

PUBLIC

Agenda

Notice is hereby given of an
Extra Ordinary Council Meeting
to be held on

Tuesday 30 January 2018

to follow the
Environmental Services and Finance Committee
Meeting

Council Chamber
Waimate District Council
125 Queen Street
Waimate

www.waimatedc.govt.nz

Notice is hereby given that a meeting of the Waimate District Council will be held in the Council Chamber, Waimate District Council, 125 Queen Street, Waimate, on Tuesday 30 January 2018, to follow the Environmental Services and Finance Committee Meeting.

Elected Members

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

Quorum – no less than five members

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Significance Consideration

Evaluation: Council officers, in preparing these reports have had regard to Council's Significance and Engagement Policy. Council and Committee members will make the final assessment on whether the subject under consideration is to be regarded as being significant or not. Unless Council or Committee explicitly determines that the subject under consideration is to be deemed significant then the subject will be deemed as not being significant.

Decision Making

The Council, in considering each matter, must be:

- i Satisfied that it has sufficient information about the practicable options and their benefits, costs and impacts, bearing in mind the significance of the decisions;
- ii Satisfied that it knows enough about and will give adequate consideration to the views and preferences of affected and interested parties bearing in mind the significance of the decisions to be made.

Stuart Duncan
Chief Executive

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Item 1 Apologies

Prepared by: Stuart Duncan
 Chief Executive

The Chair will call for any apologies. An apology has been received from Cr D Anderson; and Cr S Paul.

Recommendation

That the apologies are accepted.

Item 2 Conflicts of Interest

Prepared by: Stuart Duncan
 Chief Executive

As per the Local Authorities (Members' Interests) Act 1968 (as below), the Chair will enquire if there are any Conflicts of Interest to be declared on any item on the agenda, and if so, for any member to declare this interest.

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Item 3 Rates Remission Policy 407 – Amendment

Prepared by: Andy Hilton
Corporate Services Manager

Purpose of Report

- 1 We have become aware of an amendment to the Rates Remission Policy 407, which had been discussed and agreed to at a Council information workshop, but was not formally ratified at the Council meeting on 19 December 2017.

Background

- 2 The Rates Remission Policy 407 was reviewed and adopted at the Council meeting held on the 19 December 2017, following a Council information workshop where the policy was discussed.
- 3 The resolution is set out below:

**Rates Remission
Policy 407 and
Rates
Postponement
Policy 408 Review**

Council considered the revised Rates Remission Policy 407 for adoption as supporting information for the Long Term Plan 2018-28.

Council considered the Rates Postponement Policy 408 for the purposes of repealing the policy.

Resolved:

- 1 That the Rates Remission Policy 407 and Rates Postponement Policy 408 Review report is accepted; and
- 2 That Council adopts the revised Rates Remission Policy 407 as supporting information for the Long Term Plan 2018-28; with the below amendments:
 - i. 5.10: Waimate Event Centre Rate Remission – Waimate District Rural Hall: Correct reference to the Waimate Event Centre Rate in the final paragraph.
 - ii. 5.12: Targeted Urban Sewerage Rate Remission – South Canterbury Agricultural and Pastoral Association Inc: Change the definition to:

“This remission provides relief to the South Canterbury Agricultural and Pastoral Association Inc. reducing the value of remission over a period of three years. This recognises that the Showgrounds facility completed its development stage and is now in its commercial stage.

Council will remit 25% of the Targeted Urban Sewerage charge in 2018/19, 12.5% in 2019/20 and 0% in 2020/21 and thereafter.

This remission will be funded from within the Targeted Urban Sewerage Rate.”

- iii. 5.12: Targeted Urban Sewerage Rate Remission – South Canterbury Agricultural and Pastoral Association Inc: Reducing rate for A & P – currently at 50% - year 1 25%, year 2 12.5%, year 3 and thereafter nothing.
- iv. New remission to Bushtown – 50% remission of the sewerage rate to be introduced:

“This remission provides relief to Bushtown Waimate Inc. This remission recognises that Bushtown Waimate Inc is under development and use of the sewerage system will be sporadic. This remission will be reviewed when Bushtown Waimate Inc moves to its commercial stage.

Council will remit 50% of the Targeted Urban Sewerage charge.

This remission will be funded from within the Targeted Urban Sewerage Rate.

- 3 That Council determines that the amendments to the Rates Remission Policy are of a nature and significance that require inclusion in the Long Term Plan 2018-28 Consultation Document; and
- 4 That Council resolves to repeal the Rates Postponement Policy 408.

Moved Cr Cain
Seconded Cr Paul
MOTION CARRIED

- 4 We have become aware of the below amendment which had been discussed and agreed to at the workshop but was not formally ratified at the Council meeting.
 - a. 5.15 Penalties on Rates in Circumstances where the Ratepayer has agreed to and abided by the Terms of an “Arrangement” acceptable to the Waimate District Council now needs to read:

“While any Ratepayer who has a repayment plan acceptable to Council and continues to make regular payments over defined periods of not greater than 18 months, Council will :

 - i. Hold the charging of any further penalties for the duration of the repayment period.

This remission will be funded from within the rate type where the remission is granted.”

- 5 Council is asked to note that the following wording is therefore removed from the latter part of 5.15 (i) – “and on completion of the payments as agreed between Council and the Ratepayer, remit in total the penalties as charged by Council”

Proposal

- 6 That the amendment be formally ratified at this meeting.

Obstacles

- 7 There are no obstacles to adopting this proposal.

Assessment of Significance

- 8 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

- 9 There are no known budget considerations.

Cost-effectiveness

- 10 Cost-effectiveness consideration is not applicable.

Recommendation

- 1 That the Rates Remission Policy 407 – Amendment report is accepted; and
- 2 That Council approves that the below amendment be made to the Rates Remission Policy 407:
 - a v.5.15 Penalties on Rates in Circumstances where the Ratepayer has agreed to and abided by the Terms of an “Arrangement” acceptable to the Waimate District Council now needs to read:

“While any Ratepayer who has a repayment plan acceptable to Council and continues to make regular payments over defined periods of not greater than 18 months, Council will :

 - i Hold the charging of any further penalties for the duration of the repayment period.

This remission will be funded from within the rate type where the remission is granted.”

Item 4 Draft Liability Management Policy 402

Prepared by: Andy Hilton
 Corporate Services Manager

Purpose of Report

- 1 To review the draft Liability Management Policy 402 for inclusion in the Long Term Plan 2018-28.

