

## Forestry

### What Do We Do Now?

Council has forestry interests at Charnwood, Athlone, Morven, Waihao and in Forestry Reserves. The Council owns 960 hectares, 230 hectares are operated under a forest right agreement, and 95 hectares are operated as joint venture with land owners. Operational management of forestry is tendered out to a professional forest management company.

### Tasks

Tasks are the routine matters that Council will attend to every year, in order to maintain service levels set in agreement with our community.

- Maintain, operate and harvest from Council owned/interested forestry blocks.
- Maintain a log supply agreement with Waimate Timber Processing Ltd. where it serves the dual benefits of continuity of log sales, and supports the provision of integrated employment opportunities from timber harvesting within the Waimate District.
- Maintain an awareness of market conditions for forestry in order to maximise sale revenues.
- Remain vigilant for new opportunities to either purchase or divest forestry interests as part of good management of forestry investment.

### Why Do We Do It?

Historically, Council sought an investment for the capital obtained from sale of shares in Port of Tamaru. Forestry investment provides employment within the Waimate District through a range of industries from forestry operation to sawmilling and furniture manufacture.

### Our Service Levels

A forest management plan should be drawn up annually by Council's contracted forestry manager, in order to align with Council's annual budget process.

This plan should provide for prudent management, harvesting and replanting of Council Forests. The plan will be approved by Council, implemented by the forestry contractor, and reports presented to Council.

### Outcomes Supported By This Activity

This activity supports the following Community Outcomes as described in the second volume of this plan.



# Waimate 2020

- The wealth of the District has increased.
- The governance provided by the Waimate District Council meets the needs of its citizens.
- The community is positive about its continued well-being.
- The District has successfully fostered non-agricultural growth as part of a complete buoyant community.
- Sustainable development is a feature of the District.
- Economic development has enhanced the community.
- Increases in quality of life, well-being and prosperity are shared and accessed by all citizens.

## How Do We Get There?

The Council will play its part in achieving the above outcomes by continuing to conduct the relevant tasks that we do now and by extending into new projects as agreed with the community.

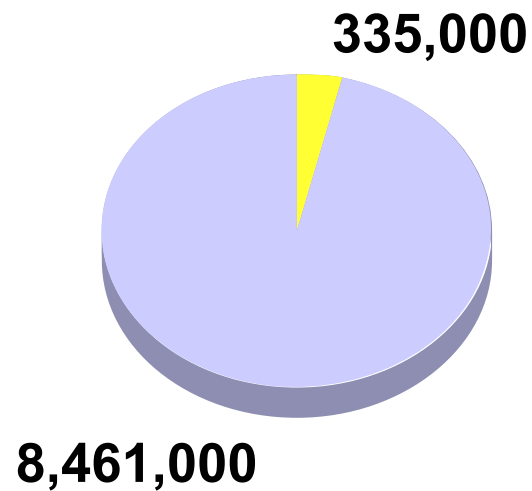
## Projects

Projects are special works that are initiated by Council which by their development and ongoing maintenance will enhance community outcomes.

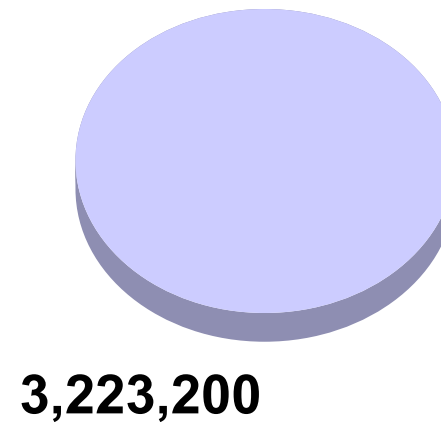
- Produce and maintain an advanced Forestry Asset Management Plan.

# Waimate 2020

Share of Operating Expenditure



Share of Capital Expenditure = \$0



## Expected Levels of Expenditure for 2005/2006

# Waimate 2020

PROSPECTIVE FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2006											
<b>ACTIVITY :</b>	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>FORESTRY</b>	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Revenue</b>											
Targeted Rate											
Transfund Subsidy											
Revenue from Activities	(1,384)	(160)	(133)	(120)	(323)	(883)	(2,442)	(1,285)	(1,906)	(1,250)	(1,803)
Other Revenue											
<b>Total Revenue</b>	<b>(1,384)</b>	<b>(160)</b>	<b>(133)</b>	<b>(120)</b>	<b>(323)</b>	<b>(883)</b>	<b>(2,442)</b>	<b>(1,285)</b>	<b>(1,906)</b>	<b>(1,250)</b>	<b>(1,803)</b>
<b>Expenditure</b>											
Expenditure on Activities	979	222	198	192	421	964	2,234	1,233	1,854	1,221	1,872
Interest											
Depreciation	128	114	115	126	137	142	132	158	165	173	185
Taxation											
<b>Total Expenditure</b>	<b>1,106</b>	<b>335</b>	<b>313</b>	<b>317</b>	<b>558</b>	<b>1,106</b>	<b>2,365</b>	<b>1,390</b>	<b>2,018</b>	<b>1,394</b>	<b>2,057</b>
<b>NET COST OF SERVICE</b>	<b>(278)</b>	<b>175</b>	<b>180</b>	<b>197</b>	<b>235</b>	<b>223</b>	<b>(77)</b>	<b>105</b>	<b>112</b>	<b>144</b>	<b>254</b>
<b>Funded by:</b>											
General Rates	200	200	200	200	200	200	200	200	200	200	200
<b>Shortfall (surplus) to balance</b>	<b>(77)</b>	<b>376</b>	<b>381</b>	<b>398</b>	<b>436</b>	<b>423</b>	<b>124</b>	<b>306</b>	<b>313</b>	<b>345</b>	<b>454</b>