



Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

Annual Report

**for the year ended
30 June 2014**

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Chief Executive's Report

The 2013/14 Annual Report presents Council's progress and performance against the second year of the 2012-22 Long Term Plan. We are now already well into the third and final year and are eagerly turning our attention to the next 2015-25 Long Term Plan. The last twelve months have seen a significant amount of change for Council. This has included a change in our management structure and most importantly the election of a new Mayor, Councillors and Community Board members. Since October the new Council has worked hard on developing and progressing its vision for the community *Growing Waitaki - the best place to live, work and play*, as well as delivering on many of the following priorities set in the last 2012-22 Long Term Plan:

- *Investment in infrastructure*
- *Waste management and minimisation*
- *Community buildings*
- *Growing the economy*
- *Sustainable levels of service*
- *The future we want at the price we can afford*

The last twelve months has seen a great deal of change for local government and for Waitaki. We have continued to respond to the government legislative reforms which have included a second set of changes to the Local Government Act, continued deliberations on the Building Act and earthquake prone buildings and reductions to the New Zealand Transport Agency (NZTA) assistance for roads. While we have worked hard to respond to these challenges we also believe there have been many positive things to reflect on over the last twelve months.

Alps2Ocean

Work has continued on the Alps2Ocean Cycle Trail and many of the anticipated benefits are beginning to be realised by businesses throughout the Waitaki Valley and beyond. In the first full year of operation an estimated 14,000 guest nights and \$3 million spend was recorded across the trail bringing economic growth and jobs for our towns and smaller townships.

Proposed Hospital Hill Retirement Village

Council has continued to support the proposed development of retirement village by Waitaki District Health Services (WDHS) at Hospital Hill. The final decision on the proposal now remains with WDHS, but if it proceeds, we anticipate the project will serve older members of the community as well as create new employment opportunities within the District.

North Otago Irrigation Company

The start of the year saw the North Otago Irrigation Company commission a report on the economic contribution of irrigation to Waitaki. The report was a forerunner to the stage two expansion of the scheme which confirmed the \$44 million contribution that irrigation makes to our community and the 270 jobs within the local economy. The report also illustrated the social impact of irrigation on population growth (especially amongst young people) and higher household incomes.

Progressing the North End Business Park and Business Development

The last twelve months have also seen the purchase of the first three lots at the North End Business Park by Te Pari, and we look forward to seeing further interest grow over time. At the same time development has continued in the Historic Precinct with the arrival of Scott's Brewery, the Penguin's Nest and the new Steam Punk themed tea rooms at Friendly Bay.

Greater Emphasis on Rural Roads

Council agreed additional investment in rural roads via the Rural Resilience Waitaki Project as part of the 2014/15 Annual Plan. This project recognises the important contribution that the rural economy plays in our community and will further protect rural roads through creation of wash-over pads, road metal renewal and culverts.

Chief Executive's Report

Responding to Proposed Changes on Earthquake Prone Buildings Policy

We have continued to work on the government's proposed changes to earthquake prone buildings with Councils across Otago, Southland, South Canterbury, West Coast and Auckland. A key recommendation, the exemption of rural buildings, has been agreed by government which will lead to a significant reduction in costs for assessment and strengthening low risk buildings.

Ongoing work on financial reporting and financial management

Council's balance sheet shows a sound financial position helped by ongoing cost control and improved revenue. Key asset values have been maintained with minimal external debt and a strong cash position. Taking aside assets vested to Council (such as the Alps2Ocean Cycle Trail) and disposal of assets, we have achieved an operating surplus of approximately \$1.9 million.

The above examples only provide a snapshot of the achievements over the last twelve months. There are many more from across the entire organisation as we continue to work to make Waitaki the best place to live, work and play.



Michael Ross
Chief Executive



Council Only - Financial Summary

Council Only	Actual 2014	Annual Plan 2014	Actual 2013
Proportion of Rates to Total Income (%)	60.3%	64.5%	63.7%
Rateable properties	13,143	13,119	13,067
Average Rates per rateable property	\$2,157.07	\$2,154.93	\$2,100.56
Net Public Debt - External (percentage of Total Assets)	0.000%	0.000%	0.001%
Net Public Debt - Internal (percentage of Total Assets)	3.57%	3.58%	3.60%
Net Public Debt - External (per rateable property)	\$0.25	\$0.23	\$0.41
Net Public Debt - Internal (per rateable property)	\$2,034.40	\$1,905.63	\$1,912.40
Current ratio	2.71	1.71	2.40
Ratio of Current Assets to Current Liabilities			
Liquid ratio	3.10	1.85	2.71
Ratio of Liquid Assets (cash & cash equivalents, trade & other receivables and other financial assets) to Liquid Liabilities (Trade & other payables, borrowings)			

Five Year Financial Summary

Council Only	2014 \$000	2013 \$000	2012 \$000	2011 \$000	2010 \$000
Rates revenue	28,350	27,448	25,616	24,465	23,884
Net Surplus/(Deficit)	3,794	1,960	367	(451)	(352)
Cashflows					
Operating Activities	13,536	12,423	10,207	10,464	14,283
Investing Activities	(13,997)	(11,530)	(8,480)	(9,619)	(12,690)
Financing Activities	(2)	(3)	(3)	(3)	(903)
Net Increase/(Decrease) in cash held	(463)	890	1,724	842	690
Net Public Debt - External	3	3	8	11	14
Net Public Debt - Internal	26,738	25,000	25,862	25,114	24,441
Total Assets	748,338	738,258	717,920	690,162	689,705

Council Only - Financial Disclosures

Waitaki District Rating Base

	At 30 June 2013	At 30 June 2012
Total rateable properties	13,067	11,998
Total Land Value of the District	\$3,258,895,800	\$3,093,060,300
Total Capital Value of the District	\$6,364,346,700	\$5,878,058,000

Annual Report Disclosure Statement for the year ended 30 June 2014

What is the purpose of this statement?

This statement discloses Council's financial performance in relation to various benchmarks to enable an assessment of whether the Council is prudently managing its revenues, expenditure, assets, liabilities and general financial dealings.

The inclusion of this statement in the Annual Report is a mandatory requirement imposed by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations). Please refer to the Regulations for more information, including definitions of some of the terms used.

Rates Affordability benchmark

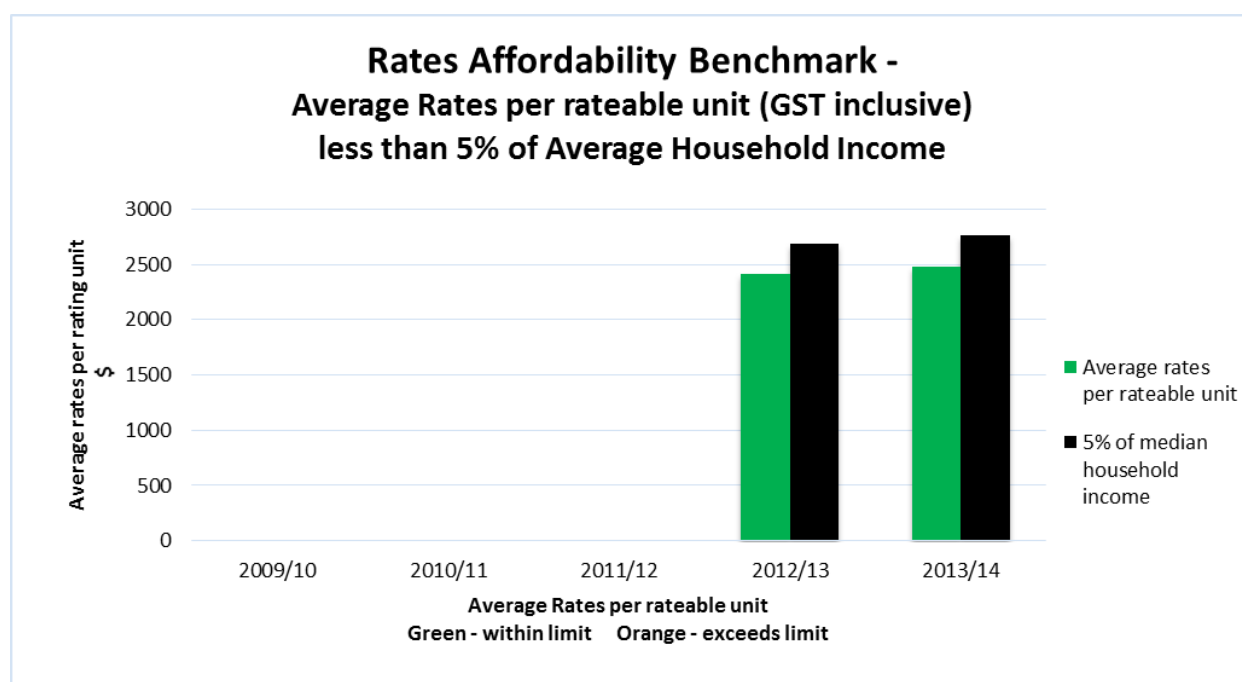
Council meets Rates Affordability benchmarks when

- its actual rates income equals or is less than each quantified limit on rates, and
- its actual rates increases equal or are less than each quantified limit on rates increases

Rates Income Affordability

This graph compares Council's actual rates income with a quantified limit on rates contained in the financial strategy appearing in Council's 2012-2022 Long Term Plan. In this instance, the quantified limit on total rates is that the average annual rate levied on each rateable unit will not exceed 5% of average household income.

The graph compares the average rate charge, including GST, for each rateable unit against average household income from wages and salaries (sourced from the Department of Statistic's web site) for each year for which the quantified limit applied.



Council Only - Financial Disclosures

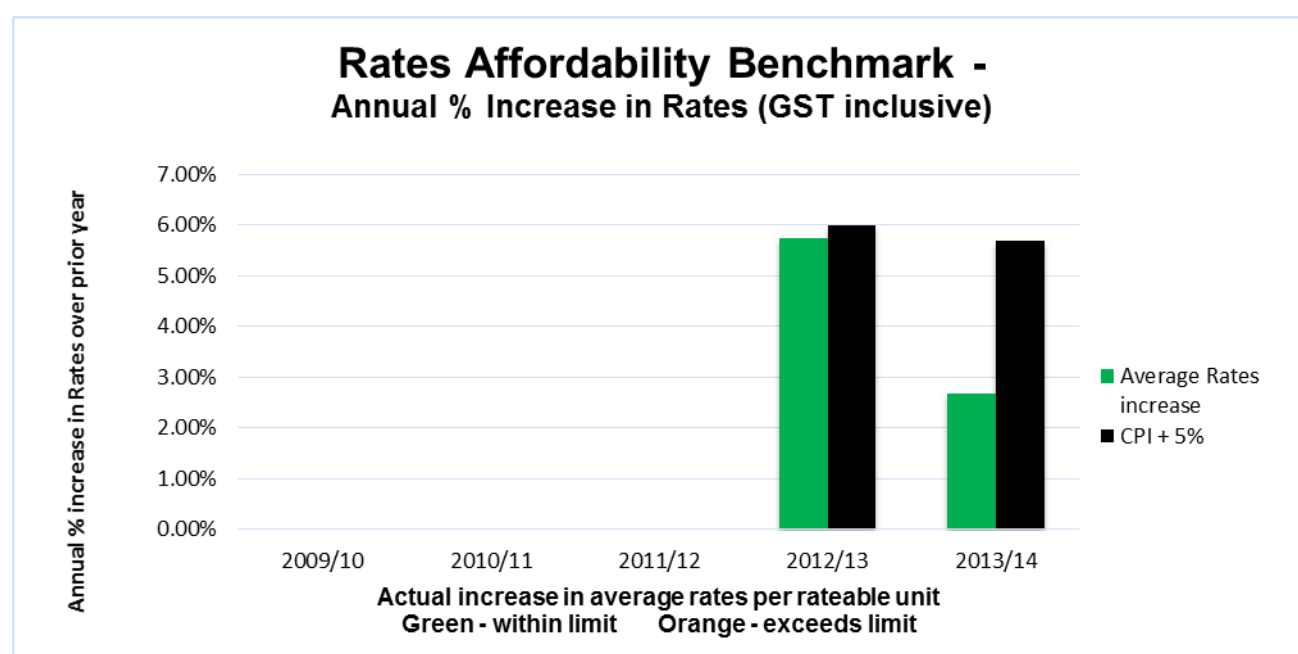
Annual Report Disclosure Statement (continued)

Rates Affordability benchmark (continued)

Rates Increases Affordability

This graph compares actual rates increases with the quantified limit on rates increases contained in the financial strategy appearing in Council's 2012-2022 Long Term Plan. In this instance, the quantified limit on total rates is that the increase in the average annual rate levied on each rateable unit will not exceed the increase in the Consumer Price Index (CPI) for the previous year (to 30 June) plus 5%.

The graph compares the increase in the average rate charge, including GST, for each rateable unit against CPI (sourced from the Department of Statistic's web site) for each year for which the quantified limit applied. Although rate increases were outlined in the 2009-2019 Long Term Plan, no quantified limits were set prior to adoption of the 2012-22 Long Term Plan, so no comparison is possible for periods prior to 2012/13.



Council Only - Financial Disclosures

Annual Report Disclosure Statement (continued)

Debt Affordability benchmark

Council meets the Debt Affordability benchmark when actual borrowings are within each quantified limit on borrowing.

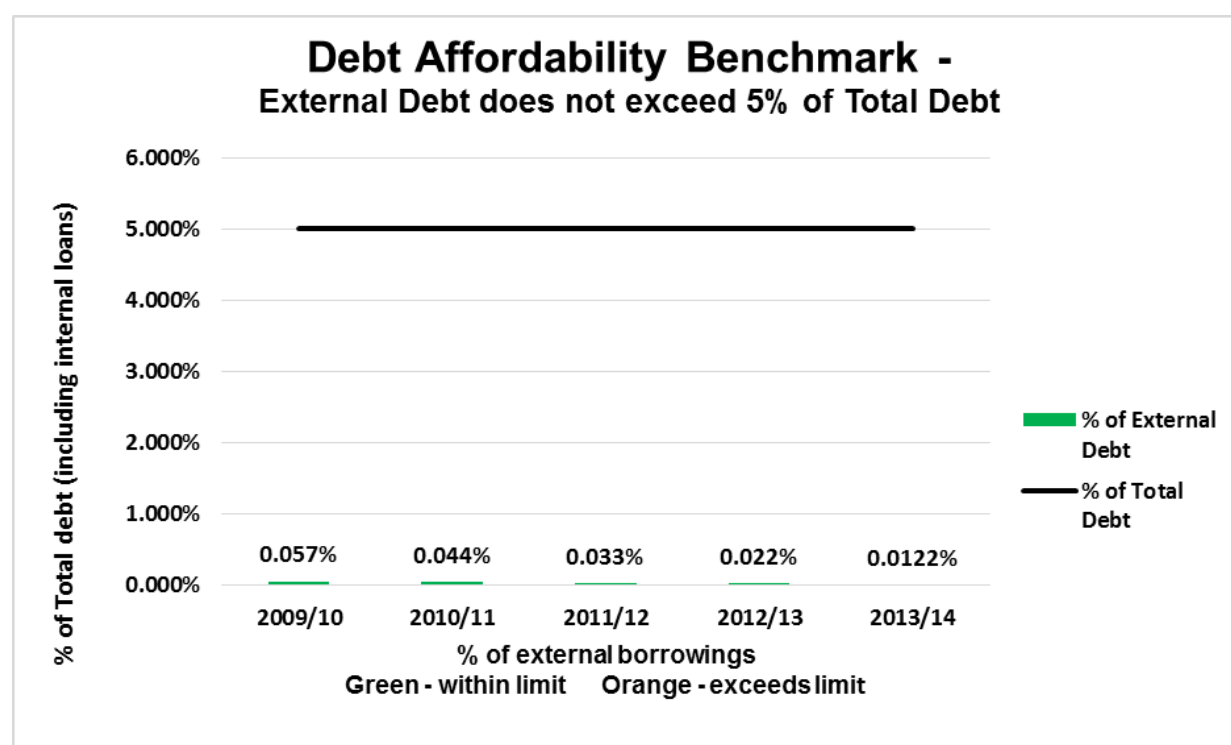
External Debt Affordability

Council's actual external borrowing is compared with the quantified limit on external borrowing contained in the financial strategy appearing in Council's 2012-2022 Long Term Plan. Council has a strategy of funding capital works internally, through the use of depreciation reserves, development contributions and internal loans.

Although internal loans do not appear on Council's balance sheet, Council considers them to be debt in the same way as external borrowings are. For that reason, the quantified limit set for external debt is that the level of external debt should not exceed 5% of total debt, inclusive of internal loans.

Council has minimal external debt, and its intention is to be debt-free in the 2015/16 financial year. At 30 June 2014, external debt amounted to a single loan with an outstanding balance of \$3,274, or 0.0122% of total debt (including internal loans).

This graph compares the percentage of external debt to total debt to the benchmark of 5% of that total figure. Although no quantified limits were set prior to adoption of the 2012-22 Long Term Plan, it has always been Council's intent to have minimal exposure to external lenders, so it is valid for the graph to compare actual with budgeted external debt for each of the periods reported.



Council Only - Financial Disclosures

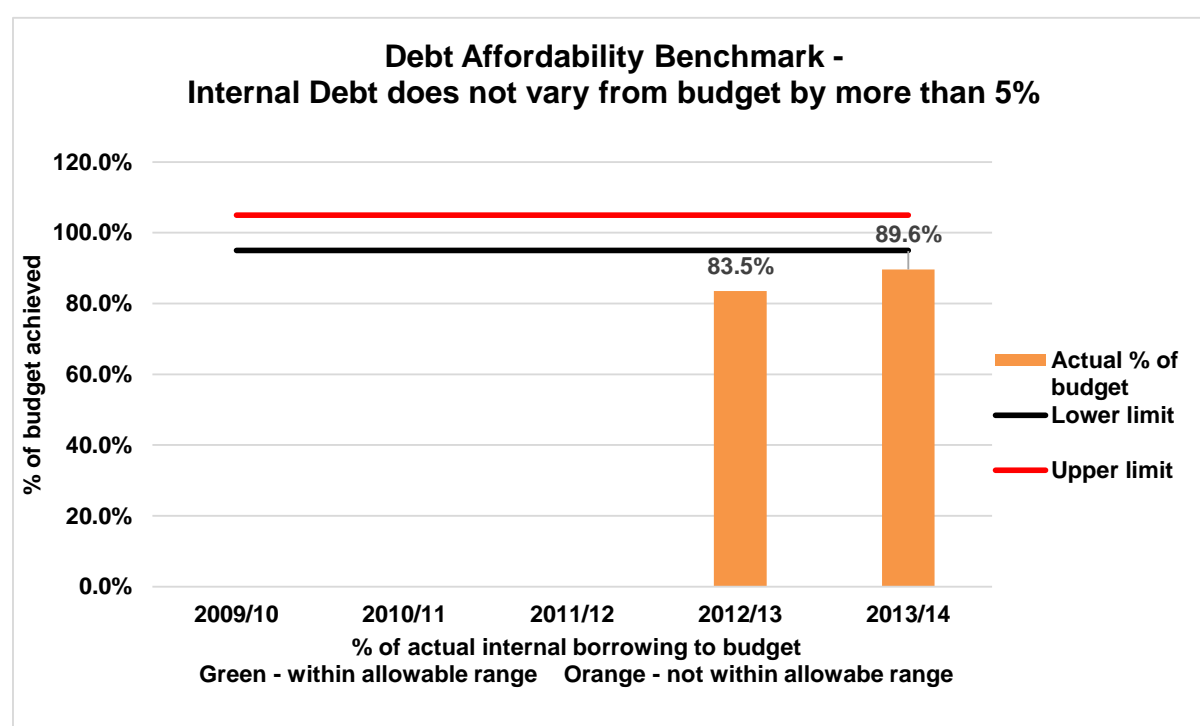
Annual Report Disclosure Statement (continued)

Debt Affordability benchmark (continued)

Internal Debt Affordability

In the Financial Strategy section of the 2012-2022 Long Term Plan, Council has set a quantified limit on the level of internal debt – internal debt may not vary from budget by more than 5%, plus or minus.

This graph compares the actual level of internal loans against an upper and a lower permissible level, being 105% and 95% of budgeted internal loans for that period. This quantified limit was not set prior to the 2012-22 Long Term Plan, and prior to that time, budgets were not considered for internal borrowings, so no comparison is possible for periods prior to 2012/13.



The total balance of internal loans outstanding is below the lower limit of the quantified range set by Council. This has resulted through:

- the deferral of upgrades to meet legislative requirements for drinking water standards for a number of rural water schemes;
- lower interest rates since 2012, allowing a faster reduction in loan principal amounts and a slower increase in those loans on which interest compounds; and
- Council's decision to apply \$80,000 of rates to limit the rate of increase in compounding interest loans.

It is likely that Council's resolution to apply a greater amount of rates to further reduce the impact of compounding interest on the total value of internal loans will mean that the level will remain below the range set by Council for the 2014/15 financial year.

Council Only - Financial Disclosures

Annual Report Disclosure Statement (continued)

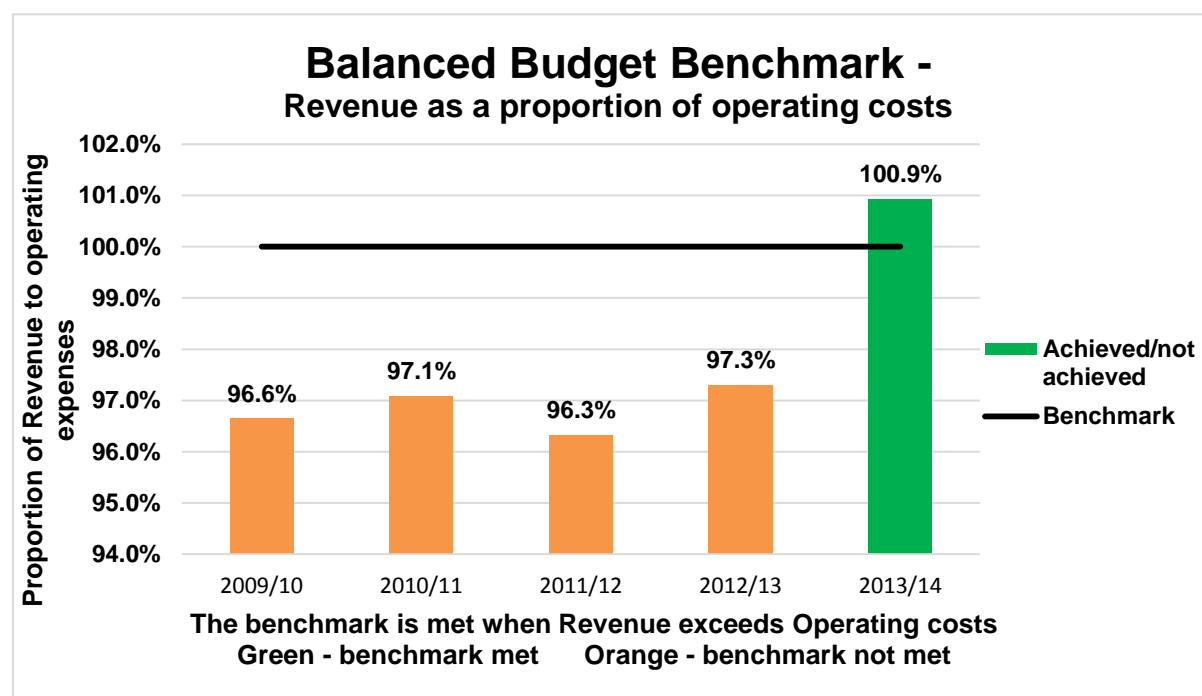
Balanced Budget benchmark

The Balanced Budget benchmark is achieved when Council's operating revenues exceed total operating expenses.

Operating Revenues, as defined in the Regulations, exclude:

- Development and Financial Contributions – these are a normal part of Council's activities, but are set aside as Special Funds to be used to fund future capital projects that grow or expand the capacity of Council's infrastructure, and so are not available to fund operating expenditure.
- Vested Assets and the effects of revaluations – these sources of revenue are not considered part of Council's normal operating activities, as they cannot be accurately forecast, and do not involve the receipt, or the entitlement to receive, cash, as other forms of operating revenue would.

For the purposes of this graph, adjusted Operating Revenue is reported as a percentage of Total Operating Expenses. The benchmark is met when Revenue exceeds 100% of Expenses.



Council Only - Financial Disclosures

Annual Report Disclosure Statement (continued)

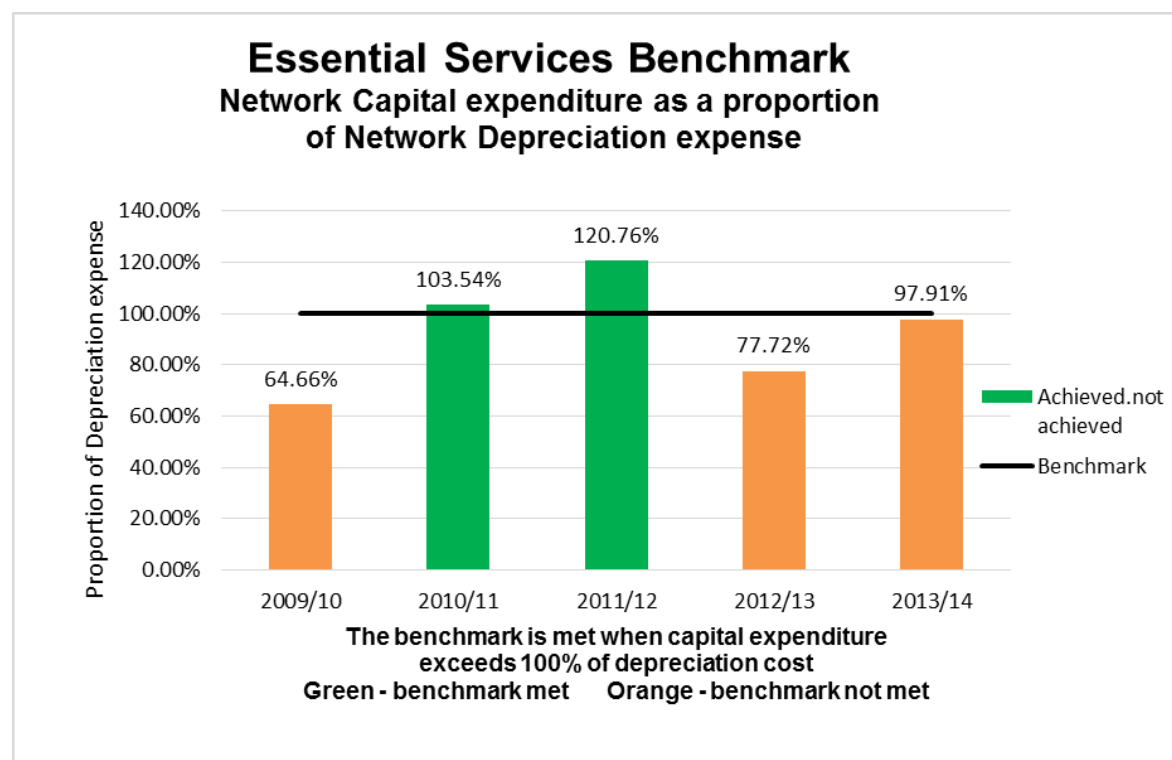
Essential Services benchmark

Council meets this benchmark when capital expenditure on Network Services equals or exceeds the annual Depreciation charge related to those assets.

Network Services, for Council, include:

- Roads and Bridges
- Water Supply systems
- Sewer systems
- Stormwater systems

The graph below displays Council's capital expenditure on Network Services as a proportion of the annual depreciation charge on those assets.



The method by which this benchmark is calculated ignores the fact that, by their very nature, assets used to provide Network Services have extremely long lives and, as a result, the annual depreciation charge can appear comparatively low. Much of Council's operating expenditure relates to the maintenance of infrastructure, but this expenditure is not allowed for in this benchmark.

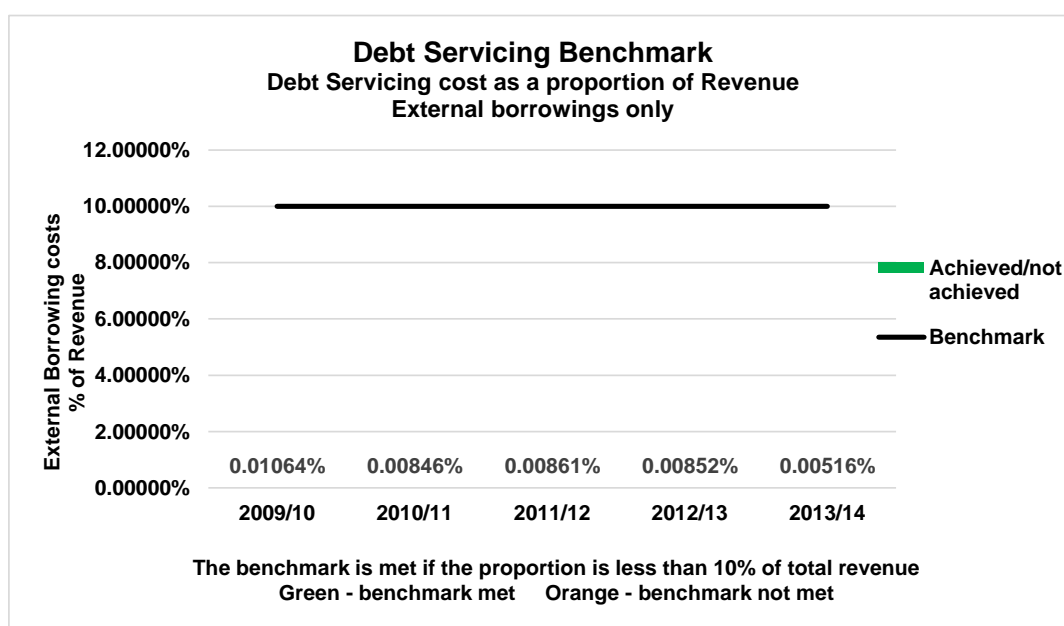
Council Only - Financial Disclosures

Annual Report Disclosure Statement (continued)

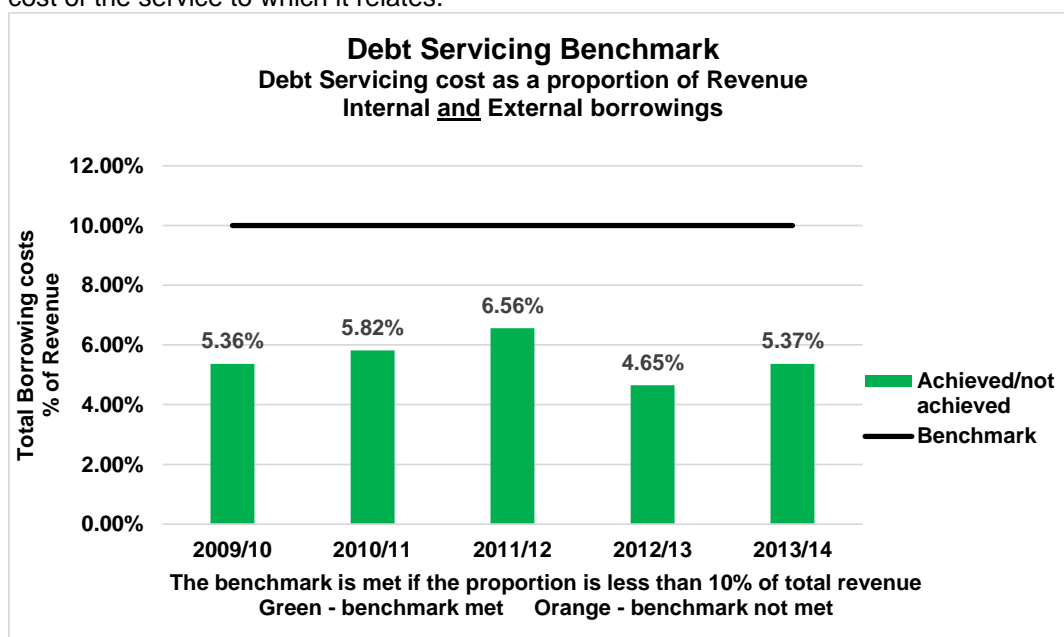
Debt Servicing benchmark

Because Statistics New Zealand projects that the population of the District will grow more slowly than the national population growth rate, Council is deemed to meet the Debt Servicing benchmark when its borrowing costs are equal to or less than 10% of its amended Operating Revenue (excluding development and financial contributions, vested assets and the results of revaluations).

This first graph focuses on the servicing costs of external borrowings only:



This second graph measures the cost of servicing both external and internal debt. Internal debt servicing is a notional cost which is not reported in this Annual Report, but which is still regarded as a cost of the service to which it relates.



Council Only - Financial Disclosures

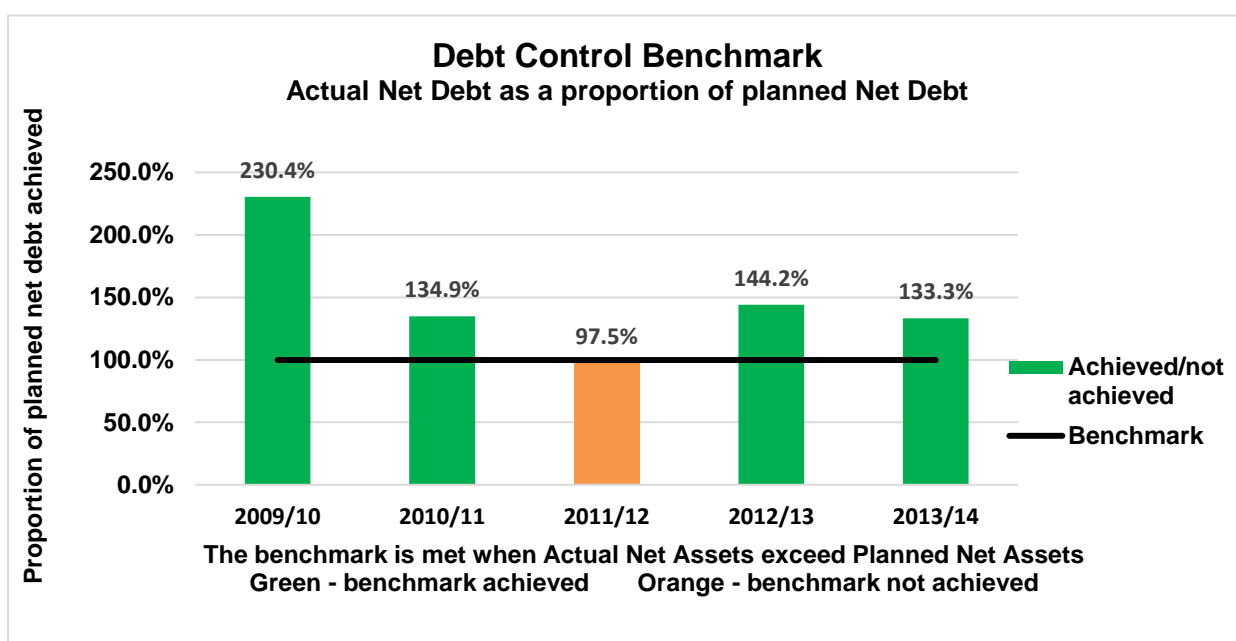
Annual Report Disclosure Statement (continued)

Debt Control benchmark

This benchmark is intended to report Council's performance in relation to net debt, which is defined in the Regulations as Financial Liabilities less Financial Assets (excluding Trade and Other Receivables).

Waitaki District Council is in a Net Asset position, because its Financial Assets generally exceed its Financial Liabilities. For that reason, the benchmark has been inverted to report Council's performance on a Net Asset basis.

In this scenario, Council believes that it meets the debt control benchmark when actual Net Assets equal or exceed planned Net Assets.



Council Only - Financial Disclosures

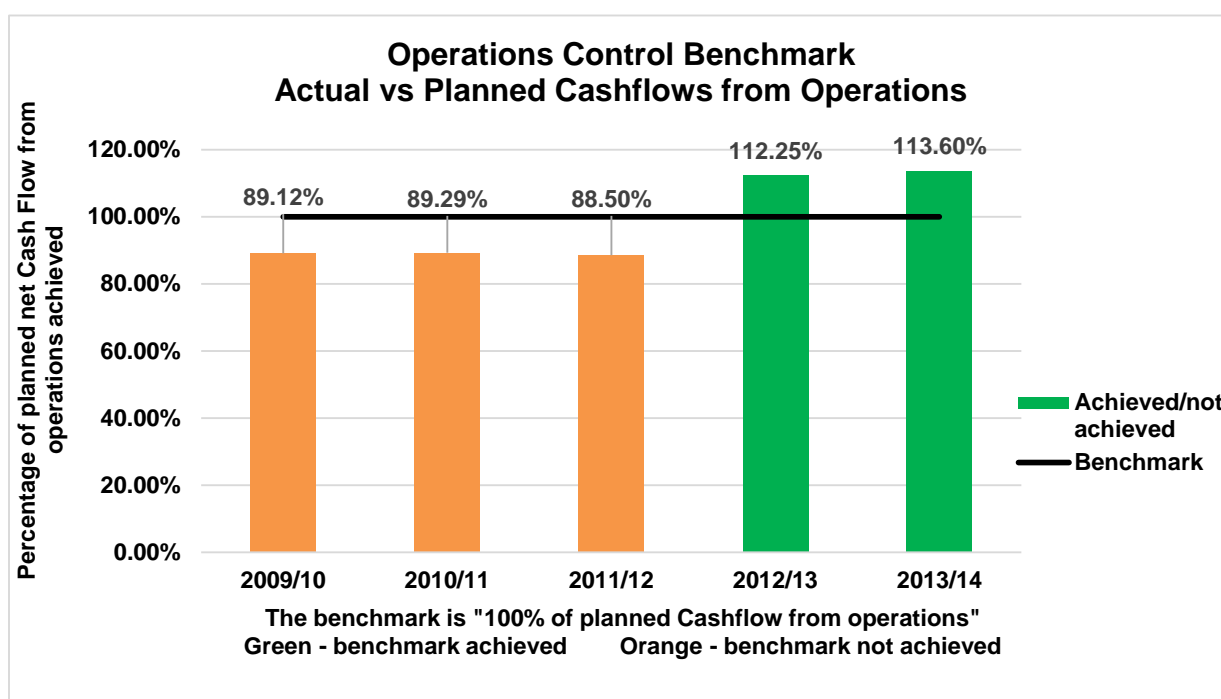
Annual Report Disclosure Statement (continued)

Operations Control benchmark

Positive Cash Flow is critical for any business. Net Cash Flow from operations refers to the net result of cash generated by and used in Council's normal day-to-day operations. Cash flow from operations is dynamic, and can be significantly influenced by receipts from debtors and the timing of payments of suppliers and salaries.

This benchmark compares Council's actual net Cash Flow from operations as a proportion of its planned net Cash Flow from operations.

Council meets the Operations Control benchmark when its net Cash Flow from operations equals or exceeds its planned net Cash Flows from operations.



Although the benchmark has not been achieved in three of the five years recorded above, Council's cash flow has generally been positive over the period.

Outcomes, Policies, Plans and Statements

Community Outcomes

The following Community outcomes were agreed by Council on 17 May 2011 as part of the 2012-22 Long Term Plan.

Waitaki people are safe and healthy (Social)

- Our communities are safe places to live, work and play
- Our communities are protected through appropriate emergency responses, regulation and enforcement
- Our road network is well maintained and we promote safe travel
- We provide safe, reliable access to drinking water
- We have access to affordable, reliable and efficient waste disposal systems
- Our local hospital and health services are retained and easily accessible
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning.

Waitaki's distinctive natural environment is valued and protected (Environmental)

- We promote and encourage awareness and protection of our unique natural environment
- We manage land use sustainably and sensitively
- We manage solid waste effectively and encourage minimisation, reuse and recycling
- We manage waste water effectively to protect environmental quality
- We support the sustainable use of water, air and marine resources and advocate on these matters to regional and central government.

Waitaki has a diverse, sustainable economy (Economic)

- Waitaki is recognised as a good place to do business, and people choose to invest in the District
- Opportunities for sustainable enterprise and growth are recognised and managed
- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District.

Waitaki is a desirable place to live (Cultural)

- We recognise, value and respect Waitaki as a great place to live, visit, work and play
- The community celebrates Waitaki's vibrant culture and regularly attends cultural facilities and events
- We preserve, promote and celebrate our built heritage
- We work in partnership with local Iwi and support mana whenua (territorial rights)
- We understand and respect our cultural traditions and values, including wahi tapu (sacred places) and wahi taoka (treasured resources).

Waitaki is served by responsive and efficient local government (Council)

- Council conducts its business in a transparent, efficient and prudent manner
- Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable
- Waitaki residents actively contributed to Council decisions that affect their work, life and play
- We recognise and support the work of our volunteers
- We effectively engage with government and other stakeholders in the delivery of our community outcomes.