Background

- 2 Under section 102 (2)(b) of the Local Government Act (2002) (LGA), Council must adopt a liability management policy.
- 3 Under section 102 (5) of the LGA, Council is not required to consult on changes to this policy.
- 4 In accordance with LGA section 104 the Liability Management Policy must state Council's policies in respect of the management of both borrowing and other liabilities, including—
 - a Interest rate exposure; and
 - b Liquidity; and
 - c Credit exposure; and
 - d Debt repayment.
- 5 The Liability Management Policy 402 is reviewed at least every three years, timed to coincide with Council's Long Term Plan process.
- 6 The draft policy will be included in the draft Long Term Plan 2018-28 and will be adopted accordingly at the 26 June 2018 Council Meeting.

Proposal

- 7 That the draft Liability Management Policy 402 is accepted as attached for inclusion in the draft Long Term Plan 2018-28 ; or
- 8 That the draft Liability Management Policy 402 is accepted with amendment/s for inclusion in the draft Long Term Plan 2018-28.

Obstacles

- 9 There are no known obstacles.

Assessment of Significance

- 10 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

- 11 There are no known budget considerations.

Cost-effectiveness

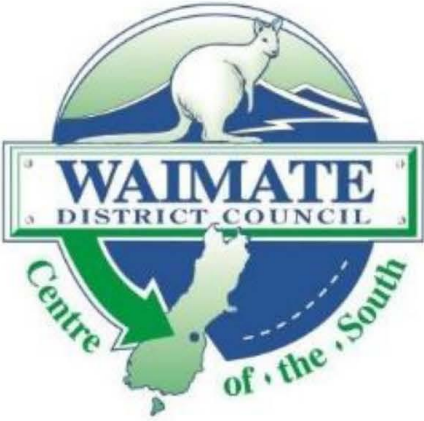
- 12 Consideration has been given to cost-effectiveness.

Recommendation

- 1 That the Draft Liability Management Policy 402 report is accepted; and
- 2 That Council approves the draft Liability Management Policy 402 for inclusion in the draft Long Term Plan 2018-28.

WAIMATE DISTRICT COUNCIL

Liability Management Policy 402



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1. Purpose

To state Council's policies in respect of the prudent management of both borrowing and other liabilities.

2. Scope

This policy covers all borrowings by Council, except where for hire purchase, credit, or the period of indebtedness is less than 91 days, or the goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate a total of \$6,000,000.

3. Responsibility

The Chief Executive is responsible for implementing this policy.

The Chief Executive will be supported by a Management Team consisting of at least two of the following three positions and other members of the Management team as appropriate:

- Corporate Services Manager
- Accountant
- Community and Strategy Group Manager

4. Approved Borrowing Instruments

Council may borrow through a variety of market mechanisms, considered to be approved borrowing instruments. These primarily comprise:

Bank Sourced Borrowing

Bank overdraft facilities are seen as the most flexible facility for day-to-day short term borrowings, but inevitably at a higher interest cost than longer term facilities, so primarily to be used where the term of borrowing is expected to be less than three months.

Revolving Credit Facilities (Flexible Rate Term Loan Facility)

Revolving credit facilities (or a Flexible Rate Term Loan Facility that Council currently has with our principal banker) are similar from a borrower's perspective, except interest is paid in arrears rather than upfront as in the case of bank bills. Revolving credit facilities are usually for a term of up to three years but may be for as long as five years and like bank bills drawings under the facility are priced off the bank bill buy rate. Most facilities allow for the borrowers to draw up to the facility amount in various tranches of debt and for various terms out to a maximum term of the maturity date of the facility. Like bank bills most borrowers use these facilities to borrow on a 90 day basis.

Within Council's variable amount term loan limit, borrowing amounts may be separately identified and "ring fenced" to a known term and known interest rate cap, in order to align with the term and known interest income of a Council long term project by the use of a hedging instrument.

Costs

The principal costs are the same as with bank bills, the lending bank's yield sets the base rate at the time of lending, an arrangement fee, an acceptance fee and a line fee (expressed in basis points or percentage per annum) and the margin. Acceptance fees, arranger fees, line fees and margins in aggregate normally range between 35-300 basis points (i.e. 0.35% - 3.00%), depending on the credit worthiness of the borrower.

Short Term Money Market Lines

Short term money market loans or cash loans can be Committed or Uncommitted. A customer pays for a guarantee of the availability of the funds in a Committed Loan. In an Uncommitted Loan, funds are provided on a best endeavours basis and no line/commitment fee is payable. In addition to a line fee, a margin may be charged on any line usage.

The minimum amount for a cash loan is \$1,000,000. Smaller loans can be arranged, although the interest rate quoted will be a reflection of the size of the loan.

The main usage of cash loans is to cover day-to-day shortfalls in funds. The interest rate is governed by the term of the borrowing and the implied or implicit credit rating of the borrower. Cash loans are short term only and are normally drawn for a term of one (overnight) to seven days. Interest collection can be daily.

Bank Bill Facilities

Council has a committed bank overdraft. Overdraft facilities are utilised as little as practical, i.e. call funds are utilised to meet day-to-day expenses where possible.

An unconditional order in writing, addressed by one person to another signed by the person giving it, requiring the person to whom it is addressed to pay on demand, or at fixed or determinable future time, a sum certain in money to, or to the order of a specified person, or to bearer.

Bank bill facilities are normally for a term of up to three years but may be for as long as five years. Bank bills are bills of exchange, drawn or issued usually by the original borrower and accepted or endorsed by a bank.

For a Bank Accepted Bill, the bank makes the payment of the face value of the bill on maturity. Most bank bills traded in the New Zealand market are Bank Accepted Bills.

Bank Endorsed Bills have been endorsed by a bank with another part as acceptor. In the event of default of the original acceptor, payment can be sought through the chain of endorsers to the bill.

An investor in bank bills can sell the bills prior to maturity date and receive the cash. Bank bills are a longer term borrowing instrument than cash loans. Bills are normally drawn for terms of 30, 60 or 90 days with a few being drawn for 180 days. The 90 day bank bill is the underlying traded benchmark instrument for the short end of the market.

Costs

The principal costs to the borrower are the discounting bank's yield at which it discounts the bill at the time of drawdown, an arrangement fee, an acceptance fee and a line fee (expressed in basis points or percentage per annum) and margin. Acceptance fees, arranger fees, line fees and margins in aggregate normally range between 35 - 300 basis points (i.e. 0.35% - 3.00%), depending on the credit worthiness of the borrower.

