

**WAIMATE DISTRICT COUNCIL**

# **ANNUAL REPORT**

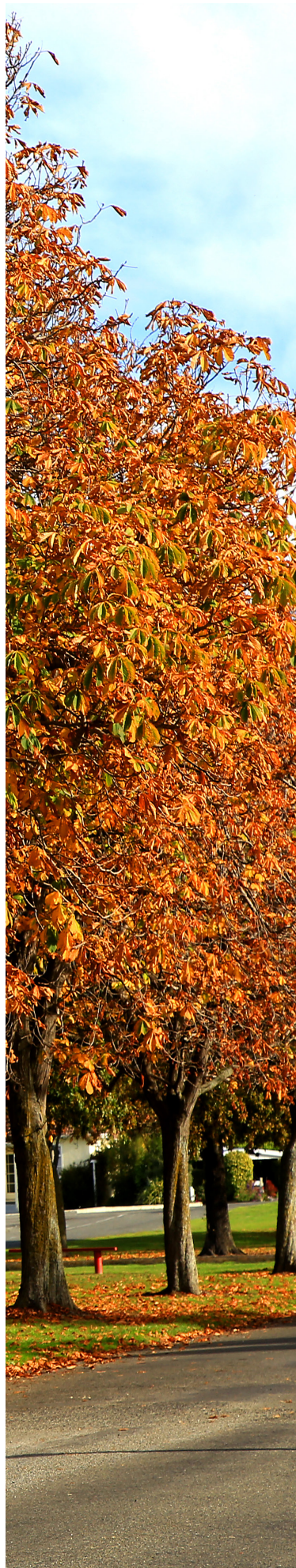
## **2016/17**

**Adopted**  
**31 October 2017**



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# Message from the Mayor and Chief Executive



We bid you a very warm welcome, and commend to you, the Waimate District Council's 2016/17 Annual Report. This is our opportunity to tell you about our successes. It has been another busy year, with a significant amount of work successfully completed.

## Financial Performance

Council reported a surplus of \$2,131,000 against a reported Long Term Plan (LTP) budget surplus of \$1,259,000. The major variances are:

- Community donations to support the building of the Waimate Event Centre are above LTP budget, and support additional work on the build.
- The value of the Waimate Event Centre exceeds LTP expectations, contributing \$0.5m more to the surplus than budgeted in the LTP.
- The vesting of the assets at Boland Park into Council, was not anticipated in the LTP and contributes additional surplus over that in the LTP
- Income from sales of sections at Eric Batchelor Place was not in this year's LTP targets, and therefore contributes to a higher surplus than budgeted.
- NZ Transport Agency government grants were slightly lower than budgeted in LTP, as work was delayed or deferred in part due to weather.

## Council Vision

In December 2016, Council set a new vision "Leading our communities towards a diverse, thriving and sustainable district." From this point on, everything Council does will work towards achieving this vision.

## Local Government Elections

Elections were held in October 2016 bringing two new Councillors to the Council table – former Mayor David Owen for the Waimate Ward and Jakki Guilford representing the Hakataramea/ Waihaorunga Ward.

## Infrastructure Upgrades

Council continued to maintain and develop the infrastructure network, with a number of projects completed. These included urban and rural renewal programmes, and high-level maintenance of the urban water treatment plant.

Major work began in November 2016 on the Mill Road Sewer Extension to extend the development of the town wastewater system. The project was completed in March 2017.

## Waimate Event Centre

One of the more visible major projects we accomplished was the construction of the Waimate Event Centre which was officially opened on 17 December 2016. The facility is well patronised by both rural and urban sectors of the community with an evident increase in the membership of local sports clubs and organisations.

The Information Centre relocated to the Waimate Event Centre in December 2016 from the Old Post office building; where staff now provide a joint Information/Event Centre service.

## Key Strategies

Council has been working on two key documents throughout the year.

Late in 2016 Council commenced the production of the ten-year Sport and Recreation Plan by undertaking community engagement and identifying themes to develop priority action sub-plans. A focus of the Plan will be on walking and cycling tracks.

Early in 2017 Council began work on a Waimate District Economic Development Strategy which, with the input from the Waimate District community, will focus and inform future development of our wonderful District. A programme of public engagement took place and the feedback received gave us a greater understanding of our community's priorities. The themes identified will focus on improving information communication technology (ICT) connectivity and infrastructure, growing the visitor economy, beautification of town entrances and main streets, growing and attracting businesses and residents, and enhancing employment and education.

It is anticipated both documents and the first phase of implementation will be completed in the 2017/18 financial year.

### **Knottingley Park and Arboretum**

In April 2017 the green light was given for Council's 34-hectare Knottingley Park to be gazetted as an Arboretum and will now be named 'Knottingley Park and Arboretum'. The proposal was initiated by the community group 'Friends of Knottingley Park' and will better reflect the diversity that this park offers, and recognise the age and uniqueness of this "Jewel in the Crown" of Waimate parks.

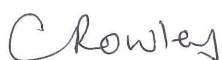
### **Citizenship Ceremonies**

It is very encouraging to see more people from outside New Zealand are choosing to live in our District. In the 2016/17 year, there were 19 people that conducted their Citizenship Ceremonies at Council, more than double the previous year.

### **And Finally**

As an agile Council we are working hard to respond to our community's requests and creating opportunities for growth, while still keeping on track with our priorities as set out in the Long Term Plan. The major challenge will always be continuing to deliver a range of core services in an affordable and prudent way.

Our success this year is due to a team of people – councillors, staff, volunteers and the wider community – for making 2016/17 a successful year.



Craig Rowley  
Mayor



Stuart Duncan  
Chief Executive

# Glossary

## Annual Report

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

## Asset Management

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

## Cash Flow Statement

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

## Current Assets

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

## Current Liabilities

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

## Days

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

## Debt Management Policy

Covers Council's policy on management of its debt.

## Decline in Service Potential (Depreciation)

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

## Fair Value

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

## Funding Impact Statement

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

## Funding Policy

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

## Infrastructural Assets

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

## Investment Policy

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

## Long Term Plan

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

## Objectives

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

## Operating Costs

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

## Operating Revenue

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

## Operating Surplus

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

## Property, Plant and Equipment

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

## Resources

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

## Service Measures

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

## Statement of Changes in Equity

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

## Statement of Comprehensive Revenue and Expenditure

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

## Statement of Financial Position

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

## Statement of Service Performance

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

## Working Capital

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



## Council Information

### Elected Members

Mayor Craig Rowley  
Deputy Mayor Sharyn Cain  
Councillor Jakki Guilford  
Councillor David Anderson  
Councillor Tom O'Connor JP  
Councillor Sheila Paul  
Councillor David Owen JP  
Councillor Miriam Morton,  
Councillor Peter Collins

### Ward

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

### Leadership Team

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

Chief Executive  
Asset Group Manager  
Corporate Services Manager  
Community, Planning and Development Group Manager  
Property and Regulatory Group Manager  
Human Resources Manager  
Executive Support Manager

### General Information

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

### Contact Details

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

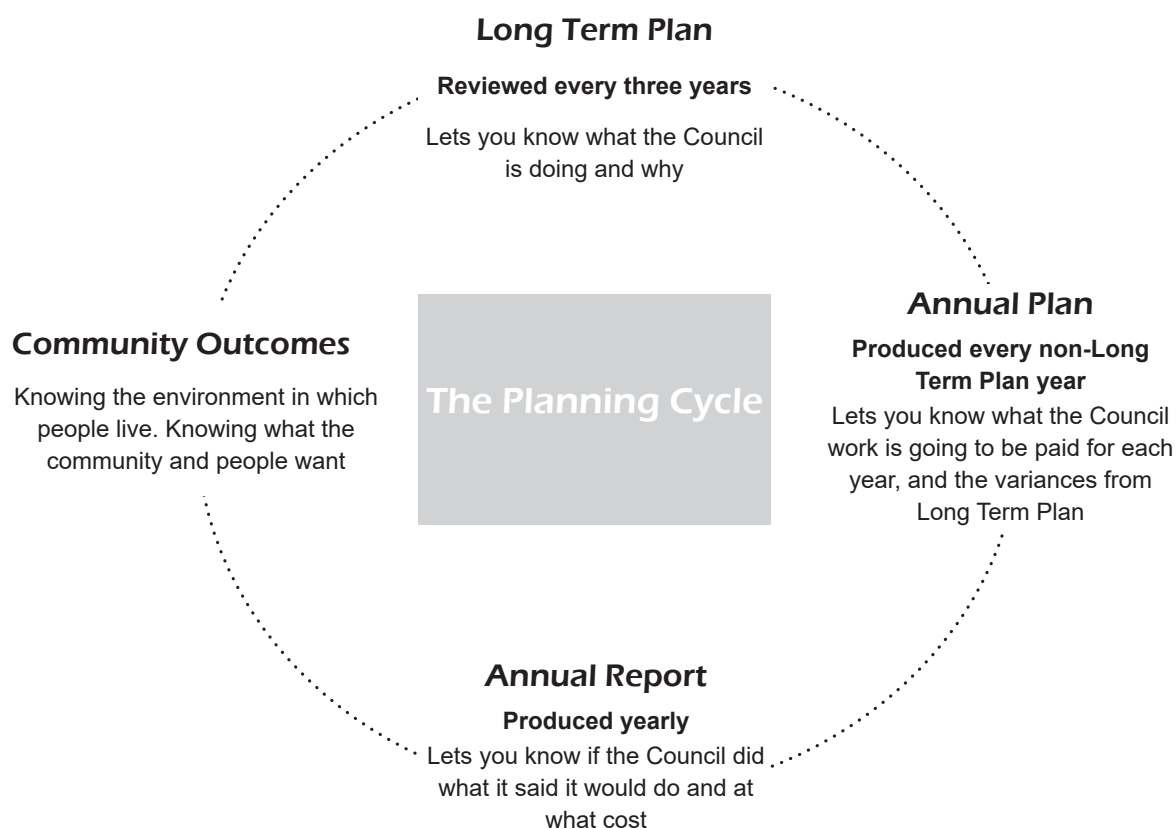
Telephone: (03) 689 0000 Facsimile: (03) 689 8075

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



# About the Annual Report

The purpose of the Annual Report is to explain how we delivered on the 2016/17 Annual Plan (or year two of the 2015-25 Long Term Plan) as required by section 98 of the Local Government Act 2002.



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

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

# Report on Long Term Plan and Policies

## Long Term Plan

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

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

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

## What does the LTP Intend to Achieve?

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

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

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

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

Council's LTP covers the years 2015-25 and within this document the Consolidated Comprehensive Revenue and Expenditure information for each of these 10 years is shown. In the Statements of Service Performance by Activities later in this Annual Report document explanations of any significant variances in the LTP for year 2016/17 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 2015-25

# Statement of Compliance and Responsibility

## Compliance

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

## Responsibility

- The Council and management of Waimate District Council accept responsibility for the preparation of the Annual Report and the judgements used in them.
- The Council and management of Waimate District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- In the opinion of the Council and management of Waimate District Council, the Annual Report for the year ended 30 June 2017, fairly reflects the financial position and operations of the Council.



Craig Rowley  
Mayor



Stuart Duncan  
Chief Executive

## **Independent Auditor's Report**

### **To the readers of Waimate District Council's annual report for the year ended 30 June 2017**

The Auditor-General is the auditor of Waimate District Council (the District Council). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, 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 31 October 2017. This is the date on which we give our report.

### **Opinion on the audited information**

In our opinion:

- the financial statements on pages 16 to 19, 21, and 27 to 69:
  - present fairly, in all material respects:
    - the District Council's financial position as at 30 June 2017;
    - 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 the Public Benefit Entity Reporting Standards Reduced Disclosure Regime;
- the funding impact statement on page 20, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- the statement of service provision on pages 73 to 148:

- presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2017, including:
  - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
  - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand;
- the statement about capital expenditure for each group of activities on pages 73 to 148, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's long-term plan; and
- the funding impact statement for each group of activities on pages 73 to 148, 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 its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 22 to 25, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's long-term plan and annual plans.

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

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

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

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

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

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

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

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the District Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

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

## Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 2 to 72, but does not include the audited information and the disclosure requirements.

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

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

## Independence

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

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



Scott Tobin

# Financial Statements

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# Financial Summary

## Council Financial Statistics

	2017 Actual	2017 LTP Budget	2017 Annual Plan	2016 Actual
Proportion of rates to total revenue	52.0%	58.9%	57.4%	56.4%
Average rates per rateable property (equals Total Rates divided by Total Rateable Units)	\$ 2,631	\$ 2,562	\$ 2,538	\$ 2,563
Net public debt as a percentage of total assets	0.64%	0.91%	0.93%	0.49%
Public debt per rateable property	\$ 825	\$ 1,119	\$ 1,117	\$ 587
Rating units				
- rateable	3,399			3,409
- non-rateable	912			1,076
Total Rating units at the start of the financial year	4,311			4,485
Total Capital Value of Rating Units at the start of the financial year (\$000)	\$ 4,031,827			\$ 4,001,871
Total Land Value of Rating Units at the start of the financial year (\$000)	\$ 2,569,400			\$ 2,562,231

## Council Five Year Financial Performance Summary

	2017 Actual \$000	2016 Actual \$000	2015 Actual \$000	2014 Actual \$000	2013 Actual \$000
General/Civic Amenities rates	3,195	3,263	5,305	5,301	5,048
Targeted rates	5,746	5,475	3,126	2,890	2,695
Net surplus/(deficit)	2,131	1,483	(50)	(3)	(314)
Working capital	3,944	3,092	1,819	1,478	1,142
Public debt	2,805	2,000	500	500	1,100
Net assets	433,511	399,439	396,334	379,398	368,105

# Statement of Comprehensive Revenue and Expenditure

for the year ended 30 June 2017

		2017	2017	2017	2016
	Note	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000
<b>Operating Revenue</b>					
Rates (net of remissions)	2	\$ 8,941	\$ 9,004	\$ 8,921	\$ 8,739
Development and Financial contributions	3	68	95	93	181
Subsidies and Grants	3	2,655	2,592	2,668	2,866
Fees and charges	3	1,024	925	963	1,298
Interest revenue	4	52	28	30	92
Other revenue	5	4,466	2,637	2,880	2,307
<b>Total Operating Revenue</b>		<b>17,206</b>	<b>15,281</b>	<b>15,555</b>	<b>15,483</b>
<b>Operating Expenditure</b>					
Employment benefit expenses	6	3,634	3,568	3,568	3,360
Depreciation	14	4,681	4,264	4,443	4,341
Amortisation	16	26	13	31	12
Finance costs	4	96	259	199	48
Other expenses	8	6,638	5,918	6,197	6,239
<b>Total Operating Expenditure</b>		<b>15,075</b>	<b>14,022</b>	<b>14,438</b>	<b>14,000</b>
<b>Operating Surplus/(Deficit) before Taxation</b>		<b>2,131</b>	<b>1,259</b>	<b>1,117</b>	<b>1,483</b>
Taxation expense	9	-	-	-	-
<b>Total Surplus/(Deficit)</b>		<b>\$ 2,131</b>	<b>\$ 1,259</b>	<b>\$ 1,117</b>	<b>\$ 1,483</b>
<b>Other Comprehensive Revenue and Expenditure</b>					
Increase/(decrease) in discretionary reserves/restricted assets	21	-	-	-	-
Increase/(decrease) in revaluation reserves	21	30,718	16,585	16,565	-
Impairment of revalued assets and reversal of a prior year value	21	-	-	-	-
Financial assets at fair value through other comprehensive revenue	21	1,223	-	-	1,621
<b>Total Other Comprehensive Revenue and Expenditure</b>		<b>31,941</b>	<b>16,585</b>	<b>16,565</b>	<b>1,621</b>
<b>Total Comprehensive Revenue and Expenditure</b>		<b>\$ 34,072</b>	<b>\$ 17,844</b>	<b>\$ 17,682</b>	<b>\$ 3,104</b>

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

# Statement of Changes in Equity

for the year ended 30 June 2017

		2017	2017	2017	2016
	Note	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000
Equity as at 1 July	21	\$ 399,439	\$ 409,427	\$ 398,107	\$ 396,335
Total Comprehensive Revenue and Expenditure		34,072	17,844	17,682	3,104
<b>Equity as at 30 June</b>		<b>\$ 433,511</b>	<b>\$ 427,271</b>	<b>\$ 415,789</b>	<b>\$ 399,439</b>

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

# Statement of Financial Position

as at 30 June 2017

	Note	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	10	\$ 3,701	\$ 391	\$ 1,399	\$ 2,683
Trade and other receivables	11	1,253	859	1,496	1,854
Inventories	12	284	152	152	496
Other financial assets	13	781	-	-	649
Total Current Assets		6,019	1,402	3,047	5,682
<b>Non-Current Assets</b>					
Trade and other receivables	11	-	-	-	-
Infrastructural assets	14	375,559	394,534	365,100	345,520
Operational assets	14	25,209	22,120	24,144	22,609
Forestry assets	15	1,471	1,686	2,025	1,489
Intangible assets	16	198	124	159	168
Other financial assets	13	29,925	13,547	27,092	28,600
Total Non-Current Assets		432,362	432,011	418,520	398,386
<b>Total Assets</b>		<b>\$ 438,381</b>	<b>\$ 433,413</b>	<b>\$ 421,567</b>	<b>\$ 404,068</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Trade and other payables	17	\$ 1,656	\$ 1,753	\$ 1,389	\$ 2,219
Public debt	20	71	500	500	22
Provisions	18	6	6	6	6
Employee benefit liabilities	19	342	410	410	343
Total Current Liabilities		2,075	2,669	2,305	2,590
<b>Non-Current Liabilities</b>					
Public Debt	20	2,734	3,432	3,425	1,978
Provisions	18	61	41	48	61
Employee benefit liabilities	19	-	-	-	-
Total Non-Current Liabilities		2,795	3,473	3,473	2,039
<b>Equity</b>					
Public Equity	21	86,351	84,458	84,657	84,602
Special separate and trust funds	21	1,869	1,384	1,838	1,487
Asset revaluation reserve	21	324,567	337,156	310,414	293,849
Other reserves	21	20,724	4,273	18,880	19,501
Total Equity		433,511	427,271	415,789	399,439
<b>Total Liabilities and Equity</b>		<b>\$ 438,381</b>	<b>\$ 433,413</b>	<b>\$ 421,567</b>	<b>\$ 404,068</b>

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

# Statement of Cash Flows

## for the year ended 30 June 2017

		2017	2017	2017	2016
		Actual	LTP Budget	Annual Plan	Actual
	Note	\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>					
<b>Cash was received from:</b>					
Receipts from rates revenue		\$ 8,877	\$ 9,049	\$ 8,966	\$ 8,675
Interest received		53	28	30	92
Dividends received		708	576	578	631
Receipts from other revenue		5,641	4,561	5,263	5,038
		15,279	14,214	14,837	14,436
<b>Cash was applied to:</b>					
Payments to suppliers and employees		10,376	9,607	9,866	8,690
Interest paid		98	259	199	47
		10,474	9,866	10,065	8,737
<b>Net Cash Flows from operating activities</b>	22	<b>4,805</b>	<b>4,348</b>	<b>4,772</b>	<b>5,699</b>
<b>Cash flows from investing activities</b>					
<b>Cash was received from:</b>					
Proceeds from sale of property, plant and equipment		27	-	-	210
Proceeds from sale of harvested forests		216	-	-	447
Proceeds from sale of investment property		-	-	134	-
Proceeds from sale of investments		12	3	3	7
		255	3	137	664
<b>Cash was applied to:</b>					
Purchase of property, plant and equipment		4,547	4,713	5,463	6,970
Purchase of intangible assets		56	-	34	59
Purchase of silviculture		-	-	-	-
Acquisition of investments		244	-	109	56
Payment of prior surplus to community board		-	-	-	-
		4,847	4,713	5,606	7,085
<b>Net Cash Flows from investing activities</b>		<b>(4,592)</b>	<b>(4,710)</b>	<b>(5,469)</b>	<b>(6,421)</b>
<b>Cash flows from financing activities</b>					
<b>Cash was received from:</b>					
Proceeds from public debt		850	400	400	2,000
		850	400	400	2,000
<b>Cash was applied to:</b>					
Repayment of public debt		45	17	25	500
		45	17	25	500
<b>Net Cash Flows from financing activities</b>		<b>805</b>	<b>383</b>	<b>375</b>	<b>1,500</b>
Net increase/(decrease) in cash held		1,018	21	(322)	778
Add opening cash balance (1 July)		2,683	370	1,721	1,905
<b>Closing cash (30 June)</b>	10	<b>\$ 3,701</b>	<b>\$ 391</b>	<b>\$ 1,399</b>	<b>\$ 2,683</b>
<b>Represented by:</b>					
Cash, cash equivalents and bank overdrafts	10	3,701	391	1,399	2,683
		<b>\$ 3,701</b>	<b>\$ 391</b>	<b>\$ 1,399</b>	<b>\$ 2,683</b>

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

# Funding Impact Statement

## for the year ended 30 June 2017

	2017	2017	2017	2016	2016
	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000	LTP Budget \$000
<b>Sources of operating funding</b>					
General rates, UAGC and rates penalties	\$ 1,022	\$ 1,184	\$ 1,008	\$ 1,172	\$ 1,165
Targeted rates	8,004	7,862	7,975	7,635	7,594
Subsidies and grants for operating purposes	1,619	959	986	1,798	1,879
Fees and charges	1,023	844	876	1,298	819
Interest and dividends from investments	761	604	607	737	607
Local authority fuel tax, fines, infringement fees other	1,355	620	796	1,424	783
<b>Total sources of operating funding</b>	<b>13,784</b>	<b>12,073</b>	<b>12,248</b>	<b>14,064</b>	<b>12,847</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	10,221	9,539	9,671	9,575	9,421
Finance costs	96	259	199	48	43
Other operating funding applications	-	-	-	-	-
<b>Total applications of operating funding</b>	<b>10,317</b>	<b>9,798</b>	<b>9,870</b>	<b>9,623</b>	<b>9,464</b>
<b>Surplus/(deficit) of operating funding</b>	<b>3,467</b>	<b>2,275</b>	<b>2,378</b>	<b>4,441</b>	<b>3,383</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	1,251	1,633	1,682	1,068	1,312
Development and financial contributions	68	95	92	181	93
Increase/(decrease) in debt	805	383	375	1,500	3,049
Gross proceeds from sale of assets	27	-	-	210	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>2,151</b>	<b>2,111</b>	<b>2,149</b>	<b>2,959</b>	<b>4,454</b>
<b>Applications of capital funding</b>					
Capital expenditure - to meet additional demand	464	-	546	46	546
Capital expenditure - to improve level of service	1,545	1,422	1,556	4,194	4,384
Capital expenditure - to replace existing assets	2,561	3,291	3,394	2,716	3,679
Increase/(decrease) in reserves	804	(327)	(1,078)	388	(772)
Increase/(decrease) in investments	244	-	109	56	-
<b>Total applications of capital funding</b>	<b>5,618</b>	<b>4,386</b>	<b>4,527</b>	<b>7,400</b>	<b>7,837</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(3,467)</b>	<b>(2,275)</b>	<b>(2,378)</b>	<b>(4,441)</b>	<b>(3,383)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

# Reconciliation of Surplus/(deficit) after tax to operating funding per the Funding Impact Statement for the year ended 30 June 2017

	2017	2017	2017	2016	2016
	Actual \$000	LTP Budget \$000	Annual Plan \$000	Actual \$000	LTP Budget \$000
<b>Service Performance Statement</b>					
<b>operating surplus/(deficit) by Activity</b>					
Forestry	\$ 22	\$ 22	\$ 21	\$ 51	\$ 33
Investments and Finance	(92)	39	(70)	212	37
Community Property	2,237	1,143	1,241	737	781
Building Control	21	-	-	224	7
Resource Management	60	5	50	190	82
Emergency Management	(18)	-	-	18	-
Regulatory Services	26	-	-	57	3
Dog and Animal Control	(9)	-	-	44	-
Community Representation	41	-	(23)	89	12
Strategy	4	15	1	107	33
Managing Services	147	-	1	126	1
Economic Development and Promotions	27	-	-	(12)	-
Community Support	(48)	-	-	(5)	-
Library	11	-	-	22	-
Camping	44	(7)	(22)	63	(8)
Cemeteries	6	-	(10)	9	(10)
Parks and Public Spaces	160	(20)	(30)	58	(17)
Swimming	(23)	-	(4)	(42)	(4)
Roading	(848)	12	(131)	(937)	(235)
Sewerage and Sewage	137	20	68	87	20
Stormwater Drainage	13	5	6	13	5
Waste Management	99	17	27	153	19
Water Supply	114	8	(7)	218	18
<b>Total Surplus/(Deficit) after tax per the Statement of Comprehensive Revenue and Expenditure</b>	<b>2,131</b>	<b>1,259</b>	<b>1,118</b>	<b>1,482</b>	<b>777</b>
less donated assets and interest on internal borrowing not included in the FIS	(1,922)	(1,400)	(1,400)	-	-
<b>Total Surplus/(Deficit) before vested assets not included in the FIS</b>	<b>209</b>	<b>(141)</b>	<b>(282)</b>	<b>1,482</b>	<b>777</b>
less Subsidies and grants for capital expenditure	(1,251)	(1,631)	(1,682)	(1,068)	(1,312)
less Development and financial contributions	(68)	(95)	(92)	(181)	(93)
less Revaluation losses/(gains) not included in the FIS	(181)	(135)	(40)	(167)	(147)
add Loss on sale not included in the FIS	51	-	-	22	94
add Depreciation/amortisation not included in the FIS	4,707	4,277	4,474	4,353	4,064
<b>Surplus/(deficit) of operating funding per the Funding Impact Statement</b>	<b>\$ 3,467</b>	<b>\$ 2,275</b>	<b>\$ 2,378</b>	<b>\$ 4,441</b>	<b>\$ 3,383</b>

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

# Disclosure Statement

## for the year ended 30 June 2017

### What is the purpose of this statement?

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

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

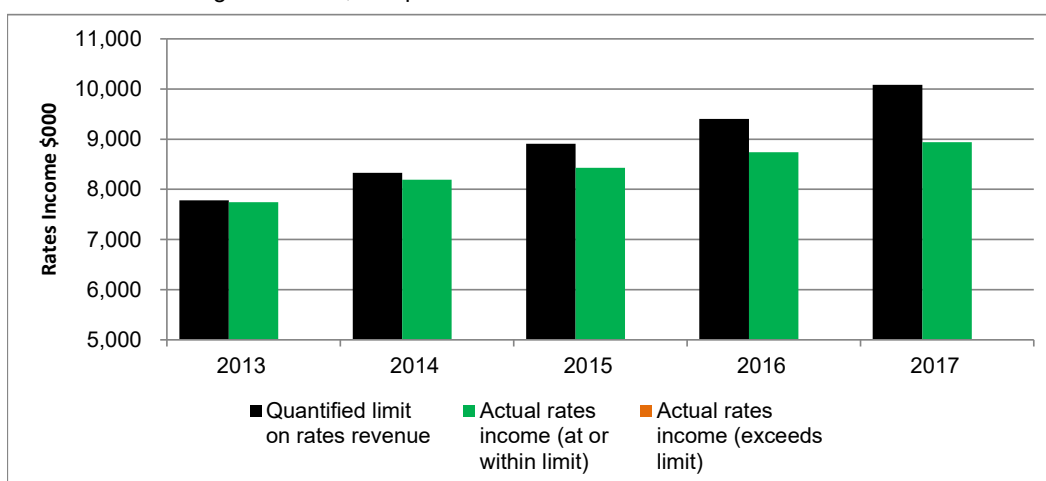
### Rates affordability benchmark

Council meets the rates affordability benchmark if:

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

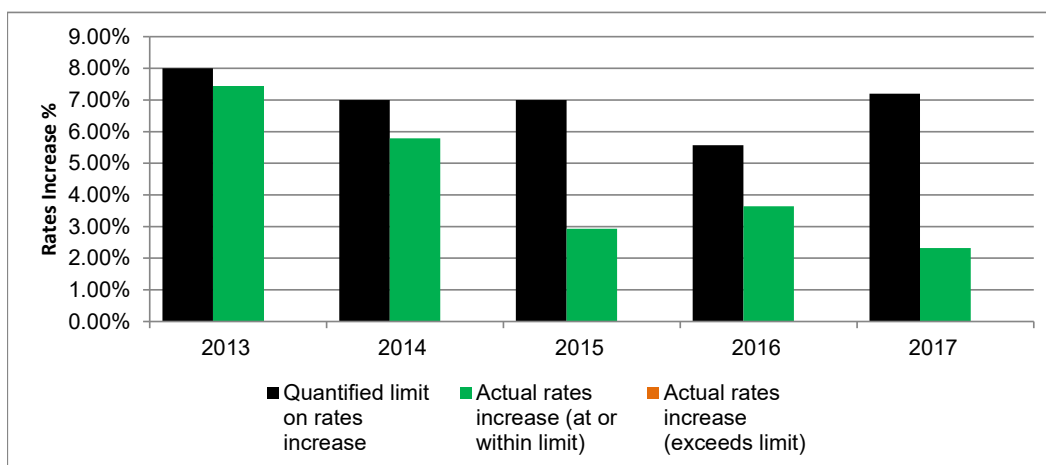
### Rates (income) affordability

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



### Rates (increases) affordability

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

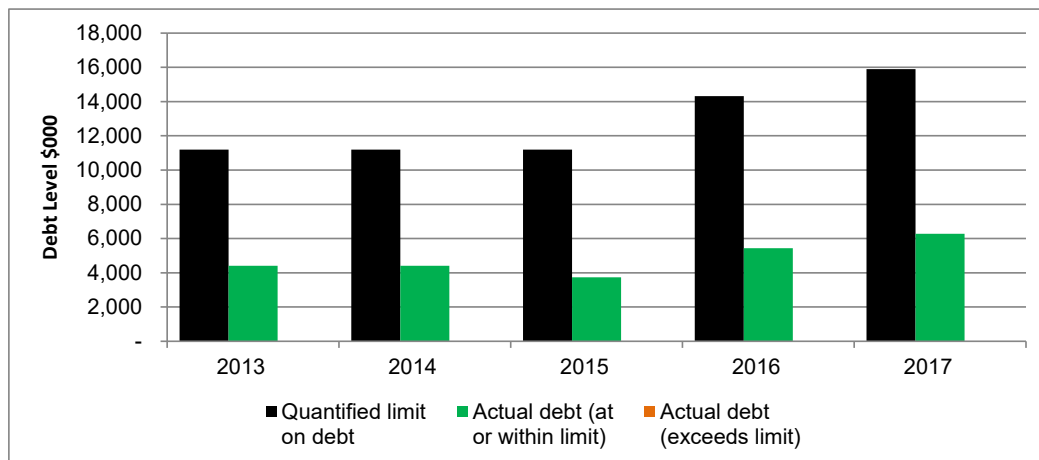


Note that as demonstrated in the above graphs Council has strived and achieved remaining within the total rates requirement as set.