Community Outcomes Monitoring

Roads and Footpaths Activity

Social – Waitaki people are safe and healthy

- Our road network is well maintained and we promote safe travel

Economic – Waitaki has a diverse, sustainable economy

- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Resident satisfaction with road safety works and programmes	Not achieved 46% of residents are satisfied or very satisfied that roads in the Waitaki District are safe	80% resident satisfaction with road safety works and programmes

Community Outcomes Monitoring

Water and Waste

Social – Waitaki people are safe and healthy

- We provide safe, reliable access to drinking water
- We have access to affordable, reliable and efficient waste disposal systems

Environmental – Waitaki's distinctive natural environment is valued and protected

- We manage land use sustainably and sensibly
- We manage solid waste effectively and encourage minimisation, reuse and recycling
- We manage waste water effectively to protect environmental quality

Economic – Waitaki has a diverse, sustainable economy

- Opportunities for sustainable enterprise are reliable and affordable
- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community perceives the water supply is reliable	Achieved 83% of residents are satisfied or very satisfied with the water service	70% of residents are satisfied or very satisfied with the water service
Percentage of Waitaki residents satisfied (waste management)	Not achieved 47% of residents are satisfied or very satisfied with Council waste services	60% of residents are satisfied or very satisfied in 2013 65% of residents are satisfied or very satisfied in 2014 and 2015
Annual cost of water service is less than other utility services	Achieved Average residential wastewater rate of \$184 is 9% of the average residential power bill and less than 20% of the average telephone and internet bill Average residential water rate of \$209 is 10% ¹ of the average residential power bill and less than 23% ² of the average telephone and internet bill	Average residential wastewater rate is less than 40% of average residential power bill and less than 60% of the average telephone and internet bill Average residential water supply rate is less than 40% of average residential power bill and less than 60% of the average telephone and internet bill
The number of choices available	Achieved Oamaru landfill open 6 days per week. Palmerston landfill open 6 hours per week. Resource Recovery Park open 7 days per week. Three Contractors offer kerbside collection. *Omarama, Otematata, Kurow and Hampden Resource Recovery Parks open 6 hours per week. Herbert, Papakaio and Enfield Recycling Drop-off Facility operational. Ohau bin service available	Two or more options are available for recycling and waste disposal

Community Outcomes Monitoring

Water and Waste

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The amount of material removed from the waste stream	Achieved <ul style="list-style-type: none"> • Greenwaste – 2,195 tonnes • Recyclables – 2,853 tonnes • Glass – 486 tonnes 	2013/14 at least: <ul style="list-style-type: none"> • Greenwaste – 1,900 tonnes • Recyclables – 1,800 tonnes • Glass – 525 tonnes

- 1 Prices based on electricity price trend June 2014 (\$2,134 – Average Price – Waitaki) Source: Powerswitch.org.nz
- 2 Based on \$75 a month for phone, broadband and toll calls - \$900 Source: Consumer TelMe.

Community Outcomes Monitoring

Arts, Heritage and Community

Social – Waitaki people are safe and healthy

- Our communities are safe places to live, work and play
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning

Cultural – Waitaki is a desirable place to live

- The community celebrates Waitaki's vibrant culture and regularly attends cultural facilities and events
- We preserve, promote and celebrate our built heritage
- We recognise and support the work of our volunteers
- We work in partnership with local Iwi and support mana whenua (territorial rights)
- We understand and respect our cultural traditions and values, including wahi tapu (sacred places) and wahi taoka (treasured resources)

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Residents' perception that the Waitaki District is a safe place to live	Not achieved 93% of residents are satisfied or very satisfied that the Waitaki District is generally a safe place to be	95% of residents are satisfied or very satisfied that the Waitaki District is generally a safe place to be
Visitor satisfaction with Forrester Gallery	Achieved 94% of residents are satisfied or very satisfied with the Forrester Gallery	90% of residents are satisfied with the Forrester Gallery
Percentage of residents are satisfied or very satisfied with library services	Achieved 92% of residents are satisfied or very satisfied with library services	92% of residents are satisfied or very satisfied with library services
Percentage of surveyed borrowers are satisfied or very satisfied with library service	Not achieved 90% of surveyed borrowers are satisfied or very satisfied with library services	92% of surveyed borrowers are satisfied or very satisfied with library services
Visitor satisfaction with Museum in Residents Survey	Achieved 94% of visitors to the Museum are satisfied or very satisfied	85% of visitors are satisfied with the Museum
Resident satisfaction with Oamaru Opera House	Achieved 96% of visitors to the Oamaru Opera House are satisfied or very satisfied	90% of visitors are satisfied with the Oamaru Opera House

Community Outcomes Monitoring

Parks and Recreation

Social – Waitaki people are safe and healthy

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Percentage of residents who are satisfied or very satisfied with Waitaki's parks and reserves	Not achieved 85% of residents are satisfied or very satisfied with parks and/or reserves in the Waitaki District	90% of residents are satisfied or very satisfied with Waitaki's parks and reserves
Percentage of residents are satisfied or very satisfied with Waitaki's sports fields and facilities	Achieved 89% of residents are satisfied or very satisfied with Waitaki District sports fields and facilities	75% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities
Customers satisfied with the Aquatic Centre	Achieved 90% of customers are satisfied or very satisfied with the Aquatic Centre	65% of customers are satisfied or very satisfied with the Aquatic Centre

Community Outcomes Monitoring

Community Amenities

Social – Waitaki people are safe and healthy

- Our communities are safe places to live, work and play
- Our communities are protected through appropriate emergency responses, regulation and enforcement
- We have access to affordable. Reliable and efficient waste disposal systems
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Percentage of residents who are satisfied with public toilets	Achieved 75% of residents are satisfied or very satisfied with public toilets	70% of residents are satisfied with public toilets
Community satisfaction with cemeteries	Achieved 92% of residents are satisfied or very satisfied with cemeteries in the Waitaki District	75% satisfaction with cemeteries

Community Outcomes Monitoring

Oamaru Harbour and Historic Precinct

Social – Waitaki people are safe and healthy

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning

Economic – Waitaki has a diverse, sustainable economy

- Opportunities for sustainable enterprise and growth are recognised and managed
- Our infrastructure and service enable development in the District

Cultural – Waitaki is a desirable place to live

- We preserve and promote our built heritage

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Number of residents who visit the harbour area and level of residents' satisfaction	90% of residents who visited the Oamaru Harbour Recreational area were satisfied or very satisfied	Increase usage and satisfaction to level of other Council parks

Community Outcomes Monitoring

Commercial and Development

Economic – Waitaki has a diverse, sustainable economy

- Our infrastructure and services are reliable and affordable
- Waitaki recognised as a good place to do business, and people choose to invest in the District
- Council encourages and supports an economic environment that allows the growth of a strong and diverse economy

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Population stable or increasing	2013 census recorded 20,829 people usually live in Waitaki District. This is an increase of 603 people, or 3%, since the 2006 census	Population >21,500 by 2015

Community Outcomes Monitoring

Democracy, Accountability and Governance

Council – Waitaki is served by responsive and efficient local government

- Waitaki residents actively contribute to Council decisions that affect their work, life and play
- Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable
- Council conducts its business in a transparent, efficient and prudent manner

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Percentage of residents that feel comfortable approaching the Mayor and Councillors	Not achieved 88% of residents would be comfortable approaching the Mayor and Councillors	90% of residents would be comfortable approaching the Mayor and Councillors
Resident satisfaction with performance of Mayor and Councillors	Not achieved 56% of residents are satisfied or very satisfied with the performance of the Mayor and Councillors	75% of residents are satisfied or very satisfied with the performance of the Mayor and Councillors
Percentage of residents rate the performance of Community Board members as satisfactory or very satisfactory	Achieved 86% of residents rate the performance of the Ahuriri Community Board as satisfactory or very satisfactory Not achieved 69% of residents rate the performance of the Waihemo Community Board as satisfactory or very satisfactory	85% of residents rate the performance of the Ahuriri Community Board as satisfactory or very satisfactory 85% of residents rate the performance of the Waihemo Community Board as satisfactory or very satisfactory
Percentage of residents who regard the Waitaki Link as a useful source of information on Council activities	Achieved 76% of residents regard the Waitaki Link as a useful source of information on Council activities	65% of residents regard the Waitaki Link as a useful source of information on Council activities
Percentage of residents satisfied or very satisfied with Council consultation	Not achieved 49% of residents satisfied or very satisfied with Council consultation	50% of residents satisfied or very satisfied with Council consultation

Community Outcomes Monitoring

Environment, Regulation and Safety

Social – Waitaki people are safe and healthy

- Our communities are safe places to live, work and play
- Our communities are protected through appropriate emergency responses, regulation and enforcement

Environmental – Waitaki's distinctive natural environment is valued and protected

- We manage land use sustainably and sensitively

Economic – Waitaki has a diverse, sustainable economy

- Our infrastructure and service enable development in the District
- Waitaki recognised as a good place to do business, and people choose to invest in the District

Council – Waitaki is served by responsive and efficient local government

- We recognise and support the work of our volunteers
- Council conducts its business in a transparent, efficient and prudent manner

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Resident satisfaction (Emergency services)	Achieved 91% of residents are satisfied or very satisfied with emergency services	70% of residents satisfied or very satisfied with emergency services
Resident satisfaction (with dog control services)	Not achieved 66% of residents are satisfied with dog control services	70% of residents satisfied with dog control services
Customer feedback and on-line survey (District Planning)	Not achieved Link to on-line survey not working, now rectified	80% of applicants satisfied with service

Community Outcomes Monitoring

Council Controlled Organisations

Social – Waitaki people are safe and healthy

- Our local hospital and health services are retained and easily accessible
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyles and learning

Economic – Waitaki has a diverse, sustainable economy

- Waitaki is recognised as a good place to do business and people choose to invest in the District
- Opportunities for sustainable enterprise and growth are recognised and managed
- Our infrastructure and services enable development in the District

Cultural – Waitaki is a desirable place to live

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

Outcome Indicator Selection	Outcome Performance Snapshot 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Residents satisfaction survey (Waitaki Development Board)	Not measured in 2014 Annual Residents Survey	Maintain residents satisfaction with the Company's efforts to attract tourists to the District above the national average

Audit Report and Statement of Compliance

Independent Auditor's Report

To the readers of Waitaki District Council and group's annual report for the year ended 30 June 2014

The Auditor-General is the auditor of Waitaki District Council (the District Council) and group. The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand to audit:

- the financial statements of the District Council and group that comprise:
 - the balance sheet as at 30 June 2014 on page 126;
 - the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2014 on pages 124, 125 and 127;
 - the funding impact statement of the District Council on page 176;
 - the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 39 to 107; and
 - the notes to the financial statements that include accounting policies and other explanatory information about the financial statements on pages 128 to 182;
- the statement of service provision (referred to as groups of activities) of the District Council and the funding impact statements in relation to each group of activities of the District Council on pages 39 to 107; and
- the disclosures of the District Council that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 8 to 16.

In addition, the Auditor-General has appointed me to report on whether the District Council and group's annual report complies with the *Other Requirements* of schedule 10 of the Local Government Act 2002, where applicable, by including:

- information about:
 - internal borrowing on page 162;
 - council-controlled organisations on pages 108 to 122;
 - reserve funds on pages 147 and 148;

- each group of activities carried out by the District Council on pages 39 to 107;
- remuneration paid to the elected members and certain employees of the District Council on page 171;
- employee staffing levels and remuneration on page 172;
- severance payments on page 173;
- rating base units on page 8; and
- insurance of assets on pages 153 and 154.
- a report on the activities undertaken by the District Council and group to establish and maintain processes to provide opportunities for Maori to contribute to the Council's decision-making processes on page 193; and
- a statement of compliance signed by the mayor of the Council, and by the District Council and group's chief executive on page 36.

Opinion

Audited information

In our opinion:

- the financial statements of the District Council and group on pages 124 to 182:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council and group's financial position as at 30 June 2014; and
 - the results of its operations and cash flows for the year ended on that date.
- the funding impact statement of the District Council on page 176, fairly reflects 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 statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 39 to 107, fairly reflects by each group of activities the capital expenditure spent as compared to the amounts budgeted and set out in the District Council's long-term plan or annual plan.
- the statement of service provision of the District Council on pages 39 to 107:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council's levels of service for the year ended 30 June 2014, including:

- the levels of service as measured against the intended levels of service adopted in the long-term plan; and
 - the reasons for any significant variances between the actual service and the expected service.
- the funding impact statements in relation to each group of activities of the District Council on pages 39 to 107, fairly reflects by each group of activities, 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.
- the disclosures on pages 8 to 16 represent a complete list of required disclosures and accurately reflects the information drawn from District Council's audited information.

Compliance with the other requirements of schedule 10

In our opinion, which is not an audit opinion, the District Council and group's annual report complies with the *Other Requirements* of schedule 10 that are applicable to the annual report.

Our audit was completed on 29 October 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the information we audited is free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the statement of service provision. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council and group's preparation of the information we audited that fairly reflect the matters to which they relate. We consider internal control in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council and group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;

- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the information we audited;
- determining the appropriateness of the reported statement of service provision within the Council's framework for reporting performance; and
- the overall presentation of the information we audited.

We did not examine every transaction, nor do we guarantee complete accuracy of the information we audited.

When reporting on whether the annual report complies with the *Other Requirements* of schedule 10 of the Local Government Act 2002, our procedures were limited to making sure the information required by schedule 10 was included in the annual report, where relevant, and identifying material inconsistencies, if any, with the information we audited. This work was carried out in accordance with International Standard on Auditing (New Zealand) 720; *The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements*. As a result, we do not express an audit opinion on the District Council's compliance with the requirements of schedule 10.

We did not evaluate the security and controls over the electronic publication of the information we are required to audit and report on. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate evidence to provide a basis for our opinion.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and statement of service provision that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the District Council and group's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to forecast;
- a funding impact statement that fairly reflects 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;
- funding impact statements in relation to each group of activities that fairly reflects by each group of activities 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;
- statements about budgeted and actual capital expenditure in relation to each group of activities that fairly reflects by each group of activities the capital expenditure

spent as compared to the amounts budgeted and set out in the District Council's long-term plan or annual plan;

- disclosures in accordance with the requirements of the Local Government (Financial Reporting and Prudence) Regulations 2014; and
- the other information in accordance with the requirements of schedule 10 of the Local Government Act 2002.

The Council is responsible for such internal control as it determines is necessary to ensure that the annual report is free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the annual report, whether in printed or electronic form.

The Council's responsibilities arise under the Local Government Act 2002.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the information we are required to audit, and whether the Council has complied with the *Other Requirements* of schedule 10, and reporting that opinion to you. Our responsibility arises under section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out this audit, which includes our report on the *Other Requirements*, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. Other than this audit, which includes our report on the *Other Requirements*, we have no relationship with or interests in the District Council or any of its subsidiaries.



Scott Tobin
Audit New Zealand
On behalf of the Auditor-General
Dunedin, New Zealand

Statement of Compliance and Responsibility

Compliance

- Council and management confirm that all statutory requirements of the Local Government Act 2002 regarding financial management and borrowing have been complied with.

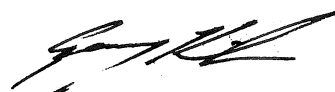
Responsibility

- Council and management accept responsibility for the preparation of the Annual Report Financial Statements and the judgements used in them.
- Council and management 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 Council and management, the Annual Report Financial Statements for the year ended 30 June 2014 fairly reflect the financial position and operations of the Waitaki District Council and Group.



Michael Ross
Chief Executive

29 October 2014



Gary Kircher
Mayor of Waitaki

29 October 2014

The Year in Review

A number of changes occurred in Council during the 2013/14 Year. The first change was a structural reorganisation which was completed in September 2013. As part of this process the Corporate Services Group was disestablished, leaving Council with three Groups:

- Assets
- Customer Services (previously the Strategy Group)
- Community Services

Responsibility for Forestry and camping transferred from Property to Recreation.

The second major change occurred in October 2013 with the Council elections. This resulted in a new Mayor, five new Councillors as well as changes to the committee structures. New members were also appointed to the Ahuriri and Waihemo Community Boards.

The following section summarises some of the key achievements during the year:

Roading

- Full programme for resurfacing of roads (197,000m²) and of footpaths (20,000m²) completed
- Constructed two bridges (Bowalley, Danseys) and replaced Willowview Bridge with culverts
- Network remained extremely wet throughout year plus two storm events at Easter and ANZAC weekends resulted in a contractor spending 30% of the year on remedial works (including carryover from significant storm of June 2013)
- 95% of UFB installation within Oamaru completed; enabling the focus on upgrading and resurfacing of footpaths
- Council approved Road Resilience Project (\$2.905M over 5 years) to target selected activities that needed extra expenditure to improve performance

Water& Waste

- Continued progress on drinking water upgrades for Otematata, Omarama, Ohau, Duntroon, Hampden/Moeraki and Herbert/Waianakarua
- Completed the replacement and upgrade of 24km of watermains in the Waihemo area
- Progressed with construction of new pipelines to connect the Kakanui Township to the Oamaru water and sewer network
- Transferred operational control of four rural water supplies to Corriedale Water Management Limited
- Undertook various water, sewer and stormwater renewals during the year to maintain existing service levels
- 83% of surveyed residents in the 2014 Residents Survey were satisfied or very satisfied with water supply

Recreation

- Consulted on Council's first Reserve Management Plan
- Commenced updating Assets Register
- Initiated Recreation's first Activity Management Plan
- Completed Stage 2 of Palmerston Streetscape

Community Development and Safety:

- Work continued on the Community Safety Strategy
- Coordination of the Bridging the Gap forum looking at the issues confronting youth transition into employment and Family Violence Community activities

The Year in Review

Forrester Gallery and North Otago Museum

- Operations of the Forrester Gallery and North Otago Museum were successfully combined including the development of a strategic business plan aimed at a long term and sustainable increase in visitation and engagement and preparing for redevelopment
- Cultural Facilities redevelopment project for the Forrester Gallery and North Otago Museum has been included in the 2015/2025 Long Term Plan
- Forrester Gallery, North Otago Museum, Waitaki District Library and Archive and Oamaru Opera House successfully collaborated on a number of projects including a range of outreach programmes in particular successful school holiday programmes and the development of a combined Culture Waitaki website

Community Amenities, Oamaru Harbour and Historic Precinct

- Seven Community Housing units were refurbished
- Eight kiwi style camping grounds provided and new camping ground management options investigated
- Work on Holmes Wharf decking substantially completed including 20% replacement or 650 square metres
- Ongoing development of Friendly Bay playground including planting

Commercial and Development

- Three sections conditionally sold on North Oamaru Business Park
- Conditional contract of sale of land at Hospital Hill as well as parcels of land at Thames Street and Eden Street
- Two new long term leases commenced with Scott's Brewery and the Penguin's Nest in the Historic Precinct
- Clear fell harvest at Cape Wanbrow

Democracy, Accountability and Governance

- Induction of new Council, Community Boards and establishment of new Committee structure
- Extensive engagement with government, South Island and Auckland Councils on earthquake prone buildings issues
- Consultation undertaken on the proposed development of a retirement village at Hospital Hill
- Adoption of a new external communications strategy, revised Customer Excellence Strategy and work commenced on new corporate website
- Adoption of the 2014/15 Annual Plan

Environment, Regulation and Safety:

- Transition of Waitaki Rural Fire Authority to Otago Rural Fire Authority
- Rural Fire attended 119 calls
- Community Response Plans under development in Waihemo and the Emergency Operations Centre activated three times
- Building Control Authority accreditation retained
- Review of the District Plan commenced on 16 June 2014
- All notified and non-notified planning consents processed within statutory timeframes

Groups of Activities

Roads and Footpaths

What we did

- Resurfaced 197,000m² of roads
- Streetlights: upgraded lighting through Hampden for NZTA (SH1) and local, plus relocated some lights in Moeraki to improve intersection lighting
- Achieved savings of \$95,000 on new street lighting power supply contract
- Moeraki: focused on improving safety and accessibility on Tenby and Haverford Streets following Haven Street partial closure. Drainage improvements and test boring undertaken in an attempt to establish underground slip faces
- Emergency works: With the cumulative effects of weather events and lack of drying through parts of the District, some \$2.29M was spent on emergency works. This includes replacement of Dansey's Bridge
- Completed NZTA process audit successfully
- Oamaru footpath resurfacing (20,000m²) catch-up after deliberate delays pending UFB installation
- Wash-over pads: five were installed to improve road resilience and limit restoration costs
- Pavement rehabilitation: 7.3km completed (two projects delayed due to weather but to be completed 2014/15)
- Completed Weston-Oamaru cycleway
- Drainage: 34km of side drains cleared and cleaned
- Culverts: 462m of renewed culverts installed
- Unsealed road metalling: 234km completed
- Unsealed maintenance metalling: 34km
- Installed 40 improved pedestrian drop crossings in Oamaru to assist mobility access
- Permitted access to the roading network of 50MAX heavy vehicles
- Published draft Coastal Roads Strategy for community input following two underslips along Waianakarua and Beach Roads
- Replacing bridge kerbing units that are being damaged by over-width vehicles

Road Safety

- Drive 2 Survive is a 3 hour expo held at the Waitaki Recreation Centre for all Year 12 students from St Kevin's College, Waitaki Boys' and Girls' High Schools
- Brent and Christine Laurensen came to Waitaki and delivered their presentation 'The Ripple Effect' to Year 11 – 13 students at four local high schools
- Posters designed with local settings and messages like 'Walk home with mates' and 'Leave your keys at the bar' accompanied with the tagline 'Local Legend'
- Three-sided cards for point of sale bottle stores which carry similar messages and images. This work is completed in liaison with the Liquor Licensing Inspector
- The 'Safe with Age' course involves a theory refresher course, mobility scooter introduction and a practical driver assessment for drivers aged over 65
- Ran a poster competition for students at Waitaki Boys' High School (WBHS) in conjunction with SADD
- The Waitaki Girls' High School SADD group had an active presence at the school gala
- Organised fatigue stops on public holidays in conjunction with Waitaki Road Safe Inc. (WRSI) which is a volunteer road safety group

Roads and Footpaths

How we performed – Roads and Footpaths

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our road network is well maintained and we promote safe travel

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing transport networks and services that are safe	Resident satisfaction with road safety works and programmes	Not achieved 46% of residents are satisfied or very satisfied that roads in the Waitaki District are safe to travel on	80% resident satisfaction with road safety works and programmes
	Incidence and severity of road crashes is declining	Reduction in Ten Year Moving Average (TYMA) statistics: Not achieved: Number of crashes: 2014 (tyma) 90, 2013 (tyma) 88.3 Achieved: Number of fatal crashes: 2014 (tyma) 0.7, 2013 (tyma) 0.9 Achieved: Number of severe injury crashes: 2014 (tyma) 8.3, 2013 (tyma) 9.1 Not achieved: Number of minor injury crashes: 2014 (tyma) 24.3, 2013 (tyma) 23.7	10 Year Moving Average (tyma) statistics reduction on: <ul style="list-style-type: none"> • Number of crashes • Number of fatalities • Number of severe injuries

Roads and Footpaths

How we performed – Roads and Footpaths (continued)

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing transportation infrastructure that supports a diverse, sustainable and growing economy	Residents' satisfaction with the roading network	Not achieved 42% of residents are satisfied or very satisfied with the roading network	70% of residents are satisfied or very satisfied with the roading network
	Resident satisfaction with footpaths, walkways and cycleways	Not achieved 54% of residents are satisfied with footpaths Achieved 79% of residents are satisfied or very satisfied with walkways Achieved 85% of residents are satisfied or very satisfied with cycleways	70% of residents are satisfied with footpaths, walkways and cycleways
	Resident satisfaction with parking in commercial and shopping areas	Not achieved 77% of residents are satisfied or very satisfied with parking in commercial and shopping areas	80% of residents are satisfied or very satisfied with parking in commercial and shopping areas
	Cost of roading rate per month compared to average annual household power bill and telephone and internet bill	Achieved Monthly roading rate \$36.41 or \$437 per annum, less than 14% of annual power bill ¹ (\$2,134), and telephone and internet bill ² (\$900), total \$3,034	Monthly roading rate cost <50% of average annual household power bill, telephone and internet
	Public enquiry response time met through the CRM process. The Annual Residents Survey will be used to measure resident's satisfaction with level of service and outcomes	Not achieved CRM shows that 40% of public enquiries responded to within approved response times	CRM shows that 90% of public enquires responded to within approved response times

Funding Impact Statement – Roads and Footpaths

Roads & Footpaths					
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)
		Sources of Operating funding			
127	127	General Rates, uniform annual general charge, rates penalties	170	170	131
4,695	4,641	Targeted Rates	5,054	5,050	4,879
4,822	4,768	Rates Revenue	5,224	5,220	5,010
2,639	2,228	Subsidies and Grants for operating purposes	3,559	2,500	2,299
206	182	Fees and Charges	222	212	188
-	-	Interest and Dividends from Investments	-	-	-
15	2	Internal charges and overheads recovered	22	2	2
224	346	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	224	231	357
3,084	2,758	Operating Revenue	4,027	2,945	2,846
7,906	7,526	Total Sources of Operating Funding	9,251	8,165	7,856
		Applications of Operating funding			
4,324	4,038	Payments to staff and suppliers	6,119	4,286	4,166
-	-	Finance Costs	-	-	-
771	781	Internal Charges and Overheads Applied	957	868	821
-	-	Other operating funding applications	-	-	-
5,095	4,819	Total Applications of Operating Funding	7,076	5,154	4,987
2,811	2,707	Surplus / (Deficit) of Operating Funding	2,175	3,011	2,869
		Sources of Capital funding			
2,516	2,531	Subsidies and Grants for Capital expenditure	2,461	2,942	2,746
154	128	Development and Financial Contributions	99	128	134
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
2,670	2,659	Total Sources of Capital Funding	2,560	3,070	2,880
		Applications of Capital funding			
-	-	Capital Expenditure	-	-	-
-	-	Meet Additional Demand	-	-	-
857	157	Improve Levels of Service	377	663	162
4,115	4,520	Replace Existing Assets	4,644	4,969	4,903
509	689	Increase / (Decrease) in Reserve	(286)	449	684
-	-	Increase / (Decrease) in Investments	-	-	-
5,481	5,366	Total Applications for Capital Funding	4,735	6,081	5,749
(2,811)	(2,707)	Surplus / (Deficit) of Capital Funding	(2,175)	(3,011)	(2,869)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The consequences of flood events at the start of the year were felt throughout the year. The resulting higher level of spending at the start of the year produced increased subsidy income, but efforts required to address these issues put the planned work programme behind schedule, and some scheduled items have been deferred to the 2014/15 financial year.

Water and Waste

The Water and Waste group of activities include:

- Water supply schemes
- Waste water reticulation and treatment
- Storm water reticulation and treatment
- Solid waste collection, recycling and disposal

What we did

- The second year of a 2 year programme to replace and upgrade 24km's of watermain in the Palmerston, Goodwood and Dunback area was completed. This work will allow the sale of an additional 130 points of water to an area that has been closed (for the supply of more water) for some 20 years
- Construction of the new pipelines to connect the Kakanui Township to the Oamaru water and sewer network was substantially complete and will be operational early in 2014/15
- Construction of the new Otematata Water Treatment Plant advanced significantly. Once complete, significantly improved water quality will be delivered to the Township
- The preferred option for upgrading the Omarama Water Treatment Plant has been selected. The Water Safety Plan has just been approved by Public Health South and now detailed design and construction will follow
- The preferred options for upgrading the Hampden/Moeraki and Herbert/Waianakarua have been identified and consultation with water supply committees and elected members commenced. Full public consultation is expected to follow early in 2014/15. The Water Safety Plan has just been approved for Hampden/Moeraki by Public Health South and a draft Water Safety Plan has been submitted for Herbert/Waianakarua in accordance with the requirements of the NZ Drinking Water Standards
- The Palmerston Wastewater upgrade to irrigate treated effluent to land was completed. This was a requirement to meet new resource consent conditions
- The preferred option to upgrade the Moeraki Wastewater discharge has been established. Lodgement of the resource consent renewal will occur in 2014/15
- Significant amounts of watermain renewals continue to occur, which have now addressed many of the more problematic watermain in the district
- Operational management of the four Corriedale water supplies (Awamoko, Kauru Hill, Windsor and Tokarahi) has been transferred to Corriedale Water Management Ltd. This was the final step in a process to gauge public support, agree on a Memorandum of Understanding and ultimately transfer the operation of the supplies to the community representative company
- The draft water supply bylaw was completed with public consultation to follow shortly
- The project to improve rating base accuracy continues, resulting in lower ratepayer rate charges which has achieved significant reduction in Omarama and other supplies
- Investigations have significantly advanced to determine the best option to improve stormwater performance in the North End of Oamaru, namely Muddy Creek
- Council Officers have spent considerable time gathering and collating information for participation in new benchmarking initiatives for IPWEA / SOLGM and LGNZ three waters project
- A Request for Proposal for the provision of a Solid Waste Management Transfer Station has been developed and is being considered by prospective suppliers
- Council has continued to be successful in diverting waste from landfill. Oamaru landfill now has enough space to dispose of refuse beyond the expiry of its consent in 2016
- The decision to leave the day-to-day management of waste to the private market is continuing to divert about 40% of the waste stream from landfill
- Council also provided the following Waste grants:
 - \$270,000 value to the Waitaki Resource Recovery Trust (made up of \$220,000 cash \$40,000 value lease and \$10,000 ground maintenance)
 - \$20,000 to the Waihem Waste Busters

Water and Waste

How we performed – Waste water

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- We have access to affordable, reliable and efficient waste disposal systems

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Protecting the communities from wastewater related health issues by providing community reticulated systems in agreed areas	Emergency response <1 hour in accordance with contract criteria	Achieved 94% of emergency responses occur in <1 hour	90% of emergency responses occur in <1 hour
	Minor works** <2-5 working days	Achieved 98% of minor works response occur in <2-5 working days	90% of minor works response occur in <2-5 working days

Water and Waste

How we performed – Waste water

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- We manage wastewater effectively to protect environmental quality
- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Acknowledging and incorporating the natural environment in design, construction, operating and maintenance of infrastructure ○ Timely response to service requests and system failures ○ Equitable pricing mechanisms ○ Long term planning of maintenance, renewals, and provision for growth will provide assurance for a sustainable, efficient and effective wastewater service 	To comply with Resource Consent conditions	Achieved No abatement notices issued by Regional Councils	No abatement notices issued by Regional Councils
	Response to blockages <1 hour	Achieved 100% of blockages (25) were responded to in <1 hour	90% of blockages were responded to in <1 hour
	Response to overflows <1 hour	Achieved 100% of overflows (20) were responded to in <1 hour	90% of overflows were responded to in <1 hour
	Annual cost of wastewater service is less than other utility services	Achieved Average residential wastewater rate of \$184 is 9% ¹ of the average residential power bill and less than 20% ² of the average telephone and internet bill	Average residential wastewater rate is less than 40% of average residential power bill and less than 60% of the average telephone and internet bill
	Council will provide spare capacity at its wastewater treatment systems	Achieved Oamaru has 33% ³ spare capacity, Moeraki has approximately 60% ⁴ spare capacity	Oamaru 30% Potential Moeraki 50% Potential

* Emergency response – response to incidents that require almost immediate attention such as notification of no water, urban water main breaks, water quality failure etc.

** Minor works – response to incidents that does not require immediate attention such as notification of cannot find toby, toby cannot shut off, rural water leak, etc.

*** Spare capacity - is defined as available spare water leaving the treatment on extremely high water use days. All treatment plants that are upgraded to comply with the drinking water standards will have overbuilt capacity to allow for forecast growth.

1 Prices based on electricity price trend June 2014 (\$2,134 – Average Price – Waitaki) Source: Powerswitch.org.nz

2 Based on \$75 a month for phone, broadband and toll calls - \$900 Source: Consumer TelMe.

3 Based on 2012-13 report to ORC which showed 33% spare capacity.

4 Based on 2011-12 report to ORC which showed 62% spare capacity.

Funding Impact Statement – Waste Water

Waste Water			2013/14	2013/14	2013/14
2012/13	2012/13		Actual	Annual Plan	LTP
Actual	LTP		Actual	Annual Plan	LTP
\$(000)	\$(000)		\$(000)	\$(000)	\$(000)
Sources of Operating funding					
-	-	General Rates, uniform annual general charge, rates penalties	-	-	-
2,257	2,241	Targeted Rates	1,782	1,781	2,270
2,257	2,241	Rates Revenue	1,782	1,781	2,270
-	-	Subsidies and Grants for operating purposes	-	-	-
300	170	Fees and Charges	225	170	176
-	-	Interest and Dividends from Investments	-	-	-
293	260	Internal charges and overheads recovered	355	255	268
6	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	(6)	-	-
599	430	Operating Revenue	574	425	444
2,856	2,671	Total Sources of Operating Funding	2,356	2,206	2,714
Applications of Operating funding					
989	1,132	Payments to staff and suppliers	936	1,072	1,192
-	-	Finance Costs	-	-	-
431	440	Internal Charges and Overheads Applied	421	454	456
-	-	Other operating funding applications	-	-	-
1,420	1,572	Total Applications of Operating Funding	1,357	1,526	1,648
1,436	1,099	Surplus / (Deficit) of Operating Funding	999	680	1,066
Sources of Capital funding					
-	-	Subsidies and Grants for Capital expenditure	-	-	-
88	106	Development and Financial Contributions	89	106	111
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
88	106	Total Sources of Capital Funding	89	106	111
Applications of Capital funding					
-	-	Capital Expenditure	-	-	-
-	-	Meet Additional Demand	-	-	-
15	230	Improve Levels of Service	158	290	290
62	280	Replace Existing Assets	323	104	104
1,447	695	Increase / (Decrease) in Reserve	607	392	783
-	-	Increase / (Decrease) in Investments	-	-	-
1,524	1,205	Total Applications for Capital Funding	1,088	786	1,177
(1,436)	(1,099)	Surplus / (Deficit) of Capital Funding	(999)	(680)	(1,066)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The activities in this group operated as expected and no detailed comments are required.

Water and Waste

How we performed – Stormwater

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- We have access to affordable, reliable and efficient waste disposal systems

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Manage flooding events in urban areas	Emergency flood response* <1 hour in accordance with contract criteria	Achieved No emergency responses occurred during the year	90% of emergency flood responses* <1 hour in accordance with contract criteria
	Minor works response **<2 - 5 working days	Achieved No minor works were carried out during the year	90% of minor works** responded in <2 - 5 working days
	Managing flooding to prevent inundation into dwellings (in accordance with design standards)	Achieved No habitable floor dwellings were flooded during the year	Prevent habitable floor dwellings from flooding during a 2% Annual Exceedance Probability (AEP) storm

Wellbeing – Waitaki's distinctive natural environment is valued and protected (Environmental)

Community Outcomes

- We manage wastewater effectively to protect environmental quality

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Acknowledging and incorporating the natural environment in design, construction, operating and maintenance of infrastructure	Stormwater systems comply with Resource Consent conditions	Achieved No abatement notices were issued by Regional Councils	No abatement notices issued by Regional Councils

Water and Waste

How we performed – Stormwater (continued)

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services are reliable and affordable

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Timely response to service requests and system failures	Response to flooding <1 hour	Achieved No stormwater (main) flooding service requests were received	90% response to flooding <1 hour

Funding Impact Statement – Stormwater

Stormwater Drainage					
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)
		Sources of Operating funding			
-	-	General Rates, uniform annual general charge, rates penalties	-	-	-
542	542	Targeted Rates	381	381	551
542	542	Rates Revenue	381	381	551
-	-	Subsidies and Grants for operating purposes	-	-	-
-	-	Fees and Charges	-	-	-
-	-	Interest and Dividends from Investments	-	-	-
-	-	Internal charges and overheads recovered	-	-	-
-	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	-	-	-
-	-	Operating Revenue	-	-	-
542	542	Total Sources of Operating Funding	381	381	551
		Applications of Operating funding			
47	68	Payments to staff and suppliers	55	54	74
-	-	Finance Costs	-	-	-
94	114	Internal Charges and Overheads Applied	96	120	117
-	-	Other operating funding applications	-	-	-
141	182	Total Applications of Operating Funding	151	174	191
401	360	Surplus / (Deficit) of Operating Funding	230	207	360
		Sources of Capital funding			
-	-	Subsidies and Grants for Capital expenditure	-	-	-
-	-	Development and Financial Contributions	-	-	-
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
-	-	Total Sources of Capital Funding	-	-	-
		Applications of Capital funding			
		Capital Expenditure			
-	-	Meet Additional Demand	-	-	-
-	-	Improve Levels of Service	49	1,357	1,357
2	-	Replace Existing Assets	9	-	-
399	360	Increase / (Decrease) in Reserve	172	(1,150)	(997)
-	-	Increase / (Decrease) in Investments	-	-	-
401	360	Total Applications for Capital Funding	230	207	360
(401)	(360)	Surplus / (Deficit) of Capital Funding	(230)	(207)	(360)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The activities in this group operated as expected. Delays in commencing work related to the development of stormwater infrastructure in the Oamaru North End Business Park area resulted in greatly reduced capital expenditure. This work will be completed in the 2014/15 financial year.

Water and Waste

How we performed – Water Supply

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- We provide safe, reliable access to drinking water

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Protecting the community from drinking water related health issues by providing quality potable water to agreed areas ○ Provide fire protection within Oamaru to assist in the safety, and health of the community 	Drinking water will comply with the Health Act 1956 and hence the Drinking Water Standards for New Zealand where appropriate	Not achieved Work to demonstrate compliance on the Hampden/Moeraki, Herbert, Waianakarua, Lake Ohau and Duntroon water supplies is underway and varying in progress. Hampden/Moeraki has an approved Water Safety Plan and Herbert/Waianakarua has submitted a draft Water Safety Plan. Dunrobin, Otekaieke, Stoneburn and Tokarahi was placed on hold pending the Rural Agricultural standards being confirmed by the Ministry of Health. This will be addressed in the 2015-2025 Long Term Plan	Hampden/Moeraki, Herbert, Waianakarua, Ohau, Dunrobin – To comply in 12/13 Otekaieke, Duntroon – To comply in 13/14 Stoneburn, Tokarahi – To comply in 14/15
	To facilitate the requirements of the Code of Practice for Fire Fighting (SNZ PAS 4509:2008) and this may include pressure, flow or fire cells size control	Not measured No hydrants were tested by the fire service during the year. (The fire service have a five yearly cycle in which they endeavor to test key hydrants)	90% of hydrants tested comply with the required flow rate for the appropriate fire cell (to be developed in association with the NZ Fire Service)

Water and Waste

How we performed – Water Supply (continued)

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services are reliable and affordable
- Our infrastructure and services enable development in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Timely response to service requests and system failures ○ Equitable pricing mechanisms ○ Long term planning of maintenance, renewals, and provision for growth will provide assurance for a sustainable, efficient and effective water service 	Emergency response* <1-4 hours in accordance with Urban and Rural Contract criteria	Achieved 94% of emergencies responded to within <1-4 hours in accordance with Urban and Rural Contract criteria	90% of emergencies responded within <1-4 hours in accordance with Urban and Rural Contract criteria
	Minor works** response <2-5 working days	Not achieved 88% of minor works** responded to within <2 - 5 working days	90% of minor works** responded to within <2-5 working days
	Community perceives the water supply is reliable	Achieved 83% of residents are satisfied or very satisfied with the water supply	70% of residents are satisfied or very satisfied with the water service
	Annual cost of water service is less than other utility services	Achieved Average residential water rate of \$209 is 10% ¹ of the average residential power bill and less than 23% ² of the average telephone and internet bill	Average residential water supply rate is less than 40% of average residential power bill and less than 60% of the average telephone and internet bill
	Council will provide spare capacity*** at its water supply	Achieved Oamaru has 32% spare capacity Waihemo has 6% (one off - typically around 10% spare)	Oamaru 20% potential Waihemo (Palmerston) 5% potential by 2012

* Emergency response – response to incidents that require almost immediate attention such as notification of no water, urban water main breaks, water quality failure etc.

** Minor works – response to incidents that do not require immediate attention, such as notification of “cannot find toby”, “toby cannot shut off”, rural water leak, etc.

*** Spare capacity – is defined as available spare water leaving the treatment plant on extremely high water use days. All treatment plants that are upgraded to comply with the drinking water standards will have overbuilt capacity to allow for forecast growth.

