



# Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

## **Annual Report**

**for the year ended  
30 June 2015**



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# Chief Executive's Report

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The 2014/15 Annual Report presents Council's progress and performance against the third and final year of the 2012-22 Long Term Plan.

The last twelve months have seen a significant amount of progress for Council in achieving its vision for the community of *Growing Waitaki – the best place to live, work and play*. This period has also seen a great deal of change for the world of local government. For example, there have been more changes to the Local Government Act, continued deliberations on earthquake prone building regulations and reductions to the New Zealand Transport Agency (NZTA) assistance for roads. While we have worked hard to respond to these challenges there have also been many positive things to reflect on over the last twelve months. The projects below represent one small part of what has been achieved.

## **Prudent Financial Management**

Council has achieved a positive financial result with better than expected revenue combined with reduced costs and deferred expenditure. This has led to a "technical" surplus of approximately \$3 million, with about \$400,000 of this available as a true "cash" surplus. The "cash" part is largely due to savings made in particular areas such as reducing our insurance premiums, staff costs and less reliance on consultants. Part of the surplus is from projects that had been identified but are not yet completed, as well as increased revenue for some activities. This \$400,000 mentioned above represents an opportunity for our Community and Council and further decisions will be made as part of the 2016/17 Annual Plan.

## **North Otago Irrigation Company**

Council confirmed its support for the construction of Stage 2 of the North Otago Irrigation Scheme (NOIC) in 2015 which will expand the scheme into the Kakanui Valley. This support, in addition to the initial investment in Stage 1 of the project, will build on the \$48m contribution the scheme already makes to the local economy and will further underpin our economic growth, jobs and businesses in the years to come.

## **North End Business Park and Business Development**

Construction began on the first three sites in the North End Business Park – with Te Pari Industries, Tyre General and Johnson Gluyas buildings all well underway as at 30 June. This was a positive sign of the economic activity in the district. Like irrigation, we continue to look forward to more development occurring in the Business Park over the next year.

As well as the activity at the North End Business Park, a number of other businesses in Oamaru such as Numat and Milligans have constructed new premises to cater for increasing demand for their products. In addition, new businesses such as Scott's Brewery, The Galley and the Tees Street cafe continue to thrive and contribute to the positive economic outlook for the district.

## **Alps2Ocean**

Alps2Ocean continues to move from success to success. The numbers of visitors and users on the Alps2Ocean Cycle Trail continued to increase over the past 12 months. More funding was secured to move the remainder of the track off road which will lead to even greater numbers riding the trail in the future.

## **2015-25 Long Term Plan**

In June 2015 Council adopted the new 2015-25 Long Term Plan which sets out its outcomes for the next ten years.

This was a very significant piece of work for Council, which included budgets, projects, a 30 year Infrastructure Strategy, Significance and Engagement Policy and a Financial Strategy.

Changes to the Local Government Act around what councils are required to do when producing long term plans meant we had the opportunity to engage with the community in new ways. We received really valuable input from the consultation process and this feedback assisted Council's decision-making in finalising the plan. We're looking forward to progressing the various projects over the next three years.

# ***Chief Executive's Report***

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## **Community and Council Collaborations**

We held our first Council meeting at the Moeraki Marae in December 2014. This was a great opportunity to engage with the Runanga as well as hear and respond to local concerns regarding roading. Ultimately, this resulted in a great Council and community project, which saw Haven Street reopened in June 2015. On that note, the community also rallied around planting at Cape Wanbrow. Another good example of what can be achieved when we work together with our community.

## **Otago Rural Fire Authority**

Final agreement was reached on the transfer of assets to the new Otago Rural Fire Authority (ORFA). As expected, the new organisation has taken time to settle down but already we have seen benefits from increased cooperation with other councils in Otago.

These are just some of the achievements of the last twelve months. The following report highlights many more from across the 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

## Financial Statistics

Council Only	Actual 2015	Annual Plan 2015	Actual 2014
Proportion of Rates to Total Income (%)	66.4%	67.1%	60.3%
Rateable properties	13,172	13,148	13,143
Average Rates per rateable property	\$2,212.14	\$2,213.78	\$2,157.07
Net Public Debt - External (percentage of Total Assets)	0.0000%	0.0004%	0.0007%
Net Public Debt - Internal (percentage of Total Assets)	3.35%	3.59%	3.57%
Net Public Debt - External (per rateable property)	\$0.00	\$0.23	\$0.25
Net Public Debt - Internal (per rateable property)	\$1,903.63	\$2,128.34	\$2,034.40
Current ratio	5.57	4.91	2.71
Ratio of Current Assets to Current Liabilities			
Liquid ratio	6.49	5.64	3.10
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	2015 \$000	2014 \$000	2013 \$000	2012 \$000	2011 \$000
Rates revenue	30,026	29,151	28,200	26,390	25,121
Net Surplus/(Deficit)	2,992	3,794	1,960	367	(451)
Cashflows					
Operating Activities	15,757	13,536	12,423	10,207	10,464
Investing Activities	(10,560)	(16,997)	(11,530)	(8,480)	(9,619)
Financing Activities	(3)	(2)	(3)	(3)	(3)
Net Increase/(Decrease) in cash held	5,194	(3,463)	890	1,724	842
Net Public Debt - External	-	3	5	8	11
Net Public Debt - Internal	25,075	26,738	24,989	25,862	25,114
Total Assets	748,502	748,338	738,258	717,920	690,162

## Waitaki District Rating Base

	At 30 June 2014 – the basis for the 2014/15 rates	At 30 June 2013 – the basis for the 2013/14 rates
Total rateable properties	13,143	13,067
Total Land Value of the District	\$3,267,334,900	\$3,258,895,800
Total Capital Value of the District	\$6,411,475,300	\$6,364,346,700

# Council Only - Financial Disclosures

## Annual Report Disclosure Statement for the year ended 30 June 2015

### 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 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) Regulation 2014 (The Regulations). Please refer to the Regulations for more information, including definitions of some of the terms used.

### Rates Affordability benchmark

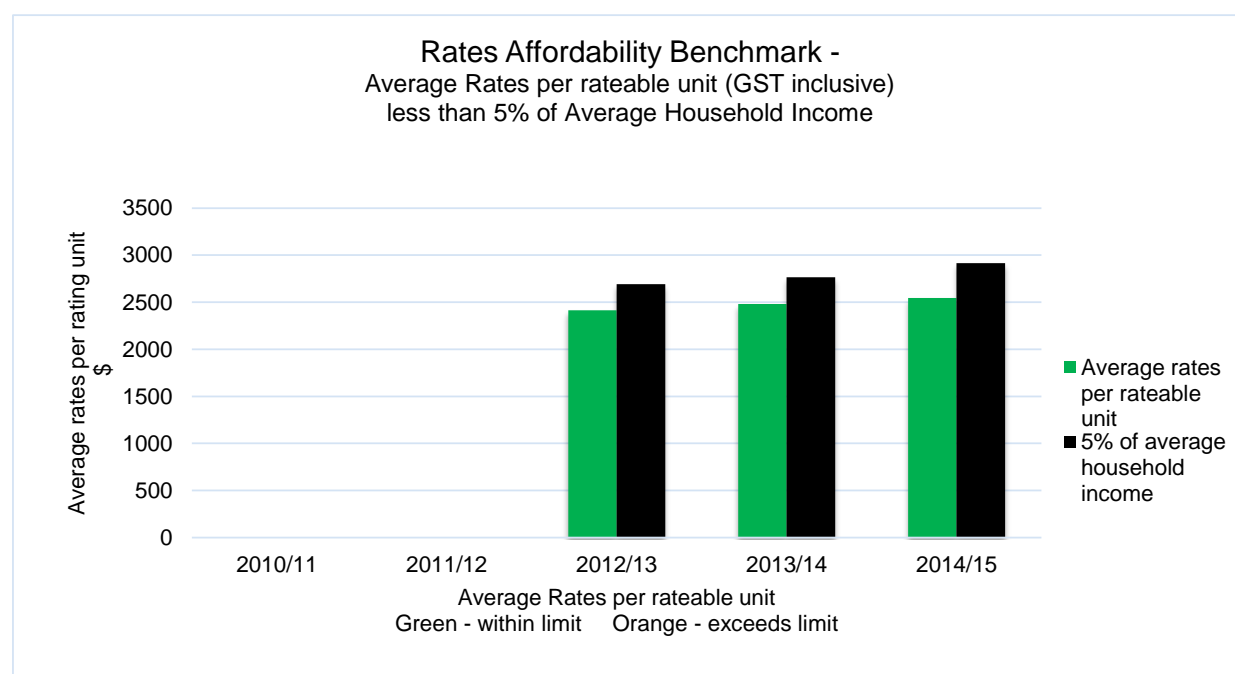
Council meets the Rates Affordability benchmarks when:

- its actual rates revenue equals or is less than each quantified limit on rates, and when;
- its actual rates increases equal or are less than each quantified limit on rates increases.

### Rates Revenue Affordability

This graph compares Council's actual rates revenue with a quantified limit on rates contained in the financial strategy appearing in Council's 2012-22 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 Statistics) for each year for which the quantified limit applied.



# Council Only - Financial Disclosures

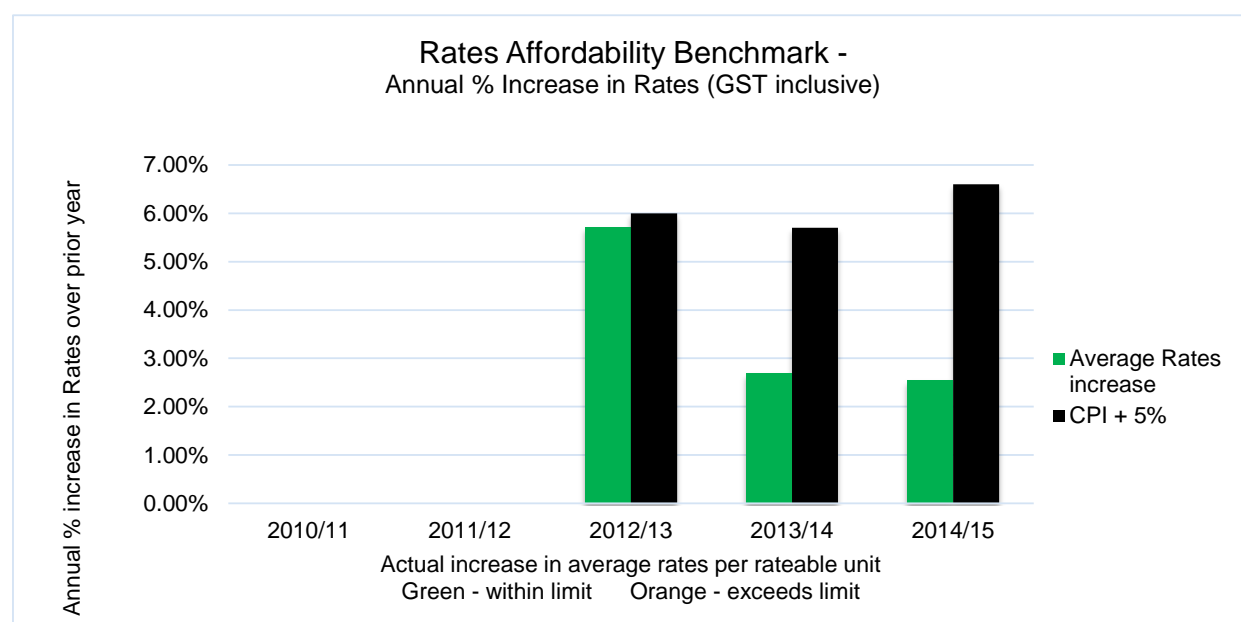
## Annual Report Disclosure Statement (continued)

### Rates Affordability benchmark (continued)

#### Rates Revenue Affordability

This graph compares Council's actual rates increases with a quantified limit on rates increases contained in the financial strategy appearing in Council's 2012-22 Long Term Plan. In this instance, the quantified limit on total rates increases 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 Statistics) for each year for which the quantified limit applied. Although rate increases were outlined in the 2009-19 Long Term Plan, no quantified limits were formally set prior to the adoption of the 2012-22 Long Term Plan, so no comparison is provided for periods prior to 2012/13.



# Council Only - Financial Disclosures

## Annual Report Disclosure Statement (continued)

### Debt Affordability benchmark

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

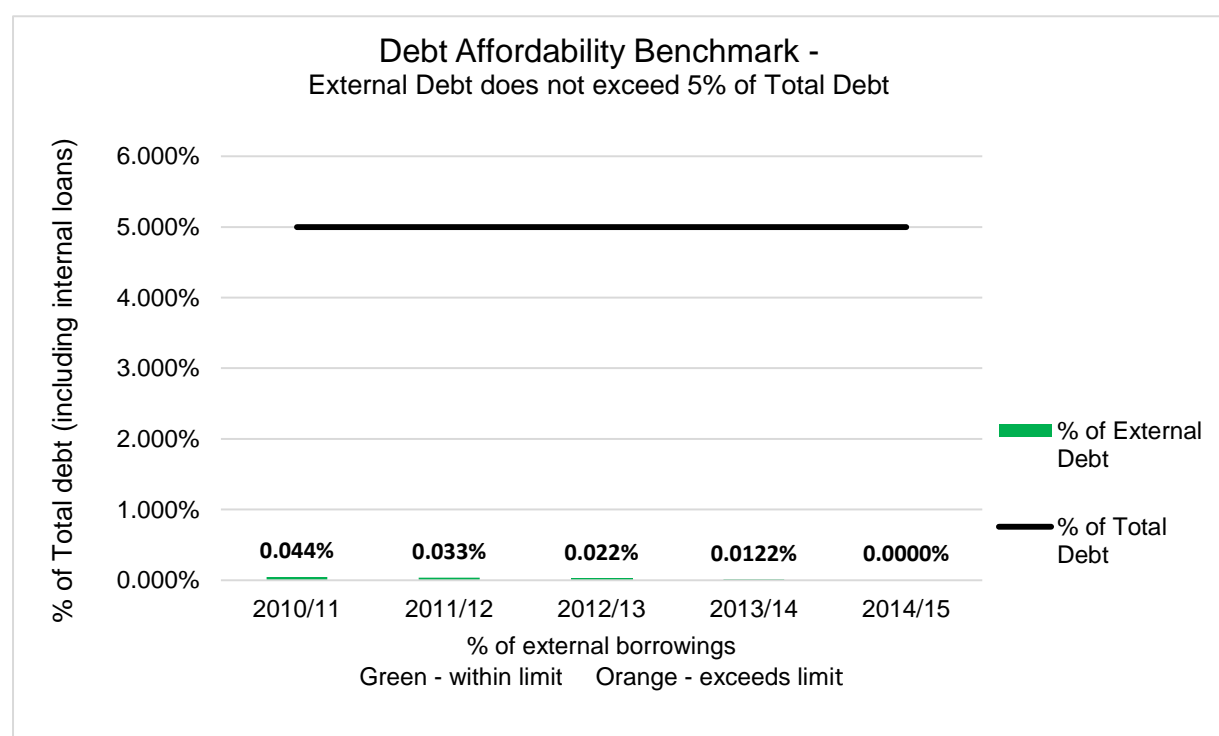
### External Debt Affordability

Actual external borrowing is compared with the quantified limit on external borrowing contained in the financial strategy appearing in Council's 2012-22 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 in Council's balance sheet, they are considered to be debt in the same way that external loans 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.

It has always been Council's intent to have minimal, or no, external debt, so it is pleasing to report that, at 30 June 2015, Council had repaid all of its external debt. For that reason, the graph shows no result for the 2014/15 financial year.

The graph compares the percentage of external debt against the benchmark of 5% of total debt, including internal loans. Although no quantified limits were set prior to adoption of the 2012-22 Long Term Plan, since it has been Council's intent to have no external debt, it is valid to compare progress towards that goal for each year reported.



# Council Only - Financial Disclosures

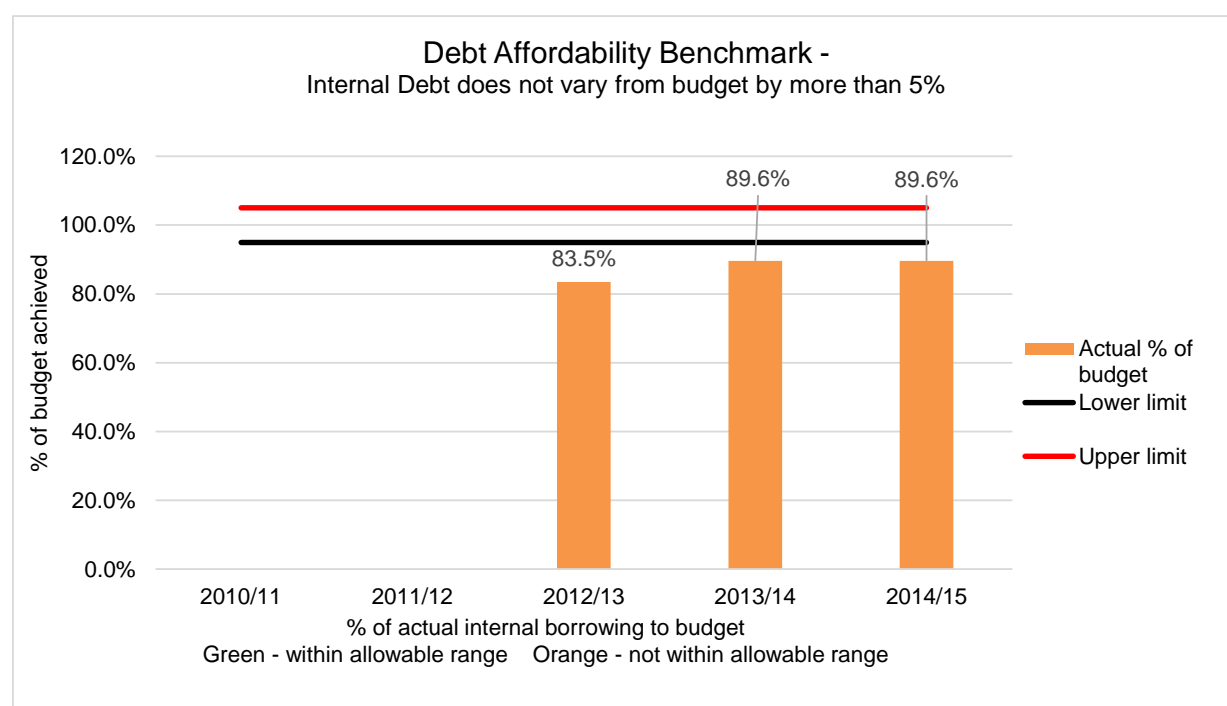
## Annual Report Disclosure Statement (continued)

### Debt Affordability benchmark (continued)

#### Internal Debt Affordability

In the financial strategy appearing in 2012-22 Long Term Plan, Council has set a quantified limit on the level of internal debt, such that internal debt should not vary from budget by more than 5%, plus or minus.

The 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. Such a quantified limit was not set prior to adoption of the 2012-22 Long Term Plan and, prior to that time, no budgets were set for internal loans meaning that no meaningful comparison is possible prior to the 2012/13 financial year.



The total balance of internal loans outstanding is below the lower limit of the quantified range set by Council in all three financial years reported. Council regards this as a satisfactory result, brought about by several factors, including:

- the deferral of upgrades to meet legislated improvements to drinking water standards for a number of rural water schemes;
- lower interest rates applying since 2012, allowing a faster reduction in loan principal amounts and a slower increase for those loans on which interest compounds;
- Council's decision to apply \$80,000 of rates in 2013/14 and \$167,500 in 2014/15 to limit the rate of increase in compounding interest loans.

# Council Only - Financial Disclosures

## Annual Report Disclosure Statement (continued)

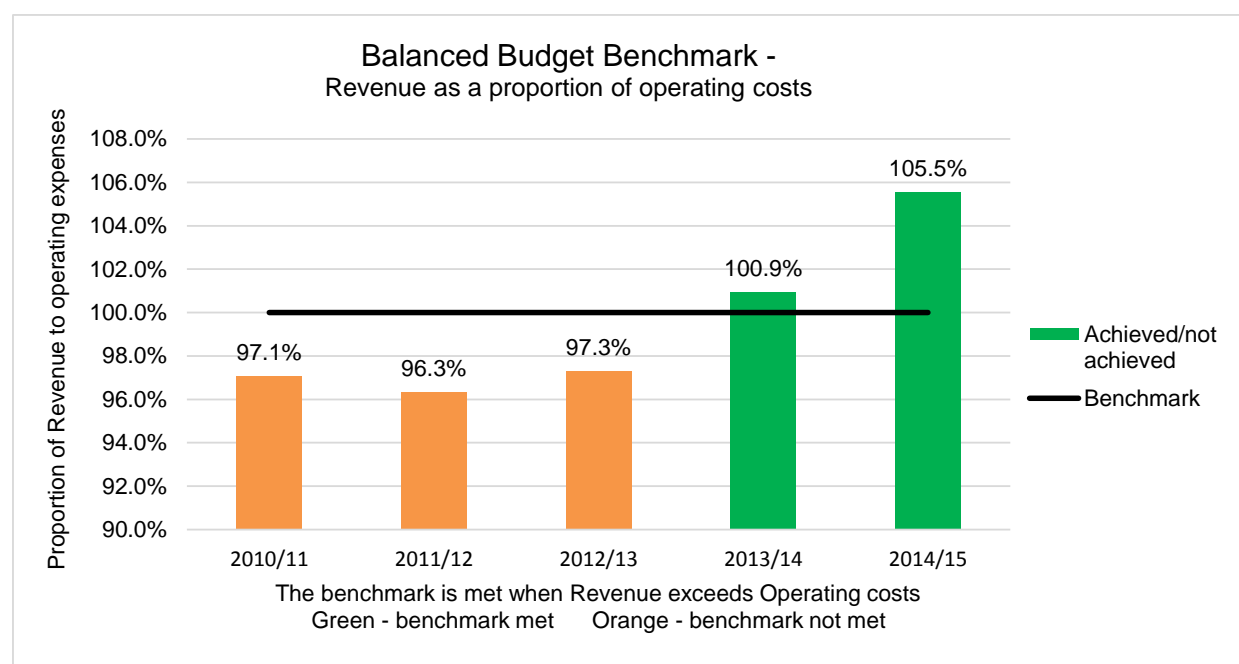
### Balanced Budget benchmark

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 and held as Special Funds to be used for future capital projects that grow or expend 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)

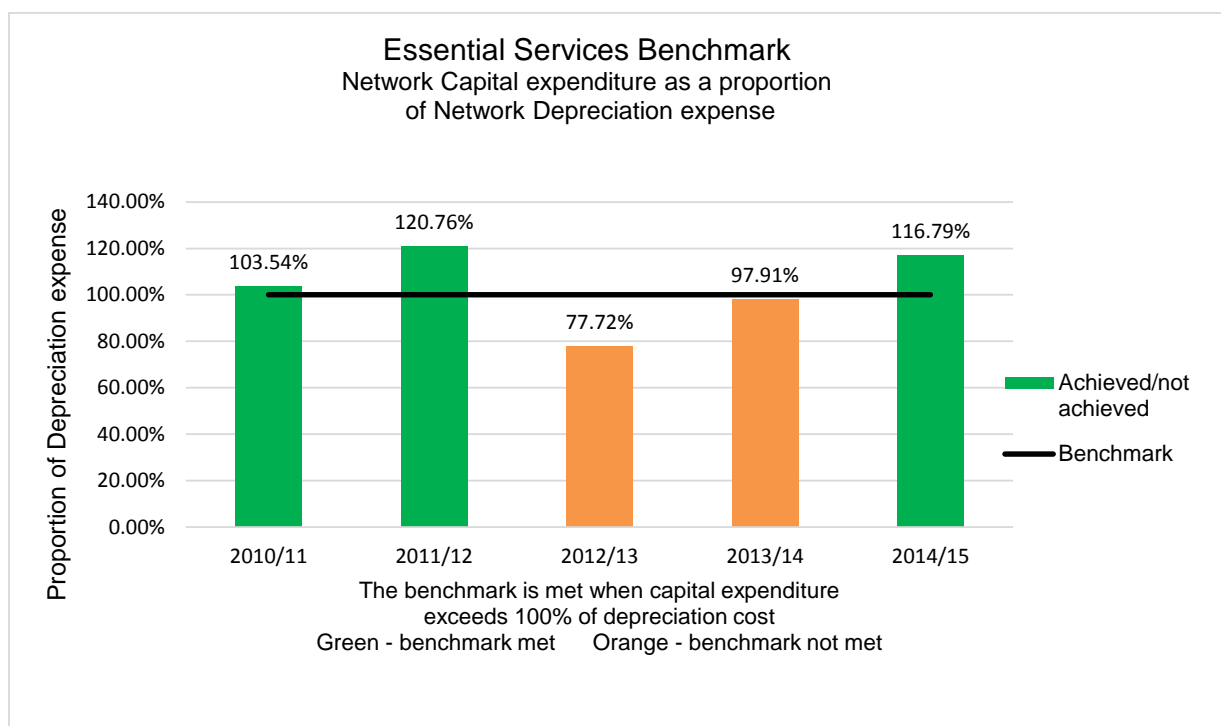
### Essential Services benchmark

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, bridges and footpaths
- 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.



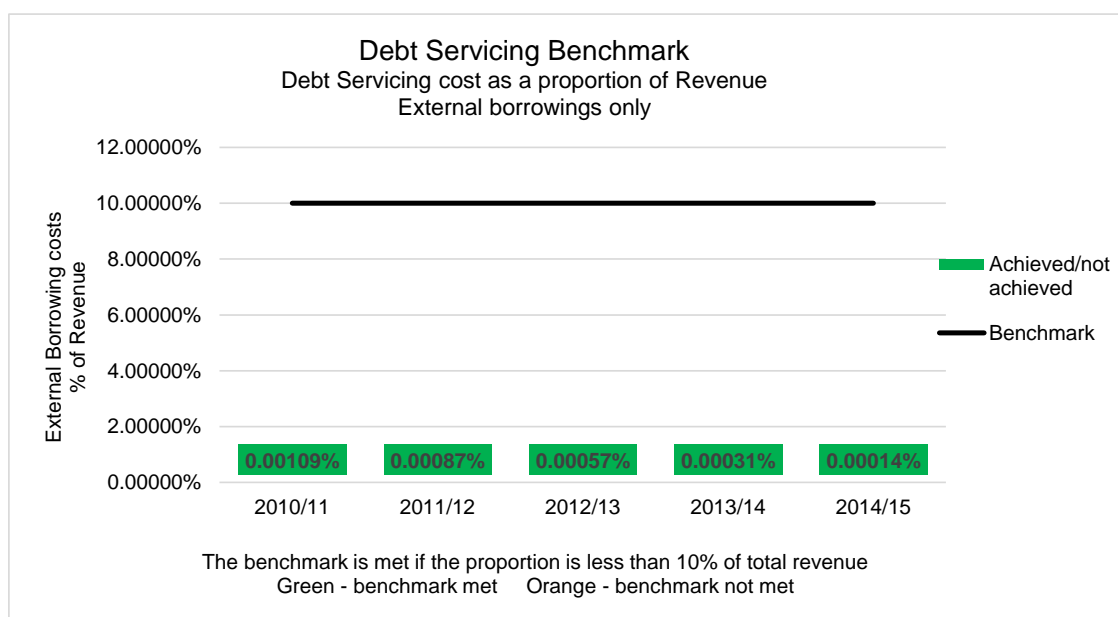
# Council Only - Financial Disclosures

## Annual Report Disclosure Statement (continued)

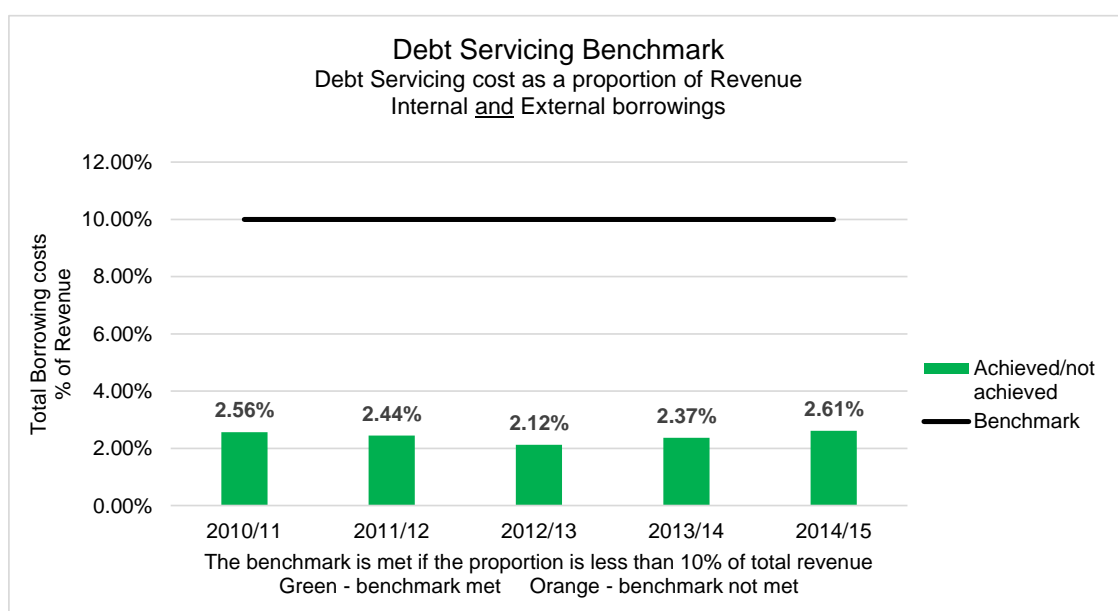
### Debt Servicing benchmark

Because Statistics New Zealand projects that the population of the District will grow more slowly than the national population growth rate, Council meets the Debt Servicing benchmark when its borrowing costs are equal to or less than 10% of adjusted Operating Revenue (excluding Development and financial contributions, vested assets and the results of revaluations). Note that debt servicing costs refer to the interest cost only, and do not include principal payments made during the period.

The first graph focuses on the cost of servicing external borrowing only:



The second graph measures the cost of servicing both external and internal borrowing. Internal debt servicing is a notional cost which is not reported elsewhere in this annual report, but which is still regarded as a cost of the service to which it relates.



# Council Only - Financial Disclosures

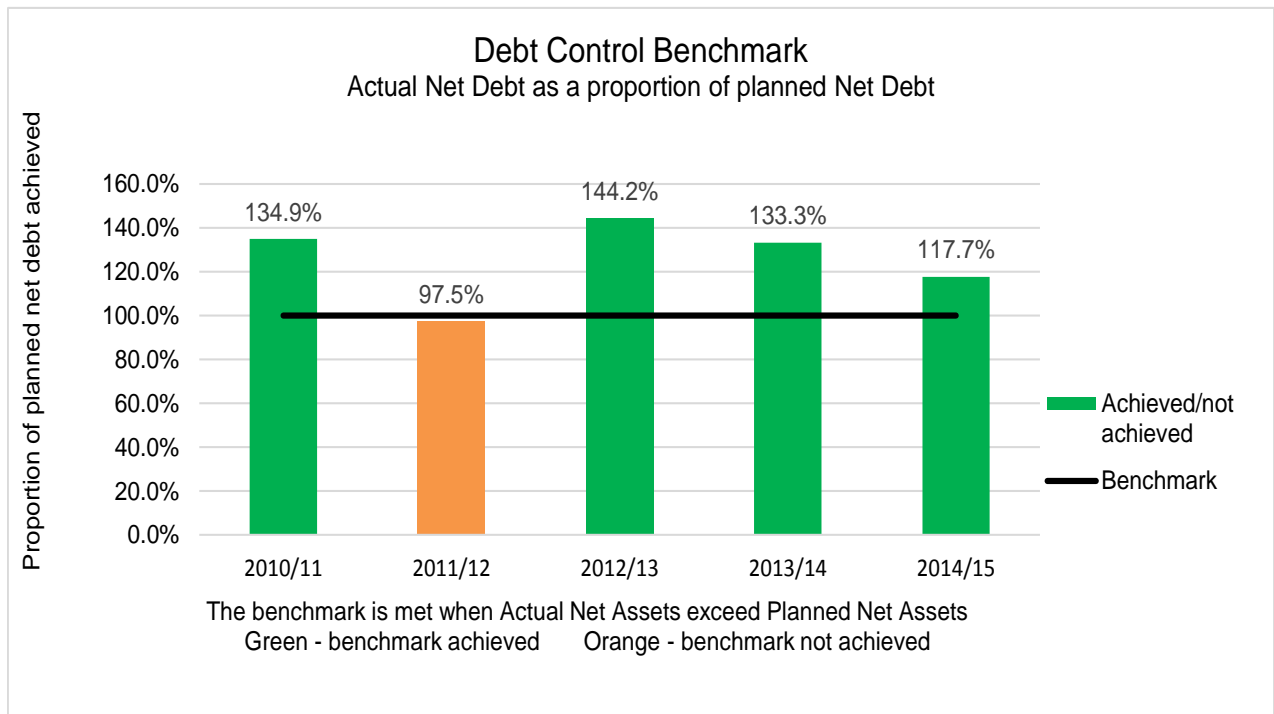
## Annual Report Disclosure Statement (continued)

### 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 it meets the debt control benchmark when actual Net Assets equal or exceed planned Net Assets.