## Debt affordability benchmark

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

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

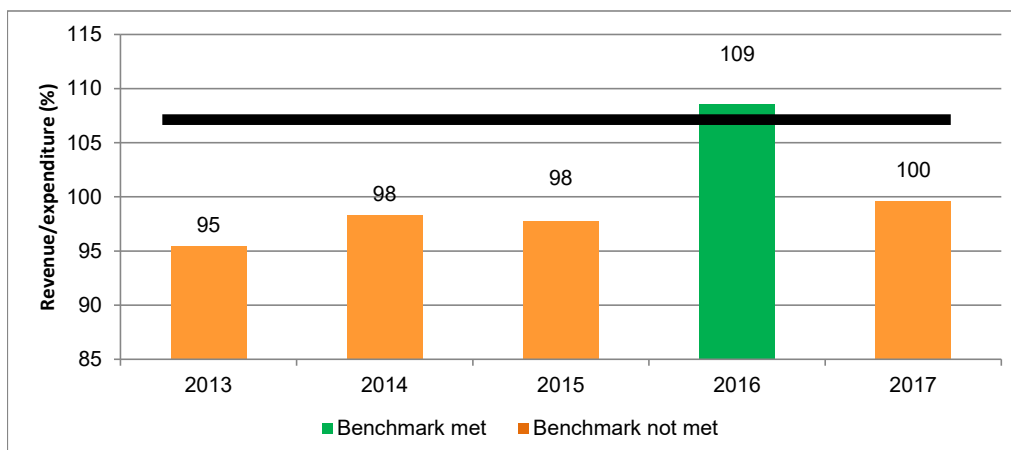


The quantified limit on debt that has been used is the projected Public debt (or Borrowings), both external and internal debt.

## Balanced budget benchmark

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

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



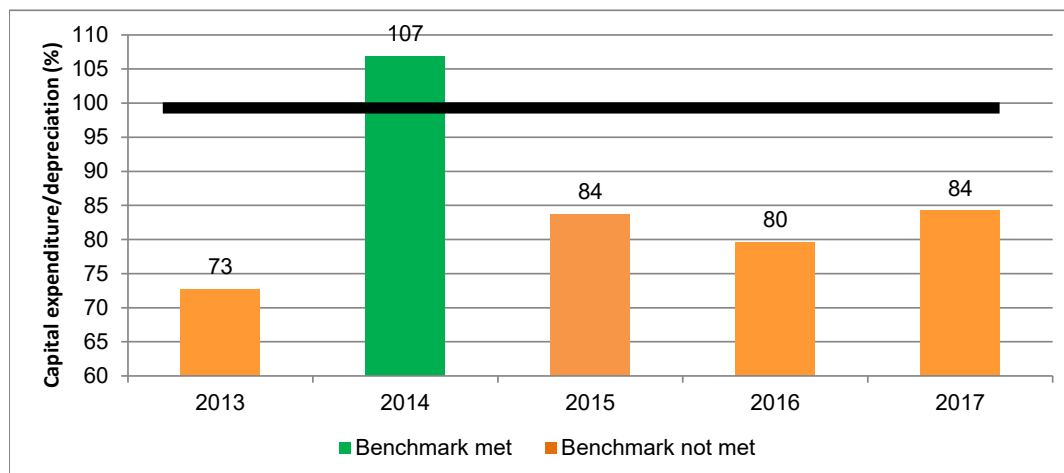
Council has previously decided not to fully fund the depreciation cost of specific assets. This may be for a number of different reasons: that Council has resolved not to replace the asset; that it is unfair to existing ratepayers to pay for a new asset and its replacement; that annual maintenance will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

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

## Essential services benchmark

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

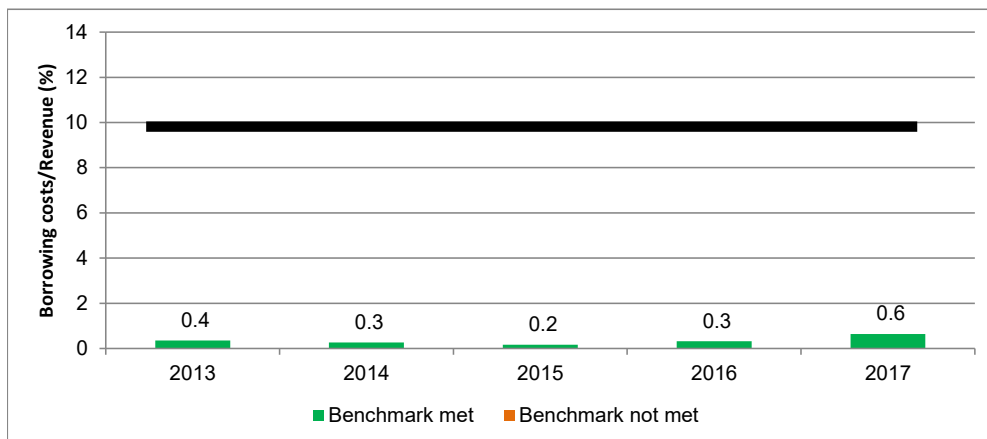
The following graph displays Council's capital expenditure on network services as a proportion of depreciation on those network services:



## Debt servicing benchmark

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

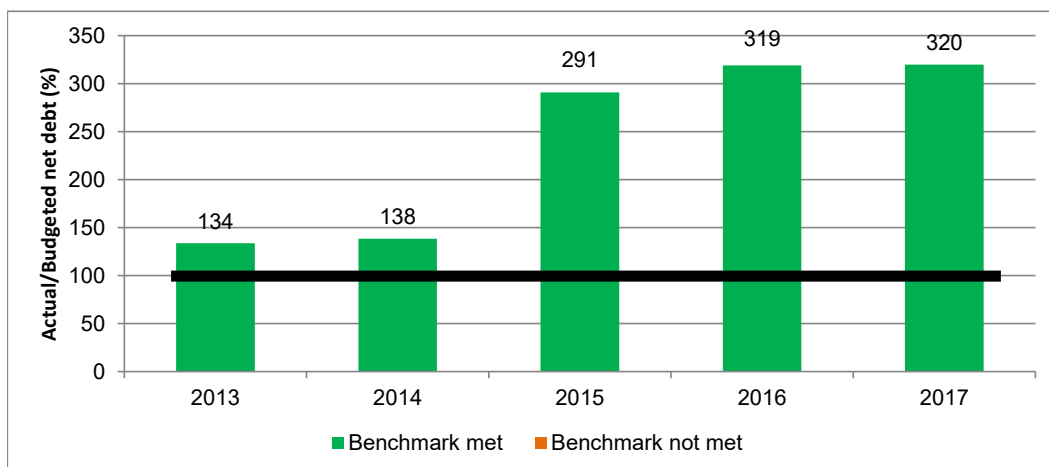
The following graph displays Council's borrowing costs as a proportion of actual revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment):



## Debt control benchmark

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

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

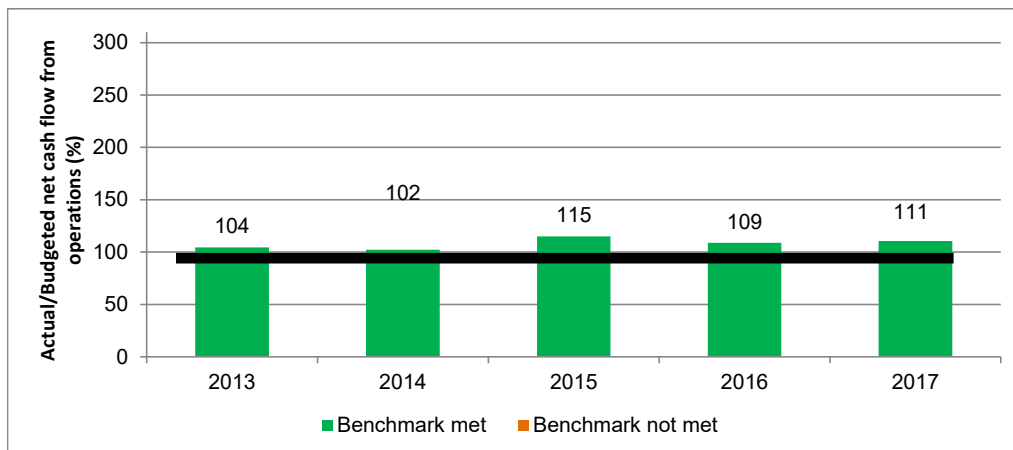


In a situation where Council planned to have net assets, financial assets (excluding trade and other receivables) were planned to exceed financial liabilities, the above graph will show "benchmark met" wherever Council is better off (either less indebted or with greater net assets) than planned. In each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

## Operations control benchmark

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

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



## Activities - Rates vs Other Revenue

	How operating costs are funded	Rates proportion of total Rates	Rates 2016/17
<b>Water Supply</b> Urban Water - Two secure ground water bores and associated reticulation  Rural Water - Six rural water schemes	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>93%</div> <div>7%</div> </div>	<div> <div>19.8%</div> </div>	\$ 1,934,107
<b>Waste Management</b> Recycling and refuse collection and disposal services for urban and rural areas	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>85%</div> <div>15%</div> </div>	<div> <div>9.7%</div> </div>	\$ 948,710
<b>Stormwater Drainage</b> Underground pipe system for the removal of surplus surface water in the urban area	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>90%</div> <div>10%</div> </div>	<div> <div>0.9%</div> </div>	\$ 86,057
<b>Sewerage and Sewage</b> An urban system comprised of gravity sewer mains, gravity lateral connections, manholes  A treatment and disposal facility	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>84%</div> <div>16%</div> </div>	<div> <div>4.9%</div> </div>	\$ 474,806
<b>Roading and Footpaths</b> A district wide network of sealed and unsealed roads, excluding State Highways 1 and 82  Bridges, culverts, footpaths, signage, and street lighting	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>54%</div> <div>46%</div> </div>	<div> <div>23.9%</div> </div>	\$ 2,332,548
<b>Parks and Recreation</b> Camping grounds and cabins  Cemeteries management  Managing Parks and Reserves  Swimming pool in Waimate	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>46%</div> <div>54%</div> </div>	<div> <div>6.9%</div> </div>	\$ 670,626
<b>Property and Investments</b> Managing a portfolio of forestry  Managing Council's share holdings  A collection of land and buildings	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>11%</div> <div>89%</div> </div>	<div> <div>3.6%</div> </div>	\$ 350,585
<b>Organisation and Governance</b> Operational support of the Council's decision-making  Strategic Planning and Reporting  District wide governance by the Mayor and Councillors	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>65%</div> <div>35%</div> </div>	<div> <div>14.5%</div> </div>	\$ 1,417,529
<b>Environmental Services</b> Building Control services  Resource Management  Emergency Management  Health Services and Noise Control  Dog and Animal Control	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>62%</div> <div>38%</div> </div>	<div> <div>9.4%</div> </div>	\$ 917,546
<b>Community Services</b> Economic Development and Promotions  Administration of grants  District Library service	<div> <div><span style="color: red;">■</span> Rates</div> <div><span style="color: black;">■</span> Other, including fees and charges</div> </div> <div> <div>92%</div> <div>8%</div> </div>	<div> <div>6.4%</div> </div>	\$ 615,601

# Statement of Accounting Policies

## Reporting entity

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

The Council consists of the Council, forestry joint ventures (73.6% owned) and Downlands joint venture (14.81% owned). Council is a separate legal entity and does not have any subsidiaries.

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

The financial statements of the Council are for the year ended 30 June 2017. The financial statements were authorised for issue by Council on 31 October 2017

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

## Significant accounting policies

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

### Joint venture

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

The Council has a 74% share in 1 forestry joint venture agreement. Council accounts for its share of revenue and all expenses.

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

## Revenue

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

### Rates revenue

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

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

### Government grants

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

### Provision of services

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

### Vested assets

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

### Sale of goods

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

### Agency arrangements

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

### Interest and dividends

Interest revenue is recognised using the effective interest method.

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

### Development & Financial contributions

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

## Borrowing Costs

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

## Grant expenditure

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

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

## Foreign currency transactions

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

## Income tax

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

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

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

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

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

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

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

## Leases

### Finance leases

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

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

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

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

### Operating leases

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

## Cash and cash equivalents

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

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

## Trade and other receivables

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

## Derivative financial instruments and hedge accounting

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

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

## Other financial assets

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

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

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

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

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

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

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

Derivatives are also categorised as held for trading.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. Derivatives designated as hedging instruments are classified as current; those not formally held for hedging purposes are classified as current if they are realised/settled within 12 months of balance date.

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

### Loans and receivables

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

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

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

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

### Held to maturity investments

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

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

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

### Available for sale

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

Council includes in this category:

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

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

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

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

## Impairment of financial assets

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

### Loans and other receivables

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

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

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

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

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

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

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

## Inventory

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

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

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

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

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

## Non-current assets held for sale

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

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

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

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

## Property, plant and equipment

Property, plant and equipment consists of:

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

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

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

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

### Revaluation

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

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

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

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

### Additions

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

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

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

### Disposals

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

### Depreciation

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

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

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

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

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

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

## Intangible assets

### Emissions Trading Scheme (ETS) - Carbon credits

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

### Software acquisition and development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset.

Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

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

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

### Easements

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

### Amortisation

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

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

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

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

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

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

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

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

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

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

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

## Forestry assets

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

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

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

## Investment property

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

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

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

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

## Trade and other payables

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

## Borrowings

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

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

## Employee entitlements

### Short-term employee entitlements

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

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

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

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

### Long-term employee entitlements

#### *Long service leave*

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

#### *Presentation of employee entitlements*

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

## Superannuation schemes

### **Defined benefit scheme**

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

Insufficient information is available to use defined benefit plan accounting, as it is not possible to determine from the terms of the scheme the extent to which the scheme's surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme. Further information on this scheme is disclosed in Note 24 - Contingencies.

### **Defined contribution scheme**

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

## Provisions

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

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

### **Financial guarantee contracts**

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

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

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

## Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

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

### **Asset revaluation reserves**

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

### **Restricted reserves**

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

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

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

The Council's objectives, policies and processes for managing capital are described in note 30.

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

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

## Goods and services tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

## Budget figures

The budget figures are those approved by the Council in its Long Term Plan 2015-2025. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

## Cost allocation

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

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

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

## Statement of cash flows

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

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

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

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

## Cost of service statements

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

## Critical accounting estimates and assumptions

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

### Landfill aftercare provision

Note 18 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

### Infrastructural assets

Note 14 provides information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

## Critical judgments in applying Council's accounting policies

Management has exercised the following critical judgments in applying accounting policies for the year ended 30 June 2017:

### 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

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
<b>Property and Investments Group</b>				
Forestry	\$ 417	\$ 141	\$ 139	\$ 630
Investments and Finance	395	430	225	848
Property	3,401	2,255	2,372	1,515
<b>Environmental Services Group</b>				
Building Control	515	536	497	656
Resource Management	223	227	273	478
Emergency Management	299	289	296	279
Regulatory Services	182	156	150	196
Dog and Animal Control	252	276	253	290
<b>Organisation and Governance Group</b>				
Community Representation	906	851	902	841
Strategy	579	559	573	548
Managing Services	3,527	2,743	2,953	3,011
<b>Community Services Group</b>				
Economic Development and Promotions	172	165	181	151
Community Support	140	136	140	133
Library	361	352	358	341
<b>Parks and Recreation Group</b>				
Camping	357	281	275	360
Cemeteries	82	94	80	90
Parks and Public Spaces	872	663	613	661
Swimming	157	158	162	146
<b>Roading Group</b>				
Roading	4,757	4,750	5,002	4,379
<b>Utilities Group</b>				
Sewerage and Sewage	568	532	562	524
Stormwater Drainage	96	84	90	74
Waste Management	1,119	1,081	1,091	1,133
Water Supply	2,135	2,098	2,079	2,321
	<b>\$ 21,512</b>	<b>\$ 18,857</b>	<b>\$ 19,266</b>	<b>\$ 19,605</b>

Included within the above amounts is Internal revenue as follows:

<b>Property and Investments Group</b>				
Forestry	\$ 20	\$ 8	\$ 6	\$ 9
Investments and Finance	243	199	194	488
Property	348	315	311	303
<b>Environmental Services Group</b>				
Building Control	4	-	-	-
Resource Management	16	15	17	18
Emergency Management	1	-	-	2
Regulatory Services	3	-	-	-
Dog and Animal Control	5	-	3	4
<b>Organisation and Governance Group</b>				
Community Representation	13	6	9	12
Strategy	53	46	50	50
Managing Services	3,292	2,720	2,930	2,862
<b>Community Services Group</b>				
Economic Development and Promotions	4	4	4	5
Community Support	-	-	-	-
Library	5	2	3	5
<b>Parks and Recreation Group</b>				
Camping	40	34	34	49
Cemeteries	-	-	-	-
Parks and Public Spaces	44	42	31	56
Swimming	12	17	12	17
<b>Roading Group</b>				
Roading	23	-	-	7
<b>Utilities Group</b>				
Sewerage and Sewage	41	43	9	51
Stormwater Drainage	8	15	-	11
Waste Management	28	26	24	29
Water Supply	103	84	74	144
	<b>\$ 4,306</b>	<b>\$ 3,576</b>	<b>\$ 3,711</b>	<b>\$ 4,122</b>

## 1 Summary of Services (continued)

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Expenditure</b>				
<b>Property and Investments Group</b>				
Forestry	\$ 395	\$ 119	\$ 116	\$ 579
Investments and Finance	487	391	295	636
Property	1,165	1,112	1,131	778
<b>Environmental Services Group</b>				
Building Control	495	536	497	432
Resource Management	163	222	223	288
Emergency Management	317	288	296	261
Regulatory Services	156	156	150	139
Dog and Animal Control	261	276	253	246
<b>Organisation and Governance Group</b>				
Community Representation	865	851	925	752
Strategy	575	544	573	441
Managing Services	3,379	2,743	2,953	2,886
<b>Community Services Group</b>				
Economic Development and Promotions	145	165	181	163
Community Support	188	136	140	138
Library	350	351	358	319
<b>Parks and Recreation Group</b>				
Camping	313	289	297	297
Cemeteries	76	94	90	81
Parks and Public Spaces	711	681	643	603
Swimming	180	158	166	188
<b>Roading Group</b>				
Roading	5,604	4,739	5,133	5,316
<b>Utilities Group</b>				
Sewerage and Sewage	432	511	494	437
Stormwater Drainage	83	80	84	62
Waste Management	1,020	1,064	1,066	980
Water Supply	2,022	2,089	2,086	2,102
	<b>\$ 19,382</b>	<b>\$ 17,595</b>	<b>\$ 18,150</b>	<b>\$ 18,124</b>

Included within the above amounts is Internal expenses as follows:

<b>Property and Investments Group</b>				
Forestry	\$ 84	\$ 93	\$ 91	\$ 89
Investments and Finance	320	261	165	526
Property	266	135	150	191
<b>Environmental Services Group</b>				
Building Control	197	233	194	187
Resource Management	65	62	64	58
Emergency Management	78	76	77	73
Regulatory Services	84	81	79	75
Dog and Animal Control	219	208	205	194
<b>Organisation and Governance Group</b>				
Community Representation	507	496	526	426
Strategy	232	215	230	193
Managing Services	162	90	173	168
<b>Community Services Group</b>				
Economic Development and Promotions	47	41	44	37
Community Support	24	22	24	20
Library	159	151	158	133
<b>Parks and Recreation Group</b>				
Camping	40	20	22	37
Cemeteries	20	(5)	(1)	15
Parks and Public Spaces	162	(169)	(128)	106
Swimming	16	10	12	12
<b>Roading Group</b>				
Roading	810	752	782	865
<b>Utilities Group</b>				
Sewerage and Sewage	138	149	155	133
Stormwater Drainage	25	25	26	19
Waste Management	135	141	141	130
Water Supply	517	487	523	437
	<b>\$ 4,307</b>	<b>\$ 3,574</b>	<b>\$ 3,712</b>	<b>\$ 4,124</b>

## 2 Rates Revenue

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>General rates</b>	\$ 951	\$ 1,187	\$ 991	\$ 1,118
<b>Civic Amenities rates</b>	2,257	2,244	2,253	2,160
<b>Targeted rates attributable to activities:</b>				
Water Supply	1,924	1,902	1,897	1,897
Wastewater	481	465	478	465
Refuse and sanitation	694	698	699	685
Waimate Event Centre	183	213	164	70
Roading and Footpaths	2,333	2,180	2,320	2,216
Civil Defence	110	105	109	103
Community halls	47	55	55	47
<b>Total rates</b>	<b>\$ 8,980</b>	<b>\$ 9,049</b>	<b>\$ 8,966</b>	<b>\$ 8,761</b>
<b>Rates Remissions</b>				
Land used for sport	\$ (1)	\$ -	\$ -	\$ (1)
Halls, community centres, and other organisations	(7)	-	-	(9)
Land protected for historical or cultural purposes	(3)	-	-	(3)
Resulting from Urban Boundary changes	-	-	-	(1)
Waimate District Event Centre remission	(18)	-	-	-
Civic Amenities for multiple SUIP rating units	(10)	(45)	(45)	(8)
<b>Total remissions</b>	<b>\$ (39)</b>	<b>\$ (45)</b>	<b>\$ (45)</b>	<b>\$ (22)</b>
<b>Rates (net of remissions)</b>	<b>\$ 8,941</b>	<b>\$ 9,004</b>	<b>\$ 8,921</b>	<b>\$ 8,739</b>

### Rates Remissions

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

- Halls and Community Centres – Waimate Urban Ward (50% of General Rate and 50% of the Sewer Charge)
- Halls and Community Centres – Outside of the Waimate Urban Rating Area qualifying for Rates Remissions (50% of General Rate)
- Regent Theatre (all rates excluding that portion leased to a private concern)
- Land upon which the Occupier has voluntarily preserved or enhanced natural historical or cultural features (100% Remission on the area of land involved)
- Deceased Estates (Rates Penalties – in certain circumstances)
- Glenavy Hall rate remission for Glenavy Fishing Camp (two-thirds of Glenavy Hall Rate)
- Urban Differential – for properties greater than 20ha within the urban area boundary (General Rate Remission as per calculation formula)
- Waimate District Event Centre remission- for properties paying both a WEC and Rural Hall rate (25% of WEC rate)
- Community Housing – Waimate District Council (50% of Civic Amenities Charges)
- Rating Units affected by Natural Calamity or Fire
- Rates Penalties – in certain circumstances

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

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Development and Financial contributions</b>	<b>\$ 68</b>	<b>\$ 95</b>	<b>\$ 93</b>	<b>\$ 181</b>
NZ Transport Agency government grants	\$ 2,292	\$ 2,524	\$ 2,619	\$ 2,035
Waimate Event Centre Community Fundraising	312	-	-	733
Alpine Energy Grant for Waimate Stadium	-	20	-	48
Other Grants	51	48	49	50
<b>Subsidies and Grants</b>	<b>\$ 2,655</b>	<b>\$ 2,592</b>	<b>\$ 2,668</b>	<b>\$ 2,866</b>
Building and resource consent charges	\$ 371	\$ 366	\$ 357	\$ 635
Camping fees	319	247	242	313
Dog registration and animal control fees	122	130	127	141
Cemetery fees	43	43	40	56
Swimming pool revenue	21	25	25	21
Library fees	14	12	12	12
Refuse collection and disposal	18	81	87	102
Other	116	21	73	18
<b>Fees and charges</b>	<b>\$ 1,024</b>	<b>\$ 925</b>	<b>\$ 963</b>	<b>\$ 1,298</b>

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

### 4 Interest Revenue/Finance Costs

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Interest revenue</b>				
Interest on term deposits	\$ 32	\$ 9	\$ 9	\$ 68
Interest on community loans	20	19	21	24
<b>Total finance revenue</b>	<b>\$ 52</b>	<b>\$ 28</b>	<b>\$ 30</b>	<b>\$ 92</b>
<b>Interest expense</b>				
Interest on bank borrowings	\$ 96	\$ 259	\$ 199	\$ 48
Interest on other items	-	-	-	-
<b>Total finance costs</b>	<b>\$ 96</b>	<b>\$ 259</b>	<b>\$ 199</b>	<b>\$ 48</b>

### 5 Other Revenue

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Deemed revenue from vested assets/carbon credits	\$ -	\$ -	\$ -	\$ -
Petrol tax	92	94	94	91
Dividend revenue	708	577	577	646
Forestry sales	216	-	-	447
Sales of Eric Batchelor Place sections	289	-	134	54
Gain on disposal of property, plant and equipment	8	-	-	9
Gain on vesting of Boland Park assets	202	-	-	-
Gain on vesting of Waimate Event Centre	1,922	1,400	1,400	-
Gain on changes in fair value of forestry assets	181	133	133	169
Other	848	433	542	891
<b>Total other revenue</b>	<b>\$ 4,466</b>	<b>\$ 2,637</b>	<b>\$ 2,880</b>	<b>\$ 2,307</b>

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

## 6 Employee Benefit Expenses

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Salaries and Wages	\$ 3,455	\$ 3,327	\$ 3,319	\$ 3,202
Employer contributions to multi-employer defined benefit plans and defined contribution plans	180	174	182	175
Other employment benefit expenses	-	-	-	-
Increase/(decrease) in employee benefit liabilities	(1)	67	67	(17)
<b>Total employee benefit expenses</b>	<b>\$ 3,634</b>	<b>\$ 3,568</b>	<b>\$ 3,568</b>	<b>\$ 3,360</b>

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

## 7 Depreciation and Amortisation by Activity

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Property	\$ 323	\$ 400	\$ 336	\$ 236
Building Control	11	21	18	13
Emergency Management	56	42	35	33
Dog and Animal Control	3	2	3	-
Community Representation	1	1	1	1
Strategy	-	-	-	-
Managing Services	132	137	139	130
Library	49	53	50	49
Camping	83	73	90	78
Cemeteries	3	17	11	4
Parks and Public Spaces	102	134	127	99
Swimming	31	29	32	29
Roading	3,029	2,491	2,744	2,817
Sewerage and Sewage	192	201	193	191
Stormwater Drainage	34	32	38	34
Waste Management	45	50	44	45
Water Supply	611	592	612	594
<b>Total depreciation and amortisation by Activity</b>	<b>\$ 4,705</b>	<b>\$ 4,275</b>	<b>\$ 4,473</b>	<b>\$ 4,353</b>

## 8 Other Expenses

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Fees to principal auditor:				
Audit New Zealand fees for financial statement audit	\$ 94	\$ 94	\$ 97	\$ 87
Audit New Zealand fees for Long Term Plan audit	-	-	-	-
Change in provision for doubtful debts/bad debts written off	-	-	-	16
Cost of forestry harvested	199	-	-	430
Road emergency reinstatement	-	-	60	-
Road sealed pavement maintenance	493	432	432	448
Inventories	211	-	-	44
Minimum lease payments under operating leases	63	70	70	63
Loss on disposal of property, plant and equipment	51	2	94	22
Other operating expenses	5,527	5,320	5,444	5,129
<b>Total other expenses</b>	<b>\$ 6,638</b>	<b>\$ 5,918</b>	<b>\$ 6,197</b>	<b>\$ 6,239</b>

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

## 9 Taxation expense

	2017 Actual \$000	2016 Actual \$000
<b>Taxation expense</b>		
Operating surplus/(deficit) before tax	\$ 2,131	\$ 1,483
Income tax at 28%	597	415
Taxation effect of permanent differences	(335)	(132)
Effect of imputation credits	(266)	(245)
Deferred tax	1	(26)
Prior period adjustments	-	-
Tax effect of losses recognised	(1)	26
Tax effect of income tax rate change	-	-
Tax effect of loss movements	4	(38)
<b>Taxation expense</b>	<b>\$ -</b>	<b>\$ -</b>

	Forestry	Tax losses	Total
Balance at 1 July 2015	\$ (62)	\$ 62	\$ -
Charged to statement of comprehensive revenue and expenditure	26	(26)	-
Charge to equity	-	-	-
Balance at 30 June 2016	(36)	36	-
Charged to statement of comprehensive revenue and expenditure	(1)	1	-
Charge to equity	-	-	-
<b>Balance at 30 June 2017</b>	<b>\$ (37)</b>	<b>\$ 37</b>	<b>\$ -</b>

Council has unrecognised tax losses of \$793,026 (2016: \$780,046) with a tax effect of \$222,047 (2016: \$218,413) which are available to carry forward. In addition Council has recognised \$130,417 of tax losses (2016: \$127,946) with a tax effect of \$36,517 (2016: 35,825) to offset deferred tax liabilities recognised for forestry activities.