Local Authority Bonds

Local Authority Bonds are issued by a variety of local governments by tender or private placement. The Bonds are registered securities. They are repayable on a fixed date, and are generally issued for terms ranging from one to fifteen years.

Local Authority Bonds are quoted on a semi-annual yield basis and priced on a discounted cashflow basis. A fixed coupon payment is made semi-annually to the holder of the security.

Structured and Project Finance

Project and structured financing matches up debt to suit the quantifiable income stream from the project. This type of financing is appropriate for the funding of standalone assets which are able to be ring-fenced and over which security can be taken. The sort of assets to which this usually applies are assets which are transferable, and for which an international equity market exists, e.g. infrastructural assets. The owner of the asset usually retains an equity interest in the asset.

5. Internal Borrowing

Objective

Council's primary objective in funding debt internally is to use cash held in capital replacement, depreciation, separate rate, and special and trust funds effectively by establishing an internal loan portfolio that provides funding to internal cost centres. This creates operational efficiencies as savings are created by eliminating the 'bankers margin' that would be owing through Council simultaneously investing and borrowing with the bank.

Legal Compliance

Internal borrowing was authorised by the Local Government (Rating) Act 2002. Council considers that by applying available funds against debt through this internal debt management policy it is using its funds to most efficient use at low risk.

General Policy

The internal loan portfolio is used as an input into determining Council's external debt requirements. Where possible, reserves are used to reduce external debt, effectively reducing Council's net interest cost. Where debt financing is approved by the Annual Plan, Council in setting the treasury strategy will determine the effectiveness of using either external or internal debt.

Principles

The following principles apply to the management of Council's internal loan portfolio:

- The internal loan is recorded on a schedule of internal loans and reported periodically to Council.
- Principal and interest amounts are repaid in quarterly instalments.
- Loan terms are agreed on establishment of the loan and determined on a table mortgage basis.
- Interest is charged to each internal loan and for short-term operational deficits in separate rate accounts.

- Interest will be paid to separate rate, depreciation reserves and special and trust funds quarterly, based on average quarterly account balances at the weighted rate of earnings of internal and external investments.
- All rate income collected for the purpose of a loan will be repaid to the loan. Where the actual interest rate varies from the budgeted interest rate Council first applies the interest charge then applies the balance of the income to the loan principal.

Interest Rates

Interest rates applied to the internal investments and debt are calculated using the following guidelines:

- In setting the rates Council estimates the likely internal borrowing interest rate.
- The actual interest rate is calculated quarterly.
- The interest rate is based on Council's actual weighted average cost of funds and takes into account the following factors:
 - Actual earnings on cash invested for the quarter.
 - Actual cost of external borrowings for the quarter.

6. Policy

General Matters

Council will from time to time, exercise its flexible and diversified borrowing powers within the terms of this policy, as provided for by the Local Government Act 2002 particularly the Principles of Good Financial Management as set out in the Local Government Act 2002 (Part 6, Subpart 3) in any borrowing decisions and aims to achieve the lowest possible net borrowing costs within these policy parameters.

Council raises borrowing for the following primary purposes as set out in the Revenue and Financing Policy.

In evaluating any new or renewal borrowings (in relation to source, term, size and pricing) the following matters will be taken into account:

- The size and the economic life of the project.
- The impact of the new debt on the borrowing limits.
- Relevant margins under each borrowing source.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates relative to term for both stock issuance and bank borrowing and management's view of future interest rate movements.
- Available term from bank and stock issuance.
- Legal documentation and financial covenants.

Foreign Exchange

From time to time Council has foreign exchange exposure through the occasional purchase of foreign exchange denominated plant, equipment and services.

Where possible, all supplier invoices are raised in New Zealand Dollars. Where this is not possible, all significant commitments for foreign exchange are hedged using foreign exchange contracts, once expenditure is approved. Smaller payments are converted at the spot exchange rate on the date of payment. Both spot and forward foreign exchange contracts are used by Council.

Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than NZ currency.

Interest Rate Exposure/Risk Management

Interest Rate Risk Management (for Borrowings)

Council's borrowing gives rise to direct exposure to interest rate movements. Generally, given the long term nature of Council's assets, projects and intergenerational factors, and Council's preference to avoid an adverse impact on rates, there is a general tendency to have a high percentage of long term fixed rate, or hedged borrowing.

The following table provides guidelines for achieving a floating rate mix, together with the appropriate discretionary authority:

For Debt Exceeding \$2,000,000		
Term of Exposure	Maximum Floating Rate Exposure	Revised Floating Rate Exposure Allowable Upon the Management Team Written Approval.
0-1 year	55%	75%
1-3 years	10%	30%
3-5 years	N.A.	20%
5-7 years	N.A.	10%
7 years +	N.A.	N.A.

NOTE: Percentages in excess of these may be approved by Council. The table includes debt maturing in the current year, i.e. debt maturing in the current year is considered floating rate debt.

The Management Team recommends the interest rate risk management strategy by monitoring the interest rate markets on a regular basis and after undertaking appropriate research, evaluating the outlook for short term rates in comparison to the rates payable on its fixed rate borrowing.

Management then implements interest rate risk management strategy through the use of the following:

- Adjusting the average maturity of its borrowings, thereby managing interest rate risk within the confines of liquidity management.
- Interest rate risk management products (refer note below) to convert fixed rate borrowing into floating rate, floating rate borrowing into fixed or hedged borrowing, and to manage maturity mismatches between its borrowings and investments.
- The following interest rate risk management instruments (refer Section 4 for definitions) may be used for interest rate risk management activity, after seeking formal prior approval of Council:
 - Forward rate agreements
 - Interest rate swaps
 - Purchase of interest rate options products including caps, bond options and swaptions
 - Interest rate collar type option strategies

Selling interest rate options for the primary purpose of generating premium income is not permitted because of its speculative nature.

Liquidity

Council's ability to readily attract cost effective borrowing is largely driven by its ability to maintain a strong financial position as well as its ability to rate, manage its image in the market, and its relationship with its banker.

Council budgets to repay term debt payments as they fall due. Council's treasury management approach will ensure sufficient facilities are available to renew floating debt, at all times. The main tool for ensure this is to ensure that funds are available through committed bank facilities. Furthermore, Council maintains a line of available credit in the form of a bank overdraft with its principal bankers of \$200,000.