# Council Only - Financial Disclosures

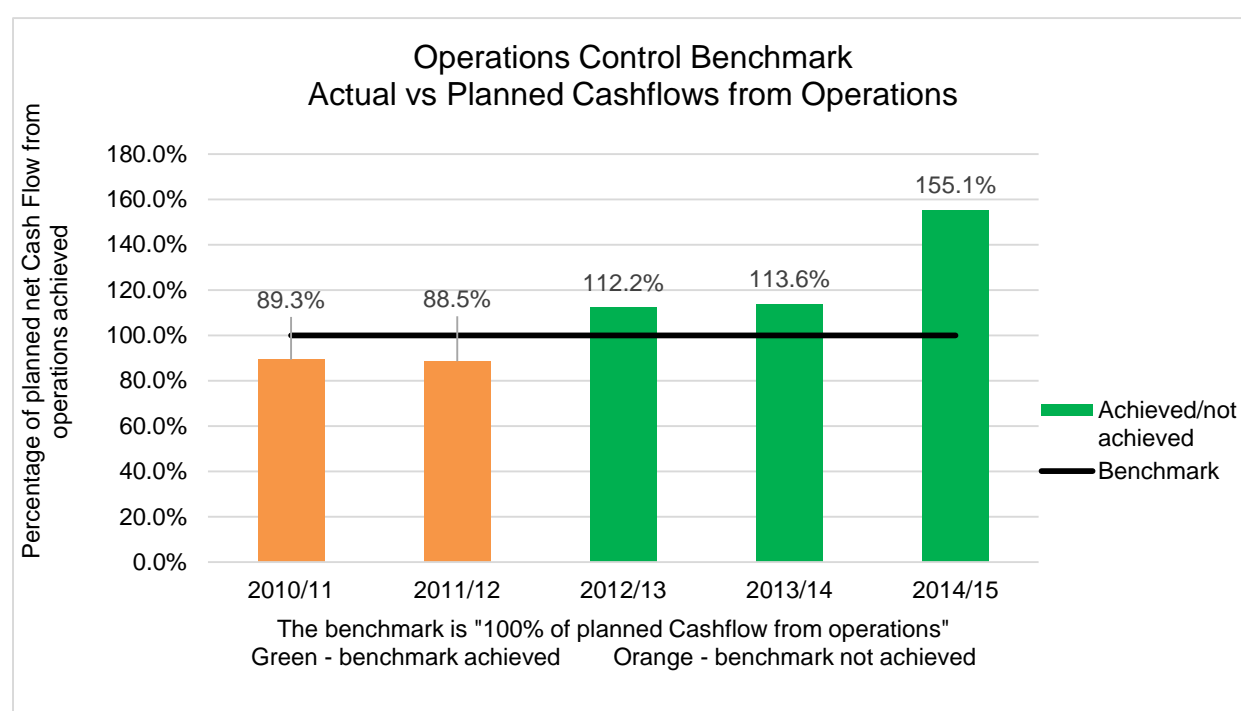
## Annual Report Disclosure Statement (continued)

### 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 the timing of receipts from debtors, of payments to suppliers and of staff 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 Flow from Operations.



## ***Outcomes, Policies, Plans and Statements***

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# Community Outcomes

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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

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## 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Resident satisfaction with road safety works and programmes	Not achieved 50% of residents are satisfied or very satisfied that roads in the Waitaki district are safe (46% in 2013/14)	80% are satisfied or very satisfied that roads in the District are safe

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community perceives the water supply is reliable	Achieved 84% of residents are satisfied or very satisfied with the water supply provided (83% in 2013/14)	70% of residents are satisfied or very satisfied with the water service
Percentage of Waitaki residents satisfied (waste management)	Not achieved 38% of residents are satisfied or very satisfied with Council waste services (47% in 2013/14)	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 \$204 is 9% <sup>1</sup> of the average power bill and less than 22% <sup>2</sup> of the average telephone and internet bill (Average wastewater rate of \$184 in 2013/14 was 9% of average power bill and less than 20% of the average telephone and internet bill)  Average residential water rate of \$213 is approximately 9% <sup>1</sup> of the average residential power bill and less than 23% <sup>2</sup> of the average telephone and internet bill (Average residential water rate of \$209 in 2013/14 was 10% of average power bill and less than 23% 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 & internet bill

<sup>1</sup> Prices based on electricity price trend June 2015 (\$2,171 – Average Price – Waitaki) Source: Powerswitch.org.nz

<sup>2</sup> Based on \$79 a month for phone, broadband and toll calls - \$948. Source: Kiwi Money Savers

# Community Outcomes Monitoring

## Water and Waste

Outcome Indicator Selection	Outcome Performance Snapshot 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
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
The amount of material removed from the waste stream	Not achieved <ul style="list-style-type: none"> <li>Greenwaste – 1,758 tonnes</li> <li>Glass – 503 tonnes</li> </ul> (Greenwaste – 2,195 tonnes and Glass 486 tonnes in 2013/14)  Achieved <ul style="list-style-type: none"> <li>Recyclables – 1,899 tonnes</li> </ul> (Recyclables – 2,853 tonnes in 2013/14)	2014/15: <ul style="list-style-type: none"> <li>Greenwaste – at least 1,900 tonnes</li> <li>Recyclables – at least 1,800 tonnes</li> <li>Glass – at least 525 tonnes</li> </ul>

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Residents' perception that the Waitaki District is a safe place to live	Not achieved 94% of residents are satisfied or very satisfied that the Waitaki district is generally a safe place to be (93% in 2013/14)	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 93% of residents are satisfied or very satisfied with the Forrester Gallery (94% in 2013/14)	90% of residents are satisfied with the Forrester Gallery
Percentage of residents are satisfied or very satisfied with library services	Achieved 95% of residents are satisfied or very satisfied with library services (92% in 2013/14)	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 89% of borrowers are satisfied or very satisfied with library service (90% in 2013/14)	92% of surveyed borrowers are satisfied or very satisfied with library service
Visitor satisfaction with Museum in Residents Survey	Not achieved 81% of visitors to the Museum are satisfied or very satisfied (94% in 2013/14)	>85% satisfaction
Resident satisfaction with Oamaru Opera House	Achieved 96% of visitors to the Oamaru Opera House are satisfied or very satisfied (96% in 2013/14)	90% satisfied

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Percentage of residents who are satisfied or very satisfied with Waitaki's parks and reserves	Achieved 90% of residents are satisfied or very satisfied with parks and/or reserves in the Waitaki district (85% in 2013/14)	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 (89% in 2013/14)	75% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities
Customers satisfied with the Aquatic Centre	Achieved 89% of customers are satisfied or very satisfied with the Aquatic Centre (90% in 2013/14)	65% of customers satisfied or very satisfied with the Aquatic Centre

## 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 2014/15	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 (75% in 2013/14)	70% of residents are satisfied or very satisfied with public toilets
Community satisfaction with cemeteries	Achieved 89% of residents are satisfied or very satisfied with cemeteries in the Waitaki district (92% in 2013/14)	75% of residents are satisfied or very satisfied with cemeteries in the Waitaki district

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Number of residents who visit the harbour area and level of residents' satisfaction	Achieved 93% of residents who visited the Oamaru Harbour Recreational area were satisfied or very satisfied (compared to 90% for other Council parks) (90% in 2013/14)	Increase usage and satisfaction to level of other Council parks

## Commercial and Development

Economic – Waitaki has a diverse, sustainable economy

- Our infrastructure and services are reliable and affordable
- Waitaki is 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Population stable or increasing	2013 census recorded 20,826 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Percentage of residents that feel comfortable approaching the Mayor and/or Councillors	Not achieved 88% of residents would be comfortable approaching the Mayor and/or Councillors (88% in 2013/14)	90% of residents would be comfortable approaching the Mayor and/or Councillors
Resident satisfaction with performance of Mayor and Councillors	Not achieved 69% of residents are satisfied or very satisfied with the performance of Mayor and Councillors (56% in 2013/14)	75% of residents are satisfied or very satisfied with the performance of Mayor and Councillors
Percentage of residents rate the performance of Community Board members as satisfactory or very satisfactory	Not achieved 39% of residents rate the performance of the Ahuriri Community Board members as satisfactory or very satisfactory (86% in 2013/14)  Not achieved 50% of the residents rate the performance of the Waihemo Community Board members as satisfactory or very satisfactory (69% in 2013/14)	85% of residents rate the performance of the Ahuriri Community Board members as satisfactory or very satisfactory  85% of residents rate the performance of the Waihemo Community Board members 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 (76% in 2013/14)	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	Achieved 50% of residents are satisfied or very satisfied with Council consultation (49% in 2013/14)	50% of residents are satisfied or very satisfied with Council consultation

# Community Outcomes Monitoring

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## 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 is 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Resident satisfaction with Emergency services	Achieved 86% of residents are satisfied or very satisfied with emergency services (91% in 2013/14)	70% of residents satisfied or very satisfied with emergency services
Resident satisfaction with dog control services	Achieved 71% of residents satisfied with dog control services (66% in 2013/14)	70% of residents satisfied with dog control services
Customer feedback and on-line survey (district planning)	All approved consent letters requested customers to complete the online survey but no responses were received (Not measured in 2013/14)	80% of applicants satisfied with service

# Community Outcomes Monitoring

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## 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Residents satisfaction survey (Waitaki Development Board)	70% of residents are satisfied or very satisfied with the Company's efforts to attract tourists to the district (Not measured in 2013/14)	Maintain resident 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 2015

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 statement of financial position as at 30 June 2015 on page 126;
  - the statement of comprehensive revenue and expenditure, statement of changes in equity and statement of cash flows for the year ending 30 June 2015 on pages 124, 125 and 127;
  - the funding impact statement of the District Council on page 174;
  - the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 38 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 180;
- 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 38 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 161;
  - council-controlled organisations on pages 108 to 122;
  - reserve funds on pages 146 and 147;

# ***Audit Report***

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- each group of activities carried out by the District Council on pages 38 to 107;
- remuneration paid to the elected members and certain employees of the District Council on page 170;
- employee staffing levels and remuneration on page 171;
- severance payments on page 171;
- rating base units on page 7; and
- insurance of assets on pages 152 and 153;
- 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 191; and
- a statement of compliance signed by the mayor of the Council, and by the District Council and group's chief executive on page 34.

## **Opinion**

### **Audited information**

In our opinion:

- the financial statements of the District Council and group on pages 124 to 180:
  - present fairly, in all material respects:
    - the District Council and group's financial position as at 30 June 2015;
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand;
  - have been prepared in accordance with and Public Benefit Entity Standards.
- the funding impact statement of the District Council on page 174, present fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan.
- the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 38 to 107, present fairly, in all material respects, 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.

# ***Audit Report***

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- the statement of service provision of the District Council on pages 38 to 107:
  - presents fairly, in all material respects, the District Council's levels of service for the year ended 30 June 2015, including:
    - the levels of service as measured against the intended levels of service adopted in the long-term plan;
    - the reasons for any significant variances between the actual service and the expected service; and
  - complies with generally accepted accounting practice in New Zealand.
- the funding impact statements in relation to each group of activities of the District Council on pages 38 to 107, present fairly, in all material respects, 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**

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 28 October 2015. 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 for the statement of service provision. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

# ***Audit Report***

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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 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 the 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 believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## **Responsibilities of the Council**

The Council is responsible for preparing:

- financial statements and the statement of service provision that:
  - comply with generally accepted accounting practice in New Zealand;
  - present fairly the District Council and group's financial position, financial performance and cash flows;
  - present fairly its service performance, including achievements compared to forecast;

# Audit Report

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- a funding impact statement that presents fairly 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 presents fairly 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 presents fairly 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's responsibilities arise under 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.

## 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.

## 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 and the audit of the District Council's 2015-25 Long Term, 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***

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## **Compliance**

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

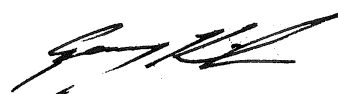
## **Responsibility**

- Council and management accept responsibility for the preparation of the financial statements, and for judgements exercised in preparing these;
- 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; and
- In the opinion of Council and management, the Annual Report and the financial statements contained therein for the year ended 30 June 2015 fairly reflect the financial position and operations of the Waitaki District Council and Group



Michael Ross  
**Chief Executive**

28 October 2015



Gary Kircher  
**Mayor of Waitaki**

28 October 2015

# ***The Year in Review***

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## **Roading**

- Successfully completed the 2012/15 National Land Transport Plan for the Waitaki District
- Council commenced and completed the first year of the Road Resilience Project in 2014/15 with \$502,800 of unbudgeted investment into the Waitaki district from the New Zealand Transport Agency
- Business case study to evaluate future options, including collaboration, for Roothing Team to address external changes. This resulted in a strengthening of the team with two new positions
- Full programme of renewals completed including resurfacing of roads, road renewal and footpath resurfacing
- Road maintenance included edge break, drain channel clearance, low shoulder filling and stabilised road repairs
- Constructed two bridges using recycled timber from the old SH82 timber bridge in Kurow
- Roothing network was dry other than two small rain events in 2015 which allowed the maintenance contractor to focus on and improve road maintenance
- Installed pedestrian drop crossings for improved access in conjunction with the kerb and channel renewal programme
- Improved the safety of two rural intersections by reconfiguring the design and layout
- Seal widening and seal smoothing on various roads in the District
- Safety improvements to intersections in Oamaru
- Completed river works to minimise damage to road infrastructure
- The Moeraki Community and Council completed the Haven Street roading project to reopen the road to the port
- Road safety programmes successfully completed for the year.

## **Water & Waste**

- Constructed new pipelines to connect Kakanui Township to the Oamaru water and sewer networks
- Installed new bores for the Otematata Township
- Completed various Water Safety Plans and achieved compliance with the Health Act
- Completed construction of the water treatment upgrade for Duntroon
- Progressed negotiations for the replacement of a new style of membrane filters for the Oamaru Water Treatment Plant
- Undertook various water, sewer and stormwater renewals during the year to maintain existing service levels
- Completed, adopted and implemented the Waitaki Water Supply Bylaw
- Selected the preferred partner to construct a Refuse Transfer Station in Oamaru
- Capped a large portion of the Oamaru Landfill to allow for its closure and aftercare plan.

## **Recreation**

- Council's first Reserve Management Plan was adopted by Council
- Recreation's first Asset/Activity Management Plan was prepared
- Re-levelled Centennial fields 2 and 3 and installed in-ground irrigation and a new, first class wicket block
- Learn to Swim software and registration reconfigured to improve customer service with great comments from staff and customers.

# ***The Year in Review***

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## **Community Development and Safety**

- CCTV project policy guidelines adopted by Council
- Launch of Waitaki Community Safety Strategy
- Industry Link Employer Forum: membership has grown with the forum meeting six weekly. The forum has a base of 20 workplaces and the group is functioning well with health and safety officers and Human Resources managers sharing training opportunities, presentations and providing information and support to each other
- Results Based Accountability (RBA) monitoring and evaluation framework training for Safer Waitaki, community groups and organisations
- Co-ordination of Education and Employment Forum and Youth Forum
- Facilitation of Quality of Life Youth Survey
- Support for Southland Region in development of Safer Communities Project.

## **Forrester Gallery and North Otago Museum**

- Delivered 19 exhibitions at the Gallery, with six based on the permanent collection, and two temporary exhibitions (including 32 blogs and 12 collaborative news articles with the Oamaru Mail) and eight display upgrades at the Museum
- Delivered 15 events (nine exhibition openings, one book launch, and five artists talks), eight talks to community groups and two conference presentations
- Launched collaborative Culture Waitaki website in July
- Updated and improved building facilities as well as administration and operational systems to become more efficient and align better with Council
- Collaborated with Community Services Group on programmes and staffing resources
- Completed Museum accession cataloguing project and commenced re-shelving, collection significance review and research into collections in preparation for the cultural facilities redevelopment project.

## **Community Amenities, Oamaru Harbour and Historic Precinct**

- Six Community Housing units were renovated and two were partially renovated
- Significant progress has been made with the Oamaru Harbour re-survey and perfection of title
- A number of transactions have taken place
- The option to purchase part of Hospital Hill was extended. The purchaser's building consent has subsequently been lodged
- The lessees of the three sections at North Oamaru Business Park have commenced construction.

## **Democracy, Accountability and Governance**

- The most significant piece of work during this period was the development of the 2015-25 Long Term Plan (including budgets, projects, 30 year Infrastructure Strategy and Significance and Engagement Policy) which was adopted by Council on 24 June 2015
- The 2013/14 Annual Report (including annual residents survey) was prepared
- A new Council website was developed and launched
- The Link was retendered, rebranded and moved to a monthly circulation
- Class 4 Gambling and TAB Venues Policy consulted on and progressed
- Continued ongoing engagement with the Crown on earthquake prone building rules.

## **Environment, Regulation and Safety**

- Increase in Waitaki District's Civil Defence Emergency Management Emergency Operations Centre capability and capacity
- Established local Waitaki Civil Defence Emergency Management Welfare Committee with a new plan completed, Committee exercised.

## ***Groups of Activities***

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# Roads and Footpaths

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## What we did

- Council commenced the Rural Resilience Project in 2014/15 for \$897,867 of which \$502,800 was unbudgeted investment by NZTA into the Waitaki district. This included the construction of five wash-over pads and multiple culvert renewals
- Full programme of renewals completed including resurfacing of roads (272,200m<sup>2</sup>), road renewal (8km) and footpath resurfacing (11,000m<sup>2</sup>)
- Road maintenance included 10km of edge break, 10km of drain channel clearance, 3.3km of low shoulder filling and 12,000m<sup>2</sup> of stabilised road repairs
- Culverts: 400m of renewed culverts installed
- Renewed 1,500m of kerb and channel
- 234km of unsealed road metalling renewals completed
- 34km of unsealed road spot metalling maintenance
- Constructed two bridges (Otiake and Birchwood) using recycled timber from the old SH82 timber bridge in Kurow
- Constructed a tyre wall at Ouse Street to prevent another crash endangering a residence
- Constructed rock footing at Orou Point that has enabled Waianakarua Road to revert to two lanes
- Realigned a section of Beach Road following drop-out from coastal erosion; plus undertook extensive coastal survey of coastal margin to record further potentially unstable sites
- Roothing network was dry other than two small rain events in 2015 which allowed the maintenance contractor to focus on and improve road maintenance
- Installed pedestrian drop crossings for improved access in conjunction with the kerb and channel renewal programme
- Improved the safety of two rural intersections (Tussocky/Weston-Ngapara Roads, Windsor/Weston-Ngapara Roads) by reconfiguring the layouts
- Seal widening on Horse Range Road to allow for safe use by logging trucks
- Seal widening of blind rise on Fortification Road to improve safety
- Seal smoothing to improve the shape of the road at Stonewall and Thousand Acre Road
- Lifted level of A2O cycle track at Island-Cliff – Duntroon Road
- Improved the intersection at Eden and Humber Streets for safety
- Carried out a road realignment, widened and improved drainage at the Usk and Humber Street intersection
- Rehabilitated Harbour Street after extensive public consultation
- Completed river works in the Kauru River to minimise damage to the road bridge on Kakanui Valley Road
- The Moeraki Community and Council completed the Haven Street roading project to reopen the road to the port
- Trial of over 90 LED street lights in Ahuriri and Waihemo
- Street lighting upgrade completed in conjunction with the New Zealand Transport Agency
- Completed kerb and channel and footpath upgrade in Weston
- Completed safety improvements to Weston-Oamaru cycleway on Saleyards Road
- Overlooked installation of UFB within Oamaru to completion and developed an inspection plan to minimise future liability to Council
- Completed design and build of a new bus shelter on Eden Street.

# ***Roads and Footpaths***

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## **Road Safety**

- 'Drive 2 Survive' was a three hour expo held at the Waitaki Recreation Centre for all Year 12 students from St Kevin's College, Waitaki Boys' and Girls' High Schools. 260 students attended in 2015
- The 'Safe with Age' course involved a theory refresher course, mobility scooter introduction and a practical driver assessment for drivers aged over 65
- Fatigue stops in operation on public holidays which were organised by Waitaki Road Safe (WRS), a volunteer road safety group
- 'Lord of the Roads' advertising campaign ran a series of ads on The Hits and Newstalk ZB radio stations. Council was a finalist for 'technical production' at the NZ radio awards
- 'Cardboard Car Rally' as part of 'Remember September' was a public event held in Oamaru. Teams of students created cardboard cars and kept moving around an obstacle track for two hours. Police (breathalyser, speed camera) St John and Fire (water slide) interacted on the day. A crashed vehicle from a fatal crash was displayed with a storyboard of the events leading to the crash
- A series of presentations to Year 12 students at Waitaki Girls' High School Life Skills class including watching a road safety DVD 'Another Saturday Night' and a fatal-vision goggles exercise
- Printed 'Must wear seat belts' stickers for school vans by request which have also been offered to other schools
- Newspaper advertising – series of three ads covering sunstrike, blind corners and heavy vehicles
- Renewed the 'Travellers Tips' brochures and printed copies. Installed a new brochure holder at Maori Rocks rest area in Duntroon
- DVD and questionnaire being developed to replace the outdated drink driver intervention programme.

# 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 2014/15	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 50% of residents are satisfied or very satisfied that roads in the Waitaki district are safe (46% in 2013/14)	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: Achieved: Number of crashes: 2015 (tyma) 88.7 (2014 (tyma) 90) Achieved: Number of fatal crashes: 2015 (tyma) 0.6 (2014 (tyma) 0.7) Achieved: Number of severe injury crashes: 2015 (tyma) 8.2 (2014 (tyma) 8.3) Not achieved: Number of minor injury crashes: 2015 (tyma) 25.3 (2014 (tyma) 24.3)	10 Year Moving Average (tyma) statistics reduction on: <ul style="list-style-type: none"> <li>• Number of crashes</li> <li>• Number of fatalities</li> <li>• Number of severe injuries</li> <li>• Number of minor injury crashes</li> </ul>

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing transportation infrastructure that supports a diverse, sustainable and growing economy	Resident satisfaction with the roading network	Not achieved 54% of residents are satisfied or very satisfied with the roading network (42% in 2013/14)	70% of residents are satisfied or very satisfied with the roading network
	Resident satisfaction with footpaths, walkways and cycleways	Not achieved 51% of residents are satisfied with footpaths (54% in 2013/14)  Achieved 82% of residents are satisfied with walkways (79% in 2013/14)  Achieved 82% of residents are satisfied with cycleways (85% in 2013/14)	70% of residents are satisfied with footpaths, walkways and cycleways
	Resident satisfaction with parking in commercial and shopping areas	Achieved 85% of residents are satisfied or very satisfied with parking in commercial and shopping areas (77% in 2013/14)	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	Monthly roading rate of \$39 or \$468 per annum is less than 15% of average annual power bill (\$2,171) and telephone and internet bill (\$948), total \$3,119 (Monthly roading rate of \$36.41 or \$437 per annum, less than 14% of average annual power bill, telephone and internet in 2013/14)	Monthly roading rate cost <50% of average annual household power bill, telephone and internet

# Roads and Footpaths

## How we performed – Roads and Footpaths (continued)

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
By providing transport networks and services that are safe	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	<p>Achieved 91% of public enquiries responded to within approved response times (40% in 2013/14)</p> <p><i>The significant improvement in CRM response times was due to system improvements and our roading contractor putting a dedicated resource in place to address public enquiries.</i></p> <p>Residents Survey showed 48% of residents were satisfied or very satisfied with the Council's response times (40% in 2013/14)</p>	CRM shows that 90% of public enquiries responded to within approved response times

# Funding Impact Statement – Roads and Footpaths

Roads & Footpaths				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
220	220	General Rates, Uniform Annual General Charge, Rates Penalties	234	234
5,767	5,764	Targeted Rates	6,116	6,114
5,987	5,984	<b>Rates Revenue</b>	6,350	6,348
3,621	2,566	Subsidies and Grants for Operating Purposes	3,032	2,505
223	212	Fees and Charges	240	222
-	-	Interest and Dividends from Investments	-	-
22	2	Internal Charges and Overheads Recovered	31	25
269	283	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	306	489
4,135	3,063	<b>Operating Revenue</b>	3,609	3,241
10,122	9,047	<b>Total Sources of Operating Funding</b>	9,959	9,589
		<b>Applications of Operating Funding</b>		
6,486	4,815	Payments to Staff and Suppliers	4,717	4,816
-	-	Finance Costs	-	-
1,286	1,186	Internal Charges and Overheads Applied	1,341	1,342
-	-	Other Operating Funding Applications	-	-
7,772	6,001	<b>Total Applications of Operating Funding</b>	6,058	6,158
2,350	3,046	<b>Surplus / (Deficit) of Operating Funding</b>	3,901	3,431
		<b>Sources of Capital funding</b>		
2,461	2,942	Subsidies and Grants for Capital Expenditure	3,124	2,567
99	128	Development and Financial Contributions	123	139
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
2,560	3,070	<b>Total Sources of Capital Funding</b>	3,247	2,706
		<b>Applications of Capital funding</b>		
		Capital Expenditure		
-	-	Meet Additional Demand	-	-
377	663	Improve Levels of Service	550	795
4,644	4,969	Replace Existing Assets	6,034	4,792
(111)	484	Increase / (Decrease) in Reserve	564	550
-	-	Increase / (Decrease) in Investments	-	-
4,910	6,116	<b>Total Applications for Capital Funding</b>	7,148	6,137
(2,350)	(3,046)	<b>Surplus / (Deficit) of Capital Funding</b>	(3,901)	(3,431)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

Council commenced the Rural Resilience programme focusing on improving and upgrading key parts of the rural roading network throughout the District, with no expectation that NZTA would fund the project. The programme was not allowed for in the 2012 - 22 LTP, resulting in an apparent overspend on capital works. Ultimately, NZTA agreed to provide its normal subsidy in support of the programme, resulting in a higher level of subsidy for capital works.

# Water and Waste

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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

- Completed and commissioned new pipelines to connect Kakanui Township to the Oamaru water and sewer networks
- New bores adjacent to the Otematata River were constructed, commissioned and commenced supplying water to the Otematata Township in August
- Completed Water Safety Plan for Omarama to comply with the Health Act. A key requirement is to implement the improvement plan, including installing a new upgraded treatment system. The first stage is to drill new secure production bores which will occur in 2015/16
- Completed Water Safety Plan for Herbert/Waianakarua and Hampden/Moeraki water supplies to comply with the Health Act. A key requirement is to implement the improvement plan which includes connecting the supplies to the Oamaru water supply. The installation of the new pipeline will occur over the next two years
- Completed construction of the water treatment upgrade for Duntroon. The upgrade included installation of filters and UV equipment and allowed the removal of a long standing permanent boil water notice
- We deferred the replacement of Oamaru's water membrane filters and extended their useful life by carefully managing performance over the peak summer period. This is a significant expenditure of around \$1.2M which, for every month deferred, saved depreciation expense of up to \$15K
- We substantially negotiated the replacement of a new style of membrane filters for the Oamaru Water Treatment Plant
- Investigated alternate effluent disposal sites for Moeraki wastewater system
- Significant amounts of water main renewals occurred, addressing many of the more problematic water mains in the district. This included replacing problematic water mains through Summit (Canterbury) Wool Spinners, Foyle Street and Orwell Street
- Completed, adopted and implemented the Waitaki Water Supply Bylaw
- Installed a water tanker fill point, complete with charging system and backflow protection
- Upsized a significant portion of a water main in Waianakarua to allow expansion and sale of a large number of water units in the area
- The project to improve the rating database accuracy continued, resulting in lower ratepayer rate charges
- Completed investigations for Muddy Creek improvements. This included establishing design flows, channel capacity and choke points. The findings were complex and a collaborative approach between NZTA, ORC and Council will be considered in developing the final solution. Preliminary assessment at the North End Business Park shows that the design has mitigated the future effects of this development
- The team has spent considerable time gathering and collating information for the IPWEA/SOLGM and LGNZ three waters project
- Undertook a Request for Proposal process to select the preferred partner to deliver a Refuse Transfer Station for Oamaru following the Oamaru Landfill closure in 2016
- Capped a large portion of the Oamaru Landfill to allow for its closure and aftercare plan
- Council provided the following waste grants:
  - \$270,000 value to Waitaki Resource Recovery Trust (made up of \$220,000 cash, \$40,000 value lease and \$10,000 ground maintenance)
  - \$20,000 to Waihemo Waste Busters

# Water and Waste

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## 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 2014/15	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 92% of emergency responses (45 of 49) occur in <1 hour (94% in 2013/14)	90% of emergency responses occur in <1 hour
	Minor works** <2-5 working days	Achieved 100% of minor works response (41 of 41) occur in <2-5 working days (98% in 2013/14)	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
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 in 2013/14)	No abatement notices issued by regional councils
	Response to blockages <1 hour	Achieved 94% of blockages (15 of 16) were responded to in <1 hour (100% of blockages (25) in 2013/14)	90% of blockages were responded to in <1 hour
	Response to overflows <1 hour	Achieved 92% of overflows (11 of 12) were responded to in <1 hour (100% of overflows (20) in 2013/14)	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 \$204 is 9% <sup>1</sup> of the average power bill and less than 22% <sup>2</sup> of the average telephone and internet bill (Average wastewater rate of \$184 in 2013/14 was 9% of average power bill and less than 20% 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 approximately 35% spare capacity <sup>3</sup> , Moeraki has approximately 64% spare capacity <sup>4</sup> (Oamaru 33%, Moeraki 60% in 2013/14)	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 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 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 2015 (\$2,171 – Average Price – Waitaki) Source: Powerswitch.org.nz

2 Based on \$79 a month for phone, broadband and toll calls - \$948. Source: Kiwi Money Savers

3 Based on 2013-14 report to ORC which showed approximately 35% spare capacity

4 Based on 2014-15 report to ORC which showed approximately 64% spare capacity

## Funding Impact Statement – Waste Water

<b>Sewerage (Treatment &amp; Disposal)</b>				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
-	-	<b>Sources of Operating Funding</b>	-	-
		General Rates, Uniform Annual General Charge, Rates Penalties		
1,782	1,781	Targeted Rates	1,733	1,729
1,782	1,781	<b>Rates Revenue</b>	1,733	1,729
-	-	Subsidies and Grants for Operating Purposes	-	-
225	170	Fees and Charges	325	240
-	-	Interest and Dividends from Investments	-	-
355	255	Internal Charges and Overheads Recovered	445	417
(6)	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	-	-
574	425	<b>Operating Revenue</b>	770	657
2,356	2,206	<b>Total Sources of Operating Funding</b>	2,503	2,386
		<b>Applications of Operating Funding</b>		
936	1,072	Payments to Staff and Suppliers	1,145	1,061
-	-	Finance Costs	-	-
421	454	Internal Charges and Overheads Applied	522	483
-	-	Other Operating Funding Applications	-	-
1,357	1,526	<b>Total Applications of Operating Funding</b>	1,667	1,544
999	680	<b>Surplus / (Deficit) of Operating Funding</b>	836	842
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
89	106	Development and Financial Contributions	67	116
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
89	106	<b>Total Sources of Capital Funding</b>	67	116
		<b>Applications of Capital funding</b>		
		Capital Expenditure		
-	-	Meet Additional Demand	-	-
158	290	Improve Levels of Service	35	200
323	104	Replace Existing Assets	51	100
607	392	Increase / (Decrease) in Reserve	817	658
-	-	Increase / (Decrease) in Investments	-	-
1,088	786	<b>Total Applications for Capital Funding</b>	903	958
(999)	(680)	<b>Surplus / (Deficit) of Capital Funding</b>	(836)	(842)
-	-	<b>Funding Balance</b>	-	-

### 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 2014/15	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 (No emergency responses in 2013/14)	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 (No minor works in 2013/14)	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 (No habitable floor dwellings were flooded during 2013/14)	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 2014/15	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 issued by regional councils (No abatement notices in 2013/14)	No abatement notices issued by regional councils

# Water and Waste

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## 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 2014/15	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 (No stormwater flooding requests in 2013/14)	90% response to flooding <1 hour

