplement our other community facilities in this group and include community venues, public toilets, council administration buildings, community housing and reserve land. Council maintains these properties to ensure they are safe and fit for purpose.

Council provides safe, clean and accessible toilet facilities for both residents and visitors. We also provide 27 community housing units. These are good quality, affordable units available for low income residents.

- **Swimming Pool**

The Norman Kirk Memorial Swimming Pool is an outdoor heated, six lane pool, 33.3 metres long, set in a 0.28ha landscaped setting. The pool is named for the late Prime Minister, Norman Kirk, who was born and is buried in Waimate. The pool is open from mid-October to mid-March with sessions to cater for lane swimmers, children, swimming and exercise club and school visits. Trained lifeguards ensure the swimming pool is a safe and inviting facility for the community to enjoy.

The Community Facilities Group provides and manages several key community facilities that meet the District's recreation and leisure needs as well as social and cultural provisions for our communities.

WHY WE PROVIDE IT:

Council recognises that community facilities strengthen local communities in a number of ways, including providing places and spaces for people to meet and interact, facilitating community sporting, recreational, cultural, leisure and

educational activities.

People often chose to live where they can enjoy a range of amenities and facilities. Council aims, through the Community Facilities activities, to create environments throughout our district, where there is an attractive array of facilities for our communities and visitors to enjoy.

COMMUNITY OUTCOMES AND RELATED WELLBEINGS

Community outcomes describe how Waimate District Council aims to achieve meeting the current and future needs of our communities.

The Local Government (Community Well-being) Amendment Act which was passed 30 April 2019 has resulted in a change in the purpose of local government, which is to promote community well-being.

This means that we, as local authorities, are responsible for improving the social, economic, environmental and cultural well-being of our communities.

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|-------------------------|-------------------------------|---|
| Camping | Social | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> Our services, infrastructure and environment enhance quality of life <p>Sustainable District and Environment</p> <ul style="list-style-type: none"> We value the natural environment, biodiversity and landscapes <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> District assets provide recreation and leisure choice |
| Cemeteries | Social | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> Our services, infrastructure and environment enhance quality of life <p>Sustainable District and Environment</p> <ul style="list-style-type: none"> A district that is enhanced through sustainable and diverse development Our heritage is valued and protected We value the natural environment, biodiversity and landscapes <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> District assets provide recreation and leisure choice |
| Event Centre | Social Cultural | <p>Thriving Community</p> <ul style="list-style-type: none"> A district that provides infrastructure for economic activity A district that actively promotes itself and its businesses <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> District assets provide recreation and leisure choice |
| Parks and Public Spaces | Social Environmental Cultural | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life <p>Sustainable District and Environment</p> <ul style="list-style-type: none"> We value the natural environment, biodiversity and landscapes <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> District assets provide recreation and leisure choice |

| ACTIVITY | RELATED WELLBEINGS | COMMUNITY OUTCOMES |
|---------------|--------------------|---|
| Property | Social Economic | <p>Thriving Community</p> <ul style="list-style-type: none"> A district that provides infrastructure for economic activity <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life |
| Swimming Pool | Social | <p>Safe and Healthy People</p> <ul style="list-style-type: none"> A place where people are safe in their homes, work and public spaces Our services, infrastructure and environment enhance quality of life <p>Active, Diverse and Supportive Community</p> <ul style="list-style-type: none"> District assets provide recreation and leisure choice |

EFFECTS ON THE COMMUNITY

Our groups and activities can have a range of effects on the community. The positive effects have been outlined under the heading “Why we provide it”, and in our Community Outcomes. Potential negative effects are identified in the table below.

