

TARARUA DISTRICT COUNCIL

ANNUAL REPORT

1 JULY 2014 – 30 JUNE 2015



Untouched coastline, bush-cloaked ranges, sparkling fish-filled rivers...

Rugged ranges, remote coastline, bush-clad valleys – defined by hundreds of kilometres of river. The Tararua Region stretches from Mount Bruce to north of Norsewood, and is bounded by the foothills of the majestic Ruahine and Tararua ranges to the shores of the Pacific on the East Coast, the physical presence of Tararua is awesome.

In the beginning...

The Kurahaupo canoe made landfall on the Mahia Peninsula; the three principal chiefs on board were Ruatea, Whatonga and Popoto. Rongomaiwahine of the Mahia Peninsula, one of the descendants of Popoto, married Kahungunu, a descendant of the Takitimu aristocracy. Their marriage was the beginning of the Ngati Kahungunu of Hawke's Bay.

Whatonga established himself near Cape Kidnappers, and built himself a house which he called 'Heretaunga'. Whatonga's son, Tara, who was born in Hawke's Bay finally made his home in the Wellington area. His name is commemorated in many places from Napier through to Wellington. From Whatonga's second marriage was born Tautoki, who was the father of Tane-nui-a-Rangi, or Rangitane as he is more commonly known.

Tara's descendants, the Ngai-Tara, and the Rangitane people eventually peopled many parts of the Heretaunga, Central Hawke's Bay, Tararua and Wairarapa areas. The pre-European history of the District tells of a vast primeval forest with clearings occupied by Maori.

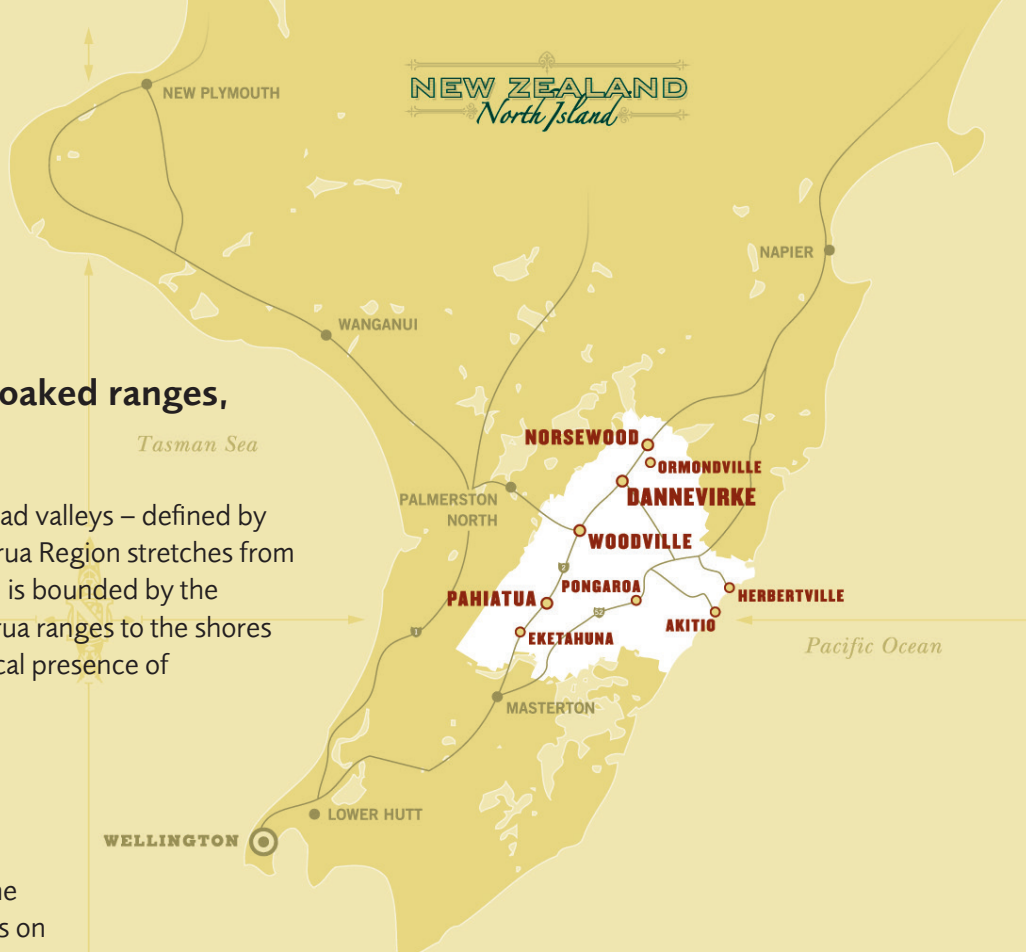
European settlement within the District started in 1854 when the first sheep were driven up the coast from Wellington to establish coastal stations, but access to this area remained almost entirely by sea until well into last century.

There are some great communities waiting to be discovered in Tararua. Each has a unique identity, story to tell and experience to share. From the hardship tales of the Scandinavian settlers who felled the Seventy Mile Bush, to the pioneers who established farming on the region's rugged east coast at Herbertville and Akitio. These communities are one of the elements that make this region unique in New Zealand.

Around 95% of Tararua's 400,000 hectares is farmed and the region has a reputation for producing high quality stock. Sheep, beef and dairy are the most significant types of farming, representing 90% of all holdings and accounting for 99% of total stock units. Forestry is a growing industry and there are now more than 13,000 hectares planted in pinus radiata.

Pastoral farming continues to be the major economic sector within Tararua.

Tararua is a unique, proud and diverse region of rugged unspoiled landscape.



ANNUAL REPORT 2014/2015

① ARARUA DISTRICT COUNCIL

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Introduction

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From Your Mayor and Chief Executive

2014/15 was the third year of our 2012–2022 Long Term Plan, focused on improved core infrastructure, prudent financial management, and more emphasis on economic development.

We have made good progress to achieve the strategies set out in our 2012–2022 Long Term Plan. This could not have happened without the efforts from staff, the leadership of councillors and support from the community. This report proudly reflects their efforts.

Key results achieved this year against the agreed targets were:

- Creating a new roading maintenance alliance with endorsement from our major funding agency, the NZ Transport Agency (NZTA). This collaborative agreement brought together members of the existing Council Engineering Services Team and Downer New Zealand Ltd to form a single delivery team to undertake all facets of the transportation infrastructure – including asset management, regulatory functions, design, physical works and performance management.
- We advocated on behalf of the community on the Rooding Funding Assistance Rate and have secured a higher subsidy for all approved renewal and maintenance work on our roading infrastructure (increased from 58% to 62% in 2014/15, increasing to 65% in three years). This a great outcome given our very large roading network.
- The Forestry Committee contracted a new forest manager and, with better management of the forestry operations, Council was able to create a reserve of \$836,000 at year-end.

- Setting up the Taranaki Business Network (previously known as Taranaki Business Hub) as a stand-alone operational unit to link, support, facilitate and enable small to medium business growth within the district. Additionally, the business incubation service within the Business Network was developed in order to help fledging businesses to grow and establish themselves.

“
... a new roading maintenance
alliance with endorsement
from our major funding
agency, the NZTA.
”

- Desludging and placing plastic liners into our wastewater ponds, plus adding new treatment processes to minimise environmental impacts from the urban wastewater treatment plants. This was significantly subsidised by a Ministry for the Environment grant, administered by Horizons Regional Council.
- Submitting on many of the multitude of new Central Government legislation changes and policies that



often incrementally add overhead costs to services we deliver.

- Optimising options for shared services with other Councils. This included an assessment of outsourcing our staffing resources, along with better project management and contract management disciplines, to rein in rate increases whilst still delivering on strategies in our Long Term Plan.

“

Setting up the Tararua Business Network ... as a stand-alone operational unit ...

”

- Providing cost effective services focused on the core services ratepayers should expect of a rural Council. For someone paying \$2,000 a year in rates, similar to an average household electricity bill of about \$6 per day, Council provides the following services:

- We upgrade and maintain assets – such as piped networks to store, treat and deliver fresh water, remove and treat wastewater; provide facilities for refuse and recycling; repair and maintain local roading and footpaths.
- We provide social and community amenities, including sports facilities; parks and reserves; cemeteries and public conveniences; libraries and service centres.
- We regulate activities – resource management; consenting building activities; noise and animal management; liquor licensing and health inspections for food outlets.
- We provide prudent financial management to minimise rate increases and debt levels while maintaining infrastructure and for some activities, increase service levels.
- Consulting with ratepayers and residents on what they believe are the priorities for the 2015–2025 Long Term Plan, which also received a clean audit opinion.

The use of a remotely controlled underground pipe-camera inspection system continues to pay significant dividends to Council. The evidence obtained from the camera system highlighted the significant damage to the Eketahuna wastewater piped network in the February 2014 earthquake. This helped Council process the insurance claim, receiving the full insurance payout of \$760,000 covering Council's 40% contribution to costs, and secured a 60% subsidy from Central Government for the remainder of the damages.

We made a commitment to do things better and went through several changes to staffing and organisational structure to improve the way we deliver our services. For example, establishing the Tararua Alliance, restructuring the Regulatory Department and bringing the Water and Wastewater maintenance team in-house. During the transition phase of these changes, there have been challenges in delivering against the formal performance targets in some activities. As a result, Council's achievement against its service performance measures reduced from 2013/14. This year we achieved 73% of service performance measures compared to 83% in prior year. The number of measures not achieved was 16, compared to 14 last year.

Infracon Limited (the Company), owned by Tararua District Council and Central Hawkes Bay District Council, was placed into liquidation on 25 August 2014, with PricewaterhouseCoopers appointed as liquidators of the Company. The liquidators closed parts of the business that were not financially viable and the remaining parts and assets of the business were put up for sale as a going concern. There were conditional offers from four interested parties. After due diligence an offer from Higgins Aggregates Limited that was accepted by the liquidators on 16 October 2014 for an amount of \$7.35 million.

“

We made a commitment to do things better ... to improve the way we deliver our services.

”

The liquidators six monthly progress report for the period ending 24 August 2015 indicated that there are still outstanding creditors' claims, a small amount of residual stock to be sold and unpaid receivables to finalise before the liquidation is completed. The report showed that the liquidators anticipate making a distribution to the shareholders. However, no distributions can be made until all creditor claims have been determined and paid. Council's will receive 66% of any cash balance remaining on finalisation of the liquidation.

We thank staff and Councillors for their commitment to delivering services within the financial constraints placed upon them and for the continued support from the community and other agencies.

Blair King
Chief Executive

Roly Ellis
Mayor

How this Report Works

Purpose of this Annual Report

The purpose of this annual report is to compare our actual performance for the year from 1 July 2014 to 30 June 2015 against what was forecast in the annual plan for that year.

An annual report is required by section 98(1) of the Local Government Act 2002 (the Act).

Structure of this Report

This Report has five sections – Introduction, Reports, Activities and Service Performance, Financial Statements, and General Information.

Introduction

This section includes:

- Our Year at a Glance – presents a quick summary.
- Our Progress Towards the Strategies in Our Long Term Plan – a review of our progress towards our strategies.
- Highlights for the Year – highlights key achievements and challenges we faced during the year.
- Financial Prudence Benchmarks Disclosures – details Council's performance against the new Local Government (Financial Reporting and Prudence) Regulations 2014 disclosure requirements.

Reports

This section includes:

- Capital expenditure report and explanation for variances.
- Report that shows how we fulfil our responsibilities to govern the district well.

Activities and Service Performance

These show the detail of work done and money spent in each major area grouped by significant activity, and reports our performance against targets we set for ourselves for each area.

Financial Statements

We detail the Council's financial performance against budget.

General Information

This section shows how the Council is structured, the Community Boards and Committees, Management Team, and a directory. A glossary of terms completes this section.



Our Year at a Glance

This is a quick summary of what we have been doing for the year, and how we have performed against what we said we would do.

What We Said We Would Do

● Achieved ● Almost achieved ● Not achieved

- **Decreasing rates increases**
- **Continued investment in our core infrastructure**
We carried over \$8.8 million* to be completed in the next three years.
- **Continue to address the water supply and quality issues**
- **Delivery on service level performance targets**
We did not achieve 16 out of 87 of our service performance measures.
- **Reduce environmental impact from our waste management practices**
- **Increase levels of service for Solid Waste Management in an efficient and cost effective way**
- **Debt managed within Long Term Plan forecast**
- **Operating cost does not exceed budget**
Operating expenses for Roading exceeded budget due to flood and earthquake damage repairs.
- **Branding of each town and promotion of Tararua**
- **Promote economic development**
- **Improve relationships and collaboration with other organisations**
We continue to work on new projects with MW LASS, and collaborative work with several MW LASS Councils in Building Control and Information Technology. We have established a working party to review and strengthen iwi relationships and consider establishing memorandums with both iwi.

Financial Overview

Overall Operating Result	\$1.7 million UNFAVOURABLE	●
Operating Revenue	\$657,000 UNFAVOURABLE	●
Operating cost	\$745,000 UNFAVOURABLE	●
Total External Debt	\$1.2 million FAVOURABLE	●
Capital Expenditure	\$8.8 million* UNFAVOURABLE	●
Net Debt	\$3.5 million FAVOURABLE	●
Net Interest	\$200,000 FAVOURABLE	●

* \$8.8 million is made up of \$4.1 million carry forward and \$4.7 million of authorised revision from the Capital Expenditure Report.

External Core Debt

Our core external debt at year-end was \$10 million, which was \$1.2 million under budget. The average cost of debt for Council was 4.9% (5.5% in last year) as at 30 June 2015.

Infrastructure Investments

We are significantly under budget. Our total investment during the year to maintain, and in some activities increase the service levels, was \$13.5 million, which was 59% of the budgeted \$22.9 million. The delays were due to reprioritising projects, changes in some of the major assumptions, and insufficient staff resources to deliver all the projects.

Big-Ticket Items of Capital Investment

Roading and Footpath – total was \$7.7 million

- Saddle Road – \$1.9 million*
- Pavement rehabilitation – \$2.2 million
- Road reseal – \$1.3 million
- Minor safety improvements – \$715,000
- Sub-structures components replacement – \$416,000
- Unsealed road metaling – \$355,000
- Drainage renewals – \$318,000

* Total work completed was \$2.8 million, but \$1 million related to work on the Palmerston North City and Manawatu District Councils' roading network and not included.

Wastewater – total was \$3.2 million

- Dannevirke oxidation pond remedial work – \$1.2 million
- Woodville treatment plant upgrade and oxidation pond remedial work – \$513,000
- Pahiatua treatment plant upgrade and oxidation pond remedial work – \$816,000
- District-wide mains replacements – \$379,000

Water – total was \$373,000

- District-wide mains replacements – \$212,000

Parks and Reserves – total was \$415,000

- Dannevirke camping ground new house – \$263,000

Support activities – total was \$838,000

- Information systems renewals – \$386,000
- Vehicle replacements – \$187,000
- Information systems development – \$99,000

Service Performance

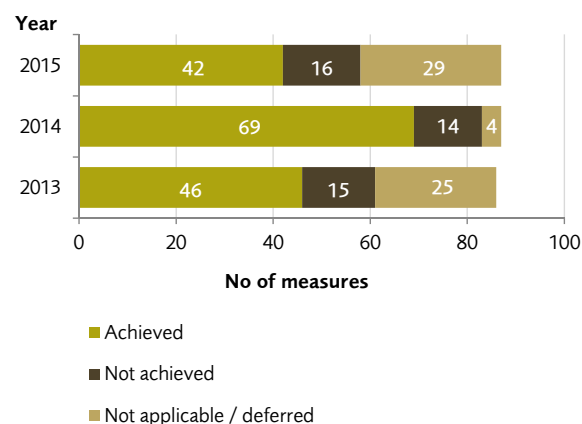
We use a range of service performance measures to monitor the service levels we deliver to our customers.

Overall, Council's performance has declined. This year, we achieved 73% of the service performance measures compared to 83% in the prior year and 76% in 2012/13. Twelve out of our 22 activities met all of their service performance measures. The number of measures not achieved was 16, compared to 14 last year.

It should be noted that 29 measures were not applicable, this year, and not included in the calculation.

Of these, 22 measures relate to the community survey, which is done once every three years. The next survey will be conducted in 2016/17.

OVERALL SERVICE PERFORMANCE MEASURES



This table shows what each resident owns, owes and spent for the last three years.

	2012/13	2013/14	2014/15
Number of residents	17,450	17,350	17,350
Assets	\$50,689	\$51,712	\$51,728
Liabilities	\$855	\$953	\$955
Equity	\$49,834	\$50,759	\$50,773
Debt per rate payer	\$586	\$639	\$604
Operating cost	\$1,909	\$1,986	\$2,020
Capital expenditure	\$720	\$640	\$782
Interest cost	\$31	\$33	\$30
Cash investments	\$466	\$729	\$569



Our Progress Towards the Strategies in Our Long Term Plan

In the 2012–2022 Long Term Plan, Council developed a vision for the district:

A growing and prosperous district providing a wide range of employment opportunities that is underpinned by highly efficient, capable and affordable infrastructure.

Underpinning this vision was a Future State and Strategic Focus for Council.

The Future State:

Tararua in 10 Years – 2022

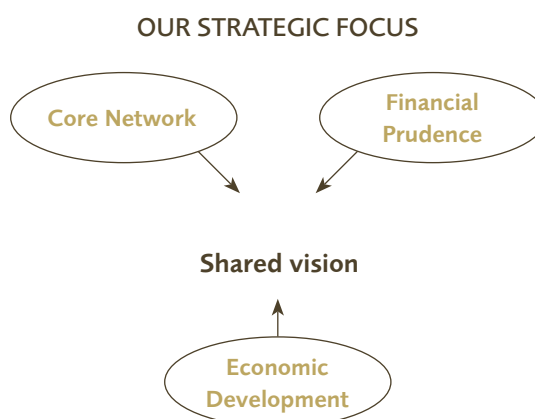
By 2022, the Council wanted to achieve the following key strategic goals and be in a sound financial position:

The Future State	Progress 2014/15
Water and waste water infrastructure upgraded – to meet legislative requirements, businesses and ratepayers needs.	●
Maintain the district's infrastructure – to facilitate, encourage and attract businesses to grow and invest in the district.	●
Provide good amenities and recreational assets – so that people can have a great lifestyle in our rural townships and rural areas, and give residents a sense of pride and belonging.	●
Keep costs affordable – operating expenditure (and rates) increases will be limited to inflation plus the impacts of growth and enhanced levels of service.	●
Decreasing debt – by the end of 2022 debt levels are declining and are at a comfortable level.	●
Adequate investments levels – cash reserves for future asset replacements are adequate through prudent financial management.	●



Strategic Focus

The strategy we adopted had three limbs – core network infrastructure, financial prudence, and economic development.



Council, in the 2012–2022 Long Term Plan, proposed to slowly reduce some roading levels of service to concentrate on urban water supply upgrades and improved wastewater treatment, with the additional emphasis to provide more focussed efforts on economic development and promotion to attract and retain residents and businesses. These strategic goals were together seen as critical to the future prosperity of the district.

A highlight of the year was the signing of the new Alliance agreement, between Downer New Zealand Limited and Council, for the management and delivery of the Roding, Footpath and Stormwater activities. Council is already seeing improvements in asset management, and expects to be able to improve the service levels and performance in these activities in the medium term.

The 2014/15 Annual Report is Year 3 of the 2012–2022 Long Term Plan. The following table summarises our progress, and the details of our achievements are explained further in the 'Highlights of the Year' section of this Annual Report on pages 19 to 29.

Strategy 1: Core Infrastructure

Legend: ● On Track ● Need to catch up ● Needs more effort

Strategy	Progress 2013/14	Progress 2014/15	Comments
Maintain current infrastructure to a good standard			
<i>To facilitate, encourage and attract businesses to grow and invest in the district.</i>	●	●	<ul style="list-style-type: none"> Dannevirke impounded supply has provided security of water supply to residents and businesses. Established the Tararua Business Network (formerly the Tararua Business Hub). Roading network is maintained to the agreed standard to facilitate commerce and travel. Upgrades to footpath and town centre mainstreets are progressing as planned for Eketahuna and Pahiatua. Over the past three years the Dannevirke, Woodville and Eketahuna camping grounds have progressively been upgraded. Visitor numbers have improved significantly.
<i>Water and Wastewater infrastructure upgraded</i>	●	●	<ul style="list-style-type: none"> Upgrades to urban water treatment in Eketahuna, Woodville, and Dannevirke completed. A preferred upgrade option has been developed for Pongaroa Water and Ministry of Health subsidy of 85% was applied for during the year. The subsidy was approved in August 2015. Delay in ensuring resilience to supply and storage for Pahiatua, Woodville, and Eketahuna. But these projects are planned for completion over the next three years. Three out of five water schemes fully comply with New Zealand Drinking Water Standards and Health Act 1956. Progress on wastewater upgrades to improve discharge into rivers and increase treatment capacity has been hampered by weather, sludge disposal and staff resource issues. Council has spent \$6.1 million, and received subsidies of \$1.7 million.
<i>Provide Good Amenities and Recreational Assets</i>	●	●	<ul style="list-style-type: none"> Upgrades to community buildings, camping grounds and playgrounds are being completed as planned. A total of \$1.9 million has been spent over the last three years.



Legend: ● On Track ● Need to catch up ● Needs more effort

Strategy	Progress 2013/14	Progress 2014/15	Comments
Prioritise new infrastructure investment in assets			
<i>Major public safety issues</i>	●	●	<ul style="list-style-type: none"> No fatal accidents on roads due to road factors. Playground equipment meet standards and are regularly maintained. Trees in parks and reserves that were hazards have been pruned. Identified Council's buildings that are classified as being earthquake prone buildings and programmed their upgrade. A total of \$168,000 has been spent on the upgrade and maintenance of urban footpaths this year. Traffic Management Plans and work safety training, practices and culture are enforced.
<i>Resource consent requirements</i>	●	●	<ul style="list-style-type: none"> Except for a minor non-compliance for increasing the extraction from the Tamaki River during the March 2015 water issue in Dannevirke, we met all resource consents for urban water supplies. Even though four of the eight wastewater schemes do not have renewed consents, they meet the conditions of the expired resource consents.
<i>Other legislation requirements</i>	●	●	<ul style="list-style-type: none"> Several performance measures relating to legislated requirements in the Water and Wastewater activities (as noted above), Health and Safety activity (for example, processing of building consents and swimming pools/spas inspection) and in the Animal Control activity were not met.
<i>Discretionary upgrades, building resilience, and managing water demand and supply</i>	●	●	<ul style="list-style-type: none"> The second bore and storage in Pahiatua was pushed out to 2015/16 by agreement with our funding partner, the Ministry of Health. Upgrades to improve water storage were delayed. Discussions on historic agreements for water has commenced.

Strategy 2: Financial Prudence

Legend: ● On Track ● Need to catch up ● Needs more effort

Strategy	Progress 2013/14	Progress 2014/15	Comments
Maintain a strong balance sheet and low operating costs to allow future financial flexibility and affordability of rates.	●	●	<ul style="list-style-type: none"> Overall operating expenditure excluding depreciation was \$21 million in Year 1, \$20 million in Year 2, and \$23 million in Year 3 (2014/15). This equated to an increase of 9.3% over the three years. Rates increases for the last three years have reduced from 4% in Year 1 to 3.5% in Year 3. Council has the capacity within its prudent borrowing limits to increase borrowing to \$30 million if required to fund capital development.
Maintain modest debt levels within financial strategy limits allowing capacity for future developments.	●	●	<ul style="list-style-type: none"> Debts level has remained well within limits in the Long Term Plan. Council's core external debt at year end was \$10 million.
Adequate Investments Levels - cash reserves for future asset replacements are adequate through prudent financial management.	●	●	<ul style="list-style-type: none"> Council is in a net cash position – i.e. cash investments are higher than core external debt. Depreciation reserves for future asset replacements have increased by \$3.5 million. Adequate insurance policies are in place to mitigate risk of unplanned asset replacements due to natural disasters.
Subsidiary ownership decisions results in maximising value of our investments.	●	●	<ul style="list-style-type: none"> Forestry activity generated positive net returns to Council. Council continues to rationalise its commercial investment portfolio to maximise returns.



Strategy 3: Economic Development

Legend: ● On Track ● Need to catch up ● Needs more effort

Strategy	Progress 2013/14	Progress 2014/15	Comments
<i>Support and facilitate growth in local business.</i>	●	●	<ul style="list-style-type: none"> In 2014 Council established the Tararua Business Network (as a stand-alone operational unit) to link, support, facilitate and enable small to medium business growth within the district. The business incubation service within the Tararua Business Network was set up, in order to help fledgling businesses to grow and establish themselves. Facilitated seven (total of 17 over the three years) business applications to the Ministry of Science and Innovation Subsidy scheme. The GO! Project – with help from NIWA, HortResearch, and Crop and Food Research – has identified opportunities for land owners to diversify into crops that are best suited for the Tararua district.
<i>Build district identity and promote the district by telling our story.</i>	●	●	<ul style="list-style-type: none"> Working with the four major towns on branding and developing an identity. For example the Woodville "Wood You" and in Dannevirke the "Viking Country". Promoting Tararua Country through videos, website, local newspaper, Facebook, and advertising. New Zealand Motor Caravan Association (NZMCA) has accredited Dannevirke and Woodville as "Motor Home Friendly" towns. Developed and successfully organised the national Provincial Conference in April 2015 to profile issues within the rural sector of New Zealand.
<i>Develop a clear economic development plan.</i>	●	●	<ul style="list-style-type: none"> Economic Development Plan 2013–2018 adopted by Council.
<i>Provide business friendly and welcoming support for new residents.</i>	●	●	<ul style="list-style-type: none"> Welcome wagon for new residents to the district is operational. Welcome packs sent out to 227 new residents. Working closely with Fonterra in Pahiatua for accommodation, housing and recreation for the new staff employed in the Fonterra factory expansion.

Highlights of the Year

This section highlights the key achievements and challenges faced during the year.

Investment in Core Infrastructure

"Residents are now more positive about the district as a place to live, with 36% of residents of the opinion that the district is a better place to live than three years ago (up from 29% from the previous 2011 survey)" – Community Survey 2014

Alliance – A New Approach

In October 2014 the Taranaki District Council formed an Alliance with Downer New Zealand to undertake road corridor maintenance activities on its road, footpath and stormwater network. This collaborative agreement brought together members of the existing Council Engineering Services Team and Downer New Zealand Ltd to form a single delivery team to undertake all facets of the transportation infrastructure including asset management, regulatory functions, design, physical works and performance management.

The Alliance is tasked with delivering network management and physical works through holistic asset management by applying the 'EFQM 2010 Excellence model' (formerly known as the European Foundation for Quality Management) to road maintenance and the LEAN principles of removing waste and improving workflow design.

Significant Achievements

While the Alliance has only been in place for eight months, it has already delivered benefits to the residents of Taranaki district. With the liquidation of Infracon in August 2014 the Alliance needed to begin undertaking essential services

immediately. This involved employing staff and equipment for the district within a very short time frame. To date the Alliance in Taranaki has employed over 50 local staff and invested in over \$5 million of plant and equipment. Included in this investment was the new maintenance graders equipped with the scarifying system and walk behind rollers. This has added real value to the unsealed road network by reducing grading frequencies and aggregate application.

In addition, the Alliance, working with Scanpower, has also developed a new office and depot located at the Oringi Business Park and is now established in this location.

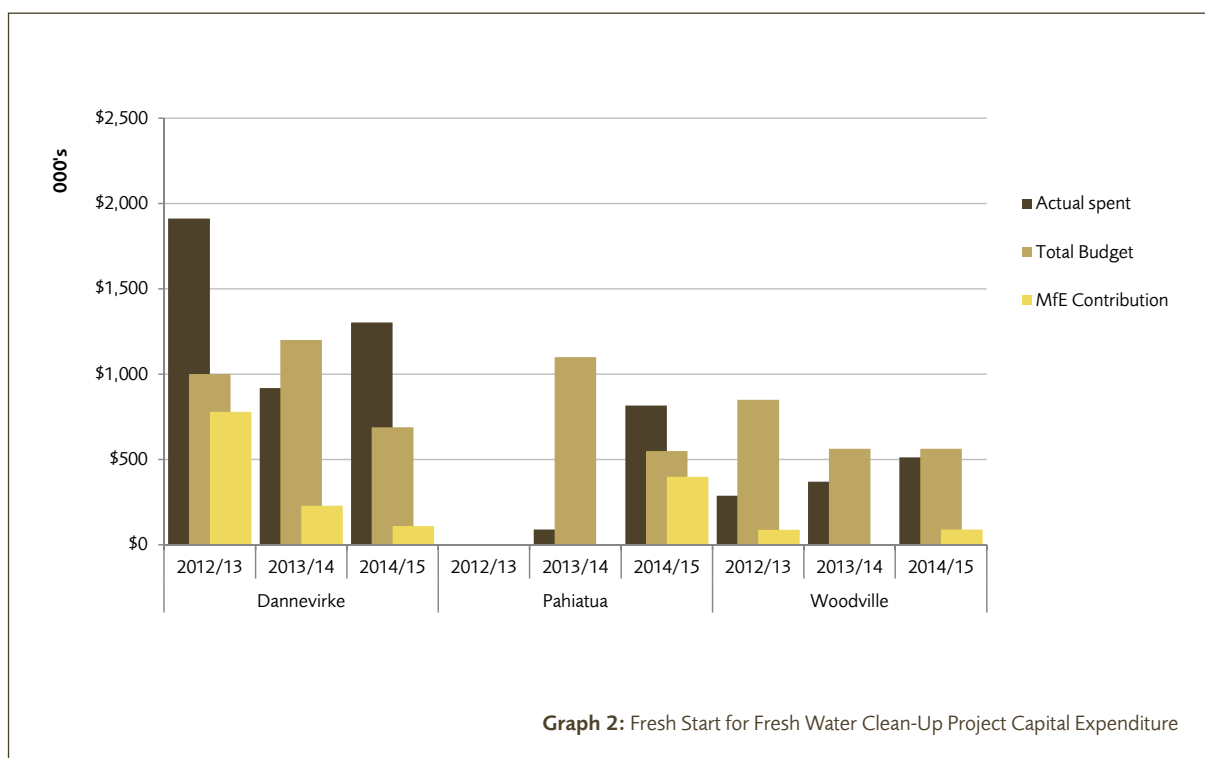
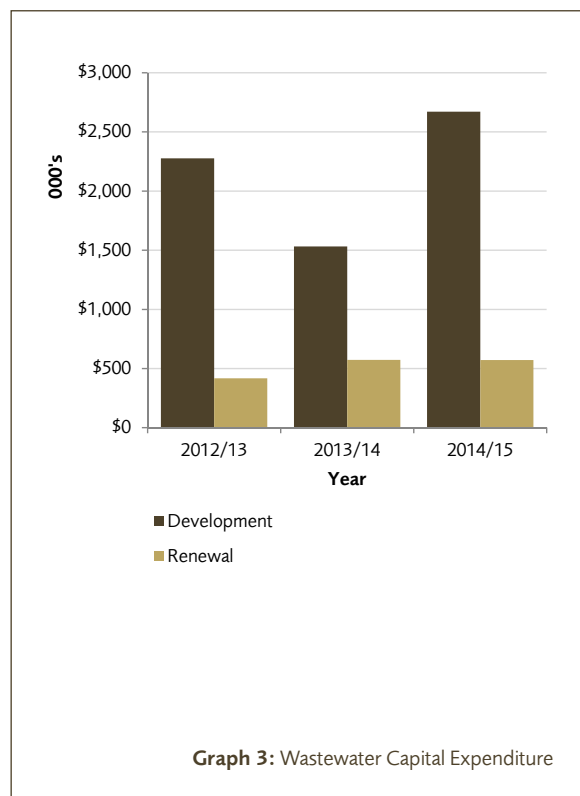
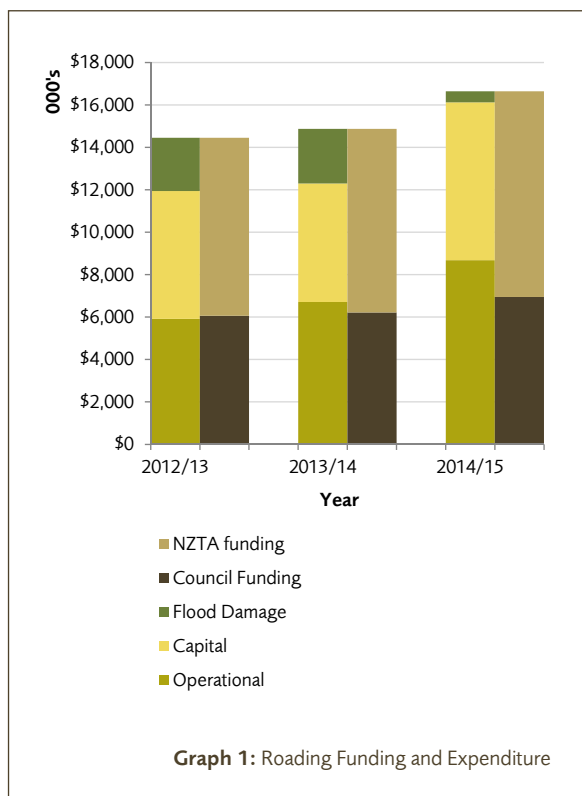
The Alliance has already developed robust business and asset management systems processes to enhance the management of the Taranaki network. A significant achievement for the Alliance was the update and clean audit of the Asset Management Plans for Rounding, Footpaths and Stormwater with only minor improvements recommended.

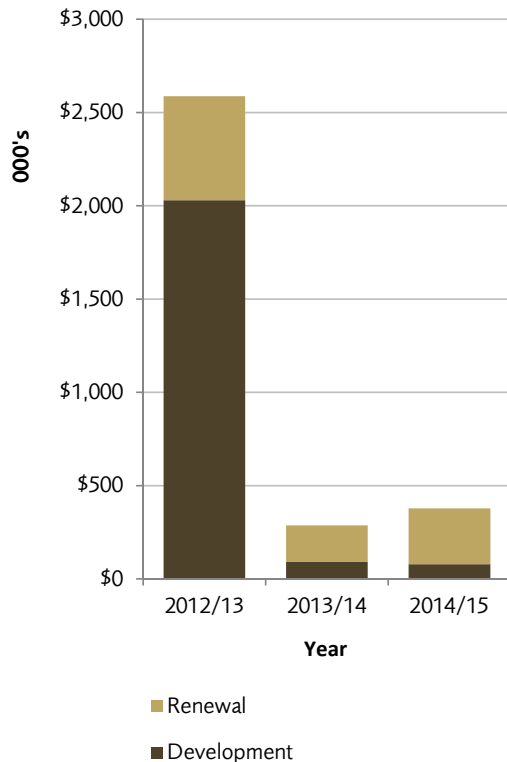
The Alliance has also developed the "All Faults" inspection programme to effectively develop monthly, three-monthly, annual, 10 year and 30 year forward works programmes based on a data driven approach to road maintenance

Council spend on the rounding network over the last three years was \$46 million.



The following graphs show Council's investments in Roothing, Wastewater, and the Ministry for the Environment funded wastewater over the first three years of the 2012–2022 Long Term Plan.





Graph 4: Water Supplies Capital Expenditure

Wastewater Treatment – Healthier Rivers and Increased Treatment Capacity

We continue to make significant progress in upgrading the quality and capacity for the treatment of wastewater in all of our urban communities. These projects are part of our strategy to improve core infrastructure and reduce our environmental footprint.

In our 2012–2022 Long Term Plan, we had included projects totalling \$6.45 million to upgrade our urban wastewater systems. As at 30 June 2015, we had spent a total of \$6.13 million. This is detailed in Graph 2.

Progress on wastewater upgrades to improve discharge into rivers and increase treatment capacity has been hampered by weather, sludge disposal and staff resource issues.

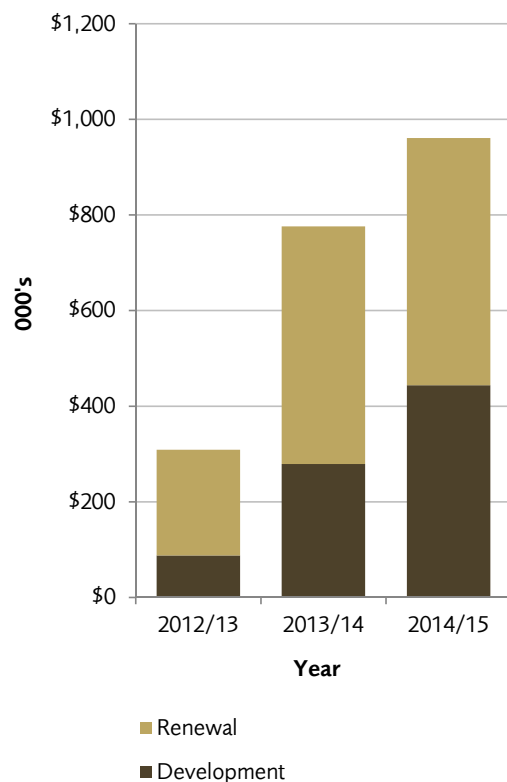
We acknowledge the continued support and good working relationship we have with Horizons Regional Council.

The total capital expenditure for wastewater for the last three years was \$8 million, as detailed in Graph 3.

Major Water Supply Projects – Improving Security of Supply, and Taste

Council has continued to implement its water supply upgrade programme to improve the storage and water quality issues that have been long-standing sources of complaints. This year, the Council focused on building resilience into the supply of water as well as strategies for managing demand and supply.

The total capital expenditure on water for the last three years was \$3.2 million (detailed in Graph 4).



Graph 5: Community Assets Capital Expenditure

Community and Recreation Assets

During the year, the parks and reserves grounds maintenance contracts were tendered on the open market. The new contracts are outcome based rather than measure and value, and the contracts have a greater focus on contractor performance than the previous arrangements. The contracts are also now based on towns rather than tasks, which makes it easier to ensure that the whole town is maintained consistently.

Over the past three years the Dannevirke, Woodville and Eketahuna camping grounds have progressively been upgraded. Visitor numbers have improved significantly.

The total spend on community and recreation assets for the three years was \$2 million (see Graph 5).



Other Achievements

MW LASS

Tararua District Council was actively involved in projects on the procurement of insurance, future procurement of electricity, debt collection, rating system standardisation, the development of a centralised IT Strategy and the development of the protocols for the release of imagery from crime prevention CCTV cameras to the New Zealand Police.

We are also working closely with several individual councils in the MW LASS as "cluster groups" to explore the standardisation of processes, shared services and efficiencies.

Pacific Technical Assistance Assignment – Cyclone Pam Assessment

Peter Wimsett, Manager Strategy and District Development, completed a week-long scoping assignment in Vanuatu in the last week of June. Visits were made to Port Vila Municipal

and Sheefa Provincial Councils, along with the Government of Vanuatu, Department of Internal Affairs, Office of the Valuer General and New Zealand High Commission.

Following an earlier visit and report by Local Government New Zealand, in November 2013, Port Vila Municipal Council has reviewed its method of operation and restructured from over 160 staff to just 46, and the introduction of contracting out services. Our visit identified a number of areas where further technical support will boost the local councils to be able to deliver better services.

NZ Innovations Awards

Tararua District Council was two of ten finalists for the local government information technology innovations awards for our building back scan project and Tararua CCTV project.

The back scan project won Information Management Project of the Year for 2014. The project objectives were to scan historical building consents, including plans, to eventually enable electronic access to these records to both the public and staff.

Economic Development

"51% of residents are satisfied with Council's efforts in economic development, 14% are not very satisfied and 34% are unable to comment." – Community Survey 2014

Support and Facilitate Growth in Local Business

The Taranaki Business Network

In 2014 Council established the Taranaki Business Network, formerly known as Taranaki Business Hub (as a stand-alone operational unit) to link, support, facilitate and enable small to medium business growth within the district. A Business plan was developed and adopted by Council this year.

Following on from that, the business incubation service within the Business Network was set up, in order to help fledgling businesses to grow and establish themselves.

How did the businesses respond to the support?

- "I am so pleased I took the first step of coming. The session has given me more confidence and inspiration to go where I need to go in setting up my business. It is above my expectation. Thank you." – Business One
- "Interesting and informative. Great network of business and people." – Business Two

Build District Identity and Promote the District by Telling Our Story

Continued partnership with Palmerston North Airport has resulted in a negotiation of a substantial display in a prominent location within the airport. With the recent reconnect between Nelson and Palmerston North and the proposed expansion of the airport terminal – this places Taranaki in a very strong position for promotion.

An elevation of digital and social media platforms for promotion has resulted in better relationships with and experience for customers. This has assisted tremendously with Civil Defence and Emergency Management communications and response capabilities.

We are one of the sponsors of Innovate 2015. Innovate is all about turning ideas into realities. Of the top 11 semi-finalists, two are from the Taranaki district.

Profiling the Rural Sector

Developed and organised successfully the national Provincial Conference in April 2015 in order to profile issues within the rural sector of New Zealand. This conference received regional and national recognition, as well as provided an opportunity for our local community to access resources, networks and speakers of national acclaim.

Retaining and Expanding Local Business

Regional Business Partners Programme

We are continuing our work with Vision Manawatu and New Zealand Trade & Enterprise (NZTE) under the Regional Business Partners Programme to help local businesses with capability development and to encourage the research and development of new opportunities.

Business Development and Business Capabilities

Our Economic Development team offer a service within the Taranaki Business Network for business support and development for any new or existing business in the community - providing links for Vision Manawatu and Building Better Companies - connecting business to business, providing links to support networks; gathering and disseminating information from Council - as well as facilitating capability and research and development funding.



GO! Project

The Council's GO! Project – which has been assisted by NIWA, HortResearch, and Crop and Food Research – has identified what crops are best suited to the Tararua district. This project offers the Tararua community increased opportunities for job creation, biodiversity, sustainable farming systems and increased family business incomes.

The GO! Project is gathering traction with development of several grower led groups (hazelnut, feijoa, manuka and flax), and development of intellectual properties – as well as the addition of new crop options.

Attracting Visitors and Retaining Residents

Manawatu Gorge Promotion

Council is a sponsor of the Manawatu Gorge Biodiversity Project and a team member of The Gorge Strategy Group. The Gorge Strategy Group is striving for national and international recognition of "The Gorge". The Gorge is a destination in itself, much like the Tongariro Crossing, and the Group has grown visitor's numbers from 15,000 in 2006 to 50,000 in 2015.

The opening of the first mountain bike track at Ballance has been driven by collaboration between the Department of Conservation and the Manawatu Mountain Bike Club and the Te Apiti Manawatu Gorge Group.

Statistical Information

We continue to gain momentum in migration statistics – the annual net gain, in 2014/15, from international permanent migration was +34 people. This is the best result since 1996 and close to all time recorded high (since series began in 1990).

- Since last census (March 2013) the district has had a net gain of 40 people from permanent migration.
- In the two years prior to that Tararua recorded a net loss of 209 people.
- These trends point to a stabilisation of population currently, and a total population at the next census (2018) that could be higher than that forecast by Statistics New Zealand.

Financial Prudence – Efficiency and Affordability

"70% of residents are satisfied with how rates are spent on the services and facilities provided by Council, 24% are not very satisfied, and 6% are unable to comment."

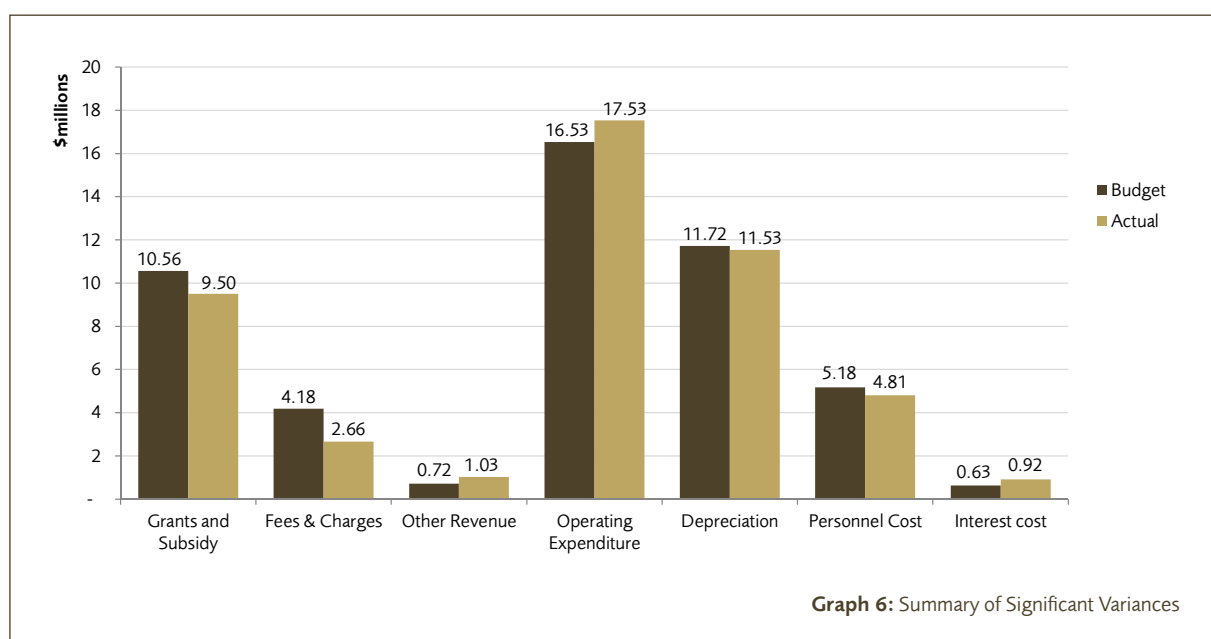
– Community Survey 2014

Overall Results

For the financial year, Council results show a surplus. Council budgeted for a surplus mainly due to the 100% subsidy from NZ Transport Agency for the Saddle Road project.