# Funding Impact Statement – Stormwater

Stormwater Drainage				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
-	-	General Rates, Uniform Annual General Charge, Rates Penalties	-	-
381	381	Targeted Rates	471	471
381	381	<b>Rates Revenue</b>	471	471
-	-	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	9	-
-	-	<b>Operating Revenue</b>	9	-
381	381	<b>Total Sources of Operating Funding</b>	480	471
		<b>Applications of Operating Funding</b>		
55	54	Payments to Staff and Suppliers	42	64
-	-	Finance Costs	-	-
96	120	Internal Charges and Overheads Applied	101	133
-	-	Other Operating Funding Applications	-	-
151	174	<b>Total Applications of Operating Funding</b>	143	197
230	207	<b>Surplus / (Deficit) of Operating Funding</b>	337	274
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
-	-	<b>Total Sources of Capital Funding</b>	-	-
		<b>Applications of Capital funding</b>		
-	-	Capital Expenditure	-	-
-	-	Meet Additional Demand	-	-
49	1,357	Improve Levels of Service	20	39
9	-	Replace Existing Assets	-	-
172	(1,150)	Increase / (Decrease) in Reserve	317	235
-	-	Increase / (Decrease) in Investments	-	-
230	207	<b>Total Applications for Capital Funding</b>	337	274
(230)	(207)	<b>Surplus / (Deficit) of Capital Funding</b>	(337)	(274)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

The activities in this group operated as expected. Delays in the development of stormwater infrastructure in the Oamaru North End Industrial Park area resulted in reduced capital expenditure in 2013/14. This work was to have been completed in the current year, but has now been deferred until the 2015/16 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Protecting the community from drinking water related health issues by providing quality potable water to agreed areas</p> <p>Provide fire protection within Oamaru to assist in the safety, and health of the community</p>	<p>Drinking water will comply with the Health Act 1956 and hence the Drinking Water Standards for New Zealand where appropriate</p>	<p>Not achieved. Duntroon complies. Work to demonstrate compliance on Hampden/Moeraki, Herbert/Waianakarua and Lake Ohau is underway and varying in progress. Hampden/Moeraki, Herbert/Waianakarua and Duntroon have approved Water Safety Plans. Dunrobin, Otekaieke and Stoneburn have been confirmed as Rural Agricultural and the date to comply with the standards has not yet been set. Tokarahi is now being managed by Corriedale Water Management Ltd</p>	<p>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</p>
	<p>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</p>	<p>Not measured No hydrants were tested by the NZ Fire Service during the year (NZ Fire Service have a five yearly cycle in which they endeavour to test key hydrants)</p>	<p>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)</p>

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Timely response to service requests and system failures</p> <p>Equitable pricing mechanisms</p> <p>Long term planning of maintenance, renewals, and provision for growth will provide assurance for a sustainable, efficient and effective water service</p>	Emergency response* <1-4 hours in accordance with Urban and Rural Contract criteria	Not achieved 79% of emergencies (395 of 503) responded to within <1-4 hours. There was a high volume of restrictors damaged due to extreme frosts, in a short period of time. This is the main reason for 99 CRMs not responded to within the designated timeframe (94% in 2013/14)	90% of emergencies responded within <1-4 hours in accordance with Urban and Rural Contract criteria
	Minor works** response <2-5 working days	Achieved 97% of minor works (1484 of 1536) responded to within <2-5 working days (88% in 2013/14)	90% of minor works** responded to within <2-5 working days
	Community perceives the water supply is reliable	Achieved 84% of residents are satisfied or very satisfied with the water supply provided (83% in 2013/14)	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 \$213 is approximately 9% <sup>1</sup> of the average residential power bill and less than 23% <sup>2</sup> of the average telephone and internet bill (Average residential water rate of \$209 in 2013/14 was 10% of average power bill and less than 23% 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

\* 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 – 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

<sup>1</sup> Prices based on electricity price trend June 2015 (\$2,171 – Average Price – Waitaki) Source: Powerswitch.org.nz

<sup>2</sup> Based on \$79 a month for phone, broadband and toll calls - \$948 Source: Kiwi Money Savers

# Water and Waste

## How we performed – Water Supply (continued)

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Timely response to service requests and system failures</p> <p>Equitable pricing mechanisms</p> <p>Long term planning of maintenance, renewals, and provision for growth will provide assurance for a sustainable, efficient and effective water service</p>	<p>Council will provide spare capacity*** at its water supply</p> <p>*** see previous page for definition</p>	<p>Achieved</p> <p>Oamaru has 27% spare capacity</p> <p>Not achieved</p> <p>Waihemo recorded flows above the consent allowance during the summer peak, although ORC confirmed the consent was fully compliant. Achieved in 2012 as per yearly target but since then consent capacity has been exceeded on the odd occasion (Oamaru 32%, Waihemo 6% in 2013/14)</p>	<p>Oamaru 20% potential</p> <p>Waihemo (Palmerston) 5% potential by 2012</p>

# Funding Impact Statement – Water Supply

Water Supply				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
1	1	General Rates, Uniform Annual General Charge, Rates Penalties	1	1
5,168	5,123	Targeted Rates	5,266	5,262
5,169	5,124	<b>Rates Revenue</b>	5,267	5,263
-	-	Subsidies and Grants for Operating Purposes	-	-
605	437	Fees and Charges	629	437
-	-	Interest and Dividends from Investments	-	-
335	351	Internal Charges and Overheads Recovered	400	376
10	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	8	-
950	788	<b>Operating Revenue</b>	1,037	813
6,119	5,912	<b>Total Sources of Operating Funding</b>	6,304	6,076
		<b>Applications of Operating Funding</b>		
2,701	2,888	Payments to Staff and Suppliers	2,847	2,841
-	-	Finance Costs	-	-
1,361	1,462	Internal Charges and Overheads Applied	1,463	1,476
-	-	Other Operating Funding Applications	-	-
4,062	4,350	<b>Total Applications of Operating Funding</b>	4,310	4,317
2,057	1,562	<b>Surplus / (Deficit) of Operating Funding</b>	1,994	1,759
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
300	250	Development and Financial Contributions	245	275
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
300	250	<b>Total Sources of Capital Funding</b>	245	275
		<b>Applications of Capital funding</b>		
-	-	Capital Expenditure	-	-
-	-	Meet Additional Demand	-	-
1,528	605	Improve Levels of Service	859	592
1,503	763	Replace Existing Assets	728	1,435
(674)	444	Increase / (Decrease) in Reserve	652	7
-	-	Increase / (Decrease) in Investments	-	-
2,357	1,812	<b>Total Applications for Capital Funding</b>	2,239	2,034
(2,057)	(1,562)	<b>Surplus / (Deficit) of Capital Funding</b>	(1,994)	(1,759)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

Work continued on drinking water standard upgrades for a number of rural water schemes, however several planned for this year have been deferred resulting in reduced 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 2014/15	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 (97% in 2013/14)	90% of residents are within 25km of a transfer station, landfill or recycling drop off station
	Percentage of Waitaki residents satisfied	Not achieved 38% of residents are satisfied or very satisfied with Council waste services (47% in 2013/14)	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 2014/15	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

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## 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 2014/15	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	<p>Not achieved</p> <ul style="list-style-type: none"> <li>• Greenwaste – 1,758 tonnes</li> <li>• Glass – 503 tonnes (Greenwaste – 2,195 tonnes and Glass 486 tonnes in 2013/14)</li> </ul> <p>Achieved</p> <ul style="list-style-type: none"> <li>• Recyclables – 1,899 tonnes (Recyclables – 2,853 tonnes in 2013/14)</li> </ul>	<p>2014/15: at least</p> <ul style="list-style-type: none"> <li>• Green waste – 1,900 tonnes</li> <li>• Recyclables – 1,800 tonnes</li> <li>• Glass – 525 tonnes</li> </ul>

# Funding Impact Statement – Waste Management and Minimisation

Waste Management & Minimisation				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
966	963	General Rates, Uniform Annual General Charge, Rates Penalties	688	686
-	-	Targeted Rates	-	-
966	963	<b>Rates Revenue</b>	688	686
79	60	Subsidies and Grants for Operating Purposes	75	60
1,036	851	Fees and Charges	1,175	896
-	-	Interest and Dividends from Investments	-	-
-	-	Internal Charges and Overheads Recovered	-	-
1	-	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	1	-
1,116	911	<b>Operating Revenue</b>	1,251	956
2,082	1,874	<b>Total Sources of Operating Funding</b>	1,939	1,642
		<b>Applications of Operating Funding</b>		
1,502	1,548	Payments to Staff and Suppliers	1,122	1,370
-	-	Finance Costs	-	-
219	255	Internal Charges and Overheads Applied	222	238
-	-	Other Operating Funding Applications	-	-
1,721	1,803	<b>Total Applications of Operating Funding</b>	1,344	1,608
361	71	<b>Surplus / (Deficit) of Operating Funding</b>	595	34
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
-	-	<b>Total Sources of Capital Funding</b>	-	-
		<b>Applications of Capital funding</b>		
		Capital Expenditure		
-	-	Meet Additional Demand	-	-
-	-	Improve Levels of Service	2	-
8	-	Replace Existing Assets	230	-
353	71	Increase / (Decrease) in Reserve	363	34
-	-	Increase / (Decrease) in Investments	-	-
361	71	<b>Total Applications for Capital Funding</b>	595	34
(361)	(71)	<b>Surplus / (Deficit) of Capital Funding</b>	(595)	(34)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

Volumes of waste being delivered to the Oamaru landfill have not reduced as anticipated, and income again increased over both the previous period and the LTP. Costs were held within budgeted levels. Work has commenced ahead of schedule on capping the existing Oamaru landfill, which will close in 2016, and the development of a new transfer station facility in collaboration with private sector partners.

# ***Arts, Heritage and Community***

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## **What we did**

### **Community Safety & Development Unit**

#### Safer Waitaki Project

- Community Safety Strategy launched
- Safer Waitaki Communication Strategy completed
- Safer Waitaki Family Whanau working group set up, terms of reference developed and meetings commenced
- Results Based Accountability (RBA) 101 monitoring and evaluation workshops held 5 September 2014, 24 October 2014 and 16 March 2015
- Safer Waitaki representative attended and presented at Safer Communities Forum of New Zealand (SCFNZ) National Hui on 20/21 October 2014
- Safer Waitaki supported development of a Safe Communities Model in Southern region with a successful visit to support Southland's community consultation and steps towards implementing model. Presented to stakeholders in Invercargill on 24 February 2015

#### Employment, Education and Training

- Coordinated a youth forum on 20 October 2014, with 45 young people participating, in conjunction with, and funded by, the Youth Council as a youth development project
- Youth Survey Quality of Life Survey conducted as follow up to youth forum
- Bridging the Gaps Forum education and training forum held on 21 October 2014 following the youth forum. 56 people attended from community, social services and education sectors
- Contributed to Ministry of Social Development (MSD) Community Response Forums as Waitaki appointee
- Successfully co-ordinated Survivor 2020 Safer Journeys three day Road Safety Expo for Dunedin City Council

#### Industry Link Employer Forum

- Membership has grown with the forum meeting six weekly. The group is functioning well with health and safety officers and Human Resources managers sharing training opportunities, presentations on relevant topics and providing information and support to each other

#### Family Violence Awareness

- With other Community members and teachers, facilitated Loves Me Not, healthy relationship programme in two high schools on 23 April and 3 June 2015
- With partner agencies coordinated Local White Ribbon Ride and Debate and presentations

#### Suicide Prevention/Postvention

- Safe Talks held
- Statistics gathered
- Co-ordinated successful School and Community Events with Mike King and Tai Tupou held in Oamaru and Kurow on 10 & 11 September 2014. The Kurow event was particularly well supported with 69 members of the community in attendance
- Suicide Postvention Plan signed off by the core working group in formal ceremony on 17 September 2014
- Coordinated Family Violence Training for local business and community groups on 3 June

#### Youth Coalition

- Coordinated event for teachers and parents with keynote presentation from Professor Harlene Hayne from University of Otago, on the impact of alcohol on adolescents, on 29 August 2014

#### UNESCO Community Consultation

- Initiated local response to an invitation by Joris de Bres to host local meeting to answer two key questions about multiculturalism in New Zealand on 16 April 2015, which was well attended. The workshop was one of a series and information gathered contributed to the NZ Federation national report 'Our Multicultural Future'

# ***Arts, Heritage and Community***

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## Youth Council

- Attended monthly meetings
- Successfully worked with schools and community to increase membership for 2015
- Coordinated and attended Youth Council leadership development day at Camp Iona on 15 March. Day included planning, team work and abseiling. Day was well attended with ten members present

## Liquor Bans

- Coordinated legislative requirements and updated signage to enable temporary liquor bans to be enacted over Labour Weekend and Christmas/New Year

## Mental Health and Addiction

- Elected by Waitaki Mental Health and Addictions Network to represent Waitaki at Regional Network Leadership Group meetings which take place six weekly
- Facilitated local consultation meeting for Raise Hope Mental Health Strategy on 27 February. Meeting was a success with local stakeholders agreeing to participate in implementation process
- Co-ordinated meeting with SDHB planning and funding and local network group 20 March. Twenty stakeholders attended
- Established Waitaki Mental Health and Addiction Network

## Palmerston Skate Park

- Enabled by funding from Oceana Gold and Waihemo Community Board and in partnership with Sport Waitaki and Soul, Surf and Skate, coordinated and attended a skate event at Palmerston Skate Park

## CCTV

- Worked with Community and Police to develop and source funding for CCTV in Oamaru.

## **Forrester Gallery and North Otago Museum**

- Delivered 19 exhibitions at the Gallery, with six based on the permanent collection, and two temporary exhibitions (including 32 blogs and 12 collaborative news articles with the Oamaru Mail) and eight display upgrades at the Museum. Collaborated with the Tongan community to deliver an event and programme around the exhibition Tonga 'I Onopooni and hosted a book launch to accompany World War One exhibition 'From Little Towns in a Far Land'
- Delivered 15 events (nine exhibition openings, one book launch, and five artists talks), eight talks to community groups and two conference presentations
- Worked collaboratively with the Waitaki District Archive to publish 365 History in Focus photographs on Facebook and in the Oamaru Mail
- Achieved an additional 30% increase in likes on Museum Facebook and 31% increase on Gallery Facebook page
- Launched collaborative Culture Waitaki website in July. See additional comments below
- Hosted a Regional Museums network meeting at the Museum in March 2015 and attended other Museums Aotearoa, National Services Te Paerangi and Creative NZ forums and training programmes
- Upgraded branding and signage at Museum and Gallery
- Restored original kauri flooring at street level and in stairwell at Gallery
- Updated and improved administration and operational systems, including assets register at the Gallery and Museum
- Converted Gallery Macintosh system to PC to align with Council operations
- Migrated Gallery collection database to more up to date and industry standard Museum database
- Collaborated with Library, Opera House and Waitaki Aquatic Centre to deliver holiday programmes
- Collaborated with Library on staffing resources
- Completed stage one of Museum collections project with accession cataloguing project with all items accounted for and no collection losses.

# ***Arts, Heritage and Community***

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## **Forrester Gallery and North Otago Museum (Continued)**

- Commenced stage two of Museum collections project with re-shelving, collection significance review and research into collections in preparation for cultural facilities redevelopment project
- Engaged two new fixed term staff members (Registrar and Educator), and one new casual collection technician realigning staffing with programme development goals and cultural facilities redevelopment project.

## **The Oamaru Opera House**

- Working closely with the Musical Theatre Oamaru to ensure at least two shows are staged annually
- The Opera House hosted national and international tours to Oamaru, providing the community with a diverse theatre programme which appeals to a broad sector of the community
- The Irrigation NZ national conference has been secured for April 2016 with attendance of up to 300 delegates
- Worked closely with Tourism Waitaki to attract conferences and events into Oamaru
- Staff attended CINZ (Conferences Incentives NZ) with Tourism Waitaki to promote the facility and Oamaru as a convention centre
- The Opera House grew patronage at community events
- Engagement with the local schools - hosting the North Otago Music Festival over three days and participating in work experience for students
- Continued excellence in café services for meetings and events
- Moved the coffee machine in the café and improved signage
- Provided ticketing services for local and national events, in particular Forsyth Barr Stadium events
- Active online marketing and communication tools for community engagement, including a new mobile compatible website funded by Creative NZ
- Delivered 43 shows presented in the Auditorium and Inkbox theatre
- New Director and restructure of the Opera House operations
- Staff trained on the Ungerboeck Event Management system
- Collaborated with the Forrester Gallery, Library, Archive and North Otago Museum in the development of the Culture Waitaki website
- Collaborated with the Library to present its pre-school event "Wriggle & Rhyme"
- Secured Sponsorship funding from Whitestone Contracting Ltd and Whitestone Cheese.

## **Waitaki District Libraries and Archive**

- Collaborated with the Forrester Gallery, Archive, Museum and Opera House to improve efficiency and encourage staff development, and morale, including sharing staff to provide 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
- Staff 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 been consistent, due to "Wriggle & Rhyme" families bringing their toddlers along. We have also expanded the Toddler Time programme to Palmerston, with Fiona Kerr, Youth Librarian, visiting pre-schools and inviting them to the Library
- Encouraged use of eBook readers and saw issues of eBooks rise by 19%. Offered eReader clinics to the public. The Library expanded this Digital Literacy support to patrons in various forms, working with CAB and Literacy North Otago in one on one and small groups. All staff have completed a Digital Literacy audit, which will be followed up with targeted training.

# Arts, Heritage and Community

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## Waitaki District Libraries and Archive (continued)

- 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 to develop the Library webpage, with in a new mobile-device-friendly front page
- Expanded use of Facebook, Pinterest and Twitter as marketing tools, with excellent results in event attendance (see below)
- Held a number of successful events, talks, presentations and demonstrations in the Library by authors and musicians as well as displays. Celebrated NZ Book Month and Music Month; hosted Book launches, Community talks, Multi-Cultural events, etc. Recorded an 18% increase in attendance, compared with the previous year
- 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
- Commenced a deselection project of dated and dead stock, predominantly in the non-fiction area to create more public space
- Reduced Newspaper and Magazine subscriptions to expand our electronic Database subscriptions, e.g. Britannica and Ancestry
- Hosted the Oamaru branch of the NZ Society of Genealogists for an evening “lock in” event as well as delivering two days of genealogy workshops in the Library
- Continued to use and develop the Open Source, Koha Library Management System, which was upgraded and enhanced during the year. Supported Waimate District Council with their development of the Koha system and shared in staff training.

## How we performed – Community Safety, Development and Grants

The Community Safety and Development Unit launched the Community Safety Strategy and implemented a Communication Plan providing a framework for activity. There has been growth and development of the Safer Waitaki project evidenced in the progression of key priority areas. Of note are the Industry Link Employer Forum membership which has grown with the forum meeting six weekly. The group is functioning well with health and safety officers and Human Resources managers, from a base of 20 workplaces, sharing training opportunities, presentations on relevant topics and providing information and support to each other.

Other areas of significance are CCTV, Family Violence Awareness, Mental Health and Addictions Network and activities resulting from two Employment and Education Forums run in conjunction with a Youth Forum. There are also increasing opportunities to co-ordinate training and development for community groups and organisations. Achievements for the year included successful delivery of Results Based Accountability (RBA) 101 to a number of community groups to assist with planning, evaluation and reporting. The engagement and participation of communities, both local and regional, in the work of Safer Waitaki has been of particular significance. The number of organisations involved is increasing and stakeholder feedback has been consistently positive. Comments included:

- *“I have the opportunity to see how other Communities are working and are structured. Working amongst the Community we have here shows me that we have a very special and dedicated team that are working together to a collaborated integrated Community, they go above and beyond to make Waitaki a fantastic place to be. I am proud to be part of the initiatives that are taking place in town”*
- *“Very pleased with all aspects of performance and achievements. Keep up the great work”*
- *“I believe the Safer Waitaki Network process is a cost-effective and outcome-effective way of delivering on safer communities”*

Activity across priority areas has increased and data gaps are being addressed to ensure a targeted approach to activities. Funding has been sourced to undertake an organisational capability assessment and development plan which will assist in identifying pathways to sustainability.

# Arts, Heritage and Community

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## How we performed – Community Safety & Development Unit

**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 2014/15	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 94% of residents are satisfied or very satisfied that the Waitaki district is generally a safe place to be (93% in 2013/14)	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 2014/15	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	Achieved 100% satisfaction with community development advice and support (94.5% in 2013/14)	90% of customers satisfied or very satisfied with community development advice and support

# Arts, Heritage and Community

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## How we performed – Forrester Gallery

The focus has been updating operations and administration by improving efficiency and alignment with the Museum. Completed a range of overdue upgrades to the building, both exterior and interior, and equipment - most notably the roof repair project and the highly successful floor and stairwell restoration, for which there has been much positive feedback. Migrated the Gallery collection database to the Museum database and recalibrated IT to align with Council's PC platform. These achievements have been made possible by diverting resourcing from programming development and delivery for part of the year and, along with a realignment of staffing to focus on education, prepare the Gallery well for its continuing operations, as well as additional community engagement, planning and preparation as part of the approved cultural facilities redevelopment project.

Where full resourcing and capacity has been applied, the Gallery has demonstrated the potential for engaging the community through a focus on programming and learning. Excellent visitor numbers and satisfaction results were achieved over summer through the delivery of a diverse and well balanced exhibition programme, despite a two week closure in December for the flooring project. Visitor numbers were 21% more than the previous January to March. The Gallery developed a well-attended artists' talk programme and achieved fantastic community support for the Tonga 'i Onopooni -Tonga Contemporary exhibition and school programme in March. Building on this potential the new Curator's position (appointed May) will focus on the development and delivery of education and learning programmes for both the Gallery and Museum.

Overall visitor satisfaction remained high. Only one negative comment *"needs a lift"* was recorded in the Gallery visitor book over the year. A sample of comments include: *"Great as always"* (Dunedin); *'Anzac exhibition so poignant'* (Palmerston); *"Beautiful building and work on display"* (Taupo); *"What a special gallery with a wonderful warm welcome thank you"* (Palmerston); *"Oamaru is lucky to have this gallery – everything beautifully displayed"* (Auckland); *"A real asset to Oamaru"* (Kakanui); *"Lovely space, always worth visiting"* (Christchurch).

See comments under North Otago Museum in relation to online programmes.

# Arts, Heritage and Community

## How we performed – Forrester Gallery

**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 2014/15	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 Improved access via stairwell to upstairs and downstairs spaces by removing carpet and return to wooden stairs, making it safer and easier to use. Digital display in ground floor reception of popular upstairs Memorial Oaks exhibition for visitors unable to use stairs. Events programmed at street or basement levels	Street level spaces accessible to people with physical disabilities
	Visitor satisfaction as monitored by Council resident survey and visitor survey	Achieved 93% of residents are satisfied or very satisfied with the Forrester Gallery (100% in 2013/14)	90% of residents are satisfied with the Gallery
	Visitor satisfaction as monitored by visitor book comments	Achieved 99% of monitored visitor comments were satisfied. Of 280 comments only one negative: “needs a lift” (93% in 2013/14)	90% of visitors are satisfied with the Gallery visit
	Number of school visits	Not achieved 27 school visits recorded (19 in 2013/14)	Maintain current number of school visits
	Gallery attendance as monitored by electronic/manual counter	Not achieved 12,150 visits recorded by manual counter (14,804 in 2013/14) <i>Note the very popular Burns Memorial School Art Exhibition is later this year so falls after the reporting year</i>	23,000 Gallery visits recorded by manual counter
	Number of volunteer hours contributed to Gallery operations	Not achieved 1782.5 hours (1,863 in 2013/14) <i>Current volunteer group is ageing and finding volunteers has become more challenging</i>	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

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	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: 181,929 physical library visits (191,457 in 2013/14) <i>This 5% drop is in line with a national and international trend towards more virtual visits and on-line research</i>	230,000 physical library visits
	Level of service: Maintain or increase the number of electronic visits to the libraries website	Base line data not yet available, monitoring electronic visits commenced last year Total visits this year: 81,922 (90,782 in 2013/14)	To be determined by the first three years' performance
	Number of annual issues per capita	Not achieved 10 annual issues per capita (11.15 in 2013/14) <i>This reduction is in line with a national and international trends towards more virtual visits</i>	14 annual issues per capita
	Percentage of members that borrowed from library within last 2 years	Not achieved 51.8% (50% in 2013/14) <i>The Library borrower database is purging inactive members, so this percentage may not be exact</i>	60% of members borrowed from library within last two years
	Number of items available at no cost as a percentage of total collection	Achieved 96.1% of lending items are free (94.4% in 2013/14)	95% of lending items are free

# Arts, Heritage and Community

## How we performed – Waitaki District Libraries and Archive (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
- We understand and respect our cultural traditions and values, including wahi tapu (sacred places) and wahi taoka (treasured resources)

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	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 95% of residents are satisfied or very satisfied with library services (92% in 2013/14)	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 89% of borrowers are satisfied or very satisfied with library service (90% in 2013/14)	92% of surveyed borrowers are satisfied or very satisfied with library service
	Maintain current level of satisfaction with the Archive	Achieved 100% satisfaction with the Archive (100% in 2013/14)	>90% satisfaction
	Level of compliance with the Mandatory Archive Standard (2007)	Achieved 88% compliance with the Standard (88% compliance in 2013/14)	80% compliance with standard

# Arts, Heritage and Community

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## How we performed – North Otago Museum

The Museum performed well on all fronts this year reflecting increased staff capacity and resourcing (through access to cultural facilities redevelopment project funds and sharing of resources with the Gallery) as well as strategic goal setting.

The focus this year has been on improving knowledge about the collection and also the quality and efficiency of collection storage. Access and engagement projects have been designed to meet this goal, resulting in a rich array of physical and online content and programmes. Visitor engagement has been very successful with increased physical numbers this year. Research shows that online engagement drives actual visits as well as growing the online community. The increased visitor numbers and high level of satisfaction reflects the energy and expertise brought by staff to these projects as well as the potential of the Museum with a programme focused unashamedly upon unique and personal local stories. An example of the feedback received in the visitors book includes: *“Nice but a wee bit small”* (Christchurch); *“Very good, better than Te Papa”* (Wellington); *“A great little museum, well done”* (Auckland); *“Wonderful flavor for Oamaru”* (US); *“Well-presented WWI exhibition”* (Waikanae); *“Love the old stuff”* (Oamaru).

Our focus on storage has seen a significant amount of behind the scenes work at the Museum, resulting in improved collection knowledge and storage systems. This work has and will lead to better access and engagement and will feed strategically into the upcoming cultural facilities redevelopment project.

Recognising their role within the Community Services Group as a whole, the Museum and Gallery have continued to collaborate within the cultural and recreation space, with holiday programmes, specific events and the launch of the Culture Waitaki website for the Gallery, Museum, Archive, Library and Opera House. The website and use of social media channels (Facebook, Twitter and Pinterest) are a response to a growing demand for online resources and are essentially a baseline entry into the online/digital access world which will continue to require staff development and additional resourcing as technology develops apace.

A basic report from Google analytics shows that the website achieved almost 8,500 users, with 60% of these NZ based. Of these, 72% were new users and 28% return visitors. Overall visitors made 34,564 individual page views looking at an average of 2.93 pages for an average time of 2.11 minutes.

# Arts, Heritage and Community

## How we performed – North Otago Museum (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 2014/15	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	Achieved 15,331 visits recorded by electronic counter (14,573 in 2013/14)	Maintain current visitor numbers prior to redevelopment
	Number of volunteer hours contributed to Museum operations	Not achieved 615.5 hours: reflects fact Archive (which has always had a greater number of volunteers) is now part of the Library (2147.5 hours in 2013/14)	Maintain current number of volunteer hours
	Survey of comments of Museum visitor book, within a specified time period	Achieved 97% of monitored comments were satisfied (95% in 2013/14)	>85% satisfaction
	Visitor satisfaction with the Museum in Residents Survey	Not achieved 81% of visitors to the Museum are satisfied or very satisfied (94% in 2013/14)	>85% satisfaction
	In house survey of satisfaction of visitors to Museum	Achieved Annual Museums Aotearoa Survey shows 95% scored above satisfied (81% in 2013/14)	>85% 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 through physical damage (No collection losses in 2013/14)	No collection losses

# Arts, Heritage and Community

## How we performed – Oamaru Opera House

The main focus in the last six months was on restructure. A review of online systems and staff roles and responsibilities was undertaken which identified that a focus on increasing usage of the meeting and conference spaces was required and staff training for the event booking system and the online roster system utilised. This was a smooth process and was positively received by staff.

The Opera House presented a broad range of shows to appeal to a wide sector of the community and has increased community engagement.

The Opera House has attracted a large number of tourists visiting the venue. Trip Advisor comment from a UK visitor: *"I was pleasantly surprised that I was allowed to wander round the venue and explore it, going into the auditorium and function/meeting rooms. This isn't normally allowed in UK venues. The staff were really friendly, welcoming and informative. It's a lovely old venue that has clearly been restored with a lot of love and care."*

**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 2014/15	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% of visitors to the Oamaru Opera House are satisfied or very satisfied (96% in 2013/14)	90% satisfied
	Volunteer Satisfaction Survey	Achieved 100% satisfied (93% in 2013/14)	90% satisfied
	Occupancy Levels via Ungerboeck reporting	<p>Not achieved 9,178 entertainment patrons (10,585 in 2013/14)</p> <p>Achieved 90 community hires (70 in 2013/14)</p> <p>Not achieved 11 Conference half days (15 in 2013/14)</p> <p>Not achieved 284 contracted hires (317 in 2013/14)</p> <p>Achieved \$118,800 revenue (\$176,850 in 2013/14)</p>	<p>11,000 entertainment patrons</p> <p>80 Community Green Room Hires</p> <p>35 Conference half days</p> <p>Total contracted hires: 330</p> <p>Revenue \$110,000</p>

# Funding Impact Statement – Arts, Heritage and Community

<b>Arts, Heritage &amp; Community</b>				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
274	273	General Rates, Uniform Annual General Charge, Rates Penalties	237	236
3,102	3,092	Targeted Rates	3,057	3,053
3,376	3,365	<b>Rates Revenue</b>	3,294	3,289
357	110	Subsidies and Grants for Operating Purposes	86	104
366	347	Fees and Charges	364	371
-	-	Interest and Dividends from Investments	-	-
-	-	Internal Charges and Overheads Recovered	-	-
158	160	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	144	166
881	617	<b>Operating Revenue</b>	594	641
4,257	3,982	<b>Total Sources of Operating Funding</b>	3,888	3,930
		<b>Applications of Operating Funding</b>		
2,489	2,619	Payments to Staff and Suppliers	2,540	2,574
-	-	Finance Costs	-	-
1,199	1,215	Internal Charges and Overheads Applied	1,242	1,190
-	-	Other Operating Funding Applications	-	-
3,688	3,834	<b>Total Applications of Operating Funding</b>	3,782	3,764
569	148	<b>Surplus / (Deficit) of Operating Funding</b>	106	166
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
6	-	Gross Proceeds from Sale of Assets	7	-
6	-	<b>Total Sources of Capital Funding</b>	7	-
		<b>Applications of Capital funding</b>		
-	-	Capital Expenditure	-	-
-	-	Meet Additional Demand	-	-
47	70	Improve Levels of Service	112	55
133	169	Replace Existing Assets	128	136
395	(91)	Increase / (Decrease) in Reserve	(127)	(25)
-	-	Increase / (Decrease) in Investments	-	-
575	148	<b>Total Applications for Capital Funding</b>	113	166
(569)	(148)	<b>Surplus / (Deficit) of Capital Funding</b>	(106)	(166)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

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

# ***Parks and Recreation***

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## **What we did**

- Offered a range of services at the Aquatic Centre including a comprehensive swim programme (new-borns through to competitive swimming), water safety skills, water aerobics and attractions in the form of rope swim, small slide and inflatables, fitness and holiday programmes
- Provided grants for community access to school pools in Kurow and Palmerston
- Installed a new basketball hoop in the main pool which is proving popular
- Introduced new holiday programme opportunities including snorkelling and underwater hockey
- Reconfigured Learn to Swim software and registration to improve customer service with great comments from staff and customers
- Carried out turf renovation programmes as recommended by New Zealand Sports Turf institute
- Replaced two stairways on the Grandstand
- Re-levelled Centennial fields 2 and 3 and installed in-ground irrigation and a new first class wicket block
- Commenced planting of Cape Wanbrow, with Community support
- Painted the green house in the Oamaru Public Gardens and removed a number of trees that were causing shade and safety issues along the railway line and Oamaru Stream
- Refurbished the old nursery and working with Forest and Bird, DoC and Nature Heritage Society with 7,000 plants in production
- Drainage installed to take stormwater away from the Moeraki Hall and carpark
- Culverts were installed around the Kakanui Esplanade to improve the conditions for walking and hopefully reduce erosion
- Carried out improvements to Kurow's main street to reduce traffic speed and beautify
- Liaised and supported mountain bike group to create tracks at Cape Wanbrow and Oamaru Reservoir
- Carried out maintenance work on Memorial Oaks
- Carried out modifications to play equipment at Harbour playground to meet standards including tower slide, carousel ground clearance, and numerous modifications on Moana (boat) including sand and deck softfall
- Planted around the North End entrance sign
- Replacement plantings of street trees carried out including replacement of heritage listed elms on Thames Street

# Parks and Recreation

## How we performed – Parks, Gardens and Green spaces

Benchmarking results in April 2015 show we provide per 1,000 residents:

- 26.1Ha of accessible recreation land compared to national median of 17.4Ha
- 9Ha of actively maintained reserve compared to national median of 8.7Ha
- 6 playgrounds per 1,000 children compared to national median of 4
- 106 street trees compared to national median of 112
- 2,029 m2 of planter beds compared to national average of 1,926

Parks and assets are generally in good condition, however some assets are older and in need of a repaint. Where playground assets were structurally sound we carried out preventative maintenance, painting them and replacing timber to prolong their life rather than replacing them with newer design and styles which would come at a cost and not provide any additional value to the community.