With an active internal borrowing portfolio the Management Team need to ensure that the facilities are sufficient to cover the transfer of a portion of internal debt to external should a reserve be required to be used.

To minimise the risk of large concentrations of term debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council's control, Council ensures debt is spread over a band of maturities and ensures that:

No more than 33% of total term debt is subject to refinancing in the next financial year. Total term debt includes existing and forecast borrowings. For the purposes of determining this ratio, total term debt does not include Revolving Credit Facilities, as they are negotiated with the Bank every three to six years and in the last year are then fully subject to refinancing the next financial year, nor does it include Structured and Project Finance which is a specific funding of standalone assets.

Liquidity Profile Throughout Council's Typical Year

Significant Monthly Outgoings

The most significant monthly outgoing for Council is accounts payable, in the form of sundry creditors. These are typically incurred at a relatively uniform rate for each month of the

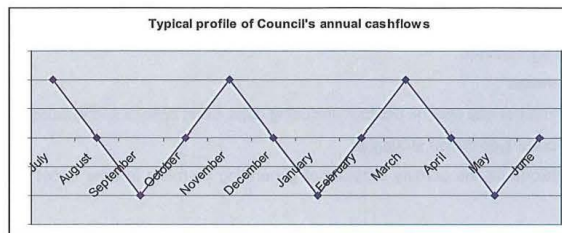
financial year with the exception that due to operational requirements for road construction and maintenance significant roading expenditures may be incurred in Council's last quarter (April/May/June).

Significant Monthly Incomings

Council's most significant income type is rates. Council rates are due to be paid in four instalments throughout the financial year as follows:

For Period	Due
July/August/September	Last Friday in August
October/November/December	Last Friday in November
January/February/March	Last Friday in February
April/May/June	Last Friday in May

Note also that Council, in line with good Financial Management, promotes prompt payment and advance payments of its rating charges and typically achieves a very high proportion of rates instalments paid by month end in August, November, February and May.



Because of the patterns of cashflow incomings and outgoings above, Council typically operates with adequate liquidity from rates cashflow, to meet sundry creditors in the months of August, November, February and May. Any cashflow surplus to expenditure requirements in those months is deposited to a call account with Council's principle bankers, in order to maximise interest earned. In months where rates incoming cashflow is not sufficient to meet expenditure requirements, funding is drawn firstly from Council's interest bearing call account, and secondly, Council may draw on its bank overdraft facility.

Impact on Liquidity Ratio Requirement

For these reasons, the traditional measure of balance sheet solvency of current liabilities being matched by current assets on a 1:1 basis at all times is not appropriate or necessary in order for Council to meet its obligations to pay sundry creditors.

For the purposes of liquidity management, Council uses its line of credit in the form of unused bank overdraft with its principal bankers, to meet financial outgoings.

Credit Exposure

Council may be exposed to credit risk in circumstances where deterioration occurs, of the credit rating of an entity with whom Council has placed investments or has concluded financial derivative contracts or has concluded a major supply, construction or service contract.

In order to safeguard Council against such risk the following guidelines have been adopted:

- Investments are only placed with parties that meet certain minimum credit ratings and only up to certain limits.
- Financial derivative contracts are only to be concluded with registered banks with certain minimum credit ratings.
- All parties with whom Council intends to conclude major contracts will be subject to formal credit approval.
- Tenders for contracts will note that unacceptable credit reviews of a tenderer will be grounds for discretionary rejection of a tender.

Debt Repayment

Term of debt repayment should be aligned with expected life of the intergenerational asset funded or the expected period of Council involvement in an economic development initiative.

Note that the funding will be so aligned but external borrowings may be repaid on a shorter term to minimise interest costs to the Council.

Council may repay borrowings from either asset sale proceeds or from general reserves, including accumulated depreciation reserves.

Specific Borrowing Limits

Council is required to set a limit on borrowing in its Financial Strategy every three years as part of the Long Term Plan. In that document Council sets its limits for the period of the plan, taking account of growth expectations, expenditure and funding needs as well as community views around acceptable debt levels. The limits below are limits that it is financial prudent to operate within. Council in setting its Long Term Plan should be guided by these upper limits.

In order to protect Council from a heavily debt weighted balance sheet, the following borrowing limits will be observed:

Limit will be the lowest after considering each of the following:-

- The gross annual interest expense of all borrowings will not exceed 10% of total annual rates income; or
- Net cash inflow from operating activities exceed gross annual interest expense by two times; or
- Debt to be no more than 100% of total revenue.

The Giving of Securities and Guarantees

Security

Council offers rates as security for its borrowing programmes. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council's assets, or a charge over rates.

Guarantees

Council provides a financial guarantee from time to time to community organisations. Council approves all guarantees and prior to approval reviews the organisation's latest financial reports.

Financial statements are received annually. Should the guarantee be called upon, Council will take immediate steps to recover the money.

Council may act as guarantor to bank loans for an incorporated organisation which provides, improves, or develops amenities for recreation, amusement or the instruction of the public.

Each organisation that Council has provided a loan guarantee shall provide to Council:

- A six monthly unaudited financial report within three months of the first six months of the financial year, and
- An annual audited financial report within four months of the balance date, and
- That the bank lending the money to the qualifying organisation, be required to provide Council with a financial statement each year that shows the principal outstanding at the end of each period, and payment made during the year.

The guaranteed loan shall be for a maximum of three years, with a right of renewal.

7. Glossary

BKBM: The Forward Rate Agreement (FRA) settlement rate as determined at 10.45 am each business day on Reuters page BKBM.

Bond Options: Council when purchasing a bond option, has the right but not the obligation to buy or sell a specified Government stock maturity on an agreed date and time, and at an agreed rate.

Forward Exchange Contract: Council when entering into a Forward Exchange Contract agrees a rate today at which one currency is sold or bought against another for delivery on a specified future date.

Forward Rate Agreement: An agreement between Council and a counterparty (usually a bank) protecting Council against a future adverse interest rate movement.

Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM).

Interest Rate Collar Strategy: The combined purchase (or sale) of a cap or floor with the sale (or purchase) of another floor or cap.

Interest Rate Options: The purchase of an interest rate option gives the holder (in return for the payment of a premium) the right but not the obligation to borrow (described as a cap) or invest (described as a floor) at a future date. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM).

Interest Rate Swap: An Interest Rate Swap is an agreement between Council and a counterparty (usually a bank) whereby Council pays (or receives) a fixed interest rate and receives (or pays) a floating interest rate. The parties to the contract agree notional principal, start date of the contract, duration of the contract, fixed interest rate and the benchmark rates (usually BKBM).