| EFFECT | HOW WE INTEND TO MITIGATE THE EFFECT |
|--|---|
| There are health and safety risks associated with Community Facilities for the public and for staff. | Council has robust Health and Safety systems in place and an active Health and Safety Manual to ensure we meet all our obligations under the Health and Safety at Work Act 2014 and associated regulations and guidelines. Playgrounds, camping grounds, and other community facilities are audited to ensure they comply with all health and safety standards. Staff and volunteers are appropriately trained to ensure health and safety requirements are met and any incidents responded to appropriately. All swimming pool staff hold a Pool Lifeguard Practicing Certificate. |
| Cemeteries and camping facilities can potentially cause contamination of groundwater and waterways | <p>Consents require cemetery developments to be set back an appropriate distance from watercourses and plots are not in direct contact with groundwater. Landscaping of cemeteries improves the aesthetics.</p> <p>Council provides facilities to mitigate potentially negative environmental effects at the Waitaki Lakes camping ground. Toilet facilities with septic tanks and rubbish and recycling bins and collection are provided during the camping season.</p> |
| The Waimate Event Centre is located in a residential area and some functions may cause disturbance to neighbours | Council will work to ensure all hirers of the Event Centre are aware of their responsibilities with regards to noise control. Landscape plantings will help mitigate noise pollution. |
| Toxic chemicals are used in the maintenance of the swimming pool and to spray weeds in public spaces and road sides. | <p>Swimming pool staff are trained in the handling of chlorine to ensure the safe use of this chemical.</p> <p>Parks staff are trained appropriately and wear personal protective equipment when using weed spray. Signs are used to warn the public that spraying is taking place.</p> |

LEVELS OF SERVICE AND PERFORMANCE MEASURES

| 1. Provide quality community facilities that meet the expectations of the community | | | |
|---|--|--|--|
| How we do it | <ul style="list-style-type: none"> • Ensure community facilities are accessible to the community and visitors • Provide clean, safe and well maintained public toilets, camp sites and cemeteries • Annual maintenance and health and safety programmes for public toilets, camp sites, cemeteries, swimming pool and Event Centre • Facilities are open to the community and visitors with consistent and appropriate opening hours | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Resident satisfaction with public toilets Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | User satisfaction with camping facilities Target: > 85% satisfied or very satisfied users. | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Resident satisfaction with cemetery facilities and services Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Resident satisfaction with parks and public spaces Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Achieved) |
| | Resident satisfaction with swimming pool facilities Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Resident satisfaction with Event Centre facilities Target: > 85% satisfied or very satisfied residents | Next survey 2021 | Not measured (2018/19: Not achieved) |
| | Utilisation of Event Centre and swimming pool Target: Number of visits increase annually | Event Centre = 14,611 visits Note numbers down due to COVID-19 closing the Centre under level 3 and 4 restrictions. | Not achieved (2018/19: Not achieved 22,381) |
| | | Swimming Pool = 13,436 visits. Note numbers down due to COVID- 19 closing the Swimming Pool a week earlier than planned. | Not achieved (2018/19: Achieved 14,022) |
| | Camping facilities are well maintained and tidy Target: Less than 5 complaints per year | No complaints | Achieved (2018/19: Achieved) |
| Cemeteries are well maintained Target: Less than 5 complaints per year | No complaints | Achieved (2018/19: Achieved) | |

2. Provide safe community facilities for the community and visitors

| | | | |
|-----------------------------------|--|---|---|
| How we do it: | <ul style="list-style-type: none"> • Maintain facilities, parks, playgrounds and buildings to established standards • Periodic replacement or refurbishment of plant to maintain existing level of service • Ensure Health and Safety plans are in place for all community facilities • Annual cleaning, maintenance and health and safety audits for public toilets, camp sites, cemeteries, swimming pool and Event Centre | | |
| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
| | Community facilities meet legislative safety requirements (Local Government Centre, Library, Regent Theatre, Event Centre) Target: Building Warrant of Fitness (WOF), Fire Regulations and Licence requirements are current | Monthly internal control checks completed and Building Warrant of Fitness current which includes fire regulations and licence requirements on Council's specified buildings. Please note no test in April due to COVID-19 situation. | Achieved (2018/19: Achieved) |
| | All playgrounds are assessed against appropriate New Zealand Safety Standards Target: All playgrounds meet safety standards | All playground have a code of Compliance to NZS 5828 Standards for Playground equipment and Surfacing | Achieved (2018/19: Achieved) |
| | Annual cleaning, maintenance and health and safety programme audit for Event Centre, swimming pool, playgrounds, public toilets, cemeteries, camp sites Target: 1 audit annually | New audits were not carried out this year. Check-lists need to be produced to enable a meaningful audit. | Not achieved (2018/19: Not achieved) |
| | Swimming Pool, Event Centre and playgrounds are maintained to a level that does not cause injury Target: No injuries are caused by lack of maintenance | Swimming Pool - no injuries reported Playgrounds - no injuries reported Event Centre - no injuries reported | Achieved (2018/19: Achieved) |
| | Serious hazards at the swimming pool are responded to immediately Target: 100% response in 30 minutes | No serious hazards reported | Achieved (2018/19: Achieved) |
| | Serious hazards at the Event Centre are responded to immediately Target: 100% response in 30 minutes | 2 potential serious hazards reported at the Event Centre. All were responded to immediately. | Achieved (2018/19: Achieved) |
| | Serious hazards in playgrounds are responded to immediately Target: 100% response in 30 minutes | No serious hazards reported | Achieved (2018/19: Achieved) |