1. Prices based on electricity price trend June 2014 (\$2,134 – Average Price – Waitaki) Source: Powerswitch.org.nz
2. Based on \$75 a month for phone, broadband and toll calls - \$900 Source: Consumer TelMe

Funding Impact Statement – Water Supply

Water Supply			2013/14	2013/14	2013/14
2012/13	2012/13		Actual	Annual Plan	LTP
Actual	LTP				
\$(000)	\$(000)		\$(000)	\$(000)	\$(000)
		Sources of Operating funding			
2	2	General Rates, uniform annual general charge, rates penalties	1	1	3
5,451	5,406	Targeted Rates	5,168	5,123	5,861
5,453	5,408	Rates Revenue	5,169	5,124	5,864
-	-	Subsidies and Grants for operating purposes	-	-	-
549	411	Fees and Charges	605	437	424
-	-	Interest and Dividends from Investments	-	-	-
324	364	Internal charges and overheads recovered	335	351	376
16	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	10	-	-
889	775	Operating Revenue	950	788	800
6,342	6,183	Total Sources of Operating Funding	6,119	5,912	6,664
		Applications of Operating funding			
2,729	2,957	Payments to staff and suppliers	2,701	2,888	3,118
-	-	Finance Costs	-	-	-
1,255	1,422	Internal Charges and Overheads Applied	1,361	1,462	1,502
-	-	Other operating funding applications	-	-	-
3,984	4,379	Total Applications of Operating Funding	4,062	4,350	4,620
2,358	1,804	Surplus / (Deficit) of Operating Funding	2,057	1,562	2,044
		Sources of Capital funding			
12	-	Subsidies and Grants for Capital expenditure	-	-	-
243	250	Development and Financial Contributions	300	250	263
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
255	250	Total Sources of Capital Funding	300	250	263
		Applications of Capital funding			
-	-	Capital Expenditure	-	-	-
-	-	Meet Additional Demand	-	-	-
1,232	2,318	Improve Levels of Service	1,528	605	605
1,238	475	Replace Existing Assets	1,503	763	763
143	(739)	Increase / (Decrease) in Reserve	(674)	444	939
-	-	Increase / (Decrease) in Investments	-	-	-
2,613	2,054	Total Applications for Capital Funding	2,357	1,812	2,307
(2,358)	(1,804)	Surplus / (Deficit) of Capital Funding	(2,057)	(1,562)	(2,044)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

Work continued on drinking water standard upgrades for a number of rural water schemes. Some of this work had been deferred from the 2012/13 financial year, which has resulted in higher capital expenditure than was budgeted

Water and Waste

How we performed – Waste Management

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- We have access to affordable, reliable and efficient waste disposal systems

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing resource recovery station, landfills and recycling drop off stations	Percentage of Waitaki residents within 25km of resource recovery stations, landfills and recycling drop off stations	Achieved 97% of residents are within 25km of a transfer station, landfill or recycling drop off station	90% of residents are within 25km of a transfer station, landfill or recycling drop off station
	Percentage of Waitaki residents satisfied	Not achieved 47% of residents are satisfied or very satisfied with waste services, including recovery stations, landfill and recycling	60% of residents are satisfied or very satisfied in 2013 65% of residents are satisfied or very satisfied in 2014 and 2015

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services are reliable and affordable

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By minimising the cost of waste services on rates and encouraging the provision of different options by the private sector	Choices are available for recycling and waste disposal	Achieved Oamaru landfill open 6 days per week Palmerston landfill open 6 hours per week Resource Recovery Park open 7 days per week Three Contractors offer kerbside collection *Omarama, Otematata, Kurow and Hampden Resource Recovery Parks open 6 hours per week Herbert, Papakaio and Enfield Recycling Drop-off Facility operational Ohau bin service available *Holiday hours: 4 hours daily from Boxing Day until 15 January, daily during Easter and Labour Weekend	Two or more options are available for recycling and waste disposal

Water and Waste

How we performed – Waste Minimisation

Wellbeing – Waitaki's distinctive natural environment is valued and protected (Environmental)

Community Outcomes

- We manage solid waste effectively and encourage minimisation, reuse and recycling

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing funding for waste minimisation programmes and initiatives	The amount of material removed from the waste stream	Substantially achieved <ul style="list-style-type: none"> • Greenwaste – 2,195 tonnes • Recyclables – 2,853 tonnes • Glass – 486 tonnes 	2012/13: at least <ul style="list-style-type: none"> • Greenwaste – 1,900 tonnes • Recyclables – 1,600 tonnes • Glass – 475 tonnes 2013/14: at least <ul style="list-style-type: none"> • Green waste – 1,900 tonnes • Recycling – 1,700 tonnes • Glass – 500 tonnes 2014/15: at least <ul style="list-style-type: none"> • Green waste – 1,900 tonnes • Recyclables – 1,800 tonnes • Glass – 525 tonnes

Funding Impact Statement – Waste Management and Minimisation

Waste Management & Minimisation				Commentary on Major Changes		
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)	
		Sources of Operating funding				
880	871	General Rates, uniform annual general charge, rates penalties	966	963	1,057	
-	-	Targeted Rates	-	-	-	
880	871	Rates Revenue	966	963	1,057	
124	60	Subsidies and Grants for operating purposes	79	60	62	
924	977	Fees and Charges	1,036	851	1,008	
-	-	Interest and Dividends from Investments	-	-	-	
-	-	Internal charges and overheads recovered	-	-	-	
2	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	1	-	-	
1,050	1,037	Operating Revenue	1,116	911	1,070	
1,930	1,908	Total Sources of Operating Funding	2,082	1,874	2,127	
		Applications of Operating funding				
1,516	1,711	Payments to staff and suppliers	1,502	1,548	1,772	
-	-	Finance Costs	-	-	-	
258	248	Internal Charges and Overheads Applied	219	255	251	
-	-	Other operating funding applications	-	-	-	
1,774	1,959	Total Applications of Operating Funding	1,721	1,803	2,023	
156	(51)	Surplus / (Deficit) of Operating Funding	361	71	104	
		Sources of Capital funding				
-	-	Subsidies and Grants for Capital expenditure	-	-	-	
-	-	Development and Financial Contributions	-	-	-	
-	-	Increase / (decrease) in Debt	-	-	-	
-	-	Gross Proceeds from Sale of Assets	-	-	-	
-	-	Total Sources of Capital Funding	-	-	-	
		Applications of Capital funding				
		Capital Expenditure				
-	-	Meet Additional Demand	-	-	-	
-	-	Improve Levels of Service	-	-	-	
-	-	Replace Existing Assets	8	-	-	
156	(51)	Increase / (Decrease) in Reserve	353	71	104	
-	-	Increase / (Decrease) in Investments	-	-	-	
156	(51)	Total Applications for Capital Funding	361	71	104	
(156)	51	Surplus / (Deficit) of Capital Funding	(361)	(71)	(104)	
-	-	Funding Balance	-	-	-	

Volumes of waste being delivered to the Oamaru landfill have not reduced to the degree that was anticipated, and income actually increased over the previous period. Costs were held within budgeted levels. Planning is now well underway looking towards the closure of the landfill facility in 2016, and the development of a new transfer station facility in collaboration with private sector partners, and capping of selected areas of the present site has commenced.

Arts, Heritage and Community

What we did

Community Safety & Development Unit

Community Safety & Development Facilitator engaged with a wide range of stakeholders, Government, Non-Government, Community Groups and Organisations during the reporting period.

Community Development what we did

- Safer Waitaki activities have grown and developed. Confidence is being shown with a continuing growth in membership
- Research and Development activities - ongoing
- Community Safety Strategy developed for release August 2014
- Coordination of Bridging the Gaps. This was a community forum looking at the issues confronting youth as they transition through life into employment. The forum was attended by representatives from a variety of stakeholder groups including Te Runanga o Moeraki, Government and Non-Government organisations, Local Government, Education; early childhood, primary, secondary and tertiary, Mental Health, Social Services, Pasifika and Employers
- Coordinated Family Violence Community activities including a community debate held on 16 September, School presentations held 18 September and White Ribbon Ride which included local riders 20 and 23 November
- Industry Link, Health and Safety Employer Forum
Held bimonthly, this forum is facilitated by ACC as one of Safer Waitaki's working groups. It involves a wide range of employers from cross sectors focusing on promoting healthy and safe workplaces in the Waitaki
- Attended Safer Communities Foundation of New Zealand Annual Forum on 9 July
- Completed Safer Waitaki Coalition Annual Report to Safer Communities Foundation of New Zealand
- Secured \$10,000 funding for co-ordination of Safer Waitaki project
- Secured \$4,000 funding to facilitate Results Based Accountability Training during 2014/15
- Secured \$1,600 funding to facilitate parent education about legislative changes to social supply and the impact and effects of alcohol and other drugs on adolescents
- Secured \$700 to facilitate distribution of parent resource
- Safer Waitaki successfully undertook two advocacy functions

Arts, Heritage and Community

Community Safety what we did

- CCTV project development/coordination
- Facilitation of Sophie Elliott Foundation 'healthy relationship' workshops in secondary schools
- Coordination of Suicide Postvention Group. This has now been passed on to the core working group for management and ongoing development
- Waitaki Guardians continued to patrol Friday and Saturday with additional presence at Community events where required including Oamaru on Fire, Weston Fire Works and youth after parties
- Waitaki Guardians sourced sponsorship from a local business for new uniforms
- Enforced temporary liquor bans in Otematata during Christmas New Year 2012/13 and Easter 2014 and Oamaru during the period of the Christmas Rodeo event
- Secured \$10,000 funding for coordination of Road Safety project
- Successfully coordinated an Otago wide road safety event at the Dunedin Edgar Centre from 5-7 March
- With Sport Waitaki coordinated and ran a Skate Jam event at Palmerston on 29 September
- Youth Council had a very productive year with two Quiz nights on 20 September and 4 April. Members participated in the Colour Run on 9 October and ran a station at the Santa Parade
- Youth Council facilitated an on-line survey in relation to usage of the BMX Track, undertook leadership development facilitated by Youth Participation Advisor | South Island | Ministry of Youth Development, saw the installation of the Steam Punk themed Water Fountain at the Harbourside playground and secured \$15,000 funding from the Ministry of Youth Development for Youth projects

Forrester Gallery and North Otago Museum what we did

- The operations of the Forrester Gallery and North Otago Museum have been successfully combined including the development of a strategic business plan aimed at a long term and sustainable increase in visitation and engagement and preparing for redevelopment
- The Cultural Facilities redevelopment project for the Forrester Gallery and North Otago Museum has been included in the 2015/2025 long term plan
- The Forrester Gallery, North Otago Museum, Waitaki District Library and Archive and Oamaru Opera House successfully collaborated on a number of projects including a range of outreach programmes in particular successful school holiday programmes and the development of a combined Culture Waitaki website

Oamaru Opera House what we did

- Oamaru Opera House was a finalist in the EVANZ Small Venue of the Year Awards, alongside winners Q Theatre of Auckland and Baycourt Tauranga
- The foyer space has been refreshed successfully creating a more accessible and open space for guests and clients
- Kids Fest 2014 – a collaboration with cultural facilities creating an annual event for Waitaki District children to experience the arts and ensure community facilities are more accessible
- Driving the promotion of Oamaru and the Opera House as a conference venue by pitching and winning the Irrigation NZ conference in 2016 with potential 360 delegates and the AA Conference in 2017 with 90 delegates and the establishment of the Oamaru Convention Bureau
- Building strong relationships with local organisations i.e. Tourism Waitaki, Oamaru Licencing Trust and Musical Theatre Oamaru as well as national organisations i.e. Creative NZ, PANNZ (Performing Arts Network of NZ), Arts On Tour and EVANZ Entertainment Venues Association of NZ

Arts, Heritage and Community

How we performed – Community Safety, Development and Grants

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are safe places to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The perception that the Waitaki District is a safe place to live	External Survey of resident perception	Not achieved 93% of residents are satisfied or very satisfied that the Waitaki District is generally a safe place to be	95% of residents are satisfied or very satisfied that the Waitaki District is generally a safe place to live

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

We recognise and support the work of our volunteers

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By building capacity and capability of the volunteers	Percentage of customers satisfied with community development advice and support	100% satisfaction with community development advice and support. 89% satisfaction with the community grants process. <i>Two surveys were undertaken to take account of both the community grants process and community development advice and support provided by the Community Safety and Development Facilitator.</i> <i>A benchmark was not established in year 1 but has been set at 90% for year 3</i>	Benchmark established in year 1. 5% increase by year 3 of customers satisfied or very satisfied with community development advice and support

Arts, Heritage and Community

How we performed – Forrester Gallery

The Forrester Gallery has been faced with a challenging and exciting time in 2013-2014 with:

- the retirement of its longstanding Director after 27 years' service in October 2013
- the decision to combine operations with the North Otago Museum
- the commencement of a new combined Gallery/Museum Director in January 2014 and
- significant input and progress on the proposed Cultural Facilities Redevelopment project resulting in a Council decision to include the project in the 2015/2025 Long Term Plan

These events had a significant impact upon the delivery of core functions as reflected in the performance measures showing decreased visitation and programme delivery. On a positive note the Forrester Gallery is moving into a new and exciting period as it develops a combined vision with the North Otago Museum.

Highlights on the Forrester Gallery programme for 2013-2014 included:

- Five very successful exhibitions by local artists – Women by Andrea Kydd-Law and Tracey Vickers, Parallel Threads by Sue Mclean, Wise Women by Sister Mary Horn, Xistence by Richard Mountain and Broken Idols by Tom Simpson
- Touring exhibitions – Towards the Precipice from the Sutch Collection Propaganda Posters, British Linocuts Speed and Colour and The imaginative Life and Times of Graham Percy
- Three collection exhibitions including Memorial Oaks, Drawings by Alan Pearson (a collection of gifted artworks), and Early works from the North Otago Museum
- Six exhibitions in the community gallery including Blackwater and other stories by Kit McGregor, Port of Call by Barry Clarke, Late Entry by Gary Blackman, Old New World by Mary MacPherson and Confluence by Richard Scott; and
- Several local community based shows including the North Otago Art Society Biennale, Where the Wild Things Are from Waitaki Boys High School and the annual Burns Memorial Art Exhibition

Other significant projects included the Meet the Director event hosted by the Friends of the Forrester at the Oamaru Opera House on 13 April and the commencement of roof repairs to the Forrester Gallery. The Forrester Gallery also participated for the first time in the Museums Aotearoa nationwide annual survey achieving an 85% satisfaction rating.

Arts, Heritage and Community

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Active preservation, interpretation and exhibition of artworks contribute to the cultural heritage of the Waitaki community	Visitor access provided	Achieved Street level spaces accessible to people with disabilities. Digital display in ground floor shop extends upstairs displays to visitors unable to use stairs. Major exhibitions and events programmed at street level	Street level spaces accessible to people with physical disabilities
	Visitor satisfaction as monitored by Council resident survey and visitor survey	Achieved 100% of surveyed visitors were satisfied as a result of internal visitor survey	90% of residents are satisfied with the Gallery
	Visitor satisfaction as monitored by visitor book comments	Achieved 93% of monitored visitor comments were satisfied	90% of visitors are satisfied with the Gallery visit
	Number of school visits	Not achieved 19 school visits recorded. 45 visits recorded in 2013	Maintain current number of school visits
	Gallery attendance as monitored by electronic/manual counter	Not achieved 14,804 visits recorded by manual counter (17,638 in 2013)	23,000 Gallery visits recorded by manual counter
	Number of volunteer hours contributed to Gallery operations	Not achieved 1,863 hours for year/35 hours/week (42 hours/week in 2013). Extra hours by volunteers not spent on reception desk (delivering posters, working on shop stock and assisting with Gallery displays) have not always been recorded	Maintain current number of Gallery volunteer hours

Arts, Heritage and Community

How we performed – Waitaki District Libraries and Archive

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

What we did

- Collaborated with the Forrester Gallery, Archive, Museum and Opera House to improve efficiency and encourage staff development, and morale. This collaboration included sharing staff, providing them a broader range of experience
- Continued to offer school holiday programmes, and developed combined education programmes with the Forrester Gallery and the North Otago Museum
- Visited schools and encouraged reciprocal visits from schools
- Continued to offer “Wriggle & Rhyme”, an active movement programme for 0-24 month olds, and saw increased enrolments over the year
- Continued to offer “Toddler Time”. Attendance at weekly sessions has grown steadily, due to “Wriggle & Rhyme” families bringing their toddlers along
- Encouraged the use of eBook readers and saw issues of eBooks climb steadily. Offered free eReader clinics to the public, supplying various non-Kindle platforms and encouraging attendees to bring their own readers
- Purchased several Kobo and Sony eReaders with assistance from the Friends of the Library – these are hired out weekly for patrons to try
- Fostered a positive relationship with the shared Customer Service/Library at Palmerston and shifted the service levels to be more Library focused, with events and programmes being introduced
- Continued developing the Library’s webpage, resulting in a new mobile device friendly front page
- Expanded the use of Facebook and Twitter as marketing tools, with excellent results in event attendance
- Collaborated with the Forrester Gallery, Archive, Oamaru Opera House and North Otago Museum in the development of a combined Culture Waitaki website to act as a portal for all our web presence, allowing for uniform standards and sharing of resources and skills
- Arranged for cemetery records to be publicly available on Council’s website
- Hosted an evening in conjunction with the Janet Frame Eden Street Trust to mark the addition of further donations to the Janet Frame collection
- Held a number of successful events and displays to celebrate Book Month, Music Month, Book launches, Community talks, Multi-Cultural events, etc
- Hosted talks, presentations and demonstrations in the Library by authors, musicians and DOC workers - over 100 people attended one of these events
- Hosted the Oamaru branch of the NZ Society of Genealogists for an afternoon visit
- Continued to use and develop the Koha Library Management System, which was upgraded and enhanced during the year. Supported Waimate District Council in their installation of the Koha system and shared in staff training

Arts, Heritage and Community

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Libraries provide reading material and spaces, access for education, recreation and leisure, with professional staff to provide support and access to the above	Number of visitors (measured by door counts)	Not achieved 191,457 physical library visits (197,259 physical library visits in 2013) <i>This 3% drop is in line with a national and international trend of more virtual visits</i>	230,000 physical library visits
	Level of service: Maintain or increase the number of electronic visits to the libraries website	Not achieved Year 1 data not yet available, monitoring electronic visits has only commenced this year Total visits this year: 90,782	To be determined by the first three years' performance
	Number of annual issues per capita	Not achieved 11.15 annual issues per capita (12.18 annual issues per capita in 2013) <i>This reduction is in line with a national and international trends of more virtual visits</i>	14 annual issues per capita
	Percentage of members that borrowed from library within last 2 years	Not achieved 50% (56% in 2013) <i>The Library borrower database has purged inactive members, so this percentage may not be exact</i>	60% of members borrowed from library within last 2 years
	Number of items available at no cost as a percentage of total collection	Not achieved 94.4% of lending items are free	95% of lending items are free

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Libraries provide a key focal point for community and social activities	Percentage of residents are satisfied or very satisfied with library services	Achieved 92% of residents are satisfied or very satisfied with library services	92% of residents are satisfied or very satisfied with library services
	Percentage of surveyed borrowers are satisfied or very satisfied with library service	Not achieved 90% of surveyed borrowers are satisfied or very satisfied with library service	92% of surveyed borrowers are satisfied or very satisfied with library service

Arts, Heritage and Community

How we performed – North Otago Museum

The North Otago Museum operated with an Acting Director from July 2011 until the appointment of the Director of the combined Forrester Gallery/Museum business unit at the end of January 2014. This year also saw the retirement of a valuable and longstanding volunteer and staff member due to ill health. Despite this, the Museum has achieved a range of projects which have been continued and reinforced under the new Director.

The North Otago Museum:

- staged two temporary exhibitions from its collection: *Fire: historic Oamaru fires* and *The Works: Pukeuri*
- updated its textile display case four times
- continued its collaboration with the Archive to publish History in Focus photographs daily in the Oamaru Mail and online
- achieved considerable success with its Facebook page gaining 1,183 likes at June 2014. The page has become a vibrant and participatory community space
- continued its collection rationalisation project with the assistance of a fixed term Registrar. As at June 2014, 87% of backlogged accessioned items have been catalogued. This is an important project for the redevelopment in terms of refocussing and reprioritising the collections and collections policy of the Museum in line with the upcoming redevelopment project
- continued to raise its profile within the profession through co-ordination and attendance at regional Museum Forums and the National Directors of Small Museums Forum and other training across both regional and national Museum forums

Until October 2013 the Archive was part of the North Otago Museum. Significant Archive projects included improving the cataloguing and storage of the map collection, digitizing photographs and continuing to handle public enquiries. From that time, the Archive has been transferred to the control of the Oamaru Library.

Arts, Heritage and Community

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The Museum contributed to the cultural wellbeing of the District by preserving, celebrating and exhibiting the District's cultural heritage and enabling the community to access Museum and Council archives	Annual number of visits to the Museum	Not achieved 14,573 recorded by automatic counter (14,984 visits in 2013)	Maintain current visitor numbers prior to redevelopment
	Number of volunteer hours contributed to Museum operations	Not achieved 2147.5 hours achieved (2,184 hours in 2013). Split off to reflect Museum volunteers only is 417	Maintain current number of volunteer hours
	Survey of comments of Museum visitor book, within a specified time period	Achieved 95% of monitored comments were satisfied	>85% satisfaction
	Visitor satisfaction with the Museum in Residents Survey	Achieved 94% of visitors satisfied or very satisfied with the Museum	>85% satisfaction
	In house survey of satisfaction of visitors to Museum	Not achieved 81% satisfaction in the Museums Aotearoa 2014 visitor survey	>85% satisfaction
	Survey of comments of Archive ¹ User Register, within a specified time period	Achieved 100% satisfaction	>90% satisfaction
	No irreparable loss or damage is caused to the collections as a result of handling by members of the public or staff	Achieved No collection losses	No collection losses

¹ Under the restructure of Council activities in 2013, the Archive has now been moved to the Library. This will be reflected in the 2014/15 Annual Report.

Arts, Heritage and Community

How we performed – North Otago Museum (continued)

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Council conducts its business in a transparent, efficient and prudent manner

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The Archive ² is the repository for archived Local Authority Records and the Public records of the Ministry of Education. These archives need to be stored and made accessible to the public free of charge under the Public Records Act 2005. Storage of Local Authority and Public Records must meet mandated standards	Level of compliance with the Mandatory Archive Standard	Achieved 88% compliance with standard	80% compliance with standard

² Under the restructure of Council activities in 2013, the Archive has now been moved to the Library. This will be reflected in the 2014/15 Annual Report.

Arts, Heritage and Community

How we performed – Oamaru Opera House

It has been five years since the major refurbishment of the Opera House was completed. Management continues to work with Council's Property officers to ensure appropriate levels of maintenance are planned and undertaken to ensure the asset remains functional at a high standard.

The Oamaru Opera House

- Has worked closely with Musical Theatre Oamaru to ensure at least two shows will be staged annually in the future
- Has continued to experience growing audience attendance figures through diverse and strong programming and developing strong local and international relationships
- Completed a refurbishment of the café bar facility, and seen patronage grow as a result of establishing the bar as an additional service to cater for theatre audiences
- Has initiated and delivered numerous pitches for national conferences, including Irrigation New Zealand and the Automobile Association
- Staff attended "Convene South" in conjunction with the Brydone Hotel and the newly appointed Oamaru Convention Bureau Coordinator to promote the facility and Oamaru as a convention destination
- Continued to use social media as a marketing and promotional tool directly engage the community and encourage conversation

Future Planning 2014/15

The 2014/15 business plan will focus on three main areas to increase revenue for the facility.

- MICE (Meetings, Incentives, Conferences and Events). Meetings and conferences can be run cost effectively, ensuring a healthy return, and are a revenue stream that has yet to be fully realised. As conferences book several years ahead, work currently being done to attract bookings may not come to fruition until 2016/17. The Opera House will work closely with the new Oamaru Convention Bureau and other conferencing venues and accommodation providers in Oamaru
- Continue to develop partnerships with local organisations and businesses to ensure continued use of the venue and to increase utilisation. The intention is to have this facility used on a daily basis. Relationships established with Musical Theatre Oamaru and the Otago Chamber of Commerce demonstrate what can be achieved
- Improving the profitability of the Sip Café Bar without compromising service or product. The, and the focus will be on accessibility and continued excellent customer service

Arts, Heritage and Community

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- The community celebrates Waitaki's vibrant culture and regularly attends cultural facilities and events

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By creating a venue that supports commercial and tourism opportunities, delivers positive economic outcomes and enables performing arts, community and cultural activities	Residents' Survey	Achieved 96% satisfied or very satisfied with the Oamaru Opera House	90% satisfied
	Volunteer Satisfaction Survey	Achieved 93% satisfied or very satisfied	90% satisfied
	Occupancy Levels Via Ungerboeck reporting	Not Achieved 10,585 entertainment patrons	11,000 entertainment patrons
		Not Achieved 70 Community Free Hires	80 Community Green Room Hires
		Not Achieved 15 Conference half days	35 Conference half days
		Not Achieved 317 total contracted hires	Total contracted hires: 330
		Achieved Income Events \$176,850	Income \$110,000

Funding Impact Statement – Arts, Heritage and Community

Arts, Heritage & Community			2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)	<u>Commentary on Major Changes</u> The activities in this group operated as expected and no detailed comments are required.
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)	
		Sources of Operating funding				
196	194	General Rates, uniform annual general charge, rates penalties	274	273	200	
3,041	3,013	Targeted Rates	3,141	3,131	3,156	
3,237	3,207	Rates Revenue	3,415	3,404	3,356	
150	200	Subsidies and Grants for operating purposes	419	176	206	
385	187	Fees and Charges	366	347	193	
-	-	Interest and Dividends from Investments	-	-	-	
-	-	Internal charges and overheads recovered	-	-	-	
168	323	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	159	162	336	
703	710	Operating Revenue	944	685	735	
3,940	3,917	Total Sources of Operating Funding	4,359	4,089	4,091	
		Applications of Operating funding				
2,469	2,533	Payments to staff and suppliers	2,526	2,706	2,609	
-	-	Finance Costs	-	-	-	
1,238	1,215	Internal Charges and Overheads Applied	1,356	1,266	1,277	
-	-	Other operating funding applications	-	-	-	
3,707	3,748	Total Applications of Operating Funding	3,882	3,972	3,886	
233	169	Surplus / (Deficit) of Operating Funding	477	117	205	
		Sources of Capital funding				
11	-	Subsidies and Grants for Capital expenditure	-	-	-	
-	-	Development and Financial Contributions	-	-	-	
-	-	Increase / (decrease) in Debt	-	-	-	
4	-	Gross Proceeds from Sale of Assets	6	-	-	
15	-	Total Sources of Capital Funding	6	-	-	
		Applications of Capital funding				
		Capital Expenditure				
-	-	Meet Additional Demand	-	-	-	
27	10	Improve Levels of Service	47	70	10	
157	120	Replace Existing Assets	133	169	160	
64	39	Increase / (Decrease) in Reserve	303	(122)	35	
-	-	Increase / (Decrease) in Investments	-	-	-	
248	169	Total Applications for Capital Funding	483	117	205	
(233)	(169)	Surplus / (Deficit) of Capital Funding	(477)	(117)	(205)	
-	-	Funding Balance	-	-	-	

Parks and Recreation

What we did

- Maintained our Parks, Gardens and Sportsfields
- Consulted on a Reserves Management Plan
- Collected recreation assets to update Council's Asset Register
- Embarked on developing an Activity Management Plan
- Repaired monuments at Herbert and Hampden
- Carried out maintenance on street trees
- Completed replacement planting on Thames Highway
- Repaired damage caused by storm events
- Completed programmed playground replacement works
- Installed new playground and landscaped Bluestone Reserve
- Began improvements to Whitestone Contracting Centennial Parks 2 and 3
- Provided a grant to Waitaki Community Recreation Centre
- Provided grants to rural pools in Kurow and Palmerston
- Constructed a car park at Lower Waitaki water park
- Continued to develop the Friendly Bay playground
- Provided water based survival skills programmes
- Provided Learn to Swim classes
- Replaced Aquatic Centre lighting with low power LED lighting
- Carried out learn to swim programme for low decile schools in partnership with Sport Otago
- Contributed to Sport Waitaki position
- Key staff were appointed: Pool Team Leader, LTS Team Leader, Coach and Pool Supervisor
- Successful maintenance closedown at Easter
- Complete overhaul of spa pool plant heating unit (efficiency)
- New spa pool covers (efficiency)
- Oamaru public toilet accessibility audit with disabled group completed
- South Island Secondary School Canoe Polo tournament held
- Refurbished Centennial Park grandstand
- Worked with community on planting of fruit and nut trees
- Facilitated Harbour planting with Idea Services with funding from Beautification Society
- Supported Alps2Ocean construction
- Established off-lead dog areas at Fenwick Park

Parks and Recreation

How we performed – Parks, Gardens and Green spaces

Parks, gardens and green spaces continue to be maintained to high standards. Heavy rainfall impacted on mowing abilities at times. Playground standards continue to improve and the Oamaru Public Garden continues to be recognised as a Garden of Significance. Planning and asset management continues to improve.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parks, gardens and green space provide many of the venues and facilities that contribute to healthy, active lifestyles and learning	Percentage of tracks accessible by people with disabilities	Achieved 51% - predominantly in the Oamaru Public Gardens	10% of tracks accessible by people with disabilities
	Percentage of playgrounds which meet New Zealand Standard 5828:2004	Achieved 89% of playgrounds meet the standard criteria (5828:2004) set by Standards New Zealand in their <i>Playground Equipment and Surfacing Handbook</i>	70% of playgrounds which meet New Zealand Standard 5828:2004
	Percentage of tracks which meet New Zealand Standard 8630:2004	Achieved 89.3% of tracks meet the standard criteria (8630:2004) set by Standards New Zealand in their <i>Tracks and Outdoor Visitor Structures Handbook</i>	60% of tracks which meet New Zealand Standard 8630:2004

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parks, gardens and green spaces attract and retain people in a community and are fundamental to a liveable community	Current Council-approved Strategies and Management Plans are in place	On Target. Strategy adopted. Reserve Management Plan to be adopted in September 2014	Current Council-approved Strategies and Management Plans are in place by 2015
	Percentage of residents who are satisfied or very satisfied with Waitaki's parks and reserves	Not achieved 85% of residents are satisfied or very satisfied with Waitaki's parks and reserves	90% of residents are satisfied or very satisfied with Waitaki's parks and reserves
	Number of kilometres of walking and cycle tracks in District	Achieved 23 kilometres of walking and cycle tracks in District	Benchmark set in year 1

Parks and Recreation

How we performed – Sports and Recreation

Sportsfields were predominately playable, particularly when compared to problems encountered in Dunedin with heavy rain events. Mill Domain, Weston and King George Park, however, had drainage issues that will need to be considered for the future, and in context of long term rainfall trends and costs. Work to improve Whitestone Contracting Centennial Park fields two and three was held up by heavy rain in April/May and is now scheduled for completion in Spring.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parks, gardens and green spaces provide many of the venues that contribute to healthy, active lifestyles and learning	Percentage of residents per annum who are satisfied or very satisfied with Waitaki's sports fields and facilities	Achieved 89% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities	75% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities
	Number of national and regional events held per annum	Achieved Five National Heartland games at Whitestone Contracting Stadium, including a semi-final against Wairarapa Bush. One National Hawke Cup game	Two national and three regional events held per annum
	Number of games cancelled due to unsafe fields	Achieved No incidents	0 incidents per annum

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parks, gardens and green spaces attract and retain people in a community and are fundamental to a liveable community	Current Council-approved Strategies and Management Plans are in place	On Target. Strategy adopted. Reserve Management plan to be adopted in September 2014	Current Council-approved Strategies and Management Plans are in place by 2015

Parks and Recreation

How we performed – Aquatic Centre

Numbers in our programmes continue to grow and our revenue targets are being met. Casual usage has dropped in recent years and we are looking at how we can grow this market segment. We continue to get positive feedback on our programmes and prices.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are a safe place to live, work and play
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Council provides a safe environment and supports opportunities for the community to learn to swim ○ The Aquatic Centre provides a venue for healthy, active lifestyles and learning 	Achievement of Pool safe accreditation	Achieved Pool safe accreditation awarded February 2014	Achieved Pool safe accreditation
	Compliance with New Zealand Standard 5826:2000	Achieved The Aquatic Centre complies with 100% of the standard criteria for pool water quality (5826:2000) as set by Standards New Zealand	100% compliance with NZ Standard 5826:2000
	Opening hours per week	Achieved 88 opening hours per week	86 opening hours per week

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Reliable and affordable recreational facilities encourage participation by the community	Number of visits per annum	Not Achieved 137,334 visits - slight decline on previous years' numbers	2% increase in number of visits per annum

Parks and Recreation

How we performed – Aquatic Centre (continued)

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parks, gardens and green spaces attract and retain people in a community and are fundamental to a liveable community	Customers either satisfied or very satisfied with the Aquatic centre	Achieved 90% of customers are satisfied or very satisfied with the Aquatic Centre	65% of customers satisfied or very satisfied with the Aquatic Centre

Funding Impact Statement – Parks and Recreation

Parks & Recreation						Commentary on Major Changes
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)	The activities in this group operated as expected and no detailed comments are required.
		Sources of Operating funding				
468	465	General Rates, uniform annual general charge, rates penalties	466	465	484	
2,646	2,621	Targeted Rates	2,829	2,823	2,676	
3,114	3,086	Rates Revenue	3,295	3,288	3,160	
51	-	Subsidies and Grants for operating purposes	12	-	-	
590	562	Fees and Charges	608	579	580	
-	-	Interest and Dividends from Investments	-	-	-	
-	-	Internal charges and overheads recovered	-	-	-	
290	524	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	453	458	458	
931	1,086	Operating Revenue	1,073	1,037	1,038	
4,045	4,172	Total Sources of Operating Funding	4,368	4,325	4,198	
		Applications of Operating funding				
2,825	2,988	Payments to staff and suppliers	3,138	3,094	3,025	
-	-	Finance Costs	-	-	-	
404	640	Internal Charges and Overheads Applied	595	679	655	
-	-	Other operating funding applications	-	-	-	
3,229	3,628	Total Applications of Operating Funding	3,733	3,773	3,680	
816	544	Surplus / (Deficit) of Operating Funding	635	552	518	
		Sources of Capital funding				
-	-	Subsidies and Grants for Capital expenditure	-	-	-	
-	-	Development and Financial Contributions	-	-	-	
-	-	Increase / (decrease) in Debt	-	-	-	
-	-	Gross Proceeds from Sale of Assets	-	-	-	
-	-	Total Sources of Capital Funding	-	-	-	
		Applications of Capital funding				
		Capital Expenditure				
-	-	Meet Additional Demand	-	-	-	
58	47	Improve Levels of Service	106	302	49	
38	95	Replace Existing Assets	249	456	459	
720	402	Increase / (Decrease) in Reserve	280	(206)	10	
-	-	Increase / (Decrease) in Investments	-	-	-	
816	544	Total Applications for Capital Funding	635	552	518	
(816)	(544)	Surplus / (Deficit) of Capital Funding	(635)	(552)	(518)	
-	-	Funding Balance	-	-	-	

Commentary on Major Changes

The activities in this group operated as expected and no detailed comments are required.

Community Amenities

This area includes:

- Community housing
- Waitaki Lakes camping
- Public toilets
- Cemeteries

What we did

- Refurbished seven community housing units
- Provided eight Kiwi style camping grounds
- Instigated review on campground management options
- Provided clean toilet facilities
- Removed overgrown hedge at the Macraes Cemetery
- Provided burial and commemorative opportunities across the district.

How we performed – Camping Grounds

Camp and boat ramp usage declined slightly this year. This is attributed predominantly to a poor summer. Council continues to work towards ceasing active management of the camps through long term lease or management contracts.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Camping is part of the culture of living in a rural and wilderness area. It encourages learning safety in the outdoors and facilitates family and community bonding	User satisfaction with the quality of the District's camping grounds	Achieved 93% of users are satisfied or very satisfied with the District's camping grounds	>70% of users are satisfied or very satisfied with the District's camping grounds

Community Amenities

How we performed – Community Housing

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are safe places to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community housing provides safe, affordable accommodation for those members of the community who are unable to access market accommodation	Proportion of tenants meet policy criteria	Achieved 87% of tenants meet tenancy policy criteria	80% of tenants meet Tenancy Policy criteria
	Community housing to be self-funding	Achieved 100% of operating costs met from rent	90% of operating costs met from rent
	Average rental as a percentage of gross income	Not achieved Average rental is 21% of gross income based on national superannuation Some units will not reach this figure (mainly bedsit units)	Average rental set at between 25% and 30% of gross income based on national superannuation
	Partnerships with tenant welfare service providers in place	Achieved 100% of tenants (excluding commercial tenants) visited for welfare by welfare partner. Age Concern carried out welfare visits and worked with other agencies to put support processes in place where needed	100% of tenants visited by welfare partner
	Annual formal and informal maintenance inspections	Achieved 100% of units inspected for maintenance issues. Formal annual inspections were undertaken, other maintenance issues were identified and resolved throughout the year	100% of units inspected for maintenance issues

Community Amenities

How we performed – Community Halls

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses regulation and enforcement
- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle learning.

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Community Halls encourage community interaction (especially for smaller communities) as well as providing facility for indoor pursuits and events ○ Community Halls are publicly warranted buildings 	Properties occupied	<p>Hall committees manage the halls throughout the District except for the Drill Hall which is managed by Council</p> <p>Achieved The Drill Hall has 100% of lettable floor space tenanted</p>	90% of lettable floor space occupied
	Buildings have current warrant of fitness	<p>Not achieved As detailed in the 2012-22 Long Term Plan, not all Community Halls meet fire safety standards</p> <p>Not achieved There is significant cost associated with installing fire protection systems for a hall used by the public and ongoing monitoring costs A community hall review is planned, but it is not yet known when this will take place</p>	<p>Building warrant of fitness in place in 100% of community halls requiring same</p> <p>Fire Evacuation procedures in place in 100% of community halls requiring same</p>

Community Amenities

How we performed – Public Toilets

Toilets continue to be serviced regularly. New and replacement toilet projects at Friendly Bay and Hampden were delayed and are now scheduled for the new financial year.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- We have access to affordable, reliable and efficient waste disposal systems

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Public toilets provide a service to the community that results in clean and hygienic communities	Percentage of toilets that meet accessibility criteria	Not achieved 54% of town toilets accessible 23% of all toilets accessible	75% of toilets meet accessibility criteria
	Percentage of residents who are satisfied or very satisfied with public toilets	Achieved 75% of residents are satisfied or very satisfied with public toilets	70% of residents are satisfied or very satisfied with public toilets
	Number of incidents requiring notification to Department of Labour	Achieved No incidents	Nil

Community Amenities

How we performed – Cemeteries

Cemeteries continue to be maintained to high standards. With heavy rain events higher than normal subsidence was experienced. This was rectified as and when resources were available. We continue to carry out deferred maintenance in our cemeteries with our current focus being on overgrown hedges.

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Cemeteries meet District need	Annual survey of funeral director satisfaction	Achieved 100% satisfaction as measured by phone survey June 2014	90% satisfaction
	Compliance with resource consent conditions	Achieved 100% Compliance	100% compliance
	Annual Residents' Survey	Achieved 92% of residents are satisfied or very satisfied with cemeteries in the District	75% satisfaction

Funding Impact Statement – Community Amenities

Community Amenities			2013/14	2013/14	2013/14
2012/13	2012/13		Actual	Annual Plan	LTP
Actual	LTP		Actual	Annual Plan	LTP
\$(000)	\$(000)		\$(000)	\$(000)	\$(000)
Sources of Operating funding					
678	671	General Rates, uniform annual general charge, rates penalties	652	651	716
1,066	1,055	Targeted Rates	1,131	1,130	1,163
1,744	1,726	Rates Revenue	1,783	1,781	1,879
423	5	Subsidies and Grants for operating purposes	163	5	5
742	573	Fees and Charges	729	653	529
-	-	Interest and Dividends from Investments	-	-	-
8	6	Internal charges and overheads recovered	8	7	7
-	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	5	-	-
1,173	584	Operating Revenue	905	665	541
2,917	2,310	Total Sources of Operating Funding	2,688	2,446	2,420
Applications of Operating funding					
1,989	1,548	Payments to staff and suppliers	2,013	1,854	1,616
-	-	Finance Costs	-	-	-
256	323	Internal Charges and Overheads Applied	252	353	334
-	-	Other operating funding applications	-	-	-
2,245	1,871	Total Applications of Operating Funding	2,265	2,207	1,950
672	439	Surplus / (Deficit) of Operating Funding	423	239	470
Sources of Capital funding					
-	-	Subsidies and Grants for Capital expenditure	-	-	-
-	-	Development and Financial Contributions	-	-	-
(3)	(4)	Increase / (decrease) in Debt	(2)	(3)	(2)
-	-	Gross Proceeds from Sale of Assets	-	-	-
(3)	(4)	Total Sources of Capital Funding	(2)	(3)	(2)
Applications of Capital funding					
Capital Expenditure					
-	-	Meet Additional Demand	-	-	-
-	-	Improve Levels of Service	7	277	282
8	222	Replace Existing Assets	2	25	229
661	213	Increase / (Decrease) in Reserve	412	(66)	(43)
-	-	Increase / (Decrease) in Investments	-	-	-
669	435	Total Applications for Capital Funding	421	236	468
(672)	(439)	Surplus / (Deficit) of Capital Funding	(423)	(239)	(470)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The Omarama Hall Committee has completed the redevelopment of the Omarama Hall that started last year. Grants secured to fund this work were passed to Council and appear in the Grants line. Expenditure incurred in relation to this project is included in the Payments section. Additional revenue was generated in a number of activities including Camps and Community Housing from increased charges. Reduced capital expenditure relates to delays in completing new public toilets at Oamaru Harbour and in Hampden

Oamaru Harbour and Historic Precinct

What we did

- Substantially completed the re-decking of Holmes Wharf, including the replacement of 650 square meters of decking (about 20% of the entire deck). The old deck is in worse condition than expected and will require further projects in future Long Term Plans to continue this renewal work.
- Agreed a solution to protecting the area of coast between Holmes Wharf and Oamaru Creek – tenders will be requested and construction will begin in the New Year.
- Continued the development of the Friendly Bay playground along with planting around the Harbour by Idea Services.