Over the past year we have had our first Reserve Management Plan adopted and prepared our first Activity Management Plan. These will support management decisions going forward.

A community nursery has been set up in the Oamaru Public Gardens. Forest and Bird, Nature Heritage Society and DoC are using this as a base to grow plants for Cape Wanbrow and other locations.

A number of enhancement opportunities are available for the community in Oamaru stream, Cape Wanbrow and Glen Eden.

**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 2014/15	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% accessible by people with disabilities. Predominantly in the Oamaru Public Gardens (51% in 2013/14)	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 out by Standards New Zealand. Work continues to bring others to standard (89% in 2013/14)	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 appropriate standard (8630:2004) set out by Standards New Zealand (89.3% in 2013/14)	60% of tracks which meet New Zealand Standard 8630:2004

# Parks and Recreation

**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 2014/15	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	Achieved Strategy, Reserve Management Plan and Activity Management Plan complete	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	Achieved 90% of residents are satisfied or very satisfied with parks and/or reserves in the Waitaki district (85% in 2013/14)	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 23km under Council management. No additional walking tracks created. (A2O under Tourism Waitaki) (23km in 2013/14)	Benchmark set in year 1

# Parks and Recreation

## How we performed – Sports and Recreation

Benchmarking results in April 2015 show we provide 2.3Ha of sports field per 1,000 residents compared to the national median of 1.9Ha.

Most fields are well maintained with positive comments from users, although some problems were encountered at Weston when dry conditions resulted in slots in the ground created by drainage work opening up. We continue to have drainage problems in Weston and at Mill Domain and there are budgets in the 2015-2025 Long Term Plan for remedial work on these sites.

## 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 2014/15	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 District sports fields and facilities (89% in 2013/14)	75% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities
	Number of national and regional events held per annum	Partially achieved Four National Heartland Games played (Five National Heartland games and one National Hawke Cup game)	Two national and three regional events held per annum
	Number of games cancelled due to unsafe fields	Achieved No safety cancellations (No incidents in 2013/14)	No 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 2014/15	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	Achieved Strategy, Reserve Management Plan and Activity Management Plan complete	Current Council-approved Strategies and Management Plans are in place by 2015

# Parks and Recreation

## How we performed – Aquatic Centre

Usage is higher than the national median with 224 admissions per m<sup>2</sup> water compared to 152.6.

We experienced an 8% increase in numbers through the door. Notable changes in use were:

- Squad 80% increase – partly due to increased participants and partly due to increased attendance at training
- Spectators 30% increase – possibly due to a higher focus on recording these statistics
- Schools 12% decrease – this will be a focus for 2016
- Aerobics 36% decrease – this will be a focus for 2016

Our prices remain slightly lower than similar facilities in New Zealand and we continue to provide a variety of price options from single entry to ten swim and three month passes. We provide discounted entry for Community Services Card and Gold Card holders and Green Prescription referrals. All programmes exceed direct operational costs and contribute to general operating costs of the facility.

Revenue is steady with previous years but 3% behind budget. Notably squad revenue is up 49% on last year while school groups are 37% down. Costs are 3.6% down on last year for a net saving of \$134,500.

**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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
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 (Also achieved in 2013/14)	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% in 2013/14)	100% compliance with NZ Standard 5826:2000
	Opening hours per week	Achieved 89 opening hours per week Opening hours extended to 9am on Saturdays (89 hours in 2013/14)	86 opening hours per week

# Parks and Recreation

## How we performed – Aquatic Centre (continued)

**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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Reliable and affordable recreational facilities encourage participation by the community	Number of visits per annum	Achieved 148,546 visits Increase of 8% on 2013/14 (137,334 in 2013/14)	2% increase in number of visits 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 2014/15	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 89% of customers are satisfied or very satisfied with the Aquatic Centre (90% in 2013/14)	65% of customers satisfied or very satisfied with the Aquatic Centre

# Funding Impact Statement – Parks and Recreation

Parks & Recreation				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
683	682	General Rates, Uniform Annual General Charge, Rates Penalties	685	684
3,001	2,993	Targeted Rates	3,063	3,060
3,684	3,675	<b>Rates Revenue</b>	3,748	3,744
16	5	Subsidies and Grants for Operating Purposes	51	4
850	814	Fees and Charges	864	837
-	-	Interest and Dividends from Investments	-	-
-	-	Internal Charges and Overheads Recovered	-	-
456	458	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	596	453
1,322	1,277	<b>Operating Revenue</b>	1,511	1,294
5,006	4,952	<b>Total Sources of Operating Funding</b>	5,259	5,038
		<b>Applications of Operating Funding</b>		
3,618	3,618	Payments to Staff and Suppliers	3,792	3,697
-	-	Finance Costs	-	-
674	753	Internal Charges and Overheads Applied	702	795
-	-	Other Operating Funding Applications	-	-
4,292	4,371	<b>Total Applications of Operating Funding</b>	4,494	4,492
714	581	<b>Surplus / (Deficit) of Operating Funding</b>	765	546
		<b>Sources of Capital funding</b>		
9	-	Subsidies and Grants for Capital Expenditure	8	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
9	-	<b>Total Sources of Capital Funding</b>	8	-
		<b>Applications of Capital funding</b>		
		Capital Expenditure		
-	-	Meet Additional Demand	-	-
190	302	Improve Levels of Service	13	122
249	481	Replace Existing Assets	256	164
284	(202)	Increase / (Decrease) in Reserve	504	260
-	-	Increase / (Decrease) in Investments	-	-
723	581	<b>Total Applications for Capital Funding</b>	773	546
(714)	(581)	<b>Surplus / (Deficit) of Capital Funding</b>	(765)	(546)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

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

# Community Amenities

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This area includes:

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

## What we did

- Minor improvements made where practicable to improve toilet accessibility
- Constructed a new toilet block at Friendly Bay
- Replaced eaves of Awamoa toilet and added Clearlite roofing to improve brightness
- Painted Omarama, Otematata, Duntroon and Hampden Beach toilets
- Installed new alarm system in Campbell's Bay toilets
- Provided and maintained nine traditional 'kiwistyle' campgrounds along the Waitaki Lakes along with boat ramps
- Consulted on intention to lease lakes camping with resulting decision to lease Ohau C, return Lake Middleton to Crown management and to continue to manage the remaining camps for a period of three years
- Obtained a bond for the removal of the Falstone film set
- Provided and maintained eleven open cemeteries for burials and maintained two additional closed cemeteries for the community
- Maintained cemeteries to a high standard with all being mown rather than having rural cemeteries grazed as is common in other Councils
- Installed new cemetery beam at Herbert cemetery and designed a new ash garden for Kurow cemetery
- Removed pines in the Palmerston Cemetery that would threaten graves in the future.

## How we performed – Camping Grounds

**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 2014/15	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 79% of users are satisfied or very satisfied with the district's camping grounds (93% in 2013/14)	>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 2014/15	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 92% of tenants meet Tenancy Policy criteria (87% in 2013/14)	80% of tenants meet Tenancy Policy criteria
	Community housing to be self-funding	Achieved 100% of operating costs met from rent (100% in 2013/14)	90% of operating costs met from rent
	Average rental as a percentage of gross revenue	Not achieved Currently charging 22% of national superannuation Some units will not reach this figure as it is more than market rent for the type of unit eg bedsit units (21% in 2013/14)	Average rental set at between 25% and 30% of gross revenue based on national superannuation
	Partnerships with tenant welfare service providers in place	Achieved 100% of tenants (excluding commercial tenants) visited by welfare partner Age Concern contracted to carry out welfare visits and work with other agencies to provide support processes in place where needed (100% in 2013/14)	100% of tenants visited by welfare partner
	Annual formal and informal maintenance inspections	Annual inspections will be carried out at a warmer time of the year (September) to better suit tenants	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Community Halls encourage community interaction (especially for smaller communities) as well as providing facility for indoor pursuits and events</p> <p>Community Halls are publicly warranted buildings</p>	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 (100% in 2013/14)</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 public halls, with additional 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

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## How we performed – Public Toilets

Provision of toilets is high compared to other parts of New Zealand. Changes have been made to cleaning regimes to provide better service.

**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 2014/15	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 and 23% of all toilets are accessible (54% and 23% in 2013/14)	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 (75% in 2013/14)	70% of residents are satisfied or very satisfied with public toilets
	Number of incidents requiring notification to Department of Labour	Achieved Nil (No incidents in 2013/14)	Nil

# Community Amenities

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## How we performed – Cemeteries

Cemeteries continue to be maintained to high standards. For example, rural cemeteries are mown as opposed to being grazed, as is common in rural cemeteries in other parts of the country.

**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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Cemeteries meet district need	Annual survey of funeral director satisfaction	Achieved 100% funeral director satisfaction (100% in 2013/14)	90% satisfaction
	Compliance with resource consent conditions	Achieved 100% compliance (100% in 2013/14)	100% compliance
	Annual Residents Survey	Achieved 89% of residents are satisfied or very satisfied with cemeteries (92% in 2013/14)	75% satisfaction

# Oamaru Harbour and Historic Precinct

## What we did

- Carried out playground equipment upgrades to meet NZS5828 standards including modifications to tower slide to reduce gradient, modifications to carousel ground clearance to minimise entrapment, and improvements to softfall around many play pieces including Moana (boat) including sand and deck softfall
- Elephant modifications planned
- Ongoing plantings by IDEA Services along Harbour foreshore
- Four memorial seats sold with plaques attached

## 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 2014/15	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 2014/15	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	Partially Achieved Breakwater was inspected and the report identified repairs to be undertaken during the 2015/16 year. The coastal protection from Holmes Wharf to Oamaru Creek was deferred until 2015/16 due to the build-up of gravel (accretion).	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 2014/15	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 Holmes Wharf: Minor maintenance was completed during the year. The project to re-deck the remaining 80% of the wharf was approved and included in the 2015/16 year.	Holmes and Normanby Wharves remain operational
	Sumpter Wharf in situ as historic monument	Achieved In the 2012-22 LTP, the decision was made not to 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 2014/15	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	Achieved 93% of residents who visited the Oamaru Harbour recreational area were satisfied or very satisfied (compared to 90% for other Council parks) (90% in 2013/14).	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Increased pedestrian flow and tourism in precinct encourages business investment	Increased lease revenue	Achieved Lease revenue for the harbour area increases to market rates when the lease provides for a rent review	Lease revenue reflects market
	Increased private investment	Further development of the Harbour Tourist Park Further investment by McKeown Group Ltd	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 2014/15	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 The Mayor attended regular meetings with OWCT A good working relationship has been developed between OWCT and Council Property staff.	Regular meetings held

# Commercial and Development

## What we did

- Cape Wanbrow, Palmerston Reservoir, Palmerston Cemetery, Palmerston Landfill forestry harvesting completed
- Brough Road forestry harvesting underway at year end, completed in July 2015
- Sailors Cutting scheduled dependent on price. Responded to community concern over possible impact on landscape and recreational access
- Firewood permit system developed and operated successfully with no issues
- Manual gun spray weed control undertaken in these forest areas primarily for the control of gorse and broom
- Called for Expressions of Interest for Forestry Consultant and engaged Forest Management Limited (FML) as new consultant
- Wind-rowed four metre broom plants that had smothered pines on the west side of Eden Street stream in order to replant in winter 2015.

## How we performed – Operational Buildings

Management of our forestry operation has improved, and staff with experience in this industry work closely with consultants and contractors, resulting in completion of work within appropriate timeframes, better weed control, and improved communication with community.

**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 2014/15	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	Not currently measured as we do not have costs over the life of a forestry block.  Net profit \$135,499 this year.	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. (No major disruptions in 2013/14)	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 2014/15	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 The survey was sent out last year with 100% satisfaction rate achieved	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 2014/15	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 20,826 people usually live in Waitaki District, an increase of 603 people, or 3%, since the 2006 census	Population >21,500 by 2015
	90 day bill rate exceeded in each quarter	Achieved Actual returns exceeded the 90 day bill rate (advised by ANZ Bank) each quarter	Exceed the average 90-day bill rate for commercial and cash investments
	Annual GDP per capita higher than national average	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				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
778	774	General Rates, Uniform Annual General Charge, Rates Penalties	889	886
579	580	Targeted Rates	869	868
1,357	1,354	<b>Rates Revenue</b>	1,758	1,754
158	325	Subsidies and Grants for Operating Purposes	35	-
1,329	2,248	Fees and Charges	1,336	1,341
893	1,035	Interest and Dividends from Investments	1,134	985
(711)	(609)	Internal Charges and Overheads Recovered	(876)	(818)
595	492	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	610	469
2,264	3,491	<b>Operating Revenue</b>	2,239	1,977
3,621	4,845	<b>Total Sources of Operating Funding</b>	3,997	3,731
		<b>Applications of Operating Funding</b>		
3,207	4,461	Payments to Staff and Suppliers	2,652	3,654
10	-	Finance Costs	-	-
(68)	33	Internal Charges and Overheads Applied	(55)	39
-	-	Other Operating Funding Applications	-	-
3,149	4,494	<b>Total Applications of Operating Funding</b>	2,597	3,693
472	351	<b>Surplus / (Deficit) of Operating Funding</b>	1,400	38
		<b>Sources of Capital funding</b>		
931	-	Subsidies and Grants for Capital Expenditure	351	-
2,848	-	Development and Financial Contributions	145	-
(2)	(3)	Increase / (Decrease) in Debt	(3)	(2)
(685)	157	Gross Proceeds from Sale of Assets	(1,325)	376
3,092	154	<b>Total Sources of Capital Funding</b>	(832)	374
		<b>Applications of Capital funding</b>		
-	-	Capital Expenditure	-	-
-	-	Meet Additional Demand	-	-
2,022	776	Improve Levels of Service	605	278
3	-	Replace Existing Assets	-	-
1,539	(271)	Increase / (Decrease) in Reserve	(37)	134
-	-	Increase / (Decrease) in Investments	-	-
3,564	505	<b>Total Applications for Capital Funding</b>	568	412
(472)	(351)	<b>Surplus / (Deficit) of Capital Funding</b>	(1,400)	(38)
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

The decision to transfer the operations of the Oamaru Blue Penguin Colony and the Alps2Ocean Cycle Trail to the Waitaki Development Board continues to have a major impact in this activity, with variations from the 2012-22 LTP budget, particularly in regard to Fees and Charges, and overall payments.

Significant unbudgeted grants were received for the continuing development and improvement of the Alps2Ocean cycleway asset. The value of this asset at 30 June 2013 was a significant part of the Vested Assets reported in 2013/14 (part of Development and Financial contributions in this report).

Interest income is well ahead of budget, reflecting both improved interest rates, and the fact that Council had more funds available for investment during the year. No dividends or subvention payments were received from CCO's (\$24k subvention payment in 2013/14).

This Activity now includes the following, previously reported separately:

## Community Amenities

In 2013/14, grants were secured to complete the redevelopment of the Omarama Hall.

Additional revenue was generated this year in several activities including Camps and Community Housing from increased charges. Increased capital expenditure in the current year relates to new public toilets at Oamaru Harbour and in Hampden

## Oamaru Harbour & Historic Precinct

Generally this area operated as expected. The variance in the capital expenditure is due to the continued deferral of coastal protection work in the Holmes Wharf area.

# ***Democracy, Accountability and Governance***

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The Democracy, Accountability and Governance group of activities includes:

- Council
- Ahuriri and Waihemo Community Boards

Council and Community Boards are governance bodies forming a vital link between communities and Council staff who manage assets and activities. Council and Community Boards are '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 so that "we (the community) can be involved in decisions that affect us".

## **Council and Community Boards – What we did**

Key milestones included:

- The most significant piece of work during this period was the development of the 2015-25 Long Term Plan (including budgets, projects, 30 year Infrastructure Strategy, Financial Strategy and Significance and Engagement Policy) which was adopted by Council on 24 June 2015
- Considered 140 submissions and heard 48 speakers to the draft Long Term Plan on 11 and 13 May 2015.
- The 2013/14 Annual Report (including annual residents' survey) prepared
- A new Council website was developed and launched
- The Link was retendered, rebranded and moved to a monthly circulation
- Class Four Gambling Venues and TAB Policy was consulted on and progressed
- Continued ongoing engagement with the Crown on earthquake prone building rules - this included a Council representative on the Ministry of Business, Innovation and Employment (MBIE) technical group on earthquake prone buildings and the preparation of a second submission to the Select Committee on behalf of the Joint Southern Councils.

## **Ahuriri Community Board**

- Kurow streetscape project was substantially completed
- Kurow playground was upgraded
- Supported flood protection and storm-water drain clearing at Diggers Gully and Cattle Gully
- Allocated \$10,000 towards the cost of a new storeroom at the Otematata Community Hall
- Contributed \$700 for the construction of a memorial seat in the memory of Ronnie Munro in the Omarama Township
- Allocated \$1,500 for the grand opening of the Kurow Bridges on 29 November 2014
- Advocated to Council on the installation of additional warning signs at Lake Ohau Road adjacent to the Lake Middleton campsite
- Trial walkway installed between Ohau Village to connect with the walking track on South banks of Lake Ohau to ascertain use/demand
- Plantings (small native collections) at Ohau Village Entrance, Omarama Pump Track and Otematata Recreation Reserve
- Omarama Toilet fully painted, Otematata toilet interior painted
- Agreed to fund \$7,845 for security systems related costs at the Omarama Hall.

# ***Democracy, Accountability and Governance***

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## **Waihemo Community Board**

- Approved up to \$2,000 towards a commemorative tree and plaque to mark Palmerston's 150th anniversary
- Resolved that the upgrade to the Lower Shag Point Road walkway be completed as a first priority with a budget of up to \$7,000 from the Shag Point Amenity Rate
- Approved up to \$9,000 from the Moeraki Stabilisation budget to reduce surface water infiltration into Moeraki Beach Reserve
- Approved payment to Waihemo Heritage Trust in the amount of \$5,000 for the 2014/15 period
- Allocated \$10,000 towards the reinstatement of Haven Street
- Approved an application for seed funding from the Shag Point Ratepayers Association Inc. in the amount of \$250
- Approved an application for funding from the Palmerston 25th Mini Show of \$500
- Recommended that Council approve the lease of the Dunback Tennis Pavilion to the New Zealand Motor Caravan Association (NZMCA) for use as a communal gathering area, subject to agreement on lease terms and conditions.

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
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	Percentage of residents that feel comfortable approaching the Mayor and Councillors	Not achieved 88% of residents would be comfortable approaching the Mayor and/or Councillors (88% in 2013/14)	90% of residents would be comfortable approaching the Mayor and Councillors
	Resident satisfaction with performance of Mayor and Councillors	Not achieved 69% of residents are satisfied or very satisfied with the performance of Mayor and Councillors (56% in 2013/14)	75% of residents are satisfied or very satisfied with the performance of the Mayor and Councillors
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 Council resolutions passed in public meeting	Not achieved 90% of Council resolutions passed in public meetings (90% in 2013/14)	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
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	Percentage of meetings that each Councillor attends	Achieved Mayor Kircher 94% Cr Hopkins 98% Cr Hope 60% (leave of absence from April 2014 to November 2014) Cr Garvan 96% Cr Perkins 92% Cr Wollstein 90% Cr Tavendale 100% Cr Kingan 98% Cr Slee 96% Cr Dennison 94% Cr Percival 96%	Council members attend 80% of Council and committee meetings
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	Audit opinion on the Long Term Plan and Annual Report are unmodified  Long Term Plan and Annual Report are adopted within statutory timeframes	Achieved 2015/25 Long Term Plan and 2013/14 Annual Report were adopted with un-modified audit opinions within statutory timeframes	Long Term Plan and Annual Reports receive unmodified audit opinions and are adopted within statutory timeframes
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 Annual Plan projects completed  Percentage of service performance targets *substantially achieved each year  *Substantially achieved equates to 85% complete	Data not available, this measure has been reviewed as part of the 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 2014/15	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 39% of residents rate the performance of the Ahuriri Community Board members as satisfactory or very satisfactory (86% in 2013/14) <i>The biggest shift has been in the number of respondents in the 'Neither satisfied nor dissatisfied' category – 55% compared to 0% in 2013/14. Work is being undertaken with the Ahuriri Community Board to increase their profile in the community.</i>	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 public meetings (100% in 2013/14)	95% of Ahuriri Community Board resolutions passed in public meetings
	Percentage of meetings that each Community Board member attends	Achieved Mr Sullivan (Chair) 100% Mr Reid 88% Mr Blackstock 100% Mr Cowles 88% Mrs Munro 75%	Community Board members attend 80% of Board meetings
	Number of submissions made to Council by the Board	Achieved In excess of four workshops attended (8 items submitted in 2013/14)	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 2014/15	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 50% of the residents rate the performance of the Waihemo Community Board members as satisfactory or very satisfactory (69% in 2013/14) <i>The biggest shift has been in the number of respondents in the 'Neither satisfied nor dissatisfied' category – 33% compared to 0% in 2013/14. Work is being undertaken with the Waihemo Community Board to increase their profile in the community.</i>	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 Community Board 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 100% Mrs McGregor 88% Mr Roy 100%	Community Board members attend 80% of Board meetings
	Number of submissions made to Council by the Board	Achieved Seven items submitted on to Council's draft 2015-25 Long Term Plan (15 items submitted on in 2013/14)	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 2014/15	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 2015/25 Long Term Plan adopted within statutory timeframe on 24 June 2015	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 regard the Waitaki Link as a useful source of information on Council activities (76% in 2013/14)	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	Achieved 50% of residents are satisfied or very satisfied with Council consultation (49% in 2013/14)	50% of residents satisfied or very satisfied with Council consultation

### Community Outcomes

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

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	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 opinion received on 2013/14 Annual Report (Unmodified opinion in 2013/14)	Unmodified audit opinions on Annual Report

# Funding Impact Statement – Democracy, Accountability and Governance

Democracy, Accountability & Planning				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
1,959	1,959	General Rates, Uniform Annual General Charge, Rates Penalties	1,960	1,958
1,538	1,538	Targeted Rates	1,544	1,543
3,497	3,497	<b>Rates Revenue</b>	3,504	3,501
31	44	Subsidies and Grants for Operating Purposes	24	34
-	-	Fees and Charges	-	-
-	-	Interest and Dividends from Investments	-	-
-	-	Internal Charges and Overheads Recovered	-	-
83	60	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	3	-
114	104	<b>Operating Revenue</b>	27	34
3,611	3,601	<b>Total Sources of Operating Funding</b>	3,531	3,535
		<b>Applications of Operating Funding</b>		
905	1,025	Payments to Staff and Suppliers	855	982
-	-	Finance Costs	-	-
2,440	2,587	Internal Charges and Overheads Applied	2,297	2,651
-	-	Other Operating Funding Applications	-	-
3,345	3,612	<b>Total Applications of Operating Funding</b>	3,152	3,633
266	(11)	<b>Surplus / (Deficit) of Operating Funding</b>	379	(98)
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	-	-
-	-	<b>Total Sources of Capital Funding</b>	-	-
		<b>Applications of Capital funding</b>		
		Capital Expenditure		
-	-	Meet Additional Demand	-	-
-	-	Improve Levels of Service	-	-
-	-	Replace Existing Assets	-	-
266	(11)	Increase / (Decrease) in Reserve	379	(98)
-	-	Increase / (Decrease) in Investments	-	-
266	(11)	<b>Total Applications for Capital Funding</b>	379	(98)
(266)	11	<b>Surplus / (Deficit) of Capital Funding</b>	(379)	98
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

Three-yearly elections were held in 2013/14, and will not be held again until the 2016/17 financial year. This year a by-election was required to fill the vacancy left by the resignation of Cr Sharyn Price.

# ***Environment, Regulation and Safety***

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The Environment, Regulation and Safety groups of activities includes:

- Emergency Services
- Building Control and Property Information
- Parking and other enforcement
- Environmental Health
- Animal Control
- District Planning

## **What we did**

### **Civil Defence**

Otago Civil Defence Emergency Management (CDEM) Group:

- Otago Regional Council Hazards team presented to Council and emergency services personnel on flood management and tsunami
- Participated in the Otago Welfare Coordination Group
- Participated in Otago CDEM Group sub committees: Readiness and Reduction, Public Education. Provided advice/support to Councillors on Risk Reduction Committee
- Planned for national Exercise ShakeOut in October 2015
- Established and hosted regular monthly teleconferences with all regional Emergency Management Officers (EMOs)
- Supported Mayor and Chief Executive in CDEM group and Co-ordinating Executive Group (CEG) matters.

Waitaki Civil Defence Emergency Management:

- Worked on tsunami and seiche investigation with ECAN and Council planners
- Established Waitaki Local Welfare Committee (21 agencies)
- Developed, consulted and signed off the new Council Local Welfare Plan
- Developed and ran Council local welfare exercise involving 21 agencies with 28 participants
- Appointed new Council Recovery Manager and developed Recovery handbook
- Supported Federated Farmers and Rural Support Trust in their work with communities impacted by the drought
- Worked with Lifelines to ensure readiness and response capability (NZTA, SouthRoads, Network Waitaki)
- Member of and provide support to Waitaki District Emergency Services Coordination Committee
- Lead scoping project for “new” Council Emergency Operations Centre
- Continued to build relationships with community volunteer groups and provide appropriate support
- Completed major review of current Emergency Operations Centre capabilities with wifi installation, new emergency information management IT capability, introduction of text message alerting, conference call facility and complete review of Standard Operating Procedures
- Developed and delivered training and Exercise Phoenix for all Council Emergency Operating Centre staff
- Initiated Council business continuity planning project
- Lead review of Waitaki District’s Urban Fire Prevention Bylaw.

Rural Fire:

- Funded capital investment in fire tankers for use by the Otago Rural Fire Authority in Waitaki District

# 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Emergency response	Response to emergency events	For Civil Defence emergencies, Council is prepared to respond as required but the response varies according to the nature of the emergency.	100% of responses within 15 minutes
Education, awareness raising and prevention	Response to requests for fire permits	Fire activities were taken over by Otago Rural Fire Authority (ORFA) on 1 July 2014	100% of responses within 2 days
Community confidence in service	Residents Survey	Achieved 86% of residents are satisfied or very satisfied with emergency services (91% in 2013/14)	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

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Volunteer support for emergency services	Volunteer numbers	All fire activities were taken over by Otago Rural Fire Authority (ORFA) on 1 July 2014	Increase the total number of rural fire-fighters by 20% (96 volunteers)
Volunteer support	Volunteer numbers	Achieved 152 volunteers in 2014/15 (135 in 2013/14)	Increase the total number of civil defence volunteers by 50% (150 volunteers)
Professional, accountable emergency services	PMEF audit by the National Rural Fire Authority	Fire activities were taken over by Otago Rural Fire Authority (ORFA) on 1 July 2014	Maintain standards required by national body

# Environment, Regulation and Safety

## How we performed – Building Control and Property Information

International Accreditation New Zealand (IANZ) completed an audit of the Waitaki Building Control Authority, identifying four corrective actions and making a further fifteen recommendations for improvements. A response to the four corrective actions is required to IANZ by 8 October 2015.

Building consents issued within 20 days improved significantly to 91% from 72% in 2013/14.

**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 2014/15	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 assessed July 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 21% of premises audited (20% in 2013/14)	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 2014/15	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 575 consents processed. 91% processed within 20 working days. Average processing days 11.25 (628 consents in 2013/14 with 72.77% within 20 working days. Average processing days 14.36)	95% of consents processed within 20 working days

# ***Environment, Regulation and Safety***

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## **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

<b>How this activity contributes to community outcomes</b>	<b>Performance Measures</b>	<b>Achievements 2014/15</b>	<b>Targets Yr 1 -3 LTP (2012/13 – 14/15)</b>
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 6 days per week

# Environment, Regulation and Safety

## How we performed – Environmental Health

**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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Reducing the instance of foodborne illness in the district</p> <p>Reducing the incidence of water borne illness in the district</p> <p>Reducing the instances of noise and other environmental impacts</p> <p>Reducing the impact of alcohol related issues</p>	Annual inspection of 100% category 1 food premises and 50% of category 2 and 3 premises	<p>Category 1 not achieved 42.2% of category 1</p> <p>Category 2 and 3 achieved 62% of category 2</p> <p>83% of category 3 (99% category 1, 74% category 2 and 83% category 3 inspected 2013/14)</p> <p><i>Over 40% of Waitaki food premises operate under the VIP system included in Category 1. A delay in the recruitment of a new Health Officer/EHO complicated by a further delay in MPI approving the Verifier/Audit status of our staff under the Food Act, impacted our ability to progress inspections.</i></p>	<p>Annual inspection of 100% category 1 food premises</p> <p>Annual inspection of 50% of category 2 and 3 premises</p>
	Nil presence of E-coli indicator organism	<p>99.7% of compliance for WDC Chlorinated supplies (99.5% in 2013/14)</p> <p>87.8% compliance for WDC non chlorinated supplies (72.6% in 2013/14)</p> <p>69.2% compliance Council camping grounds (59% in 2013/14)</p> <p>97.9% compliance private water supplies (95.2% in 2013/14)</p> <p>98.62% compliance for Corriedale water supplies (not measured 2013/14)</p>	Continue to assist private scheme owners to improve the standard of their water supplies by improving the level of treatment

## Environment, Regulation and Safety

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
	Timely resolution of commercial complaints and investigation of all after hours domestic complaints in one hour	<p>Not achieved Response rate 94% (97% in 2013/14)</p> <p><i>The size of the Waitaki district precludes a 100% on-site response within 1 hour, particularly with multiple complaints on the same night. Notwithstanding, an onsite response is required for all complaints across the district. Additional action often includes communication with the local Police and telephone follow up with complainants. These complaints, if unresolved, are dealt with by Health Officers during normal working hours. To that end there is an appropriate response to all noise complaints. The number of domestic complaints is typically in the range 350 – 400/year.</i></p> <p><i>Commercial noise complaints are treated differently to domestic noise complaints in that the “one hour” time frame is not applied, as these complaints, almost without exception, involve detailed follow-up and often a negotiated settlement with commercial businesses. The after-hours officers consequently direct these complaints immediately back to Council’s health staff where they occur.</i></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 licensed premises	<p>Achieved for on and off licenses at 102% Not achieved for club inspections at 17% (32% of on and off licenses and 7% of club premises in 2013/14)</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

Dog Control Policy and Bylaw was adopted in September 2014 with an implementation date of November 2014. Animal control is now using Council's Authority system to lodge complaints but reporting requirements remain under development.