Liquidity Ratio: This ratio measures the ability of Council to generate cash from assets in order to meet its obligations. Council's liquidity or acid test ratio consists of the sum of cash, marketable securities, short term notes and receivables, supplemented by any unused bank overdraft facility that Council may have with its principal bankers, that is able to be called upon instantly, divided by current liabilities.

Swaption: The purchase of a swaption gives Council the right but not the obligation to enter into an interest rate swap, at a future date, at a specific interest rate.

8. Publication Details

All inquiries regarding this document should be referred to:	Corporate Services Group Manger
Revision:	Draft Version for inclusion in LTP
Revision Dates:	30 June 2015 30 January 2018
Effective Date:	30 June 2018 (adopted as part of LTP 2018-28)
Minimum Review by:	June 2021 (3 yearly)
Document Owner – Release Signature: Corporate Services Group Manager	
Chief Executive – Release Signature:	
Policy can only be amended by:	Resolution of Council
Policy filed at:	L:\POLICIES, MOU's & STRATEGIES\Policies\400_policy - Financial
Policy Writer:	Corporate Service Group Manager

Item 5 Draft Investment Policy 403

Prepared by: Andy Hilton
 Corporate Services Manager

Purpose of Report

- 1 To review the draft Investment Policy 403.

Background

- 2 Under Section 102 (2)(c) of the Local Government Act (2002) (LGA), Council must adopt an investment policy.
- 3 Under Section 102 (5) of the LGA, Council is not required to consult on changes to this policy.
- 4 In accordance with LGA section 105 the Investment Policy must state Council's policies in respect to investments, including;
 - a The mix of investments; and
 - b The acquisition of new investments; and
 - c An outline of the procedures by which investments are managed and reported on the local authority; and
 - d An outline of how risks associated with investments are assessed and managed.
- 5 The Investment Policy 403 is reviewed at least every three years, timed to coincide with Council's Long Term Plan process.
- 6 The draft policy will be included in the draft Long Term Plan 2018-28 and will be adopted accordingly at the 26 June 2018 Council Meeting.

Proposal

- 7 That the draft Investment Policy 403 is accepted as attached for inclusion in the draft Long Term Plan 2018-28; or
- 8 That the draft Investment Policy 403 is accepted with amendment/s for inclusion in the draft Long Term Plan 2018-28.

Obstacles

- 9 There are no known obstacles.

Assessment of Significance

- 10 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

11 There are no known budget considerations.

Cost-effectiveness

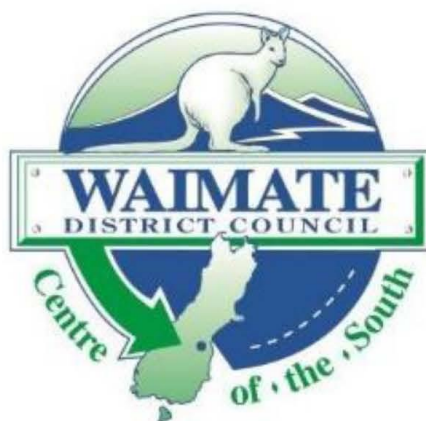
12 Consideration has been given to cost-effectiveness.

Recommendation

- 1 That the Draft Investment Policy 403 report is accepted; and
- 2 That Council approves the draft Investment Policy 403 for inclusion in the draft Long Term Plan 2018-28.

WAIMATE DISTRICT COUNCIL

Investment Policy 403



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1. Purpose

To guide Council in the making of investment decisions and managing investments.

2. Scope

This policy applies to all financial assets, equity investments and investment properties.

3. Responsibility

The Chief Executive is responsible for implementing this policy.

4. Investment Mix

Council may maintain investments in the following:

- Loans Advances
- Equity Investments
- Property Investments
- Forestry Investments
- Financial Investments

5. Policy Statements

Council's philosophy in the management of investments is to optimise returns in the long term while balancing risk and return considerations. Council recognises that as a responsible public authority any investments that it does hold should be low risk, giving preference to conservative investment policies and avoiding speculative investments. It also recognises that lower risk generally means lower returns.

Any new investments are approved by the appropriate delegated authority, which provides that the Chief Executive may approve such cash investments with approved counterparties up to a value of \$2,000,000 for a term of six months. Beyond this, Council resolution is required.

Council does not hold financial investments other than those involving general and specific reserves, and cash management balances. In its financial investment activity, Council's primary objective, when investing, is the protection of the investment capital value and to minimise the risk of loss. Accordingly, only credit worthy counterparties are acceptable. Council's policy on managing credit risk is contained in Section 4.1.7.

Within the credit constraints contained in Section 4.1.7, Council also seeks to:

- Optimise investment return.
- Ensure investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

6. Loan Advances

Loan advances include loans for housing, recreational and community organisations which further the Council's strategic objectives.

Interest rates charged on sports and recreational loans are determined by Council. These loans are made to incorporated organisations which will provide, improve, or develop amenities for the purposes of sport and recreation.

All loan advances are charged at market interest rates (unless resolved otherwise by Council) and reviewed on the anniversary of the loan.

Interest received on all loans is credited to the Investments & Finance Activity.

All loan advances are approved by [resolution of Council](#). Council will specifically approve the following:

- Principal Amount
- Interest Rate
- Security
- Term
- Payment terms
- Other

All loans will be formally documented prior to funds being transferred.

Council receives annual financial statements and reviews performance of these investments on a regular basis, to ensure objectives are being achieved, and that interest and principal repayments are being made in accordance with the loan agreement.

Council intends to hold loan investments until maturity.

7. Equity Investments

Council's current equity investments and other shareholdings, are included in Council's most recent Annual Report.

Council's investments in such assets fulfil various strategic and financial objectives and comply fully with Council's statutory powers.

All income from Council's equity investments, including dividends, are credited to the Investment & Finance Activity, ~~thereby included in general funds and used for the reduction of rates generally.~~ [Council's application of this income is determined by its Revenue & Finance Policy whereby surplus income not required for reinvestment is reviewed and allocated annually through the Annual Plan / Long Term Plan process, or by resolution of Council.](#)

Council receives annual financial statements and reviews performance of these investments to ensure that the stated performance objectives are being achieved.

Council will periodically review equity investments and reassess its reasons for ownership and consider whether the return on investment is acceptable, given these reasons for

ownership, and whether continued ownership of the investment is prudent and in the best interest of the community.