3. Community Housing units are tenanted and well managed

| | |
|----------------------|--|
| How we do it: | <ul style="list-style-type: none"> • Maintain a waiting list, interview and place prospective tenants according to Council's eligibility criteria • Manage issues associated with the community housing portfolio • Maintain units as notified through the Council's service request system • Provide low cost Community Housing |
|----------------------|--|

| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
|-----------------------------------|--|--|---------------------------------|
| | Occupancy rate of Community Housing units Target: 90% or greater occupancy | 98.5% occupancy throughout the year was recorded for Community Housing. | Achieved (2018/19: Achieved) |
| | Annual cleaning, maintenance and health and safety programme audit for Community Housing Target: 1 audit annually | Three inspections of all units were carried out during the year and all maintenance or health and safety matters were brought to our attention for action. | Achieved (2018/19: Achieved) |
| | Rent charge for Community Housing units Target: Rent charge is equal to, or less than market rental | The rental charge for Community Housing units is less than the market rent as supplied by L J Hooker. | Achieved (2018/19: Achieved) |

4. Provide accessible and accurate cemetery records

| | |
|----------------------|--|
| How we do it: | <ul style="list-style-type: none"> • Maintain and update electronic cemetery database |
|----------------------|--|

| How we measure performance | Performance Measure | Result | Achievement 2019/20 |
|-----------------------------------|---|--|---------------------------------|
| | Cemetery records updated to reflect new internments Target: 100% of cemetery records are updated within two months | 100% of cemetery records are updated within two months | Achieved (2018/19: Achieved) |

Note:

Targets provided for each measure are the same for both the current year and the prior year.

Community Facilities Group

Funding Impact Statement

for the year ended 30 June 2020

| | LTP 30 June 2019 \$000 | LTP 30 June 2020 \$000 | Actual 30 June 2020 \$000 |
|---|------------------------------|------------------------------|---------------------------------|
| Sources of operating funding | | | |
| General rates, uniform annual general charges and rates penalties | \$ 226 | \$ 231 | \$ 255 |
| Targeted rates | 1,187 | 1,281 | 1,334 |
| Subsidies and grants for operating purposes | - | - | - |
| Fees and charges | 344 | 351 | 494 |
| Interest and dividends from investments | - | - | 4 |
| Internal charges and overheads recovered | 399 | 406 | 456 |
| Local authority fuel tax, fines, infringements fees, and other receipts | 319 | 325 | 382 |
| Total operating funding | 2,476 | 2,596 | 2,925 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,509 | 1,504 | 1,695 |
| Finance costs | - | - | 3 |
| Internal charges and overheads applied | 748 | 762 | 704 |
| Other operating funding applications | - | - | - |
| Total application of operating funding | 2,257 | 2,266 | 2,402 |
| Surplus / (deficit) of operating funding | 219 | 329 | 523 |
| Sources of capital funding | | | |
| Subsidies and grants for capital expenditure | - | - | 90 |
| Development and financial contributions | - | - | - |
| Increase / (decrease) in debt | - | - | - |
| Gross proceeds from sale of assets | - | - | 20 |
| Lump sum contributions | - | - | - |
| Other dedicated capital funding | - | - | - |
| Total capital funding | - | - | 110 |
| Applications of capital funding | | | |
| Capital expenditure - to meet additional demand | - | - | - |
| Capital expenditure - to improve the level of service | 108 | 72 | 272 |
| Capital expenditure - to replace existing assets | 212 | 190 | 400 |
| Increase/(decrease) in reserves | (101) | 68 | (39) |
| Increase/(decrease) of investments | - | - | - |
| Total applications of capital funding | 219 | 329 | 633 |
| Surplus/(deficit) of Capital Funding | (219) | (329) | (523) |
| Funding balance | - | - | - |

Significant variations from Long Term Plan 2018-28

Fees and charges income has increased from the LTP budget due to higher levels of camping revenue, mainly at the Waitaki Lakes camping areas.