**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 2014/15	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	Achieved (99% in 2013/14)	100% of all known dogs registered
	Annual Resident Satisfaction Survey	Achieved 71% of residents satisfied with dog control services (66% in 2013/14)	70% of residents satisfied with dog control services
	Animal control incidents responded to within two hours of notification	Not achieved. 100% of <u>urgent</u> complaints responded to within two hours (Not recorded in 2013/14)	100% of incidents responded to within two hours of notification
	Stock control incidents responded to within two hours of notification	Not achieved. 100% of <u>urgent</u> complaints responded to within two hours	100% of incidents responded to within two hours of notification
	Complaint feedback	Rating 3.25 out of 5 for satisfaction with service 100% satisfaction with professionalism 0% received confirmation complaint resolved These results were based on only two months' information (Not measured in 2013/14)	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Sustainable management of land use and efficient processing of consents to enable timely business decisions</p> <p>Protection of the environment and sustainable management of resources.</p> <p>Sustainable business opportunities, preservation of the built environment, cultural traditions and engagement with Iwi</p> <p>Protection of the natural environment and sustainable management of land</p> <p>Confidence of community, business and land owners in officer advice</p>	100% of consents processed are within the statutory timeframes	Achieved All consents were processed within the statutory timeframes (All consents processed within statutory timeframes in 2013/14)	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 in 2013/14)	100% of implemented subdivision consents and notified land use consents
		Achieved (Achieved in 2013/14)	50% of implemented non-notified land use consents
	Customer feedback and online survey for applicants	All approved consent letters requested customers to complete the online survey but no responses were received (Not measured in 2013/14)	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<p>Protection of communities and the natural environment, sustainable land use management.</p> <p>Preservation of built heritage, cultural traditions and values are respected in collaboration with Iwi.</p> <p>Natural environment is protected, land use is managed sustainably.</p> <p>Cultural traditions and values are respected and we work with local Iwi to achieve this</p> <p>Reporting and measurement of community safety, natural and built heritage, cultural values, land use changes and other natural resources</p>	Notify and process changes in statutory deadlines	<p>No Private or Council initiated Plan Changes were received in the 2014/15 year</p> <p>Review of the District Plan commenced on 16 June 2014</p>	<p>Complete:</p> <ul style="list-style-type: none"> <li>• Changes 7 and 8 Oamaru Business Zone plan change</li> <li>• Minor plan changes (as agreed by Council)</li> <li>• Commence District Plan review as per above</li> </ul>
	Ecological study completed	Ongoing	Complete for remainder of district by 2016
	Complete State of Environment (SOE) reports	<p>Achieved in part</p> <p>Signs and Natural Hazards SOE reports completed</p> <p>Takata Whenua SOE report drafted and sent to Moeraki Runanga – awaiting response</p>	Complete three reports by 2013

# Funding Impact Statement – Environment, Regulation and Safety

<b>Regulation &amp; Safety</b>				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
		<b>Sources of Operating Funding</b>		
1,698	1,694	General Rates, Uniform Annual General Charge, Rates Penalties	1,822	1,819
454	454	Targeted Rates	503	503
2,152	2,148	<b>Rates Revenue</b>	2,325	2,322
31	30	Subsidies and Grants for Operating Purposes	2	6
1,220	1,214	Fees and Charges	1,176	1,322
-	-	Interest and Dividends from Investments	-	-
144	146	Internal Charges and Overheads Recovered	21	145
88	48	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	38	42
1,483	1,438	<b>Operating Revenue</b>	1,237	1,515
3,635	3,586	<b>Total Sources of Operating Funding</b>	3,562	3,837
		<b>Applications of Operating Funding</b>		
861	1,051	Payments to Staff and Suppliers	1,172	1,292
-	-	Finance Costs	-	-
2,286	2,457	Internal Charges and Overheads Applied	2,421	2,531
-	-	Other Operating Funding Applications	-	-
3,147	3,508	<b>Total Applications of Operating Funding</b>	3,593	3,823
488	78	<b>Surplus / (Deficit) of Operating Funding</b>	(31)	14
		<b>Sources of Capital funding</b>		
-	-	Subsidies and Grants for Capital Expenditure	-	-
71	128	Development and Financial Contributions	149	150
-	-	Increase / (Decrease) in Debt	-	-
-	-	Gross Proceeds from Sale of Assets	285	-
71	128	<b>Total Sources of Capital Funding</b>	434	150
		<b>Applications of Capital funding</b>		
-	-	Capital Expenditure	-	-
25	12	Meet Additional Demand	6	-
-	-	Improve Levels of Service	1	-
534	194	Replace Existing Assets	396	164
-	-	Increase / (Decrease) in Reserve	-	-
559	206	Increase / (Decrease) in Investments	403	164
(488)	(78)	<b>Total Applications for Capital Funding</b>	31	(14)
-	-	<b>Surplus / (Deficit) of Capital Funding</b>	-	-
-	-	<b>Funding Balance</b>	-	-

## Commentary on Major Changes

The activities in this group operated as expected and no detailed comments are required.  
Work planned for the review of the district plan, and for the identification and inspection of earthquake-prone buildings was deferred to 2015/16

## Support Services (Net Allocated)

Support Services (Net Allocated)				
2013/14 Actual \$(000)	2013/14 Budget \$(000)		2014/15 Actual \$(000)	2014/15 Budget \$(000)
-	-	<b>Sources of Operating Funding</b>	-	-
-	-	General Rates, Uniform Annual General Charge, Rates Penalties	-	-
-	-	Targeted Rates	-	-
-	-	<b>Rates Revenue</b>	-	-
9	-	Subsidies and Grants for Operating Purposes	14	-
8	12	Fees and Charges	8	8
-	-	Interest and Dividends from Investments	-	-
14,193	14,987	Internal Charges and Overheads Recovered	14,763	15,008
41	42	Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	18	40
14,251	15,041	<b>Operating Revenue</b>	14,803	15,056
14,251	15,041	<b>Total Sources of Operating Funding</b>	14,803	15,056
8,947	10,064	<b>Applications of Operating Funding</b>	9,605	10,217
-	-	Payments to Staff and Suppliers	-	-
4,423	4,611	Finance Costs	4,528	4,274
-	-	Internal Charges and Overheads Applied	-	-
13,370	14,675	Other Operating Funding Applications	14,133	14,491
881	366	<b>Total Applications of Operating Funding</b>	670	565
-	-	<b>Surplus / (Deficit) of Operating Funding</b>	-	-
-	-	<b>Sources of Capital funding</b>	-	-
-	-	Subsidies and Grants for Capital Expenditure	-	-
-	-	Development and Financial Contributions	-	-
-	-	Increase / (Decrease) in Debt	-	-
61	64	Gross Proceeds from Sale of Assets	30	90
61	64	<b>Total Sources of Capital Funding</b>	30	90
-	-	<b>Applications of Capital funding</b>	-	-
-	-	Capital Expenditure	-	-
317	35	Meet Additional Demand	61	50
293	259	Improve Levels of Service	399	325
332	136	Replace Existing Assets	240	280
-	-	Increase / (Decrease) in Reserve	-	-
942	430	Increase / (Decrease) in Investments	700	655
(881)	(366)	<b>Total Applications for Capital Funding</b>	(670)	(565)
-	-	<b>Surplus / (Deficit) of Capital Funding</b>	-	-
-	-	<b>Funding Balance</b>	-	-

### Commentary on Major Changes

The activities in this group operated as expected.

## ***Council Controlled Organisations (CCOs)***

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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 Tourism Waitaki Ltd (previously 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 economic benefits to the district.

Council provides on-going support for health services and other important social functions for the community through its continued ownership and support 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, revenue and economic benefit within the district.

# ***Omarama Airfield Limited***

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The company was established in 1993 as a joint venture between Waitaki District Council and the Omarama Soaring Centre Inc., to develop and operate the Omarama Airfield. Each shareholder holds 50% of the issued shares, but as Council appoints a majority of the Directors, the company, under the provisions of the Local Government Act 2002, is deemed to be a Council Controlled Organisation.

Council's primary objective for continued involvement in the ownership and control of the Omarama Airfield Ltd is to advance and promote tourism and provide economic benefits and opportunity within the District.

## **Objectives**

The principal objective of Omarama Airfield Limited is to provide and maintain airfield facilities and associated infrastructure to support flying and gliding activities and encourage the development of other related tourism opportunities in the Omarama area and throughout the wider District as a whole.

## **Shareholder Expectations**

The shareholders expect 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 the shareholders' reasons for continued ownership
- Decisions are based on the achievement of long term strategic needs and objectives
- The Company acts as a good employer and as an environmentally conscious and responsible citizen
- Transparent and collaborative relations are maintained with the shareholder.

## **Information to be reported to Shareholders**

Within three 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 its performance, including variations from the business plan and performance against targets in the Statement of Intent
- Audited financial statements as required under the Companies Act 1993
- Performance against the Corporate Governance Statement.

# Omarama Airfield Limited

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## 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
The airfield is managed efficiently and provides for a range of events	Operate within budgeted revenue and achieve a break even or better result	<p>Achieved - increased turnover and operating surplus</p> <p>Achieved - annual surplus of \$18,351 excluding donations is an improvement over the prior year and the budget for 2014/15. Surplus is likely to contribute to the cost of redeveloping the Kahu café</p>	<p>Operate and provide planned services within budgeted revenue.</p> <p>Achieve a break even or better result after prudent provision for asset depreciation and replacement, and for future trading requirements</p>

### 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Community involvement	Update the Company's business plan on an annual basis	Business plan updated, and continues to evolve with 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 2014/15	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	<p><b>Achieved</b></p> <p>The company employs local people and contracts with local businesses, while commercial operators at the airfield employ other local people</p> <p>The airfield attracts about 1,500 visitors annually who, by purchasing and utilising local services, contribute to the local economy</p> <p>Numerous championship and other regular events attract participants, their families and other visitors to the district</p> <p>Youth Glide held a 10-day camp with on-going activities over Christmas-New Year.</p>	Maintain or improve the level of economic benefits (against 2011/12 benchmarks)

## Omarama Airfield Limited

Financial Performance	2015 \$000	2014 \$000
<b>Revenues</b>		
Operating revenue	99	83
Rental revenue	44	42
Other revenue	26	1
<b>Total Revenue</b>	<b>169</b>	<b>126</b>
<b>Expenditure</b>		
Operating expenditure	97	92
Audit Fees	7	7
Depreciation	23	21
<b>Total Expenditure</b>	<b>127</b>	<b>120</b>
<b>Net Surplus / (Deficit) Before Taxation</b>	<b>42</b>	<b>6</b>
Provision for Taxation	-	-
<b>Net Surplus / (Deficit) After Taxation</b>	<b>42</b>	<b>6</b>

Financial Position	2015 \$000	2014 \$000
<b>Shareholders' Funds</b>	<b>1,350</b>	<b>1,308</b>
<u>Represented by:</u>		
Non-current Assets	1,227	1,238
Current Assets	134	81
Current Liabilities	(11)	(11)
Non-current Liabilities	-	-
<b>Net Assets</b>	<b>1,350</b>	<b>1,308</b>

The Company has re-stated certain comparative figures as part of its transition to the PBE SFR-A accounting standard, including reclassifying elements of Other Revenue to Rental Revenue, and recognising Deferred Tax as a component of Shareholders' Funds. The Company received an unqualified audit report for the year ended 30 June 2015 on 28 September 2015.

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.

# ***Tourism Waitaki Limited***

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Tourism Waitaki Limited was established as Waitaki Development Board Limited in December 1996, and formally changed its name in March 2015. The company is 100% owned by Waitaki District Council and, under the provisions of the Local Government Act 2002, 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 and promote tourism within the District.

## **Objectives**

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

Other specific objectives include the attraction of grant funding where applicable and the operation and management of both 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 Companies Act 1993
  - A report on compliance with the Company's Tendering Policy
  - Any grants awarded by Tourism Waitaki Ltd to another party, including information measuring the effectiveness of the grant.

# Tourism Waitaki Limited

## How we performed – Tourism Waitaki 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
<ul style="list-style-type: none"> <li>○ Promotion of the region and tourism supports a range of businesses across the District</li> <li>○ By providing a coordinated approach to business development and growth</li> </ul>	Visitor numbers	Not achieved Visitor numbers declined by 0.5%, although international visitors increased by 8%	Increase visitor numbers to the district
	Bed nights	Achieved Bed nights reported as 382,135	Increase visitor bed nights purchased to 340,000
	Length of stay	Not achieved Average length of stay increased by 2% to 1.56 nights	Increase average length of stay to 1.8 nights
	OBPC visitor numbers	Not achieved Visitor numbers were flat at 69,929	Increase visitor numbers to the Oamaru Blue Penguin Colony by 5% annually
	Resident Satisfaction Survey	70% of residents are satisfied or very satisfied with the Company's efforts to attract tourists to the district (Not measured in 2013/14)	Maintain residents satisfaction with the Company's efforts to attract tourists to the district above the national average
	Labour capacity statistics	Not achieved A mechanism to accurately report this measure has still to be developed	Labour capacity to be increased and measured – 95% of advertised jobs to be filled within three months

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

## ***Tourism Waitaki Limited***

<b>Financial Performance</b>	<b>2015 \$000</b>	<b>2014 \$000</b>
<b>Revenues</b>		
Waitaki District Council operating grants	720	773
Other revenue	1,510	1,297
<b>Total Revenue</b>	<b>2,230</b>	<b>2,070</b>
<b>Expenditure</b>		
Operating expenditure	2,093	1,816
Audit Fees	19	20
Depreciation	56	36
Directors' Fees	51	51
<b>Total Expenditure</b>	<b>2,219</b>	<b>1,923</b>
<b>Net Surplus / (Deficit) Before Taxation</b>	<b>11</b>	<b>147</b>
Provision for Taxation	44	(41)
<b>Net Surplus / (Deficit) After Taxation</b>	<b>55</b>	<b>106</b>

<b>Financial Position</b>	<b>2015 \$000</b>	<b>2014 \$000</b>
<b>Shareholders' Funds</b>	<b>719</b>	<b>664</b>
<u>Represented by:</u>		
Non-current Assets	279	242
Current Assets	736	809
Current Liabilities	(296)	(387)
Non-current Liabilities	-	-
<b>Net Assets</b>	<b>719</b>	<b>664</b>

The Company received an unqualified audit report for the year ended 30 June 2015 on 30 September 2015.

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***

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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 three 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 Companies 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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Provision of a well-managed hospital supports the health of residents and benefits the community as a whole	Professional standards	Achieved Quality assurance and accreditation programmes are externally audited to ensure compliance	Meet all professional and technical standards
	Professional standards and transparent and collaborative relations with the shareholder	Achieved Regular forums conducted with community organisations, local GPs and staff	Provide adequate forums for effective collaboration with stakeholders
	Service performance	Achieved All hospital departments have met the necessary targets as required by the contract	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 2014/15	Targets Yr 1 -3 LTP (2012/13 – 14/15)
Provision of a well-managed hospital supports the health of residents and benefits the community as a whole	Efficient and effective management	Not achieved Operating surplus of \$499,954 before interest, depreciation and costs related to Observatory Village (budgeted \$526,844)	Operate and provide planned services within budgeted revenue including services contract with District Health Board
	Prudent management of assets and liabilities	Not achieved Deficit from operations of \$171,873 (budget \$198,763), excluding written off cost related to the Observatory Village project	Achieve a break-even or better result after prudent provision for asset depreciation and replacement and for future trading requirements
	Long Term Plan	Achieved The business plan is updated annually	Update the Company's business plan annually

# Waitaki District Health Services Limited

Financial Performance (Group)	2015 \$000	2014 \$000
<b>Revenues</b>		
Southern DHB contract operational funding	9,793	9,757
Other revenue	2,258	2,442
<b>Total Revenue</b>	<b>12,051</b>	<b>12,199</b>
<b>Expenditure</b>		
Operating expenditure	11,025	11,125
Audit Fees	28	25
Depreciation	704	703
Directors' Fees	122	110
<b>Total Expenditure</b>	<b>11,879</b>	<b>11,963</b>
<b>Net Surplus / (Deficit)</b>	<b>172</b>	<b>236</b>
Gain on Property Revaluation	254-	1,220
Preliminary expenditure on proposed development	(446)	(113)
<b>Net Surplus / (Deficit) After Taxation</b>	<b>(20)</b>	<b>1,343</b>

Financial Position (Group)	2015 \$000	2014 \$000
<b>Shareholders' Funds</b>	<b>18,029</b>	<b>18,049</b>
<u>Represented by:</u>		
Non-current Assets	10,620	10,958
Current Assets	9,942	9,513
Current Liabilities	(2,480)	(2,385)
Non-current Liabilities	(53)	(37)
<b>Net Assets</b>	<b>18,029</b>	<b>18,049</b>

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 2015 on 30 September 2015.

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***

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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

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## 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 Companies 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.

## 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 2014/15	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	Achieved The annual surplus provides a return of 8.65% on opening shareholders' funds	Achieve a before income tax return on opening shareholders' funds that is better than 7%
	Long term viability and profitability	Achieved Additional 4 clients spending over \$10,000 annually	Continue to diversify the portfolio of work and clients
	Efficient and effective management	Achieved The top ten customers represented 75% of total revenue (2014: 78%)	Continue to review the Company structure to ensure maximum efficiency 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	Achieved Maintains ACC Tertiary accreditation and employs a full-time Health and Safety Coordinator	Maintain high standard of health and safety for Company employees and the public, by achieving ACC workplace safety management accreditation

# Whitestone Contracting Limited

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## How we performed (continued)

How this activity contributes to community outcomes	Performance Measures	Achievements 2014/15	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	Quality standards	Achieved Both ISO9001 and ISO14001 accreditation has been maintained	Maintain ISO9001 registration and related quality assurance processes Maintain ISO14001 registration by ensuring systems are in place to meet environmental, legislative and regulatory requirements
	Responsibility and compliance	Achieved Total revenue from customers other than Council was 70.3% (2014: 69%)	Increase the percentage of revenue obtained from sources other than the Waitaki District Council
		Achieved The ratio at 30 June 2015 is 78.26%	Maintain the ratio of consolidated shareholder funds to total assets in the range of 60–80%

# Whitestone Contracting Limited

Financial Performance (Group)	2015 \$000	2014 \$000
<b>Revenues</b>		
Operating Revenue	22,629	19,949
<b>Total Revenue</b>	<b>22,629</b>	<b>19,949</b>
<b>Expenditure</b>		
Operating expenditure	20,698	18,012
Audit Fees	22	23
Depreciation	1,172	1,174
Directors' Fees	131	118
Interest Expense	14	90
<b>Total Expenditure</b>	<b>22,037</b>	<b>19,393</b>
<b>Net Surplus / (Deficit)</b>	<b>592</b>	<b>556</b>
Subvention Payment	-	(24)
Provision for Taxation	72	(413)
<b>Net Surplus / (Deficit) After Taxation</b>	<b>664</b>	<b>119</b>
Gain / (Loss) on revaluation of Land and Buildings	-	830
<b>Total Comprehensive Revenue</b>	<b>664</b>	<b>949</b>

Financial Position (Group)	2015 \$000	2014 \$000
<b>Shareholders' Funds</b>	<b>12,066</b>	<b>11,402</b>
<u>Represented by:</u>		
Non-current Assets	10,374	10,588
Current Assets	5,044	4,896
Current Liabilities	(2,689)	(3,318)
Non-current Liabilities	(663)	(764)
<b>Net Assets</b>	<b>12,066</b>	<b>11,402</b>

The Company received an unqualified audit report for the year ended 30 June 2015 on 28 August 2015.

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](http://www.whitestone.co.nz)

## ***Financial Statements***

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# Statement of Comprehensive Revenue and Expenditure

For the year ended 30 June 2015

		Consolidated		Council Only		
		2015	2014	2015	2015	2014
		\$000	\$000	Actual	Budget	Actual
				\$000	\$000	\$000
<b>Revenue</b>						
Rates Revenue	1	24,190	23,466	24,226	24,026	23,501
Targeted Rates for Water Supply	1	5,800	5,650	5,800	5,699	5,650
User Charges		24,170	21,646	5,186	4,771	4,901
Regulatory Charges		1,176	1,220	1,176	1,322	1,220
Development and RMA Contributions		583	559	583	681	559
Government Grants and Subsidies	2	15,954	16,618	6,161	5,212	6,861
Other Grants and Donations	3	890	1,115	773	214	983
Finance Revenue	4	1,545	1,248	1,134	835	869
Petrol Tax		190	190	190	195	190
Infringements and Fines		49	60	49	34	60
Dividend and Subvention Payments		-	-	-	150	24
Assets vested in Council	5	146	2,834	146	-	2,834
Other gains and Losses	5	(1,516)	(497)	(1,534)	-	(914)
<b>Total Revenue</b>	<b>32</b>	<b>73,177</b>	<b>74,109</b>	<b>43,890</b>	<b>43,139</b>	<b>46,738</b>
<b>Expenses</b>						
Personnel costs	6	27,082	26,239	9,387	9,670	8,930
Depreciation and amortisation	10	13,112	13,942	11,169	11,894	12,017
Finance Costs	4	14	100	-	-	10
Other expenses	7	29,612	28,811	20,342	22,124	21,987
<b>Total Expenses</b>	<b>32</b>	<b>69,820</b>	<b>69,092</b>	<b>40,898</b>	<b>43,688</b>	<b>42,944</b>
<b>Surplus / (Deficit) before Tax</b>		<b>3,357</b>	<b>5,017</b>	<b>2,992</b>	<b>(549)</b>	<b>3,794</b>
Income Tax Expense / (Refund)	8	(116)	457	-	-	-
<b>Surplus / (Deficit) after tax</b>		<b>3,473</b>	<b>4,560</b>	<b>2,992</b>	<b>(549)</b>	<b>3,794</b>
<b>Other Comprehensive Revenue and Expense</b>						
Gain/(Loss) on revaluation of Infrastructural Assets	10	(2,588)	-	(2,588)	35,000	-
Gain/(Loss) on revaluation of Properties	10	166	8,359	(88)	-	6,309
Other Comprehensive Revenue		-	-	-	-	-
<b>Total Other Comprehensive Revenue and Expense</b>		<b>(2,422)</b>	<b>8,359</b>	<b>(2,676)</b>	<b>35,000</b>	<b>6,309</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>\$1,051</b>	<b>\$12,919</b>	<b>\$316</b>	<b>\$34,451</b>	<b>\$10,103</b>

The accompanying Notes form part of these financial statements

# Statement of Changes in Equity

For the year ended 30 June 2015

	Consolidated		Council Only		
	2015	2014	2015	2015	2014
	Actual	Actual	Actual	Budget	Actual
	\$000	\$000	\$000	\$000	\$000
<b>Public Equity at 1 July</b>	767,152	754,233	741,528	738,385	731,425
Total Comprehensive Revenue and Expense	1,051	12,919	316	34,451	10,103
<b>Public Equity at 30 June</b>	<u>\$ 768,203</u>	<u>\$ 767,152</u>	<u>\$ 741,844</u>	<u>\$ 772,836</u>	<u>\$ 741,528</u>

The accompanying Notes form part of these financial statements

# Statement of Financial Position

As at 30 June 2015

	Notes	Consolidated		Council Only		
		2015	2014	2015 Actual	2015 Budget	2014 Actual
		\$000	\$000	\$000	\$000	\$000
<b>Public Equity</b>						
Ratepayers' Equity	9	308,299	308,299	308,299	308,369	308,299
Revaluation Reserve	9	412,994	416,112	403,451	445,126	406,823
Operating Reserve	9	34,076	30,534	17,260	6,926	14,199
Other Reserves	9	12,834	12,207	12,834	12,415	12,207
<b>Total Public Equity</b>		<b>\$768,203</b>	<b>\$767,152</b>	<b>\$741,844</b>	<b>\$772,836</b>	<b>\$741,528</b>
<b>Non-Current Assets</b>						
Property Plant and Equipment	10	726,553	731,220	705,489	739,593	709,656
Intangible Assets	11	1,583	1,751	992	1,125	1,150
Forestry	12	402	1,035	402	1,020	1,035
Inventory	16	2,223	2,367	2,223	-	2,367
Other Financial Assets						
- Investments in CCO's	13	-	-	4,912	5,512	4,912
- Investments in other entities	13	145	145	145	145	145
- Loans to other entities	13	660	13,016	660	400	13,016
		731,566	749,534	714,823	747,795	732,281
<b>Current Assets</b>						
Cash and Cash Equivalents	14	9,156	3,814	6,818	6,457	1,624
Receivables	15	7,769	8,554	3,926	5,355	4,863
Prepayments		444	469	317	265	298
Inventory	16	976	958	65	16	10
Work in Progress	17	121	116	-	-	-
Other Financial Assets						
- Term deposits	13	16,878	16,261	9,250	7,500	9,000
- Loans to other entities	13	13,050	7	13,050	12,817	7
Assets held for Sale	18	253	253	253	-	253
Provision for Tax paid in Advance		4	2	-	2	2
		48,651	30,434	33,679	32,412	16,057
<b>Total Assets</b>		<b>780,217</b>	<b>779,968</b>	<b>748,502</b>	<b>780,207</b>	<b>748,338</b>
<b>Non-Current Liabilities</b>						
Provisions	19	382	751	382	625	751
Employee Entitlement Liabilities	20	82	59	-	-	-
Borrowings	21	-	192	-	-	1
Deferred Tax Liability	8	620	542	-	-	-
		1,084	1,544	382	625	752
<b>Current Liabilities</b>						
Trade and Other Payables	22	7,005	6,795	5,093	5,695	5,000
Short Term Borrowings	21	-	339	-	1	2
Employee Entitlement Liabilities	20	3,794	3,701	949	910	931
Provisions	19	253	144	234	140	125
Provision for Taxation		(122)	293	-	-	-
		10,930	11,272	6,276	6,746	6,058
<b>Total Liabilities</b>		<b>12,014</b>	<b>12,816</b>	<b>6,658</b>	<b>7,371</b>	<b>6,810</b>
<b>Net Assets</b>		<b>\$768,203</b>	<b>\$767,152</b>	<b>\$741,844</b>	<b>\$772,836</b>	<b>\$741,528</b>

The accompanying Notes form part of these financial statements

# Statement of Cash Flows

For the year ended 30 June 2015

		Consolidated			Council Only	
		2015	2014	2015	2015	2014
					Annual Plan	
Notes		\$000	\$000	\$000	\$000	\$000
<b>Cash flows from Operating Activities</b>						
Receipts from Rates Revenue		29,235	28,344	29,235	29,108	28,344
Interest received		1,018	806	584	435	407
Dividends/Subvention payments received		-	-	-	150	24
Receipts from Other Revenues		44,530	42,253	15,829	13,045	16,299
Payments to Suppliers & Employees		(56,895)	(53,816)	(30,214)	(32,580)	(31,641)
Interest Paid		(14)	(100)	-	-	(10)
Income Tax Refund Received / (Paid)		(222)	(43)	2	-	6
Net GST		321	81	321	-	107
Net Cash from Operating Activities	30	17,973	17,525	15,757	10,158	13,536
<b>Cash Flows from Investing Activities</b>						
Proceeds from Sale of P.P. & E		613	1,127	532	93	311
Proceeds from Sale of Investments		9,158	4,162	9,158	-	4,162
Purchase of P.P. & E		(11,960)	(13,389)	(10,705)	(9,713)	(12,381)
Acquisition of Investments		(9,911)	(10,378)	(9,545)	(525)	(9,089)
Net Cash from Investing Activities		(12,100)	(18,478)	(10,560)	(10,145)	(16,997)
<b>Cash Flows from Financing Activities</b>						
Proceeds from Borrowing		-	-	-	-	-
Repayment of Borrowing		(531)	(894)	(3)	(2)	(2)
Net Cash from Financing Activities		(531)	(894)	(3)	(2)	(2)
Net Increase / (Decrease) in Cash		5,342	(1,847)	5,194	11	(3,463)
Total Cash Resources at 1 July		3,814	5,661	1,624	6,446	5,087
<b>Total Cash Resources at 30 June</b>	14	<b>\$9,156</b>	<b>\$3,814</b>	<b>\$6,818</b>	<b>\$6,457</b>	<b>\$1,624</b>

The accompanying Notes form part of these financial statements

# Statement of Accounting Policies

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## Reporting Entity

The Waitaki District Council (Council) is a territorial local authority established under the Local Government Act 2002 (the LGA, the Act), and is domiciled and operates in New Zealand. Relevant legislation governing the Council's operations include the LGA and the Local Government (Rating) Act 2002.

Council's consolidated Group consists of the ultimate parent, 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 and domiciled in New Zealand.

The primary objective of Council is to provide local infrastructure and local public services, and to perform regulatory functions for the community for social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

The financial statements of the Waitaki District Council are for the year ended 30 June 2015 and were authorised for issue by Council on 28 October 2015.

## Basis of Preparation

The financial statements have been prepared on the going concern basis, and all accounting policies have been applied consistently throughout the period.

## Statement of Compliance

The financial statements of the Council and Group have been prepared in accordance with the requirements of the LGA which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards, and comply with those accounting standards.

These financial statements are the first financial statements to be presented in accordance with the new PBE accounting standards. Material adjustments arising on transition to the new standards are set out and explained in Note 34.

## Presentation currency and rounding

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

## Standards issued and not yet effective and not early adopted

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by public sector entities for reporting periods commencing on or after 1 July 2014. These standards have been applied in preparing the financial statements for the year ended 30 June 2015.

In October 2014 the PBE suite of accounting standards was updated to incorporate requirements and guidance for the not-for-profit sector. These updated standards apply to PBEs with reporting periods commencing on or after 1 April 2015, and will be applied by Council in preparing the financial statements for the year ended 30 June 2016. There are not expected to be any material changes arising from the application of these updated standards.

# Statement of Accounting Policies

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## Summary of Significant Accounting Policies

### Basis of Consolidation

The Consolidated Group financial statements are prepared by adding like items of assets, liabilities, equity, revenue and expenses of entities in the group on a line-by-line basis. Intragroup balances, transactions, revenues and expenses are eliminated on consolidation.

#### *Subsidiaries*

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.

#### *Joint Ventures*

A joint venture is a binding arrangement whereby two or more parties are committed to undertaking an activity that is subject to their joint control (being the agreed sharing of control over the activity). For jointly controlled operations, Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs and the share of revenue earned from the joint venture.

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 LGA, with Whitestone Contracting Limited being a Council Controlled Trading Organisation. Council holds 100% of the shares. The companies' balance dates are 30 June. Whitestone Contracting Limited has three non-trading, fully owned subsidiaries: Whitestone Quarries and Landfill Limited, Dunstan Sprayers Ltd and Dunstan Contracting Ltd. A former subsidiary, Contract Cultivation (2006) Ltd, was struck off during the year.

#### **Omarama Airfield Limited**

This company is a Council Controlled Trading Organisation as defined by Part 5 of the Act. Its balance date is 30 June. Council holds 50% of the shares, and the company is treated as a joint venture

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

# Statement of Accounting Policies

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## Specific Accounting Policies

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

### Revenue 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
- Other grants are recognised as revenue when received, unless there is an obligation in substance to return the funds should conditions of the grant not be met, in which case the grants are initially recorded as revenue in advance, and only recognised as revenue when all conditions are satisfied
- 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 revenue 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 or a service is provided to the customer

### Construction Contracts

Profits on contracts are recognised progressively over the period of each contract. 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 revenue recognised, the difference is presented as prepaid, or deferred, revenue in the balance sheet.

### Borrowing Costs

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

### Grant Expenditure

Non-discretionary grants are awarded when grant applications meet specified criteria, and are recognised as expenditure when such applications are received.

Discretionary grants are those which Council has no obligation to award, and are recognised as expenditure when approved by Council and when that approval is communicated to the applicant.

A condition of grants awarded by Council is that grants, or portions of grants, which are not applied to the purpose for which they were provided, will be returned. Returned grants reduce the grants expenditure for the period in which the funds are received.

# Statement of Accounting Policies

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## Foreign Currency Transactions

Council does not undertake significant transactions in foreign currencies. Foreign currency transactions are translated into New Zealand dollars upon receipt or payment at the prevailing spot rate.

Council does not recognise gains or losses on such transactions, and holds no assets or liabilities denominated in foreign currencies.

## Income Tax

Income tax expense related to the surplus or deficit for the period comprises both current and deferred tax components.

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 revenue or directly to equity, in which case the tax is dealt with in equity.

## Leases

### *Finance Leases*

Leases are classified as finance leases when 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.

## 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. Any GST that is not recoverable as an input tax is recognised as part of the related asset or expense.

# Statement of Accounting Policies

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## **Cash and Cash Equivalents**

Cash and cash equivalents comprise 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 maturing within three months approximates fair value.

## **Trade and Other Receivables**

Trade and other receivables are initially measured at their face value, less any provision for impairment.

## **Inventories**

Inventories, comprising materials on hand, 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. Work in Progress is valued at cost less impairment, and is not depreciated.

## **Financial Assets**

Financial assets may be classified into one of 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 revenue and expense. The classification depends on the purpose for which the investments were acquired. Council determines the classification at initial recognition and re-evaluates the 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, the following 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 reported as current assets except for those with maturities greater than twelve months after balance date, which are included in non-current assets.

- **Fair Value through other revenue and expense**

Available-for-sale financial assets are those that are designated as “available-for-sale” at initial recognition, 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 held for strategic purposes.

# Statement of Accounting Policies

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## Financial Assets (continued)

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.

Gains and losses are recognised in other revenue and expense except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in other revenue 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 revenue and expense 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 the receivable. 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.

## Investment Properties

Investment Properties are properties held to earn revenue 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.

They 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.

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. Trees under fifteen years are valued at replacement cost. Council's forests were revalued as at 30 June 2015 by David Janett, B.For.Sc, MNZIF, of Forestry Management 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

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## 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.

# Statement of Accounting Policies

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The roading network, including bridges, retaining structures and land under roads, was valued as at 1 July 2015 by Mel England, 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.

## **Infrastructural Assets – Work in Progress**

Capital projects that are incomplete at balance date are regarded as Work in Progress, and are included in Fixed Assets, but the assets are not depreciated until they are complete and have 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 revenue and expense, 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 revenue and expense 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 revenue and expense.

## **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 of Accounting Policies

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## Depreciation

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

<u>Asset Category</u>	<u>Depreciation Base</u>
<b>Infrastructural Assets</b>	
- 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
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## 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

Residual values and useful lives of assets are reviewed and, if necessary, adjusted at each year end.

# Statement of Accounting Policies

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## **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, including employee costs and related overheads, associated with the development of software for internal use are recognised as an intangible asset.

Costs related to staff training and to maintaining computer software and to developing and maintaining Council's website 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.

### *Carbon credits*

Purchased carbon credits are recognised at cost on acquisition. Carbon credits received from the Crown under the Emissions Trading Scheme are recognised at fair value, being the value they could be sold for on the tradable carbon credit market, on receipt. Carbon credits are not amortised, but are instead tested for impairment annually, and are derecognised when they are used to satisfy carbon emission obligations.

### *Other Intangible Assets, include:*

#### *- 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 no longer be recoverable, and at each balance date. If 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 assessed as impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against other revenue 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.

## **Trade and Other Payables**

Trade and other payables are recorded at their face value.