The table below summarises Council's financial performance and the graph summarises the variances between the actual results and budgets. Refer to 'Note 37 - Major Budget Variation' for a detailed variance explanation.

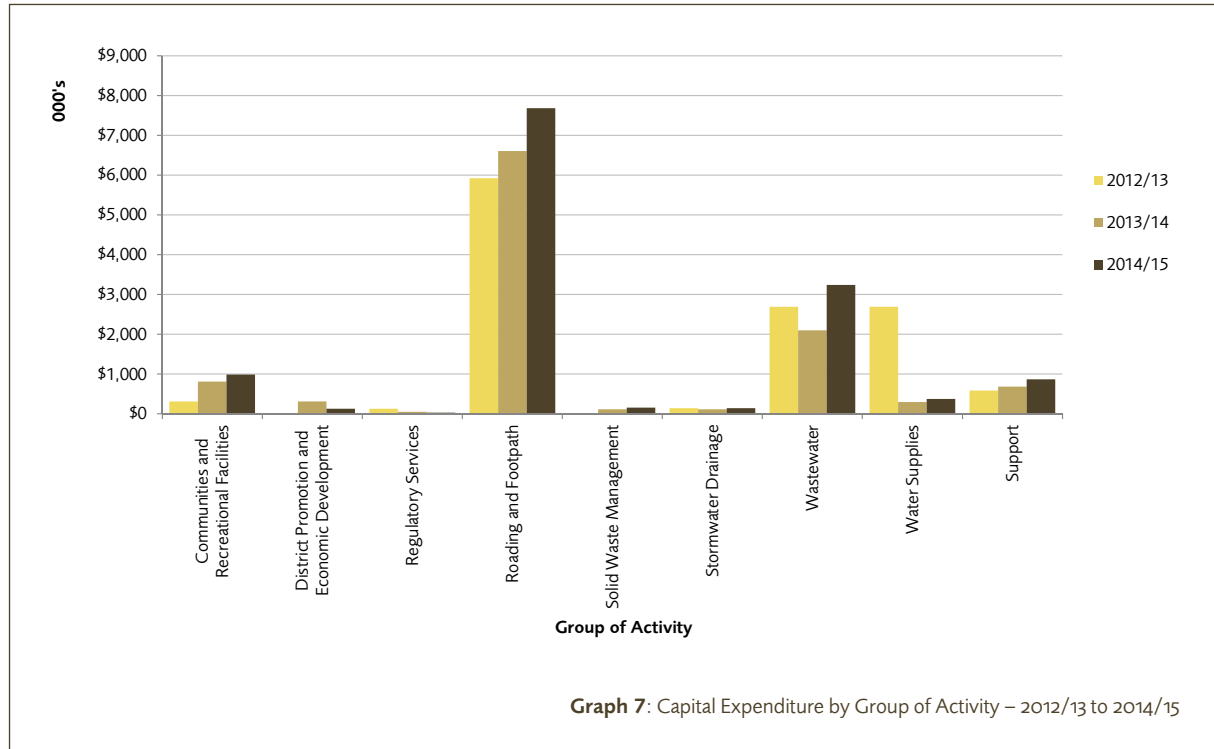
	2013/14 Actual 000's	2014/15 Actual 000's	2014/15 Budget 000's	Variance to Budget 000's
Revenue	32,469	35,217	35,874	(657)
Operating Expenditure - includes other assets gains (losses)	34,458	35,046	34,020	1,025
Operating Surplus/(Deficit)	(1,990)	172	1,854	(1,682)





Capital Investments

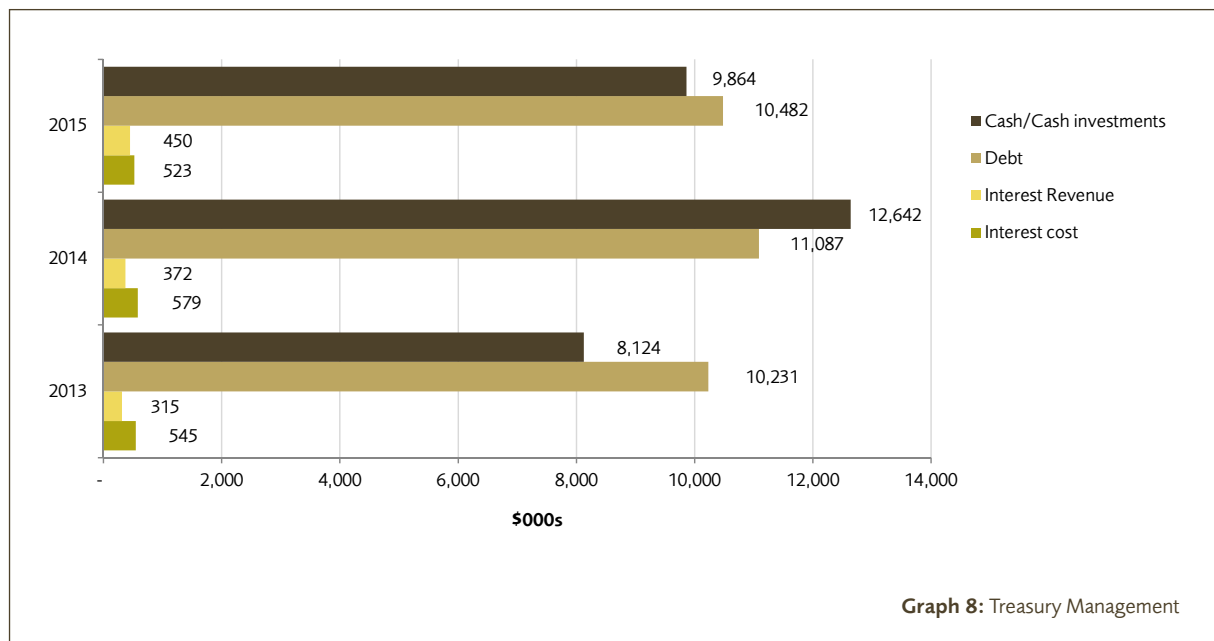
Over the last three years, Council had invested \$38 million on infrastructure and community assets. Significant investments were in Council's core infrastructure activities – Roading, Wastewater, and Water Supplies.



Treasury Management

The average return Council received for the year from cash investments of \$9.8 million was 4.2% (3.6% last year).

The average cost of debt for Council was 4.9% (5.5% last year) on \$10.5 million of external debt as at 30 June 2015.



Service Performance Measures

We use a range of service performance measures to monitor the service levels we deliver to our customers.

Overall, Council achievement against its service performance measures reduced from 2013/14. This year we achieved 73% of service performance measures compared to 83% in prior year and 76% in 2012/13.

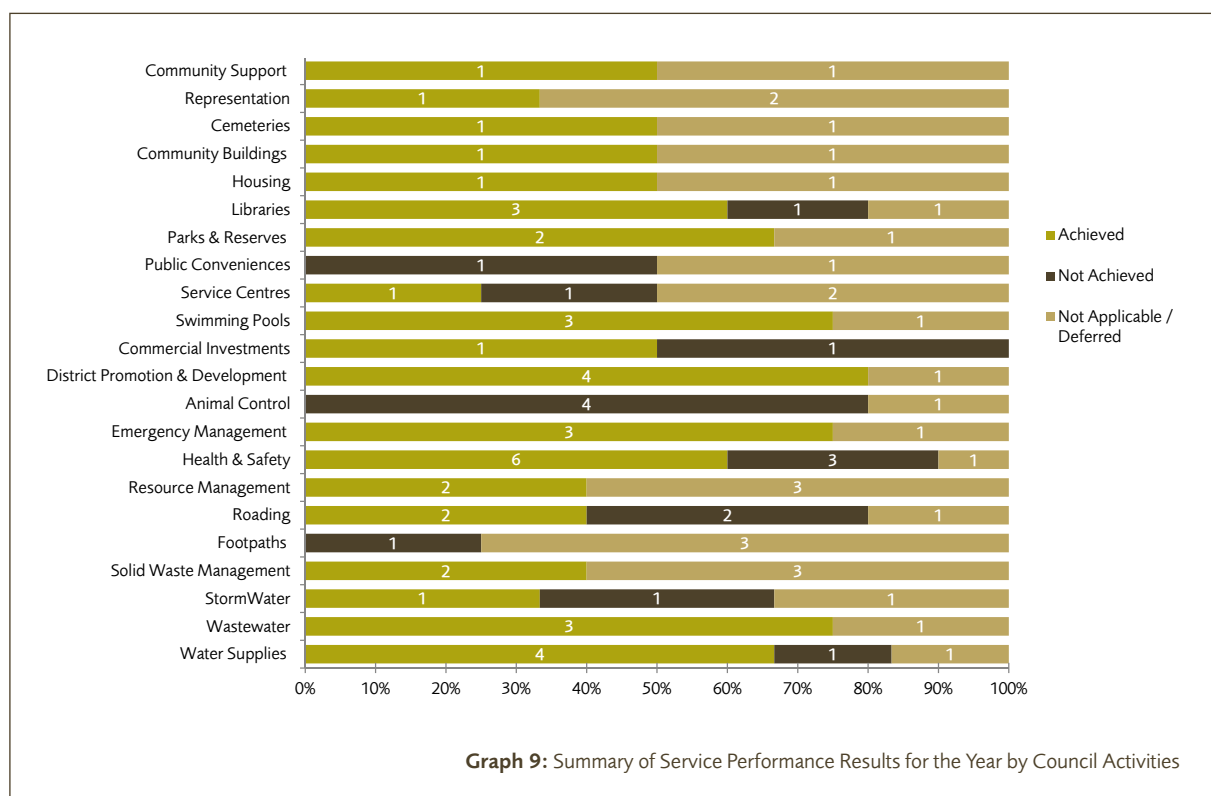
It should be noted that 29 measures were not applicable, this year, and not included in the calculation.

Of these, 22 measures relate to the community survey, which is done once every three years. The next survey will be conducted in 2016/17.

Total number of measures	2012/13	2013/14*	2014/15
Achieved	47	69	42
Not achieved	15	14	16
Not applicable	24	4	29
Total	86	87	87

* The year in which the Community Survey was completed.

The following graph summarises the service performance results for the year by Council Activities. For details on Council performance for the service performance measures, refer to the 'Activities and Service Performance' section of this report.

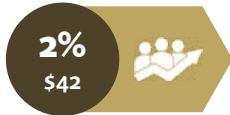




How We Spent Your Rates

We provide a variety of services to the district ranging from animal control, consenting authority, libraries, service centres, public conveniences, sports and recreation facilities, emergency management, and maintaining our infrastructure like roading, footpaths, water and stormwater.

This page presents the significant projects we delivered to our community this year, and the amount spent providing Council services to the community, based on average yearly rates for a ratepayer in the district.



DISTRICT PROMOTION AND ECONOMIC DEVELOPMENT

Significant projects: Establishing the Tararua Business Network; Return the forestry activity to profit.



COMMUNITY AND RECREATION FACILITIES

Significant projects: Upgraded facilities; Upgrade of camping facilities and playgrounds.



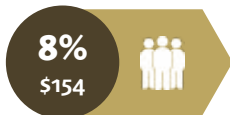
REGULATORY SERVICES

Significant projects: Streamline business processes; Engaging early with businesses for consents and working with "cluster groups" to better deliver services.



ROADING AND FOOTPATHS

Significant projects: Saddle Road; Flood damage repairs across the district; Reseals and culverts across the district.



BUILDING COMMUNITIES AND LEADERSHIP

Significant projects: Community grants; CCTV for main streets.



SOLID WASTE MANAGEMENT

Significant projects: Capping of cells in the Eketahuna landfill.



**STORMWATER**

Significant projects: District-wide renewals.

**4%**
\$70**WASTEWATER**

Significant projects: Dannevirke, Woodville, and Pahiatua oxidation ponds; District-wide renewals; Eketahuna earthquake damage pipe replacements.

**10%**
\$190**WATER SUPPLIES**

Significant projects: District-wide renewals.

**7.5%**
\$141**TREASURY AND SUPPORT**

Significant projects: Achieved higher revenue; Debt levels and interest cost were well within budget.

**-0.5%**
-\$10

The symbols indicate the location of significant projects.



Annual Report Disclosure Statement

For the year ended 30 June 2015.

What is the purpose of this statement?

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

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

Rates affordability benchmark

The council meets the rates affordability benchmark if:

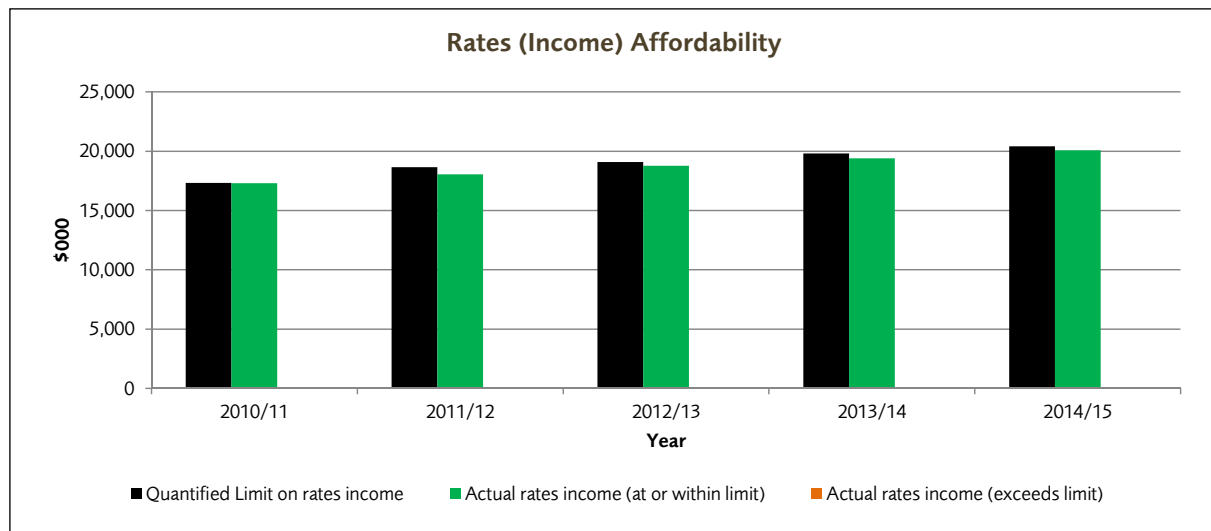
- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the Financial Strategy included in the Council's 2012–2022 Long Term Plan.

For the years 2010/11 and 2011/12, the quantified limits were not spelled out in the 2009–2019 Long Term Council Community Plan nor the Annual Plans for the respective years. We have applied the same limits on the same basis as in the 2012–2022 Long Term Plan for these earlier years.

The quantified limit we have used is the BERL Local Government Cost Index plus 2%.



	Actual 2010/11 \$'000s	Actual 2011/12 \$'000s	Actual 2012/13 \$'000s	Actual 2013/14 \$'000s	Actual 2014/15 \$'000s
Quantified limits	17,332	18,666	19,083	19,807	20,409
Rates increase	17,293	18,045	18,774	19,406	20,082
Available headroom*	39	621	309	401	327

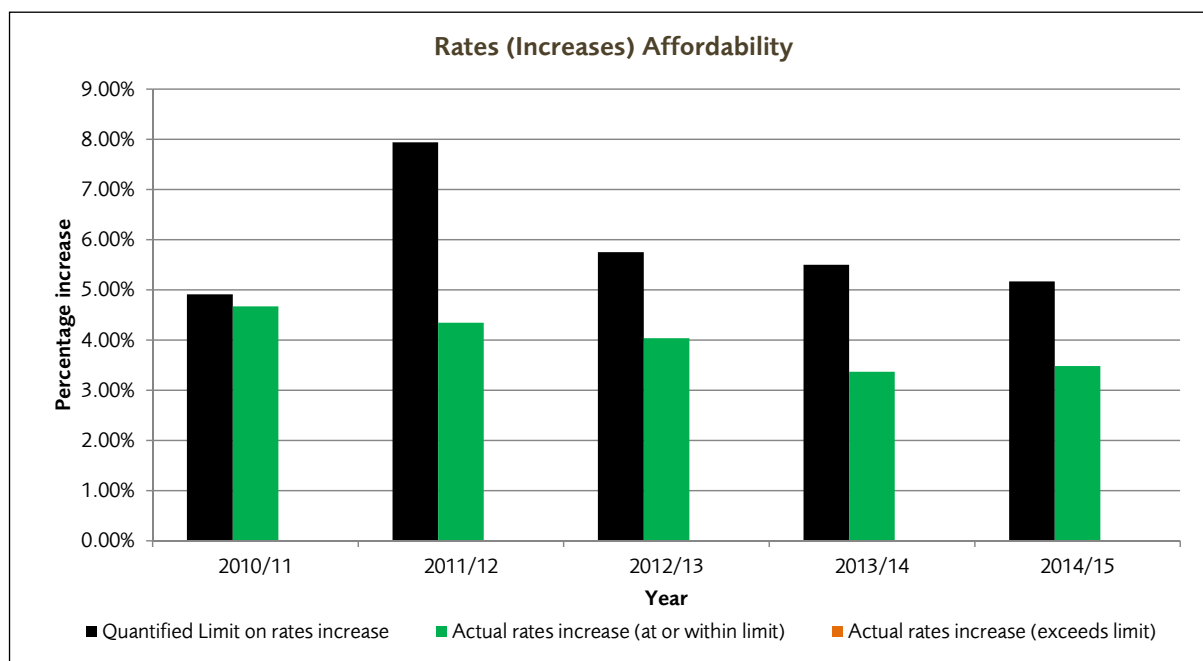
* Denotes difference between quantified limits and actual rate increases.

Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases contained in the Financial Strategy included in the Council's 2012–2022 Long Term Plan.

For the years 2010/11, and 2011/12, the quantified limits were not spelled out in the Long Term Plan nor the Annual Plans for the respective years. We have applied the same limits on the same basis as in the 2012–2022 Long Term Plan for these earlier years.

The quantified limit we have used is the BERL Local Government Cost Index plus 2%.



Overall, Council's rates increases over 5 years show a declining trend:

	Actual 2010/11	Actual 2011/12	Actual 2012/13	Actual 2013/14	Actual 2014/15
Quantified limits	4.91%	7.94%	5.75%	5.50%	5.17%
Rates increase	4.67%	4.35%	4.04%	3.37%	3.48%
Available headroom*	\$39,000	\$621,000	\$309,000	\$401,000	\$327,000

* Denotes difference between quantified limits and actual rate increases.

Over the last four years, we have found efficiencies and cost savings which meant our actual rates increases were much lower than our limits.

Affordability will continue to play a major role as we continue to balance the desire to keep rate increases low, while at the same time investing in our infrastructure and enabling the district to thrive by attracting more business and people.

Debt affordability benchmark

We meet the debt affordability benchmark if our actual borrowing is within each quantified limit on borrowing.

We have five quantified limits on borrowing in the Financial Strategy included in the 2012–2022 Long Term Plan. The 2009–2019 Long Term Council Community Plan had different policy limits and definitions.

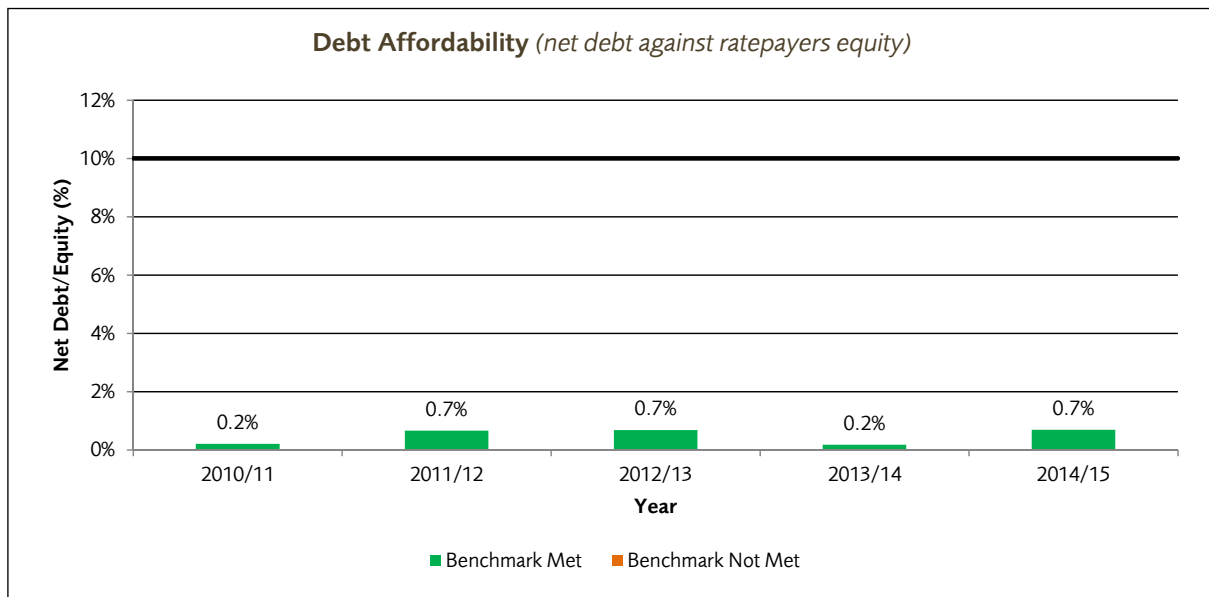
For simplicity and comparability of reporting against the debt affordability benchmark, we will use the policy and quantified policy limits on borrowing in the Financial Strategy included in the 2012–2022 Long Term Plan.

Council has met all of its debt limits and has sufficient capacity to borrow if required for capital investment in the future.

The quantified limits are as follows:

1. Net debt as a percentage of equity will not exceed 10%.

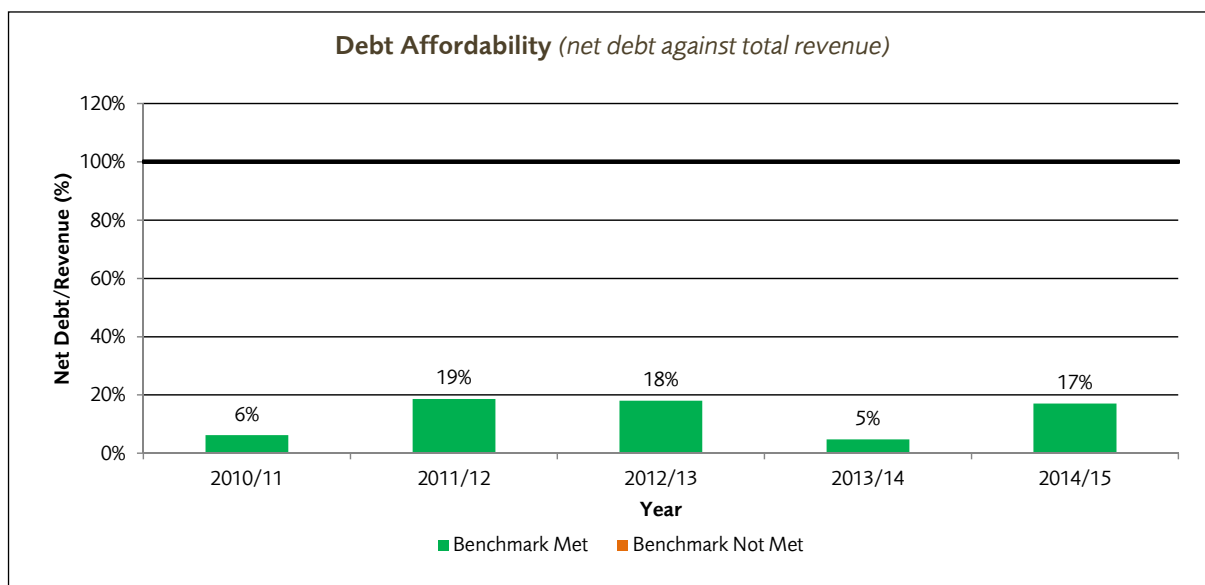
The following graph compares the Council's actual net debt as a proportion of ratepayers equity.





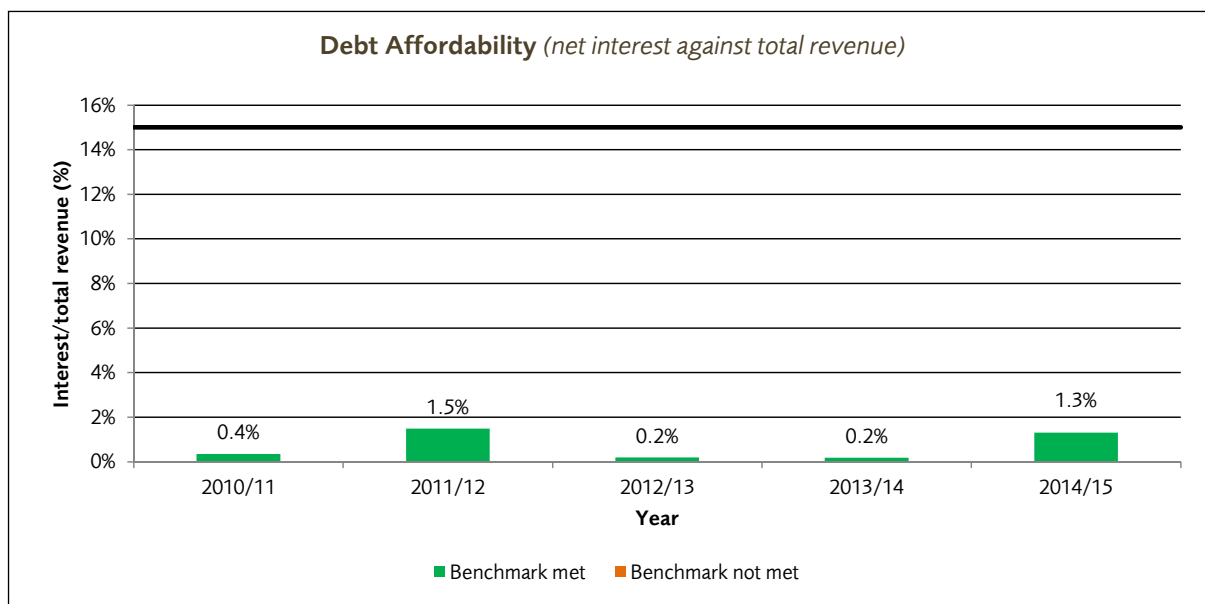
2. Net debt as a percentage of total revenue will not exceed 100%.

The following graph compares the Council's actual net debt as a proportion of the total revenue.



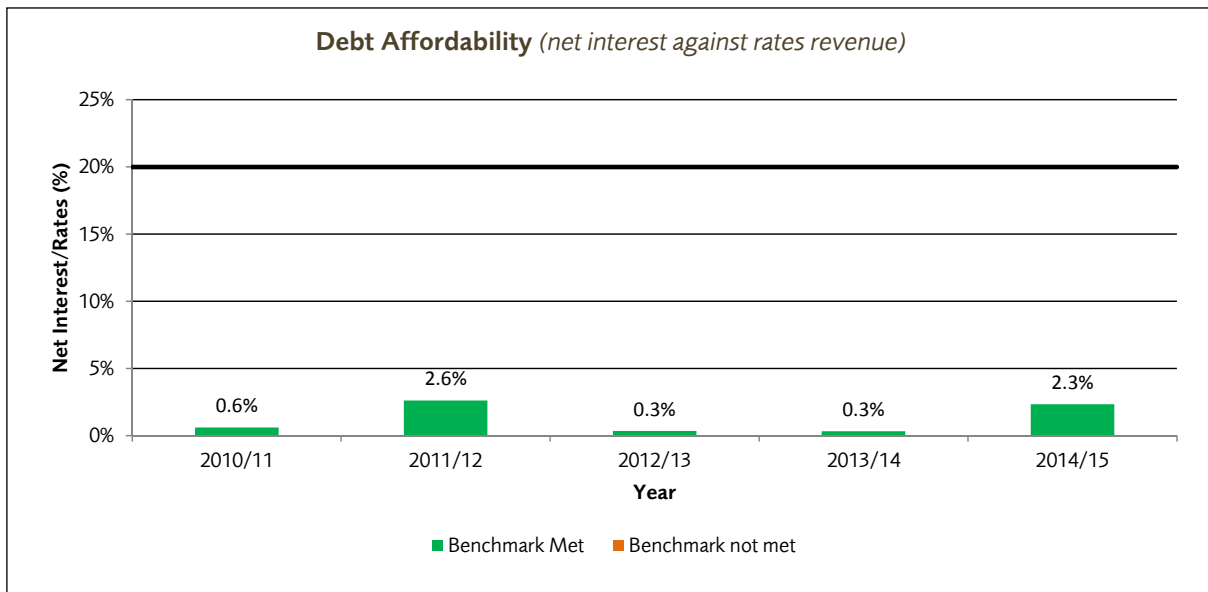
3. Net interest as a percentage of total revenue will not exceed 15%.

The following graph compares the Council's net interest as a proportion of total revenue.



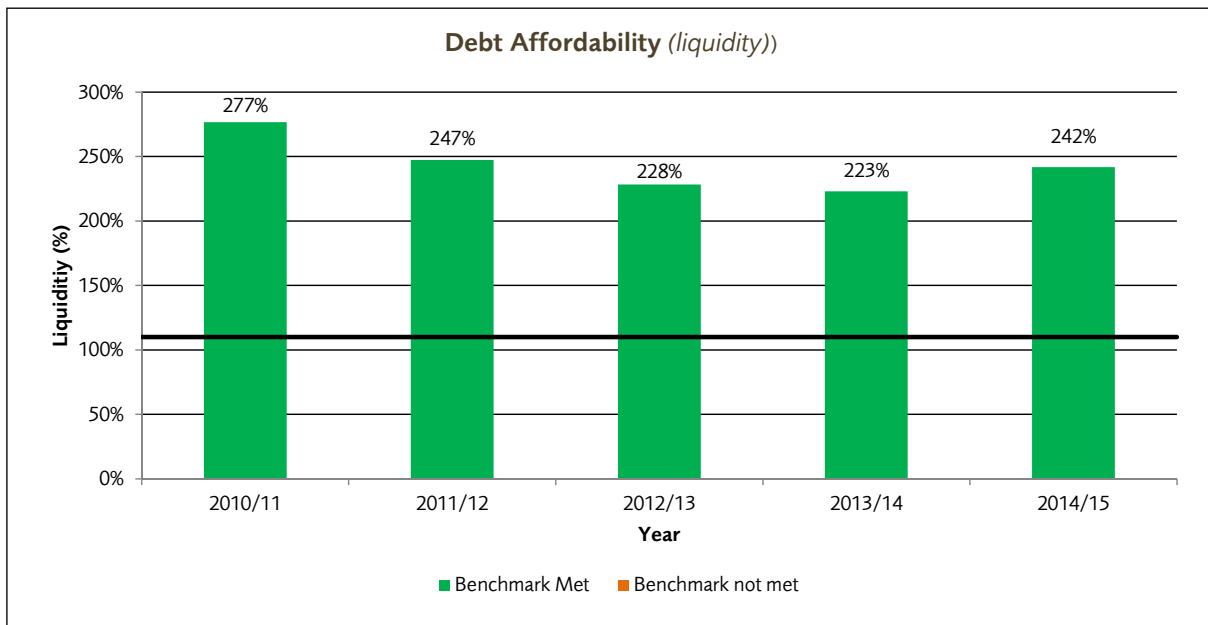
4. Net interest as a percentage of annual rates income will not exceed 20%.

The following graph compares the Council's net interest as a proportion of rates revenue.



5. Liquidity (current assets over current liabilities) is greater than 110%.

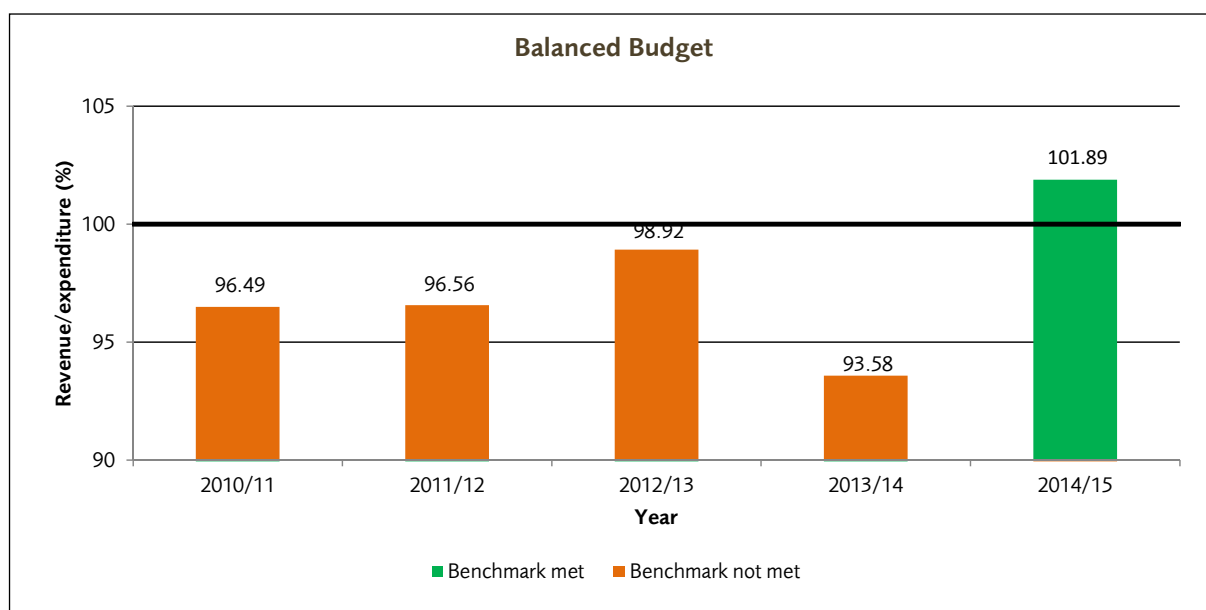
The following graph details the Council's liquidity ratio.



Balanced budget benchmark

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

The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



2010/11

Depreciation expenses were higher due to substantial increases in the valuation of infrastructure assets and the significant additional assets resulting from the capital investment in the district.

Budgeted interest rates varied from actual, with lower interest rates than expected due to slow economic conditions impacting on forecast revenue.

Council does not budget for flood damage works. Council budgets for emergency works but relies on NZ Transport Agency subsidies for works related to flood damages. However, the extent of damage to our network varies from year to year depending on climatic events.

2011/12

Valuation increases continue to be higher. Together with the significant additions resulting from the capital investment in the district, depreciation expenses were higher than budgeted.

Actual interest rates rose significantly higher than budgeted. In 2012/13, Council implemented strategies (disclosed in the Debt Servicing benchmark below) to manage this risk and reduce the impact on rates due to the fluctuations in the interest rates.

In 2011/12, the Dannevirke Transfer station was operational. The budgets were based on the Transfer Station opening sooner but delays meant we had to incur additional cost for contractors to provide waste collection and disposal services.

Interest rates started to decline but rates remained higher than budgeted. Council strategies to manage interest rate risk were starting to take effect: net finance costs were favourable compared to budgets, reduced the impact on rates fluctuations due to increases in interest rates.

Council received part subsidies from NZ Transport Agency for works related to flood damages. The remaining cost, that is unbudgeted, is funded by Council from its reserves.

2012/13

Valuation increases continue to be higher. Together with the significant additions resulting from the capital investment in the district, depreciation expenses were higher than budgeted.

In 2012/13, Council extended the refuse and recycling services to the smaller towns in the district. Additional cost for providing this service (unbudgeted cost), and increase in transportation and recycling cost, resulted in the overruns. These issues were resolved in 2013/14.

Council received part subsidies from NZ Transport Agency for works related to flood damages. Council funds the remaining cost, which is unbudgeted, from its reserves.

2013/14

Council's investment in Infracon Limited (in Liquidation) was \$3.609 million. In August 2014, the company was placed in liquidation. As a result, Council had to impair (write down) its investment in the company to the Income Statement, resulting in Council not meeting the balanced budget benchmark.

Council received part subsidies from NZ Transport Agency for works related to flood damages. The remaining cost, that is unbudgeted, is funded by Council from its reserves.

2014/15

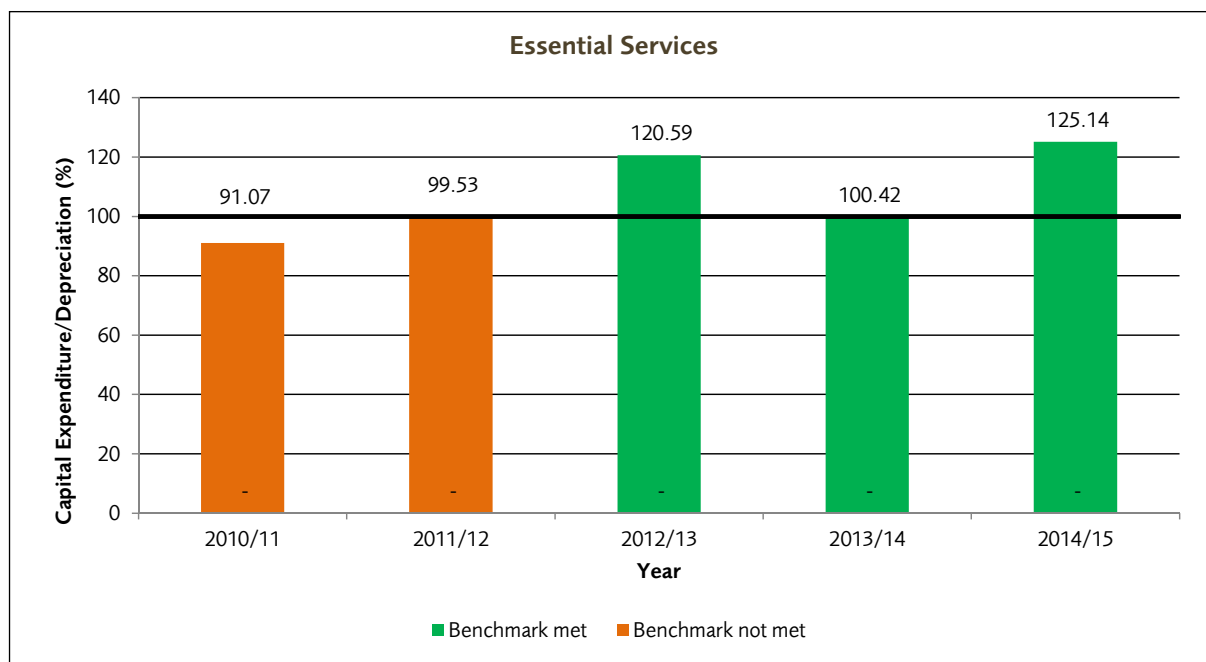
Council revenue is higher than its operating expenses mainly due to NZ Transport Agency subsidies received for the Saddle Road and flood damage work totalling \$320,000.

Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. Capital work includes both renewals of existing infrastructure as well as new capital work undertaken.

The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works, and the provision of roads and footpaths. The Council owns no infrastructure related to flood protection and control work.



The actual variance for 2010/11 and 2011/12 was \$793,000 and \$45,000 respectively.

For 2010/11, the activities where the benchmark was not met was in Roothing and Wastewater:

Roothing

- The Pahiatua Track improvement project, totalling \$3 million, did not proceed due to lack of funding from NZ Transport Agency. This project was moved to Years 7 & 8 of the 2012–2022 Long Term plan.
- The Roothing activity underspent \$1.02 million (both renewals and new capital work) which was carried forward to the 2011/12 year and completed.
- Valuation increases were \$34 million, which was the highest for the five years. This meant depreciation expense was \$290,000 higher than previous years and \$400,000 higher than budgeted.

Wastewater

- The Pahiatua and Eketahuna Effluent Improvement projects, totalling \$2.6 million, were delayed as Council sought external funding to assist with these projects. Design phase for these projects was completed but deferred as Council looked to see funding for these projects. In 2011/12, Council was successful in obtaining a Ministry for the Environment subsidy, totalling \$2.04 million, to improve the discharge for the various wastewater schemes.

For 2011/12 the activities where the benchmark was not met was in Footpaths, Roothing, and Wastewater:

Footpaths

- The delay in completing the Woodville town centre upgrade resulted in \$209,000 carried forward and completed in the following year.

Roothing

- For bridge renewals, \$250,000 was not spent due to prioritisation. Focus for the roading activity was on completing the targeted NZ Transport Agency three year funding review. The 2011/12 year was Year 3 (last year) of the block funding and Council will forfeit any funding not spent.

Wastewater

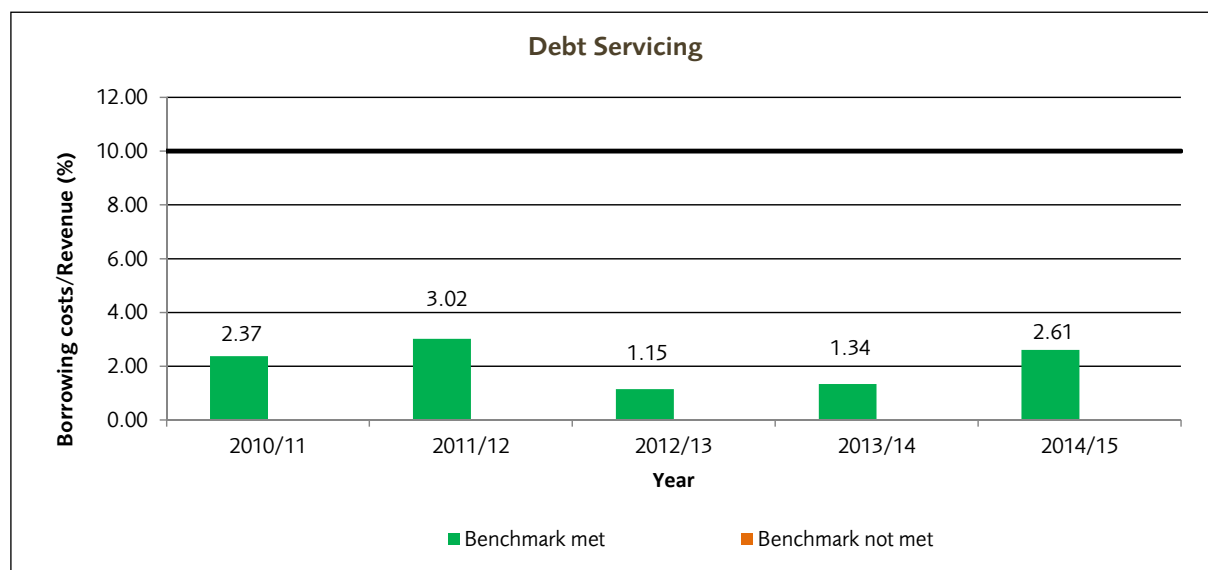
- The Pahiatua and Eketahuna Effluent Improvement projects totalling \$2.6 million were delayed as Council sought external funding to assist with these projects. Design phase for these projects were completed but deferred as Council looked to seek funding for these projects. Council was successful in this year in obtaining Ministry of Environment subsidy totalling \$2.04 million to improve the discharge for the various wastewater schemes.
- Mains replacement was under budget by \$580,000, as Council was looking to ascertain condition information of the network to prioritise the replacements. The CCTV camera, that was purchased in 2012/13, was used to assist in the condition assessments of pipes and inform the renewal programme.