## 10 Cash and Cash Equivalents

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
ANZ Bank cheque account	\$ 310	\$ 391	\$ 49	\$ 416
ANZ Call deposit	3,369	-	1,349	2,247
National Bank accounts - Hakataramea	22	-	-	22
BNZ Bank accounts - Downlands	-	-	-	(2)
<b>Total cash and cash equivalents</b>	<b>\$ 3,701</b>	<b>\$ 391</b>	<b>\$ 1,399</b>	<b>\$ 2,683</b>

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

### Fair Value

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

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

Cash at bank and on hand	\$ 332	\$ 391	\$ 50	\$ 436
Short term bank deposits (less than 3 months)	3,369	-	1,349	2,247
<b>Total cash, cash equivalents and bank overdrafts</b>	<b>\$ 3,701</b>	<b>\$ 391</b>	<b>\$ 1,399</b>	<b>\$ 2,683</b>

## 11 Trade and Other Receivables

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Rates receivables	\$ 343	\$ (84)	\$ 30	\$ 279
Other receivables	460	859	1,396	1,268
Related party receivables	89	-	-	79
Sundry receivables	158	84	70	78
Prepayments	81	-	-	29
GST refund due	141	-	-	142
Less provision for doubtful debts	(19)	-	-	(21)
<b>Total Trade and Other Receivables</b>	<b>\$ 1,253</b>	<b>\$ 859</b>	<b>\$ 1,496</b>	<b>\$ 1,854</b>
<b>Represented by:</b>				
Current	\$ 1,253	\$ 859	\$ 1,496	\$ 1,854
Non-current	-	-	-	-
	<b>\$ 1,253</b>	<b>\$ 859</b>	<b>\$ 1,496</b>	<b>\$ 1,854</b>

### Fair Value

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

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

Current	\$ 996	\$ 1,665
3 to 6 months	70	67
6 to 9 months	46	47
9 to 12 months	33	32
Greater than 12 months	107	43
	<b>\$ 1,253</b>	<b>\$ 1,854</b>

## 11 Trade and Other Receivables (continued)

### Impairment

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

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

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

	<b>2017</b>			<b>2016</b>		
	<b>Actual</b>			<b>Actual</b>		
	<b>Gross</b>	<b>Impairment</b>	<b>Net</b>	<b>Gross</b>	<b>Impairment</b>	<b>Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Current	1,016	(20)	996	1,665	-	1,665
3 to 6 months	70	-	70	67	-	67
6 to 9 months	46	-	46	47	-	47
9 to 12 months	33	-	33	32	-	32
Greater than 12 months	107	-	107	64	(21)	43
	<b>\$ 1,272</b>	<b>\$ (20)</b>	<b>\$ 1,252</b>	<b>\$ 1,875</b>	<b>\$ (21)</b>	<b>\$ 1,854</b>

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

	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>LTP Budget</b>	<b>Annual Plan</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Impairment	\$ 20	\$ -	\$ -	\$ 21
<b>Total provision for impairment</b>	<b>\$ 20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21</b>

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

As at 1 July	\$ 21	\$ -	\$ -	\$ 6
Additional provisions made during the year	(1)	-	-	15
Receivables written off during the year	-	-	-	-
<b>As at 30 June</b>	<b>\$ 20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21</b>

## 12 Inventories

	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>Actual</b>	<b>LTP Budget</b>	<b>Annual Plan</b>	<b>Actual</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Utilities Department stores	\$ 133	\$ -	\$ -	\$ 89
Information Centre souvenirs	6	11	8	7
Refuse collection bags	1	2	2	2
Land held for sale - Eric Batchelor sections	144	139	142	398
	<b>\$ 284</b>	<b>\$ 152</b>	<b>\$ 152</b>	<b>\$ 496</b>

The carrying value of inventories held for distribution that are measured at cost (adjusted where applicable for any loss of service potential) as at 30 June 2017 amounted to \$140,000 (2016: \$97,000).

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

No inventories are pledged as security for liability.

## 13 Other Financial Assets

### Current portion

#### Investments

Short Term Deposits - Downlands and Hakataramea

#### Loans and receivables

Loans to community groups

#### Total current other financial assets

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
	\$ 777	\$ -	\$ -	\$ 642
	4	-	-	7
	<b>\$ 781</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 649</b>
	\$ 2	\$ 77	\$ 123	\$ 10
	7	6	7	7
	28	28	28	28
	1	1	1	1
	250	250	141	141
	29,637	13,185	26,792	28,413
	29,923	13,470	26,969	28,590
	<b>\$ 29,925</b>	<b>\$ 13,547</b>	<b>\$ 27,092</b>	<b>\$ 28,600</b>

#### Term deposits

The carrying value of term deposits approximate their fair value.

#### Unlisted shares - valuation

The fair values have been determined using a valuation technique based on discounted cash flows and an earnings multiple approach, using a mid-point WACC of 6.23% and earnings multiple for the terminal value of 10.4%. Waimate District Councils share of the valuation ranges in value from \$27.333m to \$31.947m with the mid-point of \$29.637m reflected as the fair value in these financial statements. The independent valuation was completed by Deloitte, Chartered Accountants, at 31 March 2017.

#### Listed shares - valuation

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

#### Maturity analysis and effective interest rates

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

	2017 Actual \$000	Weighted average effective interest rate
Investments maturing within the next year	\$ 780	3.02%
Investments maturing between 1-5 years	2	10.00%
Investments maturing after 5 years	-	0.00%
	<b>\$ 782</b>	

#### Total current other financial assets

## 14 Property, Plant and Equipment

### 2017

#### Operational Assets

	Cost/valuation 1 July 2017 \$000	Accumulated depreciation and impairment charges 1 July 2017 \$000	Carrying amount 1 July 2017 \$000	Current year additions \$000	Current year disposals at cost/valuation \$000	Current year depreciation/ impairment \$000	Accumulated depreciation of disposals \$000	Revaluation Surplus \$000	Cost/valuation 30 June 2017 \$000	Accumulated depreciation and impairment charges 30 June 2017 \$000	Carrying amount 30 June 2017 \$000
<b>Operating</b>											
Land	\$ 5,058	\$ -	\$ 5,058	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ 5,063	\$ -	\$ 5,063
Buildings	6,505	(399)	6,106	6,332	-	(485)	-	-	12,837	(884)	11,953
Library books	902	(491)	411	46	-	(44)	-	-	948	(534)	414
Plant and Equipment	1,626	(804)	822	502	(205)	(135)	150	(50)	1,923	(788)	1,135
Motor vehicles	1,008	(537)	471	203	(52)	(120)	36	6	1,159	(621)	538
Work in progress	3,840	-	3,840	(3,636)	-	-	-	-	205	-	205
<b>Total operating assets</b>	<b>18,939</b>	<b>(2,231)</b>	<b>16,708</b>	<b>3,452</b>	<b>(257)</b>	<b>(784)</b>	<b>186</b>	<b>(44)</b>	<b>22,135</b>	<b>(2,827)</b>	<b>19,308</b>
<b>Restricted</b>											
Land	5,901	-	5,901	-	-	-	-	-	5,901	-	5,901
Buildings	-	-	-	-	-	-	-	-	-	-	-
<b>Total restricted assets</b>	<b>5,901</b>	<b>-</b>	<b>5,901</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,901</b>	<b>-</b>	<b>5,901</b>
<b>Total operational assets</b>	<b>\$ 24,840</b>	<b>\$ (2,231)</b>	<b>\$ 22,609</b>	<b>\$ 3,452</b>	<b>\$ (257)</b>	<b>\$ (784)</b>	<b>\$ 186</b>	<b>\$ (44)</b>	<b>\$ 28,036</b>	<b>\$ (2,827)</b>	<b>\$ 25,209</b>

#### Infrastructural Assets

Wastewater schemes	\$ 8,715	\$ (373)	\$ 8,342	\$ 68	\$ -	\$ (188)	\$ -	\$ 1,657	\$ 9,879	\$ -	\$ 9,879
Rural water schemes	9,893	(764)	9,129	427	-	(303)	-	(229)	9,302	(278)	9,024
Urban water schemes	7,181	(430)	6,751	323	-	(235)	-	864	7,715	(13)	7,702
Downlands water scheme	2,813	(726)	2,087	30	-	(69)	-	-	2,844	(795)	2,049
Rural drainage schemes	57	(47)	10	-	-	(2)	-	-	57	(51)	6
Roading network	320,896	(5,355)	315,541	2,137	-	(3,027)	-	28,339	342,990	-	342,990
Stormwater schemes	2,753	(68)	2,685	29	-	(34)	-	(29)	2,651	-	2,651
Sanitation	573	(79)	494	-	-	(39)	-	117	572	-	572
Work in progress	481	-	481	205	-	-	-	-	686	-	686
<b>Total infrastructural assets</b>	<b>\$ 353,362</b>	<b>\$ (7,842)</b>	<b>\$ 345,520</b>	<b>\$ 3,219</b>	<b>\$ -</b>	<b>\$ (3,897)</b>	<b>\$ -</b>	<b>\$ 30,719</b>	<b>\$ 376,696</b>	<b>\$ (1,137)</b>	<b>\$ 375,559</b>
<b>Total Property, plant and equipment</b>	<b>\$ 378,202</b>	<b>\$ (10,073)</b>	<b>\$ 368,129</b>	<b>\$ 6,671</b>	<b>\$ (257)</b>	<b>\$ (4,681)</b>	<b>\$ 186</b>	<b>\$ 30,675</b>	<b>\$ 404,732</b>	<b>\$ (3,964)</b>	<b>\$ 400,768</b>

# 14 Property, Plant and Equipment (continued)

	2016		Accumulated depreciation and impairment charges		Carrying amount		Current year additions		Current year disposals at cost/valuation		Current year depreciation/impairment		Accumulated depreciation of disposals		Revaluation Surplus		Cost/valuation		Accumulated depreciation and impairment charges		Carrying amount	
	Cost/valuation 1 July 2016 \$000	1 July 2016 \$000	depreciation and impairment charges 1 July 2016 \$000	1 July 2016 \$000	amount 1 July 2016 \$000	1 July 2016 \$000	Current year additions \$000	Current year disposals at cost/valuation \$000	Current year depreciation/impairment \$000	Accumulated depreciation of disposals \$000	Current year depreciation/impairment \$000	Current year depreciation/impairment \$000	Accumulated depreciation of disposals \$000	Revaluation Surplus \$000	30 June 2016 \$000	30 June 2016 \$000	Cost/valuation 30 June 2016 \$000	30 June 2016 \$000	depreciation and impairment charges 30 June 2016 \$000	30 June 2016 \$000	Carrying amount 30 June 2016 \$000	30 June 2016 \$000
<b>Operational Assets</b>																						
<b>Operating</b>																						
Land	\$ 5,058	\$ -	\$ 5,058	\$ -	\$ 5,058	\$ -	50	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,058	\$ -	\$ -	\$ -	\$ 5,058	\$ -
Buildings	6,454	(1)	6,453	(1)	6,452	(1)	47	-	(398)	(398)	(398)	(398)	(398)	-	-	(399)	6,505	(399)	(399)	(399)	6,106	(399)
Library books	855	(447)	408	(447)	408	(447)	47	-	(43)	(43)	(43)	(43)	(43)	-	-	(491)	902	(491)	(491)	(491)	411	(491)
Plant and Equipment	1,518	(690)	828	(690)	828	(690)	148	(40)	(128)	(128)	(128)	(128)	(128)	15	-	(804)	1,626	(804)	(804)	(804)	822	(804)
Motor vehicles	1,048	(503)	545	(503)	545	(503)	56	(95)	(101)	(101)	(101)	(101)	(101)	66	-	(537)	1,008	(537)	(537)	(537)	471	(537)
Work in progress	139	-	139	-	139	-	3,702	-	-	-	-	-	-	-	-	-	3,840	-	-	-	3,840	-
<b>Total operating assets</b>	15,072	(1,641)	13,431	(1,641)	13,431	(1,641)	4,003	(134)	(670)	(670)	(670)	(670)	(670)	81	-	(2,231)	18,939	(2,231)	(2,231)	(2,231)	16,708	(2,231)
<b>Restricted</b>																						
Land	5,901	-	5,901	-	5,901	-	-	-	-	-	-	-	-	-	-	-	5,901	-	-	-	5,901	-
Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total restricted assets</b>	5,901	-	5,901	-	5,901	-	-	-	-	-	-	-	-	-	-	-	5,901	-	-	-	5,901	-
<b>Total operational assets</b>	<b>\$ 20,973</b>	<b>\$ (1,641)</b>	<b>\$ 19,332</b>	<b>\$ (1,641)</b>	<b>\$ 19,332</b>	<b>\$ (1,641)</b>	<b>\$ 4,003</b>	<b>\$ (134)</b>	<b>\$ (670)</b>	<b>\$ (670)</b>	<b>\$ (670)</b>	<b>\$ (670)</b>	<b>\$ (670)</b>	<b>\$ 81</b>	<b>\$ -</b>	<b>\$ (2,231)</b>	<b>\$ 24,840</b>	<b>\$ (2,231)</b>	<b>\$ (2,231)</b>	<b>\$ (2,231)</b>	<b>\$ 22,609</b>	<b>\$ (2,231)</b>
<b>Infrastructural Assets</b>																						
Wastewater schemes	\$ 8,704	\$ (186)	\$ 8,518	\$ (186)	\$ 8,518	\$ (186)	12	-	\$ -	\$ -	\$ (187)	\$ -	\$ -	\$ -	\$ -	\$ (373)	\$ 8,715	\$ -	\$ (373)	\$ -	\$ 8,342	\$ (373)
Rural water schemes	9,796	(464)	9,332	(464)	9,332	(464)	97	-	(302)	(302)	(302)	(302)	(302)	-	-	(764)	9,893	(764)	(764)	(764)	9,129	(764)
Urban water schemes	6,600	(210)	6,390	(210)	6,390	(210)	581	-	(221)	(221)	(221)	(221)	(221)	-	-	(430)	7,181	(430)	(430)	(430)	6,751	(430)
Downlands water scheme	2,739	(656)	2,083	(656)	2,083	(656)	73	-	(69)	(69)	(69)	(69)	(69)	-	-	(726)	2,813	(726)	(726)	(726)	2,087	(726)
Rural drainage schemes	57	(46)	11	(46)	11	(46)	-	-	(2)	(2)	(2)	(2)	(2)	-	-	(47)	57	(47)	(47)	(47)	10	(47)
Roading network	319,118	(2,599)	316,519	(2,599)	316,519	(2,599)	2,009	(231)	(2,817)	(2,817)	(2,817)	(2,817)	(2,817)	62	(14)	(5,355)	320,896	(5,355)	(5,355)	(5,355)	315,541	(5,355)
Stormwater schemes	2,735	(34)	2,701	(34)	2,701	(34)	19	-	(34)	(34)	(34)	(34)	(34)	-	-	(68)	2,753	(68)	(68)	(68)	2,685	(68)
Sanitation	573	(39)	534	(39)	534	(39)	-	-	(39)	(39)	(39)	(39)	(39)	-	-	(79)	573	(79)	(79)	(79)	494	(79)
Work in progress	304	-	304	-	304	-	176	-	-	-	-	-	-	-	-	-	481	-	-	-	481	-
<b>Total infrastructural assets</b>	<b>\$ 350,626</b>	<b>\$ (4,234)</b>	<b>\$ 346,392</b>	<b>\$ (4,234)</b>	<b>\$ 346,392</b>	<b>\$ (4,234)</b>	<b>\$ 2,967</b>	<b>\$ (231)</b>	<b>\$ (3,671)</b>	<b>\$ (3,671)</b>	<b>\$ (3,671)</b>	<b>\$ (3,671)</b>	<b>\$ (3,671)</b>	<b>\$ 62</b>	<b>\$ (14)</b>	<b>\$ (7,842)</b>	<b>\$ 353,362</b>	<b>\$ (7,842)</b>	<b>\$ (7,842)</b>	<b>\$ (7,842)</b>	<b>\$ 345,520</b>	<b>\$ (7,842)</b>
<b>Total Property, plant and equipment</b>	<b>\$ 371,599</b>	<b>\$ (5,875)</b>	<b>\$ 365,724</b>	<b>\$ (5,875)</b>	<b>\$ 365,724</b>	<b>\$ (5,875)</b>	<b>\$ 6,970</b>	<b>\$ (365)</b>	<b>\$ (4,341)</b>	<b>\$ (4,341)</b>	<b>\$ (4,341)</b>	<b>\$ (4,341)</b>	<b>\$ (4,341)</b>	<b>\$ 143</b>	<b>\$ (14)</b>	<b>\$ (10,073)</b>	<b>\$ 378,202</b>	<b>\$ (10,073)</b>	<b>\$ (10,073)</b>	<b>\$ (10,073)</b>	<b>\$ 368,129</b>	<b>\$ (10,073)</b>

## 14 Property, Plant and Equipment (continued)

Core Assets additional disclosure	Closing Book Value \$000	Acquisitions - constructed \$000	Acquisitions - transferred \$000	Estimated replacement cost \$000
<b>Water Supply</b>				
Treatment plants and facilities	\$ 5,016	\$ 212	\$ -	\$ 10,254
Other assets (such as reticulations systems)	13,420	568	-	27,437
<b>Total Water Supply</b>	<b>\$ 18,436</b>	<b>\$ 780</b>	<b>\$ -</b>	<b>\$ 37,691</b>
Water Supply assets were revalued in July 2017				
<b>Sewerage</b>				
Treatment plants and facilities	\$ 1,353	\$ 9	\$ -	\$ 3,190
Other assets (such as reticulations systems)	8,526	59	-	20,110
<b>Total Sewerage</b>	<b>\$ 9,879</b>	<b>\$ 68</b>	<b>\$ -</b>	<b>\$ 23,300</b>
Sewerage assets were revalued in July 2017				
<b>Stormwater drainage</b>	\$ 2,651	\$ 29	\$ -	\$ 4,377
Stormwater Drainage assets were revalued in July 2017				
<b>Flood protection and control works</b>	\$ -	\$ -	\$ -	\$ -
Flood protection is undertaken by ECAN				
<b>Roading and footpaths</b>	\$ 342,951	\$ 2,137	\$ -	\$ 455,797
Roading and footpath assets were revalued in June 2017				

## 14 Property, Plant and Equipment (continued)

### Valuation - general

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

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

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

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

### Valuation - operational assets

#### Land (operational and restricted)

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

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

#### Buildings (operational and restricted)

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

Depreciated replacement cost is determined using a number of significant assumptions. Significant 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 Michelle Laming of Quotable Value and the valuation is effective as at 30 June 2015. Additions are recorded at cost.

#### Plant and equipment

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

#### Motor vehicles

Motor vehicles are recorded at cost.

#### Library books

From 1 July 2006 Library books additions are recorded cost.

## 14 Property, Plant and Equipment (continued)

### Valuation - infrastructural assets

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

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

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

Wastewater assets were valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2017.

Urban and rural water assets were valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2017.

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

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

Road assets were valued by Tui Craven of Opus International Consultants Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2017. Land under roads is valued at cost or the value determined from the 2011 revaluation.

Stormwater assets were valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2017.

Sanitation assets (transfer station and recycling building) were valued by Debbie Weeds, and John Vessey of Opus International Consultants Limited using optimised depreciated replacement cost and the valuation is effective as at 1 July 2017.

All additions are recorded at cost.

Land and Buildings - 30 June 2015 - Michelle Laming of Quotable Value	17,357,137
Furniture, plant & machinery and office equipment - 30 June 2009 - Gerald Morton of Morton & Company Ltd	385,620
Road assets - 1 July 2017 - Tui Craven of Opus International Consultants	368,854,914
Wastewater, urban and rural water, and stormwater - 1 July 2017 - valued by Council and peer reviewed by Robert Berghuis and Marvin Clough of Beca Projects NZ Limited	28,961,790
Sanitation - 1 July 2017 - Debbie Weeds and John Vessey of Opus International Consultants	593,363

### Impairment

The value of impairment gains/losses was \$nil (2016 nil).

### Work in progress

The total amount of property, plant and equipment in the course of construction is \$891,000 (2016 \$4,321,000). Work in progress is disclosed above.

### Leasing

The net carrying amount of plant and equipment held under finance leases is \$nil (2016 \$nil).

### Water Schemes (additional note)

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

## 15 Forestry Assets

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Opening balance	\$ 1,489	\$ 1,553	\$ 1,892	\$ 1,749
Gains/(losses) arising from changes in fair value less estimated point of sale costs	181	133	133	169
Capital works	-	-	-	1
Decreases due to harvest	(199)	-	-	(430)
Transfer to non-current assets held for sale	-	-	-	-
<b>Closing balance</b>	<b>\$ 1,471</b>	<b>\$ 1,686</b>	<b>\$ 2,025</b>	<b>\$ 1,489</b>

Represented by (R M Consulting Ltd yearly valuation dated 1 July 2017):

Joint venture	\$ 197	\$ 503	\$ 430	\$ 390
Reserves	277	482	380	244
Waihao Forest	997	701	1,215	855
Transfer to non-current assets held for sale	-	-	-	-
<b>Closing balance</b>	<b>\$ 1,471</b>	<b>\$ 1,686</b>	<b>\$ 2,025</b>	<b>\$ 1,489</b>

### Valuation Method

The 2017 valuation uses the Hybrid method. Council's interest in each of the forest stands it either fully owns or has under joint venture or stumpage agreements. The total value of the forestry estate is the sum of each of these values. The valuation was performed by Mike Marren (B.For.Sc(Hons)) of R M Consulting Ltd.

The "Hybrid" method uses the following procedure:

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

The New Zealand Institute of Forestry Forest Valuation Standards adopt the convention that trees change age at 11.30pm on 30 June each year. This valuation is assumed to have been conducted after midnight on 30 June 2017, so that trees planted in 2008, for example, are aged nine years in terms of this convention.

## Date to Maturity

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

The following table shows Council's current age class distributions, by forest, at 30 June 2017:

	Area by Age (years) by Class (ha)							
	0-5	5-10	10-15	15-20	20-25	25-30	30+	Total
<b>Forest</b>								
Joint Venture	-	-	-	-	-	-	12.0	12.0
Reserves	17.0	5.0	3.5	2.5	20.9	-	-	48.9
Waihao Forest	-	-	-	-	103.3	-	-	103.3
<b>Total</b>	<b>17.0</b>	<b>5.0</b>	<b>3.5</b>	<b>2.5</b>	<b>124.2</b>	<b>-</b>	<b>12.0</b>	<b>164.2</b>
Percentage	10.4%	3.0%	2.1%	1.5%	75.6%	-	7.3%	100.0%

## 16 Intangible Assets

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>ETS Carbon Credits</b>				
<b>Cost</b>				
Balance at 1 July	\$ 69	\$ 41	\$ 41	\$ 69
Additions	-	-	(4)	-
<b>Balance at 30 June</b>	<b>\$ 69</b>	<b>\$ 41</b>	<b>\$ 37</b>	<b>\$ 69</b>
<b>Software</b>				
<b>Cost</b>				
Balance at 1 July	\$ 222	\$ 176	\$ 176	\$ 163
Additions	56	40	100	59
<b>Balance at 30 June</b>	<b>\$ 278</b>	<b>\$ 216</b>	<b>\$ 276</b>	<b>\$ 222</b>
<b>Accumulated amortisation and impairment losses</b>				
Balance at 1 July	\$ (123)	\$ (121)	\$ (123)	\$ (111)
Amortisation charge for the year	(26)	(13)	(31)	(12)
<b>Balance at 30 June</b>	<b>\$ (149)</b>	<b>\$ (134)</b>	<b>\$ (154)</b>	<b>\$ (123)</b>
<b>Software carrying value at 30 June</b>	<b>\$ 129</b>	<b>\$ 82</b>	<b>\$ 122</b>	<b>\$ 99</b>
<b>Total Intangible assets carrying value at 30 June</b>	<b>\$ 198</b>	<b>\$ 123</b>	<b>\$ 159</b>	<b>\$ 168</b>

Following registration with the Emissions Trading Scheme, Council has applied for carbon credits for the pre-1990 forests it operates. A total number of 2,460 credits has been received so far, and if sold these would have a value of \$42,321 on the tradable carbon credit market as at 30 June 2017. Council has also registered 99.8ha of post-1989 forest and was able to claim 7,577 credits for carbon sequestered between 1 Jan 2008 and 31 Dec 2012. As at 30 June 2017 these have a value of \$130,342.40 on the tradable carbon credit market. No Voluntary Emissions Return was lodged in 2016 or 2017.

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

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Sundry payables	\$ 1,359	\$ 1,753	\$ 1,389	\$ 1,700
Revenue received in advance	227	-	-	273
Related party payables	18	-	-	8
Other	52	-	-	237
<b>Total Trade and other payables</b>	<b>\$ 1,656</b>	<b>\$ 1,753</b>	<b>\$ 1,389</b>	<b>\$ 2,219</b>

### Fair value

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

## 18 Provisions

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Current liability portion</b>				
Landfill aftercare	\$ 6	\$ 6	\$ 6	\$ 6
<b>Total Current liability portion</b>	<b>\$ 6</b>	<b>\$ 6</b>	<b>\$ 6</b>	<b>\$ 6</b>
<b>Non-current liability portion</b>				
Landfill aftercare	\$ 61	\$ 41	\$ 48	\$ 61
<b>Total Non-current liability portion</b>	<b>\$ 61</b>	<b>\$ 41</b>	<b>\$ 48</b>	<b>\$ 61</b>
<b>Total Provisions</b>	<b>\$ 67</b>	<b>\$ 47</b>	<b>\$ 54</b>	<b>\$ 67</b>

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

### Landfill aftercare (post-closure) costs

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

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

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

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

## 19 Employee Benefit Liabilities

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Accrued salaries and wages	\$ 50	\$ 120	\$ 120	\$ 81
Annual leave	286	262	246	255
Long service leave	6	14	16	7
Retirement gratuities	-	14	28	-
<b>Total employee benefit liabilities</b>	<b>\$ 342</b>	<b>\$ 410</b>	<b>\$ 410</b>	<b>\$ 343</b>
<b>Represented by:</b>				
Current liabilities	342	410	410	343
Non-current liabilities	-	-	-	-
	<b>\$ 342</b>	<b>\$ 410</b>	<b>\$ 410</b>	<b>\$ 343</b>

## 20 Public Debt

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Current liability portion</b>				
Secured debt	\$ 71	\$ 500	\$ 500	\$ 22
<b>Total Current liability portion</b>	<b>\$ 71</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 22</b>
<b>Non-current liability portion</b>				
Secured debt	\$ 2,734	\$ 3,432	\$ 3,425	\$ 1,978
<b>Total Non-current liability portion</b>	<b>\$ 2,734</b>	<b>\$ 3,432</b>	<b>\$ 3,425</b>	<b>\$ 1,978</b>
<b>Total Public Debt</b>	<b>\$ 2,805</b>	<b>\$ 3,932</b>	<b>\$ 3,925</b>	<b>\$ 2,000</b>

The interest rates applying to the above loans 3.99% (2016: 3.16%).

### Fixed-rate debt

The Council's secured debt of \$2,804,780 (2016: \$2,000,000) is issued at fixed rates of interest until 2021.

### Security

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is \$200,000 (2016: \$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.