# Statement of Accounting Policies

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## Financial Liabilities

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless settlement is deferred for at least twelve months after balance date.

## 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 Kiwisaver are accounted for as a defined contribution superannuation scheme, and 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. For this reason, the scheme is 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 an outflow of future economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of expenditure expected to be required to settle the obligation using a pre-tax discount rate reflecting the current assessment of the time value of money and of the risks specific to the obligation.

# Statement of Accounting Policies

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## 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. Revenue 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 established by Council decision and may be altered by Council without reference to third parties or the Courts. Transfers to and from these reserves are made at Council discretion.

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 LGA requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. 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 must consider when determining the most appropriate sources of funding for each activity. The sources and levels of funding are set out in funding and financial policies in the Council's LTP.

# Statement of Accounting Policies

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## **Budget Figures**

The budget figures are those approved by Council in its 2014/15 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 Annual Plan, report the net cost of services for each significant activity of Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities:

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

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 directly attributable to a significant activity, and are charged accordingly. “Indirect Costs” cannot be attributed in an economically feasible manner to a specific significant activity, and 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, estimates and assumptions have been made 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*

Refer to Note 10 for information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

### *Forestry holdings*

Refer to Note 12 for information about the estimates and assumptions applied in determining the fair value of Council's forestry plantations.

### *Provisions*

Refer to Note 19 for information about the estimates and assumptions applied in determining the fair value of Council's landfill aftercare provision.

## **Critical Judgements in Applying Council's Accounting Policies**

Management has exercised these critical judgements in applying Council's accounting policies:

- **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, which are held for service delivery objectives as part of Council's social housing policy, and are accounted for as property, plant and equipment.
- **Classification of Property – Unoccupied Land**  
Council owns unoccupied land which is classified as property, plant and equipment. Given the uncertainty over the future intended use of the land, Council has not classified the land as investment property.

# Notes to the Financial Statements

	Consolidated			Council Only	
	2015	2014	2015	2015	2014
				Annual Plan	
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## Note 1: Operating Revenue - Rates

General Rates	2,126	2,135	2,162	2,160	2,170
District Services Rates	1,639	1,433	1,639	1,637	1,433
Uniform Annual General Charge	4,354	4,408	4,354	4,345	4,408
Ward Rates	6,343	6,351	6,343	6,336	6,351
Separate Rates	9,375	8,820	9,375	9,368	8,820
Rates Penalties charged	582	562	582	425	562
Less Rates Remitted	(229)	(243)	(229)	(245)	(243)
<b>Total Rates Revenue</b>	<b>\$ 24,190</b>	<b>\$ 23,466</b>	<b>\$ 24,226</b>	<b>\$ 24,026</b>	<b>\$ 23,501</b>
Targeted Rates for water supply	5,265	5,168	5,265	5,262	5,168
User charges for water supply by meter	535	482	535	437	482
<b>Total Targeted Rates for Water Supply</b>	<b>\$ 5,800</b>	<b>\$ 5,650</b>	<b>\$ 5,800</b>	<b>\$ 5,699</b>	<b>\$ 5,650</b>

## Note 2: Operating Revenue - Government Grants

New Zealand Transport Agency subsidies	6,025	6,084	6,025	5,072	6,084
Ministry of Business, Innovation & Employment	-	501	-	-	501
Department of Conservation	-	155	-	6	155
Ministry for the Environment	75	66	75	60	66
Ministry for Youth Development	14	-	14	-	-
Southern DHB operational contract funding	9,793	9,757	-	-	-
Other Government grants and subsidies	47	55	47	74	55
<b>Total Government Grants</b>	<b>\$ 15,954</b>	<b>\$ 16,618</b>	<b>\$ 6,161</b>	<b>\$ 5,212</b>	<b>\$ 6,861</b>

Grants received from the Ministry of Business, Innovation and Employment in 2014 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*

Friends of the Alps2Ocean Cycletrail	347	201	347	-	201
Other grants	-	80	-	-	80

### *Omarama Hall upgrade*

Ratepayers Association of Omarama Inc.	-	105	-	-	105
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### *Haven Street, Moeraki, reinstatement*

Local residents, businesses and organisations	112	-	112	-	-
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### *General purposes*

Est P T Mulligan (bequest)	-	250	-	-	250
Est N Parsloe (bequest)	5	-	5	-	-
Est L J Twiss (bequest)	2	-	2	-	-
Otago Regional Council	-	13	-	-	13
North Otago Rugby	31	31	31	21	31
Countdown supermarket - street art murals	15	-	15	-	-
Sundry other revenue	378	435	261	193	303

<b>Total Grants and Donations</b>	<b>\$ 890</b>	<b>\$ 1,115</b>	<b>\$ 773</b>	<b>\$ 214</b>	<b>\$ 983</b>
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# Notes to the Financial Statements

	Consolidated		Council Only		
	2015	2014	2015	2015 Annual Plan	2014
	<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	980	767	568	350	388
Interest on loan to North Otago Irrigation	550	462	550	470	462
Interest on other community loans	16	13	16	14	13
Sundry interest	(1)	6	-	1	6
<b>Total Finance income</b>	<b>1,545</b>	<b>1,248</b>	<b>1,134</b>	<b>835</b>	<b>869</b>

### Finance costs

Interest on bank borrowings	14	67	-	-	-
Interest on bank overdraft	-	23	-	-	-
Use of money interest charges	-	10	-	-	10
<b>Total Finance costs</b>	<b>14</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>10</b>
<b>Net Finance revenue/(cost)</b>	<b>\$ 1,531</b>	<b>\$ 1,148</b>	<b>\$ 1,134</b>	<b>\$ 835</b>	<b>\$ 859</b>

## Note 5: Operating Revenue - Non-trading Gains / (Losses)

### **Assets vested in Council**

Land & Improvements	-	87	-	-	87
Roading & Bridges	65	915	65	-	915
Stormwater Drainage	-	29	-	-	29
Water Assets	48	196	48	-	196
Sewer Assets	30	240	30	-	240
Plant Assets	-	-	-	-	-
Buildings Assets	-	-	-	-	-
Other Assets	3	1,367	3	-	1,367
<b>Total Assets Vested in Council</b>	<b>\$ 146</b>	<b>\$ 2,834</b>	<b>\$ 146</b>	<b>\$ -</b>	<b>\$ 2,834</b>

### **Other Gains and Losses**

Gain/(loss) on Property Plant & Equipment	(938)	(701)	(933)	-	(1,028)
Depreciation recovered on disposal	54	189	31	-	99
Gain/(loss) on revaluation of Forestry Assets	(632)	15	(632)	-	15
<b>Total Other Gains / Losses</b>	<b>(1,516)</b>	<b>(\$ 497)</b>	<b>(\$ 1,534)</b>	<b>\$ -</b>	<b>(\$ 914)</b>

# Notes to the Financial Statements

	Consolidated			Council Only	
	2015	2014	2015	2015 Annual Plan	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## Note 6: Operating Expenses - Personnel Costs

Salaries and wages	26,544	25,691	9,095	9,444	8,624
Redundancy and severance payments	30	83	30	-	71
Defined contribution plan employer contributions	416	391	220	183	200
Fringe Benefit Taxes	92	74	42	43	35
<b>Total staff costs</b>	<b>\$ 27,082</b>	<b>\$ 26,239</b>	<b>\$ 9,387</b>	<b>\$ 9,670</b>	<b>\$ 8,930</b>

Defined contribution plan employer contributions include contributions to both Kiwisaver and the D&P Contributors Scheme

## Note 7: Operating Expenses - Other Charges

### Audit Fees

#### *Audit New Zealand*

Audit Current Year Annual Report	160	155	110	125	109
Audit Prior Year Annual Report	-	2	-	-	-
Audit 2015-25 Long Term Plan	73	-	73	75	-

#### *Other audit providers*

Audit Current Year Annual Report	22	23	-	-	-
Other Services provided	17	8	-	-	-

Community grants and donations	1,305	797	906	1,103	741
Directors' Fees	304	279	-	-	-

### Impairment of Receivables

Total Bad Debts written off	20	101	19	250	101
Change in Provision for Doubtful Debts	(74)	70	(77)	(74)	-

Insurance premiums	723	797	407	532	509
Provision for closed landfill	(260)	146	(260)	(96)	146
Renting and Leasing	431	336	100	130	127
Other Expenditure	26,891	26,097	19,064	20,079	20,254

<b>Total Other Operating Expenses</b>	<b>\$ 29,612</b>	<b>\$ 28,811</b>	<b>\$ 20,342</b>	<b>\$ 22,124</b>	<b>\$ 21,987</b>
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# Notes to the Financial Statements

	Consolidated		Council only	
	2015	2014	2015	2014
	<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	3,357	5,017	2,992	3,794
Prima facie taxation at 28%	940	1,405	838	1,062
Plus/(Less) Taxation Effect of Differences				
- revenue not liable for taxation	(1,056)	(957)	(838)	(1,062)
- expenditure not deductible for taxation	-	9	-	-
- losses carried forward	-	-	-	-
Income tax expense	<u>(\$ 116)</u>	<u>\$ 457</u>	<u>-</u>	<u>-</u>
<i>This is represented by:</i>				
Current taxation	80	262	-	-
Prior year adjustment	(274)	-	-	-
Deferred taxation provision	78	195	-	-
Income tax expense	<u>(\$ 116)</u>	<u>\$ 457</u>	<u>-</u>	<u>-</u>
Deferred taxation liability/(benefit)				
Opening balance	542	347	-	-
Deferred taxation position current year	78	195	-	-
Total Deferred Tax	<u>\$ 620</u>	<u>\$ 542</u>	<u>-</u>	<u>-</u>
<i>Deferred taxation comprises:</i>				
Short term temporary differences	620	542	-	-
	<u>\$ 620</u>	<u>\$ 542</u>	<u>-</u>	<u>-</u>

Council has not recognised a deferred tax asset in relation to unused tax losses of \$580,416 which are available to be carried forward and offset against future taxable revenue (2014: \$824,027).

Whitestone Contracting Ltd has imputation credits of \$1,926,437 (2014: \$1,698,111) and Tourism Waitaki Ltd has imputation credits of \$34,576 (2014: \$76,871), both of 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	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## Note 9: Public Equity

Public Equity represents the net worth of Council, as measured by the difference between its total assets 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	416,112	408,446	406,823	401,008
Roading Decrease	(2,588)	-	(2,588)	-
Roading Disposals (to operating reserve)	-	-	-	-
Water & Waste Increase	-	-	-	-
Water & Waste Disposals (to operating reserve)	(627)	(474)	(627)	(474)
Property Increase (Decrease)	166	8,359	(88)	6,309
Property Disposals (to operating reserve)	(69)	(20)	(69)	(20)
Whitestone Contracting Ltd Property Movement	-	(199)	-	-
Balance at 30 June	<u>\$412,994</u>	<u>\$416,112</u>	<u>\$403,451</u>	<u>\$406,823</u>

### Represented by

Infrastructural Assets	355,538	358,752	355,538	358,752
Council Property	47,788	47,946	47,788	47,946
Council Other (Museum)	125	125	125	125
Waitaki District Health Services Ltd	7,079	6,825	-	-
Whitestone Contracting Ltd	2,464	2,464	-	-
Balance at 30 June	<u>\$412,994</u>	<u>\$416,112</u>	<u>\$403,451</u>	<u>\$406,823</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	30,534	25,772	14,199	10,402
Net surplus/(deficit) after tax	3,473	4,562	2,992	3,794
Transfer from Revaluation Reserves	696	691	696	494
Transfer from Other Reserves	1,015	1,186	1,015	1,186
Transfer to Other Reserves	(1,642)	(1,677)	(1,642)	(1,677)
Transfer to Equity	-	-	-	-
Balance at 30 June	<u>\$34,076</u>	<u>\$30,534</u>	<u>\$17,260</u>	<u>\$14,199</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	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## 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	12,207	11,715	12,207	11,715
Deposits and Interest	1,612	1,649	1,612	1,649
To Operating Reserves to meet disbursements	(986)	(1,157)	(986)	(1,157)
Balance at 30 June	<u>\$12,833</u>	<u>\$12,207</u>	<u>\$12,833</u>	<u>\$12,207</u>

#### Represented by

Special Funds	11,037	10,374	11,037	10,374
Trust Funds	1,795	1,832	1,795	1,832
Loan Funds	1	1	1	1
Balance at 30 June	<u>\$12,833</u>	<u>\$12,207</u>	<u>\$12,833</u>	<u>\$12,207</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
Deposits and Interest	30	28	30	28
To Operating Reserves to meet disbursements	(29)	(29)	(29)	(29)
Balance at 30 June	<u>\$1</u>	<u>\$-</u>	<u>\$1</u>	<u>\$-</u>

#### Represented by

SPARC Commission Funds	-	-	-	-
Creative Communities Funds	1	-	1	-
Balance at 30 June	<u>\$1</u>	<u>\$-</u>	<u>\$1</u>	<u>\$-</u>

#### Total Other Reserves

<u>\$12,834</u>	<u>\$12,207</u>	<u>\$12,834</u>	<u>\$12,207</u>
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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, 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 2013 \$000	Transfers to Reserves \$000	Transfers from Reserves \$000	Balance at 30 June 2014 \$000	Transfers to Reserves \$000	Transfers from Reserves \$000	Balance at 30 June 2015 \$000
Special Reserves									
Development Funds									
Roading	For future expansion and upgrading of infrastructure to allow for growth		552	121	-	673	154	(222)	605
Water			1,332	349	(183)	1,498	311	(257)	1,552
Sewer			1,909	158	(193)	1,874	151	(46)	1,979
Total Development Funds		A	3,793	628	(376)	4,045	616	(525)	4,136
Other Council-created Funds									
Disaster Fund	Contingency fund for rapid response	B							
Insurance Excess Fund	Contingency fund for uninsured loss	C	3,227	150	(37)	3,340	152	(28)	3,464
Land Endowment Fund	Operational funding	D	-	-	-	-	68	-	68
Community Housing Fund	Future community housing projects	E	1,322	48	(48)	1,322	209	(73)	1,458
Other reserve funds	Established for other purposes		668	24	-	692	30	-	722
			1,036	409	(470)	975	296	(82)	1,189
Total Special Reserves			10,046	1,259	(931)	10,374	1,371	(708)	11,037
Trust Funds									
Waitaki Heritage Fund	Support for heritage projects	F	129	8	(20)	117	10	(20)	107
RMA Reserve	Future recreational developments		948	105	(186)	867	187	(233)	821
Oamaru Public Gardens	Grants, donations, bequests and other gifts for specific purposes		169	6	-	175	8	-	183
North Otago Museum			143	8	-	151	11	-	162
Other community purposes			279	291	(48)	522	25	(25)	522
Total Trust Funds			1,668	418	(254)	1,832	241	(278)	1,795
Loan Funds									
Arising from repayments of previous heritage loans			2	-	(1)	1	-	-	1
Total Loan Funds			2	-	(1)	1	-	-	1
Total Restricted Reserves			\$ 11,716	\$ 1,677	(\$ 1,186)	\$ 12,207	\$ 1,612	(\$ 986)	\$ 12,833

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 and Insurance Excess Funds were 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 - Council resolved to set 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)

2015 Council Only	Cost/ Valuation 1-Jul-14	Current Year Assets Constructed by WDC	Current Year Assets Transferred to WDC	Current Year Disposals	Revaluation	Cost/ Valuation 30-Jun-15	Accum Depn & Impairment Charges 1-Jul-14	Current Year Depreciation	Current Year Disposals	Revaluation	Current Year Impairment Charges	Accum Depn & Impairment Charges 30-Jun-15	Book Value 30-Jun-14	Book Value 30-Jun-15
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land	45,233	91		(138)	(88)	45,098							45,233	45,098
Buildings and Improvements	42,647	458		(46)		43,059	2,750	2,193	(3)			4,940	39,897	38,119
Infrastructural Assets														
- Roadings	472,707	6,379	65		(16,748)	462,403	15,448	4,471		(15,206)		4,713	457,259	457,690
- Bridges	24,363	558			(2,904)	22,017	1,858	592		(1,858)		592	22,505	21,425
- Water Supply Schemes:														
Treatment Plants and Facilities	16,141	1,086			(24)	17,203	1,717	701	(9)			2,409	14,424	14,794
Other Assets (ie Reticulation)	39,727	2,139	47		(687)	41,226	1,513	827	(83)			2,257	38,214	38,969
- Sewerage Schemes:														
Treatment Plants and Facilities	8,616				(31)	8,585	594	294	(28)			860	8,022	7,725
Other Assets (ie Reticulation)	32,261	688	30		(7)	32,972	1,247	608	(2)			1,853	31,014	31,119
- Drainage Schemes	14,699	4				14,703	408	208				616	14,291	14,087
- Solid Waste Facilities	1,293				(5)	1,288	913	62	(5)			970	380	318
- Oamaru Harbour	32,496					32,496	4,395	341				4,736	28,101	27,760
- Alps to Ocean	2,126	317				2,443	50	87				137	2,076	2,306
Total Infrastructural Assets	644,429	11,171	142	(754)	(19,652)	635,336	28,143	8,191	(127)	(17,064)		19,143	616,286	616,193
Operational Assets														
- Plant, Equipment and Vehicles	3,132	253			(1,182)	2,203	1,776	225	(872)			1,129	1,356	1,074
- Office Equipment and Fittings	3,077	210			(84)	3,203	2,426	239	(84)			2,581	651	622
Total Operational Assets	6,209	463			(1,266)	5,406	4,202	464	(956)			3,710	2,007	1,696
Collections	2,479	107	3		(343)	2,246	1,019	93	(335)			777	1,460	1,469
Capital Works in Progress	4,773	1,052			(2,911)	2,914							4,773	2,914
	745,770	13,342	145	(5,458)	(19,740)	734,059	36,114	10,941	(1,421)	(17,064)		28,570	709,656	705,489

Note:  
Accum = Accumulated  
Depn = Depreciation

# Notes to the Financial Statements

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

2014 Council Only	Cost/ Valuation 30-Jun-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 30-Jun-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 30-Jun-13 \$000	Book Value 30-Jun-14 \$000
Land	43,210	125	87	(2)	1,813	45,233							43,210	45,233
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														
- Roadings	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
	732,476	12,369	2,834	(2,717)	808	745,770	30,363	11,790	(553)	(5,486)		36,114	702,113	709,656

Note:  
Accum = Accumulated  
Depn = Depreciation

# Notes to the Financial Statements

## Note 10: Property, Plant and Equipment (Consolidated)

2015 Consolidated	Cost/ Valuation 1-Jul-14	Current Year Assets Constructed by WDC	Current Year Assets Transferred to WDC	Current Year Disposals	Revaluation	Cost/ Valuation 30-Jun-15	Accum Depn & Impairment Charges 1-Jul-14	Current Year Depreciation	Current Year Disposals	Revaluation	Current Year Impairment Charges	Accum Depn & Impairment Charges 30-Jun-15	Book Value 30-Jun-14	Book Value 30-Jun-15
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Land	48,007	91		(123)	(88)	47,887							48,007	47,887
Buildings and Improvements	54,521	467		(183)	(107)	54,698	3,022	2,600	(140)	(361)		5,121	51,499	49,577
Infrastructural Assets														
- Roading	472,707	6,379	65		(16,748)	462,403	15,448	4,471		(15,206)		4,713	457,259	457,690
- Bridges	24,363	558			(2,904)	22,017	1,858	592		(1,858)		592	22,505	21,425
- Water Supply Schemes														
Treatment Plants and Facilities	16,141	1,086			(24)	17,203	1,717	701		(9)		2,409	14,424	14,794
Other Assets (ie Reticulation)	39,727	2,139	47		(687)	41,226	1,513	827		(83)		2,257	38,214	38,969
- Sewerage Schemes														
Treatment Plants and Facilities	8,616				(31)	8,585	594	294		(28)		860	8,022	7,725
Other Assets (ie Reticulation)	32,261	688	30		(7)	32,972	1,247	608		(2)		1,853	31,014	31,119
- Drainage Schemes	14,699	4				14,703	408	208				616	14,291	14,087
- Solid Waste	1,293				(5)	1,288	913	62		(5)		970	380	318
- Oamaru Harbour	32,496					32,496	4,395	341				4,736	28,101	27,760
- Alps to Ocean	2,126	317				2,443	50	87				137	2,076	2,306
Total Infrastructural Assets	644,429	11,171	142	(754)	(19,652)	635,336	28,143	8,191	(127)	(17,064)		19,143	616,286	616,193
Operational Assets														
- Plant, Equipment and Vehicles	24,905	1,347			(1,562)	24,690	16,741	1,599	(1,172)			17,168	8,164	7,522
- Office Equipment and Fittings	4,540	297			(116)	4,721	3,509	333	(112)			3,730	1,031	991
Total Operational Assets	29,445	1,644			(1,678)	29,411	20,250	1,932	(1,284)			20,898	9,195	8,513
Collections	2,479	107	3		(343)	2,246	1,019	93	(335)			777	1,460	1,469
Capital Works in Progress	4,773	1,052			(2,911)	2,914							4,773	2,914
	783,654	14,532	145	(5,992)	(19,847)	772,492	52,434	12,816	(1,886)	(17,425)		45,939	731,220	726,553

Note:

Accum = Accumulated

Depn = Depreciation

# Notes to the Financial Statements

## Note 10: Property, Plant and Equipment (Consolidated)

2014 Consolidated	Cost/ Valuation 30-Jun-13 \$000	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 30-Jun-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 30-Jun-13 \$000	Book Value 30-Jun-14 \$000
Land	45,838	126	87	(565)	2,521	48,007							45,838	48,007
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
	769,152	13,452	2,834	(3,909)	2,125	783,654	46,029	13,665	(1,041)	(6,219)		52,434	723,123	731,220

Note:  
Accum = Accumulated  
Depn = Depreciation

# Notes to the Financial Statements

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## 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.

### Capital Work in Progress

Capital Work in Progress consists of the following asset categories:

	2015 \$000	2014 \$000
Infrastructural Assets – roading and bridges	190	354
Infrastructural Assets – water supply schemes	873	2,909
Infrastructural Assets – sewerage schemes	647	591
Infrastructural Assets – drainage schemes	64	53
Property and other assets	1,140	866
Total	\$2,914	\$4,773

### Restricted Assets

The asset categories Land, and Buildings, and Improvements, include properties that are restricted. These restrictions relate to Council's right to use, or dispose of, the asset, and may derive either from legislation (such as the Reserves Act 1977) or from the terms of particular endowments or bequests which determine the purpose for which the assets may be used. The carrying value of such assets amounts to \$6,230,782 (2014: \$6,398,790).

### Oamaru Harbour

Oamaru Harbour, including the breakwater structure and wharves, was valued by Royds Garden Ltd, Consulting Engineers, in 1992, and was initially recognised at deemed cost of \$32 million. The assets have not been subsequently revalued, and are depreciated in accordance with stated policies. The assets must be assessed for impairment annually. To make this assessment, Council engaged Gary Teear, Registered Engineer, of OCEL Consultants NZ Ltd, to value the breakwater at 30 June 2007. This 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 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 \$106,693,927. Individual assets valued in excess of \$1,000,000 are insured – the value of these assets for insurance purposes is \$24,301,232 (2014: \$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

#### - Land and Buildings

Land has a carrying value of \$45,098,446 and cannot be insured. Restoration might be funded by the Earthquake Commission if the loss resulted from earthquake or landslip.

# Notes to the Financial Statements

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## Note 10: Property, Plant and Equipment – continued

Buildings have a carrying value of \$38,118,307, and a value of \$59,703,646 (2014: \$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).

### - Roading Assets, including bridges and footpaths

Total carrying value \$479,116,081. Not specifically insured, but significant loss or damage would be subsidised by the New Zealand Transport Agency, which has subsidised costs from storm events in previous years. Current rates of financial assistance may change in the future. Any un-subsidised cost would be met from depreciation reserves, and the Disaster Fund (refer below). Estimated cost of full replacement of the assets is \$627,526,000 based on the valuation at 1 July 2014.

### - Art Works, Museum Collections, Library Books

Total carrying value \$1,466,987. Valued at \$3,764,500 for insurance purposes (2014: \$3,100,000), being \$2,714,500 for Council's own art works (2014: \$2,050,000), and \$1,050,000 for art works on loan to Council (2014: \$1,050,000). The balance of Council's own art works is uninsured. No provision has been made to self-insure these items, as they are considered unique, and could not be replaced.

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

### - Vehicles, Plant and Equipment, Furniture and Fittings

Vehicles have a carrying value of \$1,073,782, and a value for insurance purposes of \$1,069,283 (2014: \$1,239,461). All are insured for replacement value.

Other items with a carrying value of \$620,740 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 \$30,384,908. Not specifically insured. Replacement or reinstatement would be funded from operational budgets or depreciation reserves.

### - Summary of Insurance Cover arranged by Council

Total carrying value of Property Plant and Equipment	\$705,487,507
Total value of cover for insurance purposes	<u>\$87,788,661</u>
Total value of uninsured assets	\$617,698,846

Significant uninsured assets include:

Roading network (NZTA subsidies, Council reserves)	\$479,116,081
Water, Waste water and stormwater assets (LAPP assistance)	\$82,392,695
Land holdings (cannot be insured, Earthquake Commission funding)	\$45,098,446
Solid Waste, Harbour, Cycletrail	\$30,384,908

In the event of the destruction of or significant damage to uninsured assets as a result of a natural disaster, financial support might be provided from NZTA subsidies, the LAPP fund, the Earthquake Commission and Council's own reserves, including the Disaster Fund and the Insurance Excess Fund (detailed below). Furthermore, assets that were 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, Insurance Excess Fund (refer also Note 9 – Special Reserves)

Council has specific reserves to enable it to provide a rapid response to a significant and damaging event and to provide a reserve to meet uninsured losses that may arise. At 30 June 2015, the Disaster Fund stood at \$3,463,700 (2014: \$3,339,970), and the Insurance Excess Fund totalled \$68,005 (2014: \$nil). Council maintains committed cash facilities with its bankers to provide additional and immediate funding to meet any shortfall.

# Notes to the Financial Statements

	2015				2014			
	Software	Carbon Credits	Other	Total	Software	Carbon Credits	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000

## Note 11: Intangible Assets

### Council only

Balance at 1 July

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

Movements for the year

Additions	23	55	-	78	205	20	-	225
Disposals - cost	-	(8)	-	(8)	(37)	(1)	-	(38)
Amortisation charge	(222)	-	(6)	(228)	(221)	-	(6)	(227)
Disposals - accum amortisation	-	-	-	-	15	-	-	15
Net movement for the year	(199)	47	(6)	(158)	(38)	19	(6)	(25)

Balance at 30 June

Cost	1,969	81	165	2,215	1,946	34	165	2,145
Accumulated Amortisation	(1,090)	-	(133)	(1,223)	(868)	-	(127)	(995)
Closing Book Value	<b>\$879</b>	<b>\$81</b>	<b>\$32</b>	<b>\$992</b>	<b>\$1,078</b>	<b>\$34</b>	<b>\$38</b>	<b>\$1,150</b>

### Consolidated

Balance at 1 July

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

Movements for the year

Additions	78	55	3	136	250	20	24	294
Disposals - cost	-	(8)	-	(8)	(37)	(1)	-	(38)
Amortisation charge	(239)	-	(57)	(296)	(221)	-	(56)	(277)
Disposals - accum amortisation	-	-	-	-	15	-	-	15
Net movement for the year	(161)	47	(54)	(168)	7	19	(32)	(6)

Balance at 30 June

Cost	2,069	81	988	3,138	1,991	34	985	3,010
Accumulated Amortisation	(1,107)	-	(448)	(1,555)	(868)	-	(391)	(1,259)
Closing Book Value	<b>\$962</b>	<b>\$81</b>	<b>\$540</b>	<b>\$1,583</b>	<b>\$1,123</b>	<b>\$34</b>	<b>\$594</b>	<b>\$1,751</b>

### **Carbon Credits**

The opening balance includes 8,340 credits vested in Council by central Government in 2012/2013 in relation to Council's forestry plantations (see note 12), to 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 since that time 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 any potential future liability relating to the forestry plantations referred to above.

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
<b>Note 12: Forestry Assets</b>				
Balance at 1 July	1,035	1,020	1,035	1,020
Gains / (Losses) arising from harvesting	(308)	-	(308)	-
Gains / (Losses) arising from changes in fair value less estimated point of sale costs	(325)	15	(325)	15
Balance at 30 June	\$402	\$1,035	\$402	\$1,035

Council owns 242.45ha of land for forestry. 82.58ha (2014: 131ha) 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 2015, was performed by David Janett, B.For.Sc, MNZIF, on behalf of Forestry Management Limited, a registered forestry consultant. A pre-tax discount rate of 9.0% (2014: 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 2014/15 financial year Council had arranged insurance which provides maximum cover of \$554,110 (2014: \$930,963) for the forestry plantations, up to \$250,000 (2014: \$250,000) for fire-fighting costs and up to \$111,800 (2014: \$96,420) for replanting and other re-establishment costs. The reduced level of insurance cover reflects the decreased value of the forest asset after logging activities undertaken during the year.

## 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 specifically related to its forestry asset (refer note 11).

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000
<b>Note 13: Other Financial Assets</b>				
<b>Non-Current</b>				
<b>Available for sale</b>				
Shares in other companies (see below)	145	145	145	145
<b>Investments Carried at Cost</b>				
Shares in Subsidiaries	-	-	4,912	4,912
<b>Loans and Receivables</b>				
Mortgages and Secured Loans	660	13,016	660	13,016
Total Non-Current Other Financial Assets	\$805	\$13,161	\$5,717	\$18,073
<b>Current</b>				
Term Deposits maturing between 3 & 12 months	16,878	16,261	9,250	9,000
Mortgages and Secured Loans	13,050	7	13,050	7
Total Current Other Financial Assets	\$29,928	\$16,268	\$22,300	\$9,007
<b>Maturity Profile</b>				
Within one year	29,928	16,268	22,300	9,007
One to two years	-	7	-	7
Two to five years	660	13,009	660	13,009
Five years and over	145	145	145	145
Total Other Financial Assets	\$30,733	\$29,429	\$23,105	\$22,168

The effective interest rate on mortgages and secured loans at year end was 4.43% (2014: 3.64%).

## Loans and Receivables

Includes loans to community groups, but primarily the loan made to North Otago Irrigation Co. Ltd. (NOIC). The amount outstanding at year end was \$13,042,877 (2014: \$12,644,157).

- 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	2,909	2,909	2,909
Percentage of Issued Shares	11.50%	11.55%	11.50%	11.55%
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	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000

## Note 14: Cash and Cash Equivalents

Cash at bank and in hand	2,206	2,314	(132)	124
Deposits with maturities of 3 months or less	6,950	1,500	6,950	1,500
<b>Total Cash Equivalents</b>	<b>\$9,156</b>	<b>\$3,814</b>	<b>\$6,818</b>	<b>\$1,624</b>

The overdrawn position at year end resulted from a bank error which was corrected on 1 July 2015.

## Note 15: Trade and Other Receivables

Rates	2,176	2,290	2,176	2,290
Government Funding	1,481	2,015	1,481	2,015
Inter-company	-	-	28	110
Infringements	28	27	28	27
Sundry	4,923	5,144	975	1,260
<b>Total Receivables</b>	<b>8,608</b>	<b>9,476</b>	<b>4,688</b>	<b>5,702</b>
Less Provision for Impairment	(839)	(922)	(762)	(839)
<b>Total Current Portion</b>	<b>\$ 7,769</b>	<b>\$ 8,554</b>	<b>\$ 3,926</b>	<b>\$ 4,863</b>

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 risk is assessed as very low.

## Analysis of Receivables

Not yet overdue	6,794	7,299	3,781	4,497
Overdue 0 - 30 days	438	298	49	92
Overdue 31 - 60 days	222	167	9	27
Overdue more than 61 days	1,154	1,712	849	1,086
	<b>\$ 8,608</b>	<b>\$ 9,476</b>	<b>\$ 4,688</b>	<b>\$ 5,702</b>

## Analysis of Provision for Impairment

Individual Impairment	115	134	38	51
Collective impairment	724	788	724	788
<b>Total provision for impairment</b>	<b>\$ 839</b>	<b>\$ 922</b>	<b>\$ 762</b>	<b>\$ 839</b>

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.

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000

## Note 15: Trade and Other Receivables (continued)

### Analysis of movements in the Provision for Impairment

At 1 July	922	852	839	839
Increase / (Decrease) in Provision	(55)	176	(58)	101
Receivables written off	(28)	(106)	(19)	(101)
	<u>\$ 839</u>	<u>\$ 922</u>	<u>\$ 762</u>	<u>\$ 839</u>

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	107	106	6	10
Metal and Soil Stocks	289	293	17	-
Logged Timber	42	-	42	-
Other Supplies	538	559	-	-
Total inventory classified as Current	<u>976</u>	<u>958</u>	<u>65</u>	<u>10</u>

Property holdings available for sale, for which a sale is not anticipated within twelve months of balance date, have been classified as non-current inventory

Land – North End Industrial Park, 3 sites	1,150	1,218	1,150	1,218
Land – Omarama, 14 (2014: 15) residential sites	1,073	1,149	1,073	1,149
Total inventory classified as Non-current	<u>2,223</u>	<u>2,367</u>	<u>2,223</u>	<u>2,367</u>

The North End Industrial Park sites are subject to an agreement for sale and purchase, but settlement has been deferred. Interest is being charged on the outstanding balance. Full settlement is required by June 2023, but the precise timing cannot be determined.