Debt servicing benchmark

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

The 2010/11 to 2013/13 results do not include the PBE IPSAS transition adjustments.

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





Debt service cost declined from \$948,000 in 2011/12 to \$434,000 in 2013/14 mainly due to:

- Lower external lending interest rates.
- Council in the 2012–2022 Long Term Plan removed policy limits for borrowings with any one financial institution and term of loan. These limits though appropriate at that time, were inhibiting and enabling us to take advantage of the competitive lending market and was not strategically focused.
- In 2012/13 we restructured our banking arrangements and set up flexible lending and investing arrangements enabling us to take advantage of the new lending options and competitive rates among banks.
- In 2012/13, Council used interest rate swaps as another tool to manage interest rate risk. With interest rates expected to increase, we managed to maintain an overall interest rate lower than the banks' lending rate.
- In 2013/14, we started using the Local Government Funding Agency as another lending agency and secured interest rates that were, on average, 50 basis points below banks' lending rates.

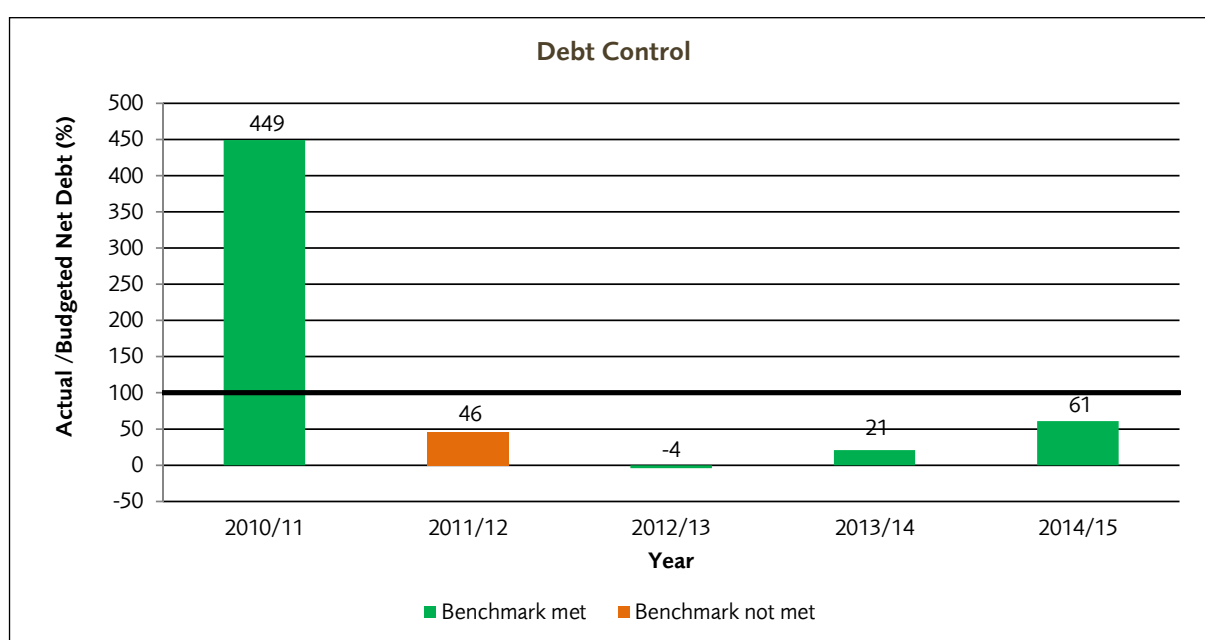
Debt control benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

(The graph shows negative values when financial liabilities are less than financial assets, excluding rate and other receivables.) Where Council has budgeted for a net investment position and has greater net investments than budgeted, this will show Council exceeding the 100% benchmark, as in 2010/11. However, this is a favourable position and, therefore, the benchmark is shown as met.

In 2011/12, Council budgeted for a higher net investment position than it achieved. This results in the benchmark not being met in that year.



Our debt levels have remained constant over the years due to the following:

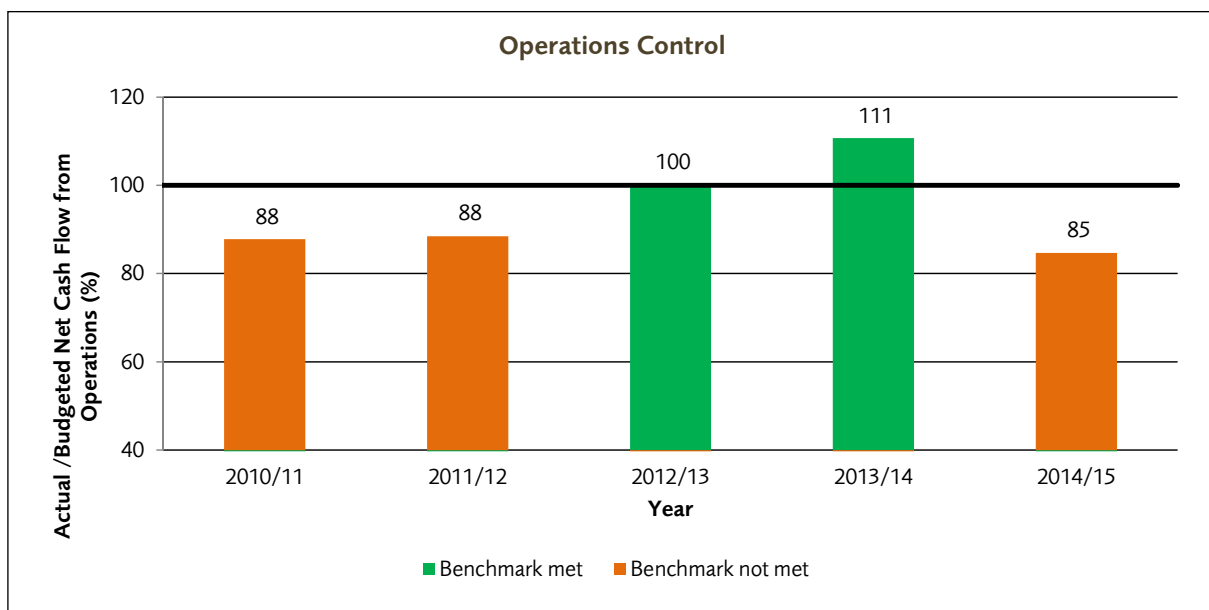
- We borrowed internally to fund capital projects where possible.
- We have debt instruments that allow us to repay and drawdown loans without incurring break fees and penalties from the banks.

These arrangements have given us more flexibility in managing our debt levels and interest rates risk.

Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



The reasons for not meeting this bench for the relevant years are as follows:

2010/11

Overall shortfall in cash flow from operations was \$1.4 million and was due to:

- Council incurred \$860,000 additional unbudgeted cost for emergency repairs to our roading network due to flood damage.
- The Government declined support for the broadband network project, and funding of \$688,000 was denied. This project was cancelled.

2011/12

Overall shortfall in cash flow from operations was \$1.3 million and was due to:

- Emergency repairs to our roading network due to flood damage was \$400,000 higher than budget.
- Higher road maintenance expenditure of \$894,000 to take advantage of the NZ Transport Subsidy higher subsidy.

**2014/15**

Overall shortfall in cash flow from operations was \$1.9 million and was due to:

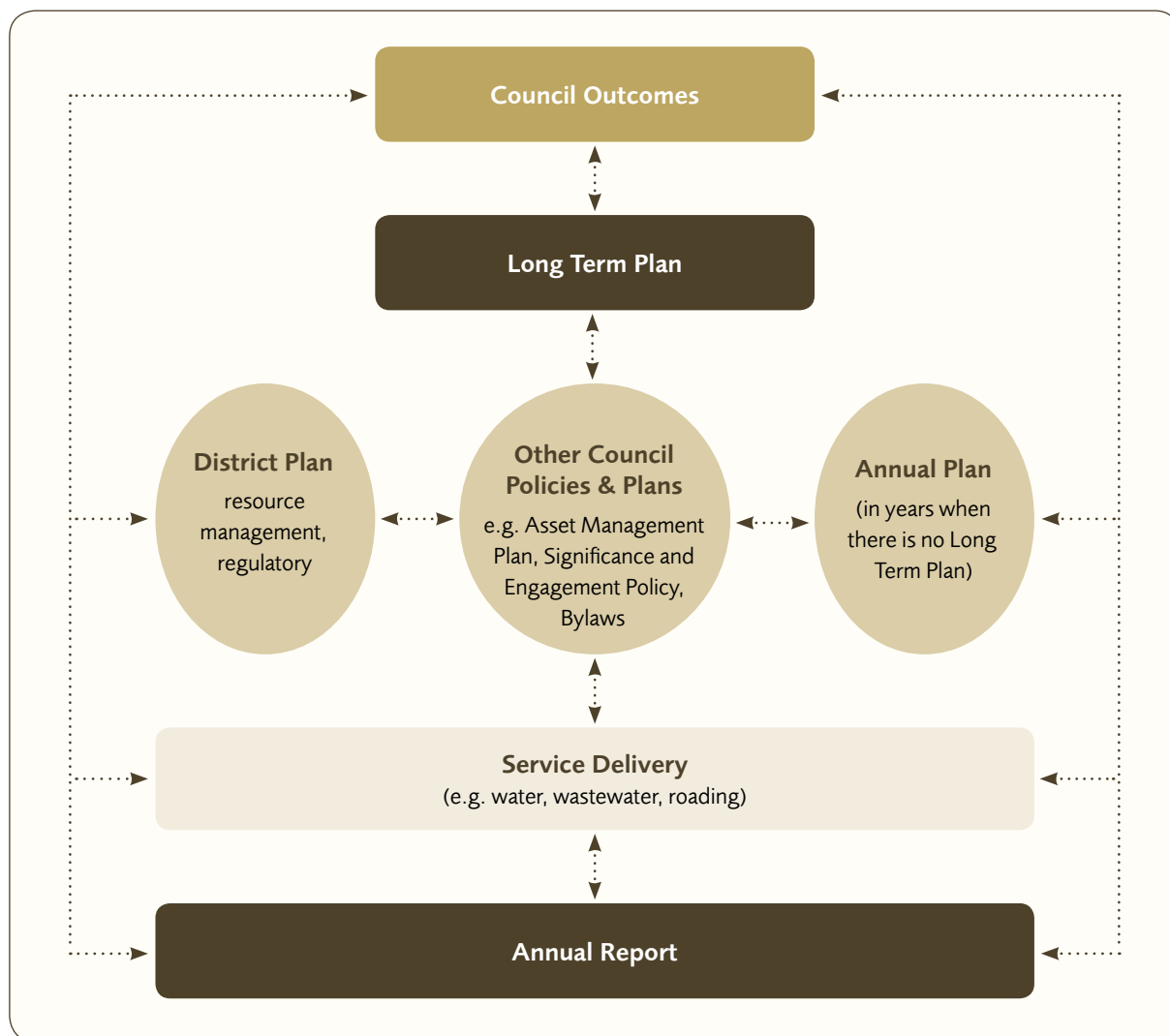
- Emergency repairs to our roading network due to flood damage was \$200,000 higher than budget.
- Higher road maintenance expenditure of \$900,000 mainly for bring forward pre-reseal work.
- Excluding \$1 million of NZ Transport Agency subsidy that related to road sections on the Saddle Road. These sections are Palmerston North City Council and Manawatu District Council roads, hence subsidy received (though budgeted) were not included.

Reports

2

Linkage Between Council Policies and Plans

This Annual Report gives outcomes for the 2014/15 financial year. These actions were shaped by the directions outlined in the our Long Term Plan and in our other Policies and Plans. The linkages between these are shown in the diagram below:





Capital Expenditure Report

For the year ended 30 June 2015.

The following assets were acquired/developed in accordance with the Long Term Plan, Annual Plan, and variations as authorised by Council.

Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
COMMUNITY AND RECREATION FACILITIES					
Cemeteries					
Growth					
Eketahuna new berm	2	3	(5)	-	-
Mangatera new area	78	-	(78)	-	-
Mangatera new berms	-	8	-	8	1
Pahiatua new area	-	-	-	-	1
Woodville new berms	-	3	(3)	-	-
Growth Total	80	14	(86)	8	2
Level of Service					
Mangatera stillborn area	4	-	-	4	1
Memorial restoration	2	-	-	2	-
Pahiatua stillborn area	15	-	(15)	-	-
Woodville carpark sealing	-	6	(6)	-	-
Level of Service Total	21	6	(21)	6	1
Renewals					
Pahiatua carpark resealing	10	10	(20)	-	-
Renewals Total	10	10	(20)	-	-
Cemeteries Total	111	30	(127)	14	3



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
-	-	Rates	Budget moved to 2015/16
-	-	Loan	Budget moved to 2015/16
7	7	Rates	Carry forward to next year - timing based on sale of plots
(1)	-	Rates	Completed
-	-	Rates	Budget moved to 2015/16
6	7		
3	3	Rates	Work in progress
2	2	Rates	Work in progress
-	-	Rates	Budget moved to 2015/16
-	-	Rates	Budget moved to 2015/16
5	5		
-	-	Depreciation Reserve	Budget moved to 2015/16
-	-		
11	12		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Community Buildings					
Level of Service					
Carnegie Centre earthquake work	2	-	-	2	-
Eketahuna Service Centre earthquake work	2	-	(2)	-	-
Upgrade earthquake prone buildings	-	215	(215)	-	3
Woodville Library i-SITE doors	40	-	(40)	-	-
Dannevirke Sport Centre toilet upgrade - men's toilet	-	42	(42)	-	-
Woodville Community Hall carpark development	-	-	-	-	72
Level of Service Total	44	257	(299)	2	75
Renewals					
Dannevirke Sports Centre - painting	8	-	-	8	-
Dannevirke Town Hall renewal - various	10	22	-	32	22
District renewals - chairs	-	3	-	3	-
Eketahuna community buildings	2	-	-	2	2
Eketahuna Medical Centre - roof and carpet	6	27	-	33	14
Pahiatua Stadium	4	-	-	4	3
Pahiatua Town Hall	-	50	-	50	1
Pahiatua Town Hall - toilet revamp	10	42	-	52	-
Woodville Community Centre	6	-	-	6	-
Woodville Community Hall carpark and recycle renewals	-	-	-	-	135
Woodville Sports Hall	15	-	-	15	15
Pongaroa drainage	-	10	-	10	-
Renewals Total	61	154	-	215	192
Community Buildings Total	105	411	(299)	217	267
Housing					
Level of Service					
Mobility garaging	22	12	(31)	3	6
Level of Service Total	22	12	(31)	3	6



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
2	-	Rates	No longer required - budget offset against Upgrade Earthquake Prone Buildings overspend
-	-	Rates	No longer required
(3)	(1)	Rates	Budget moved to 2015/16. Carry forward to offset against 2015/16 budget.
-	-	Rates	Budget moved to 2015/16
-	-	Rates	Budget moved to 2015/16
(72)	-	Rates	Completed - budget offset from Woodville stormwater development
(73)	(1)		
8	8	Depreciation Reserve	Carry forward to 2015/16
10	10	Depreciation Reserve	Work in progress
3	3	Depreciation Reserve	Work in progress
-	-	Depreciation Reserve	Completed
19	19	Depreciation Reserve	Work in progress - carry forward to 2015/16
1	1	Depreciation Reserve	Work in progress - carry forward to 2015/16
49	101	Depreciation Reserve	Carry forward - in building consent phase. Budget included Pahiatua toilet revamp.
52	-	Depreciation Reserve	Budget moved to Pahiatua Town Hall
6	-	Depreciation Reserve	Budget offset against Woodville Sports Hall overspend
(135)	-	Depreciation Reserve	Completed - budget offset from footpath development and footpath construction
-	6	Depreciation Reserve	Work in progress - carry forward to 2015/16
10	10	Depreciation Reserve	Further investigation required before proceeding with project
23	158		
(50)	157		
(3)	-	Housing Reserves/Loan	Completed - overspend due to cost exceeding estimate
(3)	-		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Aften Court refurbishment	(6)	10	-	4	-
Ballarat Court - new roof	-	50	-	50	3
District-wide window replacement	6	12	-	18	74
Eketahuna refurbishment	3	-	-	3	2
Hovding Court - 6 units rebuilt	-	600	(600)	-	-
Pahiatua refurbishment	13	-	-	13	2
Woodville refurbishment - drainage	11	-	-	11	-
Renewals Total	27	672	(600)	99	81
Housing Total	49	684	(631)	102	87
Library					
Renewals					
Books	-	100	-	100	85
Dannevirke Library refurbishment	-	65	-	65	25
Furniture and fittings	50	10	(60)	-	19
Pahiatua Library refurbishment	-	15	-	15	-
Renewals Total	50	190	(60)	180	129
Library Total	50	190	(60)	180	129
Parks and Reserves					
Level of Service					
Camping grounds accessible toilet	-	-	-	-	8
Dannevirke Camping Ground house and land	-	-	-	-	3
Dannevirke Camping Ground new house	-	-	-	-	263
Dannevirke play equipment	4	-	-	4	5
District drainage - Rotary Park Pahiatua	12	5	-	17	6
District-wide walkway development	10	10	-	20	5
Norsewood Waterwheel Park - play equipment and flying fox	5	50	-	55	24
Eketahuna Domain drainage	-	30	-	30	35
Level of Service Total	31	95	-	126	349



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
4	4	Depreciation Reserve Housing	Carry forward to 2015/16
47	47	Housing Reserves/Loan	Work in progress - carry forward to 2015/16
(56)	(56)	Depreciation Reserve Housing	Completed - overspend due to project brought forward as cheaper to do in large lot
1	1	Depreciation Reserve Housing	Work in progress - carry forward to 2015/16
-	-	Housing Reserves/Loan	Project cancelled - Council resolution to divest and not rebuild housing stock
11	11	Depreciation Reserve Housing	Work in progress - carry forward to 2015/16
11	11	Depreciation Reserve Housing	Carry forward to 2015/16
18	18		
15	18		
15	15	Depreciation Reserve	All \$100,000 was ordered, however, publication delays has meant some books have not been delivered
40	13	Depreciation Reserve	Work in progress
(19)	(19)	Depreciation Reserve	Budget moved to 2015/16 - carry forward overspend to offset against 2015/16 budget
15	15	Depreciation Reserve	Carry forward to 2015/16 - part of Town Hall upgrade
51	24		
51	24		
(8)	-	Rates	Completed - Eketahuna Camping Ground upgrade
(3)	(3)	Sales proceeds	Carry forward - Part of Dannevirke Camping Ground new house - to be funded from sale of property
(263)	(263)	Sales proceeds	Carry forward - to be funded from sale of property
(1)	-	Rates	Completed
11	6	Rates	Work in progress - carry forward balance to 2015/16. Portion transferred to Eketahuna Domain drainage.
15	15	General Purposes Reserve	Work in progress - Woodville walkway delayed. Carry forward to 2015/16.
31	31	Rates	Work in progress - carry forward to 2015/16
(5)	-	Rates	Completed - overspend offset against District Drainage Development
(223)	(214)		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Dannevirke Camping Ground - general repairs and improvements	-	9	-	9	8
Dannevirke Domain earthquake prone work	-	-	-	-	5
Dannevirke Domain playground	-	12	-	12	5
Dannevirke Domain shed	-	2	-	2	-
Eketahuna Camping Ground	-	52	-	52	48
Pahiatua Camping ground - general improvements	2	3	-	5	-
Pahiatua new flagpole	-	25	(25)	-	-
Woodville Camping Ground renewals	-	5	(5)	-	-
Eketahuna Domain	7	7	(7)	7	-
Eketahuna playground matting	-	10	(10)	-	-
Renewals Total	9	125	(47)	87	66
Parks and Reserves Total	40	220	(47)	213	415
Public Conveniences					
Renewals					
District-wide replace hand dryers	3	-	-	3	-
Pahiatua main toilets - floors	12	-	-	12	3
Resurface toilet floors - Woodville	12	-	-	12	6
Woodville public toilets	5	-	-	5	7
Eketahuna public toilets	-	50	-	50	26
Renewals Total	32	50	-	82	42
Public Conveniences Total	32	50	-	82	42
Service Centres					
Renewals					
Pahiatua service centre	30	-	(30)	-	-
Renewals Total	30	-	(30)	-	-
Service Centres Total	30	-	(30)	-	-
Swimming Pools					
Level of Service					
Eketahuna outdoor pool	6	-	(6)	-	10
Pahiatua Bush Multisport swimming pool investigation	-	-	-	-	2
Level of Service Total	6	-	(6)	-	12



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
1	-	Depreciation Reserve	Completed
(5)	-	Depreciation Reserve	Completed
7	7	Depreciation Reserve	Work in progress - in scoping stage
2	2	Depreciation Reserve	Work in progress - carry forward to 2015/16
4	4	Depreciation Reserve	Work in progress - signage yet to be completed. Carry forward to 2015/16.
5	5	Depreciation Reserve	Carry forward to 2015/16
-	-	Depreciation Reserve	Budget moved to 2015/16
-	-	Depreciation Reserve	Budget moved to 2015/16
7	7	Depreciation Reserve	Budget moved to 2015/16. Carry forward balance to 2015/16.
-	-	Depreciation Reserve	Budget moved to 2015/16
21	25		
(202)	(189)		
3	3	Depreciation Reserve	Carry forward to 2015/16
9	9	Depreciation Reserve	Work in progress - carry forward to 2015/16
6	4	Depreciation Reserve	Work in progress - carry forward to 2015/16
(2)	-	Depreciation Reserve	Completed
24	24	Depreciation Reserve	Work in progress - carry forward to 2015/16
40	40		
40	40		
-	-	Loan	Budget moved to 2015/16
-	-		
-	-		
(10)	(10)	Loan	Budget moved to 2015/16 - carry forward overspend to offset against budget
(2)	-	Depreciation Reserve	Completed - overspend offset against Pahiatua pool renewal
(12)	(10)		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Pahiatua outdoor pool renewal	-	5	-	5	-
Woodville outdoor pool renewal	-	3	-	3	4
Eketahuna pool earthquake repairs	-	-	-	-	1
Eketahuna pool filtration unit renewals	-	3	-	3	-
Renewals Total	-	11	-	11	5
Swimming Pools Total	6	11	(6)	11	17

DISTRICT PROMOTION AND ECONOMIC DEVELOPMENT

Commercial Property

Level of Service

Forestry road improvements	-	-	-	-	63
Woodville 49 Vogel Street depot - drainage from building to stormwater	-	16	-	16	-
Level of Service Total	-	16	-	16	63

Renewals

New entranceway at 49 Vogel Street Woodville depot	13	-	(13)	-	-
New roof at 49 Vogel Street Woodville depot	-	14	(14)	-	-
Renewals Total	13	14	(27)	-	-
Commercial Property Total	13	30	(27)	16	63

District Promotion and Development

Level of Service

Broadband development	-	-	-	-	14
Business Network	30	-	-	30	31
District-wide fibre project	12	10	-	22	19
Info/i-SITE at Windfarm Centre	-	25	(25)	-	-
Marquee tent	-	-	-	-	3
Walkway/cycleway	-	10	(10)	-	-
Level of Service Total	42	45	(35)	52	67
District Promotion and Development Total	42	45	(35)	52	67



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
5	3	Depreciation Reserve	Carry forward to 2015/16 - delayed due to prioritisation of project
(1)	-	Depreciation Reserve	Completed
(1)	-	Depreciation Reserve	Completed - overspend offset against Eketahuna pool filtration renewal
3	2	Depreciation Reserve	Carry forward to 2015/16 - delayed due to prioritisation of project
6	5		
(6)	(5)		
(63)	-	Forestry Reserves	Forestry roads funded from forestry reserves
16	16	Sales proceeds	Work delayed with respect to future of site - carry forward to 2015/16
(47)	16		
-	-	Sales proceeds	Budget moved to 2015/16 - work delayed with respect to future of site
-	-	Sales proceeds	Budget moved to 2015/16 - work delayed with respect to future of site
-	-		
(47)	16		
(14)	-	Rates	Completed - overspend offset against Info Services Development Hardware
(1)	-	Rates	Completed - budget moved from Info Services Development Hardware
3	3	Rates	Work in progress - carry forward to 2015/16
-	-	Rates	Budget moved to 2015/16 - i-SITE building renovation
(3)	(3)	Rates	Completed - funded from Promotion budget
-	-	Rates	Budget moved to 2015/16 - Meridian to start project in 2015/16
(15)	-		
(15)	-		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
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REGULATORY SERVICES

Animal Control

Renewals

Dannevirke pound upgrade/renewal	-	70	(70)	-	10
Renewals Total	-	70	(70)	-	10
Animal Control Total	-	70	(70)	-	10

Emergency Management

Level of Service

Akitio fire appliance	11	-	(11)	-	-
Civil Defence radio repeaters	-	-	14	14	13
Tiraumea vehicle housing upgrade	-	5	-	5	9
Emergency management/resilience development	-	3	(3)	-	-
Level of Service Total	11	8	-	19	22
Emergency Management Total	11	8	-	19	22

Health & Safety

Renewals

Sound level meter	-	7	-	7	-
Swimming pool kit	-	3	-	3	-
Renewals Total	-	10	-	10	-
Health & Safety Total	-	10	-	10	-

ROADING AND FOOTPATHS

Footpaths

Level of Service

District-wide footpath development	111	28	-	139	-
Eketahuna town centre upgrade	-	30	-	30	6
Level of Service Total	111	58	-	169	6

Renewals

Footpath construction	(7)	150	-	143	96
Renewals Total	(7)	150	-	143	96
Footpaths Total	104	208	-	312	102



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
(10)	(10)	Depreciation Reserve	Budget moved to 2015/16 - carry forward overspend to offset against budget
(10)	(10)		
(10)	(10)		
-	-	Loan	Budget moved to Civil Defence radio repeaters
1	-	Loan	Completed - balance transferred to Tiraumea vehicle housing upgrade
(4)	-	Rates	Completed - overspend due to cost of Tiraumea upgrade exceeding 2013 estimate
-	-	Loan	Budget moved to Civil Defence radio repeaters
(3)	-		
(3)	-		
7	7	Depreciation Reserve	Carry forward to 2015/16
3	3	Depreciation Reserve	Carry forward to 2015/16
10	10		
10	10		
139	51	Loan	Carry forward to 2015/16. Portion of budget transferred to Woodville Community Hall carpark development.
24	24	Loan	Work in progress - carry forward 2015/16
163	75		
47	-	Depreciation Reserve	Completed - portion of budget transferred to Woodville Community Hall carpark development
47	-		
210	75		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Roading					
Level of Service					
Associated improvements	-	90	-	90	17
Manawatu/Hawkes Bay alternate route	1,718	2,000	(600)	3,118	1,878
Minor improvements	-	-	-	-	715
Level of Service Total	1,718	2,090	(600)	3,208	2,610
Renewals					
Bridge renewals	339	-	-	339	-
Drainage renewals	-	510	-	510	318
Emergency reinstatements	-	-	-	-	268
Minor safety improvements	156	509	-	665	-
Pavement rehabilitation	30	1,650	-	1,680	2,164
Sealed road resurfacing	67	2,260	-	2,327	1,297
Sub-structures components replacement	-	206	-	206	416
Traffic services renewal	-	95	-	95	153
Unsealed road metalling	-	610	-	610	355
Renewals Total	592	5,840	-	6,432	4,971
Roading Total	2,310	7,930	(600)	9,640	7,581
SOLID WASTE MANAGEMENT					
Level of Service					
District-wide recycling - bulk bin setup	37	-	-	37	20
Eketahuna capping	30	-	-	30	87
Pahiatua capping	120	-	-	120	-
Pahiatua transfer station	-	-	-	-	21
Pongaroa capping	10	-	-	10	-
Level of Service Total	197	-	-	197	128
Renewals					
Pahiatua recycling centre fire replacement	-	-	69	69	28
Renewals Total	-	-	69	69	28
Solid Waste Management Total	197	-	69	266	156



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
73	-	Subsidy/Rates	Budget moved to Minor Improvements. NZTA work category 'Associated Improvements' replaced by Minor Improvements.
1,240	327	Subsidy	Work in progress - portion of budget relates to work completed on the Palmerston North City and Manawatu District Councils section of roads
(715)	23	Loan/Subsidies	Overspend offset from Associated Improvements and Minor Safety Improvement Renewals - carry forward balance to 2015/16
598	350		
339	129	Depreciation Reserve	Budget moved to Structures Components Replacement
192	-	Depreciation Reserve	Completed - balance of budget offset against Pavement Rehab
(268)	-	Subsidy/Depreciation Reserve	Completed. This is unbudgeted flood damage repairs. Overspend funded from depreciation reserves.
665	-	Depreciation Reserve	Budget moved to Minor Improvements. NZTA work category 'Minor Safety Improvements' replaced by Minor Improvements.
(484)	-	Depreciation Reserve	Completed - overspend offset from drainage and sealed surface renewals
1,030	738	Depreciation Reserve	Completed - balance offset overspend in Pavement Rehab. Carry forward balance to 2015/16.
(210)	-	Subsidy/Rates	Completed - overspend transferred from bridge renewals
(58)	-	Subsidy/Rates	Completed - overspend transferred from unsealed metal overlay
255	197	Subsidy/Rates	Budget used to offset overspend in traffic services renewal - carry forward balance to 2015/16
1,461	1,064		
2,059	1,414		
17	17	Loan	Work in progress - carry forward to 2015/16
(57)	42	Reserves	Carry forward - budget offset from Pahiatua capping
120	-	Loan	Completed. Portion transferred to Eketahuna capping and Pahiatua transfer station.
(21)	-	Loan	Completed - overspend offset from Eketahuna capping
10	10	Reserves	Work in progress
69	69		
41	41	Insurance	Carry forward - currently in design phase
41	41		
110	110		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
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STORMWATER DRAINAGE

Level of Service

Treatment to outlets report	15	-	-	15	-
Woodville stormwater development	173	-	-	173	20

Level of Service Total	188	-	-	188	20
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Renewals

District-wide mains replacement - stormwater	74	40	-	114	127
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Renewals Total	74	40	-	114	127
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Stormwater Drainage Total	262	40	-	302	147
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WASTEWATER

Level of Service

CCTV drain camera	-	-	-	-	1
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Dannevirke disposal to land	450	-	(450)	-	-
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District telemetry capex	-	10	-	10	10
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District-wide treatment upgrade	60	-	-	60	-
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Eketahuna land irrigation investigation	-	-	-	-	3
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Eketahuna treatment plant	810	-	(810)	-	-
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Manhole rehabilitation	7	6	-	13	9
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Ministry for the Environment project - Dannevirke pond leakage investigation	(630)	688	-	58	1,231
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Ministry for the Environment Project - Pahiatua sewage treatment plant	1,010	550	-	1,560	816
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Ministry for the Environment Project - Woodville sewage treatment plant	192	562	-	754	513
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Norsewood treatment plant	-	-	-	-	54
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Pahiatua disposal to land	24	-	-	24	-
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Pongaroa treatment plant	90	-	-	90	21
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Wastewater plant and machinery purchases	-	-	-	-	8
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Wastewater vehicle purchases - forklift	-	-	-	-	4
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Woodville disposal to land	25	-	-	25	-
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Level of Service Total	2,038	1,816	(1,260)	2,594	2,670
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Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
15	15	Loan	Carry forward to 2015/16
153	81	Loan	Work in progress - carry forward budget to 2015/16. Portion of budget transferred to Woodville Community Hall carpark development.
168	96		
(13)	-	Depreciation Reserve	Completed. Overspend due to higher cost than anticipated.
(13)	-		
155	96		
(1)	-	Loan	Completed - budget offset from district preventative maintenance
-	-	Loan\MfE Funding	Budget moved to 2015/16
-	-	Rates	Completed
60	-	Loan	Budget moved to Norsewood treatment plant
(3)	-	Loan/Subsidies	Carry forward - Overspend offset by Pahiatua disposal to land
-	-	Loan\MfE Funding	Budget moved to 2015/16
4	4	Rates	Work in progress
(1,173)	(1,173)	Loan\MfE Funding	Work in progress - overspend due to purchase of liners in bulk. Carried forward overspend to 2015/16 budget.
744	744	Loan\MfE Funding	Work in progress - delay due to weather, sludge removal, and awaiting equipment
241	241	Loan\MfE Funding	Work in progress - delay due to weather, sludge removal, and awaiting equipment
(54)	6	Loan	Work in progress - overspend offset against district treatment upgrade
24	-	Loan\MfE Funding	Abandoned - project not feasible
69	69	Loan\MfE Funding	Work in progress - carry forward to 2015/16.
(8)	-	Loan	Completed - Overspend offset by Water and Sanitary Services Team project
(4)	-	Loan	Completed - Overspend offset by Water and Sanitary Services Team project
25	-	Loan\MfE Funding	Abandoned - project not feasible
(76)	(109)		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Aerators renewal	23	14	-	37	-
Dannevirke Mains Replacements	-	-	-	-	56
Dannevirke sewage treatment plant renewals	-	20	-	20	7
District-wide Consent Upgrades	-	-	-	-	34
District-wide Mains Replacements	305	257	-	562	379
District-wide Manhole Replacements	11	12	-	23	-
District-wide Preventative Maintenance	100	50	-	150	77
District-wide Pump Replacements	-	2	-	2	2
District-wide Treatment Renewals	-	-	-	-	17
Eketahuna earthquake Sewer replacements	-	-	760	760	-
Infiltration Renewals - Pahiatua & Eketahuna	21	-	-	21	-
Renewals Total	460	355	760	1,575	572
Wastewater Total	2,498	2,171	(500)	4,169	3,242

WATER SUPPLIES

Level of Service

Dannevirke Soda Ash Conversion	8	-	-	8	-
Dannevirke Treatment Plant	474	-	-	474	-
Demand Management & Zone Metering	15	5	(20)	-	-
Large Users, Metering and Management	10	-	-	10	-
Leak Detection - Pahiatua & Norsewood	15	25	-	40	-
Meter Reading devices	8	-	(8)	-	-
Pahiatua New Bore and Treatment	1,479*	-	(1,423)	56	73
Water and Sanitary Services Team	92	-	-	92	-
Eketahuna Water Storage	75	-	(75)	-	-
Level of Service Total	2,176	30	(1,526)	680	73

* Includes subsidy of \$537,000 from Ministry of Health.



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
37	37	Depreciation Reserve	Carried forward to 2015/16.
(56)	-	Depreciation Reserve	Completed. Budget transferred from district-wide mains replacement.
13	13	Depreciation Reserve	Carry forward to 2015/16
(34)	-	Depreciation Reserve	Completed. Budget transferred from district-wide mains replacement.
183	76	Depreciation Reserve	Work in progress
23	23	Depreciation Reserve	Work in progress
73	73	Depreciation Reserve	Work in progress
-	-	Depreciation Reserve	Completed
(17)	-	Depreciation Reserve	Completed
760	760	Insurance/Depreciation Reserve	Carry forward to 2015/16 as contractor was not available
21	21	Depreciation Reserve	Carry forward to 2015/16
1,003	1,003		
927	894		
8	-	Rates	Completed. Budget transferred to Dannevirke Treatment Plant.
474	482	Loan	Carry forward - delay due to prioritisation of projects
-	-	Rates	Budget moved to 2015/16
10	10	Rates	Carry forward - delay due to prioritisation of projects
40	40	Rates	Carry forward - delay due to prioritisation of projects
-	-	Rates	Budget moved to 2015/16
(17)	(17)	Loan/Subsidies	Budget moved to 2015/16 - carry forward overspend to offset against 2015/16 budget
92	80	Loan	Carry forward - to purchase jet cleaner and truck
-	-	Loan	Budget moved to 2015/16
607	595		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Chlorinator Replacement - Dannevirke No.1 pond	12	-	-	12	-
Chlorine Analyser Replacement	10	-	-	10	-
Dannevirke Mains Replacement	103	-	-	103	6
Dannevirke Treatment Plant	245	295	(482)	58	69
District-wide Mains Replacement	-	-	-	-	212
District-wide Treatment Plant Upgrades	128	-	-	128	-
Norsewood Treatment Plant Upgrade	11	-	-	11	6
Preventative Renewals	100	50	-	150	-
Telemetry Renewal	-	14	-	14	4
Water Pump Replacement	4	3	-	7	3
Woodville Mains Replacement	35	-	-	35	-
Renewals Total	648	362	(482)	528	300
Water Supplies Total	2,824	392	(2,008)	1,208	373
Support					
Level of Service					
Dannevirke Library Developments	(27)	-	-	(27)	-
Finance - Planning and Reporting Software	87	-	-	87	18
IBIS Software	-	-	-	-	4
Information Services Development Software	-	-	-	-	66
Information Services Developments Fibre and Conduits	-	-	-	-	7
Information Services Developments Hardware	-	210	-	210	4
Pahiatua Service Centre earthquake work	300	-	(300)	-	16
Level of Service Total	360	210	300	270	115



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
12	22	Depreciation Reserve	Carry forward to 2015/16.
10	-	Depreciation Reserve	Budget transferred to Dannevirke Chlorinator replacement.
97	-	Depreciation Reserve	Completed. Budget transferred to District-wide Mains Replacement.
(11)	(11)	Depreciation Reserve	Budget moved to 2015/16. Carry forward overspend to offset against 2015/16 budget.
(212)	-	Depreciation Reserve	Completed.
128	128	Depreciation Reserve	Work in progress.
5	5	Loan	Work in progress - carry forward to 2015/16
150	70	Depreciation Reserve	Work in progress. Portion of budget transferred to District-wide Mains Replacement.
10	10	Depreciation Reserve	Work in progress.
4	4	Depreciation Reserve	Work in progress.
35	-	Depreciation Reserve	Budget transferred to District-wide Mains Replacement.
228	228		
835	823		
(27)	-	Loan	2013/14 overspend offset against Dannevirke Library Refurbishment.
69	-	Loan	Budget transferred to IBIS Software & Info Services Software Development.
(4)	-	Loan	Overspend offset from Finance - planning & reporting software.
(66)	-	Loan	Overspend offset from Finance - planning & reporting software.
(7)	-	Loan	Overspend offset from Info Services Development Hardware.
206	184	Loan	Carry forward - Portion offset against Information Services Fibre and Conduits, and Broadband Development
(16)	(16)	Rates	Budget moved to 2015/16. Carry forward overspend to offset against 2015/16 budget.
155	168		



Activity & Capital Works Project	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Budget \$000s	Year to June 2015 \$000s
Renewals					
Asset management renewals	-	60	-	60	75
Dannevirke Admin buildings	105	-	-	105	3
Dannevirke Civic Centre	-	-	-	-	13
District Administration Equipment Renewals	112	-	-	112	-
Eketahuna Library	3	-	-	3	14
Engineering services kitchen and bathroom	-	20	-	20	-
Information Services Hardware Renewals	89	178	-	267	330
Information Services Renewals	126	-	-	126	6
Information Services Software Renewals	3	142	-	145	50
Miscellaneous Renewals	-	20	-	20	-
Photocopier Replacement	26	15	-	41	33
Telephone Replacement	15	10	-	25	10
Vehicle Renewals	24	220	-	244	187
Woodville Engineering Services Building refurbishments	(51)	-	-	(51)	3
Woodville Library renewal	10	-	-	10	(1)
Renewals Total	462	665	-	1,127	723
Support Total	822	875	300	1,397	838
Grand Total	9,506	13,375	(4,671)	18,210	13,563

Summary of Capital Projects

	Carry forward Budget to June 2014 \$000s	Budget 2014/15 \$000s	Authorised Revision \$000s	Total Annual Budget \$000s	Year to June 2015 \$000s	Total Budget Remaining/ (Overspent) \$000s	Carried Forward \$000s
Growth	80	14	(86)	8	2	6	7
Level of Service	6,965	4,643	(4,078)	7,531	6,217	1,314	1,040
Renewals	2,461	8,718	(507)	10,672	7,344	3,328	3,064
Grand Total	9,506	13,375	(4,671)	18,210	13,563	4,648	4,111



Total Remaining Budget Under/(Over) \$000s	Remaining Carry Forward \$000s	Funding Source	Variance Explanation
(15)	(15)	Depreciation Reserve	Work in progress. Carry forward overspend to offset 2015/16 budgets.
102	89	Depreciation Reserve	Budget offset against Dannevirke Civic Centre.
(13)	-	Depreciation Reserve	Upgrade of toilet facilities. Budget transferred from Dannevirke Admin Buildings.
112	112	Depreciation Reserve	Carry forward to 2015/16
(11)	(11)	Depreciation Reserve	Carry forward overspend to offset against 2015/16 - library/ service centre reorganisation
20	20	Depreciation Reserve	Work delayed with respect to future of site - carry forward budget to 2015/16
(63)	100	Depreciation Reserve	Budget transferred from Info Services Software renewals
120	-	Depreciation Reserve	Budget transferred to Information Services Hardware
95	52	Depreciation Reserve	Carry forward. Budget transferred to Information Services hardware renewal.
20	20	Depreciation Reserve	Carry forward to 2015/16.
8	8	Depreciation Reserve	Work in progress - carry forward to 2015/16.
15	15	Depreciation Reserve	Work in progress - carry forward to 2015/16.
57	57	Depreciation Reserve	Work in progress - carry forward to 2015/16.
(54)	-	Consultancy	Completed.
11	11	Depreciation Reserve	Carry forward to 2015/16 - awaiting decision on Woodville Library/Service Centre upgrade. Consent fee incurred in 2013/14 has been refunded
404	458		
559	626		
4,648	4,111		



Governance Report

Role of the Council

The Council has overall responsibility and accountability for the proper direction and control of the district's development.

Structure of Council

Council appoints a Chief Executive to manage the Council operations. The Chief Executive, Blair King, is accountable to the Mayor and Councillors for managing the Council.

He has statutory powers conferred by the Local Government Act 2002 and other powers at Council's discretion. The Chief Executive has appointed managers to manage key areas of the Council's operations.

The Council has a portfolio system in place for specific activities/functions to oversee and liaise with management on the governance aspects and report back as appropriate through the monthly meeting. The Council has over the years found this is an effective mechanism for Councillors involvement in enhancing and fulfilling their role as elected representatives.

Council Committees

The Council has four committees to monitor and assist in the effective discharge of Council's responsibilities. These include:

- Tribunal and Hearings Committee
- Chief Executive's Performance Appraisal Committee
- Council Controlled Trading Organisation Committee
- Forestry Committee

Tribunal and Hearings Committee

To hear and adjudicate on all matters Council is required to handle relating to tribunal and hearings matters, meeting

throughout the district or outside as appropriate. The Chief Executive is delegated the authority to handle and approve straightforward applications on a regular basis.

Chief Executive's Performance Appraisal Committee

To review the performance of the Chief Executive and the accountabilities relating to this position.

Council Controlled Trading Organisation

This committee consist of the Mayor and a Councillor who is the Roding Portfolio Holder and another Councillor who is a Finance Portfolio Holder. This Committee has full delegation to appoint or remove directors of the subsidiary boards, attend and offer advice as shareholder at the shareholder meetings.

Council Forestry Committee

This committee consist of the Mayor and two other Council members and has full delegation to oversee the management of Council's forestry assets and make recommendations to the Council if it wishes to divest the forestry assets.

Community Boards and Community Committees

Elected community boards represent Dannevirke and Eketahuna communities. In addition Pahiatua On-Track Incorporated and Woodville Districts' Vision Incorporated are both representative community committees.

The boards reflect unique historical requirements of each locality and assist Council to meet the community's needs. The Boards advise Council on a wide range of issues.

Activities Undertaken to Promote Maori

The Council has an obligation to take into account the principles of the Treaty of Waitangi and to recognise and provide for the special relationship between Maori, their culture, traditions, land and taonga.

Processes to provide opportunities for iwi to contribute to Council decision-making are referenced in Council's Significance and Engagement Policy.

The Council has a current Memorandum of Partnership with Rangitane O Tamaki Nui A Rua. This covers processes for engagement in decision-making.

As part of the Crown negotiating treaty claims with the two Iwi who exercise Rohe within the Taranaki District Council boundary, areas of significance to those Iwi have been identified. Some of these areas identified by Iwi have reserve status under the Reserves Act 1977, with management control vested in the Council, rather than the Crown through the Department of Conservation.

In November 2013, following an approach by Rangitane and the Office of Treaty Settlements, the Council resolved to decline a request from Rangitane relating to four reserves managed by Council, to be either vested or co-managed under a joint Reserves Management Board as part of their potential Crown Settlement.