	2017 \$000	2016 \$000
<b>Less than one year</b>		
Overdraft	\$ -	\$ -
Weighted average effective interest rate	9.40%	9.40%
Secured loans	\$ 71	\$ 22
Weighted average effective interest rate	3.99%	3.16%
<b>Between one and five years</b>		
Secured loans	\$ 2,734	\$ 1,978
Weighted average effective interest rate	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:

	2017 \$000	2016 \$000
<b>Carrying amount</b>		
Secured loans	\$ 2,805	\$ 2,000
<b>Fair Value</b>		
Secured loans	\$ 2,805	\$ 2,000

## 21 Equity

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Public Equity - Retained earnings</b>				
As at 1 July	\$ 84,602	\$ 83,199	\$ 83,540	\$ 82,768
Transfers from/(to) special separate and trust funds	(382)	-	-	351
Transfers from/(to) asset revaluation reserves	-	-	-	-
Surplus/(deficit) for the year	2,131	1,259	1,117	1,483
<b>Total Public Equity as at 30 June</b>	<b>\$ 86,351</b>	<b>\$ 84,458</b>	<b>\$ 84,657</b>	<b>\$ 84,602</b>
<b>Asset revaluation reserve</b>				
As at 1 July	\$ 293,849	\$ 320,571	\$ 293,849	\$ 293,849
Transfers from/(to) public equity	-	-	-	-
Revaluation gains/(losses)	30,719	16,585	16,565	-
Impairment of revalued asset/reversal	-	-	-	-
<b>Total Asset revaluation reserve as at 30 June</b>	<b>\$ 324,568</b>	<b>\$ 337,156</b>	<b>\$ 310,414</b>	<b>\$ 293,849</b>
<b>Special separate and trust funds (restricted reserves)</b>				
As at 1 July	\$ 1,487	\$ 1,384	\$ 1,838	\$ 1,838
Transfers from/(to) public equity	382	-	-	(351)
Transfers from comprehensive revenue and expenditure	-	-	-	-
<b>Total Special separate and trust funds as at 30 June</b>	<b>\$ 1,869</b>	<b>\$ 1,384</b>	<b>\$ 1,838</b>	<b>\$ 1,487</b>
<b>Fair value through comprehensive revenue and expenditure reserve (shares)</b>				
As at 1 July	\$ 19,501	\$ 4,273	\$ 18,880	\$ 17,880
Revaluation gains/(losses)	1,223	-	-	1,621
<b>Total Fair value through comprehensive revenue and expenditure reserve as at 30 June</b>	<b>\$ 20,724</b>	<b>\$ 4,273</b>	<b>\$ 18,880</b>	<b>\$ 19,501</b>
<b>Asset revaluation reserves consist of:</b>				
<b>Operational assets</b>				
Land - freehold	\$ 4,462	\$ 4,037	\$ 4,462	\$ 4,463
Buildings	5,519	5,191	5,519	5,519
Plant and equipment	-	-	-	-
<b>Restricted assets</b>				
Land - restricted	4,219	4,169	4,219	4,219
<b>Infrastructural assets</b>				
Wastewater schemes	7,257	9,195	6,337	5,600
Rural water schemes	4,938	8,986	6,371	5,167
Urban water scheme	5,763	3,974	5,703	4,900
Roading network	289,630	299,127	275,109	261,289
Stormwater schemes	2,304	2,276	2,335	2,333
Sanitation	476	201	359	359
	<b>\$ 324,568</b>	<b>\$ 337,156</b>	<b>\$ 310,414</b>	<b>\$ 293,849</b>
<b>Special separate and trust funds (restricted reserves) consist of:</b>				
Discretionary reserves	\$ 690	\$ 682	\$ 591	\$ 831
Restricted reserves	619	567	495	497
Trusts	204	219	191	198
Special Reserves	3,298	10,516	5,625	2,321
Depreciation Reserves	2,663	(4,577)	1,089	3,483
Non-Cash Reserves	674	402	402	674
Internal Loan Reserves	(6,278)	(6,425)	(6,555)	(6,517)
	<b>\$ 1,870</b>	<b>\$ 1,384</b>	<b>\$ 1,838</b>	<b>\$ 1,487</b>

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

## 21 Equity (continued)

### Financial reserves

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

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

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

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

	Opening balance 1 July 2017 \$000	Deposits \$000	Withdrawals \$000	Closing balance 30 June 2017 \$000
<b>Restricted Reserves</b>				
<b>Discretionary</b>				
Perpetual Graves	\$ 86	\$ 3	\$ -	\$ 89
Esplanade	42	2	-	44
Subdivision Contribution	588	46	(227)	407
Waste Minimisation	115	34	-	149
Mayors Welfare Relief Fund	2	-	-	2
<b>Restricted</b>				
Endowment Land	208	10	-	218
Te Aka Road Grant - Rock fall Protection	63	3	(7)	59
Te Aka Road Grant - Recreational	76	4	-	80
Waimate Event Centre	139	121	(34)	226
Heritage Fund Reserve	6	1	(1)	6
Creative New Zealand Grant Reserve	2	-	(1)	1
NZ Sport & Recreation Grants - Reserve	1	-	-	1
Community Grant Reserve	2	-	-	2
Waimate Community Halls	-	26	-	26
<b>Trusts</b>				
Friends of Knottingley Park	1	3	(3)	1
Library Bequests	197	9	(5)	201
<b>Non-cash</b>				
Downlands Asset Replacement	659	-	-	659
Downlands Capital Contributions	15	-	-	15
<b>Total Restricted Reserves</b>	<b>\$ 2,202</b>	<b>\$ 262</b>	<b>\$ (278)</b>	<b>\$ 2,186</b>
<b>General Reserves</b>				
General Reserves	\$ 343	\$ 1,061	\$ (636)	\$ 768
Property Reserve	(128)	282	(144)	10
Community Housing	(156)	-	-	(156)
Forestry Reserve	(98)	142	(102)	(58)
Camping	587	60	(13)	634
Rates Smoothing Reserve	324	44	-	368
<b>Total General Reserves</b>	<b>\$ 872</b>	<b>\$ 1,589</b>	<b>\$ (895)</b>	<b>\$ 1,566</b>
<b>Civic Amenities Rate Reserve</b>				
Civic Amenities Rate Reserve	\$ 1,213	\$ 144	\$ (80)	\$ 1,277
<b>Total Civic Amenities Rate Reserve</b>	<b>\$ 1,213</b>	<b>\$ 144</b>	<b>\$ (80)</b>	<b>\$ 1,277</b>
<b>Targeted Rate Reserves</b>				
Urban Water Scheme	\$ (135)	\$ 19	\$ -	\$ (117)
Sewerage	137	136	-	273
Waste Management - Collection	148	13	-	161
<b>Rural Water Scheme Operating Reserves</b>				
Cannington/Motukaika	62	16	-	79
Cattle Creek	(14)	-	(1)	(15)
Hook/Waituna	(86)	-	(6)	(92)
Lower Waihao	111	-	(12)	99
Otaio/Makikihi	89	44	-	133
Waihaorunga	(48)	-	(5)	(53)
Waikakahi	(28)	16	-	(12)
<b>Total Targeted Rate Reserves</b>	<b>\$ 236</b>	<b>\$ 244</b>	<b>\$ (24)</b>	<b>\$ 456</b>

## 21 Equity (continued)

	Opening balance 1 July 2017 \$000	Deposits \$000	Withdrawals \$000	Closing balance 30 June 2017 \$000
<b>Internal Loan Reserves</b>				
Urban Water Scheme	\$ (1,344)	\$ 41	\$ -	\$ (1,303)
Sewerage	(1,075)	33	-	(1,042)
Roading Renewals / Bridge Renewals	(400)	-	-	(400)
Waste Management - Disposal	(615)	22	-	(594)
Waimate District Community Complex	(3,082)	277	-	(2,805)
WEC Build - Additional Spend	-	434	(567)	(133)
<b>Total Internal Loan Reserves</b>	<b>\$ (6,516)</b>	<b>\$ 807</b>	<b>\$ (567)</b>	<b>\$ (6,277)</b>
<b>Asset Renewal Reserves</b>				
<b>General Asset Renewal Reserves</b>				
General Reserves	\$ 595	\$ 227	\$ (458)	\$ 364
Property Reserve	626	142	(8)	760
Community Housing	370	44	(16)	398
Forestry Reserve	(85)	-	-	(85)
Camping	28	83	(68)	43
Stormwater	61	34	(131)	(36)
<b>Civic Amenities Rate Asset Renewal Reserve</b>				
Civic Amenities Rate Asset Renewal Reserve	248	169	(276)	141
<b>Targeted Rate Asset Renewal Reserves</b>				
Sewerage	657	159	(490)	326
Waste Management - Collection	142	31	-	173
Roading Reserve	454	1,829	(2,141)	142
Urban Water Scheme	84	190	(272)	2
<b>Rural Water Schemes</b>				
Cannington/Motukaika	113	15	-	128
Cattle Creek	5	1	-	6
Hook/Waituna	188	72	(30)	230
Lower Waihao	(161)	45	(85)	(201)
Otaio/Makikihi	(172)	64	(7)	(115)
Waihaorunga	56	17	(14)	59
Waikakahi	272	60	(6)	326
<b>Total Asset Renewal Reserves</b>	<b>\$ 3,481</b>	<b>\$ 3,182</b>	<b>\$ (4,002)</b>	<b>\$ 2,661</b>
<b>Fair Value through other Comprehensive Revenue and Expenditure Reserve</b>				
Fair Value through other Comprehensive Revenue and Expenditure	\$ 19,501	\$ 1,224	\$ -	\$ 20,725
<b>Total Fair Value through other Comprehensive Revenue and Expenditure Reserve</b>	<b>\$ 19,501</b>	<b>\$ 1,224</b>	<b>\$ -</b>	<b>\$ 20,725</b>
<b>Total Reserves</b>	<b>\$ 20,989</b>	<b>\$ 7,452</b>	<b>\$ (5,846)</b>	<b>\$ 22,594</b>

## 21 Equity (continued)

### Financial reserves

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

Restricted Reserves	Purpose	Council Activity
<b>Discretionary</b>		
Perpetual Graves	Future development of cemeteries in the District	Cemeteries
Esplanade	To purchase/develop esplanade strips or reserves	Parks and Public Spaces
Subdivision	Development of recreational reserves in the Waimate district	Parks and Public Spaces
Waste Minimisation	Waste Levy revenue received to fund waste minimisation initiatives	Waste Management
Mayors Welfare Relief Fund	Mayoral reserve for district welfare claims	Community Representation
<b>Restricted</b>		
Endowment Land	Purchase of endowment land	Property
Te Aka Road Grant - Rock fall Protection	Rock fall protection at Te Akatarawa Road	Roading
Te Aka Road Grant - Recreational	Development of public recreational areas adjoining Te Akatarawa Road	Camping
Waimate Event Centre	Investigation and/or refurbishment of the Waimate Event Centre	Property
Heritage Fund Reserve	Funding of district heritage related funds	Community Support
Creative New Zealand Grant Reserve	Funds allocated for distribution in the coming year	Community Support
NZ Sport & Recreation Grants - Reserve	Funds allocated for distribution in the coming year	Community Support
Community Grant Reserve	Funds allocated or to be allocated for distribution in the coming year	Community Support
Waimate Community Halls	To be determined - surplus funds from old Stadium Committee	TBD
<b>Trusts</b>		
Friends of Knottingley Park	Beautification of Knottingley Park	Parks and Public Spaces
Library Bequests	Purchase of Library Books	Library
<b>Non-cash</b>		
Downlands Asset Replacement	Asset Replacement for Downlands Water Scheme	Water Supply
Downlands Capital Contributions	Capital Contributions for Downlands Water Scheme	Water Supply

### General Reserves

General Reserves	General funds accumulated/borrowed over time	Investments and Finance, Building Control, Emergency Management, Regulatory Services, Dog and Animal Control, Community Representation, Strategy, Managing Services, Economic Development and Promotions, Community Support, 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

### 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
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### 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

## 21 Equity (continued)

### Internal Loan Reserves

Urban Water Scheme	Internally borrowed funds for future repayment by the users of the service	Water Supply
Sewerage	Internally borrowed funds for future repayment by the users of the service	Sewerage and Sewage
Roading Renewals / Bridge Renewals	Internally borrowed funds for future repayment by the users of the service	Roading
Waste Management - Disposal	Internally borrowed funds for future repayment by the users of the service	Waste Management
Waimate District Community Complex	Internally borrowed funds for future repayment by the users of the service	Property
WEC Build - Additional Spend	Internally borrowed funds for future repayment by the users of the service	Property

### Asset Renewal Reserves

#### General Asset Renewal Reserves

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

#### Civic Amenities Rate Asset Renewal Reserve

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

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

#### Rural Water Schemes

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

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

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

	2017 Actual \$000	2016 Actual \$000
<b>Surplus/(deficit) after tax</b>	\$ 2,131	\$ 1,483
<b>Add/(less) non cash items</b>		
Depreciation	4,681	4,341
Amortisation	26	12
Revenue from vested assets/carbon credits	(2,127)	-
Cost of forestry harvested	199	430
	2,779	4,783
<b>Add/(less) items classified as investing or financing activities</b>		
Losses/(gains) on sale of forestry assets	(216)	(447)
Losses/(gains) in fair value of forestry assets	(181)	(169)
Losses/(gains) on disposal of property, plant and equipment	43	14
Increase/(decrease) in derivative financial instruments	-	-
Decrease/(increase) in capital creditors	-	-
	(354)	(602)
<b>Add/(less) movements in working capital items</b>		
Decrease/(increase) in inventories	212	44
Decrease/(increase) in trade and other receivables	601	(407)
Increase/(decrease) in trade and other payables	(563)	420
Increase/(decrease) in employee benefit liabilities	(1)	(17)
Increase/(decrease) in provisions	-	(5)
	249	35
<b>Net Cash Flows from operating activities</b>	<b>\$ 4,805</b>	<b>\$ 5,699</b>

## 23 Capital Commitments and Operating Leases

There was one capital commitment in relation to projects from Council's capital programme (2016: One).

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

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

	2017 Actual \$000	2016 Actual \$000
<b>Capital Commitments</b>		
Capital expenditure contracted for at balance date not yet incurred for property, plant and equipment:		
Buildings	\$ -	\$ -
Rural Water Schemes	-	-
Roading	5,105	9,862
	<b>\$ 5,105</b>	<b>\$ 9,862</b>
<b>Capital Commitments</b>		
Not later than one year	3,829	3,791
Later than one year, not later than five years	1,276	6,072
Later than five years	-	-
	<b>\$ 5,105</b>	<b>\$ 9,862</b>

### Operating leases as lessee

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

	2017 Actual \$000	2016 Actual \$000
<b>Non-cancellable operating leases as lessee</b>		
Not later than one year	\$ 171	\$ 94
Later than one year, not later than five years	106	24
Later than five years	-	-
	<b>\$ 277</b>	<b>\$ 118</b>

### Operating leases as lessor

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

	2017 Actual \$000	2016 Actual \$000
<b>Non-cancellable operating leases as lessor</b>		
Not later than one year	\$ 82	\$ 99
Later than one year, not later than five years	26	78
Later than five years	6	8
	<b>\$ 114</b>	<b>\$ 185</b>

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

## 24 Contingencies

### Contingent Assets

There are no Contingent Assets as at 30 June 2017 (30 June 2016: nil).

### Contingent Liabilities

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

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

As at 31 March 2017, the scheme had a past service surplus of \$7.952 million (exclusive of Employer Superannuation Contribution Tax), (Net assets of \$136.833 million, Past service liabilities \$128.881 million, at a funding level of 106.2%). This surplus was calculated using a discounted rate equal to the expected return on net assets.

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

Council is not aware of any other contingent assets or contingent liabilities at 30 June 2017 (2016: \$nil). There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.

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## 25 Related Party Transactions and Key Management personnel

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

### Joint Ventures

Joint venture forestry blocks

Timaru District Council - Downlands rural water scheme

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

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

Services provided by Council

Accounts payable to Council

2017 Actual \$000	2016 Actual \$000
\$ 214	\$ 200
(214)	(200)
\$ -	\$ -

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

### Key Management personnel

Salaries and other short term employee benefits

Post employment benefits

Termination benefits

Councillors

2017 Actual \$000	2016 Actual \$000
\$ 893	\$ 775
-	-
-	-
217	211
\$ 1,110	\$ 986

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

## 26 Remuneration

**Chief Executive (current from 6 February 2017)**  
**Chief Executive (previous up to 4 December 2016)**

### Additional benefits

Employer Superannuation contribution  
 Motor Vehicle  
 Communication expenses

### Total Chief Executive

### Council Representatives

Craig Rowley (Mayor)  
 Sharyn Cain (Deputy Mayor)  
 David Anderson  
 Peter Collins  
 Arthur Gavegan  
 Peter McIlraith  
 Miriam Morton  
 Tom O'Connor  
 Sheila Paul  
 Jakki Guildford  
 David Owen

### Total Council representatives

	2017 Actual \$000	2016 Actual \$000
Chief Executive (current from 6 February 2017)	\$ 67	\$ -
Chief Executive (previous up to 4 December 2016)	93	175
Additional benefits		
Employer Superannuation contribution	9	9
Motor Vehicle	4	5
Communication expenses	1	1
<b>Total Chief Executive</b>	<b>\$ 174</b>	<b>\$ 190</b>
<b>Council Representatives</b>		
Craig Rowley (Mayor)	\$ 65	\$ 64
Sharyn Cain (Deputy Mayor)	25	25
David Anderson	18	17
Peter Collins	18	17
Arthur Gavegan	5	17
Peter McIlraith	6	20
Miriam Morton	18	17
Tom O'Connor	18	17
Sheila Paul	18	17
Jakki Guildford	13	-
David Owen	13	-
<b>Total Council representatives</b>	<b>\$ 217</b>	<b>\$ 211</b>

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

## 27 Employee Staffing Levels and Remuneration

### Total full time equivalent number of employees

### Represented by:

Full time employees  
 Full time equivalent of all other employees

(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  
 \$60,001 - \$80,000  
 \$80,001 - \$100,000  
 \$100,001 - \$140,000  
 \$140,001 +

	2017 Actual \$000	2016 Actual \$000
Total full time equivalent number of employees	47.61	43.71
Represented by:		
Full time employees	43.00	40.00
Full time equivalent of all other employees	4.61	3.71
Numbers of employees, who are employed at 30 June, where annual remuneration is within the following bands:		
\$0 - \$60,000	30.00	25.00
\$60,001 - \$80,000	15.00	14.00
\$80,001 - \$100,000	7.00	6.00
\$100,001 - \$140,000	3.00	5.00
\$140,001 +	1.00	1.00
	<b>56.00</b>	<b>51.00</b>

For both 2017 and 2016, the number of employees in the \$100,001 - \$120,000 band was minimal and has been combined with the \$120,001 - \$140,000 band for a combined band of \$100,001 - \$140,000.

## 28 Severance Payments

For the year ended 30 June 2017 there were zero (2016: zero) severance payments made to employees (2016: \$ zero).

## 29 Financial Instrument Categories

### Financial Assets

#### Fair value through comprehensive revenue and expenditure

Derivative financial instrument assets

	2017 Actual \$000	2016 Actual \$000
	\$ -	\$ -
<b>Loans and receivables</b>		
Cash and cash equivalents	\$ 3,701	\$ 2,683
Trade and other receivables (excluding Prepayments)	1,172	1,775
Term deposits	777	642
Community loans	6	17
Loans to related parties	-	-
	<b>\$ 5,656</b>	<b>\$ 5,117</b>
<b>Available for sale:</b>		
<b>Equity investments (at cost)</b>		
Combined Rural Traders Ltd (CRT)	\$ 7	\$ 7
NZ Local Government Insurance Company Ltd	28	28
MGI Irrigation Company Ltd	1	1
Hunter Downs Irrigation Limited	250	141
<b>Equity investments (at fair value)</b>		
Alpine Energy Ltd	29,637	28,413
	<b>\$ 29,923</b>	<b>\$ 28,590</b>
<b>Total financial assets</b>	<b>\$ 35,579</b>	<b>\$ 33,707</b>
<b>Financial Liabilities</b>		
<b>Fair value through comprehensive revenue and expenditure</b>		
Derivative financial instrument liabilities	\$ -	\$ -
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	\$ 1,656	\$ 2,219
Borrowings	2,805	2,000
	<b>\$ 4,461</b>	<b>\$ 4,219</b>
<b>Total financial liabilities</b>	<b>\$ 4,461</b>	<b>\$ 4,219</b>

### Financial Liabilities

#### Fair value through comprehensive revenue and expenditure

Derivative financial instrument liabilities

#### Financial liabilities at amortised cost

Trade and other payables

Borrowings

#### Total financial liabilities

## 30 Capital Management

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

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

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

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

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

Council has the following Council created reserves:

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

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

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

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

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## 31 Insurance Disclosure

During the 2016/17 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:

	2017 Actual \$000	2016 Actual \$000	2015 Actual \$000	2014 Actual \$000
Insurance costs	\$ 228	\$ 211	\$ 219	\$ 218

### 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 \$56,602,940. 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 \$42,072,519.

### Vehicles and Moving plant

The total asset value for insurance purposes is \$1,629,318. All vehicles are insured for replacement value.

### Forestry

The maximum insurance cover is \$1,290,792 for fire events and \$645,396 for windstorm.

### Roading and Footpath Assets

The total asset value is \$368,854,914. However In the event of a loss, Council would receive a minimum of 51% subsidy from the NZTA, with the remaining portion of the loss to be funded internally. The NZTA financial assistance rate is currently under review and may change.

### 32 Explanation of Major Variances against Budget

Council reported a surplus of \$2,131,000 against a reported LTP Budget surplus of \$1,259,000. The major variances are explained in the following table:

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2017 Var to LTP \$000
General Rates	\$ 951	\$ 1,187	\$ 991	\$ (236)
NZ Transport Agency government grants	2,292	2,524	2,619	(232)
Waimate Event Centre Community Fundraising	312	-	-	312
Camping fees	319	247	242	72
Interest revenue	52	28	30	24
Dividend revenue	708	577	577	131
Sales of Eric Batchelor Place sections	289	-	134	289
Gain on vesting of Waimate Skate Park	202	-	-	202
Gain on vesting of Waimate Event Centre	1,922	1,400	1,400	522
Employee benefit expenses	(3,634)	(3,568)	(3,568)	(66)
Depreciation/Amortisation	(4,707)	(4,277)	(4,474)	(430)
Conferences, Seminars and Training	(114)	(166)	(166)	51
Legal expenses	(72)	(40)	(61)	(32)
<b>Sub-total Major Variances</b>	<b>(1,481)</b>	<b>(2,088)</b>	<b>(2,276)</b>	<b>607</b>
All other revenues and expenditure	3,612	3,347	3,393	265
<b>Total Surplus/(deficit)</b>	<b>\$ 2,131</b>	<b>\$ 1,259</b>	<b>\$ 1,117</b>	<b>\$ 872</b>

NZ Transport Agency government grants are slightly lower than LTP Budget following the deferral of renewal and maintenance programme works to next year, partly as a result of unfavourable weather conditions.

Waimate Event Centre Community Fundraising exceeded Budget due to the phasing of some budgeted income from last year into this year, as well as additional funds being raised.

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

Dividend revenue from Alpine Energy was above budgeted levels. Sales of sub-divisions at Eric Batchelor place were not anticipated in the Budget.

The vesting of the Skatepark was not anticipated in the budget; the final value of the Waimate Event Centre, and the lower than anticipated cost to Council of completing this facility, have contributed to a favourable variance to Budget.

Depreciation costs being higher than Budget are driven by higher depreciation than planned in the Roothing activity.

### 33 Events After Balance Date

There are no significant events after balance date.

## Cost of Service Variances for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
Forestry	\$ 22	\$ 22	\$ 23	\$ 51
Investments and Finance	(92)	39	(70)	212
Property	2,236	1,142	1,241	737
Building Control	20	-	-	224
Resource Management	60	5	50	190
Emergency Management	(18)	1	-	18
Regulatory Services	26	-	-	57
Dog and Animal Control	(9)	-	-	44
Community Representation	41	-	(23)	89
Strategy	4	15	-	107
Managing Services	148	-	-	125
Economic Development and Promotions	27	(1)	-	(12)
Community Support	(48)	-	-	(5)
Library	11	-	-	22
Camping	44	(8)	(22)	63
Cemeteries	6	-	(10)	9
Parks and Public Spaces	162	(18)	(30)	58
Swimming	(23)	-	(4)	(42)
Roading	(847)	11	(130)	(935)
Sewerage and Sewage	136	21	68	87
Stormwater Drainage	13	4	6	12
Waste Management	99	17	25	153
Water Supply	113	9	(7)	219
<b>Total Surplus/(deficit)</b>	<b>\$ 2,131</b>	<b>\$ 1,259</b>	<b>\$ 1,117</b>	<b>\$ 1,483</b>

**Capital Expenditure  
for the year ended 30 June 2017**

	Key	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Forestry</b>					
Planting costs - various sites/blocks	REP	\$ -	\$ -	\$ -	\$ 1
<b>Property</b>					
Local Government Centre - Blinds	REP	\$ -	\$ 5	\$ 3	\$ -
Local Government Centre - Vinyl	REP	-	-	5	-
Local Government Centre - Sundry capital	REP	-	-	3	8
Local Government Centre - Floor coverings	REP	-	3	-	-
Council Property - Reseal Michael Street yard	REP	-	-	10	-
Council Property - Tennant St House capital	REP	8	-	-	-
Council Property - Fencing	REP	-	-	-	2
Community Housing - furniture and fittings	REP	-	-	-	1
Community Housing - Replacement Stoves	REP	-	-	3	-
Community Housing - Hot Water Cylinders	REP	-	5	5	-
Community Housing - Bathroom upgrade	REP	16	-	-	-
Public Toilets - Queen St toilet replacement	LOS	-	200	200	-
Public Toilets - Victoria Park Playground	LOS	31	-	-	-
Waimate Event Centre - Refurbishment	LOS	330	-	-	3,693
Waimate Event Centre - IT and CCTV Equipment	LOS	18	-	-	-
Waimate Event Centre - Stormwater Installation	LOS	55	-	-	-
Waimate Event Centre - Internal Fitout (WDCF Funds)	LOS	164	-	-	-
Waimate Event Centre - Miscellaneous purchases	LOS	0	-	-	-
		<b>\$ 622</b>	<b>\$ 213</b>	<b>\$ 229</b>	<b>\$ 3,703</b>
<b>Building Control</b>					
Building Control - Inspection Hardware/Software	LOS	10	-	-	8
Building Control - Sundry	REP	0	-	1	2
		<b>\$ 11</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 10</b>
<b>Emergency Management</b>					
Rural Fire - Cannington appliance	LOS	\$ 75	\$ 54	\$ 75	\$ -
Rural Fire - St Andrews Tanker	LOS	80	108	80	-
Rural Fire - Vehicle	REP	-	-	-	10
Rural Fire - Plant	REP	8	-	8	5
Rural Fire - Computer equipment and Radio upgrade	REP	3	-	-	9
Civil Defence - Mobile technology Hardware	REP	-	-	1	-
		<b>\$ 165</b>	<b>\$ 162</b>	<b>\$ 164</b>	<b>\$ 23</b>
<b>Dog and Animal Control</b>					
Dog and Animal Control - Animal cage and dog box	REP	\$ 1	\$ -	\$ -	\$ -
		<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Managing Services</b>					
Hardware	REP	\$ 19	\$ 27	\$ 21	\$ 6
Motor vehicles	REP	47	38	38	88
Plant	REP	11	-	6	8
Furniture and other equipment	REP	11	-	-	-
Utilities office upgrade and furniture	LOS	6	-	-	10
Miscellaneous	REP	-	8	-	2
Electronic Document Management System	LOS	17	-	-	39
GIS Platform Upgrade	LOS	-	-	-	59
Server replacement	REP	64	-	-	-
Telephone / PABX upgrade	REP	-	15	15	-
Single Customer Database	REP	-	-	5	-
Magiq - Performance and EPO upgrades	REP	22	-	9	-
Online consenting	REP	-	-	20	-
Health and Safety - Equipment	REP	10	-	-	-
Software	REP	-	-	-	5
		<b>\$ 207</b>	<b>\$ 88</b>	<b>\$ 114</b>	<b>\$ 217</b>

**Capital Expenditure (continued)  
for the year ended 30 June 2017**

**Library**

Library books  
Shelving  
Furniture

Key	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
REP	\$ 46	\$ 61	\$ 62	\$ 47
REP	-	-	4	4
REP	18	-	-	-
	<b>\$ 64</b>	<b>\$ 61</b>	<b>\$ 66</b>	<b>\$ 51</b>

**Camping**

Waitaki Lakes - Water pipes investigation/replace  
St Andrews Camping - Mower (nett of trade in)  
St Andrews Camping - Upgrade Power Sites  
St Andrews Camping - Miscellaneous  
Victoria Park - Upgrade Cabins  
Victoria Park - Appliances  
Knottingley Park - Miscellaneous

REP	\$ 27	\$ -	\$ -	\$ 20
REP	-	-	-	4
REP	16	-	20	-
REP	2	-	-	-
REP	18	-	-	4
REP	3	5	5	8
REP	2	-	-	-
	<b>\$ 68</b>	<b>\$ 5</b>	<b>\$ 25</b>	<b>\$ 36</b>

**Cemeteries**

Replace Tip Truck  
Upgrade workshop / office / toilet

REP	\$ 46	\$ 45	\$ 45	\$ -
REP	33	-	-	-
	<b>\$ 79</b>	<b>\$ 45</b>	<b>\$ 45</b>	<b>\$ -</b>

**Parks and Public Spaces**

Morven Reserve - Hall Painting  
Morven Reserve - Hall re-wiring  
Morven Reserve - Domain tree plantings  
Victoria park - mower replacement  
Victoria park - parks officer motor vehicle  
Victoria park - parks sundry plant  
Victoria park - playground extension  
Victoria park - glasshouse upgrade (roof and walls)  
Knottingley park - driveway upgrade  
Knottingley park - replace see saws  
Urban Reserves - playground equipment

REP	\$ -	\$ -	\$ 20	\$ -
REP	-	-	10	-
REP	-	-	20	-
REP	16	17	17	-
REP	-	12	12	-
REP	6	7	7	4
LOS	-	26	26	-
REP	-	-	-	(4)
REP	-	-	-	3
REP	5	-	7	-
REP	-	-	-	13
	<b>\$ 27</b>	<b>\$ 62</b>	<b>\$ 119</b>	<b>\$ 16</b>

**Swimming**

Pool Cover replacement  
Upgrade Mens Changing rooms  
Other - Platforms, ramp and shade sail

REP	\$ 20	\$ 21	\$ 21	\$ -
REP	23	25	25	-
REP	12	-	-	1
	<b>\$ 55</b>	<b>\$ 46</b>	<b>\$ 46</b>	<b>\$ 1</b>

**Roading Group**

Resealing  
Drainage construction  
Culvert replacements  
Kerb and channel renewal  
Concrete ford renewals  
Pavement rehabilitation  
Structures component replacement  
Sign renewal  
Minor improvements  
Footpath renewal  
Minor improvements (not subsidised)  
Seal extensions  
Roading development  
Holme Station bridge replacement

REP	\$ 1,208	\$ 998	\$ 998	\$ 1,026
REP	129	90	90	37
REP	70	70	70	114
REP	25	96	85	77
REP	-	25	25	-
REP	137	432	432	316
REP	29	172	173	8
REP	43	51	45	48
LOS	379	282	394	182
REP	21	91	91	79
REP	19	10	25	-
REP	15	51	51	40
LOS	40	51	51	83
LOS	25	482	482	-
	<b>\$ 2,141</b>	<b>\$ 2,902</b>	<b>\$ 3,011</b>	<b>\$ 2,010</b>

**Capital Expenditure (continued)  
for the year ended 30 June 2017**

**Sewerage and Sewage Group**

Mill Road Sewer Extension  
Programmed renewals  
Smoke Testing equipment  
Upgrade John St  
Upgrade Allan St - King St

**Key**

**2017**  
Actual  
\$000

**2017**  
LTP Budget  
\$000

**2017**  
Annual Plan  
\$000

**2016**  
Actual  
\$000

AD	\$	464	\$	-	\$	546	\$	46
REP		16		205		205		3
REP		-		-		-		1
REP		-		-		-		8
REP		10		-		-		-
	\$	490	\$	205	\$	751	\$	58

**Stormwater Drainage Group**

Upgrade Manse Street/Harris Street  
Consent and Management Plan

LOS	\$	24	\$	174	\$	174	\$	10
LOS		107		72		70		31
	\$	131	\$	246	\$	244	\$	41

**Waste Management Group**

Wheelie Bin Replacements  
Recycling Depot - Morven

REP	\$	16	\$	-	\$	-	\$	6
REP		3		-		-		-
	\$	19	\$	-	\$	-	\$	6

**Water Supply Group (Rural and Urban)**

Hook/Waituna - Bells renewal (1600m)  
Hook/Waituna - renewals  
Lower Waihao - Rising main renewal (1600m)  
Lower Waihao - Tawai renewal (2300m)  
Lower Waihao - renewals  
Lower Waihao - drinking water standards  
Otaio/Makikihi - Renewal (Skinner 2000m)  
Otaio/Makikihi - renewals  
Waihaorunga - renewals  
Waihaorunga - Pump Renewal  
Waikakahi - renewals  
Waikakahi - Pipe renewal (SH82 Crossing 100m)  
Cannington/Motukaika - renewals  
Urban Supply - Painting AVG Filter  
Urban Supply - rising main renewals  
Urban Supply - CI main renewals  
Urban Supply - AC Water mains renewals  
Urban Supply - Lateral renewals  
Water Supply - Chlorine trailer  
Urban Supply - Manchesters Road Bore Pumps