How we performed – Oamaru Port

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are safe places to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Safe access to the harbour	Meet 100% of minimum safety requirements	Achieved Harbour entrance lights and markers are maintained and meet safety requirements	Harbour entrance lights and markers are maintained

Wellbeing – Waitaki's distinctive natural environment is valued and protected (Environmental)

Community Outcomes

- We promote and encourage awareness and protection of our unique natural environment

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Protection of the breakwater and rock wall reduces coastal erosion	Breakwater maintained and rock wall built from Holmes wharf to Oamaru creek	Achieved Breakwater was inspected and limited maintenance work was undertaken as identified. Council resolved to proceed with a coastal protection structure to be constructed in 2014/15	Breakwater holding rock wall prevents erosion

Oamaru Harbour and Historic Precinct

Wellbeing – Waitaki has a diverse and sustainable economy (Economic)

Community Outcome

- Our infrastructure and services are reliable and affordable

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Facilities are available in the harbour area	Maintain wharves to a level that is appropriate for their use. This use is subject to 2013/14 harbour use study	Achieved Approximately 20% of Holmes Wharf has been re-decked at a cost of \$200,000. The remainder of the wharf decking will be progressively replaced over the next 10 years	Holmes and Normanby Wharves remain operational
	Sumpter Wharf in situ as historic monument	Achieved In the 2012-22 Long Term Plan, the decision was made to not set aside any rates funding for work on Sumpter Wharf	Trust progressing restoration efforts

How we performed – Harbour Precinct

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, cultural and recreational facilities are well managed and encourage healthy, active lifestyle and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Increased access to the waterfront with parks, walkways and tidy beaches which encourage outdoor activity	Number of residents who visit the harbour area and level of satisfaction in residents survey	90% of residents who visited the Oamaru Harbour recreational area were satisfied or very satisfied	Year one establish benchmark and years two and three increase usage and satisfaction to level of other Council parks

Oamaru Harbour and Historic Precinct

How we performed – Harbour Precinct (continued)

Wellbeing – Waitaki has a diverse and sustainable economy (Economic)

Community Outcomes

- Our infrastructure and services enable development in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Increased pedestrian flow and tourism in precinct encourages business investment	Increased lease income	Achieved The lease income for the harbour area has increased to market rates when the opportunity arises	Lease income reflects market
	Increased private investment	Achieved There has been further capital investment in the area (the Penguins Nest, Scott's Brewery and the Friendly Bay Tearooms). A number of new businesses have opened in the area, Jae's Juice Bar, Housekeepers Design retail and coffee shop, Presence on Harbour retail and the Loan and Merc function centre	Private investment interest increasing
	Percentage return of capital value	Not yet measured The Property team is re-organising Council property assets into groups of assets. From this re-organisation we will be able to appropriately measure the performance of the different types of assets	Capital values increased

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We preserve, promote and celebrate our built heritage

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Working with the Oamaru Whitestone Civic Trust (OWCT) helps ensure historic integrity of the area	Regular meetings held with OWCT and OWCT remains involved in development	Achieved Mayor attended regular meetings and AGM Council officers engaged with OWCT in submission process around earthquake prone buildings Waitaki Development Board is engaged with OWCT with future development in the area	Regular meetings held

Funding Impact Statement – Oamaru Harbour and Historic Precinct

Oamaru Harbour & Historic Precinct			2013/14	2013/14	2013/14
2012/13	2012/13		Actual	Annual Plan	LTP
Actual	LTP				
\$(000)	\$(000)		\$(000)	\$(000)	\$(000)
Sources of Operating funding					
57	57	General Rates, uniform annual general charge, rates penalties	68	68	33
328	326	Targeted Rates	374	374	329
385	383	Rates Revenue	442	442	362
-	-	Subsidies and Grants for operating purposes	-	-	-
160	170	Fees and Charges	205	145	176
-	-	Interest and Dividends from Investments	-	-	-
-	-	Internal charges and overheads recovered	-	-	-
2	5	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	3	5	5
162	175	Operating Revenue	208	150	181
547	558	Total Sources of Operating Funding	650	592	543
Applications of Operating funding					
396	352	Payments to staff and suppliers	333	370	292
-	-	Finance Costs	-	-	-
99	96	Internal Charges and Overheads Applied	147	107	125
-	-	Other operating funding applications	-	-	-
495	448	Total Applications of Operating Funding	480	477	417
52	110	Surplus / (Deficit) of Operating Funding	170	115	126
Sources of Capital funding					
5	-	Subsidies and Grants for Capital expenditure	9	-	-
-	-	Development and Financial Contributions	-	-	-
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
5	-	Total Sources of Capital Funding	9	-	-
Applications of Capital funding					
-	-	Capital Expenditure	-	-	-
-	-	Meet Additional Demand	-	-	-
287	828	Improve Levels of Service	197	60	10
11	-	Replace Existing Assets	1	-	-
(241)	(718)	Increase / (Decrease) in Reserve	(19)	55	116
-	-	Increase / (Decrease) in Investments	-	-	-
57	110	Total Applications for Capital Funding	179	115	126
(52)	(110)	Surplus / (Deficit) of Capital Funding	(170)	(115)	(126)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

Generally this area operated as expected. The variance in the capital expenditure is due to the commencement of the previously delayed Coastal Protection work in the Holmes Wharf area.

Commercial and Development

What we did

- Airport helicopter operation commenced at Oamaru Airport
- Mainland Air commenced commercial flights at Oamaru Airport (now ceased)
- Installation of jet fuel facility at Oamaru Airport
- North Oamaru Business Park underwrite was paid, three sections conditionally sold
- Conditional contract for sale of land at Hospital Hill
- Conditional contracts for sale of 84 Thames Street, 43 Eden Street and 83 Eden Street
- Conditional contract for sale to McKeown Group Limited
- Two new long term leases commenced in Harbour (Scott's Brewery, Penguins Nest Tourist Park)
- Clear fell harvest of forestry on Cape Wanbrow
- Consulted on concept plans for re-vegetation of harvested forest areas

How we performed – Operational Buildings

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services are reliable and affordable

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Effective property management and earnings support our infrastructure	Percentage return on the capital value	Not yet measured The Property team is re-organising Council property assets into groups of assets. From this re-organisation, we will be able to appropriately measure the performance of the different types of assets	New level of service - Benchmark to be determined in 2012. Attain the benchmark in years 2-3
	Percentage return on forestry assets	18.35% return on harvest costs	New level of service return on forestry assets in accord with industry standard ETS costs contained
	Number of days of disruption	Achieved There have been no major unplanned disruptions to Council services	New level of service - Maintenance planned and undertaken so that no major unplanned disruptions to services in Council buildings

Commercial and Development

How we performed – Oamaru Airport

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business, and people choose to invest in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
An operational airport provides for services of a commercial nature requiring air transport	All Civil Aviation Authority safety requirements met	Achieved All Civil Aviation Authority safety requirements have been met	All Civil Aviation Authority safety requirements met
	Satisfaction of users with facilities as monitored through a biennial survey	Achieved An online survey was sent out to the users of the airport with 100% reported to be satisfied with the Oamaru Airport	User satisfaction >80%

How we performed – Economic Development, Grants and Services

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business, and people choose to invest in the District
- Opportunities for sustainable enterprise and growth are recognised and managed

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)															
Council encourages and supports an economic environment that allows the growth of a strong and diverse economy	Population stable or increasing	2013 census recorded 20,829 people usually live in Waitaki District. This is an increase of 603 people, or 3%, since the 2006 census	Population >21,500 by 2015															
	90 day bill rate exceeded in each quarter	<div>Substantially achieved</div> <table><tr><td></td><td>Average interest rate</td><td>RBNZ 90 day rate</td></tr><tr><td>Q1</td><td>3.66%</td><td>2.66%</td></tr><tr><td>Q2</td><td>3.70%</td><td>2.72%</td></tr><tr><td>Q3</td><td>3.54%</td><td>3.13%</td></tr><tr><td>Q4</td><td>3.59%</td><td>3.61%</td></tr></table>		Average interest rate	RBNZ 90 day rate	Q1	3.66%	2.66%	Q2	3.70%	2.72%	Q3	3.54%	3.13%	Q4	3.59%	3.61%	Exceed the average 90-day bill rate for commercial and cash investments
		Average interest rate	RBNZ 90 day rate															
Q1	3.66%	2.66%																
Q2	3.70%	2.72%																
Q3	3.54%	3.13%																
Q4	3.59%	3.61%																
	Annual GDP per capita higher than national average	Not achieved Could not be measured due to a lack of data	2% per annum higher than national average															

Funding Impact Statement – Commercial and Development

Commercial & Development Activities				Commentary on Major Changes		
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)	
		Sources of Operating funding				
175	177	General Rates, uniform annual general charge, rates penalties	274	272	12	
(205)	(210)	Targeted Rates	(105)	(105)	(281)	
(30)	(33)	Rates Revenue	169	167	(269)	
275	7	Subsidies and Grants for operating purposes	-	325	7	
1,529	1,670	Fees and Charges	637	1,685	1,723	
977	819	Interest and Dividends from Investments	893	1,035	914	
(640)	(632)	Internal charges and overheads recovered	(719)	(615)	(652)	
577	367	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	592	487	378	
2,718	2,231	Operating Revenue	1,403	2,917	2,370	
2,688	2,198	Total Sources of Operating Funding	1,572	3,084	2,101	
		Applications of Operating funding				
2,367	2,405	Payments to staff and suppliers	1,660	3,174	2,409	
-	-	Finance Costs	10	-	69	
(360)	(253)	Internal Charges and Overheads Applied	(332)	(182)	(340)	
-	-	Other operating funding applications	-	-	-	
2,007	2,152	Total Applications of Operating Funding	1,338	2,992	2,138	
681	46	Surplus / (Deficit) of Operating Funding	234	92	(37)	
		Sources of Capital funding				
-	158	Subsidies and Grants for Capital expenditure	931	-	-	
2,520	-	Development and Financial Contributions	2,848	-	-	
-	-	Increase / (decrease) in Debt	-	-	-	
(2,705)	468	Gross Proceeds from Sale of Assets	(685)	157	565	
(185)	626	Total Sources of Capital Funding	3,094	157	565	
		Applications of Capital funding				
		Capital Expenditure				
-	-	Meet Additional Demand	-	-	-	
108	750	Improve Levels of Service	1,903	438	360	
4	155	Replace Existing Assets	-	-	160	
384	(233)	Increase / (Decrease) in Reserve	1,425	(189)	8	
-	-	Increase / (Decrease) in Investments	-	-	-	
496	672	Total Applications for Capital Funding	3,328	249	528	
(681)	(46)	Surplus / (Deficit) of Capital Funding	(234)	(92)	37	
-	-	Funding Balance	-	-	-	

The decision taken by Council to transfer the entire operations of the Oamaru Blue Penguin Colony and the Alps2Ocean Cycletrail to the Waitaki Development Board had a major impact in this activity, resulting in marked variations from budget, particularly in regard to Fees and Charges, and overall payments. Significant grants were received for construction of the Alps2Ocean cycleway, and expenditure on this asset prior to 30 June 2013 was brought to account as Vested Assets. The interest income result reflects the impact of a \$24k subvention payment rather than dividend received from Whitestone Contracting Limited. In the previous year, Council received \$300k subvention rather than \$150k dividend budgeted for. Actual interest revenue increased over \$200k on the previous year. Increased capital expenditure relates to Council's acquisition of land in the Oamaru North End Business Park area.

Democracy, Accountability and Governance

The Representation group of activities includes:

- Council
- Ahuriri and Waihemo Community Boards

Council and Community Boards are governance bodies which form the vital link between communities and Council staff who manage assets and activities. Council and Community Boards should be 'democracy in action'. Elections every three years give citizens the opportunity to express their opinion on how well Councillors and Community Boards have performed. Residents' Surveys and other measures shown below supplement the election decisions made by citizens of the District.

The ideals of this activity are captured under the high level community outcome "Waitaki is served by responsive and efficient local government (Council)." The activity is regulated by Central Government through the Local Government Act (2002) and other mechanisms governing reporting and other matters. The Act directs how Council must consult with the public (for example, under "Special Consultative Procedure") so that "we (the community) can be involved in decisions that affect us".

Council and Community Boards – What we did

- Council prepared, consulted on and adopted the 2014/15 Annual Plan. Key milestones included:
 - Consideration of 82 submissions; hearing 40 speak to the draft Annual Plan on 14 and 19 May 2014
 - Adoption of the 2014/15 Annual Plan on 25 June 2014

Democracy, Accountability and Governance

How we performed – Waitaki District Council

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Waitaki residents actively contribute to Council decisions that affect their work, life and play
- Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable
- Council conducts its business in a transparent, efficient and prudent manner

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Council meetings and governance activities provide a framework for citizen engagement. Citizens who feel comfortable approaching elected members are more likely to contribute to Council decisions ○ Elected members are a focus for citizen engagement. Citizens who are satisfied with the performance of elected members are more likely to view Council as knowledgeable, trustworthy, approachable and accountable 	Percentage of residents that feel comfortable approaching the Mayor and Councillors	Not achieved 88% of residents would be comfortable approaching the Mayor and Councillors compared with 82% in 2012/2013	90% of residents would be comfortable approaching the Mayor and Councillors
	Resident satisfaction with performance of Mayor and Councillors	Not achieved 56% of residents were satisfied or very satisfied with the performance of the Mayor and Councillors compared with 60% in 2012/13	75% of residents are satisfied or very satisfied with the performance of the Mayor and Councillors
	Percentage of Council resolutions passed in public meeting	Not achieved 90% of Council resolutions passed in public meetings	95% of Council resolutions passed in public meeting

Democracy, Accountability and Governance

How we performed – Waitaki District Council (continued)

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Council meetings and governance activities provide a framework for citizen engagement and a basis for accountability of Council to the community. Public conduct of Council business enables us to be transparent ○ The Long Term Plan and Annual Reports are the primary, independently audited statements of Council performance to the community. They provide transparency and a basis for evaluating the prudence of Council planning and decision-making ○ Accountability for delivery of services and completion of projects provides evidence to the community that it is served by responsive and efficient government 	Percentage of meetings that each Councillor attends	Achieved Mayor Kircher 96% Cr Hopkins 89% Cr Hope 57% (leave of absence from 2 April 2014) Cr Garvan 96% Cr Perkins 96% Cr Wollstein 93% Cr Tavendale 100% Cr Kingan 100% Cr Slee 96% Cr Dennison 89% Corriedale Ward - Vacancy	Council members attend 80% of Council and committee meetings
	Audit opinion on the Long Term Plan and Annual Report are unmodified Long Term Plan and Annual Report are adopted within statutory timeframes	Achieved 2012/13 Annual Report was adopted with an un-modified audit opinion within statutory timeframes on 29 October 2013	Long Term Plan and Annual Reports receive unmodified audit opinions and are adopted within statutory timeframes
	Percentage of Annual Plan projects completed Percentage of service performance targets *substantially achieved each year *Substantially achieved equates to 85% complete	Not achieved Data not available, will be reviewed as part of 2015-25 Long Term Plan	80% of approved project milestones are achieved each year. 100% of service performance targets substantially achieved each year

Democracy, Accountability and Governance

How we performed – Ahuriri Community Board

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Waitaki residents actively contribute to Council decisions that affect their work, life and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Local communities engage in transparent decision making	Percentage of residents rate the performance of Community Board members as satisfactory or very satisfactory	Achieved 86% of Ahuriri residents satisfied or very satisfied with the performance of the community compared with 72% in 2012/13	85% of residents rate the performance of the Ahuriri Community Board as satisfactory or very satisfactory
	Percentage of Community Board resolutions passed in public meeting	Achieved 100% of resolutions passed in a public meeting	95% of Ahuriri Community Board resolutions passed in public meeting
	Percentage of meetings that each Community Board member attends	Achieved Mr Sullivan (Chair) 100% Mr Reid 71% Mr Blackstock 100% Mr Cowles 100% Mrs Munro 86%	Community Board members attend 80% of Board meetings
	Number of submissions made to Council by the Board	Achieved 8 items submitted on	No fewer than 4 submissions made to Council, by the Board or workshops attended

Democracy, Accountability and Governance

How we performed – Waihemo Community Board

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Waitaki residents actively contribute to Council decisions that affect their work, life and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Local communities engage in transparent decision making	Percentage of residents rate the performance of Community Board members as satisfactory or very satisfactory	Not achieved 69% of Waihemo residents were satisfied or very satisfied with the performance of the Community Board compared with 52% in 2012/13	85% of residents rate the performance of the Waihemo Community Board as satisfactory or very satisfactory
	Percentage of Community Board resolutions passed in public meeting	Achieved 100% of resolutions passed in a public meeting	95% of Waihemo Community Board resolutions passed in public meeting
	Percentage of meetings that each Community Board member attends	Achieved Mr Foote (Chair) 100% Mr Brown 100% Mrs Carlyon 88% Mrs McGregor 100% Mr Roy 100%	Community Board members attend 80% of Board meetings
	Number of submissions made to Council by the Board	Achieved 15 items submitted on	No fewer than 4 submissions made to Council, by the Board or workshops attended

Democracy, Accountability and Governance

How we performed – Community Planning

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Waitaki residents actively contribute to Council decisions that affect their work, life and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Local communities engage in planning process	Annual plans, policies and bylaws are adopted and reviewed within statutory timeframes	Achieved 2014/15 Annual Plan adopted within statutory timeframe on 25 June 2014	100% of Annual Plans, policies and bylaws are reviewed and adopted in accordance with the statutory timeframes and processes
	Percentage of residents who regard the Waitaki Link as a useful source of information	Achieved 76% of residents who had read the Link were satisfied or very satisfied it provided a useful source of information. This compares with 73.5% in 2012/13	65% of residents regard the Waitaki Link as a useful source of information on Council activities
	Percentage of residents satisfied or very satisfied with Council consultation	Not achieved 49% of residents were satisfied or very satisfied with Council's consultation compared with 43% in 2012/13	50% of residents satisfied or very satisfied with Council consultation

Democracy, Accountability and Governance

How we performed – Community Planning

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Council is viewed by our community as knowledgeable, trustworthy, approachable and accountable

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Ensuring we are accountable to the community for the services we provide	Audit opinion on Annual Report	Achieved Unmodified audit received on 2012/13 Annual Report	Unmodified audit opinions on Annual Report

Funding Impact Statement – Democracy, Accountability and Governance

Democracy, Accountability & Governance					
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)
		Sources of Operating funding			
1,705	1,700	General Rates, uniform annual general charge, rates penalties	1,959	1,959	1,786
1,367	1,353	Targeted Rates	1,538	1,538	1,418
3,072	3,053	Rates Revenue	3,497	3,497	3,204
28	48	Subsidies and Grants for operating purposes	31	44	50
-	-	Fees and Charges	-	-	-
-	-	Interest and Dividends from Investments	-	-	-
-	-	Internal charges and overheads recovered	-	-	-
-	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	83	60	62
28	48	Operating Revenue	114	104	112
3,100	3,101	Total Sources of Operating Funding	3,611	3,601	3,316
		Applications of Operating funding			
806	763	Payments to staff and suppliers	905	1,025	892
-	-	Finance Costs	-	-	-
2,329	2,332	Internal Charges and Overheads Applied	2,440	2,587	2,491
-	-	Other operating funding applications	-	-	-
3,135	3,095	Total Applications of Operating Funding	3,345	3,612	3,383
(35)	6	Surplus / (Deficit) of Operating Funding	266	(11)	(67)
		Sources of Capital funding			
-	-	Subsidies and Grants for Capital expenditure	-	-	-
-	-	Development and Financial Contributions	-	-	-
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
-	-	Total Sources of Capital Funding	-	-	-
		Applications of Capital funding			
-	-	Capital Expenditure	-	-	-
-	-	Meet Additional Demand	-	-	-
-	-	Improve Levels of Service	-	-	-
-	-	Replace Existing Assets	-	-	-
(35)	6	Increase / (Decrease) in Reserve	266	(11)	(67)
-	-	Increase / (Decrease) in Investments	-	-	-
(35)	6	Total Applications for Capital Funding	266	(11)	(67)
35	(6)	Surplus / (Deficit) of Capital Funding	(266)	11	67
-	-	Funding Balance	-	-	-

Commentary on Major Changes

Three-yearly elections were held in 2013/14, as expected, but income exceeded budget because the Oamaru Licensing Trust, whose elections Council administers, required a by-election to fill a vacancy. Subsequent to year end, Council held a by-election to fill the vacancy left by the resignation of Sharyn Price, the costs of which will fall in the 2014/15 year.

Environment, Regulation and Safety

What we did

Civil Defence

- 135 operational volunteers available for response in the Waitaki district 2013/14 (153 in 2012/13)
- Community Response Plan development in Waihemo Ward (Palmerston, Dunback, Macraes, Goodwood, Hampden and Ohau Village). This process assists with growing community resilience and volunteer base
- Emergency generator donated by Meridian to Kurow Civil Defence Group
- Emergency Operations Centre (EOC) activated three times during 2013/14: two weather related: flooding x 2 April and 1 tsunami alert in April 2013. CDEM volunteer sector posts activated in affected areas during these events
- Emergency Management Information System (EMIS) Emergency Operations Centre (EOC) personnel trained to use. Used operationally for live emergency events during 2014
- Two Welfare Supervisor and Two First Aid training courses delivered to Waitaki CDEM volunteers during 2013/14. Sent EOC personnel away to national CDEM training courses
- Tsunami plan development for Waitaki coastal areas continuing
- Public alerting siren installed at Ohau Village

Rural Fire

- Transition of Waitaki Rural Fire Authority to Otago Rural Fire Authority (ORFA) occurred through 2013/14, complete on 1 July
- Sent several rural fire officers away to specialist fire management courses
- Trained 15 fire fighters on Safety on the Fire Ground – Entry level unit standard
- Approximately 60 fire fighters have so far been assessed in four unit standards for dry and wet firefighting and light pumps
- Issued or extended 1,236 fire permits in 2013/14 compared with 1,310 in 2012/13
- Rural fire crews deployed twice to Civil Defence flood events: pump outs and sandbagging
- The Rural Fire Authority attended 119 calls in 2013/14 (139 calls in 2012/13)
 - 17% of calls are to medical assistance incidents
 - 14% of calls are to Department of Conservation areas
 - 1,117 hours of fire fighter time across the year (rural and urban callouts)
 - 2.1ha of scrub and forest burned
- A Hino Fire engine has replaced the aging Kakanui Commer

Environment, Regulation and Safety

How we performed – Emergency Services

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement
- Our communities are safe places to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Emergency response ○ Education, awareness raising and prevention ○ Community confidence in service 	Response to emergency events	Achieved 100% of the 62 Rural Fire responses occurred within 15 minutes. For Civil Defence emergencies Council is prepared to act, rather than respond to any messages received	100% of responses within 15 minutes
	Response to requests for fire permits	Not achieved 96% of fire permits issued within two days. Council does not currently measure how many days we take to issue all permits (2)	100% of responses within 2 days
	Resident's Survey	Achieved 91% of residents satisfied or very satisfied with emergency services	70% of residents satisfied or very satisfied with emergency services

Wellbeing – Waitaki is served by responsive and efficient local government (Council)

Community Outcomes

- Council conducts its business in a transparent, efficient and prudent manner
- We recognise and support the work of our volunteers

Environment, Regulation and Safety

How we performed – Emergency Services Continued

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Volunteer support for emergency services ○ Volunteer support ○ Professional, accountable emergency services 	Volunteer numbers	Not achieved 90 operational volunteers (90 volunteers in 2012/13) Council believes that 74 volunteers are enough to maintain a functional rural fire service	Increase the total number of Rural Fire-fighters by 20% (96 volunteers)
	Volunteer numbers	Not achieved 135 Operational volunteers(142 Operational volunteers in 2012/13)	Increase the total number of Civil Defence volunteers by 50% (150 volunteers)
	PMEF audit by the National Rural Fire Authority	NRFA PMEF audit not carried out in 2013/14	Maintain standards required by national body

Environment, Regulation and Safety

How we performed – Building Control and Property Information

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Ensures buildings are safe, healthy and promote sustainable development	To comply with the Building Act, Building Regulations, Building Code and other relevant legislation	Achieved Accreditation maintained until next audit due June 2015	Waitaki Building Control Authority retains accreditation status
	20% of premises audited. High risk buildings (such as hotels) checked more than once every five years	Achieved 20% of premises audited	20% of premises audited. High risk buildings (such as hotels) checked more than once every five years

Wellbeing – Waitaki has a diverse. Sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business, and people choose to invest in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Building consents are processed within statutory timeframes	95% of consents processed within 20 working days	Not achieved 628 consents were processed with 72.77% within 20 working days. Average processing days 14.36	95% of consents processed within 20 working days

Environment, Regulation and Safety

How we performed – Parking and Other Enforcement

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Parking enforcement is provided to ensure everyone has access to businesses in Oamaru	Parking Warden patrols Oamaru CBD parking spaces regularly	Achieved Parking Warden patrols occurred over a six day per week timeframe, Monday to Saturday	Parking Warden patrols 6 days per week

Environment, Regulation and Safety

How we performed – Parking and Other Enforcement

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> Reducing the instance of food borne illness in the District Reducing the incidence of water borne illness in the District Reducing the instances of noise and other environmental impacts Reducing the impact of alcohol related issues 	Annual inspection of 100% category 1 food premises and 50% of category 2 and three premises	<p>Category 1 Not achieved. 99% inspected. Only one premises missed due to being closed for winter trading. Categories 2 and 3 achieved. 74% and 83% respectively</p> <p>Over 40% of Waitaki food premises operate under the VIP system, whilst the remainder are registered under the Food Hygiene Regulations 1974</p>	<p>Annual inspection of 100% category 1 food premises</p> <p>Annual inspection of 50% of category 2 and three premises</p>
	Nil presence of E-coli indicator organism	<p>Not achieved. 99.5% compliance for WDC chlorinated schemes 72.6% compliance for WDC non chlorinated schemes 59% compliance WDC camping grounds 95.2% for compliance private water supply schemes</p>	Continue to assist private scheme owners to improve the standard of their water supplies by improving the level of treatment
	Timely resolution of commercial complaints and investigation of all after hours domestic complaints in one hour	<p>Not achieved 97% of complaints investigated within 1 hour</p> <p>Size of district precludes 100% investigation within 1 hour</p>	Investigation of 100% after hours domestic noise complaints in one hour
	Annual inspection of all on and off licenced premises. Annual inspection of 33% of club license premises	<p>Not achieved 32% of on and off licences inspected. 7% of club premises inspected</p> <p>The introduction of the Sale and Supply of Alcohol Act was more resource intensive than anticipated. We exceeded our projection of 15-20%</p>	Annual inspection of all on and off licenced premises. Annual inspection of 33% of club licensed premises

Environment, Regulation and Safety

How we performed – Animal Control

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our communities are protected through appropriate emergency responses, regulation and enforcement
- Our communities are safe places to live, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Animal enforcement protects Waitaki residents from animal nuisances and dangerous, menacing or uncontrolled animals	100% of all known dogs registered	Not achieved. 99% of known dogs registered	100% of all known dogs registered
	Annual Resident satisfaction survey	Not achieved 66% of residents satisfied or very satisfied with dog control services	70% of residents satisfied with dog control services
	Animal control Incidents responded to within two hours of notification	Not achieved Although most incidents are responded to within 2 hours records have not been kept in recent months	100% of incidents responded to within two hours of notification
	(Stock control) Incidents responded to within two hours of notification	Achieved	100% of incidents responded to within two hours of notification
	Complaint feedback	Not achieved Feedback to be sought monthly from November 2014	Benchmark established. Complaints actioned and complainant satisfied

Environment, Regulation and Safety

How we performed – District Planning

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business, and people choose to invest in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Sustainable management of land use and efficient processing of consents to enable timely business decisions ○ Protection of the environment and sustainable management of resources. Sustainable business opportunities, preservation of the built environment, cultural traditions and engagement with Iwi ○ Protection of the natural environment and sustainable management of land ○ Confidence of community, business and land owners in officer advice 	100% of consents processed are within the statutory timeframes	Achieved All consents were processed within the statutory timeframes	Notified: 100% Non-notified: 100%
	Comply with Statutory timeframes	Achieved Review of the District Plan commenced 16 June 2014	Review of District Plan commenced by 2014
	Monitoring of resource consents implemented	Achieved Achieved	100% of implemented subdivision consents and notified land use consents 50% of implemented non-notified land use consents
	Customer feedback and online survey for applicants	Not achieved Link to on-line survey not working; now rectified	80% of applicants satisfied with service

Environment, Regulation and Safety

How we performed – District Planning (continued)

Wellbeing – Waitaki’s distinctive natural environment is valued and protected (Environmental)

Community Outcomes

- We manage land use sustainably and sensitively

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Protection of communities and natural environment, sustainable land use management. Preservation of built heritage, cultural traditions and values are respected in collaboration with Iwi. ○ Natural environment is protected, land use is managed sustainably. Cultural traditions and values are respected and we work with local Iwi to achieve this ○ Reporting and measurement of community safety, natural and built heritage, cultural values, land use changes and other natural resources 	Notify and process changes in statutory deadlines	All Plan Changes completed within statutory timeframes	Complete: <ul style="list-style-type: none"> • Changes 7 and 8 Oamaru Business Zone plan change • Minor plan changes (as agreed by Council) • Commence District Plan Review as per above
	Ecological study completed	Ongoing	Complete for remainder of District by 2016
	Complete State of Environment reports	Not achieved Signs and Natural Hazards S.O.E.’s completed Takata Whenua S.O.E. drafted and sent to Moeraki Runanga – awaiting response	Complete three reports by 2013

Funding Impact Statement – Environment, Regulation and Safety

Environment, Regulation & Safety			2013/14	2013/14	2013/14
2012/13	2012/13		Actual	Annual Plan	LTP
Actual	LTP		Actual	Annual Plan	LTP
\$(000)	\$(000)		\$(000)	\$(000)	\$(000)
Sources of Operating funding					
1,518	1,507	General Rates, uniform annual general charge, rates penalties	1,748	1,745	1,590
454	450	Targeted Rates	479	479	449
1,972	1,957	Rates Revenue	2,227	2,224	2,039
34	40	Subsidies and Grants for operating purposes	31	30	41
1,164	1,196	Fees and Charges	1,220	1,214	1,234
-	-	Interest and Dividends from Investments	-	-	-
157	142	Internal charges and overheads recovered	144	146	146
181	97	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	130	98	100
1,536	1,475	Operating Revenue	1,525	1,488	1,521
3,508	3,432	Total Sources of Operating Funding	3,752	3,712	3,560
Applications of Operating funding					
955	901	Payments to staff and suppliers	873	1,080	949
-	-	Finance Costs	-	-	-
2,367	2,509	Internal Charges and Overheads Applied	2,401	2,553	2,584
-	-	Other operating funding applications	-	-	-
3,322	3,410	Total Applications of Operating Funding	3,274	3,633	3,533
186	22	Surplus / (Deficit) of Operating Funding	478	79	27
Sources of Capital funding					
1	-	Subsidies and Grants for Capital expenditure	-	-	-
92	125	Development and Financial Contributions	71	128	150
-	-	Increase / (decrease) in Debt	-	-	-
-	-	Gross Proceeds from Sale of Assets	-	-	-
93	125	Total Sources of Capital Funding	71	128	150
Applications of Capital funding					
Capital Expenditure					
-	-	Meet Additional Demand	-	-	-
24	25	Improve Levels of Service	25	12	-
-	-	Replace Existing Assets	-	-	-
255	122	Increase / (Decrease) in Reserve	524	195	177
-	-	Increase / (Decrease) in Investments	-	-	-
279	147	Total Applications for Capital Funding	549	207	177
(186)	(22)	Surplus / (Deficit) of Capital Funding	(478)	(79)	(27)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The activities in this group operated as expected and no detailed comments are required.

Support Services (Net Allocated)

Support Services (Net Allocated)					
2012/13 Actual \$(000)	2012/13 LTP \$(000)		2013/14 Actual \$(000)	2013/14 Annual Plan \$(000)	2013/14 LTP \$(000)
		Sources of Operating funding			
-	-	General Rates, uniform annual general charge, rates penalties	-	-	-
-	-	Targeted Rates	-	-	-
-	-	Rates Revenue	-	-	-
58	-	Subsidies and Grants for operating purposes	9	-	-
19	29	Fees and Charges	8	12	29
-	-	Interest and Dividends from Investments	-	-	-
13,515	14,193	Internal charges and overheads recovered	14,193	14,987	14,775
54	22	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	41	42	23
13,646	14,244	Operating Revenue	14,251	15,041	14,827
13,646	14,244	Total Sources of Operating Funding	14,251	15,041	14,827
		Applications of Operating funding			
8,813	8,804	Payments to staff and suppliers	8,947	10,064	9,174
-	-	Finance Costs	-	-	-
4,535	4,468	Internal Charges and Overheads Applied	4,423	4,611	4,649
-	-	Other operating funding applications	-	-	-
13,348	13,272	Total Applications of Operating Funding	13,370	14,675	13,823
298	972	Surplus / (Deficit) of Operating Funding	881	366	1,004
		Sources of Capital funding			
-	-	Subsidies and Grants for Capital expenditure	-	-	-
-	-	Development and Financial Contributions	-	-	-
-	-	Increase / (decrease) in Debt	-	-	-
21	82	Gross Proceeds from Sale of Assets	61	64	71
21	82	Total Sources of Capital Funding	61	64	71
		Applications of Capital funding			
		Capital Expenditure			
-	-	Meet Additional Demand	-	-	-
91	85	Improve Levels of Service	317	35	87
180	835	Replace Existing Assets	293	259	801
48	134	Increase / (Decrease) in Reserve	332	136	187
-	-	Increase / (Decrease) in Investments	-	-	-
319	1,054	Total Applications for Capital Funding	942	430	1,075
(298)	(972)	Surplus / (Deficit) of Capital Funding	(881)	(366)	(1,004)
-	-	Funding Balance	-	-	-

Commentary on Major Changes

The activities in this group operated as expected. Reduced expenditure associated with replacing existing assets has resulted from a change in the accounting treatment of work completed on operational property during the year. This work was budgeted to cost \$471,000, but actual expenditure of \$141,000 has been treated more correctly as operational expenditure.

Council Controlled Organisations (CCOs)

Council holds shares in four CCOs. Each year Council reconsiders its reason for ownership by reviewing each company's Statement of Intent. The four CCOs are particularly diverse in their functions and objectives.

Council promotes and supports economic development and tourism through Waitaki Development Board Ltd and, through its 50% ownership of Omarama Airfield Ltd, supports one of the world's best gliding centres which brings both tourism and revenue to the District.

Council provides on-going support for health services and other important social functions through its ownership of Waitaki District Health Services Ltd.

Whitestone Contracting Ltd provides contracting services to Council in relation to water and other infrastructure and to parks, reserves and the Oamaru Public Gardens, and to other customers throughout and beyond the Waitaki District, retaining employment and revenue within the District.

Omarama Airfield Limited

How we performed – Omarama Airfield

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our green-spaces, sports fields, libraries and recreation facilities are well managed and encourage healthy lifestyles and learning

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The airfield is managed efficiently and provides for a range of events	Operate within budgeted income and achieve a break even or better result	Achieved an operating surplus, although less than the previous year and budget due to increased irrigation charges	Operate and provide planned services within budgeted income. Achieve a break even or better result after prudent provision for asset depreciation and replacement, and for future trading requirements

Wellbeing – Waitaki is a desirable place to live (Cultural)

Community Outcomes

- We recognise, value and respect Waitaki as a great place to live, visit, work and play

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community involvement	Update the Company's business plan on an annual basis	Achieved Business plan is updated annually, and continues to evolve in line with both commercial and recreational aviation requirements	Update complete and approved

Omarama Airfield Limited

How we performed – Omarama Airfield (continued)

Wellbeing – Waitaki has a diverse. Sustainable and growing economy (Economic)

Community Outcomes

- Waitaki has a diverse, sustainable and growing economy

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community benefits through local employment opportunities	Measure the economic benefits to the Omarama and Ahuriri community arising from the operation and development of the Airfield	Achieved The airfield uses local contractors for management and maintenance. Commercial tenants employ locals, with at least 20 staff on site during the 'season'. Regular gliding activities continue to attract large numbers of visitors	Maintain or improve the level of economic benefits (against 2011/12 benchmarks)

Omarama Airfield Limited

Financial Performance	2014 \$000	2013 \$000
Revenues		
Operating Revenue	83	82
Rental Income	37	36
Other Income	6	5
Total Revenue	126	123
Expenditure		
Operating Expenditure	92	71
Audit Fees	7	9
Depreciation	21	19
Directors' Fees	-	-
Total Expenditure	120	99
Net Surplus / (Deficit) Before Taxation	6	24
Provision for Taxation	-6	(4)
Net Surplus / (Deficit) for the Year	-	20

Financial Position	2014 \$000	2013 \$000
Shareholders' Funds	1,231	1,231
<u>Represented By</u>		
Non-current Assets	1,238	1,213
Current Assets	81	102
Current Liabilities	(11)	(13)
Non-current Liabilities	(77)	(71)
Net Assets	1,231	1,231

The Company received an unqualified audit report for the year ended 30 June 2014 on 30 September 2014.

The above information is summarised from the Company's Annual Report and is provided to indicate the performance of Council's investment. A full copy of the Company's Annual Report is available at the Company's offices.

Waitaki Development Board Limited

Waitaki Development Board Limited was established in December 1996 and is 100% owned by Waitaki District Council. Under the provisions of the Local Government Act 2002 it is deemed to be a Council Controlled Organisation.

Council's primary objective for continued ownership and control of the Waitaki Development Board is to advance tourism within the District.

Objectives

The principal objective of Waitaki Development Board Limited is to facilitate the growth of tourism within the District.

Other specific objectives include the attraction of grant funding where applicable; growth of the tourism industry within the District and the operation and management of the Oamaru Blue Penguin Colony and the Alps2Ocean Cycle Trail.

Shareholder Expectations

Council expects that, in conducting the affairs of the Company, the Directors will ensure that:

- Business activities are conducted in an efficient and effective manner
- Assets and liabilities are prudently managed
- Overall performance supports Council's reasons for continued ownership
- Decisions are based on the achievement of long term strategic needs and objectives, not short term expediencies
- The Company acts as a good employer and as an environmentally conscious and responsible citizen
- The Company, in its consultative practices, has due regard for Maori
- Transparent and collaborative relations are maintained with the shareholder.

Information to be reported to Shareholders

Within two months of the end of each financial year, the Directors must deliver to the shareholders an annual report and audited financial statements, with respect to the financial year, containing the following information as a minimum:

- A report on the operations of the Company to enable an informed assessment of the Company's performance including:
 - Performance against targets in the Statement of Intent
 - Performance against the Corporate Governance Statement
 - Audited financial statements as required under the Financial Reporting Act 1993
 - A report on compliance with the Company's Tendering Policy
 - Any grants awarded by the Waitaki Development Board to another party, including information measuring the effectiveness of the grant.

Waitaki Development Board Limited

How we performed – Waitaki Development Board Limited

Wellbeing – Waitaki has a diverse, sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business and people choose to invest in the District
- Opportunities for sustainable enterprise and growth are recognised and managed

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> ○ Promotion of the region and tourism supports a range of businesses across the District ○ By providing a coordinated approach to business development and growth 	Visitor numbers	Achieved Visitor numbers are up 22.7%	Increase visitor numbers to the District
	Bed nights	Achieved Bed nights have increased by 23.8% to 383,976 (2013: 4.7% increase to 310,160)	Increase visitor bed nights purchased to 340,000
	Length of stay	Not achieved, but the average length of stay has increased slightly to 1.53 nights	Increase average length of stay to 1.8 nights
	OBPC visitor numbers	Achieved an increase of 9.3%, from 64,847 to 70,900 in the current year (reduction of 1% in 2013)	Increase visitor numbers to the Oamaru Blue Penguin Colony by 5% annually
	Resident satisfaction survey	Not measured in 2014 Annual Residents' Survey	Maintain residents' satisfaction with the Company's efforts to attract tourists to the District above the national average
	Labour capacity statistics	Not achieved Not yet measured	Labour capacity to be increased and measured – 95% of advertised jobs to be filled within three months

The measures recorded in this table are in accordance with those detailed in the Long Term Plan 2012-2022. The company has recorded further performance measures which are detailed more fully in the full annual report. A copy of this is available upon request from the Company's offices.

Waitaki Development Board Limited

Financial Performance	2014 \$000	2013 \$000
Revenues		
Waitaki District Council	773	693
Other Income and Grants	1,297	229
Total Revenue	2,070	922
Expenditure		
Operating Expenditure	1,816	853
Audit Fees	20	12
Depreciation	36	6
Directors' Fees	51	47
Total Expenditure	1,923	918
Net Surplus Before Taxation	147	4
Provision for Taxation	(41)	(4)
Net Deficit After Taxation	106	-

Financial Position	2014 \$000	2013 \$000
Shareholder's Funds	664	84
<u>Represented By</u>		
Non-Current Assets	242	23
Current Assets	809	193
Current Liabilities	(387)	(132)
Net Assets	664	84

The Company received an unqualified audit report for the year ended 30 June 2014 on 30 September 2014.

The above information is summarised from the Company's Annual Report and is provided to indicate the performance of Council's investment. A full copy of the Company's Annual Report is available from the Company's offices.

Waitaki District Health Services Limited

Waitaki District Health Services Limited was established in 1997 for the charitable purpose of providing health services to the community, and is 100% owned by Waitaki District Council. Under the provisions of the Local Government Act 2002, it is deemed to be a Council Controlled Organisation.

Council's primary objective for continued ownership and control is to ensure the healthcare needs and interests of the District are met through the provision of quality, locally based healthcare services (Oamaru Hospital).

Objectives

The principal objective of the Company is to operate a successful healthcare business by providing services to meet the healthcare needs of the Waitaki District community.

Shareholder Expectations

Council expects that in conducting the affairs of the Company, the Directors shall ensure that:

- Governance responsibility for funding of health services for the Waitaki District is maintained at all times and that no call will be made on Council to fund health services to the Waitaki District
- Business activities are conducted in an efficient and effective manner
- Assets and liabilities are prudently managed
- Overall performance supports Council's reasons for continued ownership
- Expedient short-term decisions that may adversely impact on the achievement of future long term needs and objectives are avoided
- The Company acts as a good employer and as an environmentally conscious and responsible citizen
- Transparent and collaborative relations are maintained with the shareholder
- Pursue all avenues of funding that may be available from time to time for Waitaki District Health Services funding.

Information to be reported to Shareholders

Within two months of the end of each financial year, the Directors must deliver to the shareholder an annual report and audited financial statements in respect of the financial year, containing the following information as a minimum:

- A report on the operations of the Company to enable an informed assessment of the Company's performance, including variations from the business plan and achievements against performance targets
- Performance against the Corporate Governance Statement
- Audited financial statements as required under the Financial Reporting Act 1993
- A report on compliance with the Company's Tendering Policy
- Activity statistics, with comparable figures for previous year
- A report on service delivery issues and achievements.

Waitaki District Health Services Limited

How we performed – Waitaki District Health Services Limited

Wellbeing – Waitaki people are safe and healthy (Social)

Community Outcomes

- Our local hospital and health services are retained and easily accessible

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Provision of a well-managed hospital supports the health of residents benefits the community as a whole	Professional standards	Achieved Met all applicable standards as confirmed by regular independent audits	Meet all professional and technical standards
	Professional standards and transparent and collaborative relations with the shareholder	Community health forums, including both health-related and other community organisations, have been held during the year	Provide adequate forums for effective collaboration with stakeholders
	Service performance	Achieved Certified under Health & Disability sector standards, Infection Control standards and Restraint and Minimisation standards until the end of 2014	Meet and observe performance targets and service standards required under the Ministry of Health contractual arrangements with the Company

Wellbeing – Waitaki has a diverse. Sustainable and growing economy (Economic)

Community Outcomes

- Waitaki is recognised as a good place to do business and people choose to invest in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Provision of a well-managed hospital supports the health of residents benefits the community as a whole	Efficient and effective management	Not achieved Operating Surplus \$491,237 achieved compared with a budget of \$525,091 (2013: 96.24% of budget achieved)	Operate and provide planned services within budgeted income including services contract with District Health Board
	Prudent management of assets and liabilities	Achieved The parent achieved an operating surplus after depreciation and interest, and before writing off expenses related to the Observatory Village project of \$35,991 against budget \$1,429 (2013: \$5,400,)	Achieve a break-even or better result after prudent provision for asset depreciation and replacement and for future trading requirements
	Long Term Plan	The business plan was updated	Update the Company's business plan annually

Waitaki District Health Services Limited

Financial Performance (Group)	2014 \$000	2013 \$000
Revenues		
Total Revenue	12,199	12,222
Expenditure		
Operating Expenditure	11,087	11,087
Audit Fees	25	25
Depreciation	703	707
Directors' Fees	110	110
Total Expenditure	11,963	11,929
Net Operating Surplus	236	293
Gain on Property Revaluation	1,220	-
Write off preliminary expenditure on proposed development	(113)	-
Net Surplus After Taxation	\$1,343	\$293
Financial Position (Group)	2014 \$000	2013 \$000
Total Equity	\$18,049	\$16,706
Represented By		
Non-Current Assets	10,958	10,350
Current Assets	9,513	8,629
Non-Current Liabilities	(37)	(17)
Current Liabilities	(2,385)	(2,256)
Net Assets	\$18,049	\$16,706

The Group comprises Waitaki District Health Services Limited and Waitaki District Health Services Trust.