The Council has discussed the potential conflict between this resolution and the wording within the Memorandum of Partnership. In October 2014 Council hosted a workshop attended by Rangitane and Ngati Kahungunu to listen to an update on the Treaty Settlement Process for each claim, along with options on how the Council could demonstrate its commitment to building partnerships with Iwi.

In the spirit of partnership and trust, recognising that the general public see the Council as a steward of the community assets, Council has agreed to support joint decision-making on the Dannevirke Domain with the formation of a joint committee comprising two representatives from each Iwi and four Council members. Council has also supported the following in order to facilitate progressing the Crown Treaty settlements with Rangitane and Ngati Kahungunu:

The Makirikiri Scenic Reserve be available for settlement with Rangitane and the Makirikiri Recreation Reserve for settlement with Ngati Kahungunu.

Council has resolved to work closely with the representatives from both Iwi. This represents an expansion by Council of formal relationships to include Ngati Kahungunu.

In order to provide guidance for the liaison committee, Council is working with Rangitane and Ngati Kahungunu Iwi on preparing new Memorandums for consideration by the Council to work with local iwi to develop new partnership agreements. These new partnership agreements will set in place the detailed policy for the Development of Maori Capacity to Participate in Council Decision-Making as required by the Local Government Act 2002. Specific issues

that may be addressed by the joint Maori Liaison Committee in this term include:

- New Memorandums of Partnership;
- Future community Investment partnerships;
- A stocktake of issues affecting Maori in the district;
- The existing and expected capacity of Maori to contribute to decisions; and
- Appropriate communication protocols.

Governance Framework

Independent Election

The Council believes the democratic election of Councillors by the citizens of Taranaki district ensures that it is able to operate in the best interests of the district and to function independently of management.

Communications

The public can be part of Council's decision-making process through various legislated consultation processes. In addition, Council carries out other community engagement processes. These include the community planning process, and policy consultations. More detail on Council engagement processes are set out in the Significance and Engagement Policy.

Division of Responsibility between Council and Management

A key to the efficient running of the Council is the clear division between the roles of Council (elected members) and management. Council concentrates on setting the strategic vision and policies, while management is concerned with implementing policy and strategy.

While many functions have been formally delegated to the Chief Executive, the overall responsibility for maintaining effective systems of internal control rests with the Council. Internal control includes the policies, systems and procedures, which have been established to provide measurable assurance that the specific objectives of the Council are being achieved.

The Council has acknowledged its responsibility with the signing of the Statement of Compliance and Responsibility.



Report of the Auditor-General

Independent Auditor's Report

To the readers of Tararua District Council's annual report for the year ended 30 June 2015

The Auditor General is the auditor of Tararua District Council (the District Council). The Auditor General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand to audit:

- the financial statements of the District Council that comprise:
 - the statement of financial position as at 30 June 2015 on page 190 to 191;
 - the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ending 30 June 2015 on pages 188 to 189 and 192 to 193; and
 - the notes to the financial statements that include accounting policies and other explanatory information about the financial statements on pages 196 to 262;
- the statement of service provision (referred to as service performance) of the District Council on pages 79 to 185 and each group of activities carried out by the District Council on pages 79 to 185;
- the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 46 to 67;
- the funding impact statement of the District Council on page 194; and

- the disclosures of the District Council that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 30 to 42.

In addition, the Auditor General has appointed me to report on whether the District Council'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 236;
 - reserve funds on page 240 to 243;
 - remuneration paid to the elected members and certain employees of the District Council on page 258;
 - employee staffing levels and remuneration on page 259;
 - severance payments on page 258;
 - rating base units on page 210; and
 - insurance of assets on page 228;
- a report on the activities undertaken by the District Council to establish and maintain processes to provide opportunities for Maori to contribute to the Council's decision making processes on page 69; and
- a statement of compliance signed by the mayor of the Council, and by the District Council's chief executive on page 74.

Opinion

Audited information

In our opinion:

- the financial statements of the District Council on pages 188 to 262:
 - present fairly, in all material respects:
 - the District Council'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.
- the statement of service performance of the District Council on pages 79 to 185:
 - 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 79 to 185, presents 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 statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 46 to 67, presents 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 or annual plan.
- the funding impact statement of the District Council on page 194, presents fairly, in all material respects the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan.
- the disclosures on pages 30 to 42 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'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 the statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council'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'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 performance 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 evidence to provide a basis for our opinion.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and statement of service performance that:
 - comply with generally accepted accounting practice in New Zealand;
 - present fairly the District Council's financial position, financial performance and cash flows;
 - present fairly its service performance, including achievements compared to forecast;
- 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;
- 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;
- 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 Plan and an independent assurance review of the District Council's Debenture Trust Deed, we have no relationship with, or interests, in the District Council.

Clint Ramoo
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



Infracon Limited's Liquidation and its Impact on Council's Annual Report

Infracon Limited (the Company) was, by resolution of its shareholders Tararua District Council and Central Hawkes Bay District Council, placed into liquidation on Monday, 25 August 2014, with PricewaterhouseCoopers appointed as liquidators of the Company.

At 30 June 2015, Council no longer had control over the Company and therefore Council is not required to prepare financial statements.



Statement of Compliance and Responsibility

Compliance

Infracon Limited (the Company) was placed into liquidation effective Monday 25 August 2014 by the Company's Shareholders, Tararua District Council and Central Hawkes Bay District Council. The Shareholders also resolved to appoint PricewaterhouseCoopers as liquidators of the Company.

At 30 June 2015, Council no longer had control over Infracon Limited and had no subsidiaries. Therefore, Council is not required to prepare consolidated financial statements.

Responsibility

The Council and management of Tararua District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

The Council and management of Tararua District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Tararua District Council, the annual Financial Statements for the year ended 30 June 2015 fairly reflects the financial position and operations of the Council.

Mayor

Chief Executive

Activities and Service Performance



Introduction

Activities and Service Performance

We provide a wide range of services and facilities for people living in Tararua. These services – called Activities – help to make Tararua a better, safer, healthier and more enjoyable place to live.

We have nine groups of activities, and 22 activities. The rest of this section explains what we achieved in each activity, the overall cost to ratepayers, and our service performance results.

Groups of Activities

Building Communities & Leadership ..	79
Community & Recreation Facilities.....	89
District Promotion & Economic Development	124
Regulatory Services.....	134
Roading & Footpaths	154
Solid Waste Management	166
Stormwater	172
Wastewater	176
Water Supplies	181



How the Council Outcomes Relate to Council Services

Key: Strongly Related ✓ Related ● Partially Related ◇

Groups of Activities	Council Outcomes				
	Efficient Infrastructure	Prosperous Economy	Great Lifestyle	Sustainable Environment	Collaborative Council
Building Communities and Leadership	●	●	✓	✓	✓
Community and Recreation Facilities	✓	●	✓	✓	✓
District Promotion and Development	◇	✓	✓	●	✓
Regulatory Services	◇	●	✓	✓	✓
Roading and Footpaths	✓	✓	✓	◇	●
Solid Waste Management	✓	◇	●	✓	●
Stormwater	✓	◇	◇	◇	✓
Wastewater	✓	●	◇	✓	✓
Water Supplies	✓	●	●	✓	●

Building Communities and Leadership

Activities in this Group

1

Community Support

To support communities to support themselves.

2

Representation

To enable democratic local decision-making and action by, and on behalf of communities to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is cost-effective for households and businesses.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure		●	
Prosperous Economy		●	
Great Lifestyle	●		
Sustainable Environment	●		
Collaborative Council	●		

Group Level Funding Impact Statement

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	900	1,541	1,000	1,653	1,655
Targeted rates (other than a targeted rate for water supply)	421	-	446	-	-
Grants and subsidies for operating purposes	-	31	-	-	14
Fees, charges, and targeted rates for water supply	-	-	-	-	0
Local authorities fuel tax, fines, infringement fees, and other receipts	15	78	-	56	34
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	1,336	1,650	1,447	1,709	1,703
Applications of Operating Funding					
Payment to staff and suppliers	800	1,100	837	1,106	1,068
Finance costs	-	-	-	-	-
Internal charges and overheads applied	533	478	606	584	673
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,332	1,578	1,443	1,690	1,741
Surplus/(Deficit) of Operating Funding	4	72	4	21	(37)
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	-	-	30	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	-	-	30	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	4	72	4	51	(37)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	4	72	4	51	(37)
Surplus/(Deficit) of Capital Funding	(4)	(72)	(4)	(21)	37
Funding Balance	-	-	-	-	-

Community Support

Aim – To support communities to support themselves.

What We Achieved

Woodville Walkway/Cycleway




We are working through easement arrangements with KiwiRail for the Woodville Districts' Vision Woodville to Gorge walkway/cycleway. This is stage one of the project that, once funding is secured, would see a walkway from Woodville to the Gorge Cemetery. A significant initial cost would be the construction of a pedestrian bridge over a stream just below the cemetery reserve.

Closed Circuit TV

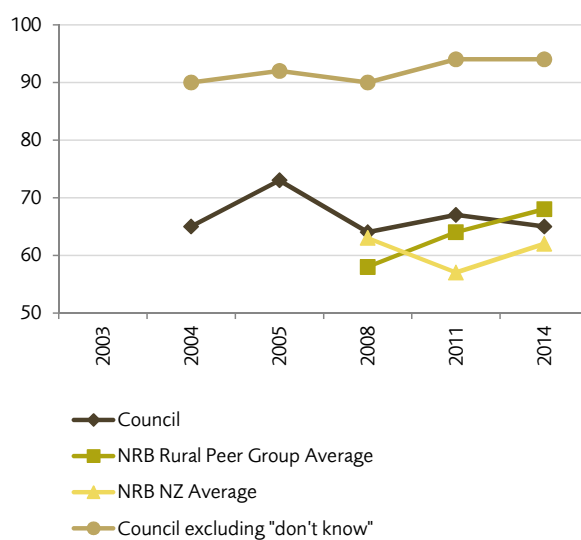
Council continued to support closed circuit TV for crime prevention initiatives in the District including in the towns of Pahiatua, Woodville and Dannevirke. Dannevirke now has one of the single largest camera systems in New Zealand.



Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating Council's involvement in community support as "fairly satisfactory" or "very satisfactory" in the community survey.	N/A	NOT APPLICABLE.		No NRB survey																		
		Survey results:																				
		<table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/fairly satisfied</td><td>67%</td><td>65%</td></tr><tr><td>Not very satisfied</td><td>4%</td><td>4%</td></tr><tr><td>Don't know / Unable to say @</td><td>30%</td><td>32%</td></tr><tr><td>Percentage satisfied</td><td>67%</td><td>65%</td></tr><tr><td>Percentage satisfied excl @</td><td>94%</td><td>94%</td></tr></table>			Category	2011	2014	Very/fairly satisfied	67%	65%	Not very satisfied	4%	4%	Don't know / Unable to say @	30%	32%	Percentage satisfied	67%	65%	Percentage satisfied excl @	94%	94%
		Category			2011	2014																
		Very/fairly satisfied			67%	65%																
		Not very satisfied			4%	4%																
		Don't know / Unable to say @			30%	32%																
Percentage satisfied	67%	65%																				
Percentage satisfied excl @	94%	94%																				
<ul style="list-style-type: none">All organisations receiving grants meet accountability requirements of Council.	100%	ACHIEVED: No issues identified with grants and their use for the purpose intended.																				

COMMUNITY SUPPORT – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement **Community Support**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	197	336	216	347	347
Targeted rates (other than a targeted rate for water supply)	92	-	97	-	-
Grants and subsidies for operating purposes	-	31	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	28	-	45	34
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	289	395	313	392	381
Applications of Operating Funding					
Payment to staff and suppliers	255	302	278	307	324
Finance costs	-	-	-	-	-
Internal charges and overheads applied	30	51	31	76	55
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	285	353	309	383	379
Surplus/(Deficit) of Operating Funding	4	42	4	9	2
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	-	-	-	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	4	42	4	9	2
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	4	42	4	9	2
Surplus/(Deficit) of Capital Funding	(4)	(42)	(4)	(9)	(2)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Closed Circuit TV	7	7
Community Boards & Committees Discretionary	75	79
Community Grants	21	22
Eketahuna Money Exchange	3	3
Information Centres	84	88
Main Street Committees	34	36
Main Street Lighting Non-subsidised	19	20
Sports & Recreation	64	68
Total Payments to Staff and Suppliers	307	324

Representation

Aim – To enable democratic local decision-making on behalf of the community to promote the wellbeing of the Tararua district in the present and for the future.

What We Achieved

The Mayor, Councillors and Community Board Members collectively committed their energies to working in the best interests to promote the district and the respective communities. Decision making, reporting and accountability was facilitated through monthly meetings being held, and the work undertaken by elected representatives was supported through their appointments to oversee various portfolios and liaison with community organisations, and following up issues and concerns raised by residents.





The following was completed and achieved:

- Award the Corridor Network Maintenance Agreement to Downer New Zealand Limited and form the Tararua Alliance, including the transfer of functions previously provided through Engineering Services.
- Place the council-controlled trading organisation Infracon Limited into liquidation (August 2014) due to its operation and performance deemed unsustainable and no longer viable without a significant capital investment from the two shareholder councils (Tararua and Central Hawkes Bay).
- Review the electoral system for the 2016 election, with first past the post retained as the basis to apply.
- Appoint Sandy Lowe to the position of the Council's Electoral Officer.
- Work collaboratively with the Horizons Regional Council, and advocate in the interests of the district and its rural community regarding

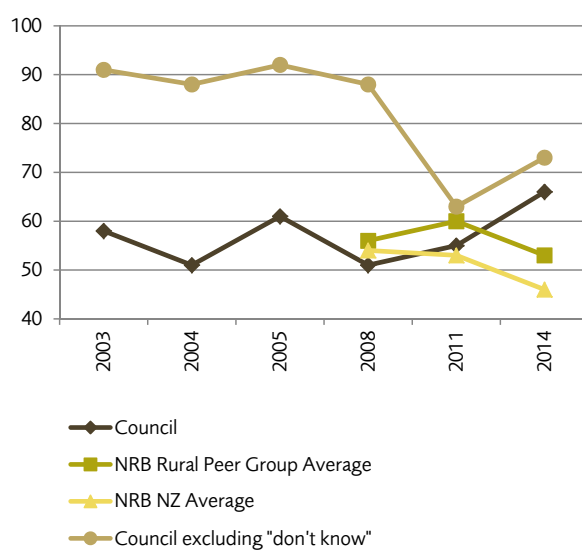
the implementation of the One Plan and the potential economic impact relating to the nutrient management rules.

- Maintain an awareness of local government reforms to ensure compliance with their requirements.
- Adopt the Significance and Engagement Policy
- Adopt the 2013/2014 Annual Report.
- Develop and adopt the 2015–2025 Long Term Plan through twelve Council workshops and pre-consultation with key stakeholders.
- Liaise with Rangitane, Ngati Kahungunu and the Office of Treaty Settlements on negotiations relative to specific Council reserves proposed for inclusion as part of the redress from the Crown.
- Appoint a working party to review and strengthen iwi relationships and consider establishing memorandums with both iwi.
- Continue to maximise the financial returns provided from the Council's forestry interests under the oversight of the Forestry Committee.
- Forward submissions to the Horizons Regional Council 2015–2025 Draft Long Term Plan and the Department of Internal Affairs Fires Services Review discussion document.
- The process commenced for the appointment of a Chief Executive as the current employment agreement expires in November 2015.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																					
<ul style="list-style-type: none">Percentage of residents rating the overall performance of the Mayor and Councillors as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>55</td><td>66</td></tr><tr><td>Just acceptable</td><td>28</td><td>20</td></tr><tr><td>Not very satisfied</td><td>5</td><td>5</td></tr><tr><td>Don't know / Unable to say @</td><td>12</td><td>9</td></tr><tr><td>Percentage satisfied</td><td>55%</td><td>66%</td></tr><tr><td>Percentage satisfied excl @</td><td>63%</td><td>73%</td></tr></table> <p>The increase in percentage satisfied was a result of Council's continued efforts in engaging with key stakeholders and the wider community in the district through consultation on planning documents and communicating on our results in the Annual Report and Council publications (via Bush Telegraph, website, flyers/ brochures).</p> <p>This year the consultation for the Long Term Plan included the Road Show, Stakeholder meetings, videos of staff and Stakeholder presentations, on-line polls and use of Facebook. We received positive feedback from the community.</p>	Category	2011	2014	Very/Fairly Satisfied	55	66	Just acceptable	28	20	Not very satisfied	5	5	Don't know / Unable to say @	12	9	Percentage satisfied	55%	66%	Percentage satisfied excl @	63%	73%		No NRB survey
Category	2011	2014																							
Very/Fairly Satisfied	55	66																							
Just acceptable	28	20																							
Not very satisfied	5	5																							
Don't know / Unable to say @	12	9																							
Percentage satisfied	55%	66%																							
Percentage satisfied excl @	63%	73%																							
<ul style="list-style-type: none">Percentage of residents rating the overall performance of the Community Boards and Community Committees as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>N/A</td><td>54</td></tr><tr><td>Not very satisfied</td><td>N/A</td><td>13</td></tr><tr><td>Don't know / Unable to say @</td><td>N/A</td><td>4</td></tr><tr><td>Percentage satisfied</td><td>55%</td><td>54%</td></tr><tr><td>Percentage satisfied excl @</td><td>63%</td><td>75%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	N/A	54	Not very satisfied	N/A	13	Don't know / Unable to say @	N/A	4	Percentage satisfied	55%	54%	Percentage satisfied excl @	63%	75%		No NRB survey			
Category	2011	2014																							
Very/Fairly Satisfied	N/A	54																							
Not very satisfied	N/A	13																							
Don't know / Unable to say @	N/A	4																							
Percentage satisfied	55%	54%																							
Percentage satisfied excl @	63%	75%																							
<ul style="list-style-type: none">Percentage of Council committee meetings that meet the requirements the Local Government Official Information and Meetings Act.	100%	ACHIEVED: Meetings were publicly notified by newspaper, generally through the Bush Telegraph.																							

REPRESENTATION PERFORMANCE – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Representation

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	703	1,206	784	1,107	1,307
Targeted rates (other than a targeted rate for water supply)	329	-	350	-	-
Grants and subsidies for operating purposes	-	-	-	-	14
Fees, charges, and targeted rates for water supply	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	15	50	-	11	-
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	1,047	1,256	1,134	1,118	1,322
Applications of Operating Funding					
Payment to staff and suppliers	544	799	559	609	744
Finance costs	-	-	-	-	-
Internal charges and overheads applied	503	427	575	498	618
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,047	1,226	1,134	1,107	1,362
Surplus/(Deficit) of Operating Funding	-	29	-	11	(39)



	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	-	-	30	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	-	-	30	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	-	29	-	41	(39)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	-	29	-	41	(39)
Surplus/(Deficit) of Capital Funding	-	(29)	-	(11)	39
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Community Board Dannevirke	28	27
Community Board Eketahuna	38	37
Community Committee Pahiatua	42	40
Community Committee Woodville	35	33
Council	437	425
Elections	28	6
Strategy and Policy	-	176
Total Payments to Staff and Suppliers	609	744

Community and Recreation Facilities

Activities in this Group

- 1 **Cemeteries**
To provide attractive burial places where the community can remember loved ones and celebrate our district's heritage
- 2 **Community Buildings**
To provide community buildings for social, cultural, recreational and educational activities.
- 3 **Housing**
To respond to the needs of older people with limited income and assets by providing access to affordable and suitable long-term housing.
- 4 **Libraries**
To meet the community's needs for recreational and educational reading; and the provision of information.
- 5 **Parks and Reserves**
To protect and enhance the natural character of the district, and provide a mix of parks and reserves facilities for leisure and recreation.
- 6 **Public Conveniences**
To provide well maintained public conveniences in areas of frequent community activity.
- 7 **Service Centres**
To provide excellent customer service and stakeholder access to services locally.
- 8 **Swimming Pools**
To provide funding support for community pools to promote community wellbeing.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy		●	
Great Lifestyle	●		
Sustainable Environment	●		
Collaborative Council	●		

Group Level Funding Impact Statement

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	3,144	2,549	3,328	2,820	2,820
Targeted rates (other than a targeted rate for water supply)	850	1,324	883	1,386	1,386
Grants and subsidies for operating purposes	6	6	6	5	5
Fees, charges, and targeted rates for water supply	503	513	517	503	558
Local authorities fuel tax, fines, infringement fees, and other receipts	166	343	171	406	352
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	4,668	4,734	4,905	5,120	5,120
Applications of Operating Funding					
Payment to staff and suppliers	3,145	2,862	3,226	3,169	3,126
Finance costs	47	35	60	57	42
Internal charges and overheads applied	844	977	862	906	908
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	4,036	3,874	4,148	4,132	4,076
Surplus/(Deficit) of Operating Funding	633	860	758	988	1,044
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(163)	181	758	791	181
Gross proceeds from sale of assets	530	-	-	30	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	367	181	758	821	181
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	38	-	41	14	-
- to improve the level of service	1,095	279	916	730	444
- to replace existing assets	231	497	421	1,212	517
Increase (decrease) in reserves	(364)	265	137	(147)	265
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	1,000	1,041	1,516	1,809	1,226
Surplus/(Deficit) of Capital Funding	(633)	(860)	(758)	(988)	(1,044)
Funding Balance	-	-	-	-	-

Cemeteries

Aim – To provide attractive burial places where the community can remember loved ones and celebrate our district's heritage.



What We Achieved

The roadside trees at the Settlers Cemetery, Dannevirke, were removed and the ground relevelled. Planning is underway to further enhance this historic cemetery.

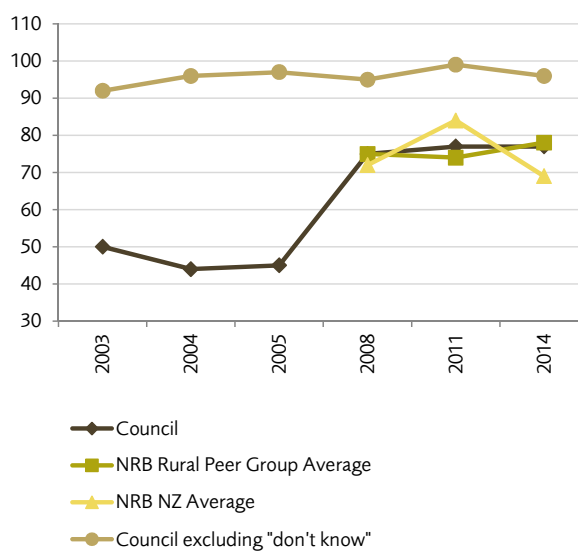
New berms are installed in cemeteries as needed to allow for the burial and the interment of ashes. In the past year, berms were laid in the Dannevirke and Marchant Street Cemeteries.



Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating cemeteries as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>77</td><td>77</td></tr><tr><td>Not very satisfied</td><td>1</td><td>3</td></tr><tr><td>Don't know / Unable to say @</td><td>22</td><td>20</td></tr><tr><td>Percentage satisfied</td><td>77%</td><td>77%</td></tr><tr><td>Percentage satisfied excl @</td><td>99%</td><td>96%</td></tr></table> <p>Council continues to commit a limited budget in each Annual Plan to progressively upgrade the cemeteries in the district. This ensures that service levels expectation will continue to be met.</p>	Category	2011	2014	Very/Fairly Satisfied	77	77	Not very satisfied	1	3	Don't know / Unable to say @	22	20	Percentage satisfied	77%	77%	Percentage satisfied excl @	99%	96%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	77	77																				
Not very satisfied	1	3																				
Don't know / Unable to say @	22	20																				
Percentage satisfied	77%	77%																				
Percentage satisfied excl @	99%	96%																				
<ul style="list-style-type: none">Percentage of cemeteries in district with plots available for next 12 months – based on historical burial data.	100%	<p>ACHIEVED: 100%.</p> <p>All cemeteries have more than adequate number of plots available.</p>																				

CEMETERIES – PUBLIC SATISFACTION SURVEY
TRENDS 2003 TO 2014



Funding Impact Statement Cemeteries

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	161	249	170	282	282
Targeted rates (other than a targeted rate for water supply)	75	-	76	-	-
Grants and subsidies for operating purposes	6	6	6	5	5
Fees, charges, and targeted rates for water supply	70	62	72	68	89
Local authorities fuel tax, fines, infringement fees, and other receipts	-	3	-	4	3
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	312	320	324	359	379
Applications of Operating Funding					
Payment to staff and suppliers	242	225	266	267	243
Finance costs	6	1	7	6	1
Internal charges and overheads applied	13	31	14	48	34
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	261	257	287	321	279
Surplus/(Deficit) of Operating Funding	51	63	37	38	100
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	29	1	23	29	1
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	29	1	23	29	1
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	38	-	41	14	-
- to improve the level of service	28	9	-	21	2
- to replace existing assets	-	34	-	10	-
Increase (decrease) in reserves	14	21	18	22	99
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	80	64	60	67	101
Surplus/(Deficit) of Capital Funding	(51)	(63)	(37)	(38)	(100)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Dannevirke Rural	46	42
Dannevirke Urban	89	81
Eketahuna	41	37
Pahiatua	53	48
Woodville	38	35
Total Payments to Staff and Suppliers	267	243

Community Buildings

Aim – To provide community buildings for social, cultural, recreational and educational activities.

What We Achieved



The carpark adjacent Woodville Community Centre has had stormwater drainage installed and an area developed for the community recycling bins; the whole carpark has been sealed. This resolved the ongoing issues with ponding under the building and in and around the recycling bins.

The Dannevirke town hall floor has been resealed.

The Eketahuna radio station has leased that part of the War Memorial Hall previously occupied by Plunket, which has been empty for some time. This is a good use of this part of the community building, which will not impact on users of the main hall.



Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating community buildings as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>93</td><td>91</td></tr><tr><td>Not very satisfied</td><td>2</td><td>4</td></tr><tr><td>Don't know / Unable to say @</td><td>5</td><td>5</td></tr><tr><td>Percentage satisfied</td><td>93%</td><td>91%</td></tr><tr><td>Percentage satisfied excl @</td><td>98%</td><td>96%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	93	91	Not very satisfied	2	4	Don't know / Unable to say @	5	5	Percentage satisfied	93%	91%	Percentage satisfied excl @	98%	96%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	93	91																				
Not very satisfied	2	4																				
Don't know / Unable to say @	5	5																				
Percentage satisfied	93%	91%																				
Percentage satisfied excl @	98%	96%																				
<ul style="list-style-type: none">The total number of hours per annum facilities are booked through Council.	> 3,100	<p>ACHIEVED: 3,465 hours.</p> <p>As forecast, there was a large increase in bookings in the final quarter particularly for the Sports Centre as activities move indoors due to winter weather.</p> <p>The results shows an increase for the last three years: 3,089 2012/13; 3,321 2013/14; 3,465 2014/15 which is a 12% increase over the three years.</p>																				

Funding Impact Statement Community Buildings

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	506	689	596	745	745
Targeted rates (other than a targeted rate for water supply)	237	-	266	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	39	27	40	39	30
Local authorities fuel tax, fines, infringement fees, and other receipts	-	54	-	153	92
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	782	770	902	937	867
Applications of Operating Funding					
Payment to staff and suppliers	363	263	389	345	206
Finance costs	18	11	29	26	10
Internal charges and overheads applied	142	70	149	90	73
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	523	344	567	461	289
Surplus/(Deficit) of Operating Funding	259	426	335	476	578
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	243	(11)	239	588	(11)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	243	(11)	239	588	(11)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	257	17	307	602	75
- to replace existing assets	51	51	137	154	192
Increase (decrease) in reserves	194	347	130	308	299
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	502	415	573	1,064	567
Surplus/(Deficit) of Capital Funding	(259)	(426)	(335)	(476)	(578)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Facility Management	281	206
Facility Repainting	64	-
Total Payments to Staff and Suppliers	345	206

Housing

Aim – To respond to the needs of older people with limited income and assets by providing access to affordable and suitable long-term housing.

What We Achieved

Over the three year period of the 2012–2022 Long Term Plan, Council has been working to resolve the issue of the need to upgrade units to meet changing tenant needs and replace aging facilities in a funding constrained environment. During this period of uncertainty, essential maintenance and redecoration has continued to ensure that the units do not decline in standard, however upgrades have been modest.

The double-glazed window replacement programme has continued with replacements taking place at Aften and Ballarat Courts.

A modest number of scooter sheds have been provided where the tenant has a need.

The roofs on all three blocks of units at Ballarat Court were replaced.

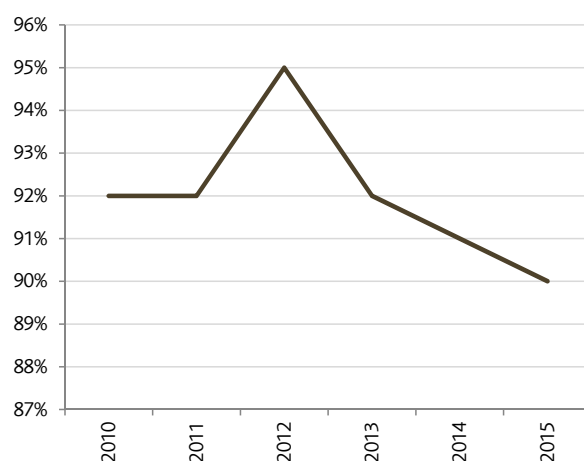
In general, no further redevelopment will occur at the Council units in the next 12 months, as Council's preferred option in the 2015–2025 Long Term Plan is to exit this activity in the longer term.

Council has already resolved to sell the ten older units at Hovding Court. These units will now be offered for sale by public tender in the next financial year.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of housing units which achieve a performance grading 3 stars or higher (NAMS property grading). 	75%	<p>ACHIEVED: 100%.</p> <p>Requests for fixes and repairs received throughout the year were mainly minor in nature indicating the houses are in good order. Council will continue to maintain the overall performance of the portfolio at the current level through regular repairs and maintenance.</p>	●	●
<ul style="list-style-type: none"> Tenants' satisfaction with the landlord service received from Council. 	90%	<p>NOT APPLICABLE: Customer satisfaction for the last two years has been at 99% and 100%. Given the continued maintenance programme and reduced number of requests for fixes and repairs, the customer satisfaction survey for all Housing tenants will be completed next year. Current service levels are being maintained.</p>	●	No survey

RENTAL HOUSING OCCUPANCY RATE



Funding Impact Statement Housing

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	-	-	-	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	346	358	356	353	352
Local authorities fuel tax, fines, infringement fees, and other receipts	-	99	-	65	61
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	346	457	356	418	412
Applications of Operating Funding					
Payment to staff and suppliers	341	290	312	297	332
Finance costs	1	-	-	1	-
Internal charges and overheads applied	5	35	5	56	39
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	347	325	317	354	371
Surplus/(Deficit) of Operating Funding	-	132	39	64	41
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(381)	-	344	55	-
Gross proceeds from sale of assets	530	-	-	30	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	149	-	344	85	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	733	11	371	12	6
- to replace existing assets	12	29	13	672	81
Increase (decrease) in reserves	(596)	92	(1)	(535)	(46)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	149	132	383	149	41
Surplus/(Deficit) of Capital Funding	-	(132)	(39)	(64)	(41)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Maintenance - to appropriate standard	297	332
Total Payments to Staff and Suppliers	297	332

Libraries

Aim – To meet the community's needs for recreational and educational reading; and the provision of information.

What We Achieved

Traditional Library Use

Traditional library use is changing with access to information often via digital formats. We see this reflected in the drop in physical issues of items from the library down from 148,381 in 2012/13 to 134,632 in 2014/15 (down 10%). During the same period, the amount of foot traffic has only dropped by 193 visits (2012/13 – 179,158; 2014/15 – 178,965).

E-books have been introduced during this period. Use has been small (approximately 1% of total borrowing for the year) but growing year on year. We are part of a consortia of local public libraries (Wairoa, Central Hawkes Bay, Tararua and Horowhenua) who have combined resources to allow access for our borrowers to a larger collection of resources than we would be able to supply individually.

The Library has continued to collaborate with local community groups and Adult Learning providers to offer our facilities for Justice of the Peace and law sessions and classes for community groups.

Aotearoa People's Network

Use of the Aotearoa People's Network computer access scheme has increased 16% from 43,954 in 2012/13 to 50,992 in 2014/15. With the introduction of free wifi in this period, there has been a shift from using the static PC's to mobile devices. In 2012/13 wifi use was 14% of our total internet access, in 2014/15 it is now 40%.

Literacy Programmes

Over the past three years, we have worked to increase the number of children taking part in our literacy programmes funded by the Eastern and Central Community Trust. The Winter Warmers programme has been rolled out to the schools across the district, and numbers have increased from

199 to 974 during this period. The increased networking with schools has seen numbers of first time participants for the Summer Reading programme increase also. In 2012/13 there were 563 children enrolled in these two programmes, by 2014/15 there were 1,369 enrolments.

During the same period, the Math is Fun programme was introduced to a third library (Dannevirke) allowing us to grow the numbers of children attending this programme from 46 in 2012/13 to 125 in 2014/15. From next year, this programme will be available at all four branches.

Children's school holiday programme attendances saw 1,753 children take part in library run programmes across the District. This is an increase of 288 children over the three year period.

The library also collaborated with schools across the district who ran the Ministry of Education 'Reading Together' programme.

Preschool Programme

Our Preschool programme, Little Ears, was launched at Pahiatua and Woodville libraries from February 2015. This has proved very popular at Woodville with 236 children attending over the two terms. The response at Pahiatua has been more subdued with 60 children attending over the same period. Over the three year period attendance at the Dannevirke programme has grown 18% (109 attendees)

Digitise Library Collections


Over the last three years, the library has looked to digitise some of its unique collections. This has included the photographic collection held at Dannevirke Library, an index of Birth, Deaths and Marriages from the microfilm collection of the Dannevirke News and an index provided by Rob MacDonald for his "Dannevirke : the early years" book. This work will benefit researchers of local and family history for many years to come.



Online Subscription

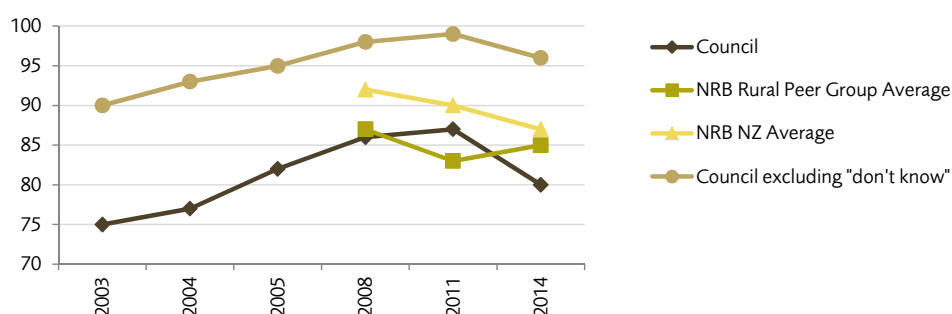
The use of online subscription databases has been reviewed with two of the most popular resources being the Ancestry programme and Press Display – and online database of national and international newspapers.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating libraries as "fairly satisfactory" or "very satisfactory: in the community surveys conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Community survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>87</td><td>80</td></tr><tr><td>Not very satisfied</td><td>1</td><td>4</td></tr><tr><td>Don't know / Unable to say @</td><td>12</td><td>16</td></tr><tr><td>Percentage satisfied</td><td>87%</td><td>80%</td></tr><tr><td>Percentage satisfied excl @</td><td>99%</td><td>96%</td></tr></table> <p>This year the Library ran a survey in-house for all four branches. The survey was run in June. There were 293 respondents (Dannevirke – 133, Pahiatua – 94, Woodville – 59, Eketahuna – 7)</p> <p>The questionnaire was available online (Council website, Aotearoa People's Network, Facebook, Library blog) and from the libraries.</p>	Category	2011	2014	Very/Fairly Satisfied	87	80	Not very satisfied	1	4	Don't know / Unable to say @	12	16	Percentage satisfied	87%	80%	Percentage satisfied excl @	99%	96%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	87	80																				
Not very satisfied	1	4																				
Don't know / Unable to say @	12	16																				
Percentage satisfied	87%	80%																				
Percentage satisfied excl @	99%	96%																				

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of residents that are active* members of the library (*used library in last 3 years). 	35%	<p>NOT ACHIEVED: 31%. In the last three years, 5,315 people have borrowed items from the library. This is an increase from last year where active borrowers were 4,894; an increase of 4% on previous year.</p> <p>The number of people actively borrowing a physical item has declined across all the branches except Pahiatua this year, with the biggest drop at the Woodville branch (down 11% or 469 active borrowers). Changing use of the library services from what has been traditional continues to be evident:</p> <ul style="list-style-type: none"> physical issues continue to decline (down 4% or 4,970) to a total of 134,632. in the same period, e-book issues have risen 8% (90 issues). Use of the APNK has continued to rise in Dannevirke (up 1%) and Pahiatua (up 5%), but declined in Woodville (down 11%) and Eketahuna (down 13%). Use of wifi to access the internet via the APNK has risen to 40% of total use, up from 33% the previous year. falling number of pedestrian foot traffic in the library (down 5% or 9,934) visits. The largest foot traffic decrease was at the Woodville branch – down 12% (4,299 visits) for the year. <p>We have developed strategies to address the challenges and changing expectations of users in the 2015–2025 Long Term Plan.</p>	●	●
<ul style="list-style-type: none"> 250 new items added per 1,000 residents to the collection yearly. *LIANZA standard based on population. 	4,425	<p>ACHIEVED: 4,477 new items.</p> <p>The number of new items is down from the previous year as that year we had carry over budgets from the 2012/13 year so had more budget to spend in 2013/14.</p>	●	●
<ul style="list-style-type: none"> Percentage of customers satisfied with staff service (biennial survey). 	82%	<p>ACHIEVED: 96%.</p> <p>There were 211 responses in the survey. 124 respondents mentioned that the library staff were warm, friendly and helpful, and 70 respondents mentioned that the service they received was great.</p>	N/A	●
<ul style="list-style-type: none"> Percentage of customers satisfied with children's programmes (biennial survey). 	90%	<p>ACHIEVED: 93%. No survey run this year.</p> <p>There were 43 feedback forms returned from three of the branches (no respondents from the Pahiatua Branch).</p> <p>Of these 34 (79%) indicated that the entire programme was excellent, 12 (28%) indicated that at least 1 aspect of the programme was average with the all other aspects excellent. 2 (5%) respondents indicated that at least 1 aspect was poor but the other aspects we excellent.</p>	●	●

LIBRARIES – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014

Funding Impact Statement **Library**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	929	-	950	-	-
Targeted rates (other than a targeted rate for water supply)	-	938	-	984	984
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	41	35	42	37	40
Local authorities fuel tax, fines, infringement fees, and other receipts	1	11	1	12	2
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	971	984	994	1,033	1,025
Applications of Operating Funding					
Payment to staff and suppliers	535	532	548	573	560
Finance costs	-	5	-	-	4
Internal charges and overheads applied	340	474	340	349	409
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	875	1,011	888	922	973
Surplus/(Deficit) of Operating Funding	96	(27)	105	111	52
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	(9)	-	-	(9)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	(9)	-	-	(9)

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	113	112	116	190	130
Increase (decrease) in reserves	(17)	(148)	(11)	(79)	(87)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	96	(36)	105	111	43
Surplus/(Deficit) of Capital Funding	(96)	27	(105)	(111)	(52)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Dannevirke Library	294	288
Eketahuna Library/Service Centre	87	85
Pahiatua Library	113	110
Woodville Library	79	77
Total Payments to Staff and Suppliers	573	560



Parks and Reserves

Aim – To protect and enhance the natural character of the district, and provide a mix of parks and reserves facilities for leisure and recreation.

What We Achieved

Over the past three years there has been a general move in parks and reserves to enhancing the standard of the grounds and gardens maintenance. As a result a number of minor renewal projects have been completed.

During the year, the grounds maintenance contracts were tendered on the open market. The new contracts are outcome based rather than measure and value, and the contracts have a greater focus on contractor performance than the previous arrangements with Infracon. The contracts are now based on towns rather than tasks, which makes it easier to ensure that the whole town is maintained consistently. There was a good level of interest in the new contracts from the market. As a result of the tender process, there are now three new contractors maintaining our parks and reserves. The tender process resulted in greater clarity on levels of service and an increase in operating costs over previous years.

Over the past three years the Dannevirke campground has progressively been upgraded. The campground is being managed by a Council employed custodian, rather than leased out as previously. The campground now has an upgraded kitchen, ablution facilities and free wifi. The number of visitors continues to recover. In the last twelve months one of the A framed cabins was relocated to be closer to the ablution block. The new Custodian house and office are complete and ready for occupancy. The new automatic gates are in the planning stage.

The Eketahuna camping ground toilets and ablution block were upgraded.

During the year, the Dannevirke bird club took over the management of the bird life at the Dannevirke Domain and is now well through an upgrade of the aviaries.

At the Dannevirke Lower Domain, there is now a caretaker on-site daily as part of the new maintenance contract. Overall the standard of mowing and garden maintenance has improved considerably. The toilets and park furniture






have been repainted. There has been a major tidy up of the gardens and hillside adjacent to the duck pond, with large trees removed and shrubs cut back. The trees on the road down into the Lower Domain have been removed and replanting of the bank has begun. At the lower pond, the viewing platform has been repainted and the grassed picnic area fenced off and relevelled.

In the Dannevirke Upper Domain, new furniture was installed and a large shrub border cleared out ready for replanting in spring. The annual flower beds have been relocated and raised within new wooden framed beds to improve the floral displays. During the year, the Dannevirke Grandstand toilets were closed due to repeated vandalism and a portable toilet put in place as a temporary measure. The new toilets have been designed and will be in place by summer 2015/16.

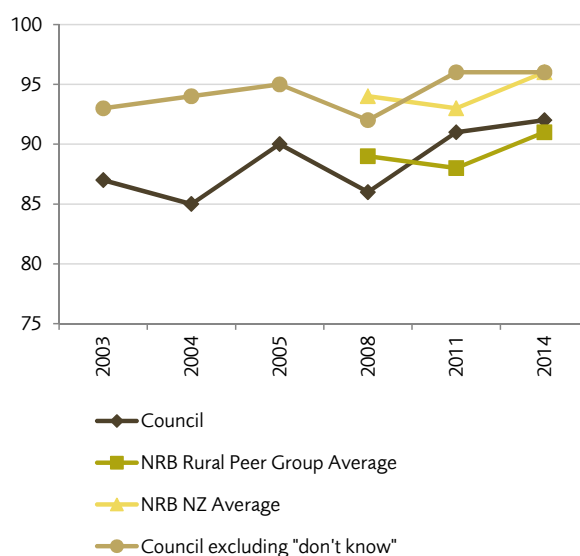
At Bush Multisport, Pahiatua, a stormwater drain was replaced to enhance drainage of the fields.

New drainage was also installed at the Eketahuna Domain. Despite the dry summer, grass cover was re-established on the drainage lines in time for the Hurricanes preseason game.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating parks and reserves as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>91</td><td>92</td></tr><tr><td>Not very satisfied</td><td>4</td><td>4</td></tr><tr><td>Don't know / Unable to say @</td><td>5</td><td>5</td></tr><tr><td>Percentage satisfied</td><td>91%</td><td>92%</td></tr><tr><td>Percentage satisfied excl @</td><td>96%</td><td>96%</td></tr></table> <p>We continue to progressively upgrade our playgrounds and camping grounds, and have stepped up maintenance of trees and gardens.</p>	Category	2011	2014	Very/Fairly Satisfied	91	92	Not very satisfied	4	4	Don't know / Unable to say @	5	5	Percentage satisfied	91%	92%	Percentage satisfied excl @	96%	96%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	91	92																				
Not very satisfied	4	4																				
Don't know / Unable to say @	5	5																				
Percentage satisfied	91%	92%																				
Percentage satisfied excl @	96%	96%																				
<ul style="list-style-type: none">Number of reported incidences of sports facilities not being suitable for their intended use.	< 5	<p>ACHIEVED: Nil.</p> <p>We continue to see that our sports facilities are well utilised. For example, the junior soccer teams have been utilising all Dannevirke Domain fields over winter month May and June.</p> <p>We have not received any reported incidents and/or customer requests regarding sports facilities not being suitable for their intended use.</p>																				
<ul style="list-style-type: none">Percentage of playgrounds in the district with all equipment meeting the Australia/New Zealand playground safety standards.	85%	ACHIEVED: 85%.																				