LOS	\$	17	\$	17	\$	17	\$	-
REP		13		10		10		40
LOS		57		-		-		-
LOS		28		42		42		-
REP		-		-		-		39
LOS		-		-		-		81
LOS		7		16		16		-
REP		-		-		-		2
REP		11		-		-		10
REP		3		4		4		2
REP		6		5		5		0
REP		-		13		13		-
REP		-		12		12		6
LOS		74		42		42		-
REP		111		208		208		280
REP		91		156		156		146
REP		25		104		104		84
REP		45		52		52		69
REP		-		-		4		-
REP		-		-		-		23
	\$	488	\$	679	\$	682	\$	782

**Total Capital Expenditure**

	\$	4,569	\$	4,714	\$	5,497	\$	6,956
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**Represented by:**

Infrastructural assets  
Operational assets

	\$	3,269	\$	4,033	\$	4,689	\$	2,897
		1,300		681		808		4,060
	\$	4,569	\$	4,714	\$	5,497	\$	6,957

**Categories**

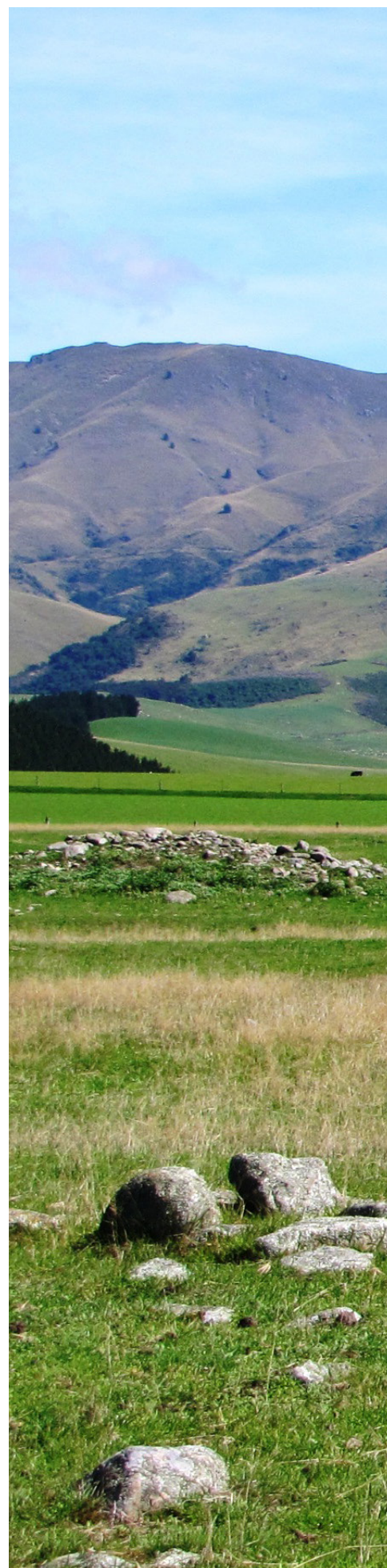
Meets additional demand  
Improve level of performance/service  
Replace existing assets

AD	\$	464	\$	-	\$	572	\$	46
LOS		1,545		1,422		1,531		4,197
REP		2,560		3,291		3,394		2,714
	\$	4,569	\$	4,713	\$	5,497		6,957

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

# Waimate District Council Activities

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



# Water Supply Group

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

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

The Water Supply Group includes the following activities:

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

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

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

**Water Supply** Safe and Healthy People.



**Funding Impact Statement - Water Supply Group (Rural and Urban)**  
for the year ended 30 June 2017

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 11	\$ 11	\$ 11	\$ 10
Targeted rates	1,923	1,902	1,897	1,883
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	17	20	22	19
Internal charges and overheads recovered	106	33	75	34
Local authority fuel tax, fines, infringement fees other	52	110	52	107
<b>Total sources of operating funding</b>	<b>2,109</b>	<b>2,076</b>	<b>2,057</b>	<b>2,053</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	890	1,169	941	1,134
Finance costs	-	-	10	10
Internal charges and overheads applied	520	293	522	296
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,410</b>	<b>1,462</b>	<b>1,473</b>	<b>1,440</b>
<b>Surplus/(deficit) of operating funding</b>	<b>699</b>	<b>614</b>	<b>584</b>	<b>613</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	27	24	23	23
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>27</b>	<b>24</b>	<b>23</b>	<b>23</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	183	-	42	5
Capital expenditure - to replace existing assets	305	679	640	867
Increase/(decrease) in reserves	238	(41)	(75)	(236)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>726</b>	<b>638</b>	<b>607</b>	<b>636</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(699)</b>	<b>(614)</b>	<b>(584)</b>	<b>(613)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 49	\$ 31	\$ 21	\$ 32
Included within Internal charges and overheads applied is Internal Interest Expense of:	99	92	96	102
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	1,908	2,779	2,238	2,436
Increases in Internal Borrowings for the year	52	410	58	809
Decreases in Internal Borrowings for the year	(132)	(67)	(256)	(401)

**Service Performance Statement - Water Supply Group (Rural and Urban)**  
for the year ended 30 June 2017

		2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>					
General rates		\$ 11	\$ 11	\$ 11	\$ 10
Targeted rates		1,923	1,902	1,896	1,897
Revenue from activities		94	154	151	322
Other revenue		107	31	21	90
Total revenue		<b>2,135</b>	<b>2,098</b>	<b>2,079</b>	<b>2,319</b>
<b>Expenditure</b>					
Employee benefit expenses		-	-	-	-
Depreciation and amortisation		611	592	612	594
Finance expenses		99	92	106	153
Other expenses		1,311	1,406	1,368	1,354
Total expenditure		<b>2,021</b>	<b>2,090</b>	<b>2,086</b>	<b>2,101</b>
Operating Surplus/(deficit)		<b>\$ 114</b>	<b>\$ 8</b>	<b>\$ (7)</b>	<b>\$ 218</b>
<b>Capital Expenditure</b>					
	<b>Key</b>				
Hook/Waituna - Bells renewal (1600m)	LOS	\$ 17	\$ 17	\$ 17	\$ -
Hook/Waituna - renewals	REP	13	10	10	40
Lower Waihao - Rising main renewal (1600m)	LOS	57	-	-	-
Lower Waihao - Tawai renewal (2300m)	LOS	28	42	42	-
Lower Waihao - renewals	REP	-	-	-	39
Lower Waihao - drinking water standards	LOS	-	-	-	81
Otaio/Makikihi - Renewal (Skinner 2000m)	LOS	7	16	16	-
Otaio/Makikihi - renewals	REP	-	-	-	2
Waihaorunga - renewals	REP	11	-	-	10
Waihaorunga - Pump Renewal	REP	3	4	4	2
Waikakahi - renewals	REP	6	5	5	-
Waikakahi - Pipe renewal (SH82 Crossing 100m)	REP	-	13	13	-
Cannington/Motukaika - renewals	REP	-	12	12	5
Urban Supply - Painting AVG Filter	LOS	74	42	42	-
Urban Supply - rising main renewals	REP	111	208	208	280
Urban Supply - CI main renewals	REP	91	156	156	146
Urban Supply - AC Water mains renewals	REP	25	104	104	84
Urban Supply - Lateral renewals	REP	45	52	52	69
Water Supply - Chlorine trailer	REP	-	-	4	-
Urban Supply - Manchesters Road Bore Pumps	REP	-	-	-	23
Total Capital Expenditure		<b>\$ 488</b>	<b>\$ 681</b>	<b>\$ 685</b>	<b>\$ 781</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	183	-	42	81
Replace existing assets	REP	305	681	643	700
		<b>\$ 488</b>	<b>\$ 681</b>	<b>\$ 685</b>	<b>\$ 781</b>

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

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

Revenue from Activities is lower than LTP due to the lower than expected recoveries.

Other revenue is significant higher than LTP due to inter-scheme water charging, the offset of which appears in the other expense line.

Other expenses, while boosted by inter-scheme charges, are lower than LTP due to a general under-spend on budget.

## Urban Water Supply

### What Do We Do Now?

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

Council utilities staff and vehicles support the supply of urban water.

### Why Do We Do It?

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

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.

## Rural Water Supply

### What Do We Do Now?

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

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

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

### Why Do We Do It?

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

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

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Safety of Drinking Water. Council will provide potable water. (M)	The extent of compliance with part four of the drinking-water standards (bacteria compliance criteria).	<p>Waimate: Timaru Rd - Yes.</p> <p>Waimate: Manchesters Bore - Yes.</p> <p>Otaio/Makikihi: Tavistock - No, one Ecoli transgression.<sup>2</sup></p> <p>Hook/Waituna - No, plant still being commissioned.</p> <p>Lower Waihao - No, plant yet to be upgraded.</p> <p>Waikakahi - Yes.</p> <p>Waihaorunga: Main - No, plant yet to be upgraded.</p> <p>Waihaorunga: Tavendales - No, plant yet to be upgraded.</p> <p>Cannington/Motukaika - No, plant yet to be upgraded.</p>	<p>Partially achieved <sup>1</sup></p> <p>(2015/16: Partially achieved)<sup>3</sup></p>

Customer Performance Measure				
Level of Service	Performance Measure (M) - Mandatory performance measure	Result		Achievement 2016/17
Safety of Drinking Water. Council will provide potable water. (M)	The extent of compliance with part five of the drinking-water standards (protozoal compliance criteria).	Waimate: Timaru Rd - Yes. Waimate: Manchesters Bore - Yes. Otaio/Makikihi: Tavistock - Yes Hook/Waituna - No, plant yet to be commissioned. Lower Waihao - No, plant yet to be upgraded. Waikakahi - No, plant yet to be upgraded. Waihaorunga: Main - No, plant yet to be upgraded. Waihaorunga: Tavendales - No, plant yet to be upgraded. Cannington/Motukaika - No, plant yet to be upgraded.		Partially achieved <sup>1</sup>  (2015/16: Partially achieved) <sup>3</sup>
	Maintain secure source status (Waimate Urban, Otaio-Makikihi RWS)	Waimate: Timaru Rd - Achieved (Bore has achieved Groundwater Residence Time Determination Testing, awaiting confirmation of secure bore head status) Waimate: Manchesters Bore - Achieved (Bore has achieved Groundwater Residence Time Determination Testing, awaiting confirmation of secure bore head status) Otaio-Makikihi: Tavistock - Not Achieved.		Partially achieved <sup>4</sup>  (2015/16: Secure Status confirmed by assessor in late 2016 - Achieved)
	Comply with UV requirements (Hook-Waituna RWS)	Hook-Waituna - Non-Compliant. In process of upgrading plant to meet requirements.		Not achieved  (2015/16: Not Achieved)
Customer satisfaction. Council manages the water schemes wisely. (M)	The total number of complaints received by Council about any of the following: (a) drinking water clarity; (b) drinking water taste; (c) drinking water odour; (d) drinking water pressure; (e) continuity of supply; and (f) Council's response to any of these issues.  Target: Urban < 10 justified complaints per 1000 connections. Target Rural < 40 justified complaints per 1000 connections.	Urban connections = 1905 Urban Water: (a) eight justified, three unjustified; (b) one justified; (c) none; (d) none; (e) three justified, three unjustified (f) two justified.  Justified complaints per 1000 connections = $14/1905 = 7$ per 1000 connections	Rural connections = 1235 Rural Water: (a) one justified; (b) none; (c) one justified; (d) 16 justified, eight unjustified; (e) 38 justified, six unjustified; (f) two justified.  Justified complaints per 1000 = $58/1235 = 47$ per 1000 connections.	Urban Water: Achieved  Rural Water: Not achieved <sup>5</sup>  (2015/16: Urban Water - Achieved, Rural Water - Not achieved)
Demand Management. Council manages the water schemes wisely. (M)	Average consumption of drinking water per day per resident within the Waimate district.  Target: average normal demand <840 litres per day.	Average consumption per day per resident: $1735.16\text{m}^3$ per day / 3000 population = 578 litres per day per person.		Achieved  (2015/16: Achieved)

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Fault response times. Council will minimise disruptions to the supply. (M)	<p>Where Council attends to a call-out in response to a fault or unplanned interruption of its networked reticulation system, the following median response times measured:</p> <p>(a) attendance for urgent call-outs: Target: response time ≤ 1 hour.</p> <p>(b) resolution of urgent call-outs: . Target: resolution time ≤ 24 hours.</p> <p>(c) attendance for non-urgent call-outs: Target: response time ≤ 24 hours.</p> <p>(d) resolution of non-urgent call-outs: Target: resolution time ≤ 72 hours.</p>	<p>(a) Council's median response time to urgent call-out = 0:17 (h:mm)</p> <p>(b) Council's median response to resolve urgent call-out = 1:27 (h:mm)</p> <p>(c) Council's median response to a non-urgent call-out = 1:30 (h:mm)</p> <p>(d) Council's median response to resolve a non-urgent call-out = 3:39 (h:mm)</p>	<p>(a) Achieved (2015/16: Not achieved)</p> <p>(b) Achieved (2015/16: Achieved)</p> <p>(c) Achieved (2015/16: Achieved)</p> <p>(d) Achieved (2015/16: Achieved)</p>
Maintenance of the reticulation network. Water is used efficiently and in a sustainable manner. (M)	<p>The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this).</p> <p>Target: &lt; 35% real water loss.</p>	<p>Real water loss from urban reticulation = 46.2%</p> <p>(Calculation methodology: Minimum Night Flow (MNF) Analysis)</p>	<p>Not achieved <sup>6</sup></p> <p>(2015/16: Not achieved - target &lt; 50%)</p>
Council manages the water scheme wisely.	<p>Percentage of satisfied or very satisfied residents with the overall performance of the water service.</p> <p>Target: &gt; 85% satisfied or very satisfied residents.</p>	<p>92% of residents provided with the service were satisfied or very satisfied</p>	<p>Achieved</p> <p>(2015/16: Not measured)</p>
Council will minimise disruptions to the supply.	<p>Number of unprogrammed maintenance interruptions to service per year.</p> <p>Target: Urban &lt; five interruptions.</p> <p>Target: Rural &lt; 50 interruptions.</p>	<p>Number of unprogrammed urban interruptions = None</p> <p>Number of unprogrammed rural interruptions = None.</p> <p>(Note: Council Rural Water Scheme Policy requires consumers to have 96 hours storage. Therefore any interruption is minimised or a non-event.)</p>	<p>Urban: Achieved</p> <p>(2015/16: Achieved)</p> <p>Rural: Achieved (2015: Achieved)</p>
Council provides a restricted supply of water to customers for its rural water schemes.	<p>Number of complaints per year on restricted rate of flow to tanks on rural water schemes sufficient to deliver not less than the contracted water litreage per day (this excludes complaints relating to the actions of parties external to Council).</p> <p>Target: &lt; six complaints.</p>	<p>Rural low pressure/no water complaints = 71</p> <p>(53 justified complaints, 14 unjustified complaints.)</p>	<p>Not achieved <sup>7</sup></p> <p>(2015/16: Not achieved)</p>

## Performance Measure Details

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

Hook/Waituna: completion of the upgrade is planned for the 2018/19 financial year with a trial plant due to begin operating in October 2017.

Lower Waihao: Drinking Water Standards upgrades to be completed in 2020/21 year. The scheme has an active Water Safety Plan.

Waikakahi, Waihaorunga: Main and Tavendales and Cannington/Motukaika: Water Safety Plans for these schemes have been submitted but require further detail around potential upgrade pathways.

Costings for a single plant supplying three schemes alongside proposed connecting pipework are being developed as it is anticipated that this is likely to be the most cost-effective and affordable option. Council continues to work with the rural water scheme Committees to ensure a suitable outcome as part of the 2018-28 Long Term Plan. This scheme is likely to be commissioned in the 2019/20 financial year

<sup>2</sup> **Otaio/Makikihi: Tavistock bacterial and protozoal compliance:** This bore had one Ecoli transgression and no further transgressions have been detected. Bacterial compliance was restored after three clear samples were tested and no further Ecoli was detected. The bore is provisionally compliant with regards to protozoa and will achieve secure source status in November 2017 (see note 4 below).

<sup>3</sup> **2015/16 Reporting on compliance (bacterial and protozoal) with drinking-water standards:** The results reported on bacterial and protozoal compliance were provisional at the time they were reported (October 2016). The Drinking Water Assessor confirmed these provisional results in December 2016.

<sup>4</sup> **Maintain secure source status:** The target was not achieved as secured source status for Otaio-Makikihi was reduced to provisionally secure following a single source transgression. Secure source status will be restored provided no further transgressions are received before November 2017.

<sup>5</sup> **Complaints about rural water supply :** Due to the nature and mechanics of a rural water scheme, and a number of factors beyond Council's control (ie members of public damaging pipe network) there is a greater potential for a loss of water pressure and continuity of supply. Council does have a renewals programme for pipe and points of supply (ie restrictors).

<sup>6</sup> **Real Water Loss:** At present Council only has meters at the Timaru Road and Manchesters Road plants and no zone or points of supply meters. Therefore we are unable to measure true water usage in Waimate and have to rely on an assumed water loss calculation for this reporting.

<sup>7</sup> **Complaints on restricted flow:** With regards to the number of complaints per year on restricted rate of flow to tanks on rural water schemes, Council recorded the number of low pressure/no water complaints, where the user was not getting their contracted rate of water due to a fault (eg partially blocked ballcock, leak, mechanical damage to the main). There have been no complaints where the Council has deliberately or mistakenly provided less than the consumer was paying for.

## Points of Significance

The stage four urban water main renewal is complete with the termination now sited on the south bank of the Waimate Creek at Mill Road an Allan Streets intersection. Stage Five is programmed for 2017/18.

Further cast iron and asbestos cement water main renewals have been completed in the 2016/17 year as part of an ongoing renewal programme.

Continued improvements in both asset knowledge and asset management processes will assist in updating the Asset Management Plans for inclusion in the 2018-28 Long Term Plan

# Waste Management Group

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

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

The Waste Management Group includes one activity:

### Waste Management

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

### Waste Management

Safe and Healthy People.

Sustainable District and Environment.



## Funding Impact Statement - Waste Management Group for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ -
Targeted rates	949	947	952	934
Subsidies and grants for operating purposes	30	27	28	26
Fees and charges	112	-	-	-
Internal charges and overheads recovered	28	26	24	27
Local authority fuel tax, fines, infringement fees other	-	81	87	79
<b>Total sources of operating funding</b>	<b>1,119</b>	<b>1,081</b>	<b>1,091</b>	<b>1,066</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	839	896	881	877
Finance costs	-	-	-	-
Internal charges and overheads applied	135	118	141	120
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>974</b>	<b>1,014</b>	<b>1,022</b>	<b>997</b>
<b>Surplus/(deficit) of operating funding</b>	<b>145</b>	<b>67</b>	<b>69</b>	<b>69</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	19	-	-	-
Increase/(decrease) in reserves	126	67	69	69
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>145</b>	<b>67</b>	<b>69</b>	<b>69</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(145)</b>	<b>(67)</b>	<b>(69)</b>	<b>(69)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 28	\$ 26	\$ 24	\$ 26
Included within Internal charges and overheads applied is Internal Interest Expense of:	31	41	37	45
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	593	615	638	615
Increases in Internal Borrowings for the year	-	-	22	-
Decreases in Internal Borrowings for the year	(22)	-	-	(139)

# Waste Management

## What Do We Do Now?

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

## Why Do We Do It?

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

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Convenient and accessible waste management services are provided to the community.	Council provides access to kerbside refuse collection service for a minimum of 67% of our District's properties. Target: ≥ 67% of District properties.	Council provides access to kerbside refuse collection service for 71.7% of our District's properties.	Achieved (2015/16: Achieved - 72.2%)
	Council provides access to kerbside recycling collection services for a minimum of 45% of our District properties. Target: ≥ 45% of District properties.	Council provides access to kerbside recycling collection services for 49.1% of our District's properties.	Achieved (2015/16: Achieved - 52.6%)
	Council provides a minimum of 6 rural recycling drop-off points. Target: ≥ six drop-off points.	Council provides eight drop-off points for rural recycling.	Achieved (2015/16: Achieved - 8 drop-off points)
Council manages the waste management services wisely.	Percentage of satisfied or very satisfied residents with the overall performance of the waste management service. Target: ≥ 80% satisfied or very satisfied.	70% of residents satisfied or very satisfied.	Not achieved (2015/16: Not measured)
	Provide waste minimisation information and education programmes to households and schools to encourage the reduction in quantity of waste sent to landfill. Target: Two programmes annually.	Council provided information (pamphlets) on request, to non-compliers, new bin allocations, school education programme. Council also supported the "Love Food Hate Waste" campaign	Achieved (2015/16: Achieved)
	Reduce waste tonnage to landfill. Target: ≤ 51% residual waste.	Residual waste = 53.3%	Not achieved (2015/16: Not achieved - 53.6%)

## Points of Significance

Under the provisions of section 17A of the Local Government Act 2002, Council is currently undertaking a detailed review of service delivery for the Waste Management activity. This review and its findings will be a subject for community consultation during the 2018-28 Long Term Plan process, proving possible options for service delivery change in the future.

**Service Performance Statement - Waste Management Group  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Civic Amenities rates	254	249	254	252
Targeted rates	694	698	700	685
Revenue from activities	143	108	115	167
Other revenue	28	26	24	29
<b>Total revenue</b>	<b>1,119</b>	<b>1,081</b>	<b>1,093</b>	<b>1,133</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	45	50	44	45
Finance expenses	31	41	37	45
Other expenses	944	973	985	890
<b>Total expenditure</b>	<b>1,020</b>	<b>1,064</b>	<b>1,066</b>	<b>980</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 99</b>	<b>\$ 17</b>	<b>\$ 27</b>	<b>\$ 153</b>
<b>Capital Expenditure</b>				
Wheelie Bin Replacements	\$ 16	\$ -	\$ -	\$ 6
Recycling Depot - Morven	3	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 19</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS -	-	-	-
Replace existing assets	REP 19	-	-	6
	<b>\$ 19</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6</b>

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

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

Revenue from activities are favourable compared to LTP Budget driven by Fees & Charges not budgeted at LTP.

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

# Stormwater Drainage Group

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

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

The Stormwater Drainage Group includes one activity:

### Stormwater Drainage

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

### Stormwater Drainage

Safe and Healthy People

Wealthy Community



# Funding Impact Statement - Stormwater Drainage Group

## for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 86	\$ 66	\$ 86	\$ 61
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	2	-	-	-
Internal charges and overheads recovered	8	15	-	15
Local authority fuel tax, fines, infringement fees other	-	-	-	-
<b>Total sources of operating funding</b>	<b>96</b>	<b>81</b>	<b>86</b>	<b>76</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	24	42	21	40
Finance costs	-	-	-	-
Internal charges and overheads applied	25	6	26	6
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>49</b>	<b>48</b>	<b>47</b>	<b>46</b>
<b>Surplus/(deficit) of operating funding</b>	<b>47</b>	<b>33</b>	<b>39</b>	<b>30</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	4	4	4
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	131	246	244	213
Capital expenditure - to replace existing assets	-	-	-	-
Increase/(decrease) in reserves	(84)	(209)	(201)	(179)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>47</b>	<b>37</b>	<b>43</b>	<b>34</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(47)</b>	<b>(33)</b>	<b>(39)</b>	<b>(30)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 8	\$ 15	\$ -	\$ 15
Included within Internal charges and overheads applied is Internal Interest Expense of:	-	-	1	-
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	36	397	234	183
Increases in Internal Borrowings for the year	36	214	51	183
Decreases in Internal Borrowings for the year	-	-	-	(369)

**Service Performance Statement - Stormwater Drainage Group  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 86	\$ 66	\$ 86	\$ 62
Targeted rates	-	-	-	-
Revenue from activities	2	4	4	2
Other revenue	8	15	-	11
<b>Total revenue</b>	<b>96</b>	<b>85</b>	<b>90</b>	<b>75</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	34	32	38	34
Finance expenses	-	-	1	-
Other expenses	49	48	45	28
<b>Total expenditure</b>	<b>83</b>	<b>80</b>	<b>84</b>	<b>62</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 13</b>	<b>\$ 5</b>	<b>\$ 6</b>	<b>\$ 13</b>
<b>Capital Expenditure</b>				
Upgrade Manse Street/Harris Street	\$ 24	\$ 174	\$ 174	\$ 10
Consent and Management Plan	LOS 107	LOS 72	70	31
<b>Total Capital Expenditure</b>	<b>\$ 131</b>	<b>\$ 246</b>	<b>\$ 244</b>	<b>\$ 41</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	AD \$ -	AD \$ -	AD \$ -
Improve level of performance/service	LOS 131	LOS 246	244	41
Replace existing assets	REP -	REP -	-	-
	<b>\$ 131</b>	<b>\$ 246</b>	<b>\$ 244</b>	<b>\$ 41</b>

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

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

General rates revenue has increased compared to Actual 2016 due to planned increase in operational maintenance & inspection spend.

Other revenue is lower than plan due to a variance in the the internal loan interest assumption between actual and LTP.

Capital expenditure for the Manse/Harris Street upgrade has not been completed with the project still in progress. Consent & Management Plan was progressed this year.

# Stormwater Drainage

## What Do We Do Now?

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

The stormwater drainage system comprises of 8km of gravity stormwater pipes.

## Why Do We Do It?

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
System adequacy. (M)	(a) The number of flooding events that occur in a territorial district; and (b) For each flooding event, the number of habitable floors affected.  Target: Number of habitable floors affected is $\leq 1$ per 1000 properties.	Number of habitable floors affected per 1000 properties = 0	Achieved (2015/16: Achieved)
Discharge compliance. (M)	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices; (b) infringement notices; (c) enforcement orders; and (d) convictions received by the territorial authority in relation to those resource consents.  Target: Comply with resource consents	(a) abatement notices: 0 (b) infringement notices: 0 (c) enforcement orders: 0 (d) convictions: 0	Achieved (2015/16: Achieved)
Response times. (M)	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.  Target: $\leq 180$ minutes.	Median response time = 0:42 (h:mm)	Achieved (2015/16: Achieved)
Customer Satisfaction. (M)	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.  Target: Number of complaints $\leq 2$ complaints per 1000 properties.	Number of complaints per 1000 properties = 0	Achieved (2015/16: Achieved)

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Council manages stormwater scheme wisely.	Percentage of satisfied or very satisfied residents with the overall performance of the stormwater service  Target: 70% of urban residents satisfied or very satisfied..	72% of urban residents were satisfied or very satisfied.	Achieved  (2015/16: Not measured)
A reliable stormwater collection system is provided for Waimate town.	Continuous access to the service is provided with no blockages to the pipework measured by complaints  Target: Nil complaints.	There where no blockages to the pipework.	Achieved  (2015/16: Achieved)

## Points of Significance

The Manse Street stormwater upgrade has been programmed for construction in early 2017/18. These works are in conjunction with footpath and kerb and channel upgrades.

Council has continued work to produce a Stormwater Management Plan and is in the process of applying for an Urban Stormwater Discharge Consent.

Detailed study of the Queen Street infrastructure has been undertaken and will inform future upgrades to prevent or alleviate surface flooding.

Continued improvements in both asset knowledge and asset management processes will assist the Asset Management Plans for inclusion in the 2018-28 Long Term Plan

# Sewerage and Sewage Group

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

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

The Sewerage and Sewage Group includes one activity:

### Sewerage and Sewage

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

### Sewerage and Sewage

Safe and Healthy People.

Wealthy Community.



## Funding Impact Statement - Sewerage and Sewage Group

### for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ -
Targeted rates	475	465	478	460
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	3	1	51	1
Internal charges and overheads recovered	41	43	9	43
Local authority fuel tax, fines, infringement fees other	25	3	3	3
<b>Total sources of operating funding</b>	<b>544</b>	<b>512</b>	<b>541</b>	<b>507</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	102	197	145	192
Finance costs	-	-	-	-
Internal charges and overheads applied	138	104	155	110
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>240</b>	<b>301</b>	<b>300</b>	<b>302</b>
<b>Surplus/(deficit) of operating funding</b>	<b>304</b>	<b>211</b>	<b>241</b>	<b>205</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	24	21	20	20
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>24</b>	<b>21</b>	<b>20</b>	<b>20</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	464	-	546	546
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	26	205	205	203
Increase/(decrease) in reserves	(162)	27	(490)	(524)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>328</b>	<b>232</b>	<b>261</b>	<b>225</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(304)</b>	<b>(211)</b>	<b>(241)</b>	<b>(205)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 41	\$ 43	\$ 9	\$ 43
Included within Internal charges and overheads applied is Internal Interest Expense of:	55	70	70	78
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	1,043	1,273	1,350	1,282
Increases in Internal Borrowings for the year	-	-	113	182
Decreases in Internal Borrowings for the year	(63)	(10)	(46)	(33)

**Service Performance Statement - Sewerage and Sewage Group  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Targeted rates	475	465	478	458
Revenue from activities	52	24	75	13
Other revenue	42	43	9	53
<b>Total revenue</b>	<b>569</b>	<b>532</b>	<b>562</b>	<b>524</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	192	201	193	191
Finance expenses	55	70	70	86
Other expenses	185	241	231	160
<b>Total expenditure</b>	<b>432</b>	<b>512</b>	<b>494</b>	<b>437</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 137</b>	<b>\$ 20</b>	<b>\$ 68</b>	<b>\$ 87</b>
<b>Capital Expenditure</b>				
Mill Road Sewer Extension	AD \$ 464	\$ -	\$ 546	\$ 46
Programmed renewals	REP 16	205	205	3
Smoke Testing equipment	REP -	-	-	1
Upgrade John St	REP -	-	-	8
Upgrade Allan St - King St	REP 10	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 490</b>	<b>\$ 205</b>	<b>\$ 751</b>	<b>\$ 58</b>
<b>Categories</b>				
Meets additional demand	AD \$ 464	\$ -	\$ 546	\$ 46
Improve level of performance/service	LOS -	-	-	-
Replace existing assets	REP 26	205	205	12
	<b>\$ 490</b>	<b>\$ 205</b>	<b>\$ 751</b>	<b>\$ 58</b>

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

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

Revenue from activities is favourable compared to LTP Budget and Actual 2016 due to higher recoveries from maintenance works, offset by lower than planned connection fees.