The Company and Group received an unqualified audit report for the year ended 30 June 2014 on 30 September 2014.

The above information is summarised from the Company's Annual Report and is provided to indicate the performance of Council's investment. A full copy of the Company's Annual Report is available at the Company's offices.

Whitestone Contracting Limited

Whitestone Contracting Limited (formerly Whitestone Limited) was established in 1991 and is 100% owned by Waitaki District Council. Under the provisions of the Local Government Act 2002, it is deemed to be a Council Controlled Trading Organisation.

Council's objectives for continued ownership and control and the Company's objectives were reviewed during the 2007 financial year and the Company's Statement of Intent was updated accordingly. These objectives became effective from 1 July 2007 and are included in this report.

Council's objectives for continued ownership and control include:

- Stimulating a competitive contracting sector in our District
- Supporting local opportunities for a diverse labour market
- Obtaining a good return on investment commensurate with the business risks of Whitestone Contracting Limited and the risk appetite of Council
- Providing emergency services support

Objectives

The principal objective of the Company is to operate as a successful business and the Company has a vision to be the contracting company of choice in the region.

In general, the Company is focused on continually improving its systems and processes to improve the way in which it operates, and seeks to support local employment, the environment and the community while at the same time maximising profit and performance in a way that is sustainable and that reflects Council's objectives for ownership.

In pursuing its principal objective the Company and Directors will:

- Manage the Company's business activities in an efficient and effective manner
- Ensure assets and liabilities are prudently managed consistent with the operation of a contracting business
- Maximise the long term viability and profitability of the business consistent with Council's objectives for ownership
- Manage the business with the objective of achieving agreed business growth
- Consolidate and, when financially advantageous, expand the Company's operations into the private and public sectors using the skill, abilities and management techniques that are available within the Company
- Maintain a diversified portfolio of work and clients to ensure continuity of returns to the shareholder
- Continue to review the Company's structure to ensure the most efficient structure is in place to enhance profitability
- Be customer focused and ensure good customer contract results as measured against contract specifications
- Be a good employer by:
 - Providing a work environment that recruits, fosters and maintains safe, competent, motivated, committed and productive employees
 - Recognising and rewarding excellent performance of any staff
- Act in an environmentally and socially responsible manner and implement sustainable business practices
- Ensure a transparent and informed relationship is maintained with the shareholder within the spirit of 'no surprises.'

Whitestone Contracting Limited

Information to be reported to the Shareholder

Within two months after the end of each financial year, the Directors must deliver an annual report and audited financial statements in respect of the financial year, containing the following information as a minimum:

- A report on the operations of the Company to enable an informed assessment of the Company's performance including Performance against targets in the Statement of Intent and the Corporate Governance Statement
- Audited financial statements as required under the Financial Reporting Act 1993
- A report on compliance with the Company's Tendering Policy

Performance measures for Whitestone Contracting Limited are described in the Statement of Intent, and are summarised in the following table.

Whitestone Contracting Limited

How we performed – Whitestone Contracting Limited

Wellbeing – Waitaki has a diverse. Sustainable and growing economy (Economic)

Community Outcomes

- Our infrastructure and services enable development in the District

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Through the operation of a successful business that seeks to support local employment, the environment and the community while at the same time maximising profit and performance in a way that is sustainable	Profitability and return to shareholder	Did not achieve the targeted return, but the actual return of 5.85% was an improvement over 0.09% reported in 2013	Achieve a before income tax return on opening shareholders' funds that is better than 7%
	Long term viability and profitability	Additional 30 clients spending over \$10,000 annually	Continue to diversify the portfolio of work and clients
	Efficient and effective management	Top 10 customers make up 78% of revenue (2013: 73%)	Continue to review the Company structure to ensure the most efficient structure is in place to enhance profitability Continue to maintain a diversified portfolio of work and clients to ensure continuity of returns to the shareholder
	Acting as a good employer	Maintained ACC Workplace Safety Management accreditation	Maintain a high standard of health and safety in relation to the Company's employees and the public, as measured by achieving ACC workplace safety management accreditation
	Quality standards	Maintained both ISO 9001 and ISO 14001 registration	Maintain ISO 9001 registration and related quality assurance progresses Maintain ISO 14001 registration by ensuring systems are in place to meet environmental, legislative and regulatory requirements

Whitestone Contracting Limited

How we performed (continued)

How this activity contributes to community outcomes	Performance Measures	Achievements 2013/14	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Through the operation of a successful business that seeks to support local employment, the environment and the community while at the same time maximising profit and performance in a way that is sustainable	Responsibility and compliance	Not achieved Company sales to Council increased from 24% of total revenue in 2013 to 31% in 2014. This was due to the company winning open tenders from Council	Increase the percentage of revenue obtained from sources other than the Waitaki District Council
		Achieved a ratio of 73.64% at 30 June 2014 (2013: 68%)	Maintain the ratio of consolidated shareholder funds to total assets. In the range of 60 – 80%

Whitestone Contracting Limited

Financial Performance	2014 \$000	2013 \$000
Revenues		
Operating Revenue	19,949	19,378
Expenditure		
Operating Expenditure	18,012	17,998
Audit Fees	23	24
Depreciation	1,174	1,188
Directors' Fees	118	141
Interest Expense	90	72
Total Expenditure	19,393	19,423
Net Profit Before Taxation	556	(46)
Subvention Payment	(24)	(300)
Provision for Taxation	(413)	(81)
Net (loss)/profit After Taxation	119	(427)
Gain/(loss) on revaluation of land and buildings	830	-
Total Comprehensive Income	\$949	(\$427)

Financial Position	2014 \$000	2013 \$000
Shareholders' Funds	\$11,402	\$10,452
<u>Represented By</u>		
Non-Current Assets	10,588	10,847
Current Assets	4,896	3,758
Non-Current Liabilities	(764)	(920)
Current Liabilities	(3,318)	(3,233)
<u>Net Assets</u>	\$11,402	\$10,452

The Company received an unqualified audit report for the year ended 30 June 2014 on 28 August 2014.

This information is summarised from the Company's full audited Annual Report and is provided to indicate the performance of Council's investment. A full copy of the Company's Annual Report is available from the Company's offices, or from the website www.whitestone.co.nz

Financial Statements

Statement of Comprehensive Income

For the year ended 30 June 2014

		Consolidated			Council Only	
		2014	2013	2014	2014	2013
					Annual Plan	
	Notes	\$000	\$000	\$000	\$000	\$000
Income						
Rates Revenue	1	23,709	22,503	23,744	23,573	22,538
Targeted Rates for Water Supply	1	5,650	5,888	5,650	5,560	5,888
User Charges		21,646	22,572	4,901	5,384	5,555
Regulatory Charges		1,220	1,164	1,220	1,214	1,164
Development and RMA Contributions		559	577	559	611	577
Government Grants and Subsidies	2	16,618	15,059	6,861	5,664	5,445
Other Grants and Donations	3	1,115	976	983	558	908
Finance Income	4	1,248	978	869	885	677
Infringements and Fines		60	44	60	54	44
Petrol Tax		190	179	190	195	179
Dividend and Subvention Payments		-	-	24	150	300
Other Gains /(Losses)	5	2,337	(71)	1,920	-	(197)
Total Income	32	74,352	69,869	46,981	43,848	43,078
Expenditure						
Personnel costs	6	26,165	25,883	8,895	9,308	8,591
Depreciation and amortisation		13,942	13,393	12,017	11,383	11,427
Finance Costs	4	100	72	10	-	-
Other expenses	7	29,128	28,597	22,265	23,446	21,100
Total Operating Expenditure	32	69,335	67,945	43,187	44,137	41,118
Surplus / (Deficit) before Tax		5,017	1,924	3,794	(289)	1,960
Income Tax Expense / (Refund)	8	457	88	-	-	-
Surplus / (Deficit) after tax		4,560	1,836	3,794	(289)	1,960
Other Comprehensive Income						
Gain/(Loss) on revaluation of Infrastructural Assets	10	-	18,193	-	-	18,193
Impairment of Infrastructural Assets	10	-	(443)	-	-	(443)
Gain/(Loss) on revaluation of Properties	10	8,359	-	6,309	5,126	-
Other Comprehensive Income		-	-	-	-	-
Total Other Comprehensive Income		8,359	17,750	6,309	5,126	17,750
Total Comprehensive Income		\$12,919	\$19,586	\$10,103	\$4,837	\$19,710

The accompanying Notes form part of these financial statements

Statement of Changes in Equity

For the year ended 30 June 2014

	Consolidated			Council Only	
	2014	2013	2014	2014	2013
				Annual Plan	
	\$000	\$000	\$000	\$000	\$000
Public Equity at 1 July	754,194	734,608	731,425	733,548	711,715
Total Comprehensive Income	12,919	19,586	10,103	4,837	19,710
Public Equity at 30 June	<u>\$ 767,113</u>	<u>\$ 754,194</u>	<u>\$ 741,528</u>	<u>\$ 738,385</u>	<u>\$ 731,425</u>

The accompanying Notes form part of these financial statements

Balance Sheet

As at 30 June 2014

	Notes	Consolidated		2014	Council Only	
		2014	2013		2014	2013
		\$000	\$000	\$000	Annual Plan \$000	\$000
Public Equity						
Ratepayers' Equity	9	308,299	308,299	308,299	309,000	308,299
Revaluation Reserve	9	416,112	408,446	406,823	410,126	401,008
Operating Reserve	9	30,495	25,733	14,199	7,475	10,402
Other Reserves	9	12,207	11,716	12,207	11,784	11,716
Total Public Equity		\$767,113	\$754,194	\$741,528	\$738,385	\$731,425
Non-Current Assets						
Property Plant and Equipment	10	733,587	724,272	712,023	713,482	703,262
Intangible Assets	11	1,751	1,757	1,150	1,300	1,175
Forestry	12	1,035	1,020	1,035	1,000	1,020
Other Financial Assets						
- Investments in CCO's	13	-	-	4,912	5,000	4,858
- Investments in other entities	13	145	145	145	150	145
- Loans to other entities	13	13,016	13,126	13,016	13,050	13,126
		749,534	740,320	732,281	733,982	723,586
Current Assets						
Cash and Cash Equivalents	14	6,814	5,661	4,624	6,446	5,087
Trade and Other Receivables	15	8,554	8,685	4,863	4,559	5,451
Prepayments		469	386	298	250	255
Inventory	16	958	997	10	50	70
Work in Progress	17	116	1,219	-	-	-
Other Financial Assets						
- Term deposits	13	13,261	9,493	6,000	-	3,521
- Loans to other entities	13	7	41	7	-	41
Non-current Assets held for Sale	18	253	239	253	-	239
Provision for Tax paid in Advance		2	11	2	1	8
		30,434	26,732	16,057	11,306	14,672
Total Assets		779,968	767,052	748,338	745,288	738,258
Non-Current Liabilities						
Provisions	19	751	729	751	700	729
Employee Entitlement Liabilities	20	59	47	-	-	-
Borrowings	21	192	539	2	2	3
Deferred Tax Liability	8	581	386	-	-	-
		1,583	1,701	753	702	732
Current Liabilities						
Trade and Other Payables	22	6,795	6,563	5,000	5,500	5,204
Short Term Borrowings	21	339	887	1	1	2
Employee Entitlement Liabilities	20	3,701	3,600	931	700	895
Provisions	19	144	30	125	-	-
Provision for Taxation	8	293	77	-	-	-
		11,272	11,157	6,057	6,201	6,101
Total Liabilities		12,855	12,858	6,810	6,903	6,833
Net Assets		\$767,113	\$754,194	\$741,528	\$738,385	\$731,425

The accompanying Notes form part of these financial statements

Statement of Cash Flows

For the year ended 30 June 2014

		Consolidated			Council Only	
		2014	2013	2014	2014	2013
					Annual Plan	
Notes		\$000	\$000	\$000	\$000	\$000
Cash flows from Operating Activities						
Receipts from Rates Revenue		28,344	27,277	28,344	28,486	27,277
Interest received		806	524	407	235	246
Dividends/Subvention payments received		-	-	24	150	300
Receipts from Other Revenues		42,253	40,455	16,299	13,813	14,048
Payments to Suppliers & Employees		(53,816)	(55,300)	(31,641)	(30,768)	(29,068)
Interest Paid		(100)	(72)	(10)	-	-
Income Tax Refund Received / (Paid)		(43)	7	6	-	1
Net GST		81	(81)	107	-	(81)
Net Cash from Operating Activities	30	17,525	12,810	13,536	11,916	12,723
Cash Flows from Investing Activities						
Proceeds from Sale of P.P. & E		1,127	257	311	636	37
Proceeds from Sale of Investments		4,162	839	4,162	-	839
Purchase of P.P. & E		(13,389)	(11,785)	(12,381)	(10,893)	(9,094)
Acquisition of Investments		(7,378)	(9,584)	(6,089)	-	(3,612)
Net Cash from Investing Activities		(15,478)	(20,273)	(13,997)	(10,257)	(11,830)
Cash Flows from Financing Activities						
Proceeds from Borrowing		-	1,421	-	-	-
Repayment of Borrowing		(894)	(3)	(2)	(2)	(3)
Net Cash from Financing Activities		(894)	1,418	(2)	(2)	(3)
Net Increase / (Decrease) in Cash		1,153	(6,045)	(463)	1,657	890
Total Cash Resources at 1 July		5,661	11,706	5,087	4,250	4,197
Total Cash Resources at 30 June	14	\$6,814	\$5,661	\$4,624	\$5,907	\$5,087

The accompanying Notes form part of these financial statements

Statement of Accounting Policies

Reporting Entity

The financial statements of the Waitaki District Council are for the year ended 30 June 2014 and were authorised for issue by Council on 29 October 2014.

The Waitaki District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002 (the Act).

Council's financial statements are for the Waitaki District Council as a separate entity. Council's consolidated group consists of the Waitaki District Council and its subsidiaries: Whitestone Contracting Limited (100% owned), Waitaki District Health Services Limited (100% owned) and Waitaki Development Board Limited (100% owned). The investment in Omarama Airfield Limited (50% owned) is treated as a joint venture. All companies are incorporated in New Zealand.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Reporting Standards (NZ IFRS).

Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and the requirements of the Local Government Act 2002. These statements are produced under Section 98, Part 6, and Part 3 of Schedule 10 of the Act. They comply with NZ IFRS, and other applicable Financial Reporting Standards as appropriate for Public Benefit Entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on an historical cost basis, modified by the revaluation of certain property, plant and equipment: land and buildings, infrastructural and biological assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Council and the group is New Zealand dollars.

Basis of Consolidation

Council consolidates as subsidiaries in the group financial statements all entities where Council has the capacity to control financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power of the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

Council measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given and liabilities incurred or assumed, in exchange for control of the subsidiary, plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

Statement of Accounting Policies

The following entities are consolidated and the bases of their inclusion for consolidation in these financial statements are as follows:

Whitestone Contracting Limited, Waitaki Development Board Limited, Waitaki District Health Services Limited

These entities are Council Controlled Organisations as defined by Part 5 of the Local Government Act 2002, with Whitestone Contracting Limited being a Council Controlled Trading Organisation. Council holds 100% of the shares. The companies' balance dates are 30 June. The accounts are consolidated using the purchase method on a line-by-line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation. Whitestone Contracting Limited has two fully owned subsidiaries: Whitestone Quarries and Landfill Limited and Contract Cultivation (2006) Limited.

Council's investment in its subsidiaries is carried at cost in the Council's own financial statements.

Omarama Airfield Limited

This company is a Council Controlled Trading Organisation as defined by Part 5 of the Local Government Act 2002. Its balance date is 30 June. Council holds 50% of the shares, and the company is treated as a jointly controlled entity. Council's share of income and expenses, and assets and liabilities, have been incorporated using the proportionate method on a line-by-line basis.

Specific Accounting Policies

The following specific accounting policies that significantly affect the measurement of operating results, cash flows and financial position have been applied:

Income Recognition

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

- Rates are recognised when set.
- Water billing revenue is recognised when earned.
- Government grants and subsidies are recognised when eligibility has been established.
- Operating revenues represent the gross revenue from commercial operations in the ordinary course of business and are recognised when earned.
- Fees and charges are recognised when invoiced.
- Rebates are recognised when received.
- Interest income is recognised when earned.
- Dividends are recognised when received.
- Vested Infrastructural Assets are recognised when Council accepts their transfer from the subdivider. The value recognised is based on certified engineers' certificates.
- Development and financial contributions are recognised at the later of invoicing or the event that will give rise to a requirement for a development or financial contribution under the relevant legislation.
- Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale.

Construction Contracts

Profits on contracts are recognised progressively over the period of each contract. The amounts included in the surplus or deficit and the value of contract work in progress are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results. Foreseeable losses on a contract are recognised immediately as an expense in the surplus or deficit. The method used to determine the proportion of the work completed is the proportion of the contract cost incurred for work performed to date in relation to the estimated total contract costs.

If payments received from customers exceed the income recognised, then the difference is presented as prepaid, or deferred, income in the balance sheet.

Statement of Accounting Policies

Borrowing Costs

The Council has elected to defer the application of NZ IAS 23 *Borrowing Costs (Revised 2008)* in accordance with paragraph NZ29.1 which is applicable to public benefit entities. Borrowing costs are recognised as an expense in the period in which they are incurred, and are not capitalised.

Leases

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The leased assets and corresponding liabilities are recognised and the leased assets are depreciated over the period benefit is expected from their use.

Operating Leases:

Operating leases are all other leases, i.e. leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset. These are charged on a straight-line basis over the term of the lease.

Trade and Other Receivables

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

Goods and Services Tax

These accounts have been prepared on a GST exclusive basis and any net GST due or owing at balance date is included in Trade and Other Payables or Trade and Other Receivables (as appropriate). Trade and Other Receivables and Trade and Other Payables are stated inclusive of GST. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Income Tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by 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 profit.

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 which, at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the company can control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the surplus or deficit, except when it relates to items charged or credited in other comprehensive income or directly to equity, in which case the tax is dealt with in equity.

Statement of Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying value of cash at bank and term deposits with maturities less than three months approximate fair value.

Inventories

Inventories, comprising materials on hand and work-in-progress, are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. Any write down from cost to net realisable value is recognised immediately in the surplus or deficit.

Work in Progress

Work-in-progress includes materials and labour costs accumulated against jobs, but not invoiced as at balance date.

Financial Assets

Council classifies its financial assets into the following four categories: financial assets at fair value through surplus or deficit, held to maturity investments, loans and receivables and fair value through other comprehensive income. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or 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 de-recognised 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.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

Of the four categories of financial assets, only two are relevant to Council.

- Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as “trade and other receivables” and “other financial assets” as appropriate in the balance sheet.

- Fair Value through other Comprehensive Income

Available-for-sale financial assets are those that are designated as “available-for-sale” or that are not classified in the other categories above. This category encompasses:

- investments that Council intends to hold long-term but which may be realised before maturity; and
- shareholdings that Council holds for strategic purposes.

Council’s investments in its subsidiaries are not included in this category as they are held at cost (as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements* and NZ IAS 28 *Investments in Associates*) whereas this category is to be measured at fair value.

After initial recognition these investments are measured at their fair value.

Statement of Accounting Policies

Financial Assets (continued)

Gains and losses are recognised in other comprehensive income except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be reclassified from equity and recognised in the surplus or deficit even though the asset has not been de-recognised. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the surplus or deficit.

Impairment of Financial Assets

At each balance date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in surplus or deficit.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial Liabilities

Interest bearing borrowings are classified as other non-derivative financial instruments and are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Trade and Other Payables

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

Investment Properties

Investment Properties are properties held to earn income or for capital appreciation. These do not include properties held for strategic purposes or to provide a social service. Initially, investment properties are measured at cost including transaction costs unless acquired at less than fair value when they are recognised at fair value.

Investment properties are not depreciated, and are de-recognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Gains or losses on de-recognition are recognised in the surplus or deficit in the year of de-recognition.

Council currently has no properties that it classifies as investment properties.

Non-current Assets Held for Sale

Non-current assets held for sale are separately recognised as a current asset when the sale of an asset is highly probable, management are committed to a plan to sell the asset, and that sale is expected to occur within one year. Non-current assets held for sale are valued at the lower of the carrying value and their fair value less disposal costs.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

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

Non-current assets are not depreciated while they are classified as held for sale.

Forestry

Forestry is the estimated worth of the maturing tree stocks in Council's forests as at date of valuation. The valuation method adopted is Net Present Value based on the age and condition of the trees. Council's forests were revalued as at 30 June 2014 by Allan Laurie of Laurie Forestry Ltd.

The costs to maintain the forestry assets are included in the reported surplus or deficit.

Council's forestry plantations are professionally managed, and Council adheres strictly to a replanting plan developed by its advisers to ensure it has no liability under the Emissions Trading Scheme.

Statement of Accounting Policies

Property, Plant and Equipment

Property, Plant and Equipment consists of:

Operational assets – these include land, buildings, landfill (post closure), library books, plant and equipment, furniture and fittings, and motor vehicles.

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

Infrastructure assets – infrastructure assets are the fixed utility systems owned by 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 are shown at cost or valuation, less accumulated depreciation and impairment losses.

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 Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a 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 surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Revaluations

Certain classes of assets, as detailed below, are revalued. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value.

Land and Buildings

Property holdings, with the exception of Parks and the Oamaru Airport, were valued at 1 July 2013 by Brendon Bodger, SPINZ, ANZIV, of QV Asset & Advisory. Council's Parks and the Oamaru Airport were valued at 1 July 2013 by George JasonSmith BE(NSW) MIPENZ, CPEng, of AECOM NZ Ltd. Council has a policy of revaluing every three years as a minimum.

Infrastructural Assets

Infrastructural assets are utility assets that provide a continuing service to the community. They are recorded at valuation, based on optimised depreciated replacement cost, with subsequent additions recorded at cost until the next revaluation. Valuations are performed on a three yearly basis as a minimum.

At balance date Council assesses the carrying values of its infrastructural assets to ensure they do not differ materially from the assets fair values.

The roading network, including bridges, retaining structures and land under roads, was valued as at 1 July 2011 by Wayne Hatcher, BE Civil (Hons) of Opus International Consultants Ltd. The water, waste and drainage assets were valued as at 1 July 2012 by Council. The valuation was peer reviewed by John Vessey, BE (Civil) FIPENZ of Opus International Consultants Limited.

Vested Infrastructural Assets are initially recorded at valuation based on engineers' certificates.

Statement of Accounting Policies

Infrastructural Assets – Work in Progress

Capital projects that are incomplete at balance date are regarded as Work in Progress. The value of the incomplete projects is included in Fixed Assets, but the asset is not depreciated until it is complete and has been commissioned. Movements into Work in Progress represent the value of work done on incomplete capital projects, while movements out of Work in Progress represent the final capitalisation of the completed project.

Harbour Assets

Harbour Wharves and structures and the Oamaru Harbour Breakwater have been valued by Royds Garden Limited, Consulting Engineers, as at June 1992. This value represents deemed cost, and any subsequent additions are recorded at cost. These assets are not revalued.

Library Collection

Library collections are carried at depreciated replacement cost. Valuations are performed annually by the Head Librarian and are not subject to independent review because they are based on readily available market prices.

Cultural and Heritage Assets

These assets provide a cultural or heritage service to the community, and include North Otago Museum artefacts, the Forrester Gallery art collection and the Libraries' resources. They are recorded at valuation, based on net current value, with subsequent additions recorded at cost.

Accounting for Revaluations

The results of revaluations of property, plant and equipment are credited or debited to other comprehensive income and are accumulated in an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

Depreciation

General

Unless otherwise stated, all Council fixed assets are depreciated on a straight-line basis at rates that will write-off their cost or valuation, less any estimated realisable value, over their expected useful lives. Some members of the Group depreciate assets on a diminishing value basis where this is considered the most appropriate method for that business.

Land

Land is not depreciated.

Buildings

Buildings are depreciated over their expected lives of 15 to 100 years, dependent on the method of construction.

Cultural and Heritage Assets

Other than Library resources, Cultural and Heritage assets are not depreciated. Library resources are depreciated over their expected lives of 7 years.

Statement to Accounting Policies

Depreciation

Depreciation has been calculated on a straight-line basis as follows

<u>Asset Category</u>	<u>Depreciation Base</u>
Infrastructural Assets	
- Roading	
- formation, base course	not depreciated
- pavement structure	30 – 70 years
- surfacing	4 – 17 years
- drainage, footpaths	10 – 100 years
- bridges, retaining structures	50 – 100 years
- streetlights, railings	4 – 35 years
- Water schemes	
- head works	10 – 100 years
- reservoirs	10 – 150 years
- pumps	10 – 20 years
- reticulation	40 – 150 years
- Sewerage schemes	
- reticulation	50 – 120 years
- pumps	10 – 20 years
- treatment works	10 – 100 years
- stormwater reticulation	80 – 150 years
- transfer stations and landfill developments	3 – 25 years
- Alps2Ocean Cycle Trail	
- track formation, base course	not depreciated
- track surface	10 years
- bridges, retaining structures	50 – 60 years
- facilities: signage	12 years
- facilities: livestock proofing (gates, fencing, etc.)	35 years
Harbour Assets	
Wharves and Breakwater	40 – 100 years
Other Assets	
Other assets are depreciated over their expected useful lives:	
<u>Asset Category</u>	<u>Depreciation Base</u>
Motor vehicles	3 – 10 years
Office equipment	2 – 5 years
Office furniture and fittings	2 – 10 years

Statement of Accounting Policies

Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance. The main categories of intangible assets are:

Software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring into use. Costs associated with maintaining computer software are recognised as an expense when incurred. The useful life of software is 3 to 10 years and the cost is amortised on a straight-line basis.

Other Intangible Assets, including:

- Emissions Trading Scheme - Carbon credits

Carbon credits received under the Emissions Trading Scheme were initially assessed at their fair value, determined by the value they could be sold for on the tradable carbon credit market, as at 30 June 2013, and will be held at that value. Carbon credits purchased since that time are valued at their cost price. Carbon credits are not amortised, as they represent current expenditure relating to a known future event, and market pricing for these commodities is generally trending upwards.

- Goodwill

Goodwill arising as part of a business combination is measured, as at the date of acquisition, at: fair value of consideration transferred, less fair value of assets acquired and liabilities assumed. It is subsequently assessed for impairment, and its value adjusted accordingly, on an annual basis, or more frequently as indicators of impairment become apparent.

- Resource consents

Resource consents are initially valued at cost, and subsequently amortised on a straight-line basis over the term of the specific consent.

- Other

These are other intangible assets with an identifiable useful life of 25 years, and are amortised on a straight-line basis.

Impairment of Property, Plant and Equipment, and Intangible Assets

Intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indication 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 inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service.

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 other comprehensive income and 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 surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Statement of Accounting Policies

Employee Entitlements

Short-term benefits

Employee benefits that Council expects 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, and long service leave entitlements expected to be settled within 12 months.

Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long Service Leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been calculated on an actuarial basis. 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; and
- the present value of the estimated future cash flows. An appropriate discount rate and inflation factor were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long term increase in remuneration for employees.

Superannuation Schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Multi-employer defined benefit schemes

Council belongs to a 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 accounting, as it is not possible to determine, from the terms of the scheme, the extent to which the 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.

Provisions

Council recognises a provision 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 not recognised for future operating losses.

The most significant provisions relate to landfill post closure costs. Council owns Oamaru and Palmerston operational landfills, and is also responsible for several closed landfills throughout the District. Council has a legal obligation to apply for resource consents when the landfills reach the end of their operating life and are to be closed.

These resource consents set out the closure requirements and the requirements for on-going maintenance and monitoring at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured on the present value of future cash flows expected, taking into account future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used reflects the current market assessments of the time value of money and of risks specific to Council. Estimated future costs of meeting this obligation are accrued and charged. The calculations assume no change in the legislative requirements for post-closure treatment.

Amounts provided for landfill post-closure are capitalised to the landfill assets where they give rise to future economic benefits. The capitalised landfill asset is depreciated over the life of the landfill based on the anticipated capacity used.

Statement of Accounting Policies

Financial Instruments

The Group is party to financial instrument arrangements as part of everyday operations. These financial instruments include bank overdraft facilities and draw-down facilities, short-term deposits, investments, debtors and creditors.

All financial instruments are recognised in the Balance Sheet. Income and expenditure in relation to all financial instruments are recognised in the surplus or deficit.

Equity

Equity is the Community's interest in the Council, measured as the difference between total assets and total liabilities. Public Equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are:

- Ratepayers Equity
- Restricted Reserves (Special Funds)
- Operating Reserves
- Asset Revaluation Reserves

Reserves

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

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

Operating reserves are reserves established by Council decision. The Council may alter them without reference to any third parties or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Asset revaluation reserves represent unrealised gains on assets owned by Council. The gains are held in the reserve until such time as the gain is realised and a transfer can be made to operating reserves.

Capital Management

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

The Local Government Act 2002 (the Act) 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. Ratepayers' 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 full costs of deferred renewals and maintenance.

The Act 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 sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Statement of Accounting Policies

Budget Figures

The budget figures are those approved by Council at the beginning of the year in the Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of these financial statements.

Groups of Activities

The Groups of Activities, as provided in the LTP, 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:

Cost Allocation

Council has derived the net cost of service for each significant activity of the Council, using the cost allocation system outlined below.

Cost Allocation Policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for Direct and Indirect Costs

“Direct Costs” are those costs directly attributable to a significant activity. “Indirect Costs” are those costs that cannot be attributed in an economically feasible manner to a specific significant activity.

Cost Drivers for Allocation of Indirect Costs

The cost of internal services that are not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers, and floor area.

Critical accounting estimates and assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of 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:

Infrastructural Assets

A number of assumptions and estimates are made when performing depreciated replacement cost valuations of infrastructural assets. These include:

- Evaluating the physical deterioration and condition of an asset - for example Council may be carrying an asset at an amount that does not reflect its actual condition, especially for those assets that are not visible, such as stormwater, wastewater and water supply pipes that are underground. Council minimises this risk by performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimating the remaining useful lives over which assets will be depreciated. These estimates can be affected by local conditions such as weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could over- or under-state the annual depreciation charge recognised as an expense in arriving at the surplus or deficit. To minimise this risk, infrastructural assets' useful lives are determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and are adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities to give Council further assurance over its useful life estimates.

Statement of Accounting Policies

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2014.

- **Classification of Property**
Community housing
Council owns and maintains properties to provide community housing. The receipt of market-based rental is incidental to holding these properties - they are held for service delivery objectives as part of Council's social housing policy, and are accounted for as property, plant and equipment.
Unoccupied land
Council has unoccupied land in its ownership. Given the uncertainty over the future intended use of the land, Council, in applying its judgement, has not classified the property as investment property.
- **Forestry**
The critical judgements applied to Forestry are detailed in Note 12.

Changes in Accounting Policies

There have been no changes to accounting policies during the current financial year. All policies have been applied on bases consistent with the previous financial year.

Forthcoming Change in Basis of Preparation

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) which has been developed by the External Reporting Board (XRB). Under this new Accounting Standards Framework, the Council is classified as a Tier 1 reporting entity and will be required to apply the full Public Benefit Entity Accounting Standards (PAS).

These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is for reporting periods beginning on or after 1 July 2014. This means the Council will transition to the new standards in preparing its 30 June 2015 financial statements. Council does not believe the new Accounting Standards Framework will require significant changes to either accounting policies or presentation in future financial reports.

Due to the change in the Accounting Standards Framework, new NZ IFRS and amendments to existing NZ IFRS are no longer applicable to public benefit entities. However, Council will continue to disclose any impacts arising from the implementation of new or amended NZ IFRS that affect Council's subsidiaries.

Council's subsidiary companies have also been classified as public benefit entities, with the exception of Whitestone Contracting Ltd, which has been designated a "For-Profit" entity. For consolidation purposes, the accounts of this CCO have been converted to the standards applicable for public benefit entities.

Standards that have been issued and become effective during the 2014 financial year

New or amended Standards that have affected members of Council's Group of companies:

NZ IFRS 13 *Fair Value measurement*

The standard provides a single source of guidance for fair value measurements and disclosures about how fair value measurements have been used. The Standard applies to any assets measured at fair value, but its application has not significantly changed the basis for determining the carrying value of assets and liabilities measured at fair value, and its effect is limited to providing additional disclosure by way of note.

Statement of Accounting Policies

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which may be relevant to members of Council's group of companies in the future, are:

NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*.

NZ IAS 39 is being replaced in stages. The first of these deals with classification and measurement of financial assets, and has been completed, and published in the new financial instrument standard NZ IFRS 9.

NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard must be adopted for the year ended 30 June 2016.

Waitaki District Council does not expect any significant impact from implementation of the new Standard by members of the Group.

Notes to the Financial Statements

	Consolidated			Council Only	
	2014	2013	2014	2014	2013
				Annual Plan	
	\$000	\$000	\$000	\$000	\$000

Note 1: Operating Revenue - Rates

General Rates	2,135	1,855	2,170	2,170	1,890
District Services Rates	1,433	1,232	1,433	1,433	1,232
Uniform Annual General Charge	4,408	3,917	4,408	4,396	3,917
Ward Rates	6,351	6,025	6,351	6,333	6,025
Separate Rates	8,820	8,935	8,820	8,816	8,935
Rates Penalties charged	562	539	562	425	539
Total Rates Revenue	23,709	22,503	23,744	23,573	22,538
Targeted Rates for water supply	5,168	5,449	5,168	5,123	5,449
User charges for water supply by meter	482	439	482	437	439
Total Targeted Rates for Water Supply	\$ 5,650	\$ 5,888	\$ 5,650	\$ 5,560	\$ 5,888

Council granted remissions of \$243,000 (2013: \$226,000), primarily under Council's Bare Land Policy - refer to Note 7.

Note 2: Operating Revenue - Government Grants

New Zealand Transport Agency subsidies	6,084	5,222	6,084	5,508	5,222
Ministry of Business, Innovation & Employment	501	-	501	-	-
Department of Conservation	155	30	155	30	30
Ministry for the Environment	66	61	66	60	61
Southern DHB operational contract funding	9,757	9,614	-	-	-
Other Government grants and subsidies	55	132	55	66	132
Total Government Grants	\$ 16,618	\$ 15,059	\$ 6,861	\$ 5,664	\$ 5,445

Grants received from the Ministry of Business, Innovation and Employment were specifically to fund construction of the Alps2Ocean Cycletrail, as were \$139,000 of the grants received from the Department of Conservation.

Note 3: Operating Revenue - Other Grants and Donations

Alps2Ocean Cycletrail construction

Otago Community Trust	90	-	90	-	-
Trust Aoraki	111	-	111	-	-
Other grants	80	105	80	140	105

Omarama Hall upgrade

Ratepayers Association of Omarama Inc.	105	185	105	110	185
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General purposes

Est P T Mulligan (bequest)	250	-	250	-	-
Otago Regional Council	13	63	13	-	63
North Otago Rugby	31	31	31	-	31
Sundry other revenue	435	592	303	308	524
Total Grants and Donations	\$ 1,115	\$ 976	\$ 983	\$ 558	\$ 908

Notes to the Financial Statements

	Consolidated			Council Only	
	2014	2013	2014	2014	2013
				Annual Plan	
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 4: Finance Income and Finance Costs

Finance Income

Interest on bank deposits	767	533	388	400	233
Interest on loan to North Otago Irrigation	462	431	462	470	431
Interest on other community loans	13	11	13	12	11
Sundry interest	6	3	6	3	2
Total Finance income	1,248	978	869	885	677

Finance costs

Interest on bank borrowings	67	51	-	-	-
Interest on bank overdraft	23	21	-	-	-
Use of money interest charges	10	-	10	-	-
Total Finance costs	100	72	10	-	-
Net Finance revenue/(cost)	\$ 1,148	\$ 906	\$ 859	\$ 885	\$ 677

Note 5: Operating Revenue - Other Gains / (Losses)

Gain/(loss) on Forestry revaluation	15	23	15	-	23
Gain/(loss) on Property Plant & Equipment	(701)	(2,722)	(1,028)	-	(2,735)
Depreciation recovered on disposal	189	132	99	-	19
Vested Assets - Property Plant & Equipment	2,834	2,481	2,834	-	2,481
Vested Assets - Intangibles	-	15	-	-	15
Total Other Gains / Losses	\$ 2,337	(\$ 71)	\$ 1,920	-	(\$ 197)

Notes to the Financial Statements

	Consolidated			Council Only	
	2014	2013	2014	2014 Annual Plan	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 6: Operating Expenses - Personnel Costs

Salaries and wages	25,691	25,582	8,624	9,129	8,444
Redundancy and severance payments	83	46	71	-	-
Defined contribution plan employer contributions	391	255	200	179	147
Total Personnel Costs	<u>\$ 26,165</u>	<u>\$ 25,883</u>	<u>\$ 8,895</u>	<u>\$ 9,308</u>	<u>\$ 8,591</u>

Note 7: Operating Expenses - Other Charges

Audit Fees

Audit New Zealand

Audit Current Year Annual Report	155	149	109	121	105
Audit Prior Year Annual Report	2	14	-	-	14

Other providers

Audit Current Year Annual Report	23	24	-	-	-
Other Services provided	8	9	-	-	-

Community grants and donations	797	664	741	827	609
Directors' Fees	279	313	-	-	-

Impairment of Receivables

Total Bad Debts written off	101	24	101	250	21
Change in Provision for Doubtful Debts	70	(448)	-	11	(443)
Rate remissions (refer also to Note 1)	243	226	243	230	226
Renting and Leasing	336	303	127	122	130
Other Expenditure	27,114	27,319	20,944	21,885	20,438
Total Other Operating Expenses	<u>\$ 29,128</u>	<u>\$ 28,597</u>	<u>\$ 22,265</u>	<u>\$ 23,446</u>	<u>\$ 21,100</u>

Notes to the Financial Statements

	Consolidated		Council only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 8: Taxation

Relationship between tax expense and accounting profit

Net surplus / (deficit) before taxation	5,017	1,924	3,794	1,960
Prima facie taxation at 28%	1,405	539	1,062	549
Plus/(Less) Taxation Effect of Differences				
- revenue not liable for taxation	(957)	(537)	(1,062)	(549)
- expenditure not deductible for taxation	9	82	-	-
- losses carried forward	-	4	-	-
Income tax expense	<u>\$ 457</u>	<u>\$ 88</u>	<u>-</u>	<u>-</u>

This is represented by:

Current taxation	262	22	-	-
Prior year adjustment	-	4	-	-
Deferred taxation provision	195	62	-	-
Income tax expense	<u>\$ 457</u>	<u>\$ 88</u>	<u>-</u>	<u>-</u>

Deferred taxation liability/(benefit)

Opening balance	386	324	-	-
Deferred taxation position current year	195	62	-	-
Total Deferred Tax	<u>\$ 581</u>	<u>\$ 386</u>	<u>-</u>	<u>-</u>
Deferred taxation comprises:				
Short term temporary differences	581	386	-	-
	<u>\$ 581</u>	<u>\$ 386</u>	<u>-</u>	<u>-</u>

Council has not recognised a deferred tax asset in relation to unused tax losses of \$824,027 which are available to be carried forward and offset against future taxable income (2013: \$649,094).

Whitestone Contracting Ltd has imputation credits of \$1,698,111 (2013: \$1,652,418) which can be used to impute dividend payments made to Council. These amounts are not recorded in the financial statements.

Temporary differences arise primarily from changes in accruals and differences between tax and accounting depreciation rates.

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 9: Public Equity

Public Equity represents the net worth of the Council as measured by the difference between the total assets of the Council and its total liabilities. It comprises both revenue and capital reserves: Ratepayers Equity, Revaluation Reserves, Operating Reserves, and Restricted Reserves.

Ratepayers Equity

Balance at 1 July	308,299	308,299	308,299	308,299
Transfer from Operating Reserves	-	-	-	-
Balance at 30 June	<u>\$308,299</u>	<u>\$308,299</u>	<u>\$308,299</u>	<u>\$308,299</u>

Revaluation Reserves

Balance at 1 July	408,446	392,263	401,008	384,825
Roading Increase	-	-	-	-
Roading Impairment	-	(443)	-	(443)
Roading Disposals (to operating reserve)	-	(532)	-	(532)
Water & Waste Increase	-	18,193	-	18,193
Water & Waste Disposals (to operating reserve)	(474)	(950)	(474)	(950)
Property Increase	8,359	-	6,309	-
Property Disposals (to operating reserve)	(20)	(85)	(20)	(85)
Whitestone Contracting Ltd Property Movement	(199)	-	-	-
Balance at 30 June	<u>\$416,112</u>	<u>\$408,446</u>	<u>\$406,823</u>	<u>\$401,008</u>

Represented by

Infrastructural Assets	358,752	359,142	358,752	359,142
Council Property	47,946	41,741	47,946	41,741
Council Other (Museum)	125	125	125	125
Waitaki District Health Services Ltd	6,825	5,605	-	-
Whitestone Contracting Ltd	2,464	1,833	-	-
Balance at 30 June	<u>\$416,112</u>	<u>\$408,446</u>	<u>\$406,823</u>	<u>\$401,008</u>

Revaluation Reserves represent the difference between the revalued assets and the value of those assets originally incorporated in the Council's or other entities' financial statements.