Any disposition of equity investments requires Council approval. Proceeds from the disposition of equity investments are applied to, either:

- The repayment of general debt, or
- Capital development, or
- [Forestry/Other](#) investment purposes [as defined by this policy](#).

[Disposition](#) Proceeds are not used for operational expenditure purposes, unless Council considers it prudent to do so.

8. Property Investments

Council's overall objective is to only own property (including land holdings, buildings and excluding operating assets), that is necessary to achieve its strategic objectives. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows a similar assessment criterion in relation to acquiring new property and land investments.

Property rentals, excluding Community Housing, are charged at commercial levels, and all income, including rentals and ground rent from property investments, is included in general funds.

Council reviews the performance of its investment properties at least annually.

Any disposition of property requires the approval of Council. Any proceeds on disposition are firstly used to repay related debt and then allocated to capital development purposes. Council intends to dispose of all surplus land holdings by tender, or at the most recent independent valuation, whilst being cognisant of the requirements of legislation including to offer back under the Public Works Act 1981

9. Forestry Investments

Forestry assets are primarily held as long term investments on the basis of their net positive discounted cashflows, factoring in projected market prices and annual maintenance and cutting costs. On-going costs are held in a reserve to be funded from forest sales.

The management of forestry assets is contracted. The contractor will complete on-going plantation maintenance and six monthly performance reporting to Council. An annual audit of the plantation is completed by an independent forestry consultant.

Any disposition requires Council approval. Proceeds from the disposition of forestry investments, including real estate, leases, forestry sales, etc. may be applied to the repayment of the Forestry Reserve deficits, Forestry Loans, re-establishment of existing or new Council forests or such other use as Council specifically directs.

10. Financial Investments

Council maintains financial investments for the primary reasons:

- Investment proceeds from the sale of assets.
- Invest amounts allocated to general and specific reserves.
- Invest funds allocated for approved future expenditure.
- Invest surplus cash, and working capital funds.

Interest income earned on financial investments is taken to general reserves. The Environment Services and Finance Committee reviews financial investment performance through standard monthly reporting.

11. Objectives for Management of Financial Investments

Council's primary objective when investing is the protection of its investment. Accordingly, only credit worthy counterparties are acceptable. Credit worthy counterparties are selected on the basis of their current Standard and Poors (S & P) rating, which must be strong or better. Credit ratings are monitored on a six monthly basis by the Accountant from updated S & P advices.

Council approves investment strategy, as recommended by the Management Team, who after seeking appropriate advice, incorporates plans for approved expenditure and strategic initiatives, and evaluates the outlook for interest rates and the shape of the yield curve.

The following principles capture the above objectives and form the key assumptions of the operating parameters contained in – Counterparty Exposure Limits:

- Credit risk is minimised by placing maximum limits for each broad class of non-Government issuer, and by limiting investments to local authorities, registered banks, strongly rated SOE's, and corporates within prescribed issuer and portfolio limits.
- Liquidity risk is minimised by ensuring that all investments must be capable of being liquidated in a readily available secondary market.

12. Procedures

Procedures to Manage Investments and Report to Council

Cash Management

From time to time, Council has daily cashflow surpluses and borrowing requirements due to the mismatch of daily receipts and payments. All cash inflows and expenses pass through bank accounts controlled by the finance function.

Any cash not expected to be needed within one week is transferred immediately to Council's Call Account, to ensure interest is earned at the most advantageous rate.

Cash management activities must be undertaken within the following parameters:

- Cash management instruments are limited to:
 - Call deposits and registered banks.
 - Negotiable instruments issued by banks with a maturity less than three months.
 - Term deposits with registered banks (less than three months). Not recommended if early break penalties are enforced.
- Cash may only be invested with approved counterparties.

- An optimal balance of \$100,000 is targeted for in Council's main bank account.
- Interest rate risk management on cash management balances is not permitted.

Procedures to Assess and Manage Risks Associated with Investment

Interest Rate Risk Management (for Investments)

Where Council's investments give rise to a direct exposure to a change in interest rates, impacting the return and capital value of its fixed rate investments.

The Management Team recommends interest rate risk management strategy by monitoring the interest rate markets on a regular basis, and after taking appropriate advice, evaluates the outlook and determines the interest rate profile to adopt for investments.

Management implements interest rate risk management strategy by reviewing rolling cashflow forecasts and using risk management instruments to protect investment returns, and/or to change interest rate and maturity profile, within the strategy determined by the Management Team.

The following interest rate risk management instruments may be used for interest rate risk management activity, after formal prior approval of Risk Management Consultant:

- Forward rate agreements.
- Interest rate swaps.
- Purchase of interest rate options products including floors, bond options and swaptions.
- Interest rate collar type strategies.

Selling interest rate options for the purpose of generating premium income is not permitted.

13. Counterparty Exposure Limits

Council ensure that all investment, interest rate risk management as well as any foreign exchange activity is undertaken with institutions that are of high quality credit, to ensure amounts owing to Council are paid fully and on due date.

More specifically, Council minimises its credit exposure by:

- Transacting with entities that have a strong credit rating.
- Limiting total exposure to prescribed amounts and portfolio limits.
- Timely and rigorous compliance monitoring.

The following table summarises credit requirements and limits:

Institution	Minimum S&P Short Term Credit Rating 10	Minimum S&P Long Term Credit Rating 11	Total Exposure Limit for each Counterparty	Portfolio Limit (% of Total Portfolio)
Government	N.A.	N.A.	Unlimited	100%
Local Authorities	N.A.	N.A.	\$2 million	100%
Registered Banks	A-1	A-	\$12 million	100%
Strongly Rated Corporates and State Owned Enterprises	A-1	A-	\$2 million	40%

Note:

- Short-term refers to securities with a remaining maturity of 12 months or less.
- Long term refers to securities with a remaining maturity of more than 12 months.

If any counterparty's credit rating falls below the minimum specified in the above table, then immediate steps are taken to reduce the credit exposure to that counterparty to zero.

14. Glossary

BKBM: The Forward Rate Agreement, (FRA) settlement rate as determined at 10.45 am each business day on Reuters page BKBM.

Bond Options: Council when purchasing a bond option, has the right but not the obligation to buy or sell a specified Government stock maturity on an agreed date and time, and at an agreed rate.

Forward Exchange Contract: Council when entering into a Forward Exchange Contract agrees a rate today at which one currency is sold or bought against another for delivery on a specified future date.