Local authority fuel tax, fines, infringements fees, and other income has exceeded the LTP budget due to increased rental income, mainly for Community Housing.

Payments to staff and suppliers has exceeded the LTP budget due to increased insurance costs, grant expenditure for the Courthouse Roof upgrade and increased electricity costs.

Subsidies and grants for capital expenditure includes a \$90,000 donation towards the Waimate Community Vehicle garage at the Waimate Event Centre.

Capital expenditure has increased from the LTP budget due to the addition of projects to the Annual Plan 2020, being the Victoria Park pavilion (\$131,000) and playground matting (\$61,000). Also, the Swimming Pool heating project (\$97,000) was completed during 2019/20 however this project was budgeted in the 2017/18 Annual Plan, and the Community Vehicle Garage (\$176,000) was not budgeted.

POINTS OF INTEREST

CAMPING

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

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

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

CEMETERIES

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

EVENT CENTRE

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

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

PARKS AND PUBLIC SPACES

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

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

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

PROPERTY

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

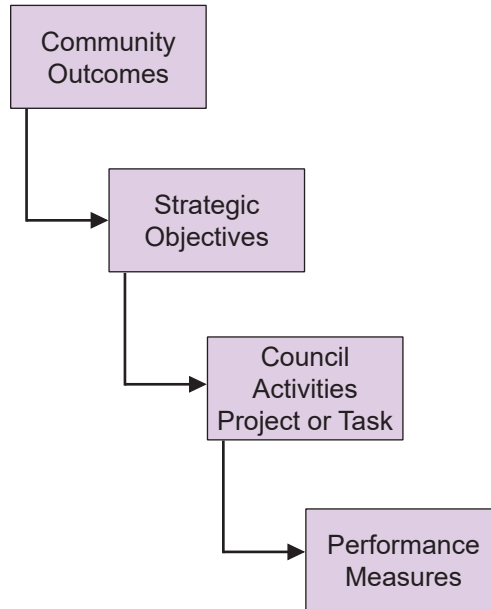
SWIMMING POOL

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

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

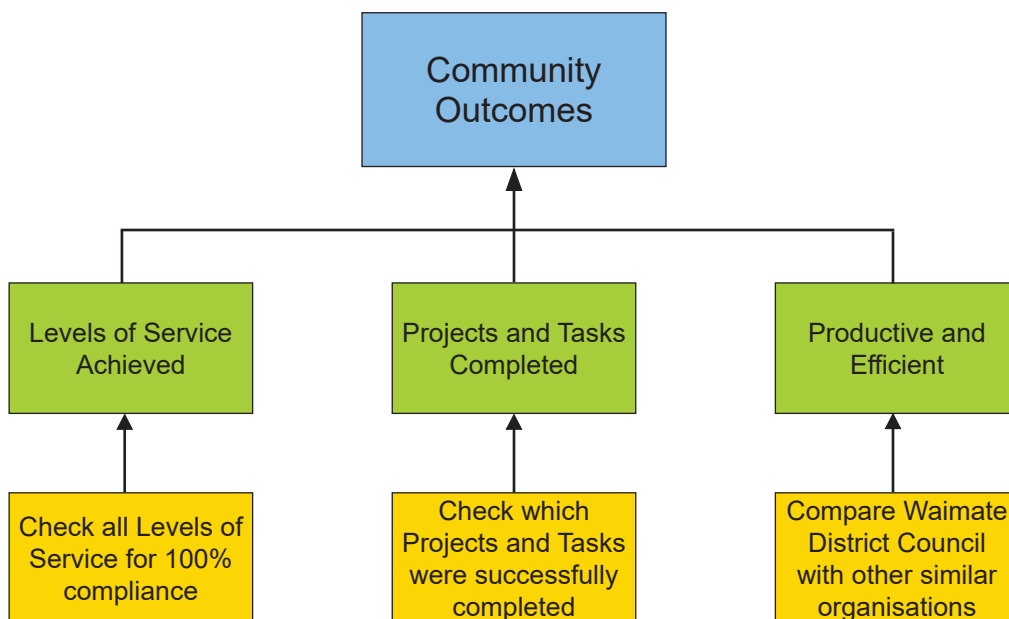
Each year, Council produces its Annual Report to disclose performance against targets set in the LTP.

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.

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