PARKS AND RESERVES – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Parks and Reserves

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	612	839	655	980	980
Targeted rates (other than a targeted rate for water supply)	286	-	292	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	6	31	6	6	47
Local authorities fuel tax, fines, infringement fees, and other receipts	165	166	170	155	182
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	1,069	1,036	1,123	1,141	1,209
Applications of Operating Funding					
Payment to staff and suppliers	833	791	871	858	968
Finance costs	16	11	18	18	21
Internal charges and overheads applied	54	37	57	62	41
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	903	839	946	939	1,031
Surplus/(Deficit) of Operating Funding	166	197	177	202	178
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(48)	203	160	85	203
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(48)	203	160	85	203
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	77	242	238	95	349
- to replace existing assets	44	201	97	125	66
Increase (decrease) in reserves	(3)	(43)	1	67	(34)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	118	400	337	287	381
Surplus/(Deficit) of Capital Funding	(166)	(197)	(177)	(202)	(178)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Camping Grounds Dannevirke	41	59
Camping Grounds Eketahuna	8	12
Camping Grounds Pahiatua	20	28
Camping Grounds Woodville	4	5
Coronation Park	33	34
Dannevirke Domain	161	169
Dannevirke Rural	57	60
Dannevirke Urban	59	62
Dannevirke Wildlife	27	28
District-wide tree planting	6	7
Domain Boards	120	165
Eketahuna Rural	32	33
Eketahuna Urban	25	26
Pahiatua Recreation	85	90
Pahiatua Rural	15	16
Pahiatua Town Square	80	83
Pahiatua Urban	22	23
Woodville Rural	14	15
Woodville Urban	49	52
Total Payments to Staff and Suppliers	858	968






Public Conveniences

Aim – To provide well maintained public conveniences in areas of frequent community activity.

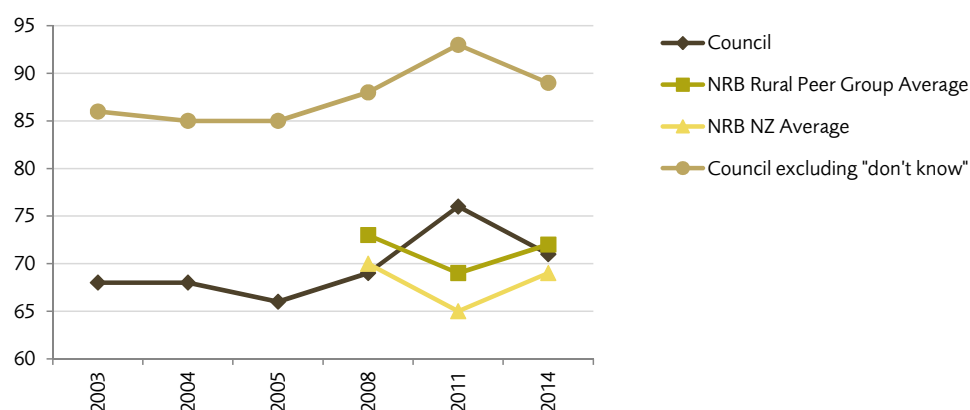
What We Achieved

Over the three year period of the 2012–2015 Long Term Plan, the existing public toilet facilities have been progressively upgraded. The final upgrade project, Eketahuna public toilets, has commenced. New toilets were also installed in Pongaroa.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating public conveniences as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>76</td><td>71</td></tr><tr><td>Not very satisfied</td><td>6</td><td>9</td></tr><tr><td>Don't know / Unable to say @</td><td>18</td><td>20</td></tr><tr><td>Percentage satisfied</td><td>76%</td><td>71%</td></tr><tr><td>Percentage satisfied excl @</td><td>93%</td><td>89%</td></tr></table> <p>The cleanliness of the public toilets continues to be an issue. We will continue with the upgrade and maintenance programme, as budgeted in the 2015–2025 Long Term Plan, and install CCTV where possible to deter vandalism.</p>	Category	2011	2014	Very/Fairly Satisfied	76	71	Not very satisfied	6	9	Don't know / Unable to say @	18	20	Percentage satisfied	76%	71%	Percentage satisfied excl @	93%	89%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	76	71																				
Not very satisfied	6	9																				
Don't know / Unable to say @	18	20																				
Percentage satisfied	76%	71%																				
Percentage satisfied excl @	93%	89%																				
<ul style="list-style-type: none">The number of complaints received per annum about the condition of public toilets.	< 51	<p>NOT ACHIEVED: 67.</p> <p>The number of customer requests received for public toilets:</p> <p>2013/14: 67*</p> <p>2013/14: 47</p> <p>2012/13: 44</p> <p>2011/12: 40</p> <p>2010/11: 24</p> <p>* 45 service requests for cleanliness/maintenance; 22 service request for graffiti/vandalism.</p> <p>A large number of the cleanliness/maintenance complaints relate to maintenance items (e.g. blockages) as opposed to cleanliness. Nine complaints relate to the closure of the Dannevirke Domain toilets due to vandalism. A portaloos now in place and planning is underway for a new toilet.</p>	 																			

PUBLIC CONVENIENCES – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Public Conveniences

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	158	227	163	250	250
Targeted rates (other than a targeted rate for water supply)	74	-	73	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	4	-	4	5
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	232	231	235	254	255
Applications of Operating Funding					
Payment to staff and suppliers	175	155	175	175	175
Finance costs	4	5	4	4	4
Internal charges and overheads applied	21	21	22	31	22
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	200	181	201	210	201
Surplus/(Deficit) of Operating Funding	31	50	35	44	54
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(5)	4	(5)	(5)	4
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(5)	4	(5)	(5)	4
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	6	41	53	50	43
Increase (decrease) in reserves	20	13	(23)	(11)	16
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	26	54	30	39	58
Surplus/(Deficit) of Capital Funding	(31)	(50)	(35)	(44)	(54)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Building Maintenance	41	41
Provision of Clean Safe Facilities	134	134
Total Payments to Staff and Suppliers	175	175



Service Centres

Aim – To provide excellent customer service and access to all Council services locally.

What We Achieved

Frontline staff have been presented with many challenges over the last year with a focus on delivery of quality service. Teams across the board have taken on new challenges with continuous training enabling them to better assist customers and enhance service levels.

Customer Requests

Our customer service centres handled over 35,000 calls, with callers waiting only an average of 17 seconds to have their call answered. A total of 5,611 customer requests were entered into our system, an increase on last year's 3,700 customer requests.

Woodville Library and Service Centre

Combining the Woodville Library and Service Centre has meant more library hours for the community and a reduced duplication of Council resources. Training was a major focus last year with library and service centre staff coming up to speed after the amalgamation. The model seems to be working well with no reduction in service levels.

Improved Support for Other Activities Within Council







Pensioner Housing

Customer service teams across the district now have more involvement with Pensioner Housing tenants and prospective new tenants enhancing the service provided. The frontline team are now able to assist with maintenance requests enabling quicker response times. We also continue to assist with applications and rental payments.

Dog Registration

Frontline staff in Pahiatua have stepped up, taking on a support role for dog administration. This is working well with the team enjoying the new challenges that have been presented to them.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of customers who lodge faults/requests are satisfied with service provided.	93% (out of 120 randomly selected customers)	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>N/A</td><td>94%</td></tr><tr><td>Not very satisfied</td><td>N/A</td><td>6%</td></tr><tr><td>Don't know / Unable to say @</td><td>N/A</td><td>-</td></tr><tr><td>Percentage satisfied</td><td>N/A</td><td>94%</td></tr><tr><td>Percentage satisfied excl @</td><td>N/A</td><td>94%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	N/A	94%	Not very satisfied	N/A	6%	Don't know / Unable to say @	N/A	-	Percentage satisfied	N/A	94%	Percentage satisfied excl @	N/A	94%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	N/A	94%																				
Not very satisfied	N/A	6%																				
Don't know / Unable to say @	N/A	-																				
Percentage satisfied	N/A	94%																				
Percentage satisfied excl @	N/A	94%																				
<ul style="list-style-type: none">Percentage of customers who lodge faults/request are satisfied with afterhours service received.	90%	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>N/A</td><td>81%</td></tr><tr><td>Not very satisfied</td><td>N/A</td><td>19%</td></tr><tr><td>Don't know / Unable to say @</td><td>N/A</td><td>-</td></tr><tr><td>Percentage satisfied</td><td>N/A</td><td>81%</td></tr><tr><td>Percentage satisfied excl @</td><td>N/A</td><td>81%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	N/A	81%	Not very satisfied	N/A	19%	Don't know / Unable to say @	N/A	-	Percentage satisfied	N/A	81%	Percentage satisfied excl @	N/A	81%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	N/A	81%																				
Not very satisfied	N/A	19%																				
Don't know / Unable to say @	N/A	-																				
Percentage satisfied	N/A	81%																				
Percentage satisfied excl @	N/A	81%																				
<ul style="list-style-type: none">Percentage of calls answered where the average wait time is equal to or less than 20 seconds.	95%	NOT ACHIEVED: 80%. Council's phone system failed to properly record data from phone calls made for the entire month of October, and there is no information on Woodville and Eketahuna prior to 23 December 2014. It is, therefore, not known if this measure was achieved.																				
<ul style="list-style-type: none">Percentage of calls received by the afterhours call centre on a 24/7 basis are answered.	90%	ACHIEVED: 90%.																				

Funding Impact Statement Service Centres

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	381	544	395	544	563
Targeted rates (other than a targeted rate for water supply)	178	-	176	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	1	1	1	1	1
Local authorities fuel tax, fines, infringement fees, and other receipts	-	1	-	1	1
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	560	546	573	565	564
Applications of Operating Funding					
Payment to staff and suppliers	365	326	374	352	326
Finance costs	-	-	-	-	-
Internal charges and overheads applied	195	273	198	212	249
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	560	599	573	564	575
Surplus/(Deficit) of Operating Funding	-	(53)	-	1	(10)
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	(3)	-	-	(3)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	(3)	-	-	(3)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	-	(56)	-	1	(13)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	-	(56)	-	1	(13)
Surplus/(Deficit) of Capital Funding	-	53	-	(1)	10
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Dannevirke Service Centre	226	209
Eketahuna Service Centre	42	39
Pahiatua Service Centre	42	39
Woodville Service Centre	42	39
Total Payments to Staff and Suppliers	352	326










Swimming Pools

Aim – To provide funding support for community pools to promote community wellbeing.

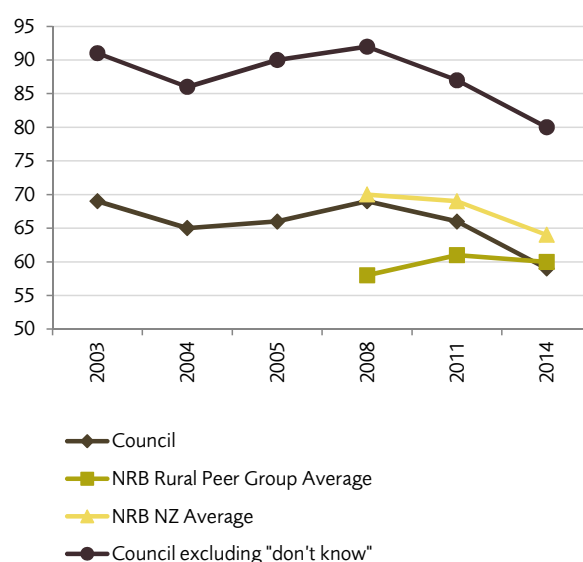
What We Achieved

The Eketahuna pool was damaged in 2014 as a result of the Eketahuna earthquake and the swimming season cut short to just four weeks. Otherwise, all three outdoor pools are open for ten weeks or longer each summer, and the Wai Splash indoor pool all year round. There has been a steady increase in the number of pool visits overall over the three year period.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating swimming pools as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>66</td><td>59</td></tr><tr><td>Not very satisfied</td><td>10</td><td>15</td></tr><tr><td>Don't know / Unable to say @</td><td>24</td><td>26</td></tr><tr><td>Percentage satisfied</td><td>66%</td><td>59%</td></tr><tr><td>Percentage satisfied excl @</td><td>87%</td><td>80%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	66	59	Not very satisfied	10	15	Don't know / Unable to say @	24	26	Percentage satisfied	66%	59%	Percentage satisfied excl @	87%	80%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	66	59																				
Not very satisfied	10	15																				
Don't know / Unable to say @	24	26																				
Percentage satisfied	66%	59%																				
Percentage satisfied excl @	87%	80%																				
<ul style="list-style-type: none">The number of weeks each year Wai Splash is open for public use.	52 weeks	ACHIEVED: The Wai Splash pool remained open throughout the year.																				
<ul style="list-style-type: none">The number of weeks each year outdoor pools are open for public use.	> 10 weeks	ACHIEVED: All three outdoor pools were open for longer than 10 weeks – Pahiatua 13 weeks, Woodville and Eketahuna 11 weeks. The number of people that used the pools for the year was 20,796 (inclusive of school students).																				
<ul style="list-style-type: none">Percentage of rates spent funding public swimming pools (base – average household rate).	2%	ACHIEVED: 2%.																				

PUBLIC SWIMMING POOLS – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Swimming Pools

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	397	-	399	-	-
Targeted rates (other than a targeted rate for water supply)	-	386	-	402	402
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	5	-	12	7
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	397	391	399	414	409
Applications of Operating Funding					
Payment to staff and suppliers	292	281	290	303	316
Finance costs	2	1	2	2	1
Internal charges and overheads applied	74	36	77	58	40
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	367	318	369	363	358
Surplus/(Deficit) of Operating Funding	30	73	30	51	51
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(2)	(5)	(2)	38	(5)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(2)	(5)	(2)	38	(5)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	11
- to replace existing assets	3	29	5	11	5
Increase (decrease) in reserves	25	39	23	78	30
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	28	68	28	89	47
Surplus/(Deficit) of Capital Funding	(30)	(73)	(30)	(51)	(51)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Dannevirke Indoor Pool	214	224
Eketahuna Pool	26	27
Pahiatua Pool	32	33
Woodville Pool	31	33
Total Payments to Staff and Suppliers	303	316



District Promotion and Economic Development

Activities in this Group

- 1 Commercial Investments**
Manage property assets to obtain the best return for ratepayers. To divest properties as the opportunities arise.
- 2 District Promotion and Development**
Promoting the district as a great place to live, visit, work, play and invest.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure			●
Prosperous Economy	●		
Great Lifestyle	●		
Sustainable Environment		●	
Collaborative Council	●		

Group Level Funding Impact Statement

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	119	166	137	169	166
Targeted rates (other than a targeted rate for water supply)	328	274	365	288	288
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	93	149	96	688	96
Local authorities fuel tax, fines, infringement fees, and other receipts	1	635	1	24	1,989
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	541	1,224	598	1,169	2,539
Applications of Operating Funding					
Payment to staff and suppliers	428	551	449	650	2,434
Finance costs	-	-	-	3	2
Internal charges and overheads applied	89	101	92	106	100
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	517	652	541	759	2,536
Surplus/(Deficit) of Operating Funding	24	572	56	410	3
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(2)	2	1	13	2
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(2)	2	1	13	2
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	26	312	53	61	129
- to replace existing assets	2	-	15	14	-
Increase (decrease) in reserves	(5)	262	(11)	348	(124)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	22	572	57	423	5
Surplus/(Deficit) of Capital Funding	(24)	(572)	(56)	(410)	(3)
Funding Balance	-	-	-	-	-



Commercial Property

Aim – Manage property assets to obtain the best return for ratepayers.
To divest properties as the opportunities arise.

What We Achieved

Our properties were fully rented and maintained at an acceptable level for the year. A contribution from the rental income was used to offset the general rate requirement.

We continue to own the Rural Bus Depot to ensure the rural mail service delivery is retained, and own the depots in Dannevirke, Tahoraiti and Woodville to support Infracon Limited (in Liquidation).

The aerodrome is used by commercial and private operators to ensure a lower cost to patrons compared to flying from Fielding aerodrome or similar.

All buildings had an independent condition assessment rating completed and results showed that they are in good condition.

As at 1 July 2013, Council resolved to place Tararua Forests Limited in voluntary liquidation. This follows the liquidation of TDC Holdings Limited. The restructuring of the governance structure for the group was consulted in the Long Term Plan and taking fruition now. The forest assets were transferred to Council and will contribute towards reducing rates.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
• Occupancy of commercial buildings each year.	95%	NOT ACHIEVED: 65% Occupancy rate has dropped due to the liquidation of Infracon Limited who were long term tenants for three of the four properties. Council is exploring options to either lease or sell these properties.	●	●
• Net operating surplus each year.	5%	ACHIEVED: 59%	●	●

Funding Impact Statement **Commercial Property**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	(4)	(16)	(4)	(23)	(25)
Targeted rates (other than a targeted rate for water supply)	(2)	-	(2)	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	81	133	84	678	82
Local authorities fuel tax, fines, infringement fees, and other receipts	-	633	-	22	1,986
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	75	750	78	677	2,044
Applications of Operating Funding					
Payment to staff and suppliers	78	175	80	244	1,966
Finance costs	-	-	-	2	-
Internal charges and overheads applied	8	18	8	27	20
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	86	193	88	273	1,985
Surplus/(Deficit) of Operating Funding	(11)	557	(10)	404	58
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(2)	-	1	(32)	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(2)	-	1	(32)	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	310	-	16	63
- to replace existing assets	2	-	15	14	-
Increase (decrease) in reserves	(15)	247	(24)	342	(4)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	(13)	557	(9)	372	58
Surplus/(Deficit) of Capital Funding	11	(557)	10	(404)	(58)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Building Maintenance	57	44
Planned Maintenance	22	18
Forestry management	165	169
Total Payments to Staff and Suppliers	244	231

District Promotion and Development

Aim – Promoting the district as a great place to live, visit, work, play and invest.

What We Achieved

Tararua Business Network

Council opened the Tararua Business Network, Dannevirke, in December 2014. The Tararua Business Network provides a 'one-stop-shop' for business development and supports businesses through finance, infrastructure and regulatory requirements.

The Tararua Business Network houses a collective group of experts who offer support and encouragement to small and medium sized businesses. The focus of the Business Network is on networking, connecting and linking experts to support growth and sustainability.

Tararua District Council has been supporting small and medium businesses and community groups to grow business and events in the region for several years. Small businesses make up the majority of employment in the District, and are vital to the health of Tararua's economy. It is expected that with its more visible and coordinated presence at the Business Network, that support will be utilised more and make the Tararua even more business friendly.

The Business Network is a facility for all business owners and entrepreneurs in the Tararua District. The fully serviced incubation office, will allow a budding new business (local, national or international) to locate to the area and link to the total systems available by way of the Business Network.

GO! Project

Agribusiness is the driver for the majority of the Tararua economy. The Council's GO! Project seeks to diversify and increase the economic output from our land, and has identified several new crops suitable for the Tararua District.

This project has been very successful with public workshops on some crops attracting strong interest from landowners, both local and further afield. This project offers the Tararua community increased opportunities for job creation, biodiversity, sustainable farming systems and increased family business incomes.

Hazelnut

Council is a member of the North Island Hazelnut Action Group, acting as the primary contact for a project to develop a resource for landowners growing (or intending to grow) hazelnuts. Overseas and local knowledge on growing hazelnuts will be collated for existing and prospective growers. Workshops will be used to deliver this information to growers.

The project has secured funding from the Ministry for Primary Industries under the 'Sustainable Farming Fund' to develop this resource.

Feijoa

Work continues with the Feijoa Grower Led Group with local growers working on trials of varieties. The field day at Oringi Business Park held in April visited the cool store facilities and discussion took place on the merits of which facility could be utilised in the future. The group also met at Massey Food HQ – hosted by Professor Julian Heyes from Massey University. The next stage for this project is the development of a co-operative to support local growers.

Flax

We have developed a flax-harakeke booklet to assist local growers. As a commercial crop, New Zealand flax-harakeke has none of the risks and costs associated with new introductions. It has broad environmental tolerance, grows easily, is easy to propagate, is cheap to establish and can be harvested five years from planting. It is compatible

with existing farming systems and is attractive to small block owners and farmers for the potential dual environmental benefits and economic returns. Flax is also proving its worth as a land management tool.

Manuka

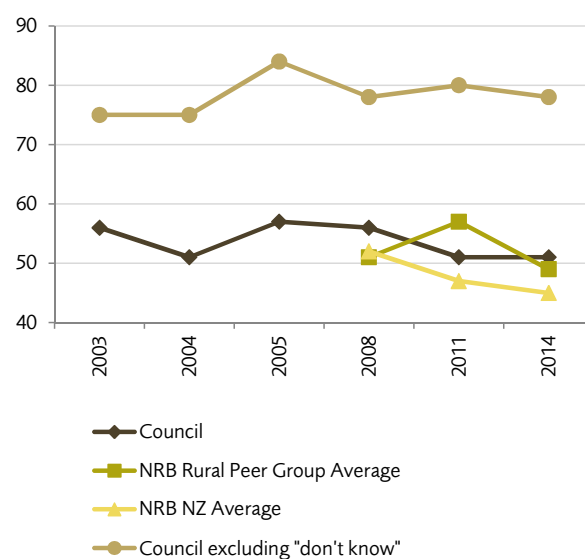
Council is eager to assist in the development of the manuka industry within the district. Tararua is ideally situated to take advantage of the worldwide demand for manuka honey and oil. Council has developed a crop booklet for manuka linking local landowners to the information regarding growing, harvesting and marketing this crop.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
• Referrals of Business Applications to Ministry of Science and Innovation Subsidy (while scheme is available).	5 per annum	ACHIEVED: 5 business referrals.	●	●
• Positive feedback on Business Strategy Meetings – Annual Survey.	80%	ACHIEVED: 100%. We completed the following business strategy meetings and received positive feedback: <ul style="list-style-type: none"> • 7 Business Strategy Meetings – Collaborative Training, Investment in Tourism and 5 local businesses. • 4 Community Strategy Meetings – Eketahuna Branding, Tourism Project, Retail Strategy Meeting and Bridge to Brewery Walk. • 2 General Business Strategy Meeting – 2015–2025 Long Term. • 1 Major District Strategic Meeting – Provincial Conference. 	●	●
• Major events that 'Tararua' is directly involved.	3 per annum	ACHIEVED: A total of 7 events were attended: <ul style="list-style-type: none"> • 2015 Dannevirke A & P Show • Central District Field Days • 2015 Woodville International Motocross • 70th Polish Children Reunion • Super Rugby Game – Eketahuna • Provincial Conference • Mystery Creek Field Days 	●	●

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
• Exceed Statistics NZ Medium Population Projections in Annual Estimates and Census.	N/A	NOT APPLICABLE: We are on par with the minimum population projections. We had forecast in the Long Term Plan that the district population will pick up from the year 2016 onwards.	●	N/A
• Biannual Qualmark Assessment achieved.	Achieve	ACHIEVED: The Tararua i-SITE was assessed on 25 February 2015, and received a pass. This assessment is a new format and requires that 100% of the criteria is met to receive the Qualmark endorsement.	●	●

ECONOMIC DEVELOPMENT – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement District Promotion and Development

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	124	182	140	192	190
Targeted rates (other than a targeted rate for water supply)	330	274	366	288	288
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	12	16	12	11	14
Local authorities fuel tax, fines, infringement fees, and other receipts	1	2	1	1	3
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	466	474	519	492	496
Applications of Operating Funding					
Payment to staff and suppliers	350	374	369	405	469
Finance costs	-	-	-	1	2
Internal charges and overheads applied	81	83	84	79	79
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	431	457	453	485	550
Surplus/(Deficit) of Operating Funding	35	17	66	7	(54)
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	2	-	45	2
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	2	-	45	2
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	26	2	53	45	67
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	9	17	13	7	(119)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	35	19	66	52	(52)
Surplus/(Deficit) of Capital Funding	(35)	(17)	(66)	7	54
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Business Development	154	152
District Marketing	140	197
Tararua i-SITE	111	119
Total Payments to Staff and Suppliers	405	469

Regulatory Services

Activities in this Group

- 1 Animal Control**
 To prevent nuisance and threats to community safety from dogs and wandering stock.
- 2 Emergency Management**
 Promoting individual and community resilience in emergencies to enhance the community's capability to respond to and recover from rural fire events or natural disasters.
- 3 Health and Safety**
 To help provide a safe and healthy community, buildings and avoid behaviour causing a nuisance in the community.
- 4 Resource Management**
 To help achieve a sustainable natural and built environment and a strong prosperous economy.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure			●
Prosperous Economy		●	
Great Lifestyle	●		
Sustainable Environment	●		
Collaborative Council	●		

Group Level Funding Impact Statement

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	617	906	654	897	897
Targeted rates (other than a targeted rate for water supply)	525	247	541	302	302
Grants and subsidies for operating purposes	21	7	21	5	11
Fees, charges, and targeted rates for water supply	711	640	724	746	655
Local authorities fuel tax, fines, infringement fees, and other receipts	2	23	2	20	29
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	1,876	1,823	1,943	1,970	1,894
Applications of Operating Funding					
Payment to staff and suppliers	1,439	1,215	1,479	1,559	1,392
Finance costs	15	5	20	10	5
Internal charges and overheads applied	314	400	323	359	380
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,768	1,620	1,822	1,928	1,777
Surplus/(Deficit) of Operating Funding	108	203	121	42	117
Sources of Capital Funding					
Subsidies and grants for capital expenditure	15	11	3	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	232	20	(22)	7	20
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	247	31	(20)	7	20
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	258	39	5	8	22
- to replace existing assets	3	16	3	80	10
Increase (decrease) in reserves	94	179	93	(39)	106
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	355	234	101	49	138
Surplus/(Deficit) of Capital Funding	(108)	(203)	(121)	(42)	(117)
Funding Balance	-	-	-	-	-



Animal Control

Aim – To prevent nuisance and threats to community safety from dogs and wandering stock.

What We Achieved

As at 30 June 2015 there were 3,028 known owners with 6,740 dogs, of which 226 were not re-registered. Of the known dogs, 5,413 are classified as rural dogs and 1,327 as urban dogs. Of the urban dogs, 358 have the "preferred dog" status. Preferred dog status is not compulsory, and can be applied for by any residents with dogs that meet specific conditions. These conditions include:

- owners properties are adequately fenced to confine their dogs;
- owners who provide good accommodation for their dogs; and
- owners who demonstrate good dog management practices.








There were 280 dogs impounded in this period compared to 229 in the last period. During the year, 284 dogs left the pound, with 102 of the impounded dogs destroyed, 32 rehomed, and 150 returned to their owners.

1,184 dog related complaints were lodged with the Council, the majority being for barking and roaming dogs. The 526 barking dog complaints are included in the Health and Safety activity under noise complaints. This is an increase of 474 complaints from the last report.

There were 89 reported complaints about people or animals being bitten or rushed by dogs during the year. Last year there were 78 complaints. On these occasions, the dogs are either destroyed, owners given a warning letter, the dogs classified as menacing or dangerous or an infringement notice issued.

During the year, 66 dogs were classified as menacing under Sections 33A and 33C of the Dog Control Act. All of these dogs were classified because of observed or reported behaviour of the dog. These breeds or types were mainly American Pit Bull Terriers. There were no appeals against the classifications.

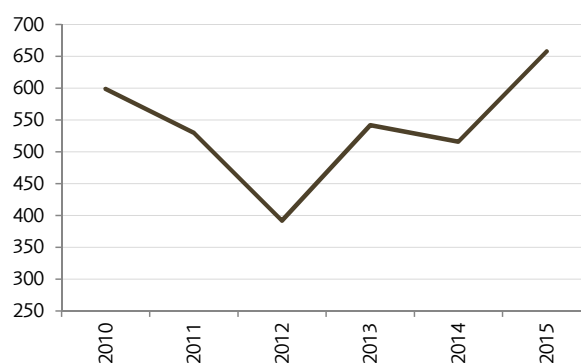
Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																				
<ul style="list-style-type: none">Percentage of dog attacks responded to within 2 hours.	99%	NOT ACHIEVED: 83%. Due to staff resignations, Council had insufficient resources to achieve the targets from December 2014 to the beginning of March 2015 and for the month of May and June 2015.																						
<ul style="list-style-type: none">Percentage of other complaints responded to within 1 day.	95%	NOT ACHIEVED: 94%. Due to staff resignations, Council had insufficient resources to achieve the targets from December 2014 to the beginning of March 2015 and for the month of May and June 2015.																						
<ul style="list-style-type: none">Percentage of residents rate dog control as "quite satisfactory" or "very satisfactory" in community surveys.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>80</td><td>68</td></tr><tr><td>Not very satisfied</td><td>13</td><td>22</td></tr><tr><td>Don't know / Unable to say @</td><td>8</td><td>10</td></tr><tr><td>Percentage satisfied</td><td>80%</td><td>68%</td></tr><tr><td>Percentage satisfied excl @</td><td>86%</td><td>76%</td></tr></table> We made the following changes to improve resident satisfaction: <ol style="list-style-type: none">1. Increased the Animal Control fees and charges to enable Council to commit more resources to this activity.2. Budgeted to build a new dog pound to increase Council's capacity to impound dogs.3. Looking at staffing levels and whether Council should deliver this service in-house, outsource it, or a combination of the two.4. More proactive approach to managing risk associated with dangerous, roaming and unregistered dogs.	Category	2011	2014	Very/Fairly Satisfied	80	68	Not very satisfied	13	22	Don't know / Unable to say @	8	10	Percentage satisfied	80%	68%	Percentage satisfied excl @	86%	76%		No NRB survey		
Category	2011	2014																						
Very/Fairly Satisfied	80	68																						
Not very satisfied	13	22																						
Don't know / Unable to say @	8	10																						
Percentage satisfied	80%	68%																						
Percentage satisfied excl @	86%	76%																						
<ul style="list-style-type: none">Number of animal related complaints received by Council. (Excludes barking dogs.)	< 510	NOT ACHIEVED: 658 animal related complaints were received. The profile of dog related complaints is as follows: <table><tr><th>Dog Complaints Received</th><th>2014/15</th><th>2013/14</th><th>2012/13</th></tr><tr><td>Roaming</td><td>525</td><td>386</td><td>388</td></tr><tr><td>Others</td><td>92</td><td>113</td><td>115</td></tr><tr><td>Attack</td><td>41</td><td>17</td><td>39</td></tr><tr><td>Total*</td><td>658</td><td>516</td><td>542</td></tr></table> <i>* This total excludes barking dogs.</i>	Dog Complaints Received	2014/15	2013/14	2012/13	Roaming	525	386	388	Others	92	113	115	Attack	41	17	39	Total*	658	516	542		
Dog Complaints Received	2014/15	2013/14	2012/13																					
Roaming	525	386	388																					
Others	92	113	115																					
Attack	41	17	39																					
Total*	658	516	542																					

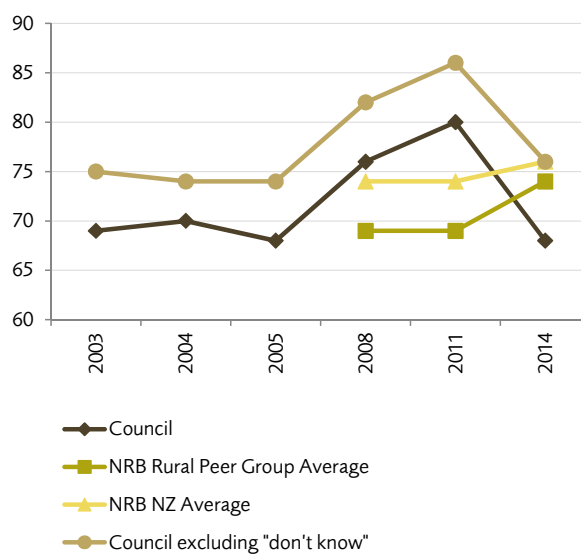


Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of known dogs registered each year. 	99%	<p>NOT ACHIEVED: 96%.</p> <p>With a redundancy for the administration role in April 2015 and three resignations in the animal control officer roles in the last half of the year, this target was not achieved.</p> <p>Due to the high number of dog attacks, registration follow-ups were given less priority during the time where we only had one animal control officer.</p>	●	●

REPORTED DOG-RELATED COMPLAINTS



ANIMAL CONTROL – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement **Animal Control**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	10	16	24	9	9
Targeted rates (other than a targeted rate for water supply)	5	-	11	-	-
Grants & subsidies operating	-	-	-	-	-
Fees, charges, and targeted rates for water supply	228	174	224	238	212
Local authorities fuel tax, fines, infringement fees, and other receipts	-	4	-	4	4
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	242	194	259	251	226
Applications of Operating Funding					
Payment to staff and suppliers	159	163	164	179	198
Finance costs	9	-	13	4	-
Internal charges and overheads applied	60	61	62	55	58
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	228	224	238	238	256
Surplus/(Deficit) of Operating Funding	14	(30)	21	13	(30)
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	202	-	(14)	(4)	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	202	-	(14)	(4)	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	206	-	-	-	-
- to replace existing assets	-	-	-	70	10
Increase (decrease) in reserves	10	(30)	7	(61)	(40)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	216	(30)	7	9	(30)
Surplus/(Deficit) of Capital Funding	(14)	30	(21)	(13)	30
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
After hours dog control	42	44
After hours stock control	3	4
Education	8	9
Maintain database	28	30
Monitor and enforce	98	111
Total Payments to Staff and Suppliers	179	198

Emergency Management

Aim – Promoting individual and community resilience in emergencies to enhance the community's capability to respond to and recover from rural fire events or natural disasters.

What We Achieved

We have had a very successful 2014/2015 rural fire season due to the amount public education and liaison provided by rural fire officers. A total of 132 fire permits were issued during the two-month period that the season was "restricted". This enabled land owners to use fire as a viable tool for vegetation control but under a controlled and safe set of rules. A number of large controlled burn plans were approved this season and staff attended all of them as advisors. A total of 48 hectares were burnt and included scrub and stubble burns. There were no incidents.

Ten Integrated Training Framework (ITF) Foundation courses were presented in the district from May through to June this year. 81 staff and volunteers received the basic Civil Defence training package which included the new updated Coordinated Incident Management System (CIMS). The average knowledge check score for students was 31 out of 37. This shows that the courses were fit for purpose and easily understood by attendees.

A new Civil Defence radio network has been installed to replace the shared network that we had with Infracore. The new installation involved installing new repeaters at Ahiweka and Mt Butters sites and upgrading the site at Te Awaputahi. The new system provides certainty for the next 10 years and improves communications in the northwest part of the district. Downer Technology Solutions have agreed to maintain the new network on our behalf.

The Tiraumea Volunteer Rural Fire Force has been trained to the basic fire fighter/pump operator level. Their depot building received a major renovation and the old Principal Rural Fire Officer Ford Ranger was provided to them to tow their fire trailer. This has boosted the morale of the fire force and reduced the health and safety risk where they used to tow the 3-tonne trailer with their own vehicles. The Tiraumea Volunteer Rural Fire Force is now fully integrated into the Tararua Rural Fire Authority.

The Norsewood Community Civil Defence Response Group designed and printed a localised civil defence pamphlet. This has been distributed, along with the MCDEM 'Get Ready Get Through' booklet to over 600 households thus improving civil defence preparedness throughout the area.

Totara College staff have set up the College as a Civil Defence Welfare Centre for the Northern part of Dannevirke. They have been very active in promoting Civil Defence within their local community and have received the relevant training. We have also negotiated the use of the Hub in Gordon Street as a Central Welfare Centre and are currently working with the Dannevirke Lions Club to sort out staffing etc.

A Pahiatua Community Civil Defence Response Group has been set up and they are working towards completing a local Civil Defence plan.

The Akitio community have set up a civil defence group and they are also working towards completing a civil defence plan.



Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of households surveyed that have a maintained "preparedness" kit. 	45%	<p>NOT APPLICABLE.</p> <p>The Ministry of Civil Defence and Emergency Management have completed this year's Colmar Brunton poll (the source of this measure), however, the results are embargoed until the Minister releases the report. It is expected that there will be an increase in preparedness following on from the work that has been done locally with the Community Civil Defence Response Groups.</p>	●	N/A
<ul style="list-style-type: none"> Percentage of operations centre staff internally assessed as having appropriate training and skills to perform Incident Management Team Role. 	85%	<p>ACHIEVED: 100%.</p> <p>All operations centre staff completed the Integrated Training Framework Emergency Operations Centre Foundation Course. Two Controllers are under training and have commenced their two year course.</p>	●	●
<ul style="list-style-type: none"> Percentage of volunteer rural fire forces that meet required competency standards. 	85%	<p>ACHIEVED: 90%.</p> <p>All station quarterly checks completed as per National Rural Fire Authority standards and comply. Further training will be carried out for Tiraumea Crew Bosses.</p>	●	●
<ul style="list-style-type: none"> Percentage of time Rural Fire Officers and trained crews respond within 30 minutes to notified incidents, as assessed by NZ Fire Service communications centre data. 	90%	<p>ACHIEVED: 96%.</p>	●	●

Funding Impact Statement Emergency Management

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	124	189	128	122	122
Targeted rates (other than a targeted rate for water supply)	295	247	307	302	302
Grants and subsidies for operating purposes	21	7	21	5	11
Fees, charges, and targeted rates for water supply	5	24	5	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	3	-	5	5
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	444	470	462	434	440
Applications of Operating Funding					
Payment to staff and suppliers	301	264	310	279	280
Finance costs	6	5	7	6	5
Internal charges and overheads applied	56	51	58	59	51
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	363	320	374	344	336
Surplus/(Deficit) of Operating Funding	81	150	87	90	104
Sources of Capital Funding					
Subsidies and grants for capital expenditure	15	11	3	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	30	22	(8)	2	22
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	45	33	(5)	2	22
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	52	39	5	8	22
- to replace existing assets	3	16	3	-	-
Increase (decrease) in reserves	72	128	74	84	104
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	126	183	82	92	126
Surplus/(Deficit) of Capital Funding	(81)	(150)	(87)	(90)	(104)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Civil Defence	85	62
Rural Fire	194	218
Total Payments to Staff and Suppliers	279	280

Health and Safety

Aim – To help provide a safe and healthy community, buildings and avoid behaviour causing a nuisance in the community.

What We Achieved

Building

The number of building consents processed during the year was 363, compared to 387 last year.

The average processing time frame for the consents was 8.25 days with one consent not meeting the 20 days statutory deadline.

The details and statistics for the consents processed for the year are:

	2013/14	2014/15
Consent Processing Time Frames		
Total days*	4,301	3,011
Average of days taken (/365)	11.8	8.3
Consent Breakdown		
10 days or Less	174	260
11–15 Days	129	69
16–17 Days	40	20
18–19 Days	28	7
20 Days	10	6
> 20 Days	6	1
Total	387	363
Number processed within 20 day limit	381	362
Number in excess of 20 day limit	6	1
Percentage processed within 20 day limit	98.4%	99.7%
Consent Values		
Total Value	\$20,953,921	\$50,988,804
Average Value	\$54,144	\$140,465

* Differs from 2013/14 reported figures, as amendments to building consents have been excluded.

Environmental Health

Due to the new legislation (The Food Act 2014), all food safety programmes will automatically be deemed to be food control plans from 1 March 2016 until 28 February 2019.

The food control plan is a risk-based measure that helps food operators effectively and systematically meet their food safety obligations. It concentrates on what people need to do to keep food safe. Depending on the type of food business it identifies potential food safety risks at each point from receiving and storing goods to preparing, cooking and serving food. Premises that are currently operating under a food safety programme will have until 28 February 2019 to transition their business to the new Act.

With the change in the Food Act 2014, food premises that have a food control plan only needs to be inspected once a year, and not twice as per our service performance targets.

In the area of Environmental Health, staff have built good stakeholder relationships with businesses in the Tararua district. 26% of food business in the district have successfully completed their first audit under the Food Act 2014.

Alcohol Licensing

On 18 December 2013 the Sale and Supply of Alcohol Act 2012 came fully into force after being deployed in three stages from 18 December 2012.

The introduction of the Act resulted in a new process for issuing liquor licenses, which now includes several factors outside of the direct control of Council. The previous performance measure to process and issue liquor licences within 10 working days is no longer aligned to the updated regulations.

Previously the Chair of the District Licensing Agency (DLA) was able to determine the application on paper. However, the District Licensing Agency was replaced by the District Licensing Committee (DLC), which is made up of a Chair and two members. The District Licensing Committee hears and

determines all applications that do not require enforcement action. These types of applications are heard by the Alcohol Regulatory Licensing Authority, which is part of the Ministry of Justice.

The District Licensing Committee meets once a month to consider and decide on each application. Once the decision has been received, the applicant is sent a request for payment of an Annual fee which must be paid before the licence is issued. It is a requirement of the Act that this occurs. In all cases where payment has made, Council has issues the licence within ten working days.

The District Licensing Committee met during the year and determined (approved) 173 applications for Liquor Licence. Two hearings were held with one application granted and another refused.

General Compliance

With the restructure of the Regulatory department, Council has a dedicated resource to manage the general compliance role which, previously, was carried out by the Animal Control Officers.

Improvements in service levels were noted for:

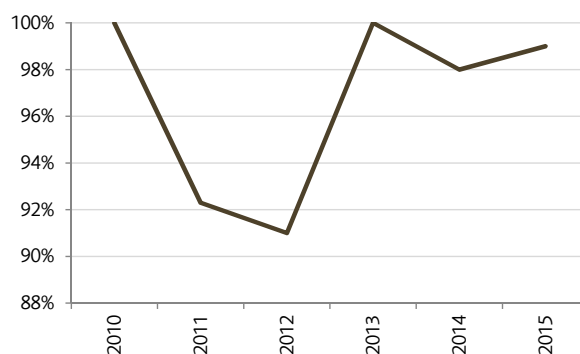
- Illegal dumping around the district cleared within twenty four hours of customer request notifications.
- Timely investigation of information gathered from illegal dumping of rubbish and follow up with person(s) involved.
- Increased education by supplying rental companies operating in the district with information brochures on recycling and transfer station locations.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of earthquake-prone buildings on public register strengthened or demolished. 	Public register released	<p>ACHIEVED: Public register released.</p> <p>We are now waiting for the final decisions and guides on the new Earthquake Prone Building Policy from the Ministry of Business, Innovation and Employment before proceeding with the necessary strengthening work for Council-owned buildings and assessments of all commercial buildings (excluding those exempted by the Earthquake Prone Building Policy) in the district.</p>	●	●
<ul style="list-style-type: none"> Percentage of buildings with building warrants of fitness audited each year. 	5%	<p>ACHIEVED: 9%.</p> <p>20 out of 235 registered building warrants of fitness and liquor premises were inspected.</p>	●	●
<ul style="list-style-type: none"> Percentage of properties with swimming pool and/or spa fencing inspected. 	20%	<p>NOT ACHIEVED: 17%.</p> <p>Of the 255 pools/spas on our register, we have inspected 44 pools for the year.</p>	●	●
<ul style="list-style-type: none"> Percentage of building consents issued within the statutory time frame (20 working days). 	100%	<p>NOT ACHIEVED: 99%.</p> <p>A total of 363 (387 last year) building consents were received with one building consent processed exceeding the 20 days statutory time frame. The one consent that did not meet the statutory deadline was processed in 22 days in April 2015.</p>	●	●
<ul style="list-style-type: none"> Percentage of inspections carried out within two working days of request. 	70%	ACHIEVED: 100%.	●	●

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Percentage of high risk licensed premises inspected twice a year. 	100%	<p>ACHIEVED: 100% of premises with a food control plan were inspected once during the year, and 100% of premises without a food control plan were inspected twice during the year.</p> <p>Council has a total of 86 high risk business premises of which 68 were inspected twice for the year as they did not have a food control plan. The other 18 high risk premises had food control plans in place and were inspected once (in line with the new legislative requirements).</p>	●	●
<ul style="list-style-type: none"> Percentage of low risk licensed premises inspected each year. 	100%	<p>ACHIEVED: 100%</p> <p>Council introduced better processes to ensure targets are met. Total low risk premises were 56, of which 55 were inspected once in the year. One business was based outside of the district and registered with another council, therefore not inspected.</p>	●	●
<ul style="list-style-type: none"> Percentage of liquor licence applications processed and issued within 10 working days (where complete information is provided – i.e. public notice, police reports etc). 	100%	<p>NOT APPLICABLE.</p> <p>This measure is not consistent with the requirements of the new Sale and Supply of Alcohol Act 2012. Council is not able to measure and report against this measure due to significant changes to business processes to ensure compliance with the new Act.</p>	●	N/A
<ul style="list-style-type: none"> Percentage of on and off licence liquor outlets inspected annually. 	100%	ACHIEVED: 100%.	●	●
<ul style="list-style-type: none"> Percentage of noise complaints responded to within 30 minutes in Dannevirke and Pahiatua, and 1 hour in Woodville and Eketahuna. 	100%	<p>NOT ACHIEVED: 84%.</p> <p>Council is reviewing the afterhours contract to ensure service levels agreements are met.</p> <p>As part of the 2015–2025 Long Term Plan, we have reviewed this measure and changed the response time to 1 hour and target to 95%.</p>	●	●

BUILDING CONSENTS APPROVED WITHIN STATUTORY DEADLINE



Funding Impact Statement Health and Safety

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	218	386	227	428	428
Targeted rates (other than a targeted rate for water supply)	102	-	101	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	425	395	435	461	394
Local authorities fuel tax, fines, infringement fees, and other receipts	1	11	1	8	19
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	746	792	765	897	841
Applications of Operating Funding					
Payment to staff and suppliers	562	599	577	765	719
Finance costs	-	-	-	-	-
Internal charges and overheads applied	172	241	177	196	223
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	734	840	753	961	942
Surplus/(Deficit) of Operating Funding	12	(48)	12	(64)	(101)
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	(1)	-	10	(1)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	(1)	-	10	(1)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	10	-
Increase (decrease) in reserves	12	(49)	12	64	(102)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	12	(49)	12	(54)	(101)
Surplus/(Deficit) of Capital Funding	(12)	48	(12)	64	101
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Building Consent Processing	447	438
Environmental Health	91	86
Liquor Licensing	132	92
Noise Callouts & Other Nuisances	95	103
Total Payments to Staff and Suppliers	765	719

Resource Management

Aim – To help achieve a sustainable natural and built environment and a strong prosperous economy.