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

Capital expenditure for the Mill Road Sewer Extension was carried over from the prior financial year with major progress made on the project. Programmed renewals were not completed due to investigation into the use of new technology.

# Sewerage and Sewage

## What Do We Do Now?

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

- 39.2km of mains reticulation;
- 17.3km of gravity lateral connections;
- 371 manholes or inspection eyes;
- One treatment and disposal facility; and
- 8km of gravity stormwater pipes.

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

## Why Do We Do It?

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

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

## How We Measure The Service Provided

Customer Performance Measures			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
System and adequacy. (M)	The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.  Target: ≤ 2 per 1000 connections.	Sewerage connections = 1729.  Number of dry weather sewerage overflows per 1000 connections = $0/1729 = 0$ per 1000 connections.	Achieved  (2015/16: Achieved)
Discharge compliance. (M)	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:  (a) abatement notices; (b) infringement notices; (c) enforcement orders; and (d) convictions,  received by Council in relation to those resource consents.  Target: Comply with resource consents	(a) abatement notices = 0 (b) infringement notices = 0 (c) enforcement notices = 0 (d) convictions = 0	Achieved  (2015/16: Achieved)

Customer Performance Measures			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Fault response times. (M)	Where council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the following median response times measured:  (a) attendance time  Target: ≤ 60 minutes.  (b) resolution time  Target: ≤ 12 hours.	(a) attendance time: 0:17 (h:mm)  (b) resolution time: 1:42 (h:mm)	Achieved  (2015/16: Achieved)
Customer satisfaction. (M)	The total number of complaints received by Council about any of the following:  (a) sewerage odour;  (b) sewerage system faults;  (c) sewerage system blockages; and  (d) the territorial authority's response to issues with its sewerage system, expressed per 1000 connections to Council's sewerage system.  Target: ≤ 5 complaints per 1000 connections.	Sewerage connections = 1729.  (a) odour = 0/1729 = 0 per 1000 connections.  (b) system faults = 0/1729 = 0 per 1000 connections. (2 unjustified)  (c) system blockages = 2/1729 = 1.15 per 1000 connections. (4 unjustified)  (d) council response = 2/1729 = 1.15 per 1000 connections.  Total complaints = 4/1729 = 2.31 per 1000 connections.	Achieved  (2015/16: Achieved)
Council manages sewerage and schemes wisely	Percentage of satisfied or very satisfied residents with the overall performance of the sewerage service.  Target: ≥ 80% satisfied or very satisfied.	95% of residents provided with the service were satisfied or very satisfied.	Achieved  (2015/16: Not measured)
Sewerage connections are available upon request within the rateable area of the sewerage network	Sewerage connections for 100% of applicants are completed within the rateable area of the sewerage network  Target: 100% connection	100% of sewerage connections are available within the rateable area of the sewerage network.	Achieved  (2015/16: Achieved - 100%)
Council will manage community infrastructure in a strategic manner	Improve the sustainability of the Waimate sewerage scheme by conducting pipe investigation programme  Target: 2015/16, 2016/17 and 2018/19.	Sustainability of the Waimate sewerage scheme continued by conducting pipe investigation through on-going CCTV studies.	Achieved  (2015/16: Achieved)

## Points of Significance

Mill Road, Princes Street and King Street sewerage project has been completed, and a number of properties are now connected.

Council co-invested in a connection between King Street and Allan Street with the infrastructure allowing further extensions in the future.

Ongoing CCTV inspections to better inform the renewal programme.

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

Continued improvements in both asset knowledge and asset management processes will assist the Asset Management Plans for inclusion in the 2018-28 Long Term Plan

# Roading and Footpaths Group

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

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

The Roothing and Footpath Group includes one activity:

### Roothing and Footpaths

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

### Roothing and Footpaths

Safe and Healthy People.

Wealthy Community.



**Funding Impact Statement - Roading Group**  
for the year ended 30 June 2017

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 LTP Budget \$000</b>
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ -
Targeted rates	2,333	2,180	2,320	2,197
Subsidies and grants for operating purposes	1,040	889	938	861
Fees and charges	-	-	-	-
Internal charges and overheads recovered	137	49	40	50
Local authority fuel tax, fines, infringement fees other	110	47	63	46
<b>Total sources of operating funding</b>	<b>3,620</b>	<b>3,165</b>	<b>3,361</b>	<b>3,154</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,768	1,830	1,580	1,803
Finance costs	-	42	28	14
Internal charges and overheads applied	923	370	821	357
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>2,691</b>	<b>2,242</b>	<b>2,429</b>	<b>2,174</b>
<b>Surplus/(deficit) of operating funding</b>	<b>929</b>	<b>923</b>	<b>932</b>	<b>980</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,251	1,634	1,681	1,312
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	397	397	199
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,251</b>	<b>2,031</b>	<b>2,078</b>	<b>1,511</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	446	815	926	304
Capital expenditure - to replace existing assets	1,696	2,087	2,085	2,058
Increase/(decrease) in reserves	38	52	(1)	129
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>2,180</b>	<b>2,954</b>	<b>3,010</b>	<b>2,491</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(929)</b>	<b>(923)</b>	<b>(932)</b>	<b>(980)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 23	\$ -	\$ -	\$ -
Included within Internal charges and overheads applied is Internal Interest Expense of:	46	6	25	6
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	553	1,311	1,189	517
Increases in Internal Borrowings for the year	-	794	672	360
Decreases in Internal Borrowings for the year	(357)	-	-	-

**Service Performance Statement - Roading Group  
for the year ended 30 June 2017**

		<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>					
General rates		\$ -	\$ -	\$ -	\$ -
Targeted rates		2,333	2,180	2,320	2,216
New Zealand Transport Agency Subsidy		2,292	2,524	2,619	2,035
Revenue from activities		110	47	63	121
Other revenue		22	-	-	7
Total revenue		<b>4,757</b>	<b>4,751</b>	<b>5,002</b>	<b>4,379</b>
<b>Expenditure</b>					
Employee benefit expenses		-	-	-	-
Roading expenses		2,342	1,834	2,044	2,137
Depreciation and amortisation		3,027	2,493	2,744	2,817
Finance expenses		46	48	53	31
Other expenses		190	364	292	331
Total expenditure		<b>5,605</b>	<b>4,739</b>	<b>5,133</b>	<b>5,316</b>
Operating Surplus/(deficit)		<b>\$ (848)</b>	<b>\$ 12</b>	<b>\$ (131)</b>	<b>\$ (937)</b>
<b>Capital Expenditure</b>					
	<b>Key</b>				
Resealing	REP	\$ 1,208	\$ 998	\$ 998	\$ 1,026
Drainage construction	REP	129	90	90	37
Culvert replacements	REP	70	70	70	114
Kerb and channel renewal	REP	25	96	85	77
Concrete ford renewals	REP	-	25	25	-
Pavement rehabilitation	REP	137	432	432	316
Structures component replacement	REP	29	172	173	8
Sign renewal	REP	43	51	45	48
Minor improvements	LOS	379	282	394	182
Footpath renewal	REP	21	91	91	79
Minor improvements (not subsidised)	REP	19	10	25	-
Seal extensions	REP	15	51	51	40
Roading development	LOS	40	51	51	83
Holme Station bridge replacement	LOS	25	482	482	-
Total Capital Expenditure		<b>\$ 2,140</b>	<b>\$ 2,901</b>	<b>\$ 3,012</b>	<b>\$ 2,010</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	444	815	927	265
Replace existing assets	REP	1,696	2,086	2,085	1,745
		<b>\$ 2,140</b>	<b>\$ 2,901</b>	<b>\$ 3,012</b>	<b>\$ 2,010</b>

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

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

Targeted rates revenue exceeded LTP Budget due to an increase in rating properties during late June 2015 which was not provided for in the LTP Budget. The rate requirement for LTP Budget increased compared to Actual 2016 due to increased expenditure budget.

The New Zealand Transport Agency subsidy is lower than LTP Budget due to reduced renewals works, but higher than 2016 as deferred work from prior years was programmed in.

Revenue from activities is favourable compared to LTP Budget due to higher than planned recoveries.

Roading expenses have exceeded LTP Budget predominately due to increased expenditure on sealed pavement maintenance of \$61,000, grading of \$60,000, and drainage maintenance of \$94,000. The capital expenditure programme was reduced to offset this increased maintenance.

Depreciation expenses have exceeded LTP Budget and Actual 2016 due to increased renewal works.

Other expenses are favourable compared to LTP Budget and Actual 2016 due to lower allocations of internal resources than anticipated.

Capital expenditure for 2017 was lower than LTP Budget due to an increased maintenance programme. Some capital expenditure will be deferred to the 2018 financial year.

# Roading and Footpaths

## What Do We Do Now?

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

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

### Regular tasks:

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

## Why Do We Do It?

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

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Respond to customer complaints and requests in a timely manner. (M)	Reported maintenance related faults that are likely to affect driver behaviour (eg require evasive action or reduction in speed) will be responded to within two working days.  Target: 100% of reports responded to within two working days.	Council received five complaints which were responded to within two days. 100%	Achieved  (2015/16: Achieved)
	Customer complaints and service requests are responded to within five working days.  Target: 100% of reports responded to within five working days.	Council received 246 complaints and service requests and all were responded to within five working days. 100%	Achieved  (2015/16: Achieved)
Provide a safe transport environment. (M)	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.  Target: reduction in number of fatalities and serious injuries.	2015/16 serious injuries and fatalities = 1  2016/17 serious injuries and fatalities = 5  Change = +4	Not Achieved  (2015/16: Achieved)

Customer Performance Measure			
Level of Service	Performance Measure (M) - Mandatory performance measure	Result	Achievement 2016/17
Provide well maintained footpaths and cycleways. (M)	<p>Compliance with the footpath prioritisation model.</p> <p>Target: &lt; 7km non-compliant</p> <p>The percentage of footpaths within a territorial authority's district that fall within the level of service or service standard for the condition of footpaths that is set out in the Roding Asset Management Plan.</p> <p>Target: 92% of footpaths with a condition rating of 1-3.</p>	<p>Non-compliant footpaths = 4.6km</p> <p>Footpaths with condition rating 1-3 = 94%.</p>	<p>Achieved</p> <p>(2015/16: Achieved)</p> <p>Achieved.</p> <p>(2015/16: Achieved)</p>
Adequate resurfacing of the seal road network is completed. (M)	<p>Percentage of sealed network resurfaced.</p> <p>Target: ≥ 4.5% of network resurfaced.</p>	Percentage of sealed network resurfaced = 6.4%.	<p>Achieved</p> <p>(2015/16: Achieved - 5.6%)</p>
Provide quality roads and footpaths. (M)	<p>The average quality of ride on a sealed local road network, measured by smooth travel exposure.</p> <p>Target: 94%.</p>	Smooth travel exposure = 96%.	<p>Achieved<sup>1</sup></p> <p>(2015/16: Achieved - 96%)</p>
Provide quality roads and footpaths.	<p>Percentage of customers satisfied with roads and footpaths.</p> <p>Target Roads: 75% satisfied.</p> <p>Target Footpaths: 60% satisfied.</p>	<p>Roads: 67% customers satisfied</p> <p>Footpaths: 61% customers satisfied</p>	<p>Roads: Not achieved</p> <p>Footpaths: Achieved</p> <p>(2015/16: Not measured)</p>

## Details

<sup>1</sup> The smooth travel exposure result draws on the 2015/16 roughness survey and is calculated using 2016/17 traffic volume estimates.

## Points of Significance

### Collaborative Contract for Road Resurfacing

A collaborative contract for the road resurfacing in the Waimate, Timaru and Mackenzie Districts has been successful. Waimate District has seen 41km resealed which represents 6.4% of our sealed network.

### Renewals and Improvements

Pavement Reconstruction: Ikawai Middle Road - 345m, Old Ferry Road - 345m.

Seal Widening: Elephant Hill Road: 3500m, Ikawai Middle Road - 3680m, Glenavy Tawai Road - 773m, Crowes Road - 4000m, Talbots Road - 210m, Lyalldale Middle Road - 160m.

Formation Widening: Corner widening Backline Road, McHendrys Road passing bay, Briggs Road formation widening, Timaunga Road formation widening.

Intersection Improvements: McHendrys and Myers Pass Road intersection.

Dust Seal: Wallace Road - 152m, Briggs Road - 266m, McHendrys Road - 100m

Streetlights: 3 new streetlights in Glenavy.

# Property and Investments Group

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

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

The Property and Investments Group includes the following activities:

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

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

Property and Investments	Safe and Healthy People.
	Wealthy Community.



## Funding Impact Statement - Property and Investments Group for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ (682)	\$ 76	\$ (643)	\$ 67
Targeted rates	310	370	319	220
Subsidies and grants for operating purposes	312	20	-	970
Fees and charges	-	-	-	-
Internal charges and overheads recovered	612	522	510	510
Local authority fuel tax, fines, infringement fees other	1,558	849	1,062	1,022
<b>Total sources of operating funding</b>	<b>2,110</b>	<b>1,837</b>	<b>1,248</b>	<b>2,789</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	959	561	590	642
Finance costs	96	217	161	19
Internal charges and overheads applied	669	488	406	519
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,724</b>	<b>1,266</b>	<b>1,157</b>	<b>1,180</b>
<b>Surplus/(deficit) of operating funding</b>	<b>386</b>	<b>571</b>	<b>91</b>	<b>1,609</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	805	(14)	(22)	2,850
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>805</b>	<b>(14)</b>	<b>(22)</b>	<b>2,850</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	598	200	200	3,800
Capital expenditure - to replace existing assets	24	13	29	63
Increase/(decrease) in reserves	325	344	(270)	596
Increase/(decrease) in investments	244	-	110	-
<b>Total applications of capital funding</b>	<b>1,191</b>	<b>557</b>	<b>69</b>	<b>4,459</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(386)</b>	<b>(571)</b>	<b>(91)</b>	<b>(1,609)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 326	\$ 241	\$ 228	\$ 262
Included within Internal charges and overheads applied is Internal Interest Expense of:	394	259	154	285
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	1,007	6,839	1,404	5,118
Increases in Internal Borrowings for the year	124	1,724	281	4,418
Decreases in Internal Borrowings for the year	(321)	(3)	(3,995)	(1,005)

**Service Performance Statement - Property and Investments Group**  
for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ (765)	\$ (511)	\$ (749)	\$ (534)
Civic Amenities rates	98	103	99	97
Targeted rates	212	268	219	117
Revenue from activities	2,158	1,180	1,293	2,531
Other revenue	2,512	1,786	1,874	782
<b>Total revenue</b>	<b>4,215</b>	<b>2,826</b>	<b>2,736</b>	<b>2,993</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	323	401	338	236
Finance expenses	490	279	174	616
Other expenses	1,235	942	1,032	1,141
<b>Total expenditure</b>	<b>2,048</b>	<b>1,622</b>	<b>1,544</b>	<b>1,993</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 2,167</b>	<b>\$ 1,204</b>	<b>\$ 1,192</b>	<b>\$ 1,000</b>

**Capital Expenditure**

**Key**

Planting costs - various sites/blocks	REP	\$ -	\$ -	\$ -	\$ 1
Local Government Centre - Blinds	REP	-	5	3	-
Local Government Centre - Vinyl	REP	-	-	5	-
Local Government Centre - Sundry capital	REP	-	-	3	8
Local Government Centre - Floor coverings	REP	-	3	-	-
Council Property - Reseal Michael Street yard	REP	-	-	10	-
Council Property - Tennant St House capital	REP	8	-	-	-
Council Property - Fencing	REP	-	-	-	2
Community Housing - furniture and fittings	REP	-	-	-	1
Community Housing - Replacement Stoves	REP	-	-	3	-
Community Housing - Hot Water Cylinders	REP	-	5	5	-
Community Housing - Bathroom upgrade	REP	16	-	-	-
Public Toilets - Queen St toilet replacement	LOS	-	200	200	-
Public Toilets - Victoria Park Playground	LOS	31	-	-	-
Waimate Event Centre - Refurbishment	LOS	330	-	-	3,693
Waimate Event Centre - IT and CCTV Equipment	LOS	18	-	-	-
Waimate Event Centre - Stormwater Installation	LOS	55	-	-	-
Waimate Event Centre - Internal Fitout (WDCF Funds)	LOS	164	-	-	-
Waimate Event Centre - Miscellaneous purchases	LOS	-	-	-	-
<b>Total</b>		<b>\$ 622</b>	<b>\$ 213</b>	<b>\$ 229</b>	<b>\$ 3,705</b>

**Categories**

Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	598	200	200	3,693
Replace existing assets	REP	24	13	29	12
<b>Total</b>		<b>\$ 622</b>	<b>\$ 213</b>	<b>\$ 229</b>	<b>\$ 3,705</b>

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

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

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

# Forestry

## What Do We Do Now?

Waimate District Council has a unique mix of forestry assets.

The three distinct forest entities are:

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

The forest area as at 1 July 2017:

Forest	Stocked Area (ha)	Awaiting Replant	Total
Reserves	48.9	8.0	56.9
Joint Venture	12.0		12.0
Waihao	103.3		103.3
<b>All Forests</b>	<b>164.2</b>	<b>8.0</b>	<b>172.2</b>

## Why Do We Do It?

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

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

## Points of Significance

With another year of growth recorded an additional \$181,200 of value to the forest was recognised.

**Service Performance Statement - Forestry  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Targeted rates	-	-	-	-
Revenue from activities	397	133	133	621
Other revenue	20	8	6	9
<b>Total revenue</b>	<b>417</b>	<b>141</b>	<b>139</b>	<b>630</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	-	-	-	-
Finance expenses	29	43	38	43
Other expenses	366	76	80	536
<b>Total expenditure</b>	<b>395</b>	<b>119</b>	<b>118</b>	<b>579</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 22</b>	<b>\$ 22</b>	<b>\$ 21</b>	<b>\$ 51</b>
<b>Capital Expenditure</b>				
Planting costs - various sites/blocks	\$ -	\$ -	\$ -	\$ 1
<b>Total Capital Expenditure</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>

**Key**

REP

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

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

Revenue from activities is favourable compared to LTP Budget due to the harvesting joint venture forests (\$216,000 above budget). The forests and carbon credits have been revalued with a total gain of \$48,000 above LTP Budget.

Finance expenses are comparable to LTP Budget and 2016 Actual due to lower reserve balances.

Other expenses have exceeded LTP Budget due to costs of harvesting (\$198,500 above budget).

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# Investments and Finance

## What Do We Do Now?

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

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

## Why Do We Do It?

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

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

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

## Points of Significance

Due to having strong cash reserves short term deposits at 30 June 2017 were \$1,100,000 and the total external debt increased to \$2,805,000 reflecting the full drawdown of our Event Centre loan facility.

### Service Performance Statement - Investments and Finance for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ (806)	\$ (545)	\$ (789)	\$ (561)
Targeted rates	47	55	55	47
Revenue from activities	702	577	576	647
Other revenue	452	343	383	715
<b>Total revenue</b>	<b>395</b>	<b>430</b>	<b>225</b>	<b>848</b>
<b>Expenditure</b>				
Employee benefit expenses	-	-	-	-
Depreciation and amortisation	-	-	-	-
Finance expenses	367	235	136	534
Other expenses	120	156	159	102
<b>Total expenditure</b>	<b>487</b>	<b>391</b>	<b>295</b>	<b>636</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ (92)</b>	<b>\$ 39</b>	<b>\$ (70)</b>	<b>\$ 212</b>

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

General Rates for Investments and Finance are intended to equate Revenue (exclusive of Rates Penalties) and Expenses initially from a budget perspective. With a larger revenue than expenditure this generally results in a negative rates calculation. The 2017 financial year requirement is lower than Actual 2016 predominately due to variances in dividend revenue and a reduction in internal and external interest expense.

Revenue from activities have exceeded the LTP Budget and 2016 Actual predominately due to increased dividend revenue.

Other Revenue has exceeded the LTP Budget, but is lower than 2016 Actual predominately due to internal interest revenue received. This increased revenue is offset by reduced internal interest expense within Finance expenses and lower external interest receipts.

Finance expenses have increased compared to LTP Budget but decreased compared to Actual 2016 following the separate recognition of interest revenue charged on internal loans referred to above.

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

# Property

## What Do We Do Now?

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

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

## Why Do We Do It?

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Council provides community housing at a cost to tenants which is equal to or less than market rental.	Each year Council will obtain a written report from a qualified Waimate real estate agent identifying market rental value of housing stock equivalent to Council's community housing configuration.  Target: Rental charge is equal to or less than market rental.	The rental charge is equal to or less than market rental.	Achieved  (2015/16: Achieved)
Council maintains toilets throughout the District to a high standard.	69% of residents are satisfied or very satisfied with the standard of toilet facilities in our District.  Target: 69% satisfied or very satisfied.	61% residents satisfied or very satisfied	Not achieved  (2015/16: Not measured)
Council maintains community and corporate buildings at a safe standard.	The following properties will be subject to monthly internal control checks and will achieve building warrant of fitness: Waimate Local Government Centre building (including library), Waimate Regent Theatre and Waimate Event Centre.  Target: Building warrants of fitness in place.	Monthly internal control checks completed and WOF issued on Council's specified buildings.	Achieved  (2015/16: Achieved)

## Points of Significance

The Waimate Event Centre project was completed on schedule and the new build and renovated areas were officially opened on 17 December 2016. There are currently three permanent tenants in place providing a regular income for the activity. In the six months since the whole facility became fully operational there has been a significant increase in the use of the facility with peak demand for court space over the winter season. The facility is very well patronised by both rural and urban sectors of the community with an evident increase in the membership of contributing sports clubs and organisations.

Council retrospectively approved unbudgeted capital fit-out purchases for the Event Centre in December 2016. This was followed by a formal investigation on the matter.

## Service Performance Statement - Property for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000	
<b>Revenue</b>					
General rates	\$ 41	\$ 34	\$ 40	\$ 27	
Civic Amenities rates	98	103	99	97	
Targeted rates	165	213	164	70	
Grants and Subsidies	-	-	-	-	
Revenue from activities	1,059	470	584	1,263	
Other revenue	2,040	1,435	1,485	58	
Total revenue	3,403	2,255	2,372	1,515	
<b>Expenditure</b>					
Employee benefit expenses	-	-	-	-	
Depreciation and amortisation	323	401	338	236	
Finance expenses	94	1	-	39	
Other expenses	749	710	793	503	
Total expenditure	1,166	1,112	1,131	778	
Operating Surplus/(deficit)	\$ 2,237	\$ 1,143	\$ 1,241	\$ 737	
<b>Capital Expenditure</b>					
	<b>Key</b>				
Local Government Centre - Blinds	REP	\$ -	\$ 5	\$ 3	\$ -
Local Government Centre - Vinyl	REP	-	-	5	-
Local Government Centre - Sundry capital	REP	-	-	3	8
Local Government Centre - Floor coverings	REP	-	3	-	-
Council Property - Reseal Michael Street yard	REP	-	-	10	-
Council Property - Tennant St House capital	REP	8	-	-	-
Council Property - Fencing	REP	-	-	-	2
Community Housing - furniture and fittings	REP	-	-	-	1
Community Housing - Replacement Stoves	REP	-	-	3	-
Community Housing - Hot Water Cylinders	REP	-	5	5	-
Community Housing - Bathroom upgrade	REP	16	-	-	-
Public Toilets - Queen St toilet replacement	LOS	-	200	200	-
Public Toilets - Victoria Park Playground	LOS	31	-	-	-
Waimate Event Centre - Refurbishment	LOS	330	-	-	3,693
Waimate Event Centre - IT and CCTV Equipment	LOS	18	-	-	-
Waimate Event Centre - Stormwater Installation	LOS	55	-	-	-
Waimate Event Centre - Internal Fitout (WDCF Funds)	LOS	164	-	-	-
Waimate Event Centre - Miscellaneous purchases	LOS	-	-	-	-
Total Capital Expenditure	\$ 622	\$ 213	\$ 229	\$ 3,704	

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

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

Civic Amenities rates revenue is comparable to LTP budget; Targeted Rates increase from Actual 2016 with the introduction of the Waimate Event Centre Rate, which is lower than LTP Budget due to the introduction of a remission.

Revenue from activities includes community donations for the Waimate Event Centre. Actual revenue for 2017 of \$272,000 brings total donations in this and prior year to \$1,005,000 compared to a plan budget of \$950,000. Also included in Revenue from activities is the sale of a section at Eric Batchelor Place received for \$289,000 compared to zero 2017 LTP budget sales and 2016 Actual sales of \$54,000.

Other Revenue has increased compared to Actual 2016 as a result of the recognition of \$1.9m difference between the cost of the Event Centre build and its valuation.

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

Other expenses are unfavourable compared to LTP Budget predominately due to the additional cost of sections sold at Eric Batchelor Place (\$255,000).

# Parks and Recreation Group

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

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

The Parks and Recreation Group includes the following activities:

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

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

<b>Parks and Recreation</b>	Active and Supportive Community. Safe and Healthy People. Sustainable District and Environment. Wealthy Community.
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## Funding Impact Statement - Parks and Recreation Group for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ -	\$ -	\$ -	\$ -
Targeted rates	671	711	669	653
Subsidies and grants for operating purposes	216	-	-	-
Fees and charges	382	315	306	304
Internal charges and overheads recovered	95	112	301	112
Local authority fuel tax, fines, infringement fees other	103	90	78	89
<b>Total sources of operating funding</b>	<b>1,467</b>	<b>1,228</b>	<b>1,354</b>	<b>1,158</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	822	866	1,031	845
Finance costs	-	-	-	-
Internal charges and overheads applied	238	122	129	119
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,060</b>	<b>988</b>	<b>1,160</b>	<b>964</b>
<b>Surplus/(deficit) of operating funding</b>	<b>407</b>	<b>240</b>	<b>194</b>	<b>194</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	26	-
Capital expenditure - to improve level of service	-	-	-	10
Capital expenditure - to replace existing assets	230	158	209	213
Increase/(decrease) in reserves	177	82	(41)	(29)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>407</b>	<b>240</b>	<b>194</b>	<b>194</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(407)</b>	<b>(240)</b>	<b>(194)</b>	<b>(194)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 95	\$ 93	\$ 77	\$ 93
Included within Internal charges and overheads applied is Internal Interest Expense of:	14	10	10	10
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	331	587	434	573
Increases in Internal Borrowings for the year	92	79	3	573
Decreases in Internal Borrowings for the year	(39)	(65)	(142)	-

**Service Performance Statement - Parks and Recreation Group  
for the year ended 30 June 2017**

		<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>					
General rates		\$ -	\$ -	\$ -	\$ -
Civic Amenities rates		671	709	669	658
Targeted rates		-	-	-	-
Revenue from activities		496	394	385	477
Other revenue		300	93	76	122
Total revenue		<b>1,467</b>	<b>1,196</b>	<b>1,130</b>	<b>1,257</b>
<b>Expenditure</b>					
Employee benefit expenses		80	80	85	73
Depreciation and amortisation		219	252	260	210
Finance expenses		14	10	10	26
Other expenses		967	881	841	860
Total expenditure		<b>1,280</b>	<b>1,223</b>	<b>1,196</b>	<b>1,169</b>
Operating Surplus/(deficit)		<b>\$ 187</b>	<b>\$ (27)</b>	<b>\$ (66)</b>	<b>\$ 88</b>
<b>Capital Expenditure</b>					
	<b>Key</b>				
Waitaki Lakes - Water pipes investigation/replace	REP	\$ 27	\$ -	\$ -	\$ 20
St Andrews Camping - Mower (nett of trade in)	REP	-	-	-	4
St Andrews Camping - Upgrade Power Sites	REP	16	-	20	-
St Andrews Camping - Miscellaneous	REP	2	-	-	-
Victoria Park - Upgrade Cabins	REP	18	-	-	4
Victoria Park - Appliances	REP	1	5	5	8
Knottingley Park - Miscellaneous	REP	2	-	-	-
Replace Tip Truck	REP	46	45	45	-
Upgrade workshop / office / toilet	REP	33	-	-	-
Morven Reserve - Hall Painting	REP	-	-	20	-
Morven Reserve - Hall re-wiring	REP	-	-	10	-
Morven Reserve - Domain tree plantings	REP	-	-	20	-
Victoria park - mower replacement	REP	16	17	17	-
Victoria park - parks officer motor vehicle	REP	-	12	12	-
Victoria park - parks sundry plant	REP	6	7	7	4
Victoria park - playground extension	REP	-	26	26	-
Victoria park - glasshouse upgrade (roof and walls)	REP	-	-	-	(4)
Knottingley park - driveway upgrade	REP	-	-	-	3
Knottingley park - replace see saws	REP	5	-	7	-
Urban Reserves - playground equipment	REP	-	-	-	13
Pool Cover replacement	REP	20	21	21	-
Upgrade Mens Changing rooms	REP	23	25	25	-
Other - Platforms, ramp and shade sail	REP	12	-	-	1
		<b>\$ 227</b>	<b>\$ 158</b>	<b>\$ 235</b>	<b>\$ 53</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ 26	\$ -
Improve level of performance/service	LOS	-	-	-	-
Replace existing assets	REP	227	158	209	53
		<b>\$ 227</b>	<b>\$ 158</b>	<b>\$ 235</b>	<b>\$ 53</b>

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

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

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

# Camping

## What Do We Do Now?

Council operated camping grounds and cabins:

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

## Why Do We Do It?

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Provide quality camping facilities.	Less than five complaints about camping facilities not well maintained or tidy. Target: < five complaints per year.	Five complaints received regarding the maintenance of camping facilities.	Not achieved (2015/16: Achieved)
Camping facilities are provided that meet user needs.	80% of customers are satisfied or very satisfied with camping facilities. Target: 80% satisfied or very satisfied.	86% customers are satisfied or very satisfied	Achieved (2015/16: Not measured)

## Points of Significance

St Andrews Camping Ground upgrade: All power points, meter and switchboards were replaced to New Zealand Camping Ground Standards.