Forward Rate Agreement: An agreement between Council and a counterparty (usually a bank) protecting Council against a future adverse interest rate movement. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM).

Interest Rate Collar Strategy: The combined purchase (or sale) of a cap or floor with the sale (or purchase) of another floor or cap.

Interest Rate Options: The purchase of an interest rate option gives the holder (in return for the payment of a premium) the right but not the obligation to borrow (described as a cap) or invest (described as a floor) at a future date. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM).

Interest Rate Swap: An Interest Rate Swap is an agreement between Council and a counterparty (usually a bank) whereby Council pays (or receives) a fixed interest rate and receives (or pays) a floating interest rate. The parties to the contract agree notional principal, start date of the contract, duration of the contract, fixed interest rate and the benchmark rates (usually BKBM).

Liquidity Ratio: This ratio measures the ability of Council to generate cash from assets in order to meet its obligations. Council's liquidity or acid test ratio consists of the sum of cash, marketable securities, short term notes and receivables, supplemented by any unused bank overdraft facility that Council may have with its principle bankers, that is able to be called upon instantly, divided by current liabilities.

Swaption: The purchase of a swaption gives Council the right but not the obligation to enter into an interest rate swap, at a future date, at a specific interest rate.

16. Publication Details

All inquiries regarding this document should be referred to:	Corporate Services Group Manger
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Policy filed at:	L:\POLICIES, MOU's & STRATEGIES\Policies\400_policy - Financial
Policy Writer:	Corporate Service Group Manager

Item 6 Draft Remission and Postponement of Rates on Maori Freehold Land Policy 406

Prepared by: Andy Hilton
 Corporate Services Manager

Purpose of Report

- 1 To review the draft Remission and Postponement of Rates on Maori Freehold Land Policy 406.

Background

- 2 Under section 102 (2)(e) of the Local Government Act (2002) (LGA), Council must adopt policy on Remission and postponement of rates on Māori freehold land.
- 3 The LGA states that, in determining a policy, Council must have consideration for the following matters:
 - a The desirability and importance within the district of each of the objectives in clause 2 (below); and
 - b Whether and to what extent, the attainment of any of those objectives could be prejudicially affected if there is no remission of rates or postponement of the requirement to pay rates on Maori freehold land; and
 - c Whether, and to what extent, the attainment of those objectives is likely to be facilitated by the remission or postponement of the requirement to pay rates on Maori freehold land; and
 - d The extent to which different criteria and conditions for rates relief may contribute to different objectives.
- 4 The objectives referred to above are:
 - a Supporting the use of the land by the owners for traditional purposes:
 - b Recognising and supporting the relationship of Maori and their culture and traditions with their ancestral lands:
 - c Avoiding further alienation of Maori freehold land:
 - d Facilitating any wish of the owners to develop the land for economic use:
 - e Recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes:
 - f Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere):
 - g Recognising and taking account of the importance of land for community goals relating to —

- i The preservation of the natural character of the coastal environment:
 - ii The protection of outstanding natural features:
 - iii The protection of significant indigenous vegetation and significant habitats of indigenous fauna:
- h Recognising the level of community services provided to the land and its occupiers:
 - i Recognising matters related to the physical accessibility of the land.
- 5 The Remission and Postponement of Rates on Māori freehold land Policy must be reviewed at least once every six years. Council has taken the opportunity to review and make minor amendments terminology in the existing policy at this time. No significant changes have been made to the policy.

Proposal

- 6 That the draft Remission and Postponement of Rates on Maori Freehold Land Policy 406 is accepted as attached for inclusion in the draft Long Term Plan 2018-28; or
- 7 That the draft Remission and Postponement of Rates on Maori Freehold Land Policy 406 is accepted with amendment/s for inclusion in the draft Long Term Plan 2018-28.

Obstacles

- 8 There are no known obstacles.

Assessment of Significance

- 9 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

- 10 There are no known budget considerations.

Cost-effectiveness

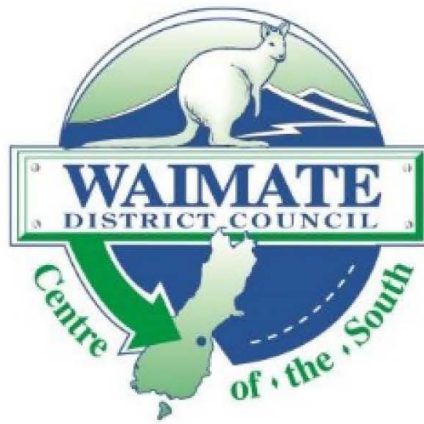
- 11 Consideration has been given to cost-effectiveness.

Recommendation

- 1 That the draft Remission and Postponement of Rates on Maori Freehold Land Policy 406 report is accepted; and
- 2 That Council approves the draft Remission and Postponement of Rates on Maori Freehold Land Policy 406 for inclusion in the draft Long Term Plan 2018-28.

WAIMATE DISTRICT COUNCIL

Remission and Postponement of Rates on Maori Freehold Land Policy 406



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1. Purpose

This policy is to consider and determine any remission of rates on Maori freehold land.

2. Scope

This policy applies to any Maori freehold land within the Waimate District.

Currently, this is known to consist of six titles only, being:

- Two cemeteries (Te Huruhuru Road and near Waihao Marae);
- Three paddocks near Waihao Marae leased out as farmland;
- One paddock near Waitaki River at Ross Road, leased out as farmland.

3. Responsibility

Responsibility to implement this policy is with the Corporate Services Group Manager.

4. Policy Statement

No remission or postponement of rates on Maori freehold land is provided.

5. Publication Details

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Policy Writer:	Corporate Service Group Manager

Item 7 Alpine Energy Dividend Funding - Community CCTV

Prepared by: Andy Hilton
 Corporate Services Manager

Purpose of Report

- 1 At the Council Economic Development workshop on 8 August 2017, Council held a discussion on Council's 'part ownership' of Alpine Energy Pty (AEL) the disbursement of the AEL Share dividend received each year.
- 2 Council acknowledged that most of the AEL Dividend income remains as Rates income, which provides some General Rates relief. Council considered a range of community projects that could be funded if the AEL Share value remained above the cap of 19 cents per share, and how to spend these funds if received.
- 3 Council agreed to 'move forward with a number of key community projects', one of the projects was the installation of CCTV security cameras in the main street of Waimate in partnership with the Police. This report is to formalise the decision and to confirm the availability of up to \$45,000 of Council Initiative funding for the purposes of the Community CCTV project.