What We Achieved

Achievements for the Last Three Years

Required off-site works and services (such as the provision of a water supply, sewerage and stormwater disposal) which are provided by the Council at the developers request, to be funded as a cost to the developer rather than general ratepayers.

Engaged with new and growing businesses to ensure developers can make well-informed decisions in relation to consenting requirements and their location and design choices.

Rationalised our district planning service fees to ensure these closely reflect the costs of providing these services.

Streamlined the application process to encourage pre-application meetings and draft applications.

Of the 41 applications processed, the proportion of land use to subdivision consents was 29:71. The proportion of land use consents is lower than last year (43:57) and slightly lower than the historical average (34:66). Land use consent in general more complex and time consuming to process.

Achievements in 2014/15

A total of 41 resource consent applications were processed to a decision during the year. This is a 16% decrease on last year and also 9% below the historical average (July 2009 to June 2014). All applications were processed within the statutory time frame to meet the target of 100%.

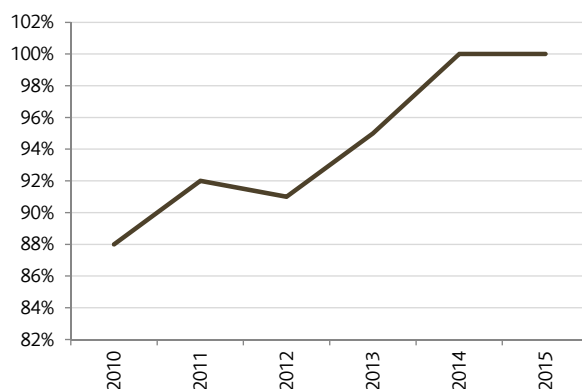
None of the applications required limited or public notification, meaning all were processed on a non-notified basis. The non-notified applications took an average of 17 working days to process.

In comparison to last year, the number of land use applications has decreased by 43%, while the number of subdivision applications increased by 4%. In comparison to the historical average, the number of land use consents has decreased by 21%, while the number of subdivision applications decreased by 3%.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of hearings commissioners surveyed that think that the district plan is effective.	90%	NOT APPLICABLE: There were no hearings held during the year and, therefore, no ability to survey hearings commissioners.	N/A	N/A																		
<ul style="list-style-type: none">Prepare a district-wide state of the environment monitoring report.	N/A	NOT APPLICABLE: Report published last year and no report required to be published this year.	●	N/A																		
<ul style="list-style-type: none">Percentage of residents rating resource management as satisfactory in community surveys to be conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>74</td><td>51</td></tr><tr><td>Not very satisfied</td><td>23</td><td>6</td></tr><tr><td>Don't know / Unable to say @</td><td>3</td><td>44</td></tr><tr><td>Percentage satisfied</td><td>74</td><td>51%</td></tr><tr><td>Percentage satisfied excl @</td><td>76%</td><td>89%</td></tr></table> <p>Council continues to actively encourage pre-application meetings and advice. This has lifted the quality of the applications received and environmental outcomes experienced by the community.</p>	Category	2011	2014	Very/Fairly Satisfied	74	51	Not very satisfied	23	6	Don't know / Unable to say @	3	44	Percentage satisfied	74	51%	Percentage satisfied excl @	76%	89%	●	No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	74	51																				
Not very satisfied	23	6																				
Don't know / Unable to say @	3	44																				
Percentage satisfied	74	51%																				
Percentage satisfied excl @	76%	89%																				
<ul style="list-style-type: none">Percentage of resource consents processed within the statutory time frame.<ul style="list-style-type: none">Non-notified: 20 working days.Notified: 70 working days.Notified and Limited Notified not requiring a hearing: 50 working days.	100%	<p>ACHIEVED: 100%. All 41 resource consent applications processed to a decision were decided within the statutory time frame.</p> <p>Statistics for applications by notification type, as follows:</p> <p>Non-notified – 41</p> <p>Limited notified – 0</p> <p>Publicly notified – 0</p>	●	●																		
<ul style="list-style-type: none">Percentage of complaints about non-compliance with the District Plan or consent conditions are investigated and resolved within 3 months of being received.	90%	<p>ACHIEVED: 100%.</p> <p>We received 170 complaints during the year. All were resolved within the target time frame. Of complaints received, 70% (119) relate to noise from the Te Rere Hau Wind Farm and all were lodged by one complainant.</p>	●	●																		

RESOURCE CONSENT APPLICATIONS PROCESSED WITHIN STATUTORY LIMITS



Funding Impact Statement Resource Management

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	266	315	274	338	338
Targeted rates (other than a targeted rate for water supply)	125	-	122	-	-
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	53	47	60	47	48
Local authorities fuel tax, fines, infringement fees, and other receipts	1	6	1	3	1
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	444	368	457	388	387
Applications of Operating Funding					
Payment to staff and suppliers	417	190	429	338	193
Finance costs	-	-	-	-	-
Internal charges and overheads applied	26	48	27	49	49
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	443	238	456	387	242
Surplus/(Deficit) of Operating Funding	1	130	1	1	145
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	-	-	-	-	-
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	-	-	-	-
- to replace existing assets	-	-	-	-	-
Increase (decrease) in reserves	1	130	1	1	145
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	1	130	1	1	145
Surplus/(Deficit) of Capital Funding	(1)	(130)	(1)	(1)	(145)
Funding Balance	-	-	-	-	-

Additional Note

Expenditure by Output	Budget 2014/15	Actual 2014/15
Coastal Hazard Assessment	3	2
District Plan Review	156	90
Environmental Monitoring Report	64	37
Legal Costs Associated with Hearings	56	33
Resource Consent Processing	29	15
RMA Management & Information	30	17
Total Payments to Staff and Suppliers	338	193



Roading and Footpaths

Activities in this Group

- 1

Footpaths
To provide safe access and walking opportunities for pedestrians in urban areas.
- 2

Roading
To provide a safe and efficient transport network that improves the movement of people and products, both within and through the district.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy	●		
Great Lifestyle	●		
Sustainable Environment			●
Collaborative Council		●	

Group Level Funding Impact Statement

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	64	128	66	105	104
Targeted rates (other than a targeted rate for water supply)	7,385	7,335	7,608	7,078	7,077
Grants and subsidies for operating purposes	3,890	3,957	4,026	3,865	3,785
Fees, charges, and targeted rates for water supply	155	159	160	150	158
Local authorities fuel tax, fines, infringement fees, and other receipts	-	559	-	266	397
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	11,494	12,138	11,860	11,464	11,522
Applications of Operating Funding					
Payment to staff and suppliers	6,640	6,939	6,873	6,421	7,480
Finance costs	135	138	131	137	127
Internal charges and overheads applied	1,195	1,188	1,232	1,456	1,357
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	7,971	8,265	8,236	8,014	8,964
Surplus/(Deficit) of Operating Funding	3,523	3,873	3,624	3,450	2,558
Sources of Capital Funding					
Subsidies and grants for capital expenditure	5,557	4,693	6,285	5,550	5,030
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(127)	(252)	(80)	(52)	(252)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	5,430	4,441	6,204	5,498	4,778
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	2,172	719	2,814	2,148	2,616
- to replace existing assets	5,754	5,887	6,115	5,990	5,066
Increase (decrease) in reserves	1,027	1,708	899	810	(347)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	8,953	8,314	9,829	8,948	7,336
Surplus/(Deficit) of Capital Funding	(3,523)	(3,873)	(3,624)	(3,450)	(2,558)
Funding Balance	-	-	-	-	-



Footpaths

Aim – To provide safe access and walking opportunities for pedestrians in urban areas.





What We Achieved

A total of 306 metres of footpath was renewed, and 374 metres new footpath constructed.

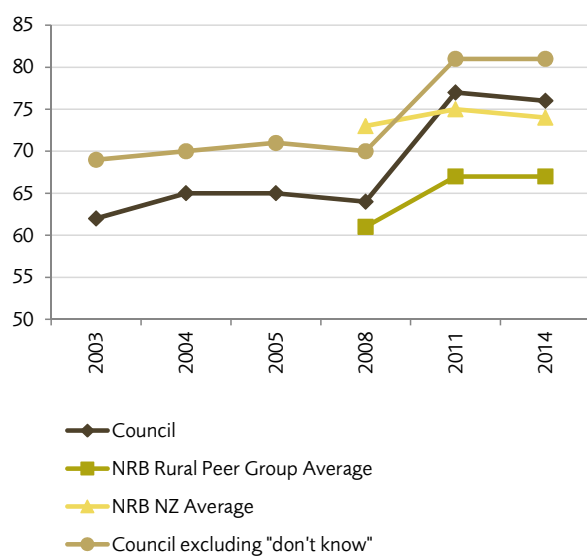
Work was completed on the footpath construction at the Pongaroa School. Crews are continuing their work on footpath and kerb and channel replacement programmes, and work is nearing completion of the footpath rehabilitation work in Pongaroa.

Additional work has also been undertaken on footpath cleaning in the Dannevirke central business district due to various requests from customers.

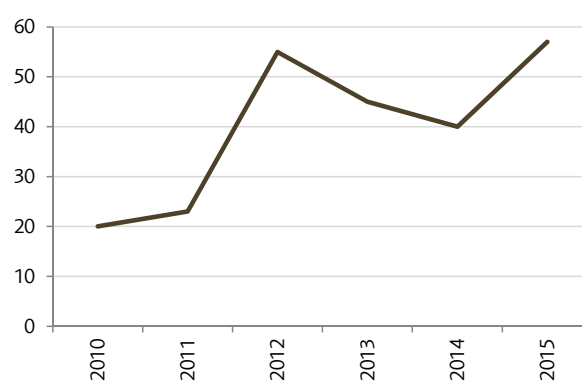
Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rate footpaths as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>77</td><td>76</td></tr><tr><td>Not very satisfied</td><td>18</td><td>18</td></tr><tr><td>Don't know / Unable to say @</td><td>5</td><td>6</td></tr><tr><td>Percentage satisfied</td><td>77%</td><td>76%</td></tr><tr><td>Percentage satisfied excl @</td><td>81%</td><td>81%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	77	76	Not very satisfied	18	18	Don't know / Unable to say @	5	6	Percentage satisfied	77%	76%	Percentage satisfied excl @	81%	81%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	77	76																				
Not very satisfied	18	18																				
Don't know / Unable to say @	5	6																				
Percentage satisfied	77%	76%																				
Percentage satisfied excl @	81%	81%																				
<ul style="list-style-type: none">Percentage of footpath free from trip hazards – e.g. bumps, depressions, settlement, cracking, deterioration – per 100 metres of footpath, measured by footpath condition surveys.	95%	The footpath condition survey was not undertaken in 2014/15. The Alliance has developed the All Faults programme that includes identifying faults across all roading and footpath infrastructure. This will incorporate the Footpath Condition survey for the 2015/16 financial year.	N/A	N/A																		
<ul style="list-style-type: none">All complaints regarding unsafe footpaths are actioned and rectified, where appropriate, within seven days.	100%	NOT ACHIEVED: 90%. 57 footpath complaints were received in the 2014/15 year, with 6 complaints relating to safety issues completed outside specified time frames. Many of the footpath complaints relating to safety are a result of the reinstatements relating to underground assets and unresolved vehicle crossing issues that fall outside the 7 day period. These defects were made safe through barrier protection until the fault could be addressed, which has affected the target results.																				
<ul style="list-style-type: none">Percentage of resident and non-resident ratepayers rate urban CBD upgrades as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017 and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>77</td></tr><tr><td>Not very satisfied</td><td>8</td></tr><tr><td>Don't know / Unable to say @</td><td>15</td></tr><tr><td>Percentage satisfied</td><td>77%</td></tr><tr><td>Percentage satisfied excl @</td><td>91%</td></tr></table> This is a new measure and the results show that the community is satisfied with Council town centre programme. Highest satisfaction was in Woodville (89%) and the lowest was in Eketahuna (41%). The next town planned for the town centre upgrade is Eketahuna and the upgrade is planned to begin in 2015/16.	Category	2014	Very/Fairly Satisfied	77	Not very satisfied	8	Don't know / Unable to say @	15	Percentage satisfied	77%	Percentage satisfied excl @	91%		No NRB survey						
Category	2014																					
Very/Fairly Satisfied	77																					
Not very satisfied	8																					
Don't know / Unable to say @	15																					
Percentage satisfied	77%																					
Percentage satisfied excl @	91%																					

FOOTPATHS – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



FOOTPATH COMPLAINTS



Funding Impact Statement Footpaths

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	64	128	66	105	104
Targeted rates (other than a targeted rate for water supply)	789	656	814	785	784
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	1	-	-	1
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	13	38
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	854	785	880	903	927
Applications of Operating Funding					
Payment to staff and suppliers	58	93	60	61	65
Finance costs	98	113	94	99	101
Internal charges and overheads applied	244	234	256	283	239
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	400	440	410	441	405
Surplus/(Deficit) of Operating Funding	454	345	470	460	522

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(112)	(158)	(74)	(62)	(158)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(112)	(158)	(74)	(62)	(158)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	28	-	61	58	7
- to replace existing assets	-	7	160	150	96
Increase (decrease) in reserves	315	180	175	190	261
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	342	187	396	398	363
Surplus/(Deficit) of Capital Funding	(454)	(345)	(470)	(460)	(522)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Footpath Maintenance Rural	1	1
Footpath Maintenance Urban	60	63
Total Payments to Staff and Suppliers	61	65

Roading

Aim – To provide safe, convenient and orderly transportation in the district.

What We Achieved

Road Statistics

A summary of Roading statistics by area and hierarchy is shown in the following table:

Table 1

Asset	Urban Sealed (km)	Rural Sealed (km)	Urban Metal (km)	Rural Metal (km)	Totals (km)
North					
Local	39.1	295.4	0.3	362.9	697.7
Collector	0.6	63.1			63.7
Secondary	3.2	212.5		10.7	226.4
Total North	42.9	571.0	0.3	373.6	987.8
South					
Local	38.4	335.5	0.3	392.6	766.7
Collector	0.9	55.0		5.9	61.8
Secondary	1.9	138.9			140.8
Total South	41.1	529.4	0.3	398.5	969.2
TOTAL	84.1	1100.4	0.5	772.1	1957.0

These statistics show that:

- 56.23% of the network is sealed.
- 95.68% of the network is rural.

The Annual Achievement Report has been generated and sent to the NZ Transport Agency illustrating the performance of the average roughness on the network during the previous year. This reports displays:

- Average urban roughness: 118 achieved (less than 150 meets NZ Transport Agency levels).
- Average rural roughness: 86 achieved (less than 150 meets NZ Transport Agency levels).

Table 1 lists the lengths of road that are controlled by us within each of the current road hierarchy categories, and the current traffic volume ranges for each.

Table 2

Road Hierarchy	Length (km)	Traffic Volume Range (vpd)
Rural Sealed Roads		
Local	630.9	1–3,744
Collector	118.0	34–399
Secondary	351.4	2–2,873
Total	1,100.3	
Rural Unsealed Roads		
Local	755.5	1–155
Collector	5.9	41–72
Secondary	10.7	55–90
Total	772.1	
Urban Sealed Roads		
Local	77.5	3–4,237
Collector	1.5	178–752
Secondary	5.1	115–2,340
Total	84.1	
Urban Unsealed Roads		
Local	0.5	1–37
Total	0.5	

Table 2 shows the wide range in traffic volumes for the current road categories, especially in the rural network. The NZ Transport Agency is introducing the One Network Road Classification (ONRC) in 2018, which is intended to provide a consistent manner in which to measure the performance of our roads against others in the country.

Roading Programme

When the previous prescriptive contract ended with Infracon and Engineering Services on 30 September 2014, the targets in that contract were replaced with a new set of requirements under the Alliance agreement with Downer New Zealand Limited. The results at year end are:

Road Surface Renewals

The target outcome for resealing was 90km or 495,000m². We achieved 51.15km or 333,716m² of resealing. This is less than forecasted due to the strategic decision with the formation of the Alliance to defer the lower priority reseat sections so that pre-reseat repairs can be undertaken at least one year in advance. The benefits of this decision allows the bitumen additives in the pre-reseat repairs to effectively evaporate and reduces the risk of flushing and bleeding. This decision also allows the pre-reseat repairs to be undertaken at the right time of the year, improving overall quality and efficiency.

Pavement Rehabilitation

Our target length for pavement rehabilitation was 10km or 58,000m². We achieved 5.4km or 33,716m². This is less than forecasted as a result of a combination of budget constraints and the subsequent rework required on the Infracon sites from previous years. The Alliance has implemented more robust and proactive pavement testing and design practices to ensure improved quality and better value for money outcomes to the road network.

Minor Improvements

The planned budget for 2014/15 was \$616,228 and this was completely expended throughout the year. The majority of the expenditure was on the LED Streetlight upgrade project which resulted in the replacement of 309 streetlights during the year. This is expected to significantly reduce future maintenance and power usage for Tararua. Other projects completed included minor improvements and bridge upgrades at Rakaia and Edgcombe Roads and works associated with the Mangaroa Culvert Replacement.

Seal Extensions

No Seal Extensions were performed this financial year as these no longer attract subsidy from the NZ Transport Agency.

Road Safety

Tararua District Council and representatives from the Tararua Alliance continue to attend regular meetings of the Road Safety Group to identify safety needs for local and State Highway roads within the district.

The Alliance is planning to undertake a Crash Reduction Study in 2015/16 and the results of this and the Road Safety Group initiatives will form the basis of future minor improvement and safety projects.

Road Maintenance

Maintenance Metal

The forecast application of maintenance metal on the unsealed road network including heavy metal overlay was 31,500m³. The total result of 18,066m³ is significantly less than forecast. This is mainly due to the Alliance purchasing and implementing new maintenance graders equipped with a scarifying system and towed rollers that provide an improved finished surface and reduction in maintenance aggregate.

Grading

Since the Tararua Alliance began there have been at least two full-time graders on the network with great feedback. The initial expenditure prior to the Alliance for this activity was \$300,000 and \$487,349 of total maintenance was actually undertaken. The Alliance introduced a strategy to not only improve the quality of the ride on the districts unsealed roads but also to improve positive drainage and cross-fall on the unsealed network with an aim of reducing future maintenance costs and reduce damage from high rainfall events.





High Shoulder Removal and Other Drainage Improvements





High shoulder removal and water table improvements continues to be a focus as part of pre-reseat repairs and unsealed road maintenance. The initial forecast for this work was \$730,000 however \$1,056,534 was expended over the course of the financial year in preparation for the 2015/16 pre-reseat sites. The focus has been on drainage improvements for both the sealed and unsealed network to preserve the pavement integrity and reduce future pavement maintenance costs.

Sealed Pavement Maintenance

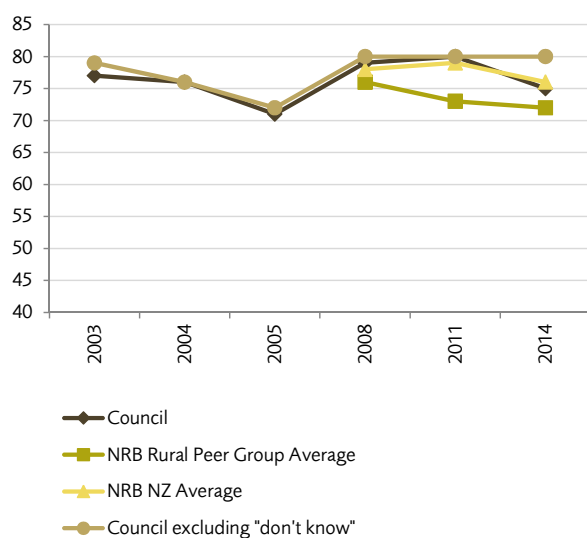
In addition to the annual pre-reseat pavement repairs and general pavement maintenance the Alliance has also undertaken significant improvement work on Route 52. Funding has been moved from renewals into maintenance to undertake these unforeseen repairs, resulting in improved safety and ride quality on this important part of the network.

Performance Against Objectives

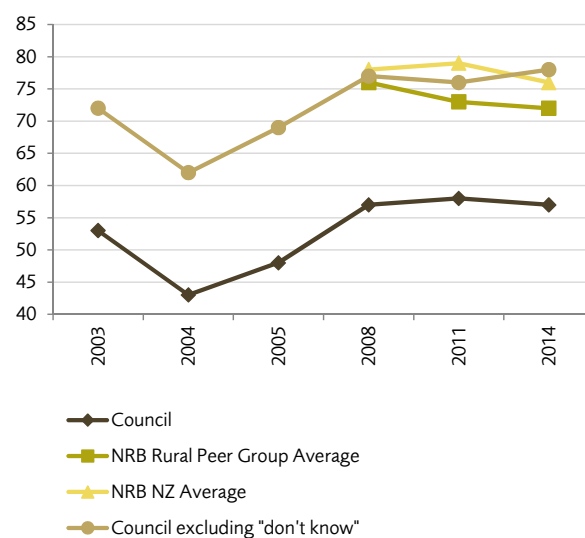
Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results
<ul style="list-style-type: none"> Number of fatal accidents due to road factors. 	Nil	<p>ACHIEVED: No fatal accidents due to road factors.</p> <p>During the 2014/15 financial year there were 2 fatal crashes on the Tararua network. One on Grant Street and one on Mangamaire Road. Neither were deemed due to road factors.</p> <p>Initiatives in the next year to improve road safety include a Crash Reduction Study that will be used to build a 3-year Minor Safety Programme.</p>		
<ul style="list-style-type: none"> Percentage of requests to fix road surface faults are completed within the time frame specified in contracts. 	85%	<p>NOT ACHIEVED: 80%.</p> <p>354 road surface issues were reported in 2014/15, with 72 recorded as completed outside of the required time frames.</p> <p>The liquidation of Infracon and the change over to the Alliance resulted in a period of disruption to operations. There was a two month period of change in contractor during which some faults were not completed within the required time frame.</p> <p>Internal changes to the customer request system and associated training caused a lag in customer request updates. The actual faults were investigated and programmed, however system issues resulted in several customer requests not being closed off within the required time frame.</p> <p>The higher number of road surface faults recorded in 2014/15 was largely due to the deterioration of sections on Route 52.</p> <p>The Alliance now has a robust All Faults system in place for addressing road surface faults through identifying faults, prioritising, programming repairs and undertaking physical works. The Alliance is also implementing a new customer request and network management system that will further improve identification and response to customer request.</p>		

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																																				
<ul style="list-style-type: none">Percentage of residents rating Urban and Rural roading as "quite satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Sealed Roads</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>80</td><td>75</td></tr><tr><td>Not very satisfied</td><td>19</td><td>24</td></tr><tr><td>Don't know / Unable to say @</td><td>1</td><td>1</td></tr><tr><td>Percentage satisfied</td><td>80%</td><td>75%</td></tr><tr><td>Percentage satisfied excl @</td><td>80%</td><td>76%</td></tr></table> <p>Unsealed Roads</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>58</td><td>57</td></tr><tr><td>Not very satisfied</td><td>18</td><td>16</td></tr><tr><td>Don't know / Unable to say @</td><td>24</td><td>27</td></tr><tr><td>Percentage satisfied</td><td>58%</td><td>57%</td></tr><tr><td>Percentage satisfied excl @</td><td>76%</td><td>78%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	80	75	Not very satisfied	19	24	Don't know / Unable to say @	1	1	Percentage satisfied	80%	75%	Percentage satisfied excl @	80%	76%	Category	2011	2014	Very/Fairly Satisfied	58	57	Not very satisfied	18	16	Don't know / Unable to say @	24	27	Percentage satisfied	58%	57%	Percentage satisfied excl @	76%	78%		No NRB survey
Category	2011	2014																																						
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Percentage satisfied	58%	57%																																						
Percentage satisfied excl @	76%	78%																																						
<ul style="list-style-type: none">Percentage of sealed roads providing a smooth and comfortable ride as measured by RAMM Roughness Surveys for NAASRA counts lower than 220 for urban and 120 for rural.	95%	<p>NOT ACHIEVED: Rural 92%, Urban 83%.</p> <p>Results from the latest roughness summary: On the rural roads, 92% have an average NAASRA less than 120 and in the urban 83% have a NAASRA less than 220.</p> <p>Survey was undertaken in January 2015 during construction season while some sites were open and does not include pavement smoothing projects such as Route 52. This combined with the Eketahuna earthquake damage has affected the smooth travel exposure (STE) results, and improved STE is expected once the survey is completed in 2015/16.</p>	N/A																																					
<ul style="list-style-type: none">Initial response to impassable roads be undertaken within 24 hours.	99%	<p>ACHIEVED: 100%.</p> <p>For the flood event on 20-21 June 2015, Alliance staff responded to all customer requests within 30-60 minutes of receiving the information, with crews working throughout the district.</p>																																						

SEALED ROADS – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



UNSEALED ROADS – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014

Funding Impact Statement **Roading**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	6,596	6,678	6,794	6,293	6,293
Grants and subsidies for operating purposes	3,890	3,958	4,026	3,865	3,785
Fees, charges, and targeted rates for water supply	155	158	160	150	158
Local authorities fuel tax, fines, infringement fees, and other receipts	-	559	-	252	360
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	10,640	11,353	10,980	10,560	10,595
Applications of Operating Funding					
Payment to staff and suppliers	6,582	6,846	6,813	6,359	7,415
Finance costs	37	25	37	37	26
Internal charges and overheads applied	951	954	975	1,175	1,116
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	7,571	7,825	7,826	7,572	8,557
Surplus/(Deficit) of Operating Funding	3,069	3,528	3,154	2,987	2,037

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Capital Funding					
Subsidies and grants for capital expenditure	5,557	4,693	6,285	5,550	5,030
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(15)	(94)	(6)	11	(94)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	5,541	4,599	6,278	5,561	4,937
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	2,144	719	2,753	2,090	2,609
- to replace existing assets	5,754	5,880	5,955	5,840	4,970
Increase (decrease) in reserves	712	1,528	724	618	(607)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	8,611	8,127	9,432	8,548	6,973
Surplus/(Deficit) of Capital Funding	(3,069)	(3,528)	(3,154)	(2,987)	(2,037)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Cycle path maintenance	-	73
Emergency reinstatement	1,120	1,314
Environmental maintenance	460	516
Level crossings	40	47
Network asset management subsidised	525	673
Non-subsidised verges	170	141
Routine drainage maintenance	754	979
Sealed pavement maintenance	880	936
Structures maintenance	715	827
Territorial administration and administration support	166	191
Traffic services maintenance	455	522
Unsealed pavement maintenance	495	565
Unsealed road metalling - maintenance metal	580	634
Total Payments to Staff and Suppliers	6,359	7,415



Solid Waste Management

Activities in this Group

- 1

Solid Waste Management

To protect people's health and our environment by minimising the production of waste and promoting recycling and reuse.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy			●
Great Lifestyle		●	
Sustainable Environment	●		
Collaborative Council			●








What We Achieved

The guiding document for this activity is the Waste Management and Minimisation Plan. The Council has continued to work towards achieving the goals of the plan with a focus on enhancing recycling facilities and reducing costs. This has included the development of the transfer station in Pahiatua and changing the receptacles for recycling collection in the smaller towns. The new kerbside refuse collection contract signed during the year, piggybacks on a commercial operator's collection of private waste, and benefits both parties by sharing collection costs. Diversion of waste from Pahiatua to Eketahuna landfill, rather than transporting it to Waipukurau has helped Council to reduce costs further. Other efficiency gains have been achieved by using local contractors in each town.

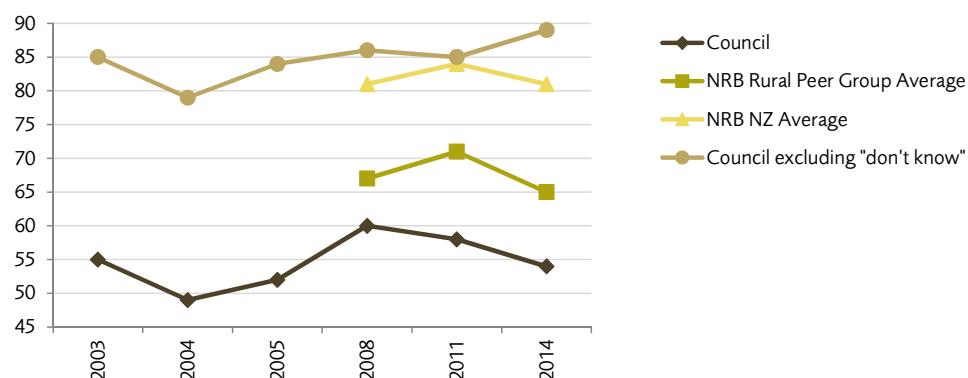
Glass recycling remains a challenge for Council as it is expensive to transport and dispose of. Using glass as cover material at the Eketahuna Landfill has reduced disposal costs. This may not be a sustainable option, as the Eketahuna landfill approaches closure, and other glass disposal options need to be explored.

The recycling centre facility in Pahiatua was destroyed by an arson attack in June 2014. The process to settle the insurance claim, develop plans and tender the contract, has been lengthy. Alternative arrangements are still in place for both the community to drop off recycling and the diversion of recycling collected in satellite towns to go directly to Dannevirke. The rebuild is now underway and the new facility is expected to be in operation before the end of October 2015.

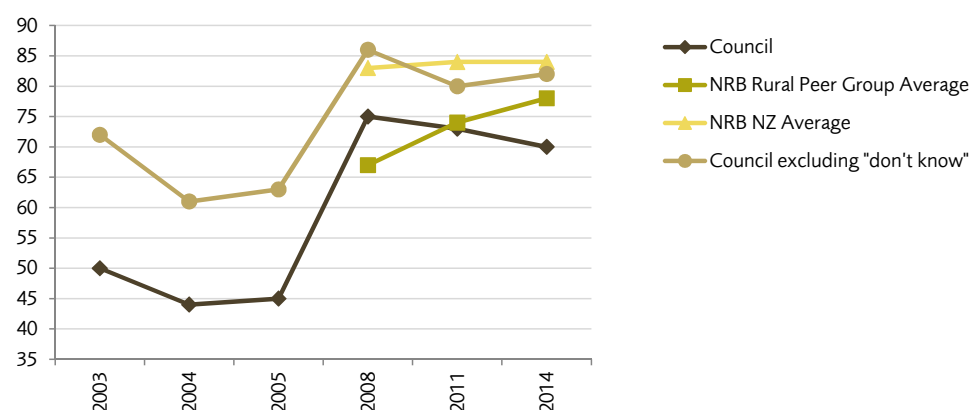
Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of residents rating rubbish collection service as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>58</td><td>54</td></tr><tr><td>Not very satisfied</td><td>10</td><td>7</td></tr><tr><td>Don't know / Unable to say @</td><td>32</td><td>40</td></tr><tr><td>Percentage satisfied</td><td>58%</td><td>54%</td></tr><tr><td>Percentage satisfied excl @</td><td>85%</td><td>89%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	58	54	Not very satisfied	10	7	Don't know / Unable to say @	32	40	Percentage satisfied	58%	54%	Percentage satisfied excl @	85%	89%		No NRB survey
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Percentage satisfied	58%	54%																				
Percentage satisfied excl @	85%	89%																				
<ul style="list-style-type: none">Percentage of residents rating recycling as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>73</td><td>70</td></tr><tr><td>Not very satisfied</td><td>18</td><td>15</td></tr><tr><td>Don't know / Unable to say @</td><td>9</td><td>15</td></tr><tr><td>Percentage satisfied</td><td>73%</td><td>70%</td></tr><tr><td>Percentage satisfied excl @</td><td>80%</td><td>82%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	73	70	Not very satisfied	18	15	Don't know / Unable to say @	9	15	Percentage satisfied	73%	70%	Percentage satisfied excl @	80%	82%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	73	70																				
Not very satisfied	18	15																				
Don't know / Unable to say @	9	15																				
Percentage satisfied	73%	70%																				
Percentage satisfied excl @	80%	82%																				
<ul style="list-style-type: none">Percentage of residents rating landfills/ transfer station management as "fairly satisfactory" or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>47</td><td>62</td></tr><tr><td>Not very satisfied</td><td>22</td><td>10</td></tr><tr><td>Don't know / Unable to say @</td><td>32</td><td>29</td></tr><tr><td>Percentage satisfied</td><td>47%</td><td>62%</td></tr><tr><td>Percentage satisfied excl @</td><td>68%</td><td>86%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	47	62	Not very satisfied	22	10	Don't know / Unable to say @	32	29	Percentage satisfied	47%	62%	Percentage satisfied excl @	68%	86%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	47	62																				
Not very satisfied	22	10																				
Don't know / Unable to say @	32	29																				
Percentage satisfied	47%	62%																				
Percentage satisfied excl @	68%	86%																				
<ul style="list-style-type: none">Tonnage of waste sent to landfills by the district per annum.	< 4,400	ACHIEVED: 4,262. <table><tr><th colspan="3">Tonnes</th></tr><tr><th></th><th>2013/14</th><th>2014/15</th></tr><tr><td>Eketahuna Landfill</td><td>1,777</td><td>689</td></tr><tr><td>Pongaroa Landfill</td><td>37</td><td>39</td></tr><tr><td>Waipukurau Landfill</td><td>2,427</td><td>3,534</td></tr><tr><td>Total</td><td>4,241</td><td>4,262</td></tr></table> Tonnage of waste sent to landfill is very similar to last year indicating that recovery through recycling has plateaued.	Tonnes				2013/14	2014/15	Eketahuna Landfill	1,777	689	Pongaroa Landfill	37	39	Waipukurau Landfill	2,427	3,534	Total	4,241	4,262		
Tonnes																						
	2013/14	2014/15																				
Eketahuna Landfill	1,777	689																				
Pongaroa Landfill	37	39																				
Waipukurau Landfill	2,427	3,534																				
Total	4,241	4,262																				
<ul style="list-style-type: none">All Horizons resource consent conditions are met.	100%	ACHIEVED: 100%. All landfills are compliant. Issues early in the year with poor coverage of refuse at Eketahuna was resolved.																				

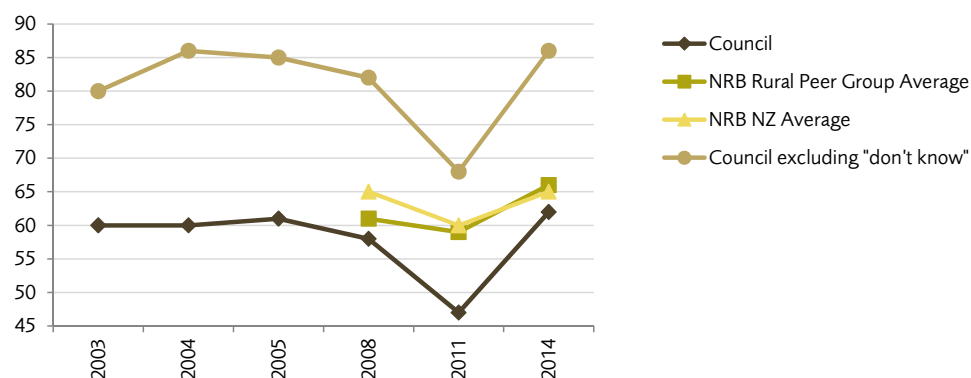
REFUSE COLLECTION – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



RECYCLING – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



LANDFILLS AND TRANSFER STATIONS – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Solid Waste

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	263	499	203	438	442
Targeted rates (other than a targeted rate for water supply)	756	710	786	733	731
Grants and subsidies for operating purposes	41	64	42	40	61
Fees, charges, and targeted rates for water supply	530	464	546	536	463
Local authorities fuel tax, fines, infringement fees, and other receipts	-	18	-	27	15
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	1,591	1,755	1,577	1,774	1,712
Applications of Operating Funding					
Payment to staff and suppliers	1,346	1,339	1,327	1,488	1,472
Finance costs	59	180	58	59	112
Internal charges and overheads applied	102	77	107	110	83
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,508	1,597	1,492	1,657	1,667
Surplus/(Deficit) of Operating Funding	83	159	85	117	45
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(27)	(9)	(23)	-	(9)
Gross proceeds from sale of assets	-	-	-	(27)	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	69
Total Sources of Capital Funding	(27)	(9)	(23)	(27)	60
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	-	118	-	-	129
- to replace existing assets	-	-	-	-	28
Increase (decrease) in reserves	57	32	62	90	(52)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	57	150	62	90	105
Surplus/(Deficit) of Capital Funding	(83)	(159)	(85)	(117)	(45)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Solid Waste Management Akitio	8	8
Solid Waste Management Dannevirke	655	650
Solid Waste Management District-Wide	229	225
Solid Waste Management Eketahuna	83	81
Solid Waste Management Ormondville	18	18
Solid Waste Management Pahiatua	312	307
Solid Waste Management Pongaroa	48	47
Solid Waste Management Woodville	135	135
Total Payments to Staff and Suppliers	1,488	1,472



Stormwater

Activities in this Group

- 1

Stormwater

To provide protection of the community's assets from flooding by providing systems that enable stormwater to dissipate as quickly as practicable.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy			●
Great Lifestyle			●
Sustainable Environment			●
Collaborative Council	●		

What We Achieved

There has been a strong focus in the past three years on utilising the CCTV camera to assess the condition of stormwater culverts and pipes, and to identify properties with stormwater discharging directly into our wastewater system. A number of offending properties have been identified and sent abatement notices.

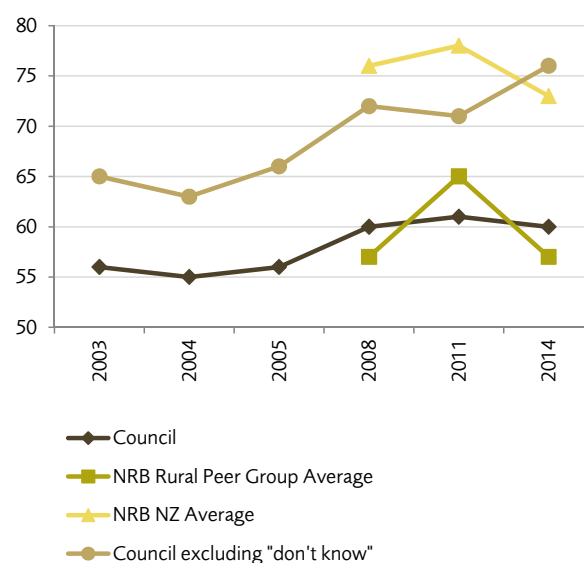
During the year management of the stormwater network moved to the Tararua Alliance, with continued planning

assistance from the Assets Group. With Roding and Stormwater now being managed by the same group, there has been a more proactive approach taken to the maintenance of the stormwater network, starting with an increased regime to keep sumps and culverts clear of debris.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">The number of residential, industrial and business premises affected by flooding per year.	< 40	ACHIEVED: Nil. There were no recorded instances of flooding affecting the habitable floor of any properties. The majority of the flooding was surface water affecting outside of properties.	●	●																		
<ul style="list-style-type: none">Percentage of residents rating stormwater management as "fairly satisfactory " or "very satisfactory" in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>61</td><td>60</td></tr><tr><td>Not very satisfied</td><td>25</td><td>19</td></tr><tr><td>Don't know / Unable to say @</td><td>14</td><td>20</td></tr><tr><td>Percentage satisfied</td><td>61%</td><td>60%</td></tr><tr><td>Percentage satisfied excl @</td><td>71%</td><td>76%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	61	60	Not very satisfied	25	19	Don't know / Unable to say @	14	20	Percentage satisfied	61%	60%	Percentage satisfied excl @	71%	76%	●	No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	61	60																				
Not very satisfied	25	19																				
Don't know / Unable to say @	14	20																				
Percentage satisfied	61%	60%																				
Percentage satisfied excl @	71%	76%																				
<ul style="list-style-type: none">Number of surface flooding incidences on urban roads that persist for longer than 2 hours.	7%	NOT ACHIEVED: 24%. 6 out of 25. The large flooding event in June 2015 was the main contributor to these results. Significant rainfall hit Tararua resulting in large scale flooding throughout the district. Funding has been provided in the 2015–2025 Long Term Plan for stormwater modelling. This will help Council to identify the best actions to ensure that the overall stormwater system can operate effectively during rainfall events.	●	●																		

STORMWATER – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014





Funding Impact Statement **Stormwater**

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	727	-	741	-	-
Targeted rates (other than a targeted rate for water supply)	-	728	-	755	755
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	1	-	-	1
Local authorities fuel tax, fines, infringement fees, and other receipts	-	7	-	13	15
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	727	736	741	768	771
Applications of Operating Funding					
Payment to staff and suppliers	155	114	160	141	62
Finance costs	86	79	83	86	71
Internal charges and overheads applied	283	221	297	295	232
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	524	414	540	522	365
Surplus/(Deficit) of Operating Funding	203	322	201	246	406
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	-	-	-	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(91)	(15)	(22)	(98)	(15)
Gross proceeds from sale of assets	-	-	-	-	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(91)	(15)	(22)	(98)	(15)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	10	117	65	-	20
- to replace existing assets	39	-	43	40	127
Increase (decrease) in reserves	62	190	71	109	244
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	112	307	179	149	391
Surplus/(Deficit) of Capital Funding	(203)	(322)	(201)	(247)	(406)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Drain maintenance	30	13
Maintenance	72	32
Reticulation	39	17
Total Payments to Staff and Suppliers	141	62



Wastewater

Activities in this Group

1

Wastewater

To provide the collection, treatment and disposal of urban wastewater to protect public and environmental health.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy		●	
Great Lifestyle			●
Sustainable Environment	●		
Collaborative Council	●		

What We Achieved

Ministry for the Environment Project

We continue to make significant progress in upgrading the quality and capacity for the treatment of wastewater in all of our urban communities through our project with horizons, partially funded through the Ministry of Environment.

We have now completed the relining of the No 3 and 4 oxidation ponds in Dannevirke and are close to completing pond 2. The number 2 pond in Woodville has also been relined. The Woodville and Pahiatua treatment upgrades were largely complete at year end and entering the commissioning phase. All ponds in the District have, or shortly will have, new aerators fitted.

Council continues to be committed to land irrigation despite the difficulty in finding suitable land. The focus of investigations to date have been Pahiatua and Dannevirke.

Consent applications for wastewater discharge continue to be developed. Applications for Woodville and Norsewood have been lodged. Applications for Pahiatua and Eketahuna are close to completion.

Infiltration

Infiltration of stormwater into the sewer reticulation continues to be a major factor causing increased flows into our oxidation ponds. Having stormwater infiltrate the wastewater network puts added pressure on our network and increases treatment costs.

The closed circuit TV camera is paying dividends as we are able to identify cracked or broken pipes and laterals, root intrusion etc. In some cases, the entire pipe will not require replacement as a repair to the existing damaged section

of the pipe will be sufficient to stop groundwater getting into the system. These repairs will result in significant cost savings from reduced capital, maintenance and on-going treatment costs.