The residential sections in Omarama are being marketed, but sales have been sporadic and the timing of future sales is uncertain.

## Note 17: Work in Progress

Cost	4,655	1,260	-	-
Profit Recognised to Date	822	178	-	-
Gross Construction WIP	5,477	1,438	-	-
Less progress billings	(5,445)	(1,379)	-	-
Net Construction WIP	32	59	-	-
Other Contracts	89	57	-	-
Total Work in Progress	<u>\$121</u>	<u>\$116</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## Note 18: Assets Held for Sale

Land which is available for sale, and for which completion of a sale is anticipated within twelve months of balance date, is included in this category.

Land – Hospital Hill site	253	253	253	253
Total	\$253	\$253	\$253	\$253

The property on Hospital Hill is classified as a current asset, as its sale is expected to be concluded within twelve months of year end.

## Note 19: Provisions

### Landfill Aftercare and Site Restoration

Opening	895	759	876	729
Additions to Provision/(Provision utilised)	(260)	136	(260)	147
	\$635	\$895	\$616	\$876

### Analysed:

Non-Current	382	751	382	751
Current	253	144	234	125
	\$635	\$895	\$616	\$876

## 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% (2014: 5%).

## Site Restoration

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

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	\$000	\$000	\$000	\$000

## Note 20: Employee Entitlements

Accrued Pay	960	876	365	361
Annual Leave	2,635	2,594	580	566
Long Service Leave	82	64	4	4
Sick Leave	39	22	-	-
Continuing Medical Entitlements	160	204	-	-
	<u>\$3,876</u>	<u>\$3,760</u>	<u>\$949</u>	<u>\$931</u>
Analysed:				
Non-Current	82	59	-	-
Current	<u>3,794</u>	<u>3,701</u>	<u>949</u>	<u>931</u>
	<u>\$3,876</u>	<u>\$3,760</u>	<u>\$949</u>	<u>\$931</u>

## Note 21: Borrowings

### Non-Current Borrowing

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

### Current Borrowing

*Public Debt – secured	-	1	-	1
Public Debt – unsecured	-	-	-	-
Other secured loans and debentures	-	338	-	-
Total	<u>\$-</u>	<u>\$339</u>	<u>\$-</u>	<u>\$1</u>
Total Borrowings	<u>\$-</u>	<u>\$531</u>	<u>\$-</u>	<u>\$3</u>

## Financing Costs

Council now has no remaining public debt, so no fixed interest rate now applies (2014: 3.5% p.a.).

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 in the previous period related to debt issued prior to 30 June 1999, and was secured by future rates revenues.

Whitestone Contracting Limited loans were secured against company assets.

## Repayment Terms

The following is a maturity analysis of total debt:

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

# Notes to the Financial Statements

	Interest Expense \$000	Balance 1 July \$000	Increased Borrowing \$000	Principal Repaid \$000	Balance 30 June \$000
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## 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 all 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 2015 were \$25,074,639 (2014: \$26,738,127), as outlined below:

### Movements for the year ended 30 June 2015

Roads and Footpaths	33	791	-	(71)	720
Waste Water	34	497	34	(72)	459
Stormwater Damage	5	124	16	(32)	108
Water Supply	452	10,625	272	(1,143)	9,754
Waste Management and minimisation	32	779	-	(108)	671
Arts, Heritage and Culture	0	9	-	(1)	8
Parks and Recreation	27	605	131	(106)	630
Community Amenities	2	60	-	(17)	43
Oamaru Harbour and Historic Precinct	91	2,412	50	(768)	1,694
Commercial and Development Activities	462	10,836	408	(309)	10,935
Environmental Regulation and Safety	-	-	53	-	53
Support Services	(1,139)				
	-	26,738	964	(2,627)	25,075

### 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	0	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	366	9,593	1,500	(257)	10,836
Environmental Regulation and Safety	1	-	43	(43)	-
Support Services	(934)				
	-	24,989	3,055	(1,306)	26,738

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## Note 22: Trade and Other Payables

Sundry Creditors	5,622	5,088	3,062	3,091
Accruals	108	462	90	77
Owing to Subsidiaries	-	-	795	768
Revenue charged in Advance	1,176	1,150	1,047	969
Deposits	99	95	99	95
	<u>\$7,005</u>	<u>\$6,795</u>	<u>\$5,093</u>	<u>\$5,000</u>
Analysed:				
Non-Current	-	-	-	-
Current	<u>7,005</u>	<u>6,795</u>	<u>5,093</u>	<u>5,000</u>
	<u>\$7,005</u>	<u>\$6,795</u>	<u>\$5,093</u>	<u>\$5,000</u>

## Note 23: Commitments

### Capital Commitments

Water infrastructure	365	233	365	233
Roading infrastructure	1,260	1,456	1,651	1,456
Property	93	121	56	309
Total Capital Commitments	<u>\$1,718</u>	<u>\$1,810</u>	<u>\$2,072</u>	<u>\$1,998</u>

### Contractual Commitments

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

Not later than one year	7,905	4,226	10,546	6,883
Later than one year and not later than two	3,214	552	4,350	1,049
Later than two years	-	82	600	618
Total Contractual commitments	<u>\$11,119</u>	<u>\$4,860</u>	<u>\$15,496</u>	<u>\$8,550</u>

Contractual commitments include the commitment to provide additional loan funding of \$4 million for North Otago Irrigation Co Ltd. *Refer also Note 35 Events Subsequent to Balance Date.*

### Operating Leases

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

Not later than one year	347	280	105	37
Later than one year and not later than five	733	222	282	19
Later than five years	-	6	-	-
Total Operating Lease commitments	<u>\$1,080</u>	<u>\$508</u>	<u>\$387</u>	<u>\$56</u>

# Notes to the Financial Statements

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## Note 24: Guarantees and Contingencies

### Council and Group

- On 31 March 2015, the guarantee provided by Council for a loan raised by the Benmore Irrigation Company to further develop and extend its irrigation scheme in the Ahuriri area expired and, at the request of the Company, was not renewed. Because there was no evidence that the guarantee would ever be exercised, Council consistently assessed the fair value of this guarantee since its inception as \$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 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). Members may be called upon to make a contribution in the event of a future major natural disaster negatively impacting the LAPP. A liability will be recognised in relation to those future contributions when there is more certainty over the amount and timing of the required payments. Council is not aware of any such liability due at, or occurring since, balance date. *Refer to Note 10 – Insurance section.*
- Council is not aware of any potential personal grievance claims (2014: 1 potential claim).
- Council owns and manages several closed landfills whose contents are unknown. Resource consents require regular monitoring of these landfills. Except for Hampden, there are no known defects that might result in to a claim, and defects at Hampden have been resolved. Future changes to environmental conditions or land use may affect this position. Council has established the Provision for Closed Landfills to reflect the estimated future cost of its 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:
  - Council is assessing the implications of the findings of the Canterbury Earthquakes Royal Commission of Inquiry on its property holdings. It is difficult to assess the costs and timing of any 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 continue to reduce as insurance providers reassess their risk profiles after the Christchurch earthquakes. To mitigate the effect of changes in insurance premiums on ratepayers, Council continues to self-insure a range of assets, and assumes larger excesses in a number of cases. This strategy carries increased 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

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## 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 Ltd and Waitaki District Health Services Ltd have 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 any borrowing, short-term bank deposits and short- and longer- term investments in other entities, mainly Whitestone Contracting Ltd, North Otago Irrigation Company Ltd and major registered banks with which Council may from time to time have dealings.

#### *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 21.03% (2014: 24.9%) 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

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## **Note 25: Financial Instruments (continued)**

The Group has total bank overdraft and Letter of Credit facilities of \$2,100,000 (2014: \$2,100,000) and committed draw-down facilities of \$15,200,000 (2014: \$15,200,000). Council has uncommitted facilities of \$10,000,000 (2014: \$10,000,000) for the purposes of meeting borrowing needs.

At balance date, Council had used \$132,000 of the overdraft facility (2014: \$nil). No other members of the Group were utilising these facilities at balance date (2014: \$nil). 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 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 \$298,000 (2014: \$240,000).

## **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

	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
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## Note 25: Financial Instruments (continued)

### Council only - 2015

#### Non-current Assets

##### Other Financial Assets

- Investments in CCOs	4,912	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	660	660	-	-	660	-

#### Current Assets

Cash and Cash Equivalents	6,818	6,939	6,939	-	-	-
Trade and Other Receivables	3,926	3,926	3,926	-	-	-
Other Financial Assets						
- Term Deposits	9,250	9,402	9,402	-	-	-
- Loans to other entities	13,050	13,142	13,142	-	-	-

<b>Total Financial Assets</b>	<b>38,761</b>	<b>34,069</b>	<b>33,409</b>	<b>-</b>	<b>660</b>	<b>-</b>
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#### Non-current Liabilities

Borrowings	-	-	-	-	-	-
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#### Current Liabilities

Trade and Other Payables	5,093	5,093	5,093	-	-	-
Short Term Borrowings	-	-	-	-	-	-

<b>Total Financial Liabilities</b>	<b>5,093</b>	<b>5,093</b>	<b>5,093</b>	<b>-</b>	<b>-</b>	<b>-</b>
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<b>Net Liquidity</b>	<b>\$ 33,668</b>	<b>\$ 28,976</b>	<b>\$ 28,316</b>	<b>\$ -</b>	<b>\$ 660</b>	<b>\$ -</b>
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### Council only - 2014

#### Non-current Assets

##### Other Financial Assets

- Investments in CCOs	4,912	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,016	13,016	-	7	13,009	-

#### Current Assets

Cash and Cash Equivalents	1,624	1,739	1,739	-	-	-
Trade and Other Receivables	4,863	4,863	4,863	-	-	-
Other Financial Assets						
- Term Deposits	9,000	9,194	9,194	-	-	-
- Loans to other entities	7	7	7	-	-	-

<b>Total Financial Assets</b>	<b>33,567</b>	<b>28,819</b>	<b>15,803</b>	<b>7</b>	<b>13,009</b>	<b>-</b>
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#### Non-current Liabilities

Borrowings	2	2	-	2	-	-
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#### Current Liabilities

Trade and Other Payables	5,000	5,000	5,000	-	-	-
Short Term Borrowings	1	1	1	-	-	-

<b>Total Financial Liabilities</b>	<b>5,003</b>	<b>5,003</b>	<b>5,001</b>	<b>2</b>	<b>-</b>	<b>-</b>
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<b>Net Liquidity</b>	<b>\$ 28,564</b>	<b>\$ 23,816</b>	<b>\$ 10,802</b>	<b>\$ 5</b>	<b>\$ 13,009</b>	<b>\$ -</b>
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# Notes to the Financial Statements

	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
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## Note 25: Financial Instruments (continued)

### Group - 2015

#### Non-current Assets

##### Other Financial Assets

- Investments in CCOs	-	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	660	660	-	-	660	-

#### Current Assets

Cash and Cash Equivalents	9,156	9,317	9,317	-	-	-
Trade and Other Receivables	7,769	7,769	7,769	-	-	-
Other Financial Assets						
- Term Deposits	16,878	17,320	17,320	-	-	-
- Loans to other entities	13,050	13,142	13,142	-	-	-

<b>Total Financial Assets</b>	<b>47,658</b>	<b>48,208</b>	<b>47,548</b>	<b>-</b>	<b>660</b>	<b>-</b>
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#### Non-current Liabilities

Borrowings	-	-	-	-	-	-
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#### Current Liabilities

Trade and Other Payables	7,005	7,005	7,005	-	-	-
Short Term Borrowings	-	-	-	-	-	-

<b>Total Financial Liabilities</b>	<b>7,005</b>	<b>7,005</b>	<b>7,005</b>	<b>-</b>	<b>-</b>	<b>-</b>
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<b>Net Liquidity</b>	<b>\$ 40,653</b>	<b>\$ 41,203</b>	<b>\$ 40,543</b>	<b>\$ -</b>	<b>\$ 660</b>	<b>\$ -</b>
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### Group - 2014

#### Non-current Assets

##### Other Financial Assets

- Investments in CCOs	-	-	-	-	-	-
- Investments in other entities	145	-	-	-	-	-
- Loans to other entities	13,016	13,016	-	7	13,009	-

#### Current Assets

Cash and Cash Equivalents	3,814	3,969	3,969	-	-	-
Trade and Other Receivables	8,554	8,554	8,554	-	-	-
Other Financial Assets						
- Term Deposits	16,261	16,781	16,781	-	-	-
- Loans to other entities	7	7	7	-	-	-

<b>Total Financial Assets</b>	<b>41,797</b>	<b>42,327</b>	<b>29,311</b>	<b>7</b>	<b>13,009</b>	<b>-</b>
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#### Non-current Liabilities

Borrowings	192	212	-	212	-	-
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#### Current Liabilities

Trade and Other Payables	6,795	6,795	6,795	-	-	-
Short Term Borrowings	339	345	345	-	-	-

<b>Total Financial Liabilities</b>	<b>7,326</b>	<b>7,352</b>	<b>7,140</b>	<b>212</b>	<b>-</b>	<b>-</b>
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<b>Net Liquidity</b>	<b>\$ 34,471</b>	<b>\$ 34,975</b>	<b>\$ 22,171</b>	<b>(\$ 205)</b>	<b>\$ 13,009</b>	<b>\$ -</b>
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# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>

## 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	26,034	20,075	16,068	10,624
Cash with other entities with no default history	13,710	13,023	13,710	13,023
Total Cash and Cash Equivalents	<u>\$39,744</u>	<u>\$33,098</u>	<u>\$29,778</u>	<u>\$23,647</u>

## 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 PBE IPSAS 29 categories are as follows:

### Financial Assets

Shares in other companies (note 13)	145	145	145	145
Secured and other loans (note 13)	13,710	13,023	13,710	13,023
Deposits due 3-12 months after year end (note 13)	16,878	16,261	9,250	9,000
Cash and cash equivalents (note 14)	9,156	3,814	6,818	1,624
Trade and other receivables (note 15)	7,769	8,554	3,926	4,863
Total Financial Assets	<u>\$47,658</u>	<u>\$41,797</u>	<u>\$33,849</u>	<u>\$28,655</u>

### Financial liabilities measured at amortised cost

Trade and other payables (note 22)	7,005	6,795	5,093	5,000
Borrowings (note 21)	-	531	-	3
Total Financial Liabilities at amortised cost	<u>\$7,005</u>	<u>\$7,326</u>	<u>\$5,093</u>	<u>\$5,003</u>

# ***Notes to the Financial Statements***

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## **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 2015, Council provided rental and other services to the value of \$20,800 (2014: \$14,582). At year end, \$11,960 was owed to Council (2014: \$27,401). The Trust has received financial support by way of loan advances from Council, with \$365,000 outstanding at year end (2014: \$365,000) and grants provided of \$15,993 (2014: \$12,792).
- Cr Sally Hope is employed by Hope and Associates Legal which, during the year ended 30 June 2015, provided professional services to Council in relation to property, debt and other matters to the value of \$6,134 (2014: \$28,737). At year end, a balance of \$Nil was owed by Council (2014: \$370).
- Cr Kathy Dennison owns Palmerston Dental Surgery Ltd which, during the year ended 30 June 2015, rented premises in Palmerston from Council to the value of \$3,600 (2014: \$3,600). At year end \$1,035 was owed to Council (2014: \$2,070).
- Cr Colin Wollstein is a Director of North Otago Motor Group Ltd which, during the year ended 30 June 2015, provided vehicle maintenance services to Council amounting to \$6,563 (2014: \$5,175). Council also purchased a motor vehicle for \$34,838 (2014: one vehicle, \$34,900). At 30 June 2015, Council owed \$1,400 (2014: \$979).
- 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 \$2,537 (2014: \$3,833) – Council owed \$Nil at year end (2014: \$Nil).
  - Trafo Power Group Ltd – purchases by Council \$Nil (2014: \$19,464) – Council owed \$Nil at year end (2014: \$Nil).
  - Waitaki Test & Tag Ltd - purchases \$1,751 (2014: \$845) - Council owed \$Nil at year end (2014: \$Nil).

# Notes to the Financial Statements

## Note 28: Employee Remuneration

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

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

	2015 \$000	2014 \$000
<b>Mayor:</b>		
Alex Familton (to October 2013)	-	27
Gary Kircher (from October 2013)	90	59
<b>Elected Members:</b>		
Craig Dawson (to October 2013)	-	7
Kathy Dennison	26	23
Peter Garvan	21	21
Sally Hope	14	20
Jim Hopkins	23	23
William Kingan (from October 2013)	25	16
Kevin Malcolm (to October 2013)	-	7
Guy Percival (from September 2014 by-election)	16	-
Hugh Perkins	29	25
Sharyn Price (from October 2013, resigned June 2014)	-	14
June Slee (from December 2013 by-election)	21	11
Helen Stead (to October 2013)	-	6
Melanie Tavendale (from October 2013)	22	15
Colin Wollstein (from October 2013)	22	15
Gary Young (to October 2013)	-	6
<b>Total Remuneration – Mayor and Elected Members</b>	<b>\$309</b>	<b>\$295</b>

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

Total remuneration of the Chief Executive Officer, Michael Ross, for the year ended 30 June 2015 was \$253,170 (2014: \$250,666).

Michael Ross is a Director of North Otago Irrigation Company Limited (Council appointee) receiving Director's Fees of \$12,000 (2014: \$12,000).

### Key Management Personnel

Employees considered "key personnel" for Council are the Mayor and Councillors, the Chief Executive, the Chief Financial Officer and the three Group Managers. Key personnel for Council's CCOs are described in the individual annual reports, but are normally the Directors, Chief Executive and Senior Managers.

Total remuneration of key management personnel is as follows:

Senior management team, including Chief Executive	2,052	2,047	930	956
Full-time equivalent members	21	19	5	5
Councillors	309	295	309	295
Full-time equivalent members	11	11	11	11
<b>Total remuneration</b>	<b>\$2,361</b>	<b>\$2,342</b>	<b>\$1,239</b>	<b>\$1,251</b>
<b>Total Full-time equivalent members</b>	<b>32</b>	<b>30</b>	<b>16</b>	<b>16</b>

# Notes to the Financial Statements

		Consolidated		Council Only	
		2015	2014	2015	2014
		\$000	\$000	\$000	\$000

## Note 28: Employee Remuneration (continued)

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

At 30 June 2015, Council had 99 full-time employees (2014: 99), and casual and part-time employees amounting to 30 full-time equivalent (FTE) staff (2014: 22 FTE).

147 employees received annual remuneration of less than \$60,000 (2014: 132), and 62 staff (2014: 53) 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>	<u>Employees</u>	
	2015	2014
\$120,000 – \$259,999	7	7
\$100,000 – \$119,999	8	6
\$80,000 – \$99,999	16	15
\$60,000 – \$79,999	31	25
<b>Total staff</b>	<b>62</b>	<b>53</b>

The Group, comprising Council and four CCOs, has 31 employees receiving annual remuneration in excess of \$100,000 (2014: 23).

### Severance Payments (Clause 33)

Council made two severance payments, of \$28,520 and \$1,339, totaling \$29,859, during the current financial year (2014: three payments were made, \$33,050, \$32,640 and \$5,430 totaling \$71,120).

Other members of Council's group made no severance payments (2014: one of \$12,251).

### 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, including the payment of rates, registering of dogs and incurring and paying 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 personal transactions or employment arrangements are no more or less favourable than would have been the case 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>	<u>Council only</u>	
	<u>2015</u>	<u>2014</u>
	<u>\$000</u>	<u>\$000</u>
<ul style="list-style-type: none"> <li><b>Waitaki District Health Services Limited</b> (100% owned)</li> </ul>		
Services provided by Council	55	54
Balance owed to Council at year end	6	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"> <li><b>Waitaki Development Board Limited</b> (100% owned)</li> </ul>		
Services provided by Council	126	143
Balance owed to Council at year end	16	94
Services provided to Council	745	776
Balance owed by Council at year end	-	3
<i>The company manages 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"> <li><b>Whitestone Contracting Limited and Group</b> (100% owned)</li> </ul>		
Services provided by Council	62	69
Balance owed to Council at year end	3	7
Services provided to Council	6,719	6,142
Balance owed by Council	795	768
Subvention payment made to Council	-	24
<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"> <li><b>Omarama Airfield Limited</b> (50% owned joint venture)</li> </ul>		
Services provided by Council	23	22
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"> <li><b>North Otago Irrigation Company Limited</b> (significant borrower)</li> </ul>		
Interest charged by Council on funds advanced	550	462
Outstanding balance of Council loan funding	13,043	12,644
<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 (2014: \$Nil).

# Notes to the Financial Statements

	Consolidated		Council Only	
	2015	2014	2015	2014
	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>	<u>\$000</u>
<b>Note 30: Reconciliation of Net Operating Surplus to Cash Flows from Operating Activities</b>				
Net Operating Surplus after Taxation	3,473	4,560	2,992	3,794
<u>Add/(Less) non-cash items</u>				
Depreciation/Amortisation	13,112	13,942	11,169	12,017
Interest compounded	(550)	(462)	(550)	(462)
Increase/(Decrease) in Doubtful Debts Provision	(74)	70	(77)	-
Increase/(Decrease) in Landfill Closure & Other Provisions	(260)	136	(260)	142
Net Loss/(Profit) on sale of Assets	890	235	902	509
Loss/(Gain) on Forestry revaluation	632	(15)	632	(15)
Vested Assets	(146)	(2,834)	(146)	(2,834)
Surrender of Carbon Credits	8	-	8	-
Increase/(decrease) in Deferred Tax position	79	190	-	-
	13,691	11,262	11,678	9,357
<u>Add/(Less) movements in Other Working Capital items</u>				
Decrease/(Increase) in Trade & Other Receivables	938	(148)	1,014	588
Decrease/(Increase) in Prepayments	8	(109)	(19)	(43)
Decrease/(Increase) in Inventories	(17)	96	(55)	60
Decrease/(Increase) in Work in Progress	(5)	1,103	-	-
Increase/(Decrease) in Trade & Other Payables	288	418	127	(267)
Increase/(Decrease) in Employee Entitlements	13	137	18	41
Increase/(Decrease) in Provision for Taxation	(416)	206	2	6
	809	1,703	1,087	385
<b>Net Cash Inflow from Operating Activities</b>	<b>\$ 17,973</b>	<b>\$ 17,525</b>	<b>\$ 15,757</b>	<b>\$ 13,536</b>

# Notes to the Financial Statements

	Council Only			
	2015	2015	2014	2014
	\$000	Annual Plan \$000	\$000	Annual Plan \$000

## Note 31: Funding Impact Statement (whole of Council)

### Sources of operating funding

General Rates, uniform annual general charge, rates penalties	6,516	6,505	6,578	6,567
Targeted Rates	22,622	22,603	21,772	21,705
<b>Rates Revenue</b>	<b>29,138</b>	<b>29,108</b>	<b>28,350</b>	<b>28,272</b>
Subsidies and grants for operating purposes	3,319	2,701	4,303	3,140
Fees and charges	6,117	5,673	5,861	6,305
Interest and dividends from investments	1,134	985	893	1,035
Local Authorities' fuel tax, fines, infringement fees and other receipts	1,733	1,659	1,695	1,543
<b>Total operating funding</b>	<b>41,441</b>	<b>40,126</b>	<b>41,102</b>	<b>40,295</b>

### Application of operating funding

Payments to staff and suppliers	30,489	32,556	31,708	33,215
Finance Costs	-	-	10	-
Other operating funding applications	-	-	-	-
<b>Total Applications of Operating Funding</b>	<b>30,489</b>	<b>32,556</b>	<b>31,718</b>	<b>33,215</b>
<b>Surplus / (Deficit) of operating funding</b>	<b>10,952</b>	<b>7,570</b>	<b>9,384</b>	<b>7,080</b>

### Sources of capital funding

Subsidies and grants for capital expenditure	3,483	2,567	3,401	2,942
Development and financial contributions	729	680	3,407	612
Increase / (decrease) in debt	(3)	(2)	(2)	(3)
Gross proceeds from sale of assets	(1,003)	466	(618)	221
<b>Total sources of capital funding</b>	<b>3,206</b>	<b>3,711</b>	<b>6,188</b>	<b>3,772</b>

### Application of capital funding

Capital expenditure	-	-	-	-
- to meet additional demand	-	-	-	-
- to improve the level of service	2,263	2,131	4,714	4,109
- to replace existing assets	7,827	6,952	7,165	6,745
<b>Total capital expenditure</b>	<b>10,090</b>	<b>9,083</b>	<b>11,879</b>	<b>10,854</b>
Increase / (decrease) in Reserves	4,068	2,198	3,693	(2)
Increase / (decrease) in Investments	-	-	-	-
<b>Total application of capital funding</b>	<b>14,158</b>	<b>11,281</b>	<b>15,572</b>	<b>10,852</b>
<b>Surplus/deficit of capital funding</b>	<b>(10,952)</b>	<b>(7,570)</b>	<b>(9,384)</b>	<b>(7,080)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

	2014/15 Actual \$(000)	2014/15 Budget \$(000)	2013/14 Actual \$(000)	2013/14 Budget \$(000)
<b>Note 32: Reconciliation of Funding Impact Statements by Group of Activity</b>				
<b>Operating Revenue</b>				
Roads & Footpaths	3,609	3,241	4,135	3,063
Sewerage (Treatment & Disposal)	770	657	574	425
Stormwater Drainage	9	-	-	-
Water Supply	1,037	813	950	788
Waste Management & Minimisation	1,251	956	1,116	911
Arts, Heritage & Community	594	641	881	617
Parks & Recreation	1,511	1,294	1,322	1,277
Democracy, Accountability & Planning	27	34	114	104
Commercial & Development Activities	2,239	1,977	2,264	3,491
Regulation & Safety	1,237	1,515	1,483	1,438
Support Services (Net Allocated)	14,803	15,056	14,251	15,041
<b>Operational Revenue per Activity FIS</b>	<b>27,087</b>	<b>26,184</b>	<b>27,090</b>	<b>27,155</b>
<b>Total Sources of Capital Funding</b>				
Roads & Footpaths	3,247	2,706	2,560	3,070
Sewerage (Treatment & Disposal)	67	116	89	106
Stormwater Drainage	-	-	-	-
Water Supply	245	275	300	250
Waste Management & Minimisation	-	-	-	-
Arts, Heritage & Community	7	-	6	-
Parks & Recreation	8	-	9	-
Democracy, Accountability & Planning	-	-	-	-
Commercial & Development Activities	(832)	374	3,092	154
Regulation & Safety	434	150	71	128
Support Services (Net Allocated)	30	90	61	64
<b>Capital Revenue per Activity FIS</b>	<b>3,206</b>	<b>3,711</b>	<b>6,188</b>	<b>3,772</b>
Add total Rates	29,138	29,107	28,350	28,272
Less Internal recoveries included	(14,784)	(15,153)	(14,338)	(15,132)
<b>Revenue per Total Activities FIS</b>	<b>44,647</b>	<b>43,849</b>	<b>47,290</b>	<b>44,067</b>
Remove increase/decrease in debt	3	2	2	3
Offset Rates remissions against revenue	(229)	(245)	(243)	(230)
Adjust Sales contra account	(532)	(466)	(311)	(224)
Adjust internal revenue	1	(1)	-	-
<b>Revenue per Statement of Revenue and Expenditure</b>	<b>43,890</b>	<b>43,139</b>	<b>46,738</b>	<b>43,616</b>

# Notes to the Financial Statements

	2014/15 Actual \$(000)	2014/15 Budget \$(000)	2013/14 Actual \$(000)	2013/14 Budget \$(000)
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## Note 32: Reconciliation of Funding Impact Statements by Group of Activity (continued)

### Total Applications of Operating Funding

Roads & Footpaths	6,058	6,158	7,772	6,001
Sewerage (Treatment & Disposal)	1,667	1,544	1,357	1,526
Stormwater Drainage	143	197	151	174
Water Supply	4,310	4,317	4,062	4,350
Waste Management & Minimisation	1,344	1,608	1,721	1,803
Arts, Heritage & Community	3,782	3,764	3,688	3,834
Parks & Recreation	4,494	4,492	4,292	4,371
Democracy, Accountability & Planning	3,152	3,633	3,345	3,612
Commercial & Development Activities	2,597	3,693	3,149	4,494
Regulation & Safety	3,593	3,823	3,147	3,508
Support Services (Net Allocated)	14,133	14,491	13,370	14,675

Total Operational expenditure per FIS	45,273	47,720	46,054	48,348
Less internal recoveries	(14,784)	(15,152)	(14,337)	(15,133)

Expenditure per Total Activities FIS	30,489	32,568	31,717	33,215
Less internal charges included in capital	(531)	(530)	(547)	(530)
Less Rate remissions offset against revenue	(229)	(245)	(243)	(230)
Adjust internal charges	-	1	-	1
Add Depreciation and Amortisation (below)	11,169	11,894	12,017	11,382

<b>Expenditure per Statement of Revenue and Expenditure</b>	<b>40,898</b>	<b>43,688</b>	<b>42,944</b>	<b>43,838</b>
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### Depreciation and Amortisation

Roads & Footpaths	5,120	5,674	5,674	5,610
Sewerage (Treatment & Disposal)	903	955	955	902
Stormwater Drainage	208	208	208	201
Water Supply	1,528	1,722	1,722	1,581
Waste Management & Minimisation	57	57	57	57
Arts, Heritage & Community	188	188	195	173
Parks & Recreation	871	844	872	683
Democracy, Accountability & Planning	0	0	0	0
Commercial & Development Activities	1,100	1,050	1,073	1,022
Regulation & Safety	35	111	114	107
Support Services (Net Allocated)	1,160	1,086	1,149	1,046

<b>Total Depreciation and Amortisation charges</b>	<b>11,169</b>	<b>11,894</b>	<b>12,017</b>	<b>11,382</b>
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# Notes to the Financial Statements

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

Variances in revenue 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 significant or unusual variances:

Council only	2015 Actual \$000	2015 Annual Plan \$000	2014 Actual \$000
<b>Revenue</b>			
Rates	24,226	24,026	23,501
Targeted Rates for Water Supply	5,800	5,699	5,650
<i>Refer to Note 1 for further analysis</i> Rates are levied in accordance with Council's Finance Policies, and the 2014/15 Annual Plan. Any variance from budget arises from 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. These figures include Penalties applied to overdue Rates, and charges for water supplied by meter, and are net of remissions granted. Changing amounts of penalties levied and volumes of water consumed have contributed to the variances reported.			
User Charges	5,187	4,771	4,901
Significant variances:			
• Landfill charges	1,174	896	1,036
• Water, sewer and stormwater connection charges	335	240	347
• Commercial rentals	821	736	785
Government Grants	6,161	5,212	6,861
<i>Refer to Note 2 for further analysis</i> Unbudgeted roading subsidy revenue (an extra \$953k) was received for rural resilience projects. 2014 included grants of \$501k for construction of the Alps2Ocean Cycle Trail.			
Other Grants and Donations	773	214	983
<i>Refer to Note 3 for further analysis</i> Revenue was received for on-going construction of the Alps2Ocean Cycle Trail, the reinstatement of Haven Street, Moeraki, and by way of bequests for Heritage and sporting purposes.			
Assets vested in Council	146	-	2,834
<i>Refer to Note 5 for further analysis</i> Total vested assets of \$146k (2014: \$2,834k, including elements of the Alps2Ocean Cycle Trail completed prior to June 2013 of \$1,367k).			
Other Gains and Losses	(1,534)	-	(914)
<i>Refer to Note 5 for further analysis</i> Decreased value of Forestry assets (\$632k) due in part to harvesting activities (2014: \$15k). Write-downs and losses on disposal of Fixed Assets were (\$933k) (2014: (\$1,028k)), gains on disposal were \$31k (2014: \$99k).			
<b>Expenditure</b>			
Personnel Costs	9,387	9,670	8,930
<i>Refer to Note 6 for further analysis</i> Council budgets for full staffing, and had fewer vacancies than in the previous financial year. Two positions were either fully or partially dis-established during the year.			