Background

- 4 As part of the Annual Plan 2017-18 process, \$100,000 of monies were ring-fenced from the Council's Alpine Energy equity investment dividend cap of 19 cents per share to be applied to Council / community initiatives.
- 5 Refer to the Environmental Services and Finance Committee Corporate Services Management Report of 30 January 2018 for details of how these funds have been allocated so far this year.
- 6 Discussions held between staff and Councillors have identified that a Community CCTV project, first scoped in 2015-16 but not entered into, is a preferred use of a portion of the Council Initiative funding pool. A figure of up to \$45,000 (exclusive of GST) is suggested to provide adequate scope for the selected vendor to quote to.
- 7 The Community CCTV project has been progressed in recent months, with local Police Sergeant Kevin Reynolds leading on the defining requirements for the equipment. Council's IT manager has been supporting this scoping work on our behalf.
- 8 It is proposed that funding is made available only once Sergeant Kevin Reynolds (or some similar representative of Waimate Police) confirms that the quote for work from the selected vendor is of such a standard as to deliver the goals of the project.
- 9 Council has no formal terms of reference for allocation of the Council Initiatives fund to specific projects. These will presented to Council as part of the CE's report on 20 February 2018.

- 10 In lieu of terms of reference, and in light of the size of this request in relation to the size of the overall funding pool, Council is asked to provide confirmation of the funding available by way of resolution.

Proposal / Options

- 11 That Council resolve to either:
- a Allocate \$45,000 of the Council initiatives funding pool to the Community CCTV project and,
 - i that funding is released only upon of valid invoices from the selected vendor along with confirmation from Sergeant Kevin Reynolds (of Waimate Police) that the invoices meet the requirement of delivery of the Community CCTV project; or
 - b Modify the proposal above.

Obstacles

- 12 There are no obstacles to adopting this proposal.

Assessment of Significance

- 13 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

- 14 There are no known budget considerations.

Cost-effectiveness

- 15 Cost-effectiveness consideration is not applicable.

Recommendation

- 1 That the Alpine Energy Dividend Funding - Community CCTV report is accepted; and
- 2 That Council resolve to allocate \$45,000 of the Council initiatives funding pool to the Community CCTV project and, that funding is released only upon of valid invoices from the selected vendor along with confirmation from Sergeant Kevin Reynolds (of Waimate Police) that the invoices meet the requirement of delivery of the Community CCTV project.

Item 9 New Marketing Fees and Charges

Prepared by: Michelle Jones
Executive Support Manager

Purpose of Report

- 1 For Council to consider the proposed new 'Marketing' fees and charges.

Background

- 2 The current 2017/18 'Information Centre' fees and charges (GST inclusive) as approved by Council are:
 - Annual marketing membership – \$155.25
 - Web page – \$166.75
 - Web link – \$69.00
- 3 In December 2017, as part of Council's economic development programme, a new Waimate District marketing website, along with the Explore Waimate brand and Facebook page was launched to promote businesses within the district, as well as attract visitors to the area, and people looking to live and do business here.
- 4 Council is committed to helping all businesses in the Waimate District gain a professional online presence, and are therefore offering free business listings on the Explore Waimate website, as well as paid options for digital marketing.
- 5 Digital marketing via Facebook (and other social media channels) is a relatively new area of marketing and is rapidly evolving. Compared with traditional print advertising it is very cost effective, and can easily be measured.
- 6 The Waimate Trader is very effective at reaching the local market. The business listings on the Explore Waimate website will complement that by making businesses searchable online.
- 7 Up until recently, Council offered every business a free listing on the Council website consisting of a business name and phone number. There was also the option to pay for a link to a business website, a web page or annual marketing membership.

Proposal

- 8 As a result of this new marketing platform, the 2017/18 'Information Centre' fees and charges have been reviewed and it is proposed the following marketing opportunities (GST inclusive) be offered to businesses.
 - **Tier One – free listing**
One photo, a paragraph about the business, business address and phone number

- **Tier Two – paid link – \$69.00 per annum**
Same as Tier One plus a link to a business website or social media page
- **Tier Three – Facebook post – \$207.00 per annum**
Same as Tier Two plus one post on Facebook. The Facebook post will include a professionally designed video slideshow, and edited by a communications specialist
- **Tier Four – blog article – \$345.00 per annum**
Same as Tier Three but instead of a Facebook post a blog will be written and added to the website, and posted to Facebook. The blog is a business interview that stays on the website, and includes professional graphics and copy edited by a communications specialist
- **Web page – \$304.75 per annum**
Full page on website
- **Real estate blog – \$276.00 per property, additional properties \$69.00 each**
'Property of the Month' campaign to promote value for money housing available in the district. A blog will be created for the Explore Waimate website, with a link to the real estate website, and posted to Facebook. An option to pay for a Facebook ad campaign is also available at cost.
- **Facebook post – \$138.00 each**
- **Web blog and post – \$276.00 each**

- 9 The current 'Annual Marketing Membership' fee is for those wishing to display their business brochures at the Information Centre, receive preferential promotion of their business to visitors and discounts when advertising in some of Council's marketing material, i.e. visitor guides and tear-off maps. Presently, there are only five paying members. It is proposed that this fee be deleted and that local visitor operator brochures are displayed at the Information Centre free of charge. Non-Waimate District visitor operators will be charged to display their brochures at the Information Centre.

Assessment of Significance

- 10 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Budget Considerations

- 11 There are no known budget considerations.

Cost-effectiveness

- 12 Cost-effectiveness consideration is not applicable.

Recommendation

- 1 That the New Marketing Fees and Charges report is accepted; and
- 2 That Council agrees to replace the 2017/18 'Information Centre' fees and charges (GST inclusive) with the new 'Marketing fees and charges' as follows, effective immediately.

Marketing	2017/18
Tier One – basic website business listing	No charge
Tier Two – paid link – per annum	\$69.00
Tier Three – Facebook post – per annum	\$207.00
Tier Four – blog article – per annum	\$345.00
Web page – per annum	\$304.75
Real estate blog – per property	\$276.00
Real estate blog – each additional property	\$69.00
Facebook post – each	\$138.00
Web blog and post – each	\$276.00
Brochure display – Waimate District visitor operator	No charge
Brochure display – non-Waimate District visitor operator	\$155.25

Item 10

Economic Development Strategy Working Group Terms of Reference

Prepared by: Michelle Jones
Executive Support Manager

The agenda report will be circulated separately before the meeting.