Improving Assets Condition Data

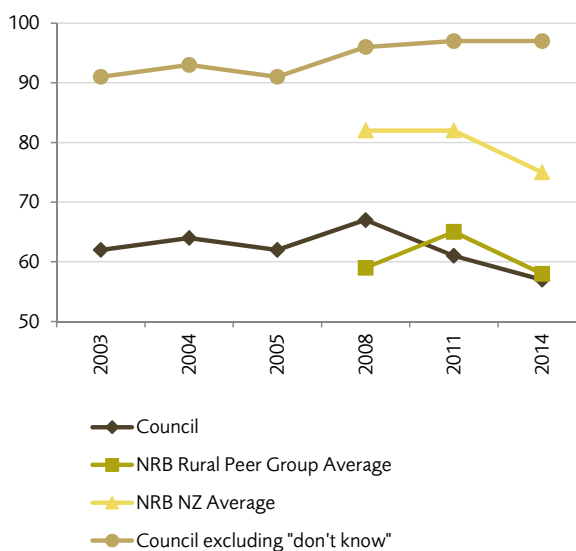
Extensive use of the CCTV camera within the wastewater pipe network throughout the district has discovered several pipes that will need re-lining or replacing in the short term. This tool is proving highly effective at reducing leakages and improving the performance of the network, as well as allowing the Council staff to gain a greater understanding of the overall condition of the network for planning purposes. The CCTV assessed condition of the wastewater pipes is now driving the three-year renewal programme for wastewater pipe renewals. This programme is also being aligned with the roading programme generated by the Alliance.



Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
• The number of incidents of unplanned loss of wastewater service.	< 41	ACHIEVED: 21. Only one property reported a full loss of service, the rest were a reduced level of service. The main cause was blockages in the main – roots, gravel, fats or solid objects flushed by residents. As the sewers are surveyed, the lines are being cleared to lessen future blockages.	●	●																		
• Number of sewage overflows affecting properties per annum.	< 22	ACHIEVED: 6 (16 last year). The improved results are partly due to the work done to identify and rectify infiltration of stormwater into our wastewater network.	●	●																		
• Percentage of residents rating wastewater management as "fairly satisfactory " or "very satisfactory in community surveys to be conducted in 2014, 2017, and 2020.	N/A	NOT APPLICABLE. Survey results: <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>61</td><td>57</td></tr><tr><td>Not very satisfied</td><td>2</td><td>2</td></tr><tr><td>Don't know / Unable to say @</td><td>37</td><td>41</td></tr><tr><td>Percentage satisfied</td><td>61%</td><td>57%</td></tr><tr><td>Percentage satisfied excl @</td><td>97%</td><td>97%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	61	57	Not very satisfied	2	2	Don't know / Unable to say @	37	41	Percentage satisfied	61%	57%	Percentage satisfied excl @	97%	97%	●	No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	61	57																				
Not very satisfied	2	2																				
Don't know / Unable to say @	37	41																				
Percentage satisfied	61%	57%																				
Percentage satisfied excl @	97%	97%																				
• Number of schemes meeting all resource consent conditions.	7	ACHIEVED: 4 out of 7 schemes do not have renewed consents. They do however meet the conditions of the expired consents. Council has lodged new consent applications for Norsewood and Woodville. An application for Eketahuna, which is due to expire 1 July 2015, has also been lodged. Council is about to lodge an application for Pahiatua.	●	●																		

SEWERAGE SYSTEM – PUBLIC SATISFACTION
SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Wastewater

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	57	-	64	-	-
Targeted rates (other than a targeted rate for water supply)	2,181	2,075	2,416	2,046	2,044
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	105	72	109	110	121
Local authorities fuel tax, fines, infringement fees, and other receipts	-	53	-	72	96
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	2,343	2,200	2,589	2,228	2,261
Applications of Operating Funding					
Payment to staff and suppliers	857	635	887	736	872
Finance costs	318	288	386	313	305
Internal charges and overheads applied	334	229	350	299	240
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,509	1,152	1,623	1,348	1,417
Surplus/(Deficit) of Operating Funding	834	1,048	966	880	845
Sources of Capital Funding					
Subsidies and grants for capital expenditure	969	229	484	563	598
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	1,654	589	1,363	-	589
Gross proceeds from sale of assets	-	-	-	1,411	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	760
Total Sources of Capital Funding	2,623	818	1,846	1,974	1,947
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	2,941	1,532	2,243	2,286	2,671
- to replace existing assets	343	573	354	355	572
Increase (decrease) in reserves	173	(239)	215	212	(452)
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	3,457	1,866	2,813	2,853	2,792
Surplus/(Deficit) of Capital Funding	(834)	(1,048)	(966)	(879)	(845)
Funding Balance	-	-	-	-	-



Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Maintenance to minimise failures and blockages, infiltration of stormwater into sewerage systems	92	107
Planning & Development renewals to ensure future capacity	118	140
Reticulation sewerage disposal for all connected properties	146	173
Telemetry system monitoring to prevent system failures	21	25
Treatment to provide effective treatment of wastewater	358	424
Total Payments to Staff and Suppliers	736	869

Water Supplies

Activities in this Group

- 1 **Water Supplies**
To provide a reliable and cost-effective supply of safe, potable water in reticulated communities.

Contribution to Council Outcomes

	Strongly related	Related	Partially related
Efficient Infrastructure	●		
Prosperous Economy		●	
Great Lifestyle		●	
Sustainable Environment	●		
Collaborative Council		●	



What We Achieved

Water Treatment Plant Upgrades

Dannevirke

In July 2013, Council completed the Dannevirke impounded supply (water storage). This project dramatically improved the quality and risk management profile for the users of the Dannevirke water supply. The project received an early test as the 2013/14 summer was very dry. The benefits of the project were proved by successfully providing continuity of supply and providing reliable quality water for commercial users over the year. This contrasts with the usual summer hosing bans in Pahiatua, Woodville, Eketahuna and Norsewood. In January 2015, the town suffered a major water loss as the result of a failure at the treated water reservoir. This highlighted the need for Council to complete the water treatment portion of the water upgrade and in doing so, ensure that the design allowed for redundancy in the system in the case of component failure.












Pahiatua

In order to improve the storage volumes of water in Pahiatua, Council planned to drill a second bore. Council was successful in obtaining a \$530,000 grant for the upgrade projects that total \$1.6 million, significantly improving the project affordability. A resource consent for the second bore was obtained and the test bore drilled. Unfortunately, the test bore did not strike ground water. Council is now in the process of reviewing options for both water sources and storage in the town. The aim is to reduce the risks in supply during dry periods as well as reduce the risk of relying on a single bore. The strategy must also meet the mandatory water standards.

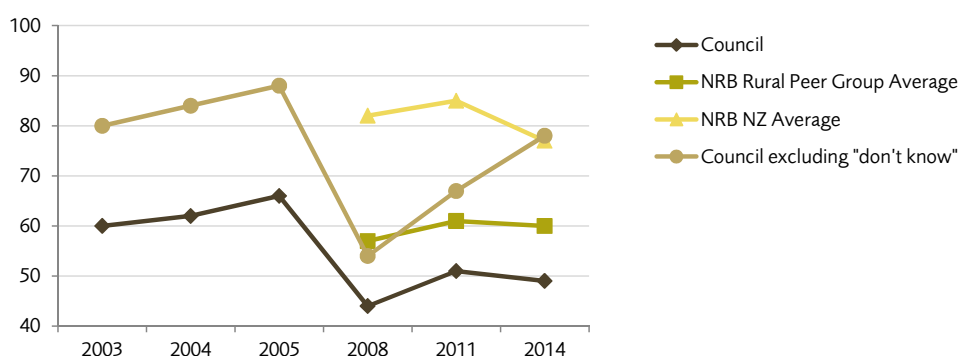
Dannevirke Water Supply Disruption

In January 2015, large areas of the Dannevirke township experienced a loss of water pressure due to a blockage in the main supply line from the reservoir to the town. The fault was difficult to pinpoint and resolve and, to ensure the entire town continued to receive a water supply; Council supplemented the supply using untreated water directly from the river. This mixing of treated and untreated water resulted in the need to issue residents with a boil water notice as a health precaution. The full supply was restored within a few days highlighting Council's ability to respond to this type of emergency, in particular the benefit of now having an in-house water team. This event also highlights the need for Council to continue with its water treatment upgrade projects, considering risk to supply in all parts of the network and water storage capacity as key components of these projects.

Performance Against Objectives

Performance Measure and Target	Target	Achievement	2013/14 Results	2014/15 Results																		
<ul style="list-style-type: none">Percentage of customers satisfied with the availability of water in the community surveys to be conducted in 2014, 2017, and 2020.	N/A	<p>NOT APPLICABLE.</p> <p>Survey results:</p> <table><tr><th>Category</th><th>2011</th><th>2014</th></tr><tr><td>Very/Fairly Satisfied</td><td>51</td><td>49</td></tr><tr><td>Not very satisfied</td><td>25</td><td>14</td></tr><tr><td>Don't know / Unable to say @</td><td>25</td><td>38</td></tr><tr><td>Percentage satisfied</td><td>51%</td><td>49%</td></tr><tr><td>Percentage satisfied excl @</td><td>67%</td><td>78%</td></tr></table>	Category	2011	2014	Very/Fairly Satisfied	51	49	Not very satisfied	25	14	Don't know / Unable to say @	25	38	Percentage satisfied	51%	49%	Percentage satisfied excl @	67%	78%		No NRB survey
Category	2011	2014																				
Very/Fairly Satisfied	51	49																				
Not very satisfied	25	14																				
Don't know / Unable to say @	25	38																				
Percentage satisfied	51%	49%																				
Percentage satisfied excl @	67%	78%																				
<ul style="list-style-type: none">Number of days per annum where users experience reduced flows.	< 29	<p>ACHIEVED: 15.</p> <p>Of the 15 days, 10 relate to isolated properties and 6 relate to issues with Reservoir No.2 in Dannevirke, where the impact was more wide spread.</p>																				
<ul style="list-style-type: none">Number of recorded issues with the taste of town water per annum.	< 53	<p>ACHIEVED: 15</p> <p>The hot dry summer resulted in algal blooms, particularly in the Woodville scheme.</p>																				
<ul style="list-style-type: none">Number of recorded issues with the clarity of town water per annum.	< 26	<p>ACHIEVED: 25</p> <p>Results have been affected by hot, dry weather impacting reservoir quality, particularly in Woodville.</p>																				
<ul style="list-style-type: none">Number of schemes with a Public Health Management Plan in place.	7	<p>ACHIEVED: 8.</p> <p>Pongaroa Rural Water Town Supply Water Safety Plan (a scheme owned by Council and supplying a town supply) was completed and approved by MidCentral Health.</p>																				
<ul style="list-style-type: none">Upgrade the water schemes to comply with NZ Drinking Water Standards and Health Act 1956.	5	<p>NOT ACHIEVED: Three water schemes upgraded.</p> <p>Delays in securing a second bore supply in Pahiatua, means delays in removing river source. Delays in Dannevirke treatment upgrade due to other projects. These projects are a priority in 2015/16</p>																				

AVAILABILITY OF WATER – PUBLIC SATISFACTION SURVEY TRENDS 2003 TO 2014



Funding Impact Statement Water Supplies

	LTP Year 2 Budget \$000s	2013/14 Actual \$000s	LTP Year 3 Budget \$000	2014/15 Budget \$000s	2014/15 Actual \$000s
Sources of Operating Funding					
General rates, uniform annual general charges, rates penalties	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	1,564	1,530	1,621	1,523	1,522
Grants and subsidies for operating purposes	-	-	-	-	-
Fees, charges, and targeted rates for water supply	504	482	522	500	504
Local authorities fuel tax, fines, infringement fees, and other receipts	-	87	-	106	217
Internal charges and overheads recovered	-	-	-	-	-
Total Operating Funding	2,069	2,099	2,143	2,129	2,243
Applications of Operating Funding					
Payment to staff and suppliers	924	764	955	726	906
Finance costs	266	233	257	285	207
Internal charges and overheads applied	173	172	181	238	183
Other operating funding applications	-	-	-	-	-
Total Applications of Operating Funding	1,363	1,169	1,393	1,249	1,295
Surplus/(Deficit) of Operating Funding	706	930	750	880	948
Sources of Capital Funding					
Subsidies and grants for capital expenditure	-	(56)	-	530	-
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	(174)	(180)	(242)	-	(181)
Gross proceeds from sale of assets	-	-	-	733	-
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total Sources of Capital Funding	(174)	(236)	(242)	1,263	(181)
Applications of Capital Funding					
Capital Expenditure:					
- to meet additional demand	-	-	-	-	-
- to improve the level of service	114	93	32	1,509	73
- to replace existing assets	348	194	389	362	299
Increase (decrease) in reserves	70	407	86	272	395
Increase (decrease) of investments	-	-	-	-	-
Total Applications of Capital Funding	532	694	508	2,143	767
Surplus/(Deficit) of Capital Funding	(706)	(930)	(750)	(880)	(948)
Funding Balance	-	-	-	-	-

Additional Notes

Expenditure by Output	Budget 2014/15	Actual 2014/15
Maintenance to minimise failures	53	65
Planning & development to ensure future capacity	258	310
Reticulation water to all connected properties	117	174
Telemetry system monitoring to prevent failures	24	29
Treatment to provide safe, potable water	274	329
Total Payments to Staff and Suppliers	726	906

Financial Statements





Statement of Comprehensive Revenue and Expense for the Year Ended 30 June 2015

	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Revenue				
Rates*	2	18,926	19,630	20,070
Grants and Subsidies		8,964	9,504	10,556
Fees and Charges	4	2,637	2,655	4,180
Finance Revenue	3	372	450	353
Dividends and Subvention		234	-	-
Other Revenue	5	718	1,029	715
Forestry Sales		618	1,949	-
Development and Financial Contribution		-	-	-
Total operating revenue		32,469	35,217	35,874
Expenditure				
Other Operating Expenses	9	14,064	17,528	16,529
Depreciation and amortisation	19 & 20	11,300	11,532	11,720
Personnel Costs	7	4,933	4,812	5,175
Finance Costs	3	498	923	626
Total operating expenditure before asset gains/losses		30,795	34,795	34,050
Operating surplus/(deficit) before asset gains/losses		1,673	423	1,824
Other asset gains/(losses)	6	(3,663)	(251)	30
Operating surplus/(deficit) before tax		(1,990)	172	1,854
Less Taxation Expense/Plus Refund	11	-	-	-
Surplus/(deficit) after tax		(1,990)	172	1,854
Surplus/(deficit) attributable to:				
Parent Interest (Taranua District Council)	24	(1,990)	172	1,854
Non-controlling Interest	24	-	-	-
Surplus/(deficit) for the period		(1,990)	172	1,854
Other Comprehensive Revenue and Expense				
Gains/(losses) on assets revaluation	25	13,052	73	21,323
Financial assets at fair value through other comprehensive revenue & expense	24	-	-	-
Tax on Equity Items		-	-	-
Other Comprehensive Revenue and Expense Subtotal		13,052	73	21,323
Total Comprehensive Revenue and Expense		11,062	244	23,177

* Rates revenue excludes targeted water rates.

Explanations of major variances against budget are provided in Note 37.

These Statements should be read in conjunction with the 'Notes to the Financial Statements'.

Statement of Changes in Equity for the Year Ended 30 June 2015

	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Balance at 1 July		869,604	880,666	899,739
Total comprehensive revenue & expense previously reported		11,062	244	23,177
Dividends Paid		-	-	-
Total Balance at 30 June		880,666	880,910	922,916
Total Comprehensive Revenue and Expense attributable to:				
Tararua District Council		11,062	244	23,177
Minority Interest		-	-	-
Total Comprehensive Revenue and Expense		11,062	244	23,177
Detailed Changes				
Accumulated Funds				
Balance at 1 July		357,890	350,455	359,144
Net Surplus/(Deficit) after Tax for the Year		(1,990)	172	1,824
Fair value through equity		-	-	-
Net transfers between Equity and Reserves		(5,445)	(3,715)	(2,152)
Dividends paid		-	-	-
Balance at 30 June		350,455	346,912	358,816
Asset Revaluation Reserves				
Balance at 1 July		491,874	504,901	518,657
Increase in Revaluation Reserves		13,026	73	21,323
Balance at 30 June		504,901	504,973	539,980
Special Funded Reserves				
Balance at 1 July		19,791	25,260	21,720
Increase in Special Reserves		5,469	3,715	2,152
Balance at 30 June		25,260	28,976	24,072
Trust Funds				
Balance at 1 July		48	50	48
Increase in Trust Funds		2	(1)	-
Balance at 30 June		50	49	48
Minority interest		-	-	-
Total Equity at 30 June		880,666	880,910	922,916

Explanations of major variances against budget are provided in Note 37.

These Statements should be read in conjunction with the 'Notes to the Financial Statements'.



Statement of Financial Position as at 30 June 2015

	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Assets				
Current Assets				
Cash and cash equivalent	1	9,518	4,341	4,495
Debtors and other receivables	12	3,848	5,213	5,045
Other financial assets	15	3,124	5,523	3,089
Non-current assets held for sale	16	360	-	-
Inventories	14	93	272	658
Total Current Assets		16,941	15,349	13,287
Non-Current Assets				
Other financial assets	15	139	158	3,813
Investment held in New Zealand Local Government Insurance Corporation Ltd	15	118	118	-
Debtors and other receivables	12	27	-	-
Investment Property	17	1,696	1,737	1,765
Forestry assets	13	1,269	1,414	1,271
Intangible assets	20	793	875	892
Property, plant & equipment – operational	19	34,687	33,641	32,512
Property, plant & equipment – infrastructure	19	836,813	839,419	880,724
Property, plant & equipment – restricted	19	4,716	4,769	5,178
Total Non-Current Assets		880,260	882,132	926,155
Total Assets		897,203	897,481	939,442
Liabilities				
Current Liabilities				
Payables and deferred revenues	21	3,466	4,286	2,803
Borrowings – current	23	6,000	1,000	-
Employee entitlements	8	549	407	600
Total Current Liabilities		10,015	5,694	3,403



	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Non-Current Liabilities				
Borrowings – non-current	23	5,087	9,482	11,719
Employee entitlements	8	73	29	81
Tenant contributions	18	675	675	675
Provision for landfill aftercare	22	686	692	648
Total Non-Current Liabilities		6,521	10,878	13,123
Total Liabilities		16,537	16,572	16,526
Equity				
Accumulated Funds	24	350,455	346,912	358,816
Asset Revaluation Reserves	25	504,901	504,973	539,980
Special Funded Reserves	26	25,260	28,976	24,072
Trust Funds	27	50	49	48
Total Equity		880,666	880,910	922,916
Total Liabilities and Equity		897,203	897,481	939,442

Explanations of major variances against budget are provided in Note 37.

These Statements should be read in conjunction with the 'Notes to the Financial Statements'.



Statement of Cash Flows for the Year Ended 30 June 2015

	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Cash Flows from Operating Activities				
Cash was provided from:				
Rates		19,454	19,702	20,070
Grants and subsidies		9,494	8,278	10,556
Fees, charges and other receipts (including Donations)		3,642	2,706	4,180
Interest received		385	435	353
Dividends & subvention payment received		234	-	-
Income tax refunds		-	-	-
Other revenue		1,247	2,997	715
GST refunds		-	-	-
		34,456	34,118	35,874
Cash was applied to:				
Suppliers		(14,466)	(17,015)	(16,529)
Employee benefit costs		(4,976)	(4,959)	(5,175)
Interest paid		(363)	(509)	(626)
Income tax payments		-	-	-
GST payments		-	-	-
		(19,805)	(22,483)	(22,330)
Net cash inflow (outflow) from operating activities	28	14,653	11,635	13,544
Cash Flows from Investing Activities				
Cash was provided from:				
Proceeds from sale of property, plant and equipment		36	39	30
Proceeds from investment property		-	-	-
Proceeds from investments realised		4,444	3,146	3,000
		4,480	3,185	3,030
Cash was applied to:				
Purchase of property, plant and equipment		(11,293)	(13,135)	(15,394)
Purchase of Intangible assets		(182)	(308)	-
Purchase of investments		(3,236)	(5,555)	(2,152)
		(14,711)	(18,997)	(17,771)
Net cash inflow (outflow) from investing activities		(10,233)	(15,812)	(14,516)



	Note	2013/14 Council Actual \$000s	2014/15 Council Actual \$000s	2014/15 Council Plan \$000s
Cash Flows from Financing Activities				
Cash was provided from:				
Proceeds from borrowings		7,356	5,000	6,034
Tenant contributions received		-	-	-
		7,356	5,000	6,034
Cash was applied to:				
Dividend paid		-	-	-
Tenant contributions repaid		-	-	-
Repayment of borrowings		(6,500)	(6,000)	(5,000)
		(6,500)	(6,000)	(5,000)
Net cash inflow (outflow) from financing activities		856	(1,000)	1,034
Net increase (decrease) in cash held		5,276	(5,177)	62
Total cash resources at start of the year		4,242	9,518	4,433
Total cash resources at end of the year	1	9,518	4,341	4,495

Explanations of major variances against budget are provided in Note 37.

These Statements should be read in conjunction with the 'Notes to the Financial Statements'.

Whole of Council Funding Impact Statement

	2013/14 Actual	2013/14 Budget	2014/15 Actual	2014/15 Budget
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	5,183	6,685	5,978	5,960
Targeted rates (other than a targeted rate for water supply)	14,223	12,724	14,105	14,110
Subsidies and grants for operating purposes	4,087	3,744	3,876	3,915
Fees, charges, and targeted rates for water supply	2,928	4,428	2,956	4,180
Interest and dividends from investments	604	662	450	353
Local authorities fuel tax, fines, infringement fees, and other receipts	1,249	259	2,149	715
Total Operating Funding	28,274	28,502	29,514	29,233
Applications of Operating Funding				
Payment to staff and suppliers	19,768	21,087	23,092	21,704
Finance costs	498	530	923	626
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding	20,266	21,617	24,015	22,330
Surplus/(Deficit) of Operating Funding	8,008	6,885	5,499	6,903
Sources of Capital Funding				
Subsidies and grants for capital expenditure	4,877	6,352	5,628	6,642
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	856	1,214	(605)	972
Gross proceeds from sale of assets	36	-	-	30
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	829	-
Total Sources of Capital Funding	5,769	7,566	5,852	7,644
Applications of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	84	-	14
- to improve the level of service	3,468	7,460	6,232	6,742
- to replace existing assets	7,625	7,431	7,329	8,638
Increase (decrease) in reserves	(1,810)	2,475	(2,210)	2,152
Increase (decrease) of investments	4,494	(3,000)	-	(3,000)
Total Applications of Capital Funding	13,777	14,450	11,351	14,546
Surplus/(Deficit) of Capital Funding	(8,008)	(6,883)	(5,499)	(6,903)
Funding Balance	-	-	-	-

Reconciliation Whole of Council Funding Impact Statement to Comprehensive Revenue and Expense

	2013/14 Actual	2013/14 Budget	2014/15 Actual	2014/15 Budget
Revenue				
Statement of Comprehensive Revenue and Expense	32,381	34,931	35,217	35,874
Summary Funding Impact Statement				
Sources of Operating Funding				
Total operating funding	28,274	28,502	29,514	29,233
Add sources of capital funding:				
- Subsidies and grants for capital expenditure	4,877	6,352	5,628	6,642
- Investment (gains/losses)	-	77	-	-
Other dedicated capital funding	-	-	829	-
Less rates remission and discount	(494)	-	(464)	-
Less internal rates revenue eliminated	(277)	-	(289)	-
Total Revenue	32,381	34,931	35,217	35,874
Expenditure				
Statement of Comprehensive Revenue and Expense				
Operating expenditure	30,795	33,553	34,795	34,050
Total application of operating funding	20,266	21,617	24,015	22,330
Add depreciation and amortisation expense	11,300	11,935	11,532	11,720
Less rates remission and discount	(494)	-	(464)	-
Less internal rates revenue eliminated	(277)	-	(289)	-
Total Expenditure	30,795	33,553	34,795	34,050



Statement of Accounting Policies

For the year ended 30 June 2015

Reporting Entity

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

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return. The Council has designated itself as a public benefit entity (PBEs) for financial reporting purposes.

The group consists of Tararua District Council, its subsidiaries. They are domiciled and incorporated in New Zealand.

The group consists of:

- Infracon Limited (in Liquidation), a 66% owned subsidiary – profit orientated entity.
- Manawatu-Wanganui LASS Limited, a 14% owned associate – public benefit entity.

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

Basis of Preparation

Statement of Compliance

Infracon Limited (the Company) was placed into liquidation effective 25 August 2014 by the Company's Shareholders, Tararua District Council and Central Hawkes Bay District

Council, and PricewaterhouseCoopers was appointed as liquidators of the Company.

At 30 June 2015, Council no longer had control over Infracon Limited and had no subsidiaries. Therefore, Council is not required to prepare consolidated financial statements.

Measurement Base

The financial statements have been prepared on an historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, financial instruments (including derivative instruments), and carbon credits.

Functional and Presentation Currency

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

Changes in Accounting Policies

Public Benefit Entity Accounting Standards (PBE IPSAS)

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by way of public sector entities for reporting periods beginning on or after 1 July 2014. The Council has applied these standards in preparing the 30 June 2015 financial statements.

This is the first set of financial statements presented in accordance with PBE IPSAS standards.

Council prepared an opening statement of financial position and restated comparatives to comply with the new standards. The material adjustments arising on transition to the new PBE accounting standards are explained in Note 38.

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

Change in Revaluation Date

Council has changed its asset revaluation date from 30 June to 1 July.

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

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council are:

Public Benefit Entity Accounting Standards (PBE IPSAS)

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 beginning on or after 1 April 2015. The Council will apply these updated standards in preparing its 30 June 2016 financial statements. The Council expects that there will be minimal or no change in applying these updated accounting standards.

Subsidiaries

Infracon Limited (the Company) was placed into liquidation effective Monday 25 August 2014 by the Company's Shareholders, Taranua District Council and Central Hawkes Bay District Council. The Shareholders also resolved to appoint PricewaterhouseCoopers as liquidators of the Company.

At 30 June 2015, Council no longer had control over Infracon Limited and had no subsidiaries. Therefore, Council is not required to prepare consolidated financial statements.

Associates

Associates are entities over which Council has significant influence but not control and are neither subsidiaries nor joint venture interests.

Investments in associates are recorded in the financial statements using the equity method and are initially recognised at cost in the parent financial statements. The carrying amount is increased or decreased to recognise Council's share of the surplus or deficit in the associate after

the date of acquisition. Council's share of the surplus or deficit in the associate is recognised in surplus or deficit. Distributions from associates are recognised in the financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, Council discontinues recognising its share of further deficits. After Council's interest is reduced to zero, additional deficits are provided for, and liability is recognised, only to the extent that the Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where Council transacts with an associate, surplus or deficits are eliminated to the extent of Council's interest in the associate.

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

Revenue

Revenue is measured at fair value.

Revenue may be derived from either exchange or non-exchange transactions.

Exchange and Non-exchange Transactions

An exchange transaction is one in which the Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange. Non-exchange transactions are where the Council receives value from another entity without giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Rates Revenue

The following policies of rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised on as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage.



- Rates remissions are recognised as a reduction of rates revenue when the Council has received on application that satisfies its rates remission policy.

Contribution Revenue

Development contributions and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service that gave rise to the charging of the contribution. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Government Subsidies

Government grants, for example from NZ Transport Agency, Ministry of Health and Ministry of Environment, are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Provision of Services

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

Vested Assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue, unless there is a return condition attached to the asset. Assets vested in Council are recognised as revenue when control over the asset is obtained.

The fair value of vested assets is determined by reference to the cost of constructing the asset.

Sales of Goods

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

Commission

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

Dividends

Dividends are recognised when the right to receive payment has been established.

Interest Revenue

Interest revenue is recognised using the effective interest method.

Borrowing Costs

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

Grant Expenditure

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

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

Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Income Tax

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

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

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

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be

available against which the deductible temporary differences or tax losses can be utilised.

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

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

Leases

Finance Leases

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

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

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

Operating Leases

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

Cash and Cash Equivalents

Cash and cash equivalents includes cash 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.

Bank overdrafts where applicable are shown within borrowings in current liabilities in the statement of financial position.

Debtors and Other Receivables

Debtors and other receivables are measured at face value less any provision for impairment.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

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

The write down from cost to current replacement cost or net realisable value is recognised in the surplus or deficit.

Financial Assets

Financial assets are initially recognised 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 Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Council classifies its financial assets into the following categories: 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 instruments were acquired. Management determines the classification of its investments at initial recognition.

Financial Assets at Fair Value Through Surplus or Deficit

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

Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset.



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

Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from financing activities.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at each balance date. The resulting gain or loss is recognised in the surplus or deficit as part of finance costs.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. Council's loans and receivables comprise cash and cash equivalents, debtors and other receivables, term deposits, community and related party loans.

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

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

Held to Maturity Investments

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

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

Financial Assets at Fair Value Through Other Comprehensive Revenue and Expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated as fair value through equity or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date. Council's financial assets at fair value through other comprehensive revenue and expense comprise local authority stock and investments in quoted and unquoted shares.

Council includes in this category:

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

After initial recognition, these investments are measured at their fair value, with gains and losses recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus or deficit. On derecognition the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Fair Value

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. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

Other techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

Impairment of Financial Assets

At each balance sheet 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 the surplus or deficit.

Loans and Other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the

asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account.

Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that the Council will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

Fair Value Through Other Comprehensive Revenue and Expense

For equity investments classified as fair value through other comprehensive revenue and expense, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) is removed from equity and recognised in the surplus or deficit.

Impairment losses recognised in the surplus or deficit on equity investments are not reversed through the surplus or deficit.

Non-Current Assets Held for Sale

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

Any impairment losses for write-downs of 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 (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, Plant and Equipment

Property, plant and equipment consists of:

Operational assets – These include land, buildings, library books, plant and equipment, motor vehicles, fibre cabling and conduits, furniture and fittings, and swimming pools.

Infrastructure assets – Infrastructure assets includes the roading corridor network, footpaths and 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.

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

Property, plant and equipment is 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 included 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 accumulated funds.

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.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Land, land under roads, restricted assets, assets under construction, investment properties, and biological assets are not depreciated.

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

Asset Category	Useful Life	Depreciation Rate
Operational & Restricted Assets		
Buildings	9–80	(1.3%–11.1%)
Computer equipment	2–45	(2.2%–50%)
Fibre cabling and conduits	20–30	(3%–5%)
Furniture and fittings	2–45	(2.2%–50%)
Library collections	1–10	(10%–100%)
Motor vehicles	5–20	(5%–20%)
Plant and equipment	2–33	(3%–50%)
Swimming pools	15–50	(2%–6.7%)
Infrastructural Assets		
Roading		
Top surface (seal)	15–18	(5.6%–6.7%)
Top Surface (Unsealed)	1	(100%)
Pavement (seal base course)	30–90	(1.1%–3.33%)
Pavement (unsealed base course)	Not depreciated	
Sub-base (Rural)	Not depreciated	
Sub-base (Urban)	40	(2.5%)
Formation	Not depreciated	
Culverts	50–80	(1%–1.37%)
Kerbing	25–100	(1%–4%)
Footpaths	10–100	(1%–10%)
Signs	8	(12.5%)
Streetlights	12–30	(3.3%–8.3%)
Bridges	50–140	(0.7%–2%)
Stormwater		
Pipes	80	(1.3%)
Manholes	100	(1%)
Wastewater Network		

Asset Category	Useful Life	Depreciation Rate
Pipes & Manholes	60–120	(0.8%–1.7%)
Treatment Ponds	80	(1.3%)
Pumps	10	(10%)
Flow Monitoring Equipment	10	(10%)
Water Network		
Monitoring Equipment (hardware)	5–20	(5%–20%)
Pipes, Hydrants, Valves	50–120	(0.8%–2%)
Treatment Plants	10–100	(1%–10%)
Pumps	15–25	(4%–6.7%)
Tanks	40–200	(0.5%–2.5%)
Waste Management	2–17	(5.9%–50%)
Items under construction	Non-depreciable	

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

Revaluation

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

Revaluations	Frequency
Infrastructural Assets	Annually
Roads (except land under roads)	Annually
Bridges	Annually
Sewerage	Annually
Stormwater	Annually
Water	Annually
Land	Every 3 years
Restricted Assets	Every 3 years
Buildings	Every 3 years

Land, buildings (operational and restricted), and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. All other asset classes are carried at depreciated historical cost.

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

The results of revaluing are credited or debited to other comprehensive revenue and expense and held 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 expensed 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 credited to other comprehensive revenue and expense and held in the revaluation reserve for that class of asset.

Infrastructural asset classes: roads, water reticulation, sewerage reticulation and stormwater systems

Infrastructure assets are revalued at fair value determined on a depreciated replacement cost basis and reviewed by an independent valuer. These assets are revalued annually as at 1 July.

Operational and Restricted Land and Buildings

These are revalued at fair value as determined from market based evidence by an independent valuer on a three yearly cycle at 1 July.

Land Under Roads

Land under roads, was valued based on fair value of adjacent land as determined by reference to the Council rating data. Subsequently, this has not been revalued.

Unformed or Paper Roads

An unformed or paper road is a term for a road that is legally established and recorded in survey plans, but has not been formed, and that ownership of the land associated with the paper road resides with Council.

Council does not recognise land under unformed paper roads in the statement of financial position because there is no service potential from the majority of paper roads. The public good of having access routes is very difficult to value. In addition there is a very limited market for sale to the surrounding or adjacent property owner, and cannot be measured reliably because of the small individual area of many paper roads to those adjacent or surrounding properties, and the high cost of sale.

Intangible Assets

Software Acquisition and Development

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

Costs that are directly associated with the development of software for internal use by Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

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

Carbon Credits

Carbon credits are initially recognised at cost, or fair value on free carbon credits. After initial recognition, all carbon credits are revalued, annually, at fair value.

The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated through revaluation reserve. Where this results in a debit balance in the reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses 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.

Carbon credits are not amortised.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in surplus or deficit.

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

	Useful life	Depreciation Rate
Computer software	3-5 years	20-33%

Forestry Assets

Forestry assets are revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the surplus or deficit.



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

Investment Property

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

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

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

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit. Investment properties are not depreciated.

Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

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 it's remaining future economic benefits or service potential.

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

Livestock

A small number of deer are kept for recreational purposes, hence are not revalued but recognised at cost. These are held as inventory.

Payables and Deferred Revenue

Payables and deferred revenue are initially measured at face value.

Employee Benefits

Short-Term Entitlements

Employee benefits that expect 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, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

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

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-Term Entitlements

Long Service Leave and Retirement Leave

These are long-term employee benefits that are assessed on an accrued entitlement basis at current rates of pay.

Superannuation Schemes

- **Defined Contribution Schemes**

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

- **Defined Benefit Schemes**

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

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the obligation. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Financial Guarantee Contracts

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

Financial guarantee contracts are initially recognised at fair value even if payment under guarantee is not considered probable. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a liability is recognised based on the probability that Council will be required to reimburse a holder for a loss incurred and is disclosed as a contingent liability.

Borrowing

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

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

Equity

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

The components of equity are:

- Accumulated funds
- Asset revaluation reserves
- Special funded reserves
- Trust funds

Asset Revaluation Reserve

This reserve relates to the revaluation of infrastructure assets, carbon credits, land, and buildings to fair value.

Special Funded and Council Created Reserves

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

Council's Treasury Policies and Long Term Plan allow internal borrowing against these reserves on the basis they will be reimbursed over time or at time of need.

Trust Funds

Trust funds are those subject to specific conditions accepted as binding by Council. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Good and Service Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

The budget figures are those approved by the Council at the beginning of the year in the most current of the annual plan or the Long Term 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 the financial statements.

Cost Allocation

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



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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant on the following cost drivers: expenditure, floor area, employees and assets.

Statement of Cash Flows

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. They include cash received from all revenue sources (such as rates, taxes and government grants) and record the cash payments made for the supply of goods and services (including payments to other public benefit entities to finance their operations, but not loans). Agency transactions are not recognised as receipts and payments in the Statement of Cash Flows as they do not represent transactions that Council can control.

Investing activities are those activities relating to the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

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

Rounding

There will be rounding of numbers in the Annual Report as the financial reporting model used calculates to the dollar but the Annual Report is rounded to the nearest thousand.

Critical Accounting Estimates and Assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Landfill Aftercare Provision

Note 22 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit.

To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the 'New Zealand Infrastructural Asset Valuation and Depreciation Guidelines' published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers are used in performing or reviewing the Council's infrastructural asset revaluations.

Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2015.

Classification of Property

Council owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's housing policy. These properties are accounted for as property, plant and equipment.

Property, plant and equipment useful lives and residual values

At each balance date the Council reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires Council to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by Council, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the statement of revenue and expense, and carrying amount of the asset in the statement of financial position. Council minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

Council has made changes to past assumptions concerning useful lives and residual values. Council has increased the life range on bridges from 100 years to 140 years, and has also increased the life range on water monitoring equipment from five years to 20 years. The carrying amounts of property, plant and equipment are disclosed in Note 19.

Notes to Financial Statements

For the year ended 30 June 2015

1. Cash and Cash Equivalents

The average interest rate received on the Bank Deposit for the 2014/15 year was 4.1%. In 2013/14 this was 3.6%.

	2013/14 Council \$000s	2014/15 Council \$000s
Cash at bank and in hand	5,473	841
Term deposits maturing 3 months or less from date of acquisition	4,045	3,500
Total Cash and Cash Equivalents	9,518	4,341

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

Financial assets recognised in a non-exchange transaction that are subject to restrictions

The Council holds unspent funds, included in cash a bank and investments, of \$49,000 (2014: \$50,000). These unspent funds relate to trusts received (Note 27). The restrictions generally specify how the funds are required to be spent.

Cash and bank overdrafts include the following for the purposes of the cash flow statement:

	2013/14 Council \$000s	2014/15 Council \$000s
Cash and cash equivalent current asset	5,473	841
Short term deposits maturing 3 months or less from date of acquisition	4,045	3,500
Cash and cash equivalent current liability – bank overdraft	-	-
Total Cash Resources	9,518	4,341

2. Rates Revenue

	2013/14 Council \$000s	2014/15 Council \$000s
General Rates		
Uniform Annual General Charge	3,610	3,797
General Land Rates	1,574	2,180
Targeted Rates Attributable to Group of Activities		
Community and Recreation Facilities	1,324	1,386
District Promotion and Economic Development	274	288
Regulatory Services	247	302
Roading and Footpaths	7,438	7,077
Solid Waste Management	710	731
Stormwater	728	755
Wastewater	1,970	2,044
Water Supplies	1,531	1,522
Rates Revenue before Discount	19,406	20,082
Less 3% discount for full payment at time of first instalment	(73)	(77)
Rates Revenue after Discount	19,333	20,005
Less Rates Remissions	(421)	(388)
Less Rates internally charged to Council	(277)	(290)
Plus Net Rates Penalties	291	301
Total revenue from rates	18,926	19,630

Rates Remissions

	2013/14 Council \$000s	2014/15 Council \$000s
Rates Remissions		
Footpath Development Loans (Dannevirke Town Centre)	8	8
Sewerage – educational establishments	96	84
General Rates	277	259
General Rates – not for profit sports and cultural	40	37
Total	421	388

Council had 10,763 rateable assessments as at 30 June 2014. The total capital and land value of these assessments was \$4,570,203,150 and \$2,892,528,040 respectively.

The total amount of rates received from targeted rates for metered water supply for the financial year 2014/15 was \$476,000 (\$474,000 in 2013/14).

3. Finance Revenue and Finance Costs

	2013/14 Council \$000s	2014/15 Council \$000s
Finance Revenue		
Interest on bank deposits	372	450
Total Finance Revenue	372	450
Finance Costs		
Interest on bank overdraft	-	-
Landfill interest expense	63	5
Fair value movement of derivative	(145)	395
Interest on standby facility	-	-
Interest on secured loans	579	523
Total Finance Costs	498	923
Net Finance (Costs)/Gain	(127)	(473)

4. Fees and Charges

	2013/14 Council \$000s	2014/15 Council \$000s
Building and planning consent charges	346	346
Dog registration fees	179	194
Landfill and transfer station charges	458	461
Pensioner housing rent	358	352
Trade waste charges	71	101
Metered water charges	474	476
Petroleum tax	158	158
Rendering of services	-	44
Other fees and charges	593	524
Total	2,637	2,655

5. Other Revenue

	2013/14 Council \$000s	2014/15 Council \$000s
Revenue from the various domain boards	130	135
Bequests and other donations	-	-
Insurance recoveries:		
- motor vehicles	-	-
- wastewater pipes	-	760
- buildings	-	69
Other	588	64
Total Miscellaneous Revenue	718	1,029

6. Other Gains and Losses

	2013/14 Council \$000s	2014/15 Council \$000s
Gain on disposal of property, plant & equipment	(710)	(282)
Gain (loss) on non-current assets held for sale	(15)	-
Loss on impairment of assets/investments	(3,609)	-
Gain (Loss) on Investment properties	(17)	(319)
Gain (Loss) on change in forestry value	(172)	311
Gain on over provision of liability	-	39
Gain (Loss) on transfer of shares from subsidiary	860	-
Total Gains/(Losses)	(3,664)	(251)

7. Personnel Costs

Salaries and wages includes movements in employee benefit liabilities.

	2013/14 Council \$000s	2014/15 Council \$000s
Salaries and wages	4,636	4,714
Defined contribution plan employer contributions	104	123
Termination benefits	-	-
Other benefits	-	-
Training costs	238	159
Increase/(decrease) in employee entitlements/liabilities	(45)	(184)
Total Employee Benefit Costs	4,933	4,812

Employer contributions to defined contribution plans include contributions to Kiwisaver and the DBP Contributors Scheme.

8. Employee Entitlements

	2013/14 Council \$000s	2014/15 Council \$000s
Accrued pay	213	84
Annual leave	337	322
Long service leave	3	3
Retirement leave	67	26
Sick leave	-	-
Total Employee Provisions	620	436
Made up of:		
Current portion of employee provisions	549	407
Non-current portion of employee provisions	73	29
Total Employee Provisions	620	436

Employee Provisions – Movements

	2013/14 Council \$000s	2014/15 Council \$000s
Opening Balance	665	620
Additional provision	358	211
Amount used	(403)	(395)
Net Movement for the Year	(45)	(184)
Closing Balance	620	436

9. Other Operating Expenses

	2013/14 Council \$000s	2014/15 Council \$000s
Audit fees for financial statement audit – current year	108	108
Audit fees for financial statement audit – prior year	8	-
Audit fees for Long Term Plan	-	78
Audit fees for other services*	-	17
Impairment of receivables movement (see note 12)	19	16
Impairment of property plant & equipment	-	-
Donations	-	-
Inventory consumption	-	49
Rental and operating lease expenses	-	27
Other operating expenses	13,930	17,232
Total Other Operating Expenses	14,064	17,528

* The fees to Audit New Zealand for other services in the year ending 30 June 2015 was in relation to a probity review for the roading corridor contract.

10. Depreciation & Amortisation Expense by Group of Activities

	2013/14 Council \$000s	2014/15 Council \$000s
Building Communities and Leadership	4	4
Community and Recreation Facilities	1,904	2,015
District Promotion and Economic Development	5	9
Regulatory Services	89	87
Roading and Footpaths	7,257	7,332
Solid Waste Management	82	90
Stormwater	216	226
Wastewater	740	775
Water Supplies	1,003	995
Total	11,300	11,532

This note is disclosed to be compliant with Schedule 10 of the Local Government Act 2010.