Operating Reserves

Balance at 1 July	25,733	22,384	10,402	6,929
Net surplus/(deficit) after tax	4,562	1,836	3,794	1,960
Transfer from Revaluation Reserves	691	1,567	494	1,567
Transfer from Other Reserves	1,186	1,504	1,186	1,504
Transfer to Other Reserves	(1,677)	(1,558)	(1,677)	(1,558)
Transfer to Equity	-	-	-	-
Balance at 30 June	<u>\$30,495</u>	<u>\$25,733</u>	<u>\$14,199</u>	<u>\$10,402</u>

Operating Reserves represent the un-appropriated surpluses of the entities and as such are "paper" transactions and not fully represented by cash funds.

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	\$000	\$000	\$000	\$000

Note 9: Public Equity (Continued)

Other Reserves

These consist of Reserves and Trust Funds created or received by Council under terms that restrict their use. All such funds are available only for the purpose specified.

- Restricted Reserves

Balance at 1 July	11,715	11,661	11,715	11,661
Deposits and Interest	1,649	1,530	1,649	1,530
To Operating Reserves to meet disbursements	(1,157)	(1,476)	(1,157)	(1,476)
Balance at 30 June	<u>\$12,207</u>	<u>\$11,715</u>	<u>\$12,207</u>	<u>\$11,715</u>
Represented by				
Special Funds	10,374	10,046	10,374	10,046
Trust Funds	1,832	1,668	1,832	1,668
Loan Funds	1	1	1	1
Balance at 30 June	<u>\$12,207</u>	<u>\$11,715</u>	<u>\$12,207</u>	<u>\$11,715</u>

Additional analysis of the movements in Other Reserves, and specifics of the purpose of significant types of Other Reserves, are provided in the table appearing on the following page.

- Trust Funds

Balance at 1 July	1	1	1	1
Deposits and Interest	28	28	28	28
To Operating Reserves to meet disbursements	(29)	(28)	(29)	(28)
Balance at 30 June	<u>\$-</u>	<u>\$1</u>	<u>\$-</u>	<u>\$1</u>
Represented by				
SPARC Commission Funds	-	-	-	-
Creative Communities Funds	-	1	-	1
Balance at 30 June	<u>\$-</u>	<u>\$1</u>	<u>\$-</u>	<u>\$1</u>
Total other reserves	<u>\$12,207</u>	<u>\$11,716</u>	<u>\$12,207</u>	<u>\$11,716</u>

These are funds provided for distribution to local community and sporting groups by SPARC and Creative Communities nationally. Depending on the number and quality of applications received for funding assistance, Council may not be able to distribute all the funds provided and, in such instances, may carry any balance remaining undistributed forward for future periods.

Notes to the Financial Statements

Note 9: Public Equity (Continued)

Other Reserves (Continued)

Type of Reserve	Purpose of Reserve	Balance at 1 July 2012 \$000	Transfers to Reserves \$000	Transfers from Reserves \$000	Balance at 30 June 2013 \$000	Transfers to Reserves \$000	Transfers from Reserves \$000	Balance at 30 June 2014 \$000
Special Reserves								
<u>Development Funds</u>								
Roading	For future expansion and upgrading of infrastructure to allow for growth	384	168	-	552	121	-	673
Water		1,454	288	(410)	1,332	349	(183)	1,498
Sewer		1,780	149	(20)	1,909	158	(193)	1,874
Total Development Funds		3,618	605	(430)	3,793	628	(376)	4,045
<u>Other Council-created Funds</u>								
Disaster Fund	Contingency fund for rapid response	3,206	150	(129)	3,227	150	(37)	3,340
Land Endowment Fund	Operational funding	1,322	44	(44)	1,322	48	(48)	1,322
Community Housing Fund	Future community housing projects	646	22	-	668	25	-	693
Other reserve funds	Established for other purposes	1,026	545	(535)	1,036	408	(471)	973
Total Special Reserves		9,818	1,366	(1,138)	10,046	1,259	(932)	10,373
Trust Funds								
Waitaki Heritage Fund	Support for heritage projects	132	5	(8)	129	133	-	262
RMA Reserve	Future recreational developments	1,102	126	(280)	948	106	(186)	868
Oamaru Public Gardens	Grants, donations, bequests and other gifts for specific purposes	164	5	-	169	6	-	175
North Otago Museum		183	6	(46)	143	133	(31)	245
Other community purposes		261	22	(4)	279	12	(8)	283
Total Trust Funds		1,842	164	(338)	1,668	390	(225)	1,833
Loan Funds								
Arising from repayments of previous heritage loans		1	-	-	1	-	-	1
Total Loan Funds		1	-	-	1	-	-	1
Total Restricted Reserves		\$ 11,661	\$ 1,530	(\$ 1,476)	\$ 11,715	\$ 1,649	(\$ 1,157)	\$ 12,207

Note A - Development Contributions are intended to assist in funding infrastructure projects that provide expanded capacity necessary due to growth

Note B - Apart from the Disaster Fund, other Council-created funds may be accessed only by Council resolution

Note C - The Disaster Fund has been established to provide emergency funding to allow Council to respond quickly in the event of disaster

Note D - Endowment Funds have been established to provide additional operational funding for specific Council activities

Note E - Fund established by Council resolution setting aside funds from the sale of community housing units for other community housing developments

Note F - Financial contributions received from developers under the Resource Management Act are used for parks and green spaces to service new subdivisions

Notes to the Financial Statements

Note 10: Property, Plant and Equipment (Council Only)

2014
Council Only

	Cost/ Valuation 1-Jul-13	Current Year Assets Constructed by WDC \$000	Current Year Assets Transferred to WDC \$000	Current Year Disposals \$000	Revaluation \$000	Cost/ Valuation 30-Jun-14 \$000	Accum Depn & Impairment Charges 1-Jul-13 \$000	Current Year Depreciation \$000	Current Year Disposals \$000	Revaluation \$000	Current Year Impairment Charges \$000	Accum Depn & Impairment Charges 30-Jun-14 \$000	Book Value 1-Jul-13 \$000	Book Value 30-Jun-14 \$000
Land	44,359	1,343	87	(2)	1,813	47,600							44,359	47,600
Buildings and Improvements	42,753	1,063		(164)	(1,005)	42,647	6,096	2,202	(62)	(5,486)		2,750	36,657	39,897
Infrastructural Assets														
- Roading	467,009	4,783	915			472,707	10,455	4,993				15,448	456,554	457,259
- Bridges	23,807	556				24,363	1,235	623				1,858	22,572	22,505
- Water Supply Schemes:														
Treatment Plants and Facilities	16,073	124		(56)		16,141	812	914	(9)			1,717	15,261	14,424
Other Assets (ie Reticulation)	38,569	1,383	196	(421)		39,727	726	808	(21)			1,513	37,843	38,214
- Sewerage Schemes:														
Treatment Plants and Facilities	8,631	2		(17)		8,616	289	320	(15)			594	8,342	8,022
Other Assets (ie Reticulation)	32,015	24	241	(19)		32,261	612	635				1,247	31,403	31,014
- Drainage Schemes	14,665	9	29	(4)		14,699	200	208				408	14,465	14,291
- Solid Waste Facilities	1,293					1,293	850	63				913	443	380
- Oamaru Harbour	32,484	12				32,496	4,054	341				4,395	28,430	28,101
- Alps to Ocean		766	1,360			2,126		50				50		2,076
Total Infrastructural Assets	634,546	7,659	2,741	(517)		644,429	19,233	8,955	(45)			28,143	615,313	616,286
Operational Assets														
- Plant, Equipment and Vehicles	3,105	213		(186)		3,132	1,600	303	(127)			1,776	1,505	1,356
- Office Equipment and Fittings	2,984	280		(187)		3,077	2,360	231	(165)			2,426	624	651
Total Operational Assets	6,089	493		(373)		6,209	3,960	534	(292)			4,202	2,129	2,007
Collections	2,546	99	6	(172)		2,479	1,074	99	(154)			1,019	1,472	1,460
Capital Works in Progress	3,332	2,930		(1,489)		4,773							3,332	4,773
	733,625	13,587	2,834	(2,717)	808	748,137	30,363	11,790	(553)	(5,486)		36,114	703,262	712,023

Note:
Accum = Accumulated
Depn = Depreciation

Notes to the Financial Statements

Note 10: Property, Plant and Equipment (Council Only)

2013
Council Only

	Cost/ Valuation 1-Jul-12	Current Year Assets Constructed by WDC	Current Year Assets Transferred to WDC	Current Year Disposals	Revaluation	Cost/ Valuation 30-Jun-13	Accum Depn & Impairment Charges 1-Jul-12	Current Year Depreciation	Current Year Disposals	Revaluation	Current Year Impairment Charges	Accum Depn & Impairment Charges 30-Jun-13	Book Value 1-Jul-12	Book Value 30-Jun-13
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land	44,691	18		(350)		44,359							44,691	44,359
Buildings and Improvements	41,972	794		(13)		42,753	4,184	1,914	(2)			6,096	37,788	36,657
Infrastructural Assets														
- Roading	456,562	8,833	2,457	(843)		467,009	5,069	4,958	(15)		443	10,455	451,493	456,554
- Bridges	20,799	3,008				23,807	615	620				1,235	20,184	22,572
- Water Supply Schemes														
Treatment Plants and Facilities	16,898	2,856		(292)	(3,389)	16,073	2,498	819	(78)	(2,427)		812	14,400	15,261
Other Assets (ie Reticulation)	34,825	4,258		(801)	287	38,569	2,991	749	(30)	(2,984)		726	31,834	37,843
- Sewerage Schemes:														
Treatment Plants and Facilities	9,054	147		(4)	(565)	8,632	749	290	(1)	(748)		290	8,305	8,342
Other Assets (ie Reticulation)	25,885	118		(28)	6,040	32,015	2,710	612	(1)	(2,709)		612	23,175	31,403
- Drainage Schemes	8,566	273		(38)	5,864	14,665	1,094	201	(7)	(1,088)		200	7,472	14,465
- Solid Waste Facilities	1,235	57				1,292	787	62				849	448	443
- Oamaru Harbour	32,484					32,484	3,714	340				4,054	28,770	28,430
- Alps to Ocean														
Total Infrastructural Assets	606,308	19,550	2,457	(2,006)	8,237	634,546	20,227	8,651	(132)	(9,956)	443	19,233	586,081	615,313
Operational Assets														
- Plant, Equipment and Vehicles	2,571	576	20	(62)		3,105	1,382	263	(45)			1,600	1,189	1,505
- Office Equipment and Fittings	2,855	150		(21)		2,984	2,136	245	(21)			2,360	719	624
Total Operational Assets	5,426	726	20	(83)		6,089	3,518	508	(66)			3,960	1,908	2,129
Collections	2,507	115	4	(80)		2,546	1,034	95	(55)			1,074	1,473	1,472
Capital Works in Progress	16,414	1,256		(14,338)		3,332							16,414	3,332
	717,318	22,459	2,481	(16,870)	8,237	733,625	28,963	11,168	(255)	(9,956)	443	30,363	688,355	703,262

Note:
Accum = Accumulated
Depn = Depreciation

Notes to the Financial Statements

Note 10: Property, Plant and Equipment (Consolidated)

2014 Consolidated	Cost/ Valuation 1-Jul-13	Current Year Assets Constructed by WDC \$000	Current Year Assets Transferred to WDC \$000	Current Year Disposals \$000	Revaluation \$000	Cost/ Valuation 30-Jun-14	Accum Depn & Impairment Charges 1-Jul-13 \$000	Current Year Depreciation \$000	Current Year Disposals \$000	Revaluation \$000	Current Year Impairment Charges \$000	Accum Depn & Impairment Charges 30-Jun-14 \$000	Book Value 1-Jul-13 \$000	Book Value 30-Jun-14 \$000
Land	46,987	1,344	87	(565)	2,521	50,374							46,987	50,374
Buildings and Improvements	53,994	1,110		(187)	(396)	54,521	6,702	2,623	(84)	(6,219)		3,022	47,292	51,499
Infrastructural Assets														
- Roading	467,009	4,783	915			472,707	10,455	4,993				15,448	456,554	457,259
- Bridges	23,807	556				24,363	1,235	623				1,858	22,572	22,505
- Water Supply Schemes:														
Treatment Plants and Facilities	16,073	124		(56)		16,141	812	914	(9)			1,717	15,261	14,424
Other Assets (ie Reticulation)	38,569	1,383	196	(421)		39,727	726	808	(21)			1,513	37,843	38,214
- Sewerage Schemes:														
Treatment Plants and Facilities	8,631	2		(17)		8,616	289	320	(15)			594	8,342	8,022
Other Assets (ie Reticulation)	32,015	24	241	(19)		32,261	612	635				1,247	31,403	31,014
- Drainage Schemes	14,665	9	29	(4)		14,699	200	208				408	14,465	14,291
- Solid Waste	1,293					1,293	850	63				913	443	380
- Oamaru Harbour	32,484	12				32,496	4,054	341				4,395	28,430	28,101
- Alps to Ocean		766	1,360			2,126		50				50		2,076
Total Infrastructural Assets	634,546	7,659	2,741	(517)		644,429	19,233	8,955	(45)			28,143	615,313	616,286
Operational Assets														
- Plant, Equipment and Vehicles	24,672	1,025		(792)		24,905	15,659	1,675	(593)			16,741	9,013	8,164
- Office Equipment and Fittings	4,224	503		(187)		4,540	3,361	313	(165)			3,509	863	1,031
Total Operational Assets	28,896	1,528		(979)		29,445	19,020	1,988	(758)			20,250	9,876	9,195
Collections	2,546	99	6	(172)		2,479	1,074	99	(154)			1,019	1,472	1,460
Capital Works in Progress	3,332	2,930		(1,489)		4,773							3,332	4,773
	770,301	14,670	2,834	(3,909)	2,125	786,021	46,029	13,665	(1,041)	(6,219)		52,434	724,272	733,587

Note:
Accum = Accumulated
Depn = Depreciation

Notes to the Financial Statements

Note 10: Property, Plant and Equipment (Consolidated)

2013 Consolidated	Cost/ Valuation 1-Jul-12	Current Year Assets Constructed by WDC	Current Year Assets Transferred to WDC	Current Year Disposals	Revaluation	Cost/ Valuation 30-Jun-13	Accum Depn & Impairment Charges 1-Jul-12	Current Year Depreciation	Current Year Disposals	Revaluation	Current Year Impairment Charges	Accum Depn & Impairment Charges 30-Jun-13	Book Value 1-Jul-12	Book Value 30-Jun-13
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land	47,319	18		(350)		46,987							47,319	46,987
Buildings and Improvements	53,195	813		(14)		53,994	4,376	2,328	(2)			6,702	48,819	47,292
Infrastructural Assets														
- Roadings	456,562	8,833	2,457	(843)		467,009	5,069	4,958	(15)		443	10,455	451,493	456,554
- Bridges	20,799	3,008				23,807	615	620				1,235	20,184	22,572
- Water Supply Schemes														
Treatment Plants and Facilities	16,898	2,856		(292)	(3,389)	16,073	2,498	819	(78)	(2,427)		812	14,400	15,261
Other Assets (ie Reticulation)	34,825	4,258		(801)	287	38,569	2,991	749	(30)	(2,984)		726	31,834	37,843
- Sewerage Schemes:														
Treatment Plants and Facilities	9,054	147		(4)	(565)	8,632	749	290	(1)	(748)		290	8,305	8,342
Other Assets (ie Reticulation)	25,885	118		(28)	6,040	32,015	2,710	612	(1)	(2,709)		612	23,175	31,403
- Drainage Schemes	8,566	273		(38)	5,864	14,665	1,094	201	(7)	(1,088)		200	7,472	14,465
- Solid Waste	1,235	57				1,292	787	62				849	448	443
- Oamaru Harbour	32,484					32,484	3,714	340				4,054	28,770	28,430
- Alps to Ocean														
Total Infrastructural Assets	606,308	19,550	2,457	(2,006)	8,237	634,546	20,227	8,651	(132)	(9,956)	443	19,233	586,081	615,313
Operational Assets														
- Plant, Equipment and Vehicles	22,491	3,160	20	(999)		24,672	14,827	1,700	(868)			15,659	7,664	9,013
- Office Equipment and Fittings	4,059	214		(55)		4,218	3,102	304	(51)			3,355	957	863
Total Operational Assets	26,550	3,374	20	(1,054)		28,890	17,929	2,004	(919)			19,014	8,621	9,876
Collections	2,507	115	4	(80)		2,546	1,034	95	(55)			1,074	1,473	1,472
Capital Works in Progress	16,414	1,256		(14,338)		3,332							16,414	3,332
	752,293	25,126	2,481	(17,842)	8,237	770,295	43,566	13,078	(1,108)	(9,956)	443	46,023	708,727	724,272

Note:
Accum = Accumulated
Depn = Depreciation

Notes to the Financial Statements

Note 10: Property, Plant and Equipment – continued

Fair Values

Council considers that current book values for fixed assets accurately reflect fair value overall. Property and infrastructural assets are revalued regularly in accordance with Council policy.

Oamaru Harbour

Oamaru Harbour includes the breakwater structure and wharves, and was valued by Royds Garden Limited, Consulting Engineers, in 1992, and Council recognised the assets for the first time at deemed cost of \$32 million. Since then Council has not revalued the assets, but has depreciated the structures in accordance with stated accounting policies.

Council must assess at year end whether the value of these assets has been impaired. To make this assessment, Council engaged Gary Teear, Registered Engineer, of OCEL Consultants NZ Ltd, to revalue the breakwater as at 30 June 2007. This exercise showed the value to be \$36.5m, so no adjustment has been made to the carrying value.

Insurance (mandatory disclosure required by Schedule 10, s31A of the LGA 2002)

The Canterbury earthquakes have highlighted the importance of risk management and of insurance and risk financing in the protection of public assets. Council can provide key services in the future only if its infrastructure assets, in particular, remain available for use, and must consider carefully ways of managing risk effectively and making the best use of insurance and other mitigation tools.

- Water, Waste Water and Storm Water Assets

Total carrying value \$105,964,835. Individual assets valued in excess of \$1,000,000 are insured. The value of these assets for insurance purposes is \$24,287,653. Council mitigates the risk related to the remaining assets through its membership of the Local Authority Protection Programme (LAPP), use of depreciation reserves and the Disaster Fund (refer below).

Estimated cost of full replacement of the assets totals \$196,992,000, based on the most recent valuation at 1 July 2013, and subsequent additions at cost or valuation, and can be analysed as follows:

Water Supply schemes – treatment plants and facilities	\$29,694,000
Water Supply schemes – other assets (ie reticulation)	\$72,380,000
Waste Water (Sewerage) schemes – treatment plants and facilities	\$14,854,000
Waste Water (Sewerage) schemes – other assets (ie reticulation)	\$55,295,000
Storm Water (Drainage) schemes	\$24,769,000

- Roading Assets, including bridges and footpaths

Total carrying value \$480,206,277. Not specifically insured, but significant loss or damage would be subsidised (currently a minimum of 62% of the loss) by the New Zealand Transport Agency. NZTA funding has been received to partially meet costs arising from storm events in each of the past three years. NZTA is reviewing rates of financial assistance, which may change in the future. Remaining un-subsidised cost would be met from depreciation reserves, and the Disaster Fund (refer below). Estimated cost of full replacement of the assets is \$623,770,000 based on the valuation completed at 1 July 2014, the effect of which will be recognised in the reports for 2014/15 financial year.

- Art Works, Museum Collections, Library Books

Total carrying value \$1,458,464. Art works have a value for insurance purposes of \$3,100,000, and are covered for \$1,000,000 for Council's own art works, with a further \$1,050,000 for art works on loan to Council. The balance of Council's own art works is uninsured. No provision has been made to self-insure these items, as they are unique, and could not be replaced.

Library books are not insured, and their replacement would be met from depreciation reserves.

Notes to the Financial Statements

Note 10: Property, Plant and Equipment – continued

- Land and Buildings

Land has a carrying value of \$47,601,194 and cannot be insured. Funding for restoration might be provided by the Earthquake Commission if the loss resulted from earthquake or landslip.

Buildings have a carrying value of \$39,867,677, and a value of \$58,545,301 for insurance purposes. Council self-insures buildings which would either not be replaced in the event of loss, or would be funded from depreciation reserves and from the Disaster Fund (refer below).

- Vehicles, Plant and Equipment, Furniture and Fittings

Vehicles have a carrying value of \$1,245,058, and a value for insurance purposes of \$1,239,461. All are insured for replacement value.

Other items have a carrying value of \$649,830, and are not insured. Individual items are not generally of material value, and depreciation reserves would provide funding for replacement.

- Solid Waste facilities, Oamaru Harbour and the Alps2Ocean Cycle Trail

Total carrying value of \$30,557,863. These assets are not specifically insured. Replacement or reinstatement of damaged items would be funded from operational budgets (for example, the annual budget for maintenance of the breakwater) or depreciation reserves.

- Forestry

Refer to Note 12 for further information.

- Summary of Insurance Cover arranged by Council

Total carrying value of Property Plant and Equipment	\$712,023,027
Total value of cover for insurance purposes	<u>\$85,072,415</u>
Total value of uninsured assets	\$626,950,612

Significant uninsured assets include:

Roading network (NZTA subsidies, Council reserves)	\$480,206,277
Water, Waste water and stormwater assets (LAPP assistance)	\$81,677,182
Land holdings (cannot be insured, Earthquake Commission funding)	\$47,601,194
Solid Waste, Harbour, Cycletrail	\$30,557,863

Council would, in the event of the destruction or significant damage of uninsured assets as a consequence of a natural disaster, receive financial support from a variety of sources – NZTA subsidies, the LAPP fund, Earthquake Commission, Council's own reserves and the Disaster Fund (detailed below). In a number of instances, assets that had been destroyed might not be rebuilt or, if reconstructed, might not be in the same configuration as the previous asset, in order to reduce cost

Disaster Fund (refer also Note 9 – Special Reserves)

Council has established a Disaster Fund:

- to enable it to provide a rapid response in the event of a significant and damaging event and,
- to provide a reserve to meet uninsured losses that may arise.

At 30 June 2014, the Disaster Fund stood at \$3,339,970 (2013: \$3,226,364).

To supplement the Disaster Fund, Council has arranged committed cash facilities with its bankers to provide additional and immediate funding to meet any shortfall.

Notes to the Financial Statements

	2014				2013			
	Software \$000	Carbon Credits \$000	Other \$000	Total \$000	Software \$000	Carbon Credits \$000	Other \$000	Total \$000

Note 11: Intangible Assets

Council only

Balance at 1 July

Cost	1,778	15	165	1,958	1,706	-	165	1,871
Accumulated Amortisation	(662)	-	(121)	(783)	(410)	-	(114)	(524)
Opening Book Value	1,116	15	44	1,175	1,296	-	51	1,347

Movements for the year

Additions	205	20	-	225	72	15	-	87
Disposals - cost	(37)	(1)	-	(38)	-	-	-	-
Amortisation charge	(221)	-	(6)	(227)	(252)	-	(7)	(259)
Disposals - accum amortisation	15	-	-	15	-	-	-	-
Net movement for the year	(38)	19	(6)	(25)	(180)	15	(7)	(172)

Balance at 30 June

Cost	1,946	34	165	2,145	1,778	15	165	1,958
Accumulated Amortisation	(868)	-	(127)	(995)	(662)	-	(121)	(783)
Closing Book Value	\$1,078	\$34	\$38	\$1,150	\$1,116	\$15	\$44	\$1,175

Consolidated

Balance at 1 July

Cost	1,778	15	961	2,754	1,712	-	637	2,349
Accumulated Amortisation	(662)	-	(335)	(997)	(416)	-	(273)	(689)
Opening Book Value	1,116	15	626	1,757	1,296	-	364	1,660

Movements for the year

Additions	250	20	24	294	72	15	324	411
Disposals - cost	(37)	(1)	-	(38)	(6)	-	-	(6)
Amortisation charge	(221)	-	(56)	(277)	(252)	-	(62)	(314)
Disposals - accum amortisation	15	-	-	15	6	-	-	6
Net movement for the year	7	19	(32)	(6)	(180)	15	262	97

Balance at 30 June

Cost	1,991	34	985	3,010	1,778	15	961	2,754
Accumulated Amortisation	(868)	-	(391)	(1,259)	(662)	-	(335)	(997)
Closing Book Value	\$1,123	\$34	\$594	\$1,751	\$1,116	\$15	\$626	\$1,757

Carbon Credits

The opening balance represents credits vested in Council by central Government in 2012/2013 in relation to Council's forestry plantations (see note 12). They will be held against the potential liability that would arise should Council, at some future time, decide against replanting forested areas after harvesting or fire.

Additional credits purchased are believed to be sufficient to meet anticipated future obligations related to emissions at the Oamaru landfill facility through to the closure of the facility. These obligations will be satisfied by surrendering (disposing of) credits based on volumes of waste accepted at the facility each year. Credits remaining unused after the landfill facility is closed will be held against the potential future liability relating to the forestry plantations referred to above.

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
Note 12: Forestry Assets				
Balance at 1 July	1,020	997	1,020	997
Gains / (losses) arising from changes in fair value less estimated point of sale costs	15	23	15	23
Balance at 30 June	<u>\$1,035</u>	<u>\$1,020</u>	<u>\$1,035</u>	<u>\$1,020</u>

Council owns 242.45ha of land for forestry. 131ha (2013: 133.5ha) is planted, mainly in *pinus radiata*, in nine blocks in the Waitaki District. These are at varying stages of maturity, mainly from 20 – 30 years. Council's involvement in forestry is primarily to meet aesthetic and land protection requirements.

The annual valuation, dated 30 June 2014, was performed by Allan Laurie, MNZIF, of Laurie Forestry Limited, a registered forestry consultant. A pre-tax discount rate of 8.5% (2013: 8.5%) was used to discount the present value of expected cash flows. All costs and prices used are based on current market information.

Council is exposed to financial risks arising from changes in timber prices. Council is a long term forest owner and has therefore not taken any measures to manage this risk.

Insurance

Council's forestry assets are subject to the risk of fire and storm damage. In the 2013/14 financial year, Council had arranged insurance which provides maximum cover of \$930,963 for the forestry plantations, up to \$250,000 for fire-fighting costs and up to \$96,420 for replanting and other re-establishment costs.

Emissions Trading Scheme

The forestry plantations are professionally managed and Council adheres strictly to a replanting plan developed by its advisers to ensure that there is no liability related to the Emissions Trading Scheme. Council holds 8,340 carbon credits in relation to its forestry asset (refer note 11).

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	\$000	\$000	\$000	\$000
Note 13: Other Financial Assets				
Non-Current				
Available for sale				
Shares in other companies (see below)	145	145	145	145
Investments Carried at Cost				
Shares in Subsidiaries	-	-	4,912	4,858
Loans and Receivables				
Mortgages and Secured Loans	13,016	13,126	13,016	13,126
Total Non-Current Other Financial Assets	\$13,161	\$13,271	\$18,073	\$18,129
Current				
Term Deposits maturing between 3 & 12 months	13,261	9,493	6,000	3,521
Mortgages and Secured Loans	7	41	7	41
Total Current Other Financial Assets	\$13,268	\$9,535	\$6,007	\$3,562
Maturity Profile				
Within one year	13,268	9,535	6,007	3,562
One to two years	7	7	7	7
Two to five years	13,009	13,119	13,009	13,119
Five years and over	145	145	145	145
Total Other Financial Assets	\$26,429	\$22,806	\$19,168	\$16,833

The effective interest rate on mortgages and secured loans at year end was 3.64% (2013: 3.53%).

Loans and Receivables

Includes loans to community groups, but primarily consists of a loan made to North Otago Irrigation Company Ltd (NOIC). The amount outstanding at year end was \$12,644,157 (2013: \$12,781,249).

- The interest on this loan is based on the 90 day bill rate and is reviewed quarterly
- This was for a maximum period of 10 years from its start date in January 2006
- Security is provided by a General Security Agreement covering the Company's assets including Water Supply Contracts and Memorandum of Encumbrances between NOIC and the Irrigators

Shares in Other Companies Carried at Cost

Council holds shares in the following unlisted companies (balance dates in brackets):

New Zealand Local Government Insurance Co Limited (31 December)

Shares held	120,000	120,000	120,000	120,000
Percentage of Issued Shares	1.09%	1.09%	1.09%	1.09%
Book Value	\$113,908	\$113,908	\$113,908	\$113,908

Lower Waitaki Irrigation Co Limited (31 December)

Shares held	2,909	2,792	2,909	2,792
Percentage of Issued Shares	11.55%	11.05%	11.55%	11.05%
Book Value	\$31,016	\$31,016	\$31,016	\$31,016

As there is no market for shares in these companies, or any like market or shares for sale, a fair value cannot be accurately estimated for these holdings.

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 14: Cash and Cash Equivalents

Cash at bank and in hand	2,314	1,211	124	637
Deposits with maturities of 3 months or less	4,500	4,450	4,500	4,450
Total Cash Equivalents	<u>\$6,814</u>	<u>\$5,661</u>	<u>\$4,624</u>	<u>\$5,087</u>

Note 15: Trade and Other Receivables

Rates	2,290	2,098	2,290	2,098
Government Funding	2,015	2,541	2,015	2,541
Inter-company	-	-	110	31
Sundry	5,171	4,898	1,287	1,620
	<u>9,476</u>	<u>9,537</u>	<u>5,702</u>	<u>6,290</u>
Less Provision for Impairment	<u>(922)</u>	<u>(852)</u>	<u>(839)</u>	<u>(839)</u>
Total Current Portion	<u>\$ 8,554</u>	<u>\$ 8,685</u>	<u>\$ 4,863</u>	<u>\$ 5,451</u>

There is no concentration of credit risk outside of the group other than the New Zealand Transport Agency. However, given the nature of this organisation, this is assessed as very low.

Analysis of Receivables

Not yet overdue	7,299	7,778	4,497	5,220
Overdue 0 - 30 days	298	423	92	86
Overdue 31 - 60 days	167	78	27	11
Overdue more than 61 days	1,712	1,258	1,086	973
	<u>\$ 9,476</u>	<u>\$ 9,537</u>	<u>\$ 5,702</u>	<u>\$ 6,290</u>

Analysis of Provision for Impairment

Individual Impairment	134	138	51	125
Collective impairment	788	714	788	714
Total provision for impairment	<u>\$ 922</u>	<u>\$ 852</u>	<u>\$ 839</u>	<u>\$ 839</u>

At 30 June, all general receivables are assessed for impairment and individual provisions are applied. Council holds no security or other credit enhancements over general receivables. The provision is based on expected losses for Council's pool of debtors. Collective impairment relates to outstanding rates that are older than 12 months and to a portion of current year rate penalties.

Analysis of movements in the Provision for Impairment

At 1 July	852	1,276	839	1,261
Increase / (Decrease) in Provision	176	(424)	101	(422)
Receivables written off	(106)	-	(101)	-
	<u>\$ 922</u>	<u>\$ 852</u>	<u>\$ 839</u>	<u>\$ 839</u>

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 15: Trade and Other Receivables (continued)

Amounts shown are inclusive of GST if applicable. The face value of Trade and Other Receivables approximates their fair value.

Note 16: Inventories

Retail inventories	106	100	10	70
Metal and Soil Stocks	293	328	-	-
Other Supplies	559	569	-	-
	958	997	10	70
Provision for Obsolescence	-	-	-	-
Total Inventories	<u>\$958</u>	<u>\$997</u>	<u>\$10</u>	<u>\$70</u>

Note 17: Work in Progress

Cost	1,260	2,539	-	-
Profit Recognised to Date	178	411	-	-
Gross Construction WIP	1,438	2,950	-	-
Less progress billings	(1,379)	(1,902)	-	-
Net Construction WIP	59	1,148	-	-
Other Contracts	57	171	-	-
Total Work in Progress	<u>\$116</u>	<u>\$1,219</u>	<u>-</u>	<u>-</u>

Note 18: Non-current Assets Held for Sale

The sale of land on Hospital Hill has been anticipated since 30 June 2013 and the transaction is likely to be completed during the 2014/15 financial year.

Land	253	239	253	239
Total	<u>\$253</u>	<u>\$239</u>	<u>\$253</u>	<u>\$239</u>

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 19: Provisions

Landfill Aftercare and Site Restoration

Opening	759	723	729	695
Additions to Provision/(Provision utilised)	136	36	147	34
	<u>\$895</u>	<u>\$759</u>	<u>\$876</u>	<u>\$729</u>

Analysed:

Non-Current	751	729	751	729
Current	144	30	125	-
	<u>\$895</u>	<u>\$759</u>	<u>\$876</u>	<u>\$729</u>

Landfill Aftercare

Council operates landfills in Oamaru and Palmerston, and is required by the conditions of its consents to maintain and monitor those landfills after their closure. This includes establishing a provision to undertake clean-up work at other potentially contaminated sites.

The calculation of the provision is based on the remaining expected life of the landfills as determined by current and expected future volumes and the costs of cleaning up and monitoring the sites utilising current methods and technologies. The costs are expected to be incurred over the 30 years following closure, and are discounted back to present value using a discount rate of 5.0% (2013: 5%).

Site Restoration

This provision is to allow for the restoration of land used for quarrying and other processes.

Note 20: Employee Entitlements

Accrued Pay	876	804	361	357
Annual Leave	2,594	2,606	566	529
Long Service Leave	64	59	4	9
Sick Leave	22	26	-	-
Continuing Medical Entitlements	204	152	-	-
	<u>\$3,760</u>	<u>\$3,647</u>	<u>\$931</u>	<u>\$895</u>
Analysed:				
Non-Current	59	47	-	-
Current	3,701	3,600	931	895
	<u>\$3,760</u>	<u>\$3,647</u>	<u>\$931</u>	<u>\$895</u>

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 21: Borrowings

Non-Current Borrowing

Public Debt – secured	2	3	2	3
Other secured loans and debentures	190	536	-	-
Total	<u>\$192</u>	<u>\$539</u>	<u>\$2</u>	<u>\$3</u>

Current Borrowing

Overdraft	-	-	-	-
Committed Cash Facility (90 days or less)	-	-	-	-
Public Debt – secured	1	2	1	2
Public Debt – unsecured	-	-	-	-
Other secured loans and debentures	338	885	-	-
Total	<u>\$339</u>	<u>\$887</u>	<u>\$1</u>	<u>\$2</u>
Total Borrowings	<u>\$531</u>	<u>\$1,426</u>	<u>\$3</u>	<u>\$5</u>

Financing Costs

The fixed interest rate on public debt is 3.5% (2013: 3.5%) and the remaining loan matures in July 2015.

The Committed Cash Facility can be drawn down for periods between 1 and 90 days and the costs are based on the 90-day rate plus a margin consistent with that charged to similar organisations.

Security

Public debt recorded as secured relates to debt issued prior to 30 June 1999, and is secured by future rates revenues.

Whitestone Contracting Limited loans are secured against company assets.

Repayment Terms

The following is a maturity analysis of total debt:

Payable no later than one year	345	887	1	2
Later than one, not later than five years	212	539	2	3
Later than five years	-	-	-	-
	<u>\$557</u>	<u>\$1,426</u>	<u>\$3</u>	<u>\$5</u>

Notes to the Financial Statements

Note 21: Borrowings (continued)

Internal Loans (Council Only)

Council's Liability, Management and Investment Policy established an internal loan system using cash reserves to fund activities in preference to raising external debt. By using this policy, Council has repaid most of its external debt. Internal loans are deemed part of ratepayer debt as, at a future date when cash is needed for the purpose for which it has been raised, external loans may be required.

Internal loan balances outstanding at 30 June 2014 were \$26,738,127 (2013: \$24,989,368), as outlined below:

	Interest Expense \$000	Balance 1 July \$000	Increased Borrowing \$000	Principal Repaid \$000	Balance 30 June \$000
Movements for the year ended 30 June 2014					
Roads and Footpaths	31	863	-	(72)	791
Waste Water	16	452	123	(78)	497
Stormwater Damage	3	90	49	(15)	124
Water Supply	377	10,346	798	(519)	10,625
Waste Management and Minimisation	31	886	-	(107)	779
Arts, Heritage and Culture	-	10	-	(1)	9
Parks and Recreation	24	685	11	(91)	605
Community Amenities	2	50	25	(15)	60
Oamaru Harbour and Historic Precinct	84	2,014	506	(108)	2,412
Commercial and Development Activities	363	9,593	1,500	(257)	10,836
Environment, Regulation and Safety	3	-	43	(43)	-
Support Services (Net Allocated)	(934)	-	-	-	-
	-	\$ 24,989	\$ 3,055	(\$ 1,306)	\$ 26,738

Movements for the year ended 30 June 2013

Roads and Footpaths	29	953	-	(90)	863
Waste Water	20	687	-	(235)	452
Stormwater Damage	3	106	-	(16)	90
Water Supply	355	10,936	1,071	(1,660)	10,347
Waste Management and Minimisation	32	994	-	(109)	885
Arts, Heritage and Culture	-	1	10	(1)	10
Parks and Recreation	25	830	-	(145)	685
Community Amenities	2	65	-	(15)	50
Oamaru Harbour and Historic Precinct	63	1,899	218	(103)	2,014
Commercial and Development Activities	316	9,248	405	(60)	9,593
Environment, Regulation and Safety	3	144	2	(146)	-
Support Services (Net Allocated)	(848)	-	-	-	-
	-	\$ 25,863	\$ 1,706	(\$ 2,580)	\$ 24,989

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

Note 22: Trade and Other Payables

Sundry Creditors	5,088	4,709	3,091	3,264
Accruals	462	410	77	98
Owing to Subsidiaries	-	-	768	543
Income charged in Advance	1,150	1,125	969	980
Deposits	95	319	95	319
	<u>\$6,795</u>	<u>\$6,563</u>	<u>\$5,000</u>	<u>\$5,204</u>
Analysed:				
Non-Current	-	-	-	-
Current	6,795	6,563	5,000	5,204
	<u>\$6,795</u>	<u>\$6,563</u>	<u>\$5,000</u>	<u>\$5,204</u>

Note 23: Commitments

Capital Commitments

Council	1,810	542	1,998	542
Total Capital Commitments	<u>\$1,810</u>	<u>\$542</u>	<u>\$1,998</u>	<u>\$542</u>

Contractual Commitments

Council and the group have long-term contractual commitments with the following payment profile:

Not later than one year	4,226	3,893	6,883	5,827
Later than one year and not later than two	552	3,915	1,049	4,854
Later than two years	82	439	618	958
Total Contractual commitments	<u>\$4,860</u>	<u>\$8,247</u>	<u>\$8,550</u>	<u>\$11,639</u>

Operating Leases

Council and the group have commitments with respect to non-cancellable operating leases with the following payment profile:

Not later than one year	280	238	37	53
Later than one year and not later than five	222	302	19	92
Later than five years	6	50	-	21
Total Operating Lease commitments	<u>\$508</u>	<u>\$590</u>	<u>\$56</u>	<u>\$166</u>

Notes to the Financial Statements

Note 24: Guarantees and Contingencies

Council and Group

- In 2004, Council provided a guarantee for a loan raised by Benmore Irrigation Company to further develop and extend the Company's irrigation scheme in the Ahuriri area. The maximum amount under the guarantee is \$3.6 million, and it expires on 31 March 2015. As there is no evidence that the guarantee will be exercised before the expiry date, the fair value is assessed as \$Nil (2013: \$Nil).
- The Building Act 2004 imposes certain obligations and liabilities on local authorities with respect to the issuing of building consents and the inspection of work done. In association with other local authorities, Council continues its membership of the NZ Mutual Liability Risk Pool established for the purpose of providing insurance for any claims made under the Building Act 2004. Further calls may be made by Risk Pool on Council in the future. Council will recognise a liability for future calls when there is certainty over the amounts involved.
- Council is a member of the Local Authority Protection Programme (LAPP) Fund. Members have been advised that no contribution will be required from them in the event of a major catastrophe in the 2014/15 financial year. This may not always be the case and is assessed annually by the LAPP, and for that reason, Council may still be subject to a contingent liability, but not in the immediate future. *Refer to Note 10 – Insurance section.*
- Council has been advised of one potential personal grievance claim (2013: 1).
- Council owns and manages several closed landfills throughout the District, the contents of which are unknown. Resource consents require regular monitoring of these landfills. Except for Hampden there are no known defects that could give rise to a claim, and defects at Hampden have been addressed. Future changes to environmental conditions or land use may change this position. Council has established a Provision for Closed Landfills to reflect the estimated future cost of this obligation – *see Note 19 for further information.*
- Council owns 242.45 hectares of forest, all being pre-1990 land in terms of the emissions trading scheme. If this land is de-forested, a de-forestation penalty may be incurred. The amount of this potential liability is unknown, but its effect is expected to be minimal as Council has no current intention to de-forest this land. Council has been allocated carbon credits related to its forestry asset. *See Notes 11 and 12 for further information.*
- As a significant property owner, Council faces a number of issues:
 - The Canterbury Earthquakes Royal Commission of Inquiry has delivered its findings and Council must assess the implications on its property holdings. It is difficult to assess the costs and timing associated with such changes and, depending on the scale and timing of any necessary structural strengthening or other mitigation work, and the statutory deadlines for its completion, Council may have to reprioritise other capital expenditure; and
 - Insurance premiums have stabilised as insurance providers have assessed their risk following the Christchurch earthquakes. To mitigate the effect of increased premiums on ratepayers, Council has self-insured a range of assets, and assumed larger excesses in a number of cases. This strategy carries greater risk of financial loss to Council, the impact of which cannot be accurately quantified. Council continues to monitor this risk and consider ways in which it can limit its exposure in an affordable manner. *See Note 10 – Insurance section – for further information.*

Notes to the Financial Statements

Note 25: Financial Instruments

Council, and the Group, are party to financial instruments as part of their everyday operations. These include bank balances, investments, trade accounts receivable, trade creditors and loans.