# Notes to the Financial Statements

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

Council only	2015 Actual \$000	2015 Annual Plan \$000	2014 Actual \$000
Depreciation and amortisation	11,169	11,894	12,017
<i>Refer to Notes 10 and 11 for further analysis</i> Reduction is due to items having reached the end of their economic lives and, in particular, the effects of the revaluation of roading infrastructure completed in July 2014.			
Other expenses	20,342	22,124	21,987
<i>Refer to Note 7 for statutory disclosures</i> Other significant variances: <ul style="list-style-type: none"> <li>Insurance premiums</li> <li>Change in Provision for Closed Landfill</li> <li>Change in Provision for Doubtful Debts</li> <li>Bad Debts written off</li> <li>Community grants and donations</li> </ul>			
	407	532	509
	(260)	(96)	146
	(77)	(74)	-
	19	250	101
	906	1,103	741

Balance Sheet items			
Cash and Cash Equivalents	6,818	6,457	1,624
Other Financial Assets – investments in other entities	9,250	7,500	9,000
<i>Refer to Notes 13 and 14 for further analysis</i> Council held more funds than usual at year end because of its commitment to provide further loan funding to the North Otago Irrigation Company.			
Receivables	3,926	5,355	4,863
<i>Refer to Note 15 for further analysis</i> Improved payments by customers, and changes to the pattern of NZTA subsidy claims, have had a positive impact on the year end debtors' position.			
Provisions – non-current	382	625	751
Provisions – current	234	140	125
<i>Refer to Note 19 for further analysis</i> Capping of the Oamaru landfill started in the 2014/15 financial year, and the projected future cost of completing the work and maintaining an on-going monitoring process was re-evaluated, resulting in a reduced provision, and adjustments to the anticipated timing of required payments.			

Statement of Cash Flows			
Net Cash from Operating Activities	15,757	10,158	13,536
Net Cash from Investing Activities	(10,560)	(10,145)	(16,997)
<i>Refer to the Statement of Cash Flows and Note 30 for further analysis</i> Because of its commitment to provide additional loan funding to the North Otago Irrigation Co Ltd in the early part of the 2015/16 financial year ( <i>refer Notes 23 and 35</i> ), more funds were held in short-term deposits at year end than is usual. Capital expenditure was reduced due to the deferral of projects worth in excess of \$5 million.			

# Notes to the Financial Statements

	2014 Original \$000	2014 Change \$000	2014 Re-stated \$000
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## Note 34: Reclassification of Amounts

In the current financial year, Council has adopted the new IPSAS Accounting Standard. While this has not resulted in significant changes to the financial reports, certain minor changes have been required.

Council and the group have also 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 year.

These changes have necessitated amendments to 2014 comparative figures, the effect of which is set out in the table below:

The revenue category of Rates Revenue, and the Expense category of Other Expenses have been re-stated as a consequence of the mandatory requirement to disclose Rates revenue net of rate remissions. This change also affects details provided in Notes 1 and 7.

The expenditure categories of Personnel Costs and Other expenses have been re-stated to classify the payment of Fringe Benefit Tax as an element of Personnel Cost

### Statement of Revenue and Expenditure

#### **Council only**

Rates Revenue	23,744	(243)	23,501
Personnel Costs	8,895	35	8,930
Other Expenses	22,265	(278)	21,987

#### **Group**

Rates Revenue	23,709	(243)	23,466
Personnel Costs	26,165	74	26,239
Other Expenses	29,128	(317)	28,811

The revenue category of Other Gains and Losses has been re-stated as a consequence of the adoption of IPSAS. This change also affects details provided in Note 5

### Statement of Revenue and Expenditure

#### **Council only**

Other Gains / (Losses)	1,920	(1,920)	-
Assets vested in Council	-	2,834	2,834
Other gains and Losses	-	(914)	(914)

#### **Group**

Other Gains / (Losses)	2,337	(2,337)	-
Assets vested in Council	-	2,834	2,834
Other gains and Losses	-	(497)	(497)

# Notes to the Financial Statements

	2014 Original \$000	2014 Change \$000	2014 Re-stated \$000
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## Note 34: Reclassification of Amounts (continued)

In applying IPSAS, a CCO has reclassified its Deferred Tax liability against accumulated surpluses. Council's share of this adjustment has the following impact, and also affects Note 8.

### Statement of Financial Position

#### Group

Deferred Tax Liability	581	(39)	542
Operating Reserve	30,495	39	30,534

Council has recategorised Cash and Cash Equivalents and Term Deposits to better reflect the maturity factors of specific deposits at the time they were initiated, affecting Notes 13, 14, 25 and 26

### Statement of Financial Position, Statement of Cashflows

#### Council only

Cash and Cash Equivalents	4,624	(3,000)	1,624
Term Deposits	6,000	3,000	9,000

#### Group

Cash and Cash Equivalents	6,814	(3,000)	3,814
Term Deposits	13,261	3,000	16,261

Council has classified certain land held for sale as Inventory, a Non-current Asset class, to better reflect the present status of the affected properties. This change also affects Notes 10 and 16.

### Statement of Financial Position

#### Council only

Property, Plant and Equipment	712,023	(2,367)	709,656
Inventory	-	2,367	2,367

#### Group

Property, Plant and Equipment	733,587	(2,367)	731,220
Inventory	-	2,367	2,367

When preparing the 2015-25 Long Term Plan, Council rationalised its groups of activities, reducing the number of Funding Impact Statements accordingly. This changed the prior year comparatives for most activities' FIS reports, but the overall result, as detailed in Notes 31 and 32, remains the same.

## Note 35: Events Subsequent to Balance Date

The loan of \$13,042,877 to the North Otago Irrigation Company Ltd (*refer Note 13*) was repaid on 31 August 2015, and a new loan of \$13,000,000 was established. A further advance of \$4,000,000 was made on 20 September 2015, making the total loan \$17,000,000. The interest rate on the new loan is based on the 12 month bill rate, interest is payable monthly, and the loan will be repaid in full in 2022.

At an extraordinary meeting held on 30 September, 2015, Council resolved to commit loan funding of up to \$8,000,000 to support the development of a retirement village planned by Waitaki District Health Services Ltd. Although timing is not yet certain, it is not expected that these funds will be required prior to the commencement of the 2016/17 financial year.

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

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## Staffing Reviews

Staffing reviews were carried out in two Council units during the past year:

- Oamaru Opera House
- Rooding Unit

Both reviews were carried out in a consultative, robust manner resulting in the successful implementation of the revised structures to better meet the needs of the organisation and of our community.

## Employee Workplace Survey

The Annual Workplace Survey was undertaken via independent survey provider IBM in October 2014. The Executive Team has worked through the results with staff, through a variety of forums 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 and casual positions)
2009/10	9.0%	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	9.0%	11.0%	5.0%	7.3	116.1
2013/14	20.0%	18.2%	23.8%	7.3	122.2
2014/15	11.6%	10.1%	14.0%	4.0	129.0

Staff turnover figures in 2014/15 demonstrate reductions in both part time and full time employee turnover compared to the 2013/14 figures, with a total employee turnover reduction from 20.0% (2013/2014) to 11.6% (2014/2015).

Human Resources has reviewed the turnover data. The 10 full time employees comprising the 10.1% 2014/15 turnover includes people leaving for the following reasons:

Career Advancement	2
Family Reasons/Relocation	5
Other	3

## New Positions Approved

During this period the following new full time positions were approved:

- Event Coordinator, Opera House
- Technical Officer, Rooding
- Contract Engineer, Rooding
- Building Control Officer, Regulatory Services

It should also be noted that as a result of a compliance review of employment documentation, a number of employees previously employed as casuals are now employed on part time agreements.

# ***Managing Our People***

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## **ACC Workplace Safety Management Practices Programme**

All health and safety practices and procedures continue to be monitored and reviewed in line with the programme requirements.

An external audit was carried out by ACC in June 2015, to measure Council's health and safety systems and practices against the Workplace Safety Management Practices audit standards. This audit highlighted that Council demonstrated continuous improvement over the audit timeframe and resulted in the award of secondary level accreditation.

# Governance Statement

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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 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 Council within the community
- Communicate with community organisations and special interest groups in the community
- Undertake any other responsibilities delegated by Council
- Each Community Board has a Chairperson and five other members. Five members are elected triennially by electors in the community, and 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

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## 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 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)
- Advocating 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 Council
- Ceremonial head of Council
- Establishing committees of 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 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 proposed the current committees of Council and nominated the Chairpersons of those committees. The proposed structure and chairpersons were established by Council resolution. 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 Council's Delegations Policy. A committee Chairperson may be removed from office by resolution of Council.

The Chief Executive is appointed by 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 Council. Under section 42 of the Local Government Act 2002, the responsibilities of the Chief Executive are:

- Implementing the decisions of Council
- Providing advice to 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 Council effectively and efficiently
- Maintaining systems to enable effective planning and accurate reporting of the financial and service performance of Council
- Providing leadership for the staff of Council
- Employing, on behalf of Council, the staff of Council in accordance with any remuneration and employment policy
- Negotiating the terms of employment of the staff of 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

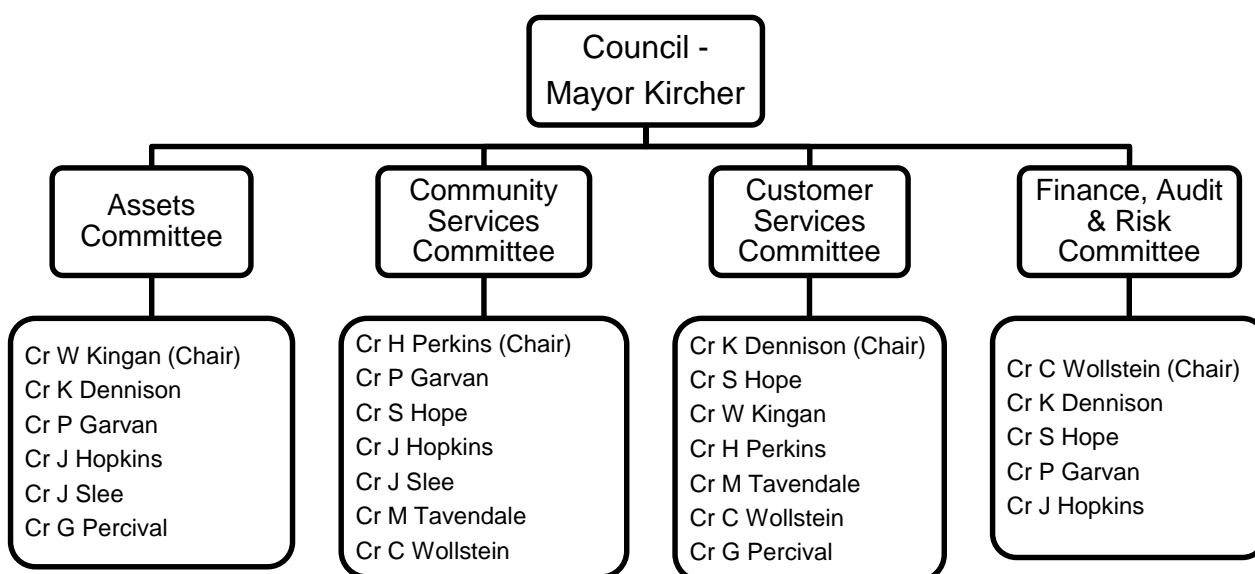
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- Local Authorities (Members' Interests) Act 1968 which regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect)
- 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
- 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% or greater majority of Council. The Code sets out 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 Council may impose if an individual breaches the code. Copies of the full Code of Conduct may be obtained from Council.

## Governance Structures

Council reviews its committee structures after each triennial election. At the last review Council established the following four standing committees:



The Mayor is an ex-officio member on the four standing committees detailed above.

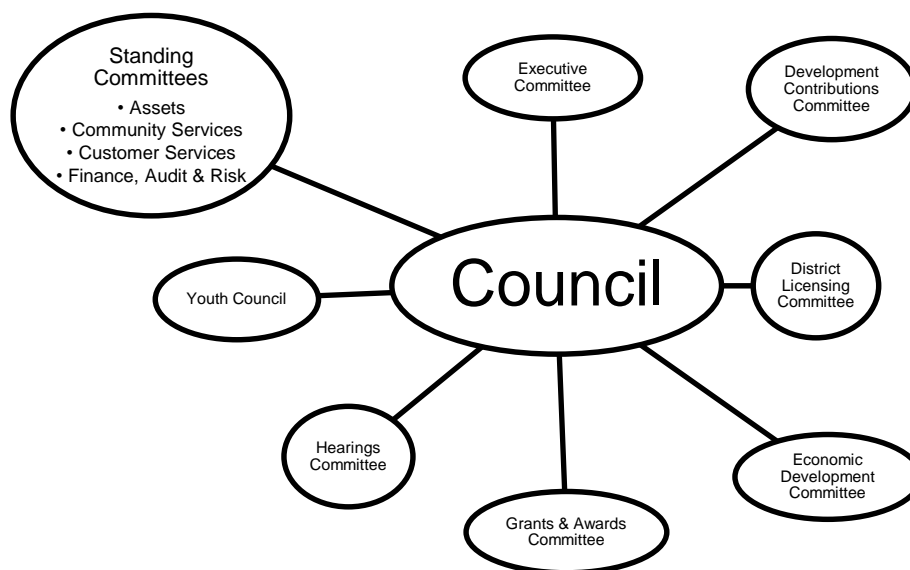
Committees meet between full Council meetings. Further details on these committees, including their terms of reference, delegated powers and meeting arrangements can be obtained from Council.

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

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## 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 Oamaru Whitestone Civic Trust, Waitaki Community Recreation Centre Trust and Waitaki District Community House Trust.

Council Controlled Organisations are Whitestone Contracting Ltd, Tourism Waitaki 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. 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. Council agendas are public documents, 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

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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% 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.

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 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

Local Government Act 2002 requires Council to employ a Chief Executive whose responsibilities are to employ other staff on behalf of Council in accordance with any remuneration and employment policy, implement Council decisions and provide advice to 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

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## 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.

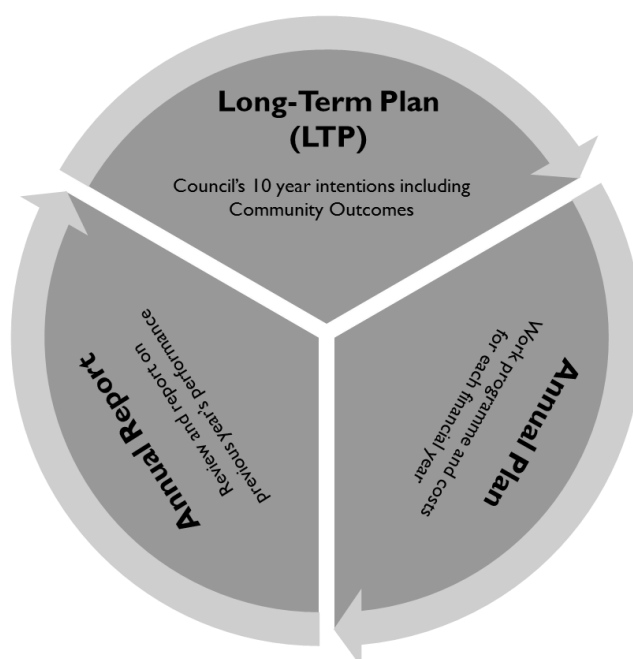
### Annual Plan

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

Annual Report reports of the actual performance of 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.

Annual Report is for each financial year (eg 1 July 2014 to 30 June 2015). 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

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## 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 in carrying 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 Waitaki District 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](mailto:service@waitaki.govt.nz)

Council also has an office at the Waihemo Service Centre in Palmerston:

54 Tiverton Street

PO Box 17

Palmerston 9443

Phone: (03) 465 1106

Fax: (03) 465 1111

Email: [waihemosc@waitaki.govt.nz](mailto: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 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, 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

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Council must answer requests within 20 working days (although there are certain circumstances where this time-frame may be extended). 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***

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## **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***

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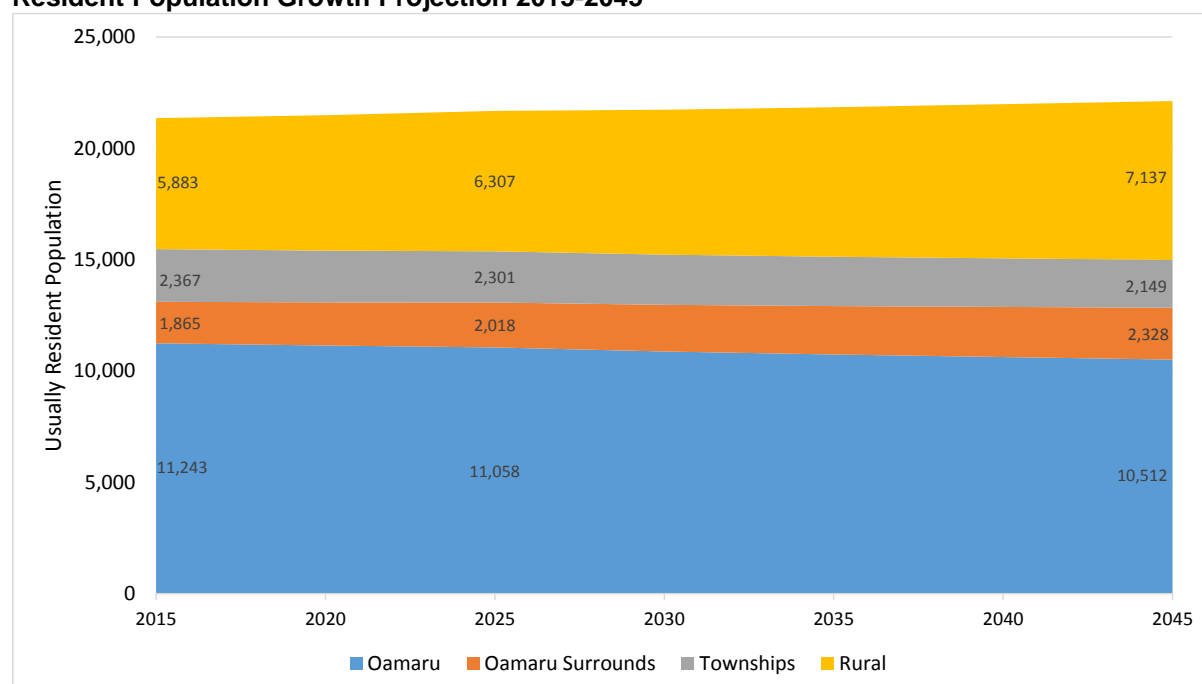
# Overview

Waitaki District Council was established in 1989. Council's operations extend over a total area of 8,990km<sup>2</sup>. The northern-western portion of the District, 4,315km<sup>2</sup> lies in the Canterbury region with the remaining 4,675km<sup>2</sup> 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 43% of employment and 49% of GDP in Waitaki is in the Primary and Manufacturing sectors.

## GDP, Employment and Business Units, Waitaki District 2014

Sectors (2013)	FTEs	%	GDP (2014\$m)	%	Business units	%
Primary	2,300	23.9%	181	20.2%	1,050	35.5%
Manufacturing	1,796	18.6%	256	28.6%	93	3.1%
Construction	876	9.1%	71	7.9%	246	8.3%
Wholesale and Distribution	592	6.1%	80	8.9%	130	4.4%
Retail Trade and Services	1,691	17.6%	97	10.8%	413	13.9%
Business Services	790	8.2%	106	11.8%	824	27.8%
Arts and Recreation Services	92	1.0%	6	0.7%	55	1.9%
Social Services	1,493	15.5%	100	11.2%	150	5.1%
Sub-total (excluding O.O.D.*)	9,631	100.0%	898	100.0%	2,961	100.0%
* Owner Occupied Dwellings			142			
Total	9,631		1,040		2,961	

Source: BERL Regional Database, 2014

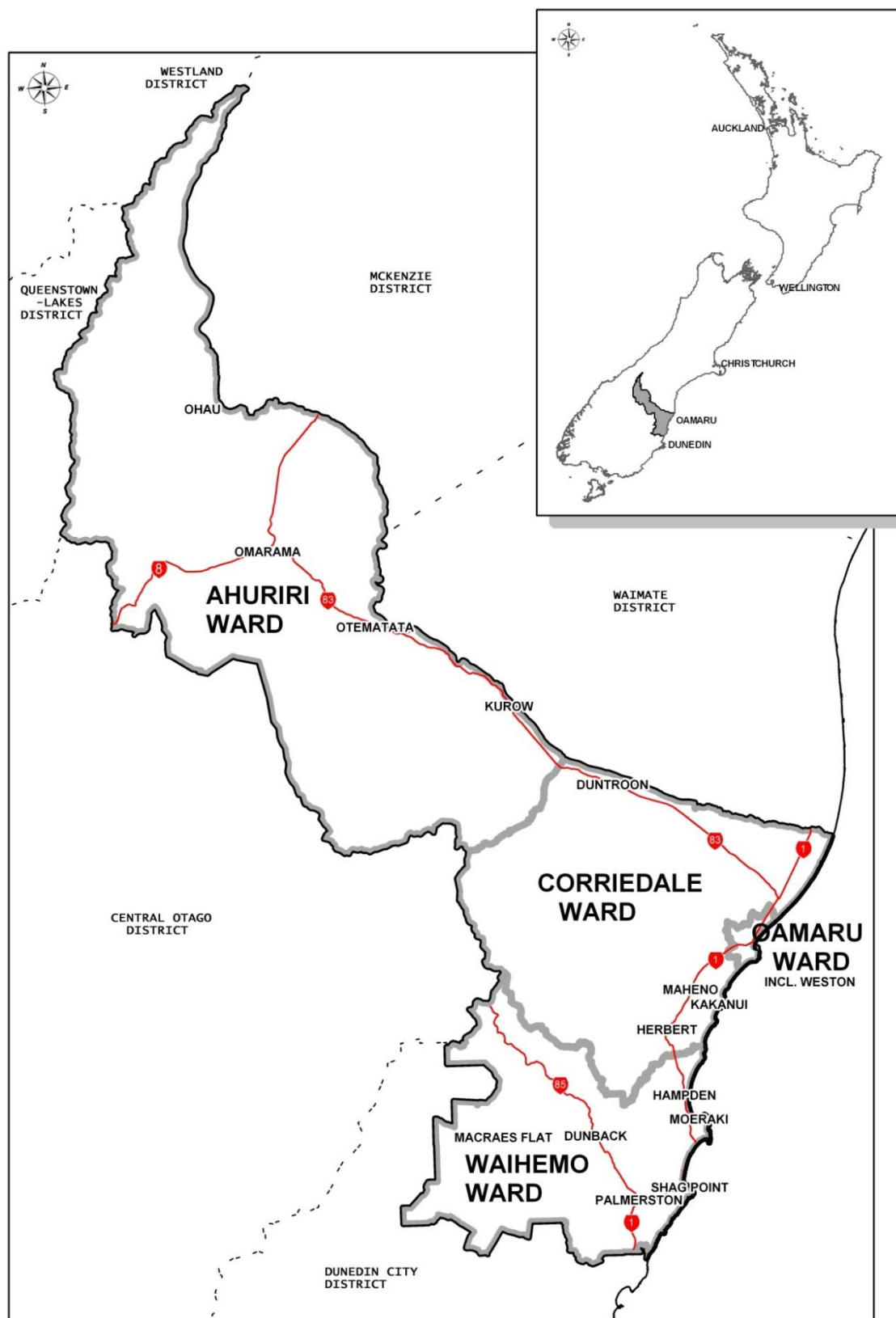
## Economic Profile

### Ten Fastest Growing Industries by FTE Growth, Waitaki District 2004 to 2014

Rank by FTE growth	Industry	Employment (FTEs)		
		2004	2014	% per annum growth
1	Machinery and Equipment Wholesaling	20	102	17.6
2	Agriculture, Forestry and Fishing Support Services	121	267	8.2
3	Basic Material Wholesaling	75	162	8.0
4	Metal Ore Mining	223	467	7.7
5	Social Assistance Services	101	193	6.7
6	Public Administration	63	108	5.6
7	Construction Services	264	430	5.0
8	Repairs and Maintenance	79	128	4.9
9	Hospitals	103	154	4.2
10	Professional Scientific and Technical Services (exc Comp Sys Dsn & related)	185	278	4.2

Source: BERL; Statistics NZ

## Map of the Waitaki District



## ***Mayor and Councillors (at 30 June 2015)***

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**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**  
71 Wellington Street,  
RD2C  
Oamaru  
Ph (03) 432 4247

**Cr Guy Percival**  
55 Rutherfords Road,  
Fuchsia Creek  
RD15D  
Oamaru  
Ph (03) 432 4225

### **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 2015)***

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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**

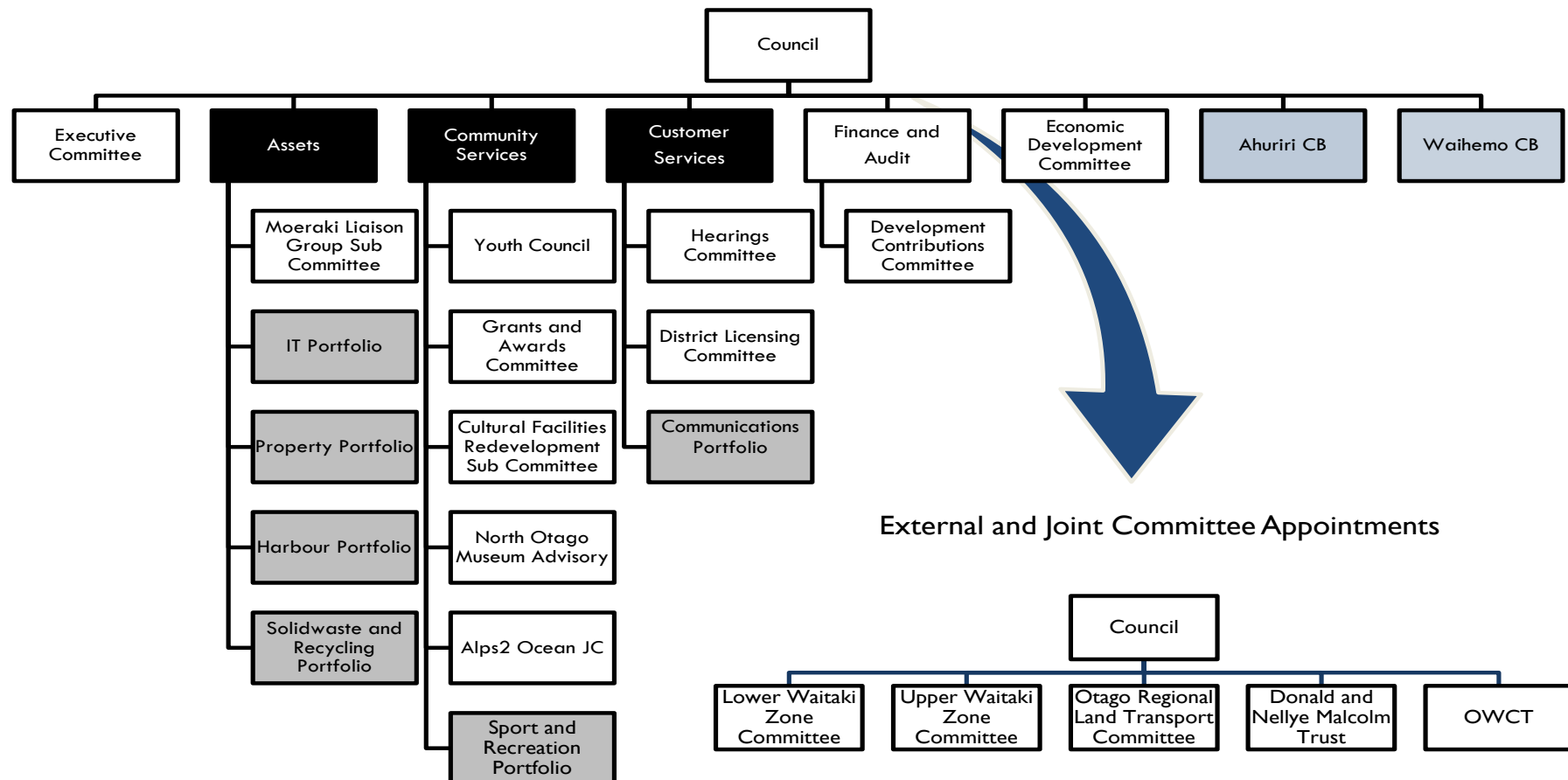
18 Runbrake Street  
Palmerston  
Ph (03) 465 1255

#### **Paul Roy**

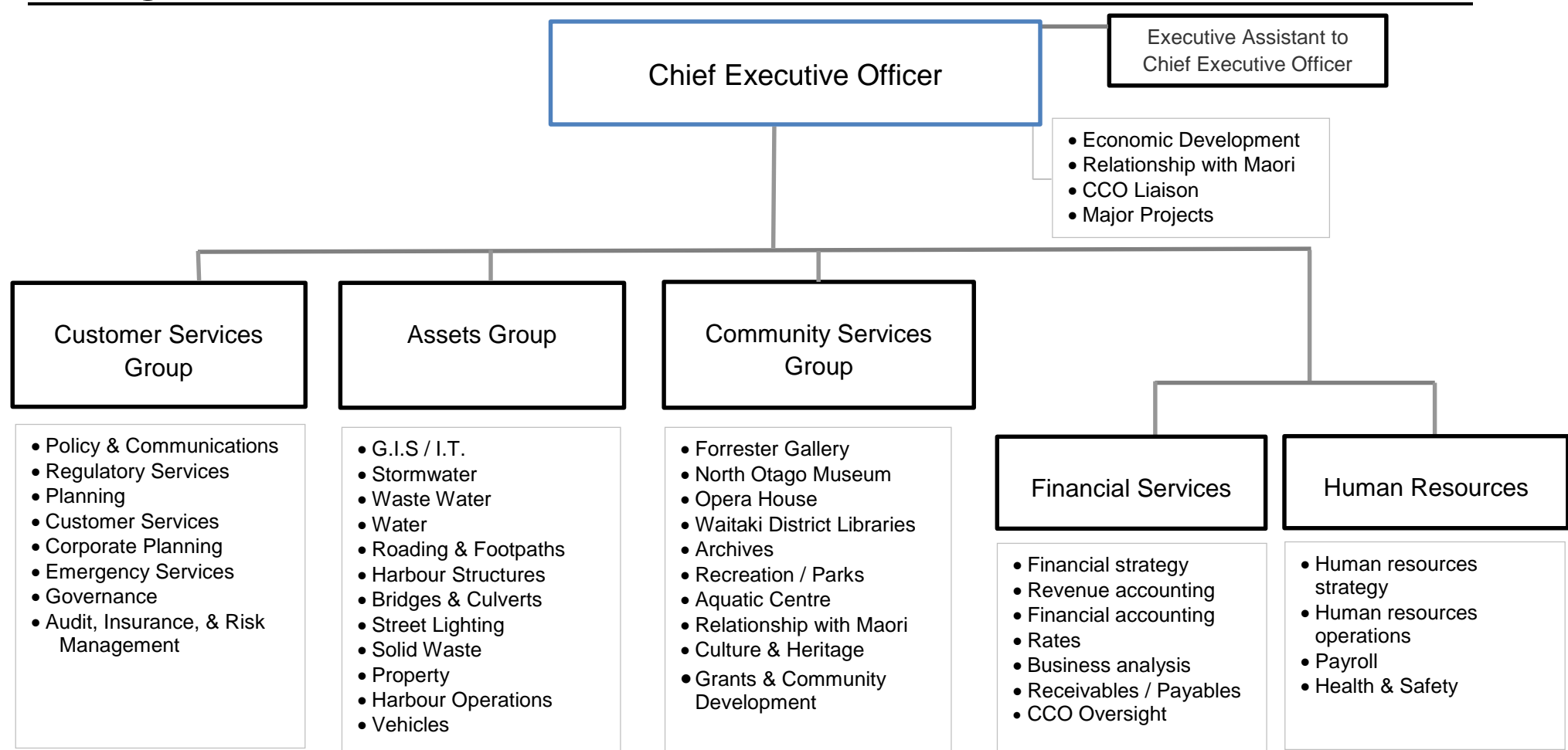
173 Taieri Ridge Road  
RD 3  
Palmerston  
Ph (03) 465 2144

#### **Cr Kathy Dennison**

# Structure of Council, Community Boards, Committees and Sub-Committees



# Management Structure



# ***Principal Advisors***

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## **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***

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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](http://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***

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**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 to determine 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

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## 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
- Solid Waste & 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](mailto:service@waitaki.govt.nz)  
Website [www.waitaki.govt.nz](http://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](mailto:info@forrestergallery.com)

#### NORTH OTAGO MUSEUM

Thames Street, Oamaru  
Phone (03) 433 0852  
Email [museum@waitaki.govt.nz](mailto:museum@waitaki.govt.nz)

#### OAMARU PUBLIC LIBRARY

Thames Street, Oamaru  
Phone (03) 434 1650  
Email [oamlibrary@waitaki.govt.nz](mailto:oamlibrary@waitaki.govt.nz)

#### AQUATIC CENTRE

Steward Street, Oamaru  
Phone (03) 433 0410  
Email [aquaticcentre@waitaki.govt.nz](mailto:aquaticcentre@waitaki.govt.nz)

#### OAMARU OPERA HOUSE

90 Thames Street, Oamaru  
Phone (03) 433 0779  
Email [oamaruoperahouse@waitaki.govt.nz](mailto:oamaruoperahouse@waitaki.govt.nz)