11. Taxation

	2013/14 Council \$000s	2014/15 Council \$000s
Income Tax Expense		
Components of Tax Expense		
Current tax expense	-	-
Adjustments to current tax in prior years	-	-
Deferred liability	-	-
Total Income Tax Expense	-	-
Relationship between Tax and Accounting Profit		
Operating surplus/(deficit) before income tax	(1,990)	172
Prima facie tax @ 28%	(557)	48
Timing difference	-	-
Tax effect of permanent differences:		
Non-deductible expenditure	557	(48)
Deferred tax adjustment	-	-
Recognition of tax effect of losses: Net additional/or (use) of losses	-	-
Imputation credits attached to dividends received	-	-
Income tax over provided in prior year	-	-
Total Income Tax Expense	-	-



12. Debtors and Other Receivables

(Amounts include GST)	2013/14 Council \$000s	2014/15 Council \$000s
Rates receivables	1,651	1,658
Related party receivables	-	-
Community loans	-	-
Sundry debtors	594	465
Sundry debtors - NZ Transport Agency: roading subsidies	1,137	2,368
Interest accrued	47	63
Prepayments	125	176
Loans to related parties	-	-
Contract work in progress	-	-
Other receivables	450	657
	4,005	5,386
Less provision for impairment of receivables	(158)	(173)
Current Portion	3,847	5,213
Non-Current Portion		
Loans to related parties	-	-
Prepayments	27	-
Community loans	-	-
Non-Current Portion	27	-
Total Trade And Other Receivables	3,875	5,213
Total receivables comprise:		
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates	3,509	4,754
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	366	459

The rates receivable are as follows for assessed impairment, net collectable and debtor aging:

(Amounts include GST)	2013/14 Council \$000s	2014/15 Council \$000s
Total rates receivable	1,651	1,658
Less assessed impairment	(86)	(86)
Net assessed as collectible after rating sales & expected collection	1,565	1,572
Collectible split for rating years as:		
>12 months	674	709
<12 months	891	863
Carrying amount	1,565	1,572

The trade and receivables excluding rates receivable are as follows for assessed impairment, net collectable and debtor aging:

(Amounts include GST)	2013/14 Council \$000s	2014/15 Council \$000s
Current	1,755	2,252
1 month	442	1,316
2 months	-	20
Over 2 months	23	52
	2,310	3,641

Fair Value

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of debtors and other receivables approximates their fair value. The carrying amount of receivables that are past due, but not impaired, whose terms have been renegotiated is \$NIL (2014: \$NIL).

Impairment

Council provides for impairment on some rates receivable for properties undergoing rating sales and a portion unlikely to be collected. However, it also has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The carrying amount of receivables that would otherwise be past due or impaired, whose terms have been renegotiated is \$86,000 (2014: \$86,000).

The status of receivables as at 30 June 2015 are detailed below:

- There is only one concentration of credit risk with respect to receivables. Council has one large debtor in respect of NZ Transport Authority providing government subsidy for Rooding. This concentration of risk and reliance on Government is not considered to be a matter of concern because of the New Zealand Government's strong credit rating.
- The face value of loans to related parties is \$NIL (2014: \$NIL).
- The carrying value of trade and other receivables (excluding loans to related parties) approximates their fair value. As of 30 June 2015, all overdue receivables have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provision has been calculated based on expected losses for Council pool of debtors. Expected losses have been determined based on an analysis of Council losses in previous periods, and review of specific debtors.

Impairment of Receivables

Movements in the provision for impairment of receivables for Council is as follows:

	2013/14 Council \$000s	2014/15 Council \$000s
At 1 July	139	158
Additional/(reduction in) provisions made during the year	19	15
Less receivables written off during period	-	-
At 30 June	158	173

13. Forestry Assets

	2013/14 Council \$000s	2014/15 Council \$000s
Balance at 1 July	203	1,269
Increases due to purchases	-	-
Transfer of forest to Council	1,237	-
Gains/Losses arising from changes in fair value - less estimated sale costs	(171)	310
Decreases due to sales	-	-
Decrease due to harvest	-	(165)
Balance at 30 June	1,269	1,414

Council

Council owns 400.9 hectares of pinus radiata forest and 6 hectares of cypress/native (406.9 hectares of forest) at year end (2014: 417.2 hectares). The trees are at varying stages of maturity ranging from 0–30 years.

During the 2014/15 year, Council harvested 51.3 hectares of forest at Birch North (2013/14: 36.7 hectares).

Registered valuer, P F Olsen, has valued forestry assets as at 30 June 2015. A post-tax discount rate of 7% was used to discount the present value of expected cash flows.

Financial Risk Management Strategies

Council is exposed to financial risks arising from changes in timber prices. Council manages this risk by:

- delaying or bringing forward the harvest;
- choosing the right markets – e.g. domestic or export;
- choosing the log type with the higher returns.

14. Inventory and Livestock

	2013/14 Council \$000s	2014/15 Council \$000s
Held for distribution inventory		
Rural fire consumables	30	26
Fuel and oil	-	-
Paper stock	27	23
i-SITE stock	3	3
Commercial inventory		
Livestock	4	3
Forestry	-	167
Material stocks	28	50
Total Inventory and Livestock	93	272

No inventories were pledged as security for liabilities nor are any inventories subject to retention of title clause.

15. Other Financial Assets

	2013/14 Council \$000s	2014/15 Council \$000s
Current Portion		
Short term deposits greater than 3 months but less than 12 months	3,124	5,523
Total Current Portion	3,124	5,523
Non-current Portion		
Term deposits greater than 12 months	-	-
Local Government Funding Agency borrower notes	112	144
Shares - subsidiaries	-	-
Taranaki Aquatic Community Trust settled by Council (Initial \$500 capital)	1	1
Loan to Bush Multisport Trust	26	12
New Zealand Local Government Insurance Corporation Limited	118	118
MW LASS shares	1	1
Total Non-Current Portion	257	276
Total Investments	3,381	5,576

Term Deposits

The carrying amount of term deposits approximates their fair value.

Infracon Limited (in Liquidation)

Infracon Limited was placed into liquidation on 25 August 2014.

Council's investment in Infracon Limited (in Liquidation) has been fully impaired as at 30 June 2014.

Loan to Bush Multisport Trust

This is a loan to Bush Multisport Trust, from April 2011, with an interest rate of 6%. Fair value of the loan equals the face value.

Impairment

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

16. Assets Held for Sale

The Council-owned building on Thyra Street has been presented as held for sale following the approval by the Council on February 2012 to sell the property. The Council has approved the sale of the property, as it will provide no future use to the Council. The completion date of the sale was extended to 2013/14, however, the conditional offer did not proceed due to conditions of sale not being met. Council has not been actively marketing this property, therefore, it has been transferred back to Investment Property.

Non-current assets held for sale	2013/14	2014/15
Buildings	278	-
Land	82	-
Total Non-Current Assets Held for Sale	360	-

17. Investment Property

	2013/14 Council \$000s	2014/15 Council \$000s
Balance at 1 July	1,713	1,696
Additions from reclassification	-	360
Disposals	-	-
Fair value gains/(losses) on valuation	(18)	(319)
Balance at 30 June	1,696	1,737
Rental revenue	103	47
Direct operating expenses	(28)	(20)
Surplus/(Deficit)	75	27

Council investment properties are valued annually at fair value effective 30 June. All investment properties are valued based on open market evidence. The valuation was performed by independent registered valuer Alex Robson (MPINZ) of Aon New Zealand.

18. Tenant Contributions

Council owns 12 self-contained flats styled "Tenant Contribution Flats". The tenants of these flats make an interest-free loan to Council on signing a lease, and Council repays the loan upon the tenant vacating the flat. The amount of the loan varies from flat to flat but generally is set at 75% of the current market value of the unit at the time the lease is signed.

At 30 June 2015 the loans repayable to tenants totalled \$675,075 (2014: \$675,075).

19. Property, Plant & Equipment

Valuation

Council Valuations

Infrastructure Assets – Roading Network, Water Network, Sewerage Network and Stormwater Network

These assets are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

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

The most recent valuation was performed by Ray Cannon BTech Civil Engineering (UK), Council's Consultancy Roading Manager and Engineer, and reviewed by independent registered valuer, Ian Henderson at Aon New Zealand, using optimised depreciated replacement cost. The valuation was effective as at 30 June 2014.

The total fair value valued by Council and reviewed by Aon New Zealand was \$830,956,306. There are no amounts of property, plant and equipment pledged as security for liabilities.

Land (operational, restricted, and infrastructural)

The most recent valuation of land and buildings was performed by an independent registered valuer, Simon O'Brien of Aon New Zealand. The valuation was effective as at 30 June 2014.

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

The total fair value of land valued by Aon New Zealand was \$9,271,800.

Buildings (operational and restricted)

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

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the replacement with modern equivalent assets with adjustments where appropriate for obsolescence due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- For Council's earthquake prone buildings that are expected to be strengthened, the estimated earthquake strengthening costs have been deducted off the depreciated replacement cost.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value. These valuations include adjustments for estimated



building strengthening costs for earthquake prone buildings and the associated lost rental during the time to undertake the strengthening work.

The most recent valuation was performed by an independent registered valuer, Simon O'Brien of Aon New Zealand. The valuation was effective as at 30 June 2014.

The total fair value of buildings (including improvements) valued by Aon New Zealand was \$25,576,620.

Disposal

The net loss on disposal of property, plant and equipment of \$282,000 has been recognised in the statement of comprehensive revenue and expense in the line item "Other asset gains/losses" and disclosed in Note 6.

Additions

Additions for the year totalled \$13,410,000. These consisted of constructed assets.

Council 2015

	Cost or Valuation Opening Bal 1 July 2014 \$000s	Accumulated Depreciation Opening Bal 1 July 2014 \$000s	Carrying Amount Opening Bal 1 July 2014 \$000s	Current Year Additions \$000s	Current Year Disposals \$000s
Operational Assets					
At Valuation					
Buildings	19,763	-	19,763	526	-
Land	9,274	-	9,274	-	-
Heritage	1,817	-	1,817	-	-
At Cost					
Computer Equipment	1,705	(1,452)	253	338	(484)
Fibre Cabling & Conduits	1,051	(211)	840	13	-
Furniture and Fittings	702	(587)	115	56	-
Library Collections [†]	1,379	(1,089)	290	86	-
Motor Vehicles	1,700	(764)	936	164	(193)
Plant and Machinery	2,170	(1,213)	957	259	-
Swimming Pools	473	(170)	303	5	-
Work in Progress	139	-	139	411	-
Total Operational Assets	40,174	(5,487)	34,687	1,858	(677)



Current Year Impairment Changes	Current Year Depreciation	Reverse Accum. Depn on Sales or Revaluation	Revaluation Movements	Adjustments* (Allocate WIP) (Re-Class Assets)	Cost or Valuation 30 June 2015	Accum. Depn & Impairment Closing Bal 30 June 2015	Carrying Amount Closing Bal 30 June 2015
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
-	(1,358)	-	-	1,044	21,333	(1,358)	19,975
-	-	-	-	-	9,274	-	9,274
-	-	-	-	(1,817)	-	-	-
-	-	-	-	-	-	-	-
-	(169)	481	-	-	1,559	(1,140)	419
-	(39)	-	-	-	1,064	(250)	814
-	(14)	-	-	-	758	(601)	157
-	(88)	-	-	-	1,465	(1,177)	288
-	(185)	192	-	-	1,671	(757)	914
-	(204)	-	-	-	2,429	(1,417)	1,012
-	(19)	-	-	-	478	(189)	289
-	-	-	-	(48)	502	-	502
-	(2,076)	673	-	(821)	40,533	(6,891)	33,641



	Cost or Valuation Opening Bal 1 July 2014	Accumulated Depreciation Opening Bal 1 July 2014	Carrying Amount Opening Bal 1 July 2014	Current Year Additions	Current Year Disposals
	\$000s	\$000s	\$000s	\$000s	\$000s

Infrastructure Assets

At Valuation

Road Network	670,482	-	670,482	6,100	-
Road Bridges and Culverts	56,550	-	56,550	433	(65)
Road Land	24,395	-	24,395	-	-
Road and Forestry Roads	252	-	252	63	-
Wastewater Treatment Plants and Facilities	8,206	-	8,206	13	-
Wastewater Network and Other Assets	14,719	-	14,719	733	(203)
Stormwater Systems	11,568	-	11,568	261	-
Street-lighting	1,061	-	1,061	278	(32)
Waste Management	1,088	(909)	178	-	-
Water Supply Treatment Plants and Facilities	10,001	-	10,001	15	-
Water Supply Network and Other Assets	33,251	-	33,251	174	(23)

At Cost

Work in Progress	6,150	-	6,150	3,483	-
Total Infrastructure Assets	837,723	(909)	836,813	11,552	(323)

Restricted Assets

At Valuation

Cemetery Reserves	1,551	-	1,551	-	-
Parks and Reserves	1,973	-	1,973	-	-
Road Reserves	646	-	646	-	-
Sundry Reserves	365	-	365	-	-
War Memorials	181	-	181	-	-
Total Restricted Assets	4,715	-	4,715	-	-
Total Council Assets	882,611	(6,396)	876,215	13,410	(1,000)

Plus Intangible Amortisation

Total Parent Depreciation and Amortisation

* The adjustments column refers to the reversal of the work in progress balances from the previous year and the reclassification of heritage assets.

† Library collections was previously categorised as an operational asset at valuation. This is incorrect as we do not revalue the library collections. Council has therefore reclassified these as "at cost".



Current Year Impairment Changes	Current Year Depreciation	Reverse Accum. Depn on Sales or Revaluation	Revaluation Movements	Adjustments* (Allocate WIP) (Re-Class Assets)	Cost or Valuation 30 June 2015	Accum. Depn & Impairment Closing Bal 30 June 2015	Carrying Amount Closing Bal 30 June 2015
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
-	(5,702)	-	-	-	676,581	(5,702)	670,879
-	(1,489)	7	-	719	57,637	(1,482)	56,155
-	-	-	-	-	24,395	-	24,395
-	-	-	-	-	315	-	315
-	(318)	-	-	-	8,219	(318)	7,901
-	(425)	5	-	-	15,249	(420)	14,829
-	(226)	-	-	-	11,829	(226)	11,603
-	(63)	-	-	-	1,307	(63)	1,244
-	(33)	-	-	-	1,088	(943)	145
-	(455)	-	-	-	10,016	(455)	9,561
-	(531)	1	-	-	33,402	(531)	32,871
-	-	-	-	(113)	9,520	-	9,520
-	(9,242)	13		606	849,558	(10,139)	839,419
-	-	-	-	-	1,551	-	1,551
-	-	-	-	-	1,973	-	1,973
-	-	-	-	-	646	-	646
-	-	-	-	-	365	-	365
-	-	-	-	54	235	-	235
-	-	-	-	54	4,769	-	4,769
-	(11,318)	686	-	(161)	894,860	(17,030)	877,827
	(215)						
	(11,532)						



Council 2014

	Cost or Valuation Opening Bal 1 July 2013 \$000s	Accumulated Depreciation Opening Bal 1 July 2013 \$000s	Carrying Amount Opening Bal 1 July 2013 \$000s	Current Year Additions \$000s	Current Year Disposals \$000s
Operational Assets					
At Valuation					
Buildings	16,631	(1,213)	15,418	697	-
Land	8,728		8,728	755	(33)
Heritage	2,232	(123)	2,109	-	-
At Cost					
Computer Equipment	1,604	(1,295)	308	101	-
Fibre Cabling & Conduits	1,051	(175)	876	-	-
Furniture and Fittings	648	(576)	72	54	-
Library Collections	1,287	(1,011)	277	92	-
Motor Vehicles	1,476	(618)	858	241	(17)
Plant and Machinery	1,937	(1,029)	908	233	-
Swimming Pools	458	(152)	306	15	-
Work in Progress	90	-	90	84	-
Total Operational Assets	36,141	(6,192)	29,949	2,272	(50)
Infrastructure Assets					
At Valuation					
Roading Network	666,236	-	666,236	5,063	-
Roading Bridges and Culverts	56,112	-	56,112	206	-
Roading Land	24,156	-	24,156	-	-
Forestry Roads	-	-	-	252	-
Wastewater Treatment Plants and Facilities	8,315	-	8,315	73	(262)
Wastewater Network & Other Assets	15,758	-	15,758	246	(27)
Stormwater Systems	11,444	-	11,444	-	-
Street-lighting	1,034	-	1,034	16	-
Waste Management	1,088	(875)	212	-	-
Water Supply Treatment Plants and Facilities	6,200	-	6,200	3,227	(333)
Water Supply Network & Other Assets	32,981	-	32,981	435	(24)
At Cost					
Work in Progress	6,170	-	6,170	3,567	-
Total Infrastructure Assets	829,494	(875)	828,617	13,085	(646)



Current Year Impairment Changes \$000s	Current Year Depreciation \$000s	Reverse Accum. Depn on Sales \$000s	Revaluation Movements \$000s	Adjustments* (Allocate WIP) (Re-Class Assets) \$000s	Cost or Valuation 30 June 2014 \$000s	Accum. Depn & Impairment Closing Bal 30 June 2014 \$000s	Carrying Amount Closing Bal 30 June 2014 \$000s
-	(1,237)	-	4,885	-	19,763	-	19,763
-	-	-	(175)	-	9,274	-	9,274
-	(153)	-	(139)	-	1,817	-	1,817
-	(156)	-	-	-	1,705	(1,452)	253
-	(36)	-	-	-	1,051	(211)	840
-	(11)	-	-	-	702	(587)	115
-	(79)	-	-	-	1,379	(1,089)	290
-	(163)	17	-	-	1,700	(764)	936
-	(184)	-	-	-	2,170	(1,213)	957
-	(18)	-	-	-	473	(170)	303
-	-	-	-	(35)	139	-	139
-	(2,038)	17	4,571	(35)	40,174	(5,487)	34,687
-	(5,639)	-	4,822	-	670,482	-	670,482
-	(1,430)	-	1,662	-	56,550	-	56,550
-	-	-	-	239	24,395	-	24,395
-	-	-	-	-	252	-	252
-	(308)	-	388	-	8,206	-	8,206
-	(411)	-	(847)	-	14,719	-	14,719
-	(220)	-	344	-	11,568	-	11,568
-	(62)	-	73	-	1,061	-	1,061
-	(33)	-	-	-	1,088	(909)	178
-	(286)	-	1,193	-	10,001	-	10,001
-	(707)	-	566	-	33,251	-	33,251
-	-	-	-	(3,587)	6,150	-	6,150
-	(9,096)	-	8,201	(3,348)	837,723	(909)	836,813



	Cost or Valuation Opening Bal 1 July 2013 \$000s	Accumulated Depreciation Opening Bal 1 July 2013 \$000s	Carrying Amount Opening Bal 1 July 2013 \$000s	Current Year Additions \$000s	Current Year Disposals \$000s
Restricted Assets					
At Valuation					
Cemetery Reserves	1,466	-	1,466	-	-
Parks and Reserves	1,919	-	1,919	-	-
Roading Reserves	597	-	597	-	-
Sundry Reserves	403	-	403	-	-
War Memorials	293	-	293	-	-
Total Restricted Assets	4,678	-	4,678	-	-
Total Council Assets	870,312	(7,068)	863,244	15,357	(696)
Plus Intangible Amortisation					
Total Parent Depreciation and Amortisation					

* The adjustments column refers to the reversal of the work in progress balances from the previous year and the reclassification of heritage assets.

Insurance of Assets

Asset Type	Note	Total Book Value of Council Assets	Total Gross Replacement Value of Council Assets	Total Value of Assets Covered by Insurance Contracts	Total Value of Assets Covered by Financial Risk Sharing Arrangements	Total Value of Assets Self-Insured	Reserve Fund Total
Motor Vehicles	3	914,000	1,671,000	1,457,900	-	-	213,000
Buildings and Other Operational Assets		22,983,000	29,126,000	95,400,320	-	-	-
Road and Footpath Assets	1	728,278,055	914,187,314	-	557,654,262	354,359,052	2,174,000
Wastewater Network	2	22,733,972	49,228,603	17,914,461	26,871,691	4,442,451	70,473
Stormwater Network	2	11,603,000	18,121,753	7,071,122	10,606,683	443,949	19,956
Water Supply Network	2	42,432,000	75,952,167	27,502,453	41,523,680	7,196,034	83,571
Total		828,944,027	1,088,286,837	149,346,256	636,656,316	366,441,486	2,561,100

Council has disclosed the gross replacement cost above for infrastructure assets as this is the maximum loss that could occur in a disaster.

1. Council received 61% subsidy from NZ Transport Agency for flood damage work and average 59% for operational and renewal expenditure in 2014/15. These percentages have been used for calculating the financial risk sharing portion. Council also maintains a special fund for the sole purpose of funding emergency roading works from a natural disaster.
2. Council fully insured its utility assets. As at 30 June 2015 some assets were underinsured due to a change in valuation and due to above-ground infrastructure assets not included in the material damage schedule. This has since been rectified.
3. The gross replacement cost of motor vehicles is the total cost of new vehicles. Insurance will only cover the market value of our current motor vehicle fleet. In the event of total loss, Council will fund the difference from depreciation reserves.

Current Year Impairment Changes	Current Year Depreciation	Reverse Accum. Depn on Sales	Revaluation Movements	Adjustments* (Allocate WIP) (Re-Class Assets)	Cost or Valuation 30 June 2014	Accum. Depn & Impairment Closing Bal 30 June 2014	Carrying Amount Closing Bal 30 June 2014
\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
-	-	-	85	-	1,551	-	1,551
-	-	-	54	-	1,973	-	1,973
-	-	-	48	-	646	-	646
-	-	-	(38)	-	365	-	365
-	-	-	(112)	-	181	-	181
-	-	-	37	-	4,715	-	4,715
-	(11,134)	17	12,809	(3,383)	882,611	(6,396)	876,215
	(166)						
	(11,300)						

Work in Progress

	Year ended 2013/14	Year ended 2014/15
Operational Assets		
Balance	139	503
Made up of:		
Buildings	96	503
Fibre Cabling & Conduits	6	-
Plant & Machinery	37	-
Infrastructure Assets		
Balance	6,150	9,520
Made up of:		
Roading Network	1,321	2,034
Roading - Forestry Roads	309	372
Wastewater Treatment Plants & Facilities	3,897	6,615
Wastewater Network and Other Assets	426	219
Stormwater Systems	117	3
Waste Management	-	12
Water Supply Treatment Plants & Facilities	20	94
Water Supply Network and Other Assets	60	170



20. Intangible Assets

Intangibles on Easements

	Cost \$000	Accumulated amortisation impairment expense closing balance 1 July 2015 \$000	Opening carrying amount \$000	Additions \$000	Disposals/ transfers \$000
2014/15					
Computer software	1,606	(947)	659	138	-
Intangible WIP	15	-	15	88	-
Library e-books	7	-	7	-	-
Easement rights	12	-	12	-	-
Carbon credits	99	-	99	-	-
Total	1,740	(947)	793	226	-
2013/14					
Computer software	1,431	(781)	649	176	-
Library e-books	-	-	-	7	-
Intangible WIP	69	-	69	14	(67)
Easement rights	4	-	4	8	-
Carbon credits	5	-	5	88	-
Total	1,509	(781)	727	293	(67)



Revaluation movement	Amortisation impairment expense \$000	Accumulated amortisation & impairment expense closing balance 30 June 2015 \$000	Closing balance \$000
-	(213)	(1,160)	584
-	-	-	103
-	(2)	(2)	5
-	-	-	12
73	-	-	172
73	(215)	(1,162)	875
-	(166)	(947)	659
-	-	-	7
-	-	-	16
-	-	-	12
6	-	-	99
6	(166)	(947)	793

21. Payables and Deferred Revenue

	2013/14 Council	2014/15 Council
	\$000s	\$000s
Payables and deferred revenue under exchange transactions		
Trade payables	1,673	3,347
Amounts payable to related parties including their retentions	1,306	28
Interest accrued	33	46
Revenue in advance	-	136
Amounts payable to contractors as retentions	189	355
Total	3,201	3,913
Payables and deferred revenue under non-exchange transactions		
Other taxes payable (e.g. GST and PAYE)	106	129
Grants payable	16	20
Rates revenue in advance	144	224
Total	266	374
Total Payables and Deferred Revenue	3,466	4,286

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

22. Provision for Landfill Aftercare

The Council has six landfills. Only the Eketahuna and Pongaroa landfills are currently operational. The other four landfills have been closed and capped. Council has a legal obligation under the various resource consents to provide ongoing maintenance and monitoring services at the landfill sites after closure.

A provision for post-closure costs is recognised as a liability when the obligation for post-closure cash flows arise.

The closure date of the landfills is the lesser of estimated life or the end of current resource consents to operate the landfill.

The cash outflows for landfill post-closure costs are expected to occur over the next 40 years. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account known future technology. Council has increased the estimates for the landfill closure of both Eketahuna and Pongaroa to \$390,000 (2013/14: \$240,000). This is due to increased cost and meeting higher consent conditions for land closure and aftercare. Council has discounted the provision using a discount rate of 4.86% (2014: 5.51%).

	2013/14 Council	2014/15 Council
	\$000s	\$000s
Non-Current		
Landfill Aftercare Provision		
Opening balance	648	686
Additional provisions during the year	78	150
Amounts used during the year	(25)	(18)
Unused amounts reversed during the year	-	(109)
Discount unwinding	(15)	(17)
Closing Balance	686	692

	Opening Date	Closure Date	After Care Until	2013/14 Council	2014/15 Council
				\$000s	\$000s
Woodville Landfill	1960	1997	2027	43	39
Pahiatua Landfill	1973	2012	2042	193	68
Ormondville Landfill	1963	2000	2030	50	45
Eketahuna Landfill	1971	2018	2048	172	293
Pongaroa Landfill	1973	2021	2051	158	180
Dannevirke Landfill	1973	2012	2042	71	67
Total Landfill Liability				686	692

	2013/14 Balance	Discount Unwinding	Change in Provisions	Amount Used	2014/15 Balance
	\$000s	\$000s	\$000s	\$000s	\$000s
Woodville Landfill	43	(2)	-	(2)	39
Pahiatua Landfill	193	(9)	(111)	(4)	68
Ormondville Landfill	50	(2)	(1)	(1)	45
Eketahuna Landfill	172	-	126	(5)	293
Pongaroa Landfill	158	-	26	(4)	180
Dannevirke Landfill	71	(3)	1	(2)	67
Total Landfill Liability	686	(17)	40	(18)	692

23. Borrowings

	2013/14 Council \$000s	2014/15 Council \$000s
Current		
Bank Overdraft	-	-
Secured Loans	6,000	1,000
Total Current Borrowings	6,000	1,000
Non-Current		
Derivative Financial Instruments	87	482
Secured Loans	5,000	9,000
Total Non-Current Borrowings	5,087	9,482
Total Borrowings	11,087	10,482

Fixed-Rate Borrowings

	Maturity Date	Interest Rate 2013/14	Interest Rate 2014/15	Actual 2013/14	Actual 2014/15
Current					
Multi-Option Credit Facility	31 July 2015	4.58%	4.60%	4,000	1,000
LGFA Bond Issue	15 April 2015	3.85%	-	2,000	-
Total Current Borrowings				6,000	1,000
Non-Current					
LGFA Bond Issue	15 December 2017	4.27%	4.24%	2,000	2,000
LGFA Bond Issue	15 March 2019	4.50%	4.00%	1,000	1,000
LGFA Bond Issue	15 May 2021	4.40%	4.53%	2,000	2,000
LGFA Bond Issue	15 March 2019	-	3.88%	-	1,000
LGFA Bond Issue	15 April 2020	-	4.36%	-	2,000
LGFA Bond Issue	15 April 2023	-	4.59%	-	1,000
Total Non-Current Borrowings				5,000	9,000
Total Borrowings				11,000	10,000

Secured Loans

The Council's secured debt of \$10 million (2014: \$11 million) is mostly issued at fixed rates of interest.

For multi-option credit facility, rates are reset on a quarterly basis as per the agreement with the bank.

Security

Any overdraft is secured against rates. The maximum amount that can be drawn down against the overdraft facility is \$500,000 (2014: \$500,000), however, it is "loaded" at \$200,000 to trigger review if this amount is exceeded. There are no restrictions on the use of this facility. As at year end, the amount drawn down was \$NIL (2014: \$NIL)

Council term loans are secured by rates over the rateable land value of the Tararua district.

	2013/14	2014/15
	\$000s	\$000s
Other borrowing facilities and amount drawn down as at 30 June 2014		
Committed cash advance facility – standby disaster relief facility		
- Limit	-	-
- Drawn down	-	-
Multi-Option Credit Line Facility		
- Limit	5,000	5,000
- Drawn down	4,000	1,000
Overdraft facility (\$500,000 approved but only \$200,000 limited loaded)		
- Limit	500	500
- Drawn down	-	-
BNZ Business Visa		
- Limit	50	50
- Drawn down	7	3
Liabilities outstanding under Letter of Credit		
None	-	-
Outstanding commitments on forward exchange contracts		
None	-	-

Refinancing

Council manages its borrowings in accordance with its Treasury and Risk Management Policy, which includes the Liability Management Policy adopted as part of Council's Long Term Plan.

Maturity Analysis and Effective Interest Rates

The following is a maturity analysis of Council's borrowings. There are no early repayment options.

	Overdraft Council	Secured Loans
Expense Interest Rates 2015		
Less than one year	-	1,000
weighted average effective interest rate	-	4.60%
Later than one year but not more than five years	-	6,000
weighted average effective interest rate	-	4.18%
Later than five years	-	3,000
weighted average effective interest rate	-	4.55%
Expense Interest Rates 2014		
Less than one year	-	6,000
weighted average effective interest rate	-	4.34%
Later than one year but not more than five years	-	5,000
weighted average effective interest rate	-	4.37%
Later than five years	-	-
weighted average effective interest rate	-	-

Internal Borrowing

Group of Activities	Opening balance 1 July 2014	New loans	Interest	Repayments including interest	Closing balance 30 June 2015
Community and Recreation Facilities	832	357	42	(144)	1,086
District	938	114	42	(98)	996
District Promotion	2	72	2	(3)	73
Regulatory Services	114	22	5	(14)	127
Roading	2,820	473	127	(404)	3,017
Solid Waste	2,526	41	106	(241)	2,433
Stormwater	1,691	20	71	(213)	1,570
Wastewater	6,451	1,887	305	(863)	7,780
Water Supplies	4,937	61	207	(510)	4,696
Total	20,312	3,047	907	(2,489)	21,776

Council manages its borrowing through the Treasury function within the Finance department. The Treasury function, in accordance with the Treasury and Risk Management Policy, determines the level of borrowing required and how the amount required should be funded, that is, external or internal borrowing. The 'Internal Borrowing' note above is the total borrowing by the Treasury function that includes both internal borrowing (using depreciation reserves) and external borrowing (using LGFA and banks).

24. Equity

Summary of Equity Movements – a supplementary explanation to the Statement of Movements in Equity.

	Council Accum Funds 000s	Council Asset Rev. Res 000s	Council Special Funded Reserves 000s	Council Trusts 000s	Council Total Equity 000s
2015					
Balance at 1 July	350,455	504,901	25,260	50	880,666
Net surplus/(deficit) for the year	172	-	-	-	172
Less dividend declared	-	-	-	-	-
Fair value through equity, valuation gains	-	-	-	-	-
Increases/(decreases) from revaluation	-	73	-	-	73
Tax on equity items	-	-	-	-	-
Change in Equity for the year before transfers of equity reserves	172	73	-	-	244
Transfers between equity reserves:					
Net Appropriation from Accum. Funds to Special Funds	(3,715)	-	3,715	-	-
Net Appropriation to Accum. Funds from Trust Funds	1	-	-	(1)	-
Net Transfers from Revaluation Reserves to Accum. Funds	-	-	-	-	-
Total Change in Equity for the Period	(3,542)	73	3,715	(1)	244
Closing Equity at 30 June 2015					
Parent Financial Interest	346,912	504,973	28,976	49	880,910
Minority Interest	-	-	-	-	-
Balance at 30 June	346,912	504,973	28,976	49	880,910
2014					
Balance at 1 July	357,890	491,874	19,790	48	869,603
Net surplus/(deficit) for the year	(1,990)	-	-	-	(1,990)
Less dividend declared	-	-	-	-	-
Fair value through equity, valuation gains	-	-	-	-	-
Increases/(decreases) from revaluation	-	13,052	-	-	13,052
Tax on equity items	-	-	-	-	-
Change in Equity for the year before transfers of equity reserves	(1,990)	13,052	-	-	11,062
Transfers between equity reserves:					
Net Appropriation from Accum. Funds to Special Funds	(5,469)	-	5,469	-	-
Net Appropriation to Accum. Funds from Trust Funds	(2)	-	-	2	-
Net Transfers from Revaluation Reserves to Accum. Funds	27	(27)	-	-	-
Total Change in Equity for the Period	(7,434)	13,025	5,469	2	11,062
Closing Equity at 30 June 2014					
Parent Financial Interest	350,455	504,901	25,260	50	880,667
Minority Interest	-	-	-	-	-
Balance at 30 June	350,455	504,901	25,260	50	880,667

25. Revaluation Reserves

2015

	Balance 30-Jun-14	Revaluation Deferred Tax	Revaluation Assets Changes	Disposals/ Value Adjust.	Balance 1-Jul-15
	\$000s	\$000s	\$000s	\$000s	\$000s
Council Revaluation Reserves					
Fixed Assets Revaluation Reserves					
Operational: Land	6,247	-	-	-	6,247
Operational: Buildings	15,484	-	-	-	15,484
Intangible: Carbon Credits	6	-	73	-	79
Heritage Assets	80	-	-	-	80
Reserves: Cemetery	1,158	-	-	-	1,158
Reserves: Parks and Reserves	1,525	-	-	-	1,525
Reserves: Roding	524	-	-	-	524
Reserves: Sundry	294	-	-	-	294
Reserves: War Memorials	115	-	-	-	115
Roding Network	384,851	-	-	-	384,851
Roding Land	4,527	-	-	-	4,527
Bridges and Culverts	32,651	-	-	-	32,651
Stormwater	8,522	-	-	-	8,522
Water Network	34,625	-	-	-	34,625
Sewerage	14,287	-	-	-	14,287
Total Fixed Assets Revaluation Reserves	504,901	-	73	-	504,973

2014

	Balance 1-Jul-13	Revaluation Deferred Tax	Revaluation Assets Changes	Disposals/ Value Adjust.	Balance 30-Jun-14
	\$000s	\$000s	\$000s	\$000s	\$000s
Council Revaluation Reserves					
Fixed Assets Revaluation Reserves					
Operational: Land	6,452	-	(176)	(27)	6,247
Operational: Buildings	10,632	-	4,855	-	15,484
Intangible: Carbon Credits	-	-	6	-	6
Heritage Assets	219	-	(139)	-	80
Reserves: Cemetery	1,074	-	85	-	1,158
Reserves: Parks and Reserves	1,472	-	54	-	1,525
Reserves: Roading	476	-	48	-	524
Reserves: Sundry	332	-	(38)	-	294
Reserves: War Memorials	227	-	(112)	-	115
Roading Network	379,955	-	4,895	-	384,851
Roading Land	4,288	-	239	-	4,527
Bridges and Culverts	30,959	-	1,692	-	32,651
Stormwater	8,178	-	345	-	8,522
Water Network	32,866	-	1,759	-	34,625
Sewerage	14,745	-	(459)	-	14,287
Total Fixed Assets Revaluation Reserves	491,874	-	13,052	(27)	504,901



26. Special Funded Reserves

2015

	Balance 1-Jul-14	Transfers In	Transfers Out	Transfer Interest In	Balance 30-Jun-15
	\$000s	\$000s	\$000s	\$000s	\$000s
Tararua General Purpose	739	-	(10)	16	745
Tararua Land Sub-division and Development	-	-	-	-	-
Council Depreciation	18,266	7,274	(4,477)	797	21,859
Tararua Emergency Roading	2,094	-	-	81	2,174
Tararua Gratuity	217	-	(133)	-	84
Infrastructure Protection Reserve	113	58	-	6	177
Tararua Housing	777	39	(87)	61	790
Dannevirke Airport Authority	4	-	-	-	4
District Cemeteries	21	-	-	1	21
Makuri Water Scheme	12	-	-	-	12
Recreation Grant	85	20	(25)	8	88
Tenant Contribution	687	-	-	-	687
Pongaroa Water Supply Depreciation	188	10	(13)	-	185
Heritage Reserve	45	10	-	6	61
Consultancy Depreciation	194	-	(194)	-	-
Consultancy General	241	-	-	10	251
Biodiversity Protection	(3)	10	(5)	-	1
Election	(20)	20	-	-	-
Water Development	50	-	-	3	53
Waste Management	159	67	(34)	7	199
TACT Wai Splash Depreciation	137	40	(32)	5	150
Sewerage Op Surplus Reserve	80	-	-	3	83
Forestry Reserve	669	428	(289)	28	836
Bush Multisport Depreciation	112	-	-	6	118
Domain Boards Bank Balances	394	135	(133)	-	396
Total Council	25,260	8,111	(5,432)	1,037	28,976

Summary of Special Fund Movements

	Balance 1-Jul-14	Net transfer (to)/from Accumulated Funds	Balance 30-Jun-15
	\$000s	\$000s	\$000s
Total Council	25,260	3,716	28,976

2014

	Balance 1-Jul-13	Transfers In	Transfers Out	Transfer Interest In	Balance 30-Jun-14
	\$000s	\$000s	\$000s	\$000s	\$000s
Taranaki General Purpose	714	12	-	13	739
Taranaki Land Sub-division and Development	-	-	-	-	-
Council Depreciation	13,732	7,641	(3,594)	487	18,266
Taranaki Emergency Roothing	2,024	-	-	70	2,094
Taranaki Gratuity	217	-	-	-	217
Infrastructure Protection Reserve	55	58	-	-	113
Taranaki Housing	734	33	(39)	49	777
Dannevirke Airport Authority	4	-	-	-	4
District Cemeteries	20	-	-	1	21
Makuri Water Scheme	12	-	-	-	12
Recreation Grant	63	20	-	2	85
Tenant Contribution	687	-	-	-	687
Pongaroa Water Supply Depreciation	172	10	-	6	188
Heritage Reserve	36	10	(2)	1	45
Consultancy Depreciation	237	-	(51)	8	194
Consultancy General	233	-	-	8	241
Biodiversity Protection	(2)	10	(11)	-	(3)
Election	9	20	(49)	-	(20)
Water Development	48	-	-	2	50
Waste Management	127	64	(36)	4	159
TACT Wai Splash Depreciation	109	40	(16)	4	137
Sewerage Op Surplus Reserve	77	-	-	3	80
Forestry Reserve	-	669	-	-	669
Bush Multisport Depreciation	108	-	-	4	112
Domain Boards Bank Balances	375	164	(145)	-	394
Total Council	19,790	8,751	(3,943)	661	25,260

Reserves

The Council has an obligation 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; and to act in the best interest of its ratepayer.

The management of reserves forms an integral component of meeting these obligations. Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with interest.

Council has 25 reserves of which 24 are Council created discretionary reserves which the council has established for the fair and transparent use of monies. Reserves are not separately held in cash and the funds are managed as part of the Council's treasury management.

These reserves are disaggregated into the following categories:

Depreciation Reserves

These reserves are used to fund renewal capital works and used to fund internal borrowing.

The Council's assets are depreciated as they are consumed. As such, the cost of this depreciation is passed on to the consumer through either rates or fees and charges. There will normally be a timing difference between the collection of this depreciation charge and the utilisation of it to fund renewal capital works

Description	Purpose of Fund
Council Depreciation	To receive depreciation funded each financial year, less any outgoings to pay for capital renewal of assets or debt prepayment for amount borrowed to fund capital development. This is the only reserve that can be used to fund internal borrowing.
Makuri Water Scheme	To establish a depreciation reserve to fund the renewal of assets for this scheme.
Pongaroa Water Supply Depreciation	To establish a depreciation reserve to fund the renewal of assets for this scheme.
Tararua Aquatic Community Trust Wai Splash Depreciation	To establish a depreciation reserve to fund the renewal of major assets.
Bush Multisport Depreciation	To establish a depreciation reserve to fund the renewal of major assets.
Engineering Services (Consultancy) Depreciation	Depreciation fund to receive depreciation funded each financial year for the Engineering Services activity, less any outgoings to pay for capital renewal of assets or debt prepayment for amount borrowed to fund capital development.

Special Reserves

The value of these reserves funds is that they allow projects to precede without distortion in the revenue patterns particularly rates. The reserve also provide a useful source of funds for an unforeseen requirement.

Council authorises the establishment of special funds and process for accumulating and utilising special funds. Approvals of specific uses are set out in the Long Term Plan, or in Council decisions.

Description	Purpose of Fund
Tararua General Purpose	Created for financing specific projects which shall be determined at Council's discretion. This reserve is also to receive: <ul style="list-style-type: none"> • Proceeds from sale or disposal of assets where a particular function is discontinued, and for property sales. • Insurance monies received when buildings or property are damaged and not reinstated. • Proceeds from forestry not otherwise required for the funding of continued operations and maintenance of the forest. • Residual of all existing reserves which have outlived their original purpose and could therefore be usefully merged as a general purpose fund and so classified.
Tararua Emergency Roothing	To provide funds to re-establish the district's infrastructural assets following a disaster, together with funds received from Central Government. There is no plan to use this reserve other than if a disaster occurs.
Tararua Gratuity	This reserve is for staff who have qualified or qualify for gratuities.
Tararua Housing	To account for any surplus from the housing activity and proceeds from sales/disposal of housing assets. These reserves will be used solely for the Housing activity.

Description	Purpose of Fund
Dannevirke Airport Authority	To account for any surplus from Dannevirke Aerodrome and proceeds from sales/disposal of Dannevirke Aerodrome assets. This reserve will be used solely for operation and capital expenditure for Dannevirke Aerodrome.
District-Wide Cemetery	To accumulate funds from the purchase of cemetery plots in the district. This reserve will be used solely for operation and capital expenditure for the Cemeteries activity.
Recreation Grant	To accumulate funds to support recreational projects in the district.
Tenant Contribution (Debt Repayment)	To account for and refund tenant contributions for leasing of Council's housing properties.
Heritage Reserve	To accumulate funds to be used to further the District land use outcomes. The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 2: Schedule of Heritage Resources.
Engineering Services (Consultancy) General	To account for surplus or deficit for Engineering Services operations and consultancy work. Balance of this reserve may be used to assist in funding this activity's operations cost, if required.
Biodiversity Protection	To support: <ul style="list-style-type: none"> • Sustainable management of the district's natural and physical environment • Protection and enhancement of the community's environment values The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 3: Schedule of Natural Features (significant trees, vegetation and habitats landscapes).
Election	To account for elections funds rate funded each year to spread out election cost in each election year.
LAPP Disaster Fund	This reserve is created to accumulate funds to pay for Council's share of the mutual insurance liability under LAPP in the event of a major event experienced by LAPP member councils.
Waste Management Fund	To account for the waste management levies received. This reserve will be solely used to fund specific projects for this activity.
Domain Boards Bank Balances	To account for the bank balances of the Domain Board in trust.
Forestry Reserve	To account for any surpluses from the forestry activity.



27. Trust Accounts

These special reserves are set up to receive bequest from communities in the district for specific purpose. These funds are held in trust for these specific purposes.

	Balance 30 June 2014	Funds Received	Expenses Paid	Interest Earned	Balance 1 July 2015
	\$000s	\$000s	\$000s	\$000s	\$000s
Dannevirke Fairbrother	20	-	(10)	-	10
Dannevirke Urban Campsite	1	-	-	-	1
Ormondville Play Group	1	-	-	-	1
Pahiatua Heritage	20	-	-	1	21
Arts Council of NZ	(1)	20	(12)	-	7
Mayoral Storm Relief Fund	9	-	-	-	8
Total Council	50	20	(22)	1	49

Summary of Trust Fund Movements

	Balance 1 July 2014	Net transfer to/(from) Accumulated Funds	Balance 30 June 2015
	\$000s	\$000s	\$000s
Total Council	50	(1)	49

28. Reconciliation of Net Surplus to Net Cash Inflow from Operating Activities

	2013/14 Council \$000s	2014/15 Council \$000s
Reported Surplus/(Deficit) from Statement of Comprehensive Revenue and Expense	(2,078)	172
Add (Less) Non-Cash Items		
Depreciation & amortisation	11,300	11,532
Impairment losses/(recoveries)	3,609	-
(Increase)/decrease deferred taxation	-	-
Movement in employee entitlement	-	-
Changes in fair value	(145)	395
Other (gains)/losses & revaluation (increases)/decreases	(117)	311
Bad debts written off or bad debt provision	(19)	15
Total Non-Cash Items	14,628	12,254
Add/(Less) Movements in Working Capital Items		
(Increase)/decrease in inventory and livestock	(17)	(179)
(Increase)/decrease in accounts receivable & prepayments	1,222	(1,339)
Increase/(decrease) in accounts payable & accruals	911	821
Increase/(decrease) in employee provisions	(43)	(186)
(Increase)/decrease in net GST	30	94
Total Movements in Working Capital	2,103	(789)
Add/(less) items classified as investing activities	-	-
Total Items Classified as Investing Activities	-	-
Net Cash Surplus from Operating Activities	14,653	11,635



29. Related Party Disclosures

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

Key Management Personnel Compensation

	2013/14	2014/15
	\$000	\$000
Councillors		
Remuneration	279	291
Full-Time Equivalent Members	9	9
Senior Management Team, including the Chief Executive		
Remuneration	700	735
Full-Time Equivalent Members	4.6	4.7
Total Key Management Personnel Remuneration	979	1,026
Total full-time equivalent personnel	