Interest Rate Risk

Council, Whitestone Contracting Limited and Waitaki District Health Services have a series of policies intended to manage risk related to interest rates and the concentration of credit. All entities in the Group are risk averse and seek to minimise exposure from their treasury activities. Their policies do not allow any transactions of a speculative nature to be entered into.

Financial Instrument Risks

Council has policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities, and, to that end, has established borrowing and investment policies which do not allow any transactions that are of a speculative nature to be entered into.

- **Market Risk**

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Council's exposure is limited to its borrowing, short-term bank deposits and short-term and term investments in other entities, primarily Whitestone Contracting Limited and North Otago Irrigation Company Limited.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that cash flows from financial instruments will fluctuate due to changes in market interest rates. Borrowing and investments issued at variable interest rates expose Council to cash flow interest rate risk. Council's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council does not enter into foreign currency transactions.

- **Credit Risk**

Credit risk is the risk that a third party will default on its obligations causing Council to incur a loss. Due to the timing of its cash inflows and outflows, Council invests surplus cash with registered banks. Council's investment policy limits the amount of credit exposure to any one institution. Council's maximum credit exposure for each class of financial instrument is the total carrying amount of cash equivalents, trade receivables and loans and receivables. No collateral is held as security against cash equivalents and some short-term community loans. Further details are provided in Notes 13, 14 and 15.

In the normal course of business the Group incurs credit risk from debtors and financial institutions. NZTA owed 24.9% (2013: 31%) of debtors due to Council at balance date. The Southern District Health Board is the major debtor of Waitaki District Health Services Ltd. Council has a significant geographic concentration of credit risk in the Waitaki District of New Zealand, but there are no other significant concentrations of credit risk. The Group does not require any collateral or security to support financial instruments of the financial institutions dealt with.

Notes to the Financial Statements

Note 25: Financial Instruments (continued)

The Group has total bank overdraft and Letter of Credit facilities of \$2,100,000 (2013: \$2,100,000) and committed draw-down facilities of \$15,200,000 (2013: \$15,200,000). Council has uncommitted facilities of \$10,000,000 (2013: \$10,000,000) for the purposes of meeting borrowing needs.

None of these facilities were utilised by the Group at balance date (2013: \$786,000 of the overdraft facility, nil in each of the other categories). Subject to the continuance of satisfactory credit ratings, the facilities may be drawn down at any time.

- **Liquidity Risk**

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Company maintains a target level of investments that must mature within specified timeframes.

Council manages its borrowings in accordance with its Liability Management and Investment Policy.

Purchases and sales of financial assets are accounted for at trade date.

Other Matters

Council has performed a sensitivity analysis and estimated that a change in interest rates of 1% would increase, or decrease, Council's surplus by approximately \$240,000 (2013: \$201,000).

Contractual Maturity Analysis

The tables on the following pages analyse financial assets and liabilities into relevant maturity groupings at balance date based on the remaining term to maturity date. Amounts disclosed represent undiscounted cash flows, including future interest payments, estimated based either on the contracted fixed rate or on the appropriate floating rate at balance date.

Notes to the Financial Statements

Note 25: Financial Instruments (continued)

	Carrying Amount \$000	Contractual Cash flows \$000	Due within 1 Year \$000	Due between 1 & 2 Years \$000	Due between 2 & 5 Years \$000	Due later than 5 Years \$000
Council only - 2014						
<i>Non-current Assets</i>						
Other Financial Assets						
- Investments in CCOs	4,912	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,016	13,016	-	7	13,009	-
<i>Current Assets</i>						
Cash and Cash Equivalents	4,624	4,739	4,739	-	-	-
Trade and Other Receivables	4,863	4,863	4,863	-	-	-
Other Financial Assets						
- Term Deposits	6,000	6,194	6,194	-	-	-
- Loans to other entities	7	7	7	-	-	-
Total Financial Assets	33,567	28,819	15,803	7	13,009	-
<i>Non-current Liabilities</i>						
Borrowings	2	2	-	2	-	-
<i>Current Liabilities</i>						
Trade and Other Payables	5,000	5,000	5,000	-	-	-
Short Term Borrowings	1	1	1	-	-	-
Total Financial Liabilities	5,003	5,003	5,001	2	-	-
Net Liquidity	\$ 28,564	\$ 23,816	\$ 10,802	\$ 5	\$ 13,009	\$ -
Council only - 2013						
<i>Non-current Assets</i>						
Other Financial Assets						
- Investments in CCOs	4,858	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,126	13,126	-	7	13,119	-
<i>Current Assets</i>						
Cash and Cash Equivalents	5,087	5,087	5,087	-	-	-
Trade and Other Receivables	5,451	5,451	5,451	-	-	-
Other Financial Assets						
- Term Deposits	3,521	3,563	3,563	-	-	-
- Loans to other entities	41	41	41	-	-	-
Total Financial Assets	32,229	27,268	14,142	7	13,119	-
<i>Non-current Liabilities</i>						
Borrowings	3	3	-	2	1	-
<i>Current Liabilities</i>						
Trade and Other Payables	5,204	5,204	5,204	-	-	-
Short Term Borrowings	2	2	2	-	-	-
Total Financial Liabilities	5,209	5,209	5,206	2	1	-
Net Liquidity	\$ 27,020	\$ 22,059	\$ 8,936	\$ 5	\$ 13,118	\$ -

Notes to the Financial Statements

Note 25: Financial Instruments (continued)

	Carrying Amount \$000	Contractual Cash flows \$000	Due within 1 Year \$000	Due between 1 & 2 Years \$000	Due between 2 & 5 Years \$000	Due later than 5 Years \$000
Group - 2014						
<i>Non-current Assets</i>						
Other Financial Assets						
- Investments in CCOs	-	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,016	13,016	-	7	13,009	-
<i>Current Assets</i>						
Cash and Cash Equivalents	6,814	6,969	6,969	-	-	-
Trade and Other Receivables	8,554	8,554	8,554	-	-	-
Other Financial Assets						
- Term Deposits	13,261	13,781	13,781	-	-	-
- Loans to other entities	7	7	7	-	-	-
Total Financial Assets	41,797	42,327	29,311	7	13,009	-
<i>Non-current Liabilities</i>						
Borrowings	192	212	-	212	-	-
<i>Current Liabilities</i>						
Trade and Other Payables	6,795	6,795	6,795	-	-	-
Short Term Borrowings	339	345	345	-	-	-
Total Financial Liabilities	7,326	7,352	7,140	212	-	-
Net Liquidity	\$ 34,471	\$ 34,975	\$ 22,171	(\$ 205)	\$ 13,009	\$ -
Group - 2013						
<i>Non-current Assets</i>						
Other Financial Assets						
- Investments in CCOs	-	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,126	13,126	-	7	13,119	-
<i>Current Assets</i>						
Cash and Cash Equivalents	5,661	5,661	5,661	-	-	-
Trade and Other Receivables	8,685	8,685	8,685	-	-	-
Other Financial Assets						
- Term Deposits	9,493	9,493	9,493	-	-	-
- Loans to other entities	41	41	41	-	-	-
Total Financial Assets	37,151	37,006	23,880	7	13,119	-
<i>Non-current Liabilities</i>						
Borrowings	539	539	-	538	1	-
<i>Current Liabilities</i>						
Trade and Other Payables	6,563	6,563	6,563	-	-	-
Short Term Borrowings	887	887	887	-	-	-
Total Financial Liabilities	7,989	7,989	7,450	538	1	-
Net Liquidity	\$ 29,162	\$ 29,017	\$ 16,430	(\$ 531)	\$ 13,118	\$ -

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	\$000	\$000	\$000	\$000

Note 25: Financial Instruments (continued)

The maximum credit exposure for each class of financial instrument is consistent with the amounts disclosed in Note 26.

The Credit Quality of financial assets that are neither past due nor impaired can be assessed by reference to credit rating or historic information about default rates.

Cash with institutions rated AA or better by Standard and Poor's	20,075	15,154	10,624	8,608
Cash with other entities with no default history	13,023	13,167	13,023	13,167
Total Cash and Cash Equivalents	\$33,098	\$28,321	\$23,647	\$21,775

Fair Values

The fair value of financial instruments is approximately equivalent to the carrying amount disclosed in the Balance Sheet, and is consistent with Council's Liability Management and Investment Policy.

Note 26: Categories of Financial Assets and Liabilities

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

Financial Assets

Shares in other companies (note 13)	145	145	145	145
Secured and other loans (note 13)	13,023	13,167	13,023	13,167
Deposits due 3-12 months after year end (note 13)	13,261	9,493	6,000	3,521
Cash and cash equivalents (note 14)	6,814	5,661	4,624	4,862
Trade and other receivables (note 15)	8,554	8,685	4,863	5,451
Total Financial Assets	\$41,797	\$37,151	\$28,655	\$27,146

Financial liabilities measured at amortised cost

Trade and other payables (note 22)	6,795	6,563	5,000	5,209
Borrowings (note 21)	531	1,432	3	5
Total Financial Liabilities at amortised cost	\$7,326	\$7,995	\$5,003	\$5,214

Notes to the Financial Statements

Note 27: Members' Interests Transactions

The following information relates to Councillors and Community Board Members who, through their business and other external relationships, have, or may potentially have, dealings with Council in a commercial context.

It is assumed that all transactions have been undertaken at normal commercial rates in the normal course of business. All amounts are stated in whole dollars.

- Cr Peter Garvan is a Trustee of the Oamaru Whitestone Civic Trust, which leases a number of properties from Council. During the year ended 30 June 2014, Council provided rental and other services to the value of \$14,582 (2013: \$20,450). At year end, \$27,401 was owed to Council (2013: \$19,831). The Trust has received financial support by way of loan advances from Council, with \$365,000 outstanding at year end (2013: \$330,000) and grants of \$12,792 (2013: \$9,910).

Cr Peter Garvan was previously also a Trustee of the Oamaru Licensing Trust, which provided catering and other services to the value of \$2,888 (2013: \$56,018). At year end, \$Nil was owed by Council (2013: \$396). Council administered the Trust's triennial election, and subsequent by-election, charging a total of \$38,346 (2013: no election). At year end, Council was owed \$31,251 (2013: \$Nil).

- Cr Sally Hope is employed by Hope and Associates Legal which, during the year ended 30 June 2014, provided professional services to Council in relation to property, debt and other matters to the value of \$28,737 (2013: \$15,554). At year end, a balance of \$370 was owed by Council (2013: \$1,593).
- Cr Kathy Dennison owns Palmerston Dental Surgery Ltd which, during the year ended 30 June 2014, rented premises in Palmerston from Council to the value of \$3,600 (2013: \$3,677). At year end \$2,070 was owed to Council (2013: \$Nil).
- Cr Colin Wollstein is a Director of North Otago Motor Group Ltd which, during the year ended 30 June 2014, provided vehicle maintenance services to Council amounting to \$5,175. Council also purchased a motor vehicle from this supplier for \$34,900. At 30 June 2014, Council owed \$979. Prior year figures are not relevant, as Cr Wollstein was newly elected to Council in October 2013.
- Calum Reid, a member of the Ahuriri Community Board, is a Director and/or shareholder of several companies with which Council conducts business:
 - Calect Electrical Ltd – purchases by Council \$3,833 (2013: \$9,524) – Council owed \$Nil at year end (2013: \$90).
 - Trafo Power Group Ltd – purchases by Council \$19,464 (2013: \$66,355) – Council owed \$Nil at year end (2013: a refund of \$11,942 was owed to Council).
 - Waitaki Test & Tag Ltd - purchases \$845 (2013: \$Nil) - Council owed \$Nil at year end (2013: \$Nil).

Notes to the Financial Statements

Note 28: Employee Remuneration

Schedule 10 of the Local Government Act 2002 requires Council to make a number of disclosures relating to staffing and remuneration. These are detailed below:

Mayor's and Elected Members' Remuneration (Clause 32(i) and 32(ii))

	2014	2013
	<u>\$000</u>	<u>\$000</u>
<u>Mayor:</u>		
Alex FAMILTON (to October 2013)	27	84
Gary KIRCHER (from October 2013)	59	-
<u>Elected Members:</u>		
Craig Dawson (to October 2013)	9	20
Kathy DENNISON	23	22
Peter GARVAN	25	22
Sally HOPE	20	18
Jim HOPKINS	24	26
Geoff KEELING (resigned February 2013)	-	14
William KINGAN (from October 2013)	16	-
Kevin MALCOLM (to October 2013)	7	22
Hugh PERKINS	27	19
Sharyn PRICE (from October 2013, resigned June 2014)	15	-
June SLEE (from December 2013 by-election)	11	-
Helen STEAD (to October 2013)	6	18
Melanie TAVENDALE (from October 2013)	15	-
Colin WOLLSTEIN (from October 2013)	15	-
Gary YOUNG (to October 2013)	6	18
Total Remuneration – Mayor and Elected Members	\$305	\$283

Remuneration of the Chief Executive Officer (Clause 32(iii))

Total remuneration of the Chief Executive Officer, Michael Ross, for the year ended 30 June 2014 was \$250,666 (2013: \$246,621).

Michael Ross is a Director of North Otago Irrigation Company Limited (Council appointee) receiving Director's Fees of \$12,000 (2013: \$12,000).

Until December 2012, Michael Ross was a Director of Waitaki Development Board Ltd (Council appointee). He received no Director's Fees in the current year (2013: \$5,500 for 6 months).

Notes to the Financial Statements

	Consolidated		Council Only	
	2014	2013	2014	2013
	\$000	\$000	\$000	\$000

Note 28: Employee Remuneration (continued)

Key Management Personnel

Employees considered “key personnel” for Council are the Chief Executive, the Chief Financial Officer and the three Group Managers. Key personnel for Council’s Group companies are described in the individual annual reports, but are normally the Chief Executive, Directors and Senior Managers.

Total remuneration of key management personnel is as follows:

Salaries and other short-term benefits	1,994	2,171	903	860
Post-employment benefits	20	15	20	15
Termination benefits	33	15	33	15
Total	\$2,047	\$2,186	\$956	\$875

Employee Staffing Levels and Remuneration (Clause 32A(2))

At 30 June 2014, Council had 99 full-time employees (2013: 92), and casual and part-time staff amounting to 22 full-time equivalent (FTE) staff (2013: 23.7 FTE).

132 employees received annual remuneration of less than \$60,000 (2013: 114), and 53 staff (2013: 48) received annual remuneration greater than \$60,000. In the table below, these are expressed in bands of \$20,000 or in bands adjusted as appropriate to ensure compliance with the legislation:

<u>Remuneration band</u>	Council Only – 2014 Employees
\$120,000 – \$269,999	7
\$100,000 – \$119,999	6
\$80,000 – \$99,999	15
\$60,000 – \$79,999	25
Total staff	53
<u>Remuneration band</u>	Council Only – 2013 Employees
\$120,000 – \$249,999	5
\$100,000 – \$119,999	5
\$80,000 – \$99,999	18
\$60,000 – \$79,999	20
Total staff	48

The Group which is composed of Council Controlled Organisations (CCOs) and Council has 23 employees receiving annual remuneration exceeding \$100,000 (2013: 20).

Notes to the Financial Statements

Note 28: Employee Remuneration (continued)

Severance Payments (Clause 33)

Council made three severance payments during the current financial year (\$33,050, \$32,640 and \$5,430) totaling \$71,120 (2013: no severance payments were made).

Other members of Council's group made severance payments of \$12,251 (2013: \$45,732).

Transactions with elected members, key management personnel and staff

As part of a normal customer relationship, Councillors and staff, including key management personnel, may undertake minor transactions with Council, such as the payment of rates, registering of dogs and other fees and charges.

Close family members of Councillors, key management personnel and other staff may be employed by Council or other Group entities from time to time.

The terms and conditions of any such transactions or employment arrangements are no more or less favourable than would have been adopted had there not been a relationship with the Councillor, key management personnel or other staff member.

Notes to the Financial Statements

Note 29: Related Party Transactions

Council is the ultimate parent of the Group, controlling four individual trading entities. Through shared directorships and other relationships, there are other related entities, but none over which Council can exert control.

All transactions between the parent and group members are completed on normal contract terms, with payments made either in accordance with those contracts, or in the month following supply.

Entities listed may transact business between themselves, but the values of any such transactions are not detailed here and are not considered material for the purposes of this disclosure.

<u>Entity and details of transaction</u>	Council only	
	2014	2013
	\$000	\$000
<ul style="list-style-type: none"> Waitaki District Health Services Limited (100% owned) 		
Services provided by Council	54	45
Balance owed to Council at year end	9	-
<i>The company provides hospital in- and out-patient services for residents of Oamaru and the wider District under separate contract from the Southern District Health Board</i>		
<ul style="list-style-type: none"> Waitaki Development Board Limited (100% owned) 		
Services provided by Council	143	67
Balance owed to Council at year end	94	3
Services provided to Council	776	693
Balance owed by Council at year end	3	55
<i>The company operates the Oamaru Blue Penguin Colony and the Alps2Ocean Cycle trail, and undertakes tourism and promotional activities within the District</i>		
<ul style="list-style-type: none"> Whitestone Contracting Limited and Group (100% owned) 		
Services provided by Council	69	66
Balance owed to Council at year end	7	27
Services provided to Council	6,142	4,611
Balance owed by Council	768	487
Subvention payment made to Council	24	300
<i>The company undertakes works and provides services either by preferential right pursuant to establishment plans, non-public tendered contracts or public tendered contracts</i>		
<ul style="list-style-type: none"> Omarama Airfield Limited (50% owned) 		
Services provided by Council	22	21
Balance owed to Council at year end	-	-
<i>The company owns and operates the Omarama airfield, one of the country's premier sites for gliding and other aerial sports, and undertakes related promotional activities</i>		
<ul style="list-style-type: none"> North Otago Irrigation Company Limited (significant borrower) 		
Interest charged by Council on funds advanced	462	431
Outstanding balance of Council loan funding	12,644	12,782
<i>The company is developing and maintaining a significant irrigation system in the District</i>		

No provision is required, nor has any expense been recognised, for impairment of loans or other receivables due from related parties (2013: \$Nil).

Notes to the Financial Statements

Note 30: Reconciliation of Net Operating Surplus to Cash Flows from Operating Activities

	Consolidated		Council Only	
	2014	2013	2014	2013
	\$000	\$000	\$000	\$000
Net Operating Surplus after Taxation	4,560	1,836	3,794	1,960
<u>Add/(Less) non-cash items</u>				
Depreciation/Amortisation	13,942	13,406	12,017	11,427
Interest compounded	(462)	(431)	(462)	(431)
Increase/(Decrease) in Doubtful Debts Provision	70	(430)	-	(422)
Increase/(Decrease) in Landfill Closure & Other Provisions	136	34	142	34
Net Loss/(Profit) on sale of Assets	235	2,602	509	2,716
Loss/(Gain) on Forestry revaluation	(15)	(23)	(15)	(23)
Vested Assets	(2,834)	(2,496)	(2,834)	(2,496)
Increase/(decrease) in Deferred Tax position	190	(238)	-	-
	11,262	12,424	9,357	10,805
<u>Add/(Less) movements in Other Working Capital items</u>				
Decrease/(Increase) in Trade & Other Receivables	(148)	(1,237)	588	(735)
Decrease/(Increase) in Prepayments	(109)	(78)	(43)	(79)
Decrease/(Increase) in Inventories	96	(52)	60	(12)
Decrease/(Increase) in Work in Progress	1,103	(1,060)	-	-
Increase/(Decrease) in Trade & Other Payables	418	396	(267)	554
Increase/(Decrease) in Employee Entitlements	137	514	41	229
Increase/(Decrease) in Provision for Taxation	206	67	6	1
	1,703	(1,450)	385	(42)
Net Cash Inflow from Operating Activities	\$ 17,525	\$ 12,810	\$ 13,536	\$ 12,723

Notes to the Financial Statements

Note 31: Funding Impact Statement for the year ended 30 June 2014 (whole of Council)

	Council Only			
	2014	2014	2013	2013
	\$000	Annual Plan \$000	\$000	Annual Plan \$000
Sources of <u>operating</u> funding				
General Rates, uniform annual general charge, rates penalties	6,578	6,567	5,806	5,771
Targeted Rates	21,772	21,705	21,642	21,438
Rates Revenue	28,350	28,272	27,448	27,209
Subsidies and grants for operating purposes	4,303	3,140	3,782	2,588
Fees and charges	5,861	6,305	6,568	6,127
Interest and dividends from investments	893	1,035	977	819
Local Authorities' fuel tax, fines, infringement fees and other receipts	1,695	1,543	1,520	1,684
Total operating funding	41,102	40,295	40,295	38,427
Application of <u>operating</u> funding				
Payments to staff and suppliers	31,708	33,215	30,225	30,200
Finance Costs	10	-	-	-
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding	31,718	33,215	30,225	30,200
Surplus / (Deficit) of operating funding	9,384	7,080	10,070	8,227
Sources of <u>capital</u> funding				
Subsidies and grants for capital expenditure	3,401	2,942	2,545	2,689
Development and financial contributions	3,407	612	3,097	609
Increase / (decrease) in debt	(2)	(3)	(3)	(4)
Gross proceeds from sale of assets	(618)	221	(2,680)	550
Total sources of capital funding	6,188	3,772	2,959	3,844
Application of <u>capital</u> funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	4,714	4,109	2,699	4,450
- to replace existing assets	7,165	6,745	5,815	6,702
Total capital expenditure	11,879	10,854	8,514	11,152
Increase / (decrease) in Reserves	3,693	(2)	4,515	919
Increase / (decrease) in Investments				
Total application of capital funding	15,572	10,852	13,029	12,071
Surplus/deficit of capital funding	(9,384)	(7,080)	(10,070)	(8,227)
Funding balance	-	-	-	-

Notes to the Financial Statements

Note 32: Reconciliation of Funding Impact Statements by Group of Activity

		Council Only				
		2014	2014	2014	2013	2013
		Annual Plan	LTP		Annual Plan	
Note	\$000	\$000	\$000	\$000	\$000	\$000
Operational Revenue						
Roads & Footpaths	4,027	2,945	2,846	3,084	2,758	
Waste Water	574	425	444	599	430	
Stormwater Drainage	-	-	-	-	-	
Water Supply	950	788	800	889	775	
Waste Management & Minimisation	1,116	911	1,070	1,050	1,037	
Arts, Heritage & Community	944	685	735	703	710	
Parks & Recreation	1,073	1,037	1,038	931	1,086	
Community Amenities	905	665	541	1,173	584	
Oamaru Harbour & Historic Precinct	208	150	181	162	175	
Democracy, Accountability & Governance	114	104	112	28	48	
Commercial & Development Activities	1,403	2,917	2,370	2,718	2,231	
Environment, Regulation & Safety	1,525	1,488	1,521	1,536	1,475	
Support Services (Net Allocated)	14,251	15,041	14,827	13,646	14,244	
Operational Revenue per Activity FIS	27,090	27,156	26,485	26,519	25,553	
Capital Revenue						
Roads & Footpaths	2,560	3,070	2,880	2,670	2,659	
Waste Water	89	106	111	88	106	
Stormwater Drainage	-	-	-	-	-	
Water Supply	300	250	263	255	250	
Waste Management & Minimisation	-	-	-	-	-	
Arts, Heritage & Community	6	-	-	15	-	
Parks & Recreation	-	-	-	-	-	
Community Amenities	(2)	(3)	(2)	(3)	(4)	
Oamaru Harbour & Historic Precinct	9	-	-	5	-	
Democracy, Accountability & Governance	-	-	-	-	-	
Commercial & Development Activities	3,094	157	565	(185)	626	
Environment, Regulation & Safety	71	128	150	93	125	
Support Services (Net Allocated)	61	64	71	21	82	
Capital Revenue per Activity FIS	6,188	3,772	4,038	2,959	3,844	
Add total Rates	1	28,350	28,272	28,483	27,448	27,210
Less Internal recoveries included		(14,338)	(15,133)	(14,922)	(13,672)	(14,335)
Revenue per Total Activities FIS		47,290	44,067	44,084	43,254	42,272
Remove increase/decrease in debt		2	3	2	3	4
Adjust Sales contra account		(311)	(224)	(632)	(34)	(550)
Adjust internal revenue		-	-	-	(145)	-
Revenue per Statement of Comprehensive Income		\$ 46,981	\$ 43,846	\$ 43,454	\$ 43,078	\$ 41,726

Notes to the Financial Statements

Note 32: Reconciliation of Funding Impact Statements by Group of Activity (continued)

	Council Only				
	2014	2014	2014	2013	2013
	Note	Annual Plan	LTP	Annual Plan	Annual Plan
	\$000	\$000	\$000	\$000	\$000
Operational Expenses					
Roads & Footpaths	7,076	5,154	4,987	5,095	4,819
Waste Water	1,357	1,526	1,648	1,420	1,572
Stormwater Drainage	151	174	191	141	182
Water Supply	4,062	4,350	4,620	3,984	4,379
Waste Management & Minimisation	1,721	1,803	2,023	1,774	1,959
Arts, Heritage & Community	3,882	3,972	3,886	3,707	3,748
Parks & Recreation	3,733	3,773	3,680	3,229	3,628
Community Amenities	2,265	2,207	1,950	2,245	1,871
Oamaru Harbour & Historic Precinct	480	477	417	495	448
Democracy, Accountability & Governance	3,345	3,612	3,383	3,135	3,095
Commercial & Development Activities	1,338	2,992	2,138	2,007	2,152
Environment, Regulation & Safety	3,274	3,633	3,533	3,322	3,410
Support Services (Net Allocated)	13,370	14,675	13,823	13,348	13,272
Total Operational expenditure per FIS	46,054	48,348	46,279	43,902	44,535
Less internal recoveries	(14,336)	(15,133)	(14,922)	(13,677)	(14,335)
Expenditure per Total Activities FIS	31,718	33,215	31,357	30,225	30,200
Less internal charges included in capital	(548)	(461)	(323)	(389)	(318)
Adjust internal charges	-	-	-	(145)	-
Add Depreciation and Amortisation (below)	12,017	11,382	11,906	11,427	11,659
Expenditure per Statement of Comprehensive Income	\$ 43,187	\$ 44,136	\$ 42,940	\$ 41,118	\$ 41,541
Depreciation and Amortisation					
Roads & Footpaths	5,654	5,596	5,212	5,579	5,187
Waste Water	955	902	1,182	902	1,182
Stormwater Drainage	208	201	365	201	365
Water Supply	1,722	1,581	1,911	1,568	1,842
Waste Management & Minimisation	57	57	60	57	60
Arts, Heritage & Community	195	173	194	194	194
Parks & Recreation	779	629	686	638	647
Community Amenities	427	355	373	364	352
Oamaru Harbour & Historic Precinct	444	385	388	386	366
Democracy, Accountability & Governance	-	-	-	-	-
Commercial & Development Activities	314	351	348	309	318
Environment, Regulation & Safety	114	107	99	108	96
Support Services (Net Allocated)	1,148	1,045	1,088	1,121	1,050
Total Depreciation and Amortisation charges	\$ 12,017	\$ 11,382	\$ 11,906	\$ 11,427	\$ 11,659

Notes to the Financial Statements

Note 33: Explanation of Major Variances against Budget and the prior period

Variances in income and expenditure to the prior year, and to budget, are generally detailed in the financial commentary in each activity area.

The following provides further information concerning variances:

Council only	2014 Actual \$000	2014 Annual Plan \$000	2013 Actual \$000
Income			
Rates	28,350	28,271	27,448
<i>Refer to Note 1 for further analysis.</i> Rates are levied in accordance with Council's Finance Policies, and with the 2013/14 Annual Plan. The variance from budget is due to subdivision activities and other changes in the rating database occurring between the adoption of the Annual Plan and the time the rates were struck for the year			
User Charges	5,383	5,819	5,994
Significant variances:			
• Oamaru Blue Penguin Colony transferred to WDB	-	962	926
• Landfill charges	1,036	851	924
• Water, sewer and stormwater connection charges	347	170	420
• Commercial rentals	785	661	725
• Residential rentals	567	492	724
Government Grants	6,861	5,664	5,445
<i>Refer to Note 2 for further analysis</i> Significant additional income was received for the construction of the Alps2Ocean Cycle Trail, and to subsidise emergency roading works following adverse weather events			
Other Grants and Donations	983	558	908
<i>Refer to Note 3 for further analysis</i> Significant income was received for the construction of the Alps2Ocean Cycle Trail, for the redevelopment of the Omarama Hall and by way of bequests for Heritage and sporting purposes			
Other Gains and Losses	1,820	-	(197)
<i>Refer to Note 5 for further analysis</i> Total vested assets of \$2,833 (2013: \$2477k) include Alps2Ocean Cycle Trail completed prior to June 2013 of \$1,366k Write-downs and losses on disposal of Fixed Assets amounted to (\$1,028k) (2013: (\$2,735k))			

Notes to the Financial Statements

Note 33: Explanation of Major Variances against Budget and the prior period (continued)

Council only	2014 Actual \$000	2014 Annual Plan \$000	2013 Actual \$000
Expenditure			
Personnel Costs	8,895	9,308	8,591
<i>Refer to Note 6 for further analysis</i> Council always budgets for full staffing. The major re-structuring during the financial year resulted in the disestablishment of one senior position and several budgeted but vacant positions			
Depreciation and amortisation	12,017	11,382	11,427
<i>Refer to Notes 10 and 11 for further analysis</i> Costs have increased due to new items capitalised during the year and the effects of revaluations completed in 2013 and 2014			
Other expenses	22,265	23,446	21,100
<i>Refer to Note 7 for statutory disclosures</i> Other significant variances: <ul style="list-style-type: none"> Electricity – new suppliers (All of Government contract) Insurance premiums Oamaru Blue Penguin Colony transferred to WDB Telephone charges Water charges Net internal recoveries to capital projects 			
	1,655	1,795	1,841
	509	644	536
	-	798	910
	117	184	181
	82	162	85
	(548)	(461)	(389)
Balance Sheet items			
Cash and Cash Equivalents	4,624	6,446	5,087
Other Financial Assets – investments in other entities	6,000	-	3,521
<i>Refer to Notes 13 and 14 for further analysis</i> Council now has more funds on term deposit to maximise returns and benefit from improving interest rates. There is no budget, as the levels of funds available for investment are difficult to forecast			
Statement of Cash Flows			
Net Cash from Operating Activities	13,536	11,916	12,723
Net Cash from Investing Activities	(13,997)	(10,257)	(11,830)
<i>Refer to the Statement of Cash Flows and Note 30 for further analysis</i> The receipt of higher than forecast grants and donations contributed to increased cash flows from Operations. Council placed more funds than it expected on term deposit, leading to increased cash expended on Investing activities.			

Notes to the Financial Statements

Note 34: Reclassification of Amounts

In the current financial year, the Council and group have changed the presentation of items in the financial reports to better reflect either the financial position at year end or financial activities undertaken during the financial year.

These changes have necessitated amendments to 2013 comparative figures, the effect of which is set out in the table below:

	2013 Original \$000	2013 Change \$000	2013 Re-stated \$000
--	---------------------------	-------------------------	----------------------------

Council only

Statement of Comprehensive Income

The revenue categories of Rates, User Charges and Rates Interest Penalty have been re-stated to align with legislative reporting requirements.

Rates	27,448	(27,448)	-
Rates General	-	22,538	22,538
Targeted Rates for Water Supply	-	5,888	5,888
User Charges	5,994	(439)	5,555
Penalties	539	(539)	-

Group

Statement of Comprehensive Income

The revenue categories of Rates, User Charges and Rates Interest Penalty have been re-stated to align with legislative reporting requirements.

The revenue category Other Grants and Donations had previously included income that was more properly classified in the revenue category User Charges.

Rates	27,413	(27,413)	-
Rates General	-	22,503	22,503
Targeted Rates for Water Supply	-	5,888	5,888
User Charges	20,572	2,000	22,572
Other Grants and Donations	3,229	(2,253)	976
Penalties	539	(539)	-
Other Income	186	(186)	-

Note 7: Other Expenditure

Donations made by a CCO had not previously been included in the Group total for Community Grants and Donations.

Community Grants and Donations	611	53	664
Other Expenditure	27,372	(53)	27,319

Balance Sheet

Bank deposits held by a CCO had been included as part of Cash and Cash Equivalents when their maturity profile meant they should have been classified in the Other Financial Assets category as detailed below.

Cash and Cash Equivalents	11,633	(5,972)	5,661
Other Financial Assets			
<i>Current</i>			
- Investments in other entities	3,521	5,972	9,493

Notes to the Financial Statements

Note 35: Events Subsequent To Balance Date

Subsequent to balance date, Council resolved, subject to certain conditions being met, including achieving minimum Stage 2 subscription levels, to extend the term of the advance to the North Otago Irrigation Company Ltd from 2016 to 2022, and to provide additional funding up to \$4,300,000. Interest rates will be set annually, and regular payments of principal and interest will be required.

Subsequent to balance date, the New Zealand Transport Agency agreed to provide further funding to assist Council with emergency roading works as a result of flood events during the 2013/14 financial year. The amounts of this additional subsidy will be reflected in Council's 2014/15 annual report.

There were no other events arising since balance date relating to Council activities that require adjustment in these financial statements, or inclusion in this Annual Report.

Managing Our People

Managing Our People

Council Staffing Review

The staff review undertaken last year produced excellent results.

Employee Workplace Survey

The annual Workplace Survey was undertaken through Kenexa in November 2013. The Executive Team has gone through the results with staff and has identified the areas that are significant.

Employee Headcount and Turnover

The employee headcount continues to be recorded, with information for preceding years providing trends. Information is provided in the table below.

Staff Statistics

	Total Employee Turnover	Full Time Employee Turnover	Part Time Employee Turnover	Total Average Full Time Equivalent (FTE) Vacancies	Total Average FTE Staff (including vacant positions)
2009/10	9%	12.4%	4.3%	6.2	105.9
2010/11	15.7%	18.5%	10.2%	5.5	107.0
2011/12	15.8%	14.1%	19.9%	5.5	110.4
2012/13	9%	11%	5%	7.3	116.1
2013/14	20%	18.2%	23.8%	7.3	122.2

Full time staff turnover in 2013/14 is comparable with 2010/11 with a high 2013/14 part-time employee turnover.

The Executive Team has reviewed the turnover data. The 17 full time employees comprising the 18.2% 2013/14 turnover includes people leaving for the following reasons:

Career Advancement	7
Family Reasons	3
Restructuring	2
Retirement	1
Full Time Study	1
Other	3

This breakdown, when reviewed alongside employee Workplace Survey results, confirms our view that the higher turnover in 2013/14 is not a signal of any wider concern.

Part-time employee turnover is historically more volatile as many part-time employees are seeking either full-time or more substantial part-time hours.

Business Excellence Project: Updated position descriptions and performance review system

A Business Excellence project was identified by the People Cluster last year. The staff survey revealed that staff were unhappy with the current performance review system and felt it no longer met the needs of the organisation. The People Cluster looked at this issue and decided that there needed to be cohesion between Council's vision and values, position descriptions (PD's), and performance reviews. The out-dated position description form was re-vamped to reflect Council's new vision and values and all staff were given the opportunity to participate in writing their own key result areas in the PD's. In turn, the individualised key result areas were loaded into Council's performance review system. Each staff member is reviewed on the key areas of their position, as well as business excellence ideals and corporate culture.

Governance Statement

The Local Government Act 2002 requires Council to disclose the following information in its Governance Statement:

The purpose of the Waitaki District Council is to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

In fulfilling its purpose Waitaki District Council exercises powers and fulfils responsibilities conferred on it by numerous public acts of parliament (e.g. the Local Government Act 2002 and Resource Management Act 1991) and the following local statutes:

- Oamaru Town Management Ordinance, 1872
- Oamaru Town Hall, Gasworks Sites and Recreation Reserves Act 1875

Electoral System

Every three years Council must review the electoral system.

The review of the electoral system is a choice between first-past-the-post (FPP) voting and single

transferable vote (STV) voting. In August 2011, Council resolved to retain FPP voting for the 2013 elections. This decision was not challenged and was publicly notified in September 2011. The process for determining which electoral system Council will follow can be found in the Local Electoral Act 2001.

Representation Arrangements

Every three to six years Council must review its representation and that of its Community Boards. The review of representation involves decisions about the number of councillors to be elected, how many wards (if any) are needed to reflect community interest, and – if wards are favoured – how many members should be elected from each ward. Council resolved on 28 August 2012 to retain the four wards as follows:

- Ahuriri 1 Councillor
- Corriedale 2 Councillors
- Oamaru 6 Councillors
- Waihemo 1 Councillor

Council has not exercised the option of establishing a Maori Ward.

The Waitaki District includes two Community Boards: - Ahuriri (north-western ward) and Waihemo (southern ward). The role of the boards is to:

- Represent and act as an advocate for the interests of their community
- Consider and report on any matter referred to it by the Council and any issues of interest or concern to the Community Board
- Make an annual submission to Council on expenditure in the community
- Maintain an overview of services provided by the Council within the community
- Communicate with community organisations and special interest groups in the community
- Undertake any other responsibilities delegated by the Council
- Each Community Board has a Chairperson and five other members. Five members are elected triennially by electors in the community, and the Council appoints Ward Councillors. The Board elects its own Chairperson at its first meeting after the triennial election

Section 24 and Schedule 3 of the Local Government Act contains provisions for reorganisation proposals, including boundary changes.

Governance Statement

Members' Roles and Conduct

The Mayor and the Councillors of the Waitaki District Council have the following roles:

- Setting the policy direction of Council
- Monitoring the performance of the Council
- Representing the interests of the district. On election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgment in the best interests of the District
- Employing the Chief Executive. Under the Local Government Act the local authority employs the Chief Executive, who in turn employs all other staff on its behalf

The Mayor is elected by the District as a whole and, as one of the elected members, shares the same responsibilities as other members of Council. In addition the Mayor has the following roles:

- Presiding member at Council meetings. The Mayor is responsible for ensuring the orderly conduct of business during meetings (as determined in Standing Orders)
- Advocate on behalf of the community. This role may involve promoting the community and representing its interests. Such advocacy will be most effective where it is carried out with the knowledge and support of the Council
- Ceremonial head of Council
- Establishing committees of the Council and appointing the Chairperson of each committee
- Providing leadership and feedback to other elected members on teamwork and chairing committees

The Deputy Mayor is nominated by the Mayor and elected by members at the first meeting of the Council. The Deputy Mayor exercises the same roles as other elected members. In addition, if the Mayor is absent or incapacitated, or if the office of Mayor is vacant, then the Deputy Mayor must perform all of the responsibilities and duties, and may exercise the powers of the Mayor (as summarised above). The Deputy Mayor may be removed from office by resolution of Council.

The Mayor establishes the committees of Council and appoints the Chairperson of these committees. The Chairperson is responsible for presiding over meetings of the committee, ensuring that the committee acts within the powers delegated by Council, and as set out in the Council's Delegations Policy. A committee Chairperson may be removed from office by resolution of Council.

The Chief Executive is appointed by the Council in accordance with section 42 and clauses 33 and 34 of Schedule 7 of the Local Government Act 2002. The Chief Executive implements and manages Council's policies and objectives within the budgetary constraints established by the Council. Under section 42 of the Local Government Act 2002, the responsibilities of the Chief Executive are:

- Implementing the decisions of the Council
- Providing advice to the Council and Community Boards
- Ensuring all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised
- Managing the activities of the Council effectively and efficiently
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the Council
- Providing leadership for the staff of the Council
- Employing, on behalf of the Council, the staff of Council in accordance with any remuneration and employment policy
- Negotiating the terms of employment of the staff of the Council in accordance with any remuneration and employment policy

Elected members have specific obligations as to their conduct in the following legislation:

- Schedule 7 of the Local Government Act 2002, which includes obligations to act as a good employer in respect of the Chief Executive and to abide by the current Code of Conduct and Standing Orders

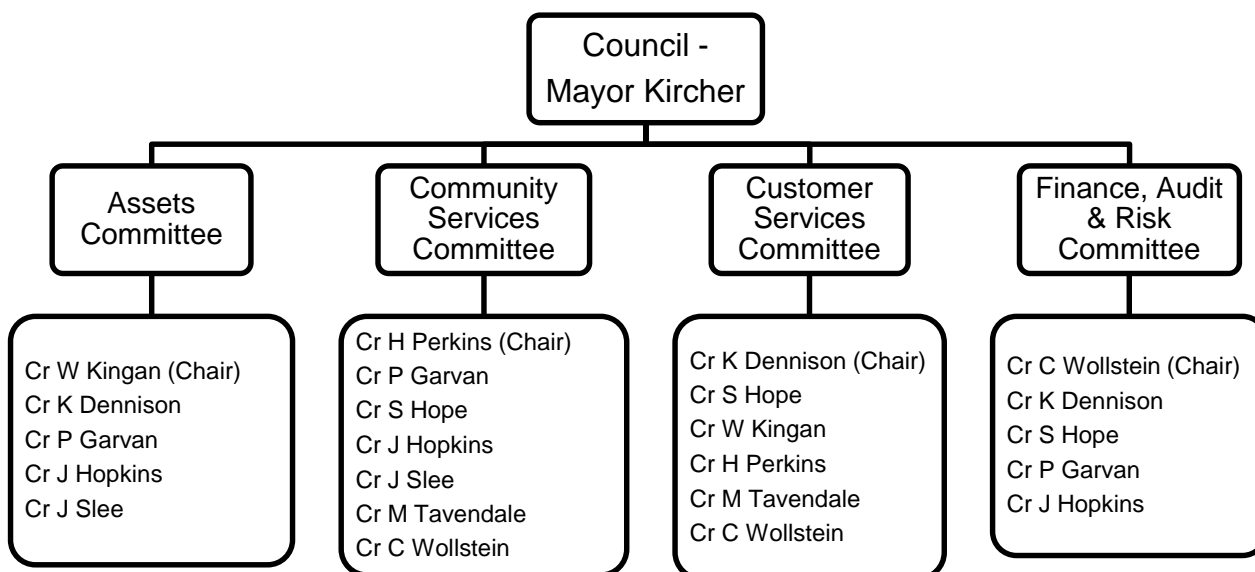
Governance Statement

- The Local Authorities (Members' Interests) Act 1968 which regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect)
- The Secret Commissions Act 1910, which prohibits elected members from accepting gifts or rewards which, could be seen to sway them to perform their duties in a particular way
- The Crimes Act 1961 regarding the acceptance of gifts for acting in a certain way and the use of official information for private profit

All elected members are required to adhere to a Code of Conduct. Adopting such a Code is a requirement of the Local Government Act 2002. Once adopted, the Code may only be amended by a 75 per cent or greater majority of the Council. The Code sets out the Council's understanding and expectations of how the Mayor and Councillors will relate to one another, to staff, to the media and to the general public in the course of their duties. It also covers disclosure of information that is received by or is in the possession of elected members, and contains details of the sanctions that the Council may impose if an individual breaches the Code. Copies of the full Code of Conduct may be obtained from the Council.