Morven Camping Ground: Various upgrades were completed to comply with New Zealand Camping Ground Standards.

## Service Performance Statement - Camping for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
Revenue from activities	\$ 316	\$ 247	\$ 241	\$ 311
Other revenue	41	34	34	49
Total revenue	<b>357</b>	<b>281</b>	<b>275</b>	<b>360</b>
<b>Expenditure</b>				
Employee benefit expenses	31	26	27	27
Depreciation and amortisation	83	72	90	78
Finance expenses	9	7	6	14
Other expenses	190	183	174	178
Total expenditure	<b>313</b>	<b>288</b>	<b>297</b>	<b>297</b>
Operating Surplus/(deficit)	<b>\$ 44</b>	<b>\$ (7)</b>	<b>\$ (22)</b>	<b>\$ 63</b>
<b>Capital Expenditure</b>				
Waitaki Lakes - Water pipes investigation/replace	REP \$ 27	\$ -	\$ -	\$ 20
St Andrews Camping - Mower (nett of trade in)	REP -	-	-	4
St Andrews Camping - Upgrade Power Sites	REP 16	-	20	-
St Andrews Camping - Miscellaneous	REP 2	-	-	-
Victoria Park - Upgrade Cabins	REP 18	-	-	4
Victoria Park - Appliances	REP 1	5	5	8
Knottingley Park - Miscellaneous	REP 2	-	-	-
Total Capital Expenditure	<b>\$ 66</b>	<b>\$ 5</b>	<b>\$ 25</b>	<b>\$ 36</b>

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

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

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

Other Revenue is favourable compared to LTP Budget due to increased internal interest revenue on positive reserves balances; interest rate reduction in 16/17 reduced the interest income on positive reserve balances compared to Actual 16.

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

# Cemeteries

## What Do We Do Now?

There are nine cemeteries in the Waimate District.

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

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

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

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

## Why Do We Do It?

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

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Provide quality cemetery facilities.	80% of community are satisfied or very satisfied with cemeteries facilities and services. Target: 80%	74% community are satisfied of very satisfied	Not achieved (2015/16: Not measured)
	Less than five complaints per year about cemetery facilities. Target: < five complaints.	No complaints received.	Achieved (2015/16: Achieved)

## Points of Significance

New concrete beam was installed in the 'all denomination' burial area.

The new workshop building has been completed with the toilet facility to be carried forward to 2017/18 due to contractor availability.

**Service Performance Statement - Cemeteries  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
Civic Amenities rates	\$ 40	\$ 50	\$ 39	\$ 34
Revenue from activities	42	44	41	56
Other revenue	-	-	-	-
<b>Total revenue</b>	<b>82</b>	<b>94</b>	<b>80</b>	<b>90</b>
<b>Expenditure</b>				
Depreciation and amortisation	3	17	11	4
Finance expenses	1	3	4	2
Other expenses	72	74	75	75
<b>Total expenditure</b>	<b>76</b>	<b>94</b>	<b>90</b>	<b>81</b>
Operating Surplus/(deficit)	<b>\$ 6</b>	<b>\$ -</b>	<b>\$ (10)</b>	<b>\$ 9</b>
<b>Capital Expenditure</b>				
Replace Tip Truck	\$ 46	\$ 45	\$ 45	-
Upgrade workshop / office / toilet	33	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 79</b>	<b>\$ 45</b>	<b>\$ 45</b>	<b>\$ -</b>

**Key**

REP  
REP

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

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

Revenue from activities was in line with LTP budget.

The capital expenditure project to replace the Workshop/Office/Toilets was progressed in 16/17 with completion expected early in 2017/18.

# Parks and Public Spaces

## What Do We Do Now?

Maintain and develop Council owned facilities being:

### Formal and Recreational Parks

In Waimate they consist of Victoria Park, Knottingley Park and Manchester Park.

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

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

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

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

### Rural Reserves

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

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

### Rural Recreational Reserves

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

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

### Urban Reserves

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

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

## Why Do We Do It?

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Provide quality facilities.	80% of customers are satisfied or very satisfied with Parks and Public facilities, that have used them in the last year.  Target: 80% satisfied or very satisfied.	97% of customers satisfied or very satisfied	Achieved  (2015/16: Not measured)
Safe playgrounds are provided.	All Council playgrounds are assessed against appropriate New Zealand Safety Standards.  Target: 100%	Playgrounds to be assessed in 2017/18	Not measured  (2015/16: Not measured)

## Points of Significance

The annual flower display continues to be planted in Victoria Park twice a year (November and April), with approximately 35,000 annuals planted a year.

Three main events are held in Seddon Square once a year — Waimate 50 car rally, Waimate Strawberry Fare, and Christmas in the Square.

A flail mower was purchased to mow larger, rough areas in Knottingley Park and roadsides.

## Service Performance Statement - Parks and Public Spaces for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
Civic Amenities rates	\$ 506	\$ 543	\$ 505	\$ 516
Revenue from activities	117	78	78	89
Other revenue	248	42	30	56
<b>Total revenue</b>	<b>871</b>	<b>663</b>	<b>613</b>	<b>661</b>
<b>Expenditure</b>				
Employee benefit expenses	3	8	8	3
Depreciation and amortisation	102	134	127	99
Finance expenses	4	-	-	10
Other expenses	602	541	508	491
<b>Total expenditure</b>	<b>711</b>	<b>683</b>	<b>643</b>	<b>603</b>
Operating Surplus/(deficit)	<b>\$ 160</b>	<b>\$ (20)</b>	<b>\$ (30)</b>	<b>\$ 58</b>
<b>Capital Expenditure</b>				
Morven Reserve - Hall Painting	REP \$ -	\$ -	\$ 20	\$ -
Morven Reserve - Hall re-wiring	REP -	-	10	-
Morven Reserve - Domain tree plantings	REP -	-	20	-
Victoria park - mower replacement	REP 16	17	17	-
Victoria park - parks officer motor vehicle	REP -	12	12	-
Victoria park - parks sundry plant	REP 6	7	7	4
Victoria park - playground extension	AD -	26	26	-
Victoria park - glasshouse upgrade (roof and walls)	REP -	-	-	(4)
Knottingley park - driveway upgrade	REP -	-	-	3
Knottingley park - replace see saws	REP 5	-	7	-
Urban Reserves - playground equipment	REP -	-	-	13
<b>Total Capital Expenditure</b>	<b>\$ 27</b>	<b>\$ 62</b>	<b>\$ 119</b>	<b>\$ 16</b>

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

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

Other revenue is favourable compared to LTP Budget and Actual 2016 due to recognition of donated assets, namely the Boland Park Skatepark and Gym Equipment.

Other expenses are unfavourable compared to LTP Budget and Actual 2016 due to increased allocations of internal resources and overheads.

Capital expenditure projects for the Morven Hall and Reserve were not completed, and deferred work was further delayed by a fire at the Hall. The Victoria Park vehicle and playground extension were initiated late in the year and are expected to be completed in 2017/18.

# Swimming

## What Do We Do Now?

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

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

## Why Do We Do It?

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

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2015/16
Safe swimming facilities are provided to public.	All safety incidents relating to the Swimming Pool are reported and responded to within two hours. Target: Report and response time ≤ two hours.	Three safety incidents were reported and responded to within two hours.	Achieved (2015/16: Achieved)
	All serious incidents are responded to immediately. Target: 100% immediate response.	No serious incidents were reported	Achieved (2015/16: Achieved)
Provide quality pool facilities.	85% of customers are satisfied or very satisfied with swimming pool facilities. Target: 85% satisfied or very satisfied.	90% of customers satisfied or very satisfied	Achieved (2015/16: Not measured)

## Points of Significance

Upgrades to the women's and men's toilets have been completed and will be ready for the swimming season opening in October.

**Service Performance Statement - Swimming  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
Civic Amenities rates	\$ 125	\$ 116	\$ 125	\$ 108
Revenue from activities	21	25	25	21
Other revenue	11	17	12	17
<b>Total revenue</b>	<b>157</b>	<b>158</b>	<b>162</b>	<b>146</b>
<b>Expenditure</b>				
Employee benefit expenses	46	46	50	43
Depreciation and amortisation	31	29	32	29
Other expenses	103	83	84	116
<b>Total expenditure</b>	<b>180</b>	<b>158</b>	<b>166</b>	<b>188</b>
Operating Surplus/(deficit)	<b>\$ (23)</b>	<b>\$ -</b>	<b>\$ (4)</b>	<b>\$ (42)</b>
<b>Capital Expenditure</b>				
Pool Cover replacement	20	21	21	-
Upgrade Mens Changing rooms	23	25	25	-
Other - Platforms, ramp and shade sail	12	-	-	1
<b>Total Capital Expenditure</b>	<b>\$ 55</b>	<b>\$ 46</b>	<b>\$ 46</b>	<b>\$ 1</b>

**Key**

REP  
REP  
REP

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

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

Other expenses exceeded LTP Budget due to increased allocations of internal resources and overheads (\$6,000 above budget), increased plant expenditure (\$6,000 above budget) and increased minor maintenance expenditure (\$4,000 above budget).

# Organisation and Governance Group

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

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

The Organisation and Governance Group includes the following activities:

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

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

<b>Organisation and Governance</b>	Active and Supportive Community. Safe and Healthy People.
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# Funding Impact Statement - Organisation and Governance Group

## for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 526	\$ 513	\$ 523	\$ 492
Targeted rates	892	845	889	824
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	3,364	2,032	2,989	1,958
Local authority fuel tax, fines, infringement fees other	237	13	26	16
<b>Total sources of operating funding</b>	<b>5,019</b>	<b>3,403</b>	<b>4,427</b>	<b>3,290</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	3,735	2,547	3,378	2,471
Finance costs	-	-	-	-
Internal charges and overheads applied	907	807	931	754
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>4,642</b>	<b>3,354</b>	<b>4,309</b>	<b>3,225</b>
<b>Surplus/(deficit) of operating funding</b>	<b>377</b>	<b>49</b>	<b>118</b>	<b>65</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	27	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	23	-	-	-
Capital expenditure - to replace existing assets	183	88	114	175
Increase/(decrease) in reserves	198	(39)	4	(110)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>404</b>	<b>49</b>	<b>118</b>	<b>65</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(377)</b>	<b>(49)</b>	<b>(118)</b>	<b>(65)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 65	\$ 60	\$ 52	\$ 60
Included within Internal charges and overheads applied is Internal Interest Expense of:	29	1	29	1
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	621	101	124	128
Increases in Internal Borrowings for the year	46	-	47	92
Decreases in Internal Borrowings for the year	(2)	(28)	(51)	-

**Service Performance Statement - Organisation and Governance Group**  
for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ 526	\$ 513	\$ 523	\$ 498
Civic Amenities Rates	892	845	889	830
Targeted rates	-	-	-	-
Revenue from activities	643	447	498	617
Other revenue	2,950	2,348	2,518	2,455
<b>Total revenue</b>	<b>5,011</b>	<b>4,153</b>	<b>4,428</b>	<b>4,400</b>
<b>Expenditure</b>				
Employee benefit expenses	2,981	3,000	2,984	2,858
Depreciation and amortisation	133	138	140	131
Finance expenses	29	1	27	40
Other expenses	1,676	999	1,298	1,049
<b>Total expenditure</b>	<b>4,819</b>	<b>4,138</b>	<b>4,449</b>	<b>4,078</b>
Operating Surplus/(deficit)	<b>\$ 192</b>	<b>\$ 15</b>	<b>\$ (21)</b>	<b>\$ 322</b>
<b>Capital Expenditure</b>				
Hardware	REP \$ 19	\$ 27	\$ 21	\$ 6
Motor vehicles	REP 47	38	38	88
Plant	REP 11	-	6	8
Furniture and other equipment	REP 11	-	-	-
Utilities office upgrade and furniture	LOS 6	-	-	10
Miscellaneous	REP -	8	-	2
Electronic Document Management System	LOS 17	-	-	39
GIS Platform Upgrade	LOS -	-	-	59
Server replacement	REP 64	-	-	-
Telephone / PABX upgrade	REP -	15	15	-
Single Customer Database	REP -	-	5	-
Magiq - Performance and EPO upgrades	REP 22	-	9	-
Online consenting	REP -	-	20	-
Health and Safety - Equipment	REP 10	-	-	-
Software	REP -	-	-	6
	<b>\$ 207</b>	<b>\$ 88</b>	<b>\$ 114</b>	<b>\$ 218</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS 23	-	-	108
Replace existing assets	REP 184	88	114	110
	<b>\$ 207</b>	<b>\$ 88</b>	<b>\$ 114</b>	<b>\$ 218</b>

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

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

Refer to the attached Service Performance Statements for Community Representation, Strategy, and Managing Services for explanation of variances.

# Community Representation

## What Do We Do Now?

Elected Members provide a governance role for the District, set the strategic direction of the Council, including determining the activities the Council undertakes (within legal parameters) and monitor the Council's performance on behalf of the District residents and ratepayers.

The role of the Elected Members and community representatives as part of this group is of the utmost importance. They represent the views of the community when decisions are being considered by Council. Council has a duty to recognise and respond to special local issues as they arise and often lobbies central government on matters concerning the District.

Provide management support and advice to Elected Members.

## Why Do We Do It?

To ensure good governance and good decision-making, and to meet legal requirements. To allow residents of the Waimate District to participate in decision making for the good of their community. To enable Council to understand what the desired outcomes of the community are.

## How We Measure The Service Provided

Customer			
Level of Service	Performance Measure	Result	Achievement 2016/17
Council provides opportunities for the community to raise local issues.	Council provides a time slot for public forum in the agenda of each of its ordinary Council Meetings. Target: Provide public forum at all ordinary Council Meetings.	Nine ordinary Council meetings were held during the year, two did not offer a public forum.	Not achieved (2015/16: Achieved)
Provide high quality Governance.	80% of residents are satisfied or very satisfied with access to elected members. Target: 80% satisfied or very satisfied.	86% of residents satisfied or very satisfied	Achieved (2015/16: Not measured)

## Points of Significance

There was a significant increase in local people joining the ranks of New Zealand citizens with 18 people taking their affirmation.

Elections were held in October 2016 with two new Councillors around the table - David Owen and Jakki Guilford.

**Service Performance Statement - Community Representation**  
for the year ended 30 June 2017

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ -	\$ -	\$ -	\$ -
Civic Amenities Rates	892	845	889	830
Revenue from activities	2	-	4	-
Other revenue	12	6	9	11
<b>Total revenue</b>	<b>906</b>	<b>851</b>	<b>902</b>	<b>841</b>
<b>Expenditure</b>				
Employee benefit expenses	130	115	121	128
Depreciation and amortisation	1	1	1	1
Other expenses	734	735	803	623
<b>Total expenditure</b>	<b>865</b>	<b>851</b>	<b>925</b>	<b>752</b>
Operating Surplus/(deficit)	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ (23)</b>	<b>\$ 89</b>

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

Civic amenities rates increase from LTP Budget due to increased allocations of internal costs and overheads.

Other expenses are comparable to LTP Budget but unfavourable to Actual 2016 due to increased allocation of internal costs and allocations.

# Strategy

## What Do We Do Now?

This activity comprises of the processes that support the Council's decision-making, for example, strategic planning, policy development, and monitoring and reporting of performance.

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

The Annual Report summaries the financial and non-financial performance of Council every 30 June, but is supported throughout the year by quarterly reports.

## Why Do We Do It?

To plan for the future of the Waimate District in an integrated and sustainable way for community wellbeing.

## Points of Significance

The Annual Plan 2017/18 was produced without any significant amendments to the LTP, therefore it did not require consultation.

The Annual Report 2015/16 received a clear opinion from Audit NZ.

Council commenced the production of the ten year Sport and Recreation Plan by undertaking community engagement and identifying themes to develop action plans.

### Service Performance Statement - Strategy for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ 526	\$ 513	\$ 523	\$ 498
Other revenue	53	46	50	50
Total revenue	<b>579</b>	<b>559</b>	<b>573</b>	<b>548</b>
<b>Expenditure</b>				
Employee benefit expenses	192	177	185	166
Depreciation and amortisation	-	-	-	-
Other expenses	383	367	387	275
Total expenditure	<b>575</b>	<b>544</b>	<b>572</b>	<b>441</b>
Operating Surplus/(deficit)	<b>\$ 4</b>	<b>\$ 15</b>	<b>\$ 1</b>	<b>\$ 107</b>

# Managing Services

## What Do We Do Now?

Managing Services incorporates the organisational support functions that help Council to provide its other activities in the most efficient and effective manner. It includes:

### Community Services:

Customer Service, Corporate Planning, Finance, General Administration, Human Resources, Information Management, Office of the Chief Executive, Policy and Strategic Development, Monitoring and Reporting, Economic Development and District Promotion and Library.

### Environmental Services:

Resource Management, Building Control, Regulatory Services, Dog and Animal Control, and Emergency Management.

### Asset Management and Utilities:

Sewerage, Stormwater, Waste Management, Water - Rural and Urban, and Roading and Footpaths.

### Parks and Recreation:

Parks and Public Spaces, Swimming Pool, Camping and Cemetery.

### Property and Investment:

Forestry and property.

## Why Do We Do It?:

This activity contributes to all Community Outcomes by supporting all of Council's activities.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Information about Council services is readily available.	Council's website is available to public 365 days a year. Target: Website available 365 days.	Other than for scheduled maintenance by our cloud service provider the website was available and accessible to the public throughout the 12 months.	Achieved (2015/16: Achieved)
	Customers can reach Council by phone 24 hours a day, seven days a week. Target: Phone operating 24/7.	Customers could reach Council by phone during opening hours and through TAS (our answering service) after hours during the 12 months except for a two hour outage on 3/11/16 when power was cut to the building following a weather event.	Not achieved (2015/16: Achieved)

## Service Performance Statement - Managing Services for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
Revenue from activities	\$ 641	\$ 447	\$ 494	\$ 617
Other revenue	2,885	2,296	2,459	2,394
Total revenue	<b>3,526</b>	<b>2,743</b>	<b>2,953</b>	<b>3,011</b>
<b>Expenditure</b>				
Employee benefit expenses	2,659	2,708	2,678	2,564
Depreciation and amortisation	132	137	139	130
Finance expenses	29	1	27	40
Other expenses	559	(103)	108	151
Total expenditure	<b>3,379</b>	<b>2,743</b>	<b>2,952</b>	<b>2,885</b>
Operating Surplus/(deficit)	<b>\$ 147</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 126</b>
<b>Capital Expenditure</b>				
Hardware	REP \$ 19	\$ 27	\$ 21	\$ 6
Motor vehicles	REP 47	38	38	88
Plant	REP 11	-	6	8
Furniture and other equipment	REP 11	-	-	-
Utilities office upgrade and furniture	LOS 6	-	-	10
Miscellaneous	REP -	8	-	2
Electronic Document Management System	LOS 17	-	-	39
GIS Platform Upgrade	LOS -	-	-	59
Server replacement	REP 64	-	-	-
Telephone / PABX upgrade	REP -	15	15	-
Single Customer Database	REP -	-	5	-
Magiq - Performance and EPO upgrades	REP 22	-	9	-
Online consenting	REP -	-	20	-
Health and Safety - Equipment	REP 10	-	-	-
Software	REP -	-	-	6
Total Capital Expenditure	<b>\$ 207</b>	<b>\$ 88</b>	<b>\$ 114</b>	<b>\$ 218</b>

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

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

The LTP Budget allocation methodology was based on support functions within a group of activities being allocated to those activities as direct costs. For the 2017 financial year both actual and budget values support costs, at an all of Council level as well as within specific groups of activities, have been classified as part of the Managing Services activity and allocated from Managing Services to appropriate activities. For some of the support functions the recovery of employee benefit expenses is reflected via an internal negative expense within Other expenses otherwise all net costs are then recovered via internal revenue reflected within Other revenue.

Revenue from activities are favourable compared to LTP Budget and Actual 2016 due to cost recoveries being higher than budget and the receipt of \$61,000 insurance monies following the Nov-16 weather claim.

Employee benefit expenses are slightly favourable to LTP Budget predominately due to delays in replacing two staff members during the year.

Finance expenses have exceeded LTP Budget due to lower reserve balances, although are favourable to Actual 2016 due to improved interest rate assumption.

Other expenses have exceeded LTP Budget predominately due to allocations of internal resources and overheads. Other areas exceeding LTP Budget were consultancy (\$64,000 above budget) and severance (\$93,000 above budget).

Capital expenditure is over budget for the year primarily due to the server replacement project being brought forward from 2017/18 due to existing component failure. Magiq Performance & EPO reflect upgrades to the Finance environment which are on track for completion in early 2017/18. Both exception spend items were approved by Council.

# Environmental Services Group

## What is Environmental Services and Why Do We Deliver It?

This group contains functions to make sure people are safe — from being prepared for emergencies to implementing bylaws to having well-constructed buildings. It includes activities that could affect public health and is largely managed through central government legislation.

The Environmental Services Group includes the following activities:

<b>Building Control</b>	The protection of people and communities by ensuring buildings are safe.
<b>Resource Management</b>	The sustainable management of natural and physical resources of the Waimate District.
<b>Emergency Management</b>	The promotion of individual and community resilience in emergencies, and the enhancement of community capability to respond to and recover from disasters.
<b>Regulatory Services</b>	Regulating and monitoring activities that affect community health and safety.
<b>Dog and Animal Control</b>	Enforcing public safety and effective regulation of animals within our District.

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

<b>Environmental Services</b>	Safe and Healthy People. Sustainable District and Environment. Wealthy Community.
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## Funding Impact Statement - Environmental Services Group

for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 808	\$ 817	\$ 804	\$ 814
Targeted rates	110	106	109	102
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	493	496	484	484
Internal charges and overheads recovered	29	21	20	21
Local authority fuel tax, fines, infringement fees other	17	3	7	3
<b>Total sources of operating funding</b>	<b>1,457</b>	<b>1,443</b>	<b>1,424</b>	<b>1,424</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	678	1,094	745	1,042
Finance costs	-	-	-	-
Internal charges and overheads applied	643	336	618	295
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>1,321</b>	<b>1,430</b>	<b>1,363</b>	<b>1,337</b>
<b>Surplus/(deficit) of operating funding</b>	<b>136</b>	<b>13</b>	<b>61</b>	<b>87</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	16	47	46	46
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>16</b>	<b>47</b>	<b>46</b>	<b>46</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	165	162	155	52
Capital expenditure - to replace existing assets	12	-	10	37
Increase/(decrease) in reserves	(25)	(102)	(58)	44
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>152</b>	<b>60</b>	<b>107</b>	<b>133</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(136)</b>	<b>(13)</b>	<b>(61)</b>	<b>(87)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 29	\$ 15	\$ 20	\$ 15
Included within Internal charges and overheads applied is Internal Interest Expense of:	5	50	15	24
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	215	532	442	431
Increases in Internal Borrowings for the year	111	123	173	358
Decreases in Internal Borrowings for the year	(3)	(23)	(162)	-

**Service Performance Statement - Environmental Services Group  
for the year ended 30 June 2017**

		<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>					
General rates		\$ 809	\$ 817	\$ 804	\$ 824
Targeted rates		110	105	109	103
Revenue from activities		525	547	538	947
Other revenue		28	15	18	25
Total revenue		<b>1,472</b>	<b>1,484</b>	<b>1,469</b>	<b>1,899</b>
<b>Expenditure</b>					
Employee benefit expenses		337	326	320	326
Depreciation and amortisation		70	65	56	46
Finance expenses		5	50	14	21
Other expenses		980	1,038	1,029	973
Total expenditure		<b>1,392</b>	<b>1,479</b>	<b>1,419</b>	<b>1,366</b>
Operating Surplus/(deficit)		<b>\$ 80</b>	<b>\$ 5</b>	<b>\$ 50</b>	<b>\$ 533</b>
<b>Capital Expenditure</b>					
	<b>Key</b>				
Building Control officers motor vehicle	REP	\$ -	\$ -	\$ -	\$ -
Building Control - Inspection Hardware/Software	LOS	10	-	-	8
Building Control - Sundry	REP	-	-	1	2
Rounding	REP	-	-	-	-
District Planning - Motor Vehicle	REP	-	-	-	-
Rural Fire - Cannington appliance	LOS	75	54	75	-
Rural Fire - St Andrews Tanker	LOS	80	108	80	-
Rural Fire - Vehicle	REP	(1)	-	-	9
Rural Fire - Plant	REP	8	-	8	6
Rural Fire - Computer equipment and Radio upgrade	REP	3	-	-	9
Civil Defence - Mobile technology Hardware	REP	-	-	1	-
Dog and Animal Control - Animal cage and dog box	REP	1	-	-	-
Dog Pound - Concrete Run Yard	REP	-	-	-	-
		<b>\$ 176</b>	<b>\$ 162</b>	<b>\$ 165</b>	<b>\$ 34</b>
<b>Categories</b>					
Meets additional demand	AD	\$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS	165	162	155	8
Replace existing assets	REP	11	-	10	26
		<b>\$ 176</b>	<b>\$ 162</b>	<b>\$ 165</b>	<b>\$ 34</b>

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

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

Refer to the attached Service Performance Statements for Building Control, Resource Management, Emergency Management, Regulatory Services, and Dog and Animal Control for explanation of variances.

# Building Control

## What Do We Do Now?

Council is accredited as a Building Consent Authority under the Building Act 2004.

Council carries out the following tasks:

- Inspection of buildings and issuing building consents (approximately 300 building consents issued each year);
- Inspection of swimming pool fencing;
- Administering and auditing Building Warrants of Fitness;
- Issuing Land and Project Information Memoranda; and
- Dealing with complaints relating to building work and illegal building.

## Why Do We Do It?

Council has statutory responsibilities under the Building Act 2004 section 12 (2) to provide the services for this activity.

The Building Act provides for the regulation of building work, a licensing regime for building practitioners and setting performance standards for buildings.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
The Building Control Authority process consents in a timely manner.	That Council issues building consents within the statutory time frame.  Target: 100% consents issues within 20 working days.	252 out of 252 building consents were issued within 20 working days. 100%	Achieved  (2015/16: Achieved - 100%)

## Points of Significance

The Building Control Department was last audited for continued accreditation as a Building Control Authority two years ago. In June 2017 the department underwent a three day audit to re-assess its compliance on all levels including both technical and non-technical processes. The audit provided a successful outcome for council as Accreditation as a Building Control Authority was renewed for a further two year period. These audits provide an opportunity for the building control structure to be assessed by an independent and recognised authority on the systems, procedures and decision making which takes place on a daily basis. The process reports on the operational integrity of the department and provides comfort to the community that it is well supported by the functions of local staff. The next assessment will take place in 2019.

**Service Performance Statement - Building Control  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 209	\$ 244	\$ 208	\$ 220
Targeted rates	-	-	-	-
Revenue from activities	303	292	289	436
Other revenue	4	-	-	-
<b>Total revenue</b>	<b>516</b>	<b>536</b>	<b>497</b>	<b>656</b>
<b>Expenditure</b>				
Employee benefit expenses	181	175	179	182
Depreciation and amortisation	11	21	18	13
Finance expenses	1	46	11	14
Other expenses	302	294	289	223
<b>Total expenditure</b>	<b>495</b>	<b>536</b>	<b>497</b>	<b>432</b>
<b>Operating Surplus/(deficit)</b>	<b>\$ 21</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 224</b>
<b>Capital Expenditure</b>				
Building Control - Inspection Hardware/Software	10	-	-	8
Building Control - Sundry	-	-	1	2
<b>Total Capital Expenditure</b>	<b>\$ 10</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 10</b>

**Key**

LOS  
REP

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

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

General rates 2017 LTP Budget increased from Actual 2016 due to anticipated reduced income and increased costs.

Revenue from activities was favourable compared to LTP Budget due to increased revenue from consents and fees. Revenue from the Building Control team providing outsourced service to another Council also resulted in an additional \$7,000.

Finance expenses are favourable compared to Actual 2016 due to reserves balances being in a better position than anticipated at budget and a favourable interest rate change.

Other expenses were higher than LTP Budget predominately due to higher internal allocations than anticipated. In addition, accreditation fees, mobile survey software and historic settlements contribute \$50,000 to the variance to Actual 2016.

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

# Resource Management

## What Do We Do Now?

Council has responsibilities for the sustainable management of natural and physical resources of the Waimate District. The main tasks associated with this are:

- Preparing and administering the Waimate District Plan;
- Processing land-use and sub-division resource consents, notices of requirement and District Plan variations;
- Involved in processing Land Information and Project Information Memoranda;
- Managing development of some land-use activities through the District Plan;
- Compliance monitoring and 'State of the Environment' reporting; and
- Providing information in response to public enquiries.

## Why Do We Do It?

Council has statutory obligations under the Resource Management Act 1991 (RMA) to provide the services for this activity. The RMA requires the sustainable management of natural and physical resources. This enables Council to ensure environmental wellbeing of the District, whilst complying with statutory obligations.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Respond to customer complaints and requests in a timely manner.	Council responds to all environmental complaints within 10 working days.  Target: Respond to complaints within 10 working days.	Council responded to all seven environmental complaints within ten days.	Achieved  (2015/16: Achieved)
That consents are actioned promptly .	That all resource consents are actioned within the statutory time frame.  Target non-notified: 100% actioned within 20 days.  Target notified: 100% actioned within 70 days.	37 of 37 non-notified consents were actioned within statutory time frame. 100%  One limited notified application was processed outside of the statutory time frame	Achieved  (2015/16: Not achieved - 98%)  Not achieved  (2015/16: Achieved - 100%)

## Points of Significance

The changes to the Resource Management Act which were enacted 18 April 2017 will entail a staged introduction of changes as they are released. The initial amendments include topics such as fast track consenting, boundary activities, consent exemptions and subdivision rules. There will be significant work undertaken over the next four years with the final changes aligning with the ten year review of council's District Plan.

**Service Performance Statement - Resource Management  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 167	\$ 119	\$ 166	\$ 164
Revenue from activities	41	93	91	296
Other revenue	15	15	16	18
Total revenue	<b>223</b>	<b>227</b>	<b>273</b>	<b>478</b>
<b>Expenditure</b>				
Employee benefit expenses	87	90	90	90
Other expenses	76	132	133	198
Total expenditure	<b>163</b>	<b>222</b>	<b>223</b>	<b>288</b>
Operating Surplus/(deficit)	<b>\$ 60</b>	<b>\$ 5</b>	<b>\$ 50</b>	<b>\$ 190</b>

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

Revenue from activities is unfavourable compared to LTP Budget due to lower Reserve and Development Contributions income and zero Resource Consents income for this year.

# Emergency Management

## What Do We Do Now?

### Emergency Management

Council's role in emergency services includes developing contingency plans and maintaining a range of equipment for use in an emergency to save lives and protect property. This involves recruiting, training and managing an emergency management team within Council as well as a volunteer network from throughout the community.

### Fire-Fighting

In the 2016/17 year Waimate District Council was a member of the Mid-South Canterbury Rural Fire Authority. The Authority was a legal entity formed by Mackenzie, Waimate and Timaru District Councils, Forest Managers of Port Blakely and Waimate Forest Group, the Department of Conservation and the New Zealand Fire Service. As a result of a change in legislation, from 1 July 2017 the rural fire activity is being managed and funded by Fire and Emergency New Zealand (FENZ) rather than local authorities.

## Why Do We Do It?

Under the Civil Defence and Emergency Management Act 2002, Council must have local arrangements in place to provide for the maintenance and operation of a civil defence organisation, which are consistent with National and Regional Civil Defence Emergency Management Plans. Civil Defence Emergency Management arrangements for the Waimate District are included as part of the Canterbury Civil Defence Emergency Management Group.

The role of FENZ (previously the Mid-South Canterbury Rural Fire Authority), is to protect life, property and vegetation from the threat of wildfire and provides services such as volunteer training, hazard assessment, co-ordination, response to and recovery from rural fire incidents. With the creation of FENZ Council no longer manages or funds the rural fire activity but continues to work with FENZ during the administrative transition.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
To keep people well informed to Civil Defence Emergency Management matters.	That Emergency Management Co-ordinator interacts with sector posts at least two times per each year.  Target: interaction $\geq$ two times per year.	The Emergency Management Co-ordinator interacted with all sector/community representatives at least twice within the year	Achieved  (2015/16: Achieved)
	85% of residents are aware that Council is the organisation that is responsible for co-ordinating Civil Defence in the district.  Target: 85% community awareness.	83% of residents aware that Council is responsible for co-ordinating Civil Defence in the district	Not achieved  (2015/16: Not measured)
All Emergency Operations Centre staff trained.	All Emergency Operations Centre personnel undertake at least one Civil Defence Emergency Management training per year.  Target: 100% EOC personnel trained at least once per year.	All Emergency Operations Centre personnel undertook at least one Civil Defence Emergency training between 1 July 2016 and 30 June 2017	Achieved  (2015/16: Achieved)

## Points of Significance

We have been working with our communities to improve the Civil Defence sector structure and also with community representatives who provide a direct link to the wider public for all communication around civil defense.

The new Fire and Emergency New Zealand (FENZ) structure was rolled out in July 2017. This sees the funding and management of rural fire activity transferred from local authorities to FENZ.

### Service Performance Statement - Emergency Management for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ 188	\$ 184	\$ 187	\$ 174
Targeted rates	110	105	109	103
Other revenue	1	-	-	2
<b>Total revenue</b>	<b>299</b>	<b>289</b>	<b>296</b>	<b>279</b>
<b>Expenditure</b>				
Employee benefit expenses	47	40	42	32
Depreciation and amortisation	56	42	35	33
Finance expenses	4	4	3	7
Other expenses	210	203	216	189
<b>Total expenditure</b>	<b>317</b>	<b>289</b>	<b>296</b>	<b>261</b>
Operating Surplus/(deficit)	<b>\$ (18)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18</b>
<b>Capital Expenditure</b>				
Rural Fire - Cannington appliance	LOS \$ 75	\$ 54	\$ 75	\$ -
Rural Fire - St Andrews Tanker	LOS 80	108	80	-
Rural Fire - Vehicle	REP (1)	-	-	9
Rural Fire - Plant	REP 8	-	8	6
Rural Fire - Computer equipment and Radio upgrade	REP 3	-	-	9
Civil Defence - Mobile technology Hardware	REP -	-	1	-
<b>Total Capital Expenditure</b>	<b>\$ 165</b>	<b>\$ 162</b>	<b>\$ 164</b>	<b>\$ 24</b>

#### Key

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

# Regulatory Services

## What Do We Do Now?

Inspection of the Waimate District on all health and nuisance related complaints and identification and reporting on matters that may potentially create adverse health effects or pose a nuisance to the community.

Council's Environmental Health Section carries out the following tasks:

- Dealing with any public health issues arising from adverse weather leading to floods and power cuts (discharging sewers, food spoilage, water quality);
- Investigation and reporting on notifiable infectious diseases;
- Investigation of health nuisances as defined under the Health Act 1956, including failed on-site effluent systems;
- Responding, investigating and reporting on noise nuisance complaints;
- Regulatory, advisory licensing, inspection and administrative roles in liquor licensing, registered and unregistered food premises, and other registered premises;
- Annual registration of offensive trades, camping grounds, hairdressers, funeral directors and mobile shops;
- Reporting on building consent applications for premises required to be registered under the Health Act 1956;
- Investigating and report in relation to the Consolidated Bylaw, such as Trading in Public Places, Keeping of Animals, Liquor Ban Bylaw;
- Reporting on Land Information Memoranda regarding health hazards, food and liquor licences and outstanding requisitions;
- Liaise with other authorities, such as Ministry of Health and Regional Councils, regarding recreational water quality (beaches, rivers and lakes) - food complaints, drinking water, poisoning programmes, discharges to air (dust, smoke, odour), contaminated sites;
- Monitoring of substandard accommodation and investigation of health aspects of habitable buildings, eg dampness, overcrowding, insanitary conditions;
- Working with Public Health Unit/Police - Pandemic planning and Clandestine Laboratories (eg 'P' Labs);
- Public Health Education input - Polytechnic courses (Liquor and Food Safety), schools, interest/service groups; and
- Stock Crossing Licences.

## Why Do We Do It?

Council has statutory obligations under numerous statutes including but not limited to the Health Act 1956, Resource Management Act 1991, Food Act 2014, and the Sale and Supply of Alcohol Act 2012 to provide the services for this activity.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Respond to customer complaints and requests in a timely manner.	Council actions food hygiene related complaints within 48 hours.	Four food hygiene related complaints were actioned within 48 hours.	Achieved.
	Target: Complaints actioned within 48 hours.		(2015/16: Achieved)
	Council actions noise complaints in the case of late night party noise within two hours.	17 noise complaints, 16 complaints were actioned within two hours.	Not achieved.
	Target: Complaints actioned within two hours.		(2015/16: Not achieved)

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
All cow crossings have the appropriate permits.	Council reviews every cow crossing permit annually.	There are 33 permits, one is overdue.	Not achieved (2015/16: Not achieved)
	Target: Review all permits annually.		
	Council will audit for compliance a minimum of 10% of licenced crossing annually.	33% of licences audited for compliance. All crossings audited were compliant.	Achieved (2015/16: Achieved)
	Target: All crossings compliant.		

## Points of Significance

The Joint Local Alcohol Policy with Timaru and Mackenzie District Councils has embedded well and is operating efficiently across the three districts.

The same three councils operate under a common contract for the provision of food health services. This contract has been of particular value with the significant transitions required by food businesses to comply with the standards of the Food Safety Act 2014

Council has started the ten year review of the Consolidated Bylaws and will be publicly consulting on the draft document in 2018.

### Service Performance Statement - Regulatory Services for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
General rates	\$ 120	\$ 124	\$ 119	\$ 122
Revenue from activities	59	32	31	74
Total revenue	<b>182</b>	<b>156</b>	<b>150</b>	<b>196</b>
<b>Expenditure</b>				
Other expenses	156	156	150	139
Total expenditure	<b>156</b>	<b>156</b>	<b>150</b>	<b>139</b>
Operating Surplus/(deficit)	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 57</b>

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

Revenue from activities is favourable compared to LTP Budget due to increased health licence income.

# Dog and Animal Control

## What Do We Do Now?

Council's Dog and Animal Control carries out the following tasks:

- Investigating and acting upon dog and animal related complaints;
- Enforcing Council's bylaws and policy pertaining to dogs and/or animals;
- Impounding dogs; and
- Maintaining a register of dogs.

## Why Do We Do It?

Council has statutory responsibilities under the Dog Control Act 1996 and its subsequent amendments, along with the Impounding Act 1955, to provide the services for this activity.

The objectives of the Dog Control Act 1996 including amendments are:

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

- Requiring the registration of dogs; and
- Making special provision in relation to dangerous dogs; and
- Imposing on the owners of dogs, obligations designed to ensure that dogs do not cause a nuisance to any person and do not injure, endanger, or cause distress to any person; and
- Imposing on owners of dogs obligations designed to ensure that dogs do not injure, endanger or distress any stock, poultry, domestic animal, or protected wildlife.

We also administer the Waimate District Council Dog Control Bylaw and Policy. The bylaw and policy promotes public safety and effective regulation of dogs and wandering animals within our District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Known dogs are registered each year.	95% of all known dogs are registered by 1 December.  Target: 95%.	As at 1 December 2016 98.5% of known dogs were registered.	Achieved  (2015/16: Achieved)
Council responds quickly to wandering stock complaints.	Council responds to all wandering stock and animal related complaints within two hours.  Target: Respond within two hours.	There were 169 wandering dogs and 57 wandering stock complaints. All were responded to within two hours. 100%.	Achieved  (2015/16: Achieved - 100%)
Council responds quickly to dog attacks on people and stock.	Council staff interview complainants within two hours of a dog attack on people or stock.  Target: Interview within two hours.	There were 14 attacks on animal/stock and 13 attacks on people. All complainants were interviewed within two hours. 100%.	Achieved  (2015/16: Achieved - 100%)

## Points of Significance

There has been an increase in the number of dog complaints reported across the district over the past 12 months. This appears to be due to an increased public awareness of the requirements of owners. The improved Dog Control Bylaw and Policy has assisted in the education of dog owners and contributed to a more consistent approach to animal management overall.

**Service Performance Statement - Dog and Animal Control  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 125	\$ 146	\$ 124	\$ 144
Revenue from activities	122	130	127	141
Other revenue	5	-	2	5
<b>Total revenue</b>	<b>252</b>	<b>276</b>	<b>253</b>	<b>290</b>
<b>Expenditure</b>				
Employee benefit expenses	22	21	9	22
Depreciation and amortisation	3	2	3	-
Other expenses	236	253	241	224
<b>Total expenditure</b>	<b>261</b>	<b>276</b>	<b>253</b>	<b>246</b>
Operating Surplus/(deficit)	<b>\$ (9)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44</b>
<b>Capital Expenditure</b>				
Dog and Animal Control - Animal cage and dog box	\$ 1	\$ -	\$ -	\$ -
<b>Total Capital Expenditure</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Key**  
REP

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

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

Revenue from activities is unfavourable to LTP Budget and Actual 2016 due to reduced dog registrations

Other expenses are below LTP Budget due to reduced costs and allocations of internal resources and overheads. The increase in other expenses compared to Actual 2016 is also related to allocations of internal resources and overheads.

# Community Services Group

## What is Community Services and Why Do We Deliver It?

The Community Services group of activities involves providing support and services to enable our communities to have a good quality of life.

The Community Services Group includes the following activities:

<b>Economic Development and Promotions</b>	To increase the wealth of the people and the viability of the businesses in the District.
<b>Community Support</b>	Assists the continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes.
<b>Library</b>	The provision of a walk-in library service offering a wide collection of reading material and electronic information.

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

<b>Community Services</b>	Active and Supportive Community.
	Safe and Healthy People.
	Wealthy Community.



# Funding Impact Statement - Community Services Group

## for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 LTP Budget \$000
<b>Sources of operating funding</b>				
General rates, UAGC and rates penalties	\$ 273	\$ 247	\$ 272	\$ 240
Targeted rates	343	336	342	320
Subsidies and grants for operating purposes	21	22	21	21
Fees and charges	14	12	12	12
Internal charges and overheads recovered	8	6	7	6
Local authority fuel tax, fines, infringement fees other	14	30	26	29
<b>Total sources of operating funding</b>	<b>673</b>	<b>653</b>	<b>680</b>	<b>628</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	403	385	402	377
Finance costs	-	-	-	-
Internal charges and overheads applied	230	215	227	200
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>633</b>	<b>600</b>	<b>629</b>	<b>577</b>
<b>Surplus/(deficit) of operating funding</b>	<b>40</b>	<b>53</b>	<b>51</b>	<b>51</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase/(decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure - to meet additional demand	-	-	-	-
Capital expenditure - to improve level of service	-	-	-	-
Capital expenditure - to replace existing assets	64	61	66	64
Increase/(decrease) in reserves	(24)	(8)	(15)	(13)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>40</b>	<b>53</b>	<b>51</b>	<b>51</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(40)</b>	<b>(53)</b>	<b>(51)</b>	<b>(51)</b>
<b>Funding balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Internal interest and debt activity:</b>				
Included within Internal charges and overheads recovered is Internal Interest Revenue of:	\$ 8	\$ 6	\$ 7	\$ 6
Included within Internal charges and overheads applied is Internal Interest Expense of:	-	-	-	-
Internal borrowings at 30 June (Internal Loans and other negative Reserves included within Special separate and trust funds (restricted reserves))	3	38	22	30
Increases in Internal Borrowings for the year	-	9	-	30
Decreases in Internal Borrowings for the year	(3)	-	(7)	(18)

**Service Performance Statement - Community Services Group  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 273	\$ 247	\$ 271	\$ 242
Civic Amenities Rates	343	336	342	322
Revenue from activities	49	63	58	49
Other revenue	8	7	8	12
<b>Total revenue</b>	<b>673</b>	<b>653</b>	<b>679</b>	<b>625</b>
<b>Expenditure</b>				
Employee benefit expenses	174	160	180	166
Depreciation and amortisation	49	53	50	49
Other expenses	460	440	449	405
<b>Total expenditure</b>	<b>683</b>	<b>653</b>	<b>679</b>	<b>620</b>
Operating Surplus/(deficit)	<b>\$ (10)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5</b>
<b>Capital Expenditure</b>				
Library books	46	61	62	47
Shelving	-	-	4	4
Furniture	18	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 64</b>	<b>\$ 61</b>	<b>\$ 66</b>	<b>\$ 51</b>
<b>Categories</b>				
Meets additional demand	AD \$ -	\$ -	\$ -	\$ -
Improve level of performance/service	LOS -	-	-	-
Replace existing assets	REP 64	61	66	51
<b>Total Categories</b>	<b>\$ 64</b>	<b>\$ 61</b>	<b>\$ 66</b>	<b>\$ 51</b>

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

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

Refer to the attached Service Performance Statements for Economic Development and Promotions, Community Support, and Library for explanation of variances.

# Economic Development and Promotions

## What Do We Do Now?

### Economic Development

Council takes a lead role in encouraging growth of the Waimate District by:

- Facilitating the creation and expansion of local business and industry; and
- Supporting events.

### Promotions

Council's Promotions Department markets the Waimate District and provides support for tourism. The Information Centre provides an information service for visitors and local residents.

## Why Do We Do It?

In order to sustain and stimulate economic growth in the Waimate District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Provide high quality information services.	85% of customers are satisfied or very satisfied with Information Centre services.  Target: 85% satisfied or very satisfied.	72% of customers are satisfied or very satisfied	Not achieved  (2015/16: Not measured)
Support economic development in the District.	Produce an economic development strategy to guide Council to support development in within the District.  Target: Produce and economic development strategy in 2016/17.	The Economic Development Strategy is in production	Not achieved  (2015/16: Not achieved)

## Points of Significance

Council commenced the Economic Development Strategy with community engagement working with Allen & Clark.

The Information Centre moved from the Old Post office building to the newly built Event Centre where staff provide a joint Information/Event Centre service.

**Service Performance Statement - Economic Development and Promotions  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 154	\$ 133	\$ 153	\$ 131
Revenue from activities	14	28	24	15
Other revenue	4	4	4	5
<b>Total revenue</b>	<b>172</b>	<b>165</b>	<b>181</b>	<b>151</b>
<b>Expenditure</b>				
Employee benefit expenses	49	39	58	49
Other expenses	96	126	123	114
<b>Total expenditure</b>	<b>145</b>	<b>165</b>	<b>181</b>	<b>163</b>
Operating Surplus/(deficit)	<b>\$ 27</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (12)</b>

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

Revenue from activities is unfavourable to compared to LTP budget (\$14,000 lower) and Actual 2016 (\$1,000 lower) due to reduced sundry sales.

# Community Support

## What Do We Do Now?

Community Support provides decision-making and accountability for grants from Council to community organisations and individuals for community purposes. Funds come from both Council and non-Council sources and are given from contestable grants as well as from Council's annual budget.

## Why Do We Do It?

Council's Community Support activity assists the continuation and development of many community groups and facilities which contribute to social, cultural and recreational outcomes for our District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Grants criteria meet the need of the community	All grants administered by Waimate District Council are fully subscribed	Sports Fund – First funding round - 5/6 applications allocated total of \$5960.45. Second funding round - 5/7 applications allocated total of \$3115.40. Total available fund pool of \$10,000. \$924 to be carried forward.	Not achieved (2015/16: Achieved)
	Target: All grants fully subscribed	Creative NZ – First funding round - 2/3 application allocated \$2070 from available fund pool of \$6129. \$4059 carried forward. Second funding round - 10/12 applications allocated total of \$10537. Total available fund pool of \$10685. \$148 carried forward	Not achieved (2015/16: Not achieved)
		Sport NZ Rural Travel Fund – First funding round - 3/3 applications allocated \$3250. \$1262.50 carried forward. Second funding round - 5/8 applications allocated total fund pool of \$5775. No funds carried forward.	Achieved (2015/16: Achieved)
		Waimate District Council Community Fund – 6/9 applications allocated \$7621 of total fund pool of \$10000. \$2379 carried forward.	Not achieved (2015/16: Achieved)
		Heritage Fund - 3 applications allocated \$1881.13 of total fund pool of \$4542.85. \$2661.72 carried forward.	Not achieved (2015/16: Not achieved)

## Points of Significance

Council invited all groups receiving an annual grant to present how they spent their grant and their plans for the following year.

**Service Performance Statement - Community Support  
for the year ended 30 June 2017**

	<b>2017 Actual \$000</b>	<b>2017 LTP Budget \$000</b>	<b>2017 Annual Plan \$000</b>	<b>2016 Actual \$000</b>
<b>Revenue</b>				
General rates	\$ 119	\$ 114	\$ 118	\$ 111
Revenue from activities	21	21	21	21
Other revenue	-	1	1	1
Total revenue	<b>140</b>	<b>136</b>	<b>140</b>	<b>133</b>
<b>Expenditure</b>				
Other expenses	188	136	140	138
Total expenditure	<b>188</b>	<b>136</b>	<b>140</b>	<b>138</b>
Operating Surplus/(deficit)	<b>\$ (48)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (5)</b>

# Library

## What Do We Do Now?

Council provides, maintains and manages a comprehensive walk-in library service within the Local Government Centre Building, Queen Street, Waimate.

The collection comprises the latest of popular fiction, non-fiction, magazines, newspapers, large print, talking books, E-books, music CDs and a selection of DVDs that are exchanged on a regular basis. An inter-loan service is available. The library provides public computer access to the collection and general internet access, as well as free wi-fi.

The Library provides exchange collections for the Kurow Library.

## Why Do We Do It?

The Local Government Act 2002 identifies the provision of Library services as a core service. A community owned Library collection provides a resource available to all members of our community that is far greater than any one individual or family could amass. The research capabilities of our Library, ensures that our residents are able to participate extramurally in tertiary studies not otherwise available in our District.

## How We Measure The Service Provided

Customer Performance Measure			
Level of Service	Performance Measure	Result	Achievement 2016/17
Council's provision of library services is sufficient to meet our community's needs.	85% of customers are satisfied or very satisfied with library services.  Target: 85% satisfied or very satisfied.	96% of customers satisfied or very satisfied	Achieved  (2015/16: Not measured)

## Points of Significance

The Library introduced "Borrow Box" for downloading talking books. Community members have online access to over 1,600 books.

### Service Performance Statement - Library for the year ended 30 June 2017

	2017 Actual \$000	2017 LTP Budget \$000	2017 Annual Plan \$000	2016 Actual \$000
<b>Revenue</b>				
Civic Amenities Rates	\$ 343	\$ 336	\$ 342	\$ 322
Revenue from activities	14	14	13	13
Other revenue	4	2	3	6
<b>Total revenue</b>	<b>361</b>	<b>352</b>	<b>358</b>	<b>341</b>
<b>Expenditure</b>				
Employee benefit expenses	125	121	122	117
Depreciation and amortisation	49	53	50	49
Other expenses	176	178	186	153
<b>Total expenditure</b>	<b>350</b>	<b>352</b>	<b>358</b>	<b>319</b>
Operating Surplus/(deficit)	<b>\$ 11</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22</b>
<b>Capital Expenditure</b>				
Library books	\$ 46	\$ 61	\$ 62	\$ 47
Shelving	-	-	4	4
Furniture	18	-	-	-
<b>Total Capital Expenditure</b>	<b>\$ 64</b>	<b>\$ 61</b>	<b>\$ 66</b>	<b>\$ 51</b>

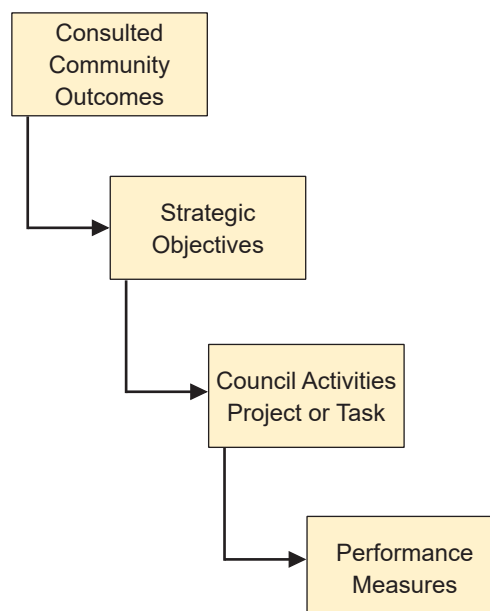
### Key

REP  
REP  
REP

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

# Vision for Waimate District

Waimate District's Long Term Plan (LTP), which is reviewed three yearly, provides direction and long term focus for routine tasks and one-off projects, within Council's areas of activity by setting them within a framework of strategic objectives that are derived from our community's consulted, desired outcomes.



## Achieving Community Outcomes

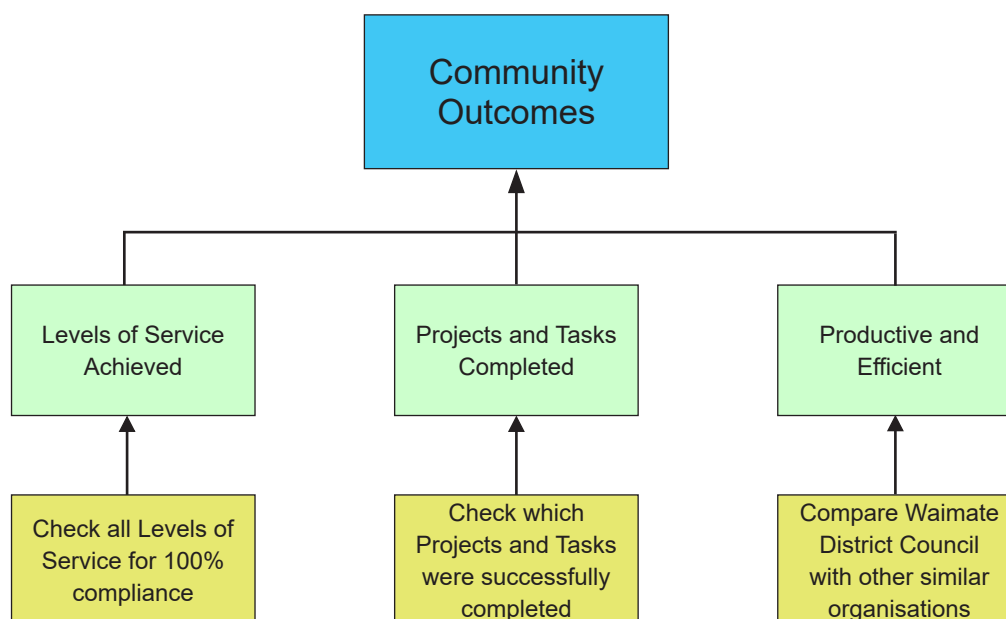
Each year, Council produces its Annual Report to disclose performance against targets set in the LTP.

A three-pronged approach is used by Waimate District Council to help citizens judge whether the Council is doing a good job or not.

The Council will carry out its roles in advancing the Outcomes that the Community wants.

The Council will provide all its services to meet standards that have been agreed with the Community.

The Council will run its operations in a cost-effective and efficient manner.



# Equal Employment Opportunity

The Waimate District Council is committed to the principles and practices of Equal Employment Opportunity (EEO) as a means of ensuring that its current and potential employees have an equal opportunity to achieve their potential.

The Council therefore strives to implement a purposeful programme of action to ensure its recruitment policies and procedures, conditions of employment and employee training, and promotion opportunities are carried out with an awareness of and an intent to eliminate any unfair discrimination on the grounds of gender, marital status, religion, ethical belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family responsibilities, or sexual orientation.

The 1999/2000 EEO Management Plan identified the following objectives:

- A review and on-going monitoring of current policies and procedures dealing with the recruitment and selection process to ensure that all employment decisions are made on the basis of relevant merit.
- All Council managers are conscious of the need to consider employment equity issues upon recruitment of new staff members.
- A full review of Council's Terms of Employment to ensure adherence to EEO principles. This will include the development of a Code of Conduct, containing a sexual harassment policy and related disciplinary procedures, and includes an undertaking to identify and publicise behaviours, which are not acceptable in the workplace.

The review is continuing, however, all employee's Individual Employment Agreements or Collective Agreements were reviewed, including the definitions of misconduct.

The development of a grievance procedure for dealing with discrimination complaints based on the provisions of the Human Rights Act 1993, to be adopted as Council policy and included in all individual Employment Contracts. This policy will be reviewed on a regular basis to ensure compliance with current legal requirements.

Conditions of appointment for all Council staff contain a detailed description of procedures for addressing employment relationship problems which include personal grievance issues on the basis of discrimination.

Establishment of a training register to monitor accessibility, identification of special training requirements, and career aspirations as part of Council's role as a good employer to support and encourage all employees to seek career development and promotion within the organisation.

Employees in all Departments of Council have participated in a wide range of training courses in consultation with their managers.

An ongoing review of all Council's policies and documentation to ensure adherence to EEO principles. This will include regular liaison and consultation both within and outside Council to promote the interchange of EEO information and strategies.

Council has employed workplace support who visits fortnightly and who may function as an independent expert with whom staff may consult upon any grievance issues.

The Council confirms its commitment to this action, and with it the hope that by fostering a diverse range of employees who reflect the social mix within the community we serve, that Council staff will better understand customer needs, thus creating a better quality and more responsive service for the people of the Waimate District.

# Statement on Participation of Maori in the Decision-making Process

## Requirements of the Local Government Act 2002

The Local Government Act 2002, requires all Councils to take specific actions with regard to Maori. The relevant sections of the Act are as follows:

The 'headline' provision referring explicitly to Maori is section 4. It reads:

In order to recognise and respect the Crown's responsibility to take appropriate account of the Principles of the Treaty of Waitangi and to maintain and improve opportunities for Maori to contribute to local government decision-making processes, Parts 2 and 6 provide principles and requirements for local authorities that are intended to facilitate participation by Maori in local authority decision-making processes.

Section 14(1)(d) reads:

In performing its role, a local authority must act in accordance with the principle that a local authority should provide opportunities for Maori to contribute to its decision-making processes.

Section 77(1)(c) reads:

A local authority must in the course of the decision-making process, - ...if any of the options identified under paragraph:

- (a) involves a significant decision in relation to land or a body of water, take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.

Section 81(1) requires that a local authority must:

- (a) Establish and maintain processes to provide opportunities for Maori to contribute to decision-making processes of the local authority; and
- (b) Consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the local authority; and
- (c) Provide relevant information to Maori for the purposes of paragraphs (a) and (b).

Section 82(2) states:

A local authority must ensure that it has in place processes for consulting with Maori in accordance with subsection (1).

## Waimate District Council Initiatives

The Waimate District Council addresses these requirements by actively pursuing the following initiatives:

- The Council will work together with Maori organisations and individuals, to identify citizens who are considered to be Maori with an interest in the Community in accordance with the requirements of Section 81(1) of the Act. This includes all Maori, regardless of tribal affiliation, who reside in the District, who own land within the District or who have a recognised cultural affiliation with the District. This will also include Maori organisations that are directly involved in the interests of local Maori. This identified list of Maori will be maintained in partnership with local Maori groups.
- The Council will mail written advice of all issues to be referred to Community consultation to all Maori and organisations who have been identified as in the previous paragraphs, and where a postal address is known. This advice will include an overview of the proposals and instructions on registering submissions. This will be additional to all normal advertising methods employed for the community at large.
- The Council will meet with representatives of Te Runanga o Waihao at least once a year, to discuss current issues and the progress of the Long Term Plan. These meetings are in addition to other contact as part of the consultation process.
- The Council will provide meetings, on request, to explain current issues and proposals for consultation specifically for Maori groups, whenever practical considerations permit. These meetings can be, by request, limited to specific Maori group participation.
- The Council will continue to involve tangata whenua in all relevant deliberations with regard to the application of the Resource Management Act.

The Council will adhere to the basic principle that all its citizens are of equal importance in the community and are all part of that community. Accordingly, it will always strive to ensure that the interests of all its Maori citizens are fully addressed and considered in all decision-making processes and recognises the special need to ensure the capacity of Maori to play a full part in the decision-making process.