Governance Structures

The Council reviews its committee structures after each triennial election. At the last review the Council established the following four standing committees:



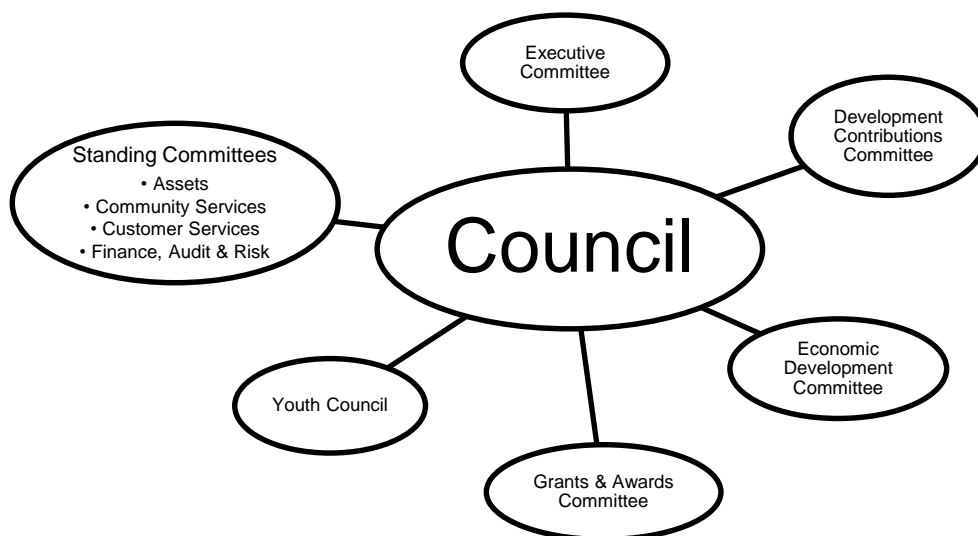
The Mayor is an ex-officio member on the four standing committees detailed above.

Committees meet between full Council meetings. Further details on these committees, including their terms of reference, delegated powers and meeting arrangements can be obtained from Council.

Council may, from time to time, establish ad hoc committees to consider a particular issue or issues.

Council has established a number of further committees (other than the main standing committees as above). These additional committees report directly to Council.

Governance Statement



Council Organisations and Council Controlled Organisations

Council appoints trustees and directors to a number of companies and trusts. Where the number of Council appointees is less than half of the total membership of the respective governing board, the organisation is deemed to be a Council Organisation (CO). If Council appoints 50% or more of trustees/directors, it is deemed to be a Council Controlled Organisation (CCO).

Council Organisations include the Oamaru Whitestone Civic Trust, the Waitaki Community Recreation Centre Trust and Waitaki District Community House Trust.

Council Controlled Organisations are Whitestone Contracting Ltd, Waitaki Development Board Ltd, Waitaki District Health Services Ltd and Omarama Airfield Ltd.

Council has adopted policies and processes for appointing people to CO's and CCO's that is designed to recognise the skills and attributes provided by appointees and the need to be publicly accountable.

Meeting Processes

The legal requirements for Council meetings are set down in the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 (LGOIMA).

All Council and committee meetings must be open to the public unless there is reason to consider some items 'in committee'. Although meetings are open to the public, members of the public do not have speaking rights unless prior arrangements are made with Council. The LGOIMA contains a list of the circumstances where Councils may consider items with the public excluded. These circumstances generally relate to protection of personal privacy, professionally privileged or commercially sensitive information, and the maintenance of public health, safety and order. The Council agenda is a public document, although parts may be withheld if the above circumstances apply.

The Mayor or committee Chairperson is responsible for maintaining order at meetings and may, at his or her discretion, order the removal of any member of the public for disorderly conduct, or remove any member of Council who does not comply with Standing Orders.

Governance Statement

Minutes of meetings must be kept as evidence of the proceedings of the meeting. These must be made publicly available, subject to the provisions of the LGOIMA.

For an ordinary meeting of Council, at least 14 days' notice of the time and place of the meeting must be given. Extraordinary meetings generally can be called on three working days' notice.

During meetings the Mayor and Councillors must follow Standing Orders (a set of procedures for conducting meetings). Standing Orders were reviewed and reconfirmed by Council on 17 December 2013. Council may suspend Standing Orders by a vote of 75 per cent of the members present. A copy of the Code of Conduct and Standing Orders can be obtained from Council.

Consultation

The Local Government Act 2002 sets out certain consultation principles and a procedure that local authorities must follow when making certain decisions. The principles for consultation and use of a procedure called the **Special Consultative Procedure**, is found in sections 82 – 90 of the Local Government Act 2002.

The Council can and does, consult outside of the Special Consultative Procedure. When it is adopting its Long Term Plan, Annual Plan or District Plan it holds formal meetings with community groups and other interested parties to seek views on the matters the Council considers to be important and to identify issues of concern to the community.

Council acknowledges Maori as people with whom there is a special relationship, and is committed to giving effect to the principles and intent of the Treaty of Waitangi, and to engaging in genuine and appropriate consultation with Maori.

Council has in place protocols for ensuring Tangata Whenua are consulted in regard to decisions made under the Resource Management Act 1991, Local Government Act 2002, and in the last triennium received and adopted a Memorandum of Understanding with Te Runanga o Moeraki to guide the ongoing relationship between Council and the Runanga. Council also has a relationship with Waitahi Taiwhenua O Waitaki Trust Board.

Council continues to focus on their wider role, including:

- Encouraging Maori contribution to decision-making processes of all Council activities, not simply decisions under the Resource Management Act
- Reference to Maori rather than to Tangata Whenua, thus including Mana Whenua and Taura Here
- Reference not only to enabling contribution to decision-making but also to fostering Maori capacity to contribute

Council reports back annually against the Memorandum of Understanding through its Annual Report.

Management Structure

The Local Government Act 2002 requires Council to employ a Chief Executive whose responsibilities are to employ other staff on behalf of the Council in accordance with any remuneration and employment policy, implement Council decisions and provide advice to the Council. Under the Local Government Act 2002 the Chief Executive is the only person who may lawfully give instructions to a staff member. Any complaint about individual staff members should therefore be directed to the Chief Executive, rather than the Mayor or Councillors.

The Chief Executive of Waitaki District Council is Mr Michael Ross.

Council management is organised into three main groups with the Human Resources Manager and the Chief Financial Officer reporting directly to the Chief Executive.

Governance Statement

Equal Employment Opportunities

Council is committed to the principle of equal employment opportunities (EEO).

The key principles are:

- All employees (whether current or prospective) will have equal opportunity to gain benefits associated with employment on the ground of relevant merit
- People will not be discriminated against

Goals are:

- To create an EEO environment
- To implement EEO best practice in the workplace
- To provide a harassment free workplace
- To achieve, where possible, a labour force profile which matches the external labour market

Key Approved Planning and Policy Documents

Long Term Plan

Sets out the direction for the District over the next ten years. Council reviews the Long Term Plan every three years and it provides information on all Council activities, how these will be delivered, cost and how they will be paid for.

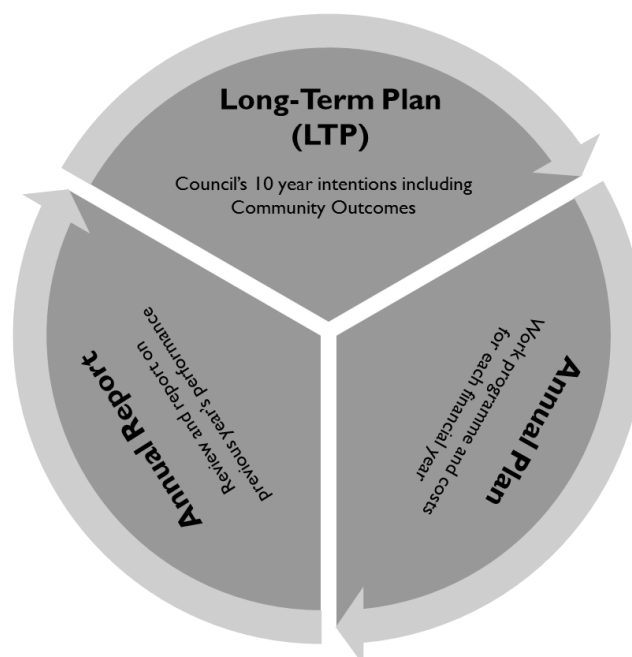
Annual Plan

The Annual Plan provides information on activities, services and projects that Council proposes to undertake during the year. It shows the cost of those activities and how they are paid for.

Annual Report

The Annual Report reports of the actual performance of the Council against what was planned in the Annual Plan and Long Term Plan. This includes reporting on the achieved work programme, performance measures and financial targets and accountability.

The Annual Report is for each financial year (eg 1 July 2013 to 30 June 2014). The Report must be completed and adopted by Council resolution within four months after the end of the financial year to which it relates. The Report and Annual Report Summary must be made publicly available within one month after their adoption by Council. It is a requirement under Section 98 of the Local Government Act 2002 and the Annual Report is audited by Audit New Zealand.



Governance Statement

Revenue and Financing Policy

This policy explains who will pay the costs of Council's activities and services.

Funding Impact Statement

Contains information on the rating mechanisms used by Council for its activities.

District Plan

The District Plan is prepared by Council to assist it carry out its functions under the Resource Management Act 1991 and is the means by which the use, development and protection of the District's natural and physical resources will be managed into the future.

Policy on Significance

Outlines the thresholds for which issues/decisions of Council are subject to consultation, including the Special Consultative Procedure.

Reviews and changes to key planning and policy documents may be subject to legislative requirements and the process for such reviews is likely to involve following a Special Consultative Procedure.

Public Access to Council and Elected Members

The main administrative office of the Council is in Oamaru:

20 Thames Street

Private Bag 50058

Oamaru 9444

Phone: (03) 433 0300

Fax: (03) 433 0301

Freephone: 0800 108 081

Email: service@waitaki.govt.nz

Council also has an office at the Waihemo Service Centre:

54 Tiverton Street

PO Box 17

Palmerston 9443

Phone: (03) 465 1106

Fax: (03) 465 1111

Email: waihemosc@waitaki.govt.nz

Elected members' contact information is included in this report.

Official Information Requests

Under the Local Government Official Information and Meetings Act 1987 (LGOIMA) any person may request information from the Council. Any request for information is a request made under LGOIMA. You do not have to say you are making a request under LGOIMA. Once a request is made, the Council must supply the information unless reason exists for withholding it. The LGOIMA says that information may be withheld if release of the information would:

- Endanger the safety of any person
- Prejudice maintenance of the law
- Compromise the privacy of any person
- Reveal confidential or commercially sensitive information
- Cause offence to tikanga Maori or would disclose the location of waahi tapu
- Prejudice public health or safety
- Compromise legal professional privilege
- Disadvantage the local authority while carrying out negotiations or commercial activities
- Allow information to be used for improper gain or advantage

Governance Statement

The Council must answer requests within 20 working days (although there are certain circumstances where this time-frame may be extended). The Council may charge for official information under guidelines set down by the Ministry of Justice.

Bylaws

Bylaws are rules created by a local authority specifically for the regulation of the area of responsibility and for the benefit of the community as a whole.

Legislation

Waitaki District Council exercises powers and fulfils responsibilities as described and conferred by government legislation and subsequent amendments.

These include:

- Airport Authorities Act 1966
- Biosecurity Act 1993
- Building Act 2004
- Burial and Cremation Act 1964
- Bylaws Act 1910
- Civil Defence Emergency Management Act 2002
- Climate Change Response Act 2002
- Commerce Act 1986
- Companies Act 1993
- Conservation Act 1987
- Dog Control Act 1996
- Employment Relations Act 2000
- Fencing Act 1978
- Fencing and Swimming Pools Act 1987
- Financial Reporting Act 1993
- Food Act 1981
- Forest and Rural Fires Act 1977
- Gambling Act 2003
- Health Act 1956
- Hazardous Substances and New Organisms Act 1996
- Health and Safety in Employment Act 1992
- Historic Places Act 1993
- Holidays Act 2003
- Human Rights Act 1993
- Income Tax Act 2007
- Injury Prevention, Rehabilitation and Compensation Act 2001
- Interpretation Act 1999
- Land Drainage Act 1908
- Land Transfer Act 1952
- Land Transport Act 1998
- Land Transport Management Act 2003
- Litter Act 1979
- Local Authorities (Members Interests) Act 1968
- Local Electoral Act 2001
- Local Government Act 2002 and 1974
- Local Government (Rating) Act 2002
- Local Government Official Information and Meetings Act 1987
- Marine and Coastal Area Act 2011
- New Zealand Library Association Act 1939
- New Zealand Public Health and Disability Act 2000
- New Zealand Walkways Act 1990
- Oaths and Declarations Act 1975
- Ombudsmen Act 1975
- Plumbers, Gasfitter and Drainlayers Act 2006
- Privacy Act 1993
- Property Law Act 2007
- Prostitution Reform Act 2003
- Protected Disclosures Act 2000
- Public Audit Act 2001
- Public Bodies Contracts Act 1959
- Public Bodies Leases Act 1969
- Public Records Act 2005
- Public Works Act 1981
- Rates Rebate Act 1973
- Rating Valuations Act 1998
- Remuneration Authority Act 1977
- Reserves Act 1977
- Reserves and Other Land Disposals Act 1977
- Residential Tenancies Act 1986
- Resource Management Act 1991
- Sale of Liquor Act 1989
- Securities Act 1978
- Smoke-free Environments Act 1990
- Treaty of Waitangi Act 1975
- Unit Titles Act 2010
- Waste Minimisation Act 2008

There is no local legislation specifically applying to the Waitaki District Council

(Note: This does not represent an exhaustive list)

Opportunities for Maori to Contribute to the Decision Making Process

Existing Arrangements

Waitaki District Council acknowledges Maori as people with whom there is a special relationship. Council is committed to giving effect to the principles and intent of the Treaty of Waitangi, and to engaging in genuine and appropriate consultation with Maori.

Council has in place protocols for ensuring the Tangata Whenua Act 1991, Local Government Act 2002, and in the last triennium received and adopted a Memorandum of Understanding with Te Runanga o Moeraki to guide the ongoing relationship between Council and the Runanga. Council also has a Relationship Agreement with Waitaha Taiwhenua O Waitaki Trust Board.

Council continues to focus on their wider role including:

- Encouraging Maori contribution to decision-making processes of all Council activities, not simply decisions under the Resource Management Act
- Reference to Maori rather than to Tangata Whenua, thus including Mana Whenua and Taura Here
- Reference not only to enabling contribution to decision-making but also to fostering Maori capacity to contribute

Council reports back annually against the Memorandum of Understanding through its Annual Report.

General Information

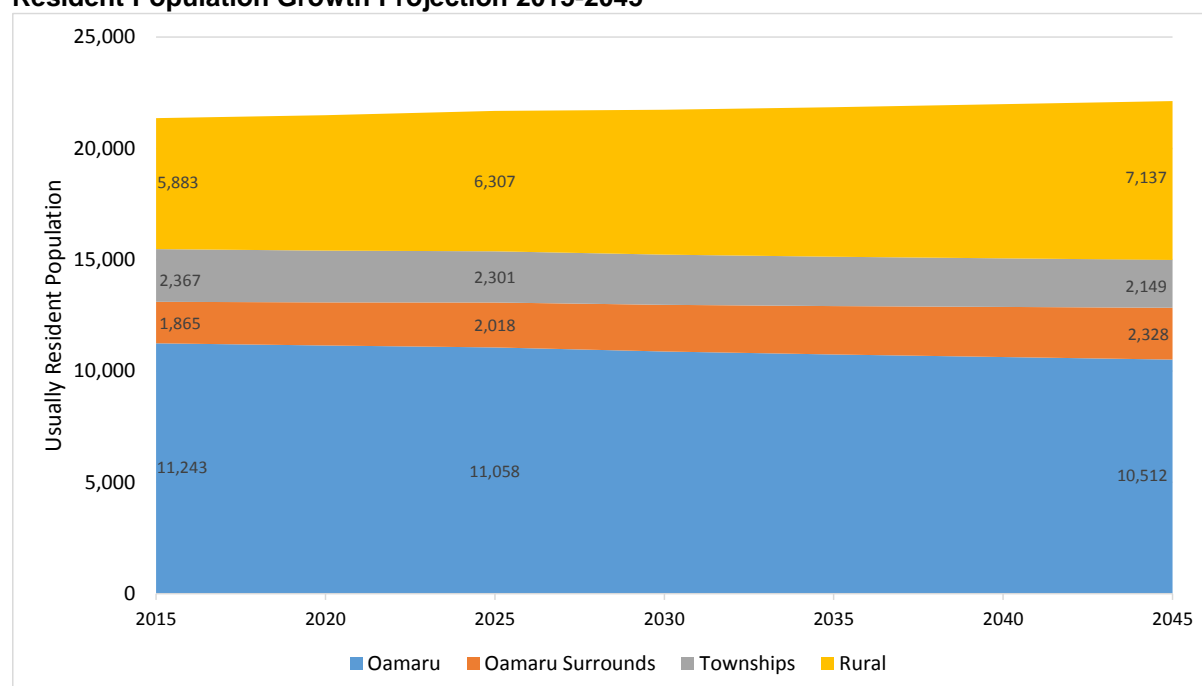
Overview

The Waitaki District Council was established in 1989. Council's operations extend over a total area of 8,990km². The northern-western portion of the District, 4,315km² lies in the Canterbury region with the remaining 4,675km² in Otago.

People

The District population at the 2013 census was 20,829. The population in the rural area is projected to grow by over 40 people annually. Over three quarters of this population growth is projected to occur in the Maheno census area unit (around 30 people per year). The population in Aviemore, Nenthorn and Pukeuri is projected to increase slowly, with the Waihemo population projected to remain stable.

Resident Population Growth Projection 2015-2045



Source: Rationale Report May 2014:
Waitaki District Projections for Resident Population, Dwellings and Rating Units to 2045

Age Structure

As outlined in Rationale's 2014 report, the district has a growing elderly population which has increased the average age in the district. In 2013 the proportion of people aged 65+ made up around 22% of the total population in the district. This is higher than the national average of 14%. This trend is projected to continue, with the proportion of people aged 65+ in the district increasing to over 35% by 2030. The number of people aged between 15 and 64 years of age is projected to decrease. This may have a flow-on effect to the make-up of the workforce in the district.

Economy

The following economic analysis is based on information produced by Business and Economic Research Limited (BERL) in a report 'Otago Economic Overview 2013'.

The economy in the Waitaki District generates 9,608 FTE jobs in 2,884 business units. The economy's GDP is fractionally over \$1.0 billion.

Overview

As the table below shows, around 45% of employment and 53% of GDP in Waitaki is in the Primary and Manufacturing sectors.

GDP, Employment and Business Units, Waitaki District 2013

Sectors (2013)	FTEs	%	GDP (2013\$m)	%	Business units	%
Primary	2,359	24.6%	210	24.0%	1,039	36.0%
Manufacturing	1,916	19.9%	253	28.9%	91	3.2%
Construction	750	7.8%	50	5.7%	234	8.1%
Wholesale and Distribution	553	5.8%	71	8.1%	137	4.8%
Retail Trade and Services	1,593	16.6%	89	10.2%	399	13.8%
Business Services	799	8.3%	97	10.8%	766	26.9%
Arts and Recreation Services	97	1.0%	7	0.8%	56	1.9%
Social Services	1,542	16.1%	100	11.5%	152	5.3%
Sub-total (excluding O.O.D.*)	9,608	100.0%	874	100.0%	2,884	100.0%
* Owner Occupied Dwellings			133			
Total	9,608		1,007		2,884	

Source: BERL Regional Database, 2013

Economic Profile

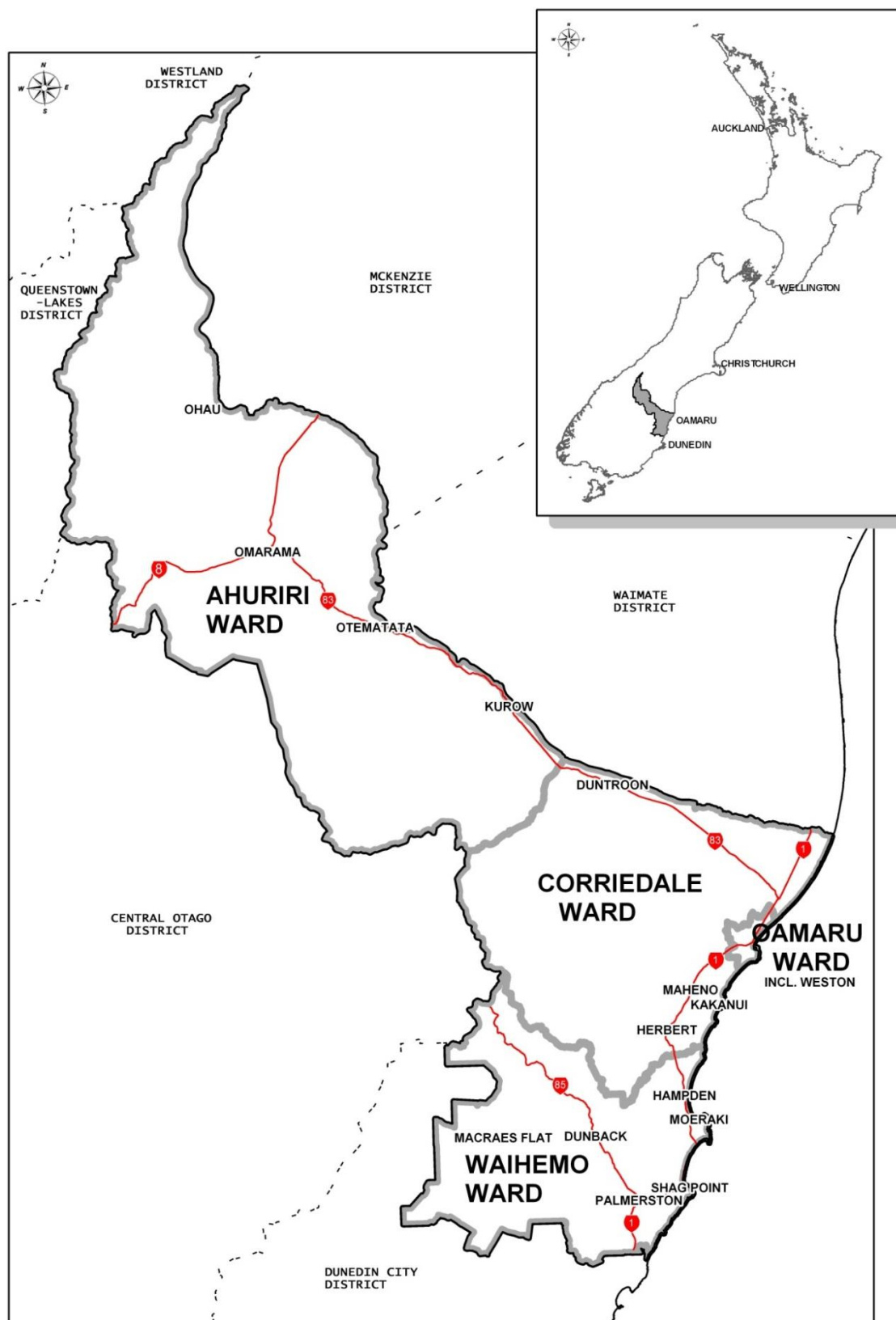
Ten Fastest Growing Industries by FTE Growth, Waitaki District 2003 to 2013

Rank by FTE growth	Industry	Employment (FTEs)		
		2003	2013	% per annum growth
1	Social Assistance Services	55	207	13.9
2	Metal Ore Mining	248	536	8.0
3	Basic Material Wholesaling	70	142	7.3
4	Professional Scientific and Technical Services (exc Comp Sys Dsn & related)	159	271	5.5
5	Public Administration	65	107	5.2
6	Construction Services	233	376	4.9
7	Administrative Services	82	120	3.8
8	Hospitals	109	155	3.6
9	Repairs and Maintenance	82	114	3.4
10	Agriculture, Forestry and Fishing Support Services	169	220	2.7

Source: BERL; Statistics NZ

BERL's Otago Economic Overview 2013 report stated that tourism in Waitaki has grown strongly, in both the short and longer terms and employment in the sector has grown more quickly than employment in the wider district economy. Between 2003 and 2013, employment in the sector increased by 43.9% and its share of total Waitaki employment increased from 5.8% in 2003 to 7.6% in 2013.

Map of the Waitaki District



Mayor and Councillors (at 30 June 2014)

Mayor Gary Kircher
326 Homestead Road
RD 1C
Oamaru
Ph (03) 434 5057

Oamaru Ward

Cr Jim Hopkins
14 Tay Street
Oamaru
Ph (03) 437 0863

Cr Sally Hope
66 Reservoir Road
Oamaru
Ph (03) 437 2295

Cr Peter Garvan
PO Box 453
Oamaru
Ph (03) 434 6943

Cr Hugh Perkins
32 Hull Street
Oamaru
Ph (03) 434 1160

Cr Colin Wollstein
43C Hull Street
Oamaru
Ph (03) 434 7017

Cr Melanie Tavendale
19 Burnett Street
14 ORD
Kakanui
Ph (03) 439 5243

Corriedale Ward

Cr William Kingan
270 Tapui Homestead
Road
2C RD
Oamaru
Ph (03) 432 4247

Cr Sharyn Price
333 Serpentine Road
10D RD
Oamaru
Ph (03) 439 5960
(resigned June 2014)

Ahuriri Ward

Cr Dr June Slee
68 Doctor's Creek
Road
8 K RD
Otekaieke
Ph (03) 431 2886

Waihemo Ward

Cr Kathy Dennison
563 Horse Range
Road
2 RD
Palmerston
Ph (03) 465 1213

Community Board Members (at 30 June 2014)

Community Boards are responsible for:

- Local decision making, assessing and responding to local needs
- Input to Council's Strategic and Annual Plans
- Communication with community organisations and special interest groups within the community
- Overview of local road works, water and wastewater, stormwater, drainage, parks, recreational facilities, community activities, and traffic management within the community

Ahuriri Community Board

Graham Sullivan (Chair)

Willowbridge
10 RD
Waimate
Ph (03) 689 9870

Calum Reid

PO Box 75
Kurow
Ph (03) 436-0064

Michael Blackstock

PO Box 5
Omarama
Ph (03) 438-9481

Brent Cowles

Otematata Lodge and Camping Ground
9 East Road
Otematata
Ph (03) 438 7826

Vicky Munro

2629 Kurow-Otematata Highway
Otematata
Ph (03) 438 7855

Cr Dr June Slee

Waihemo Community Board

Geoff Foote (Chair)

87 Galbraith Road 2RD
Waikouaiti Otago
Ph (03) 465-7410

Ken Brown

75 District Road
Palmerston
Ph (03) 465-1177

Jane Carlyon

39 Cardiff Street
RD 2
Moeraki
Ph (03) 439 4520

Heather McGregor

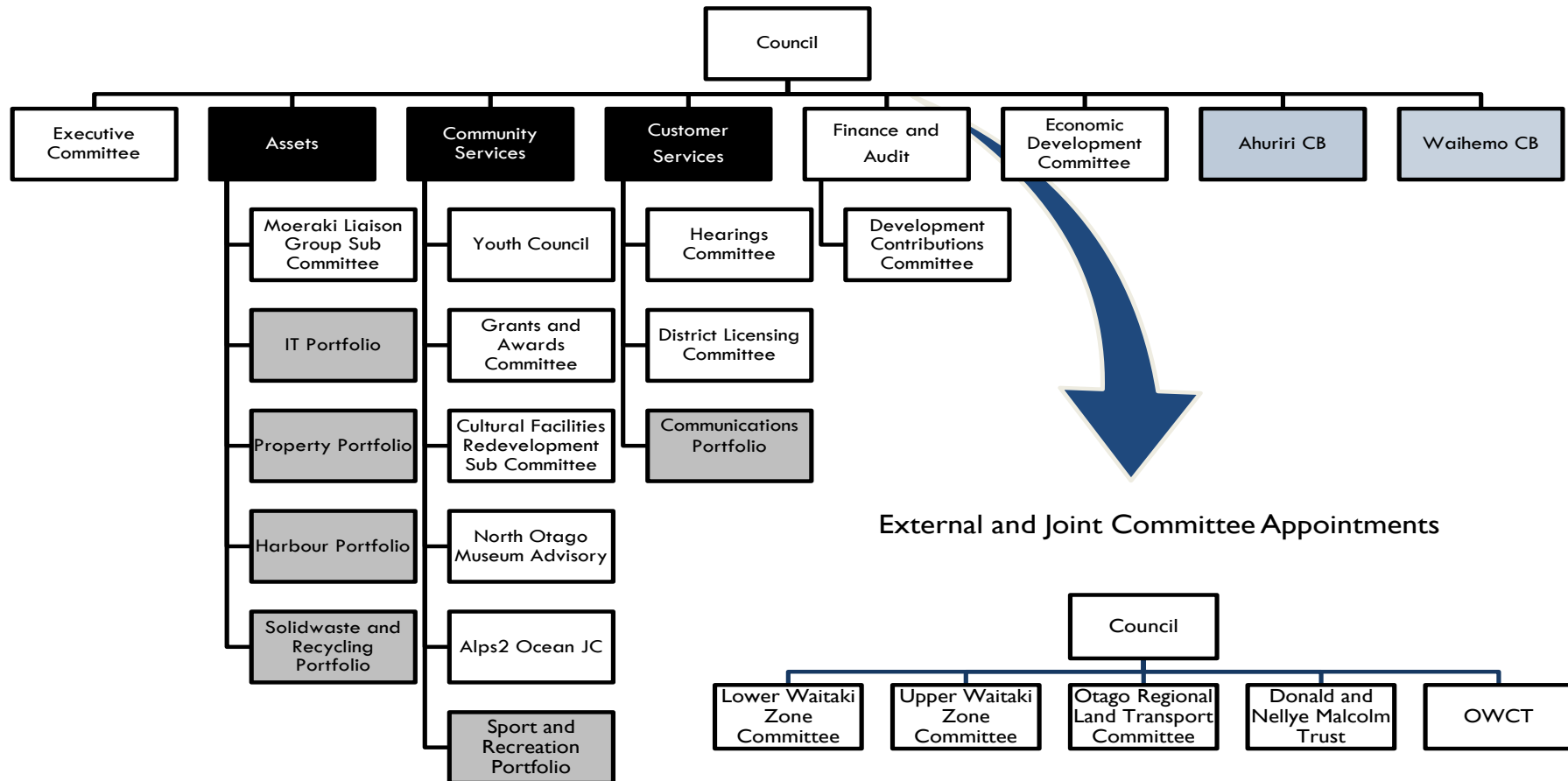
18 Runbrake Street
Palmerston
Ph (03) 465 1255

Paul Roy

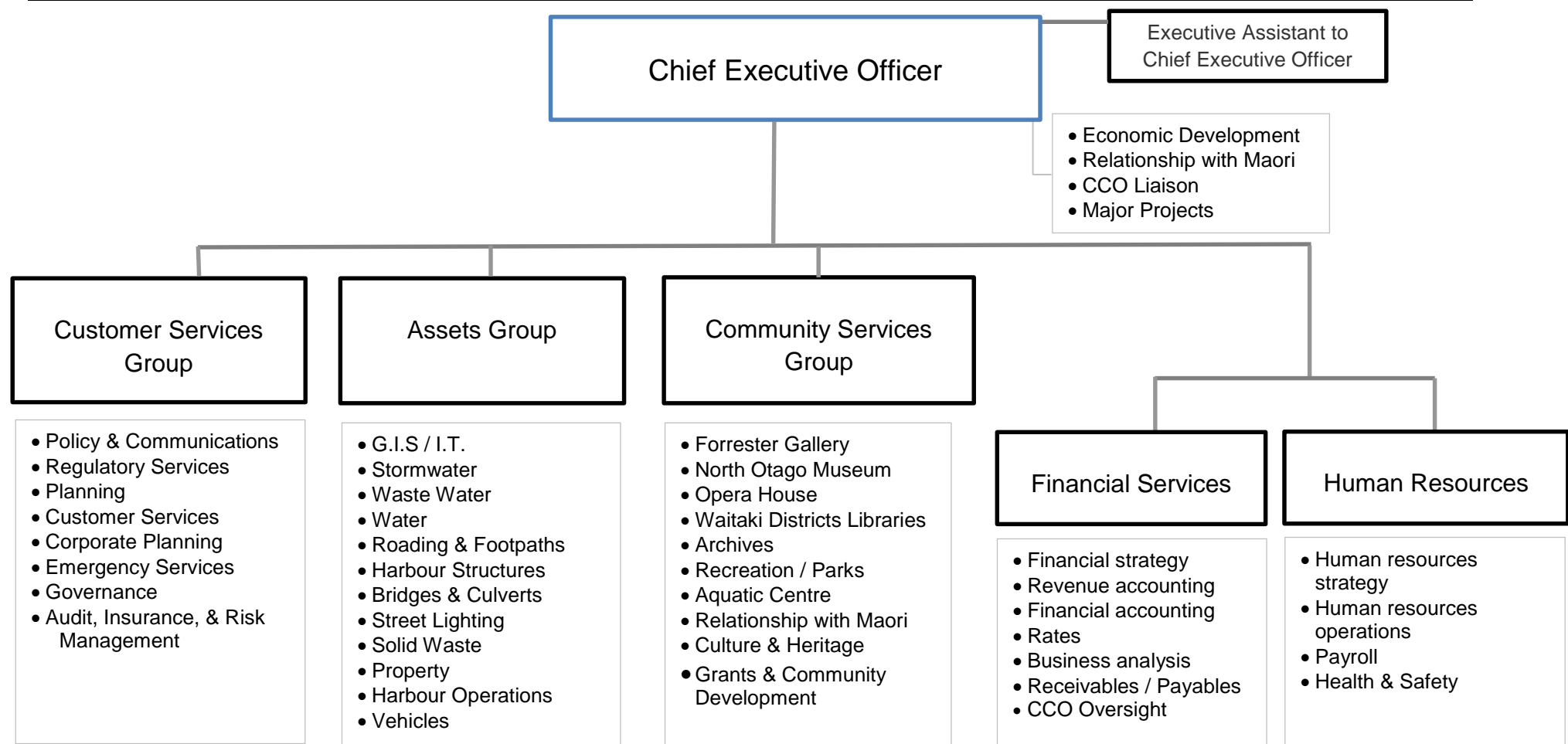
173 Taieri Ridge Road
RD 3
Palmerston
Ph (03) 465 2144

Cr Kathy Dennison

Structure of Council, Community Boards, Committees and Sub-Committees



Management Structure



Principal Advisors

Auditors

Audit New Zealand - for and on behalf of the
Controller & Auditor General

Financial and Tax Advisers

Deloitte
Dunedin

Bankers

Bank of New Zealand
Oamaru

ANZ Banking Group
Oamaru

ASB Bank
Auckland

Insurance Brokers

Aon NZ Limited
Dunedin

Planners

Davie Lovell-Smith & Partners
Christchurch

Andrew Purvis Planning Consultant
Christchurch

Valuers

Quotable Value NZ
Dunedin

Solicitors

Anderson Lloyd
Dunedin

Dean and Associates
Oamaru

Hope and Associates
Oamaru

Simpson Grierson
Wellington

Professional Engineers

BECA Consultants
Christchurch & Dunedin

David Hamilton & Associates
Dunedin

OCEL Consultants
Christchurch

Opus Consultants
Dunedin

Waugh Consultants
Timaru

Glossary of Terms

These definitions are intended to define terms used in the Annual Report. For legal definitions see the Local Government Act 2002

Annual Plan

A plan describing what activities the Council will do, the reasons for doing them, the performance measures used and how much revenue and expenditure it needs to undertake each activity

Activities

All the things that the Council does

BERL

Business and Economic Research Limited

Building Act

Building Act 2004

Capital Value

Market value of the land plus improvements at the time of valuation

Community Boards

Local elected bodies set up under the Local Government Act 2002. Such Boards are consulted by Council and represent community concerns to the Council. Waitaki District Council has two Community Boards: Ahuriri and Waihemo

Community Outcomes

As part of the 2012-22 Long Term Plan, Council agreed a number of community outcomes to promote the social, environmental, economic and cultural wellbeing of the District. Further details of these can be found on page 55 of the 2012-22 Long Term Plan, available at libraries around the district, Council services centres and on Council's website www.waitaki.govt.nz

CV

Capital Value

Development Contributions (DC)

A development contribution / financial contribution is a charge levied on sub-dividers and developers to help pay for new, upgraded, or extended water supply, sewer or roading infrastructure that must be provided to service the new sub-divisions or developments. DCs are in addition to the requirement that the owners reticulate all of the new sections or buildings at their cost

Dog Control Act

Dog Control Act 1996 and Dog Control Amendment Act 2003

Efficiency

A test of whether a system or funding tool uses a reasonable amount of resources to allocate costs

Food Act

Food Act 1981

General Rates

Rates levied for the general purpose of the local authority. Council may make and levy a general rate on every rateable property. This may be:

- A uniform rate in the dollar of property value on all properties; or
 - A differential rate in the dollar of property value on all properties;
- and
- A uniform annual general charge per separately rateable property

Health Act

Health Act 1956

Indicator

Flag or signal. Summary data that represent an issue of concern or measure progress toward achieving an objective or outcome

Infrastructure

Roads, bridges, water supplies, drainage systems, buildings, landfills and transfer stations

Intergenerational Equity

The concept that the cost of a service should be fairly spread over the life of the assets, so that all people who benefit contribute a fair share

Land Transport Management Act

Land Transport Management Act 1998

Land Value

Market value of the land at time of valuation

Local Government Act 2002 (LGA)

The law that defines the powers and responsibilities of territorial local authorities like Waitaki District Council

Glossary of Terms

LTP

Long Term Plan 2012-22 (renamed in 2012 from the Long Term Council Community Plan)

NZ GAAP and NZ IFRS

A set of accounting standards that Council is required to observe in its public reports

NZTA

New Zealand Transport Agency

OBPC

Oamaru Blue Penguin Colony

Operating Expenditure

Expenditure for the normal services of the Council

Outcome

A desired state of affairs

Rates

Funds collected by the Council from levies on property. These are based on capital value or land value of the property but the term is often used to include Targeted Rates

Reserves Act

Reserves Act 1977

RMA

Resource Management Act 1991 and RMA Amendment Act 1993

Targeted Rates (TR)

Rates levied for undertaking a specified function or for providing any specified service for the benefit of all or part of the District. Targeted Rates must be applied only for the purpose for which they are levied, and may be in the form of:

- A uniform rate in the dollar of property value on all properties
- A differential rate in the dollar of property value on all properties
- A Targeted Rate per separately rateable property (TR)

Sale and Supply of Alcohol Act 2013

(Replaces Sale of Liquor Act 1989)

Sale of Liquor Act

Sale of Liquor Act 1989

Transparency

A test of whether people who pay for activities can see where their money is allocated

Wastewater

Wastewater is a combination of liquid wastes which may include chemicals, house wastes, laundry wastes, toilet wastes, animal and vegetable matter in suspension or solution and other wastes discharged from residential, business and industrial establishments

Council Contact Information

FOR ALL GENERAL ENQUIRIES

Enquiries to Customer Contact Team for all general enquiries or for enquiries regarding the following departments:

Regulatory Services:

- Health
- Building Services
- Subdivisions
- Plumbing
- Planning Enquiries
- Nuisance Concerns
- Animal Control
- Hazardous Substances
- Dangerous Goods

Infrastructure Services:

- Roads and Footpaths
- Water Supply
- Wastewater and Stormwater
- Rubbish Collection & Recycling

Parks and Recreation:

- Parks and Reserves
- Sportsfields
- Cemeteries
- Public Toilets

WAITAKI DISTRICT COUNCIL

20 Thames Street, Oamaru
Phone: (03) 433 0300
Freephone **0800 108 081** (*within the District*)
Fax (03) 433 0301
Email service@waitaki.govt.nz
Website www.waitaki.govt.nz

WAIHEMO SERVICE CENTRE

54 Tiverton Street, Palmerston
Phone (03) 465 1106
Fax (03) 465 1111

AFTER HOURS

EMERGENCY CONTACTS

CIVIL DEFENCE & RURAL FIRE

24-Hour Emergency Contact
Phone **(03) 434 6400**

OTHER DEPARTMENTS

- Animal Control
 - Noise Control
 - Wastewater
 - Stormwater
 - Water Supply
 - Hazardous Substances
 - Dangerous Goods
- 24-Hour After Hours:
Phone **(03) 433 0300**

OTHER CONTACTS:

FORRESTER GALLERY

Thames Street, Oamaru
Phone (03) 433 0853
Email info@forrestergallery.com

NORTH OTAGO MUSEUM

Thames Street, Oamaru
Phone (03) 433 0852
Email museum@waitaki.govt.nz

OAMARU PUBLIC LIBRARY

Thames Street, Oamaru
Phone (03) 434 1650
Email oamlibrary@waitaki.govt.nz

AQUATIC CENTRE

Steward Street, Oamaru
Phone (03) 433 0410
Email aquaticcentre@waitaki.govt.nz

OAMARU OPERA HOUSE

90 Thames Street, Oamaru
Phone (03) 433 0779
Email oamaruoperahouse@waitaki.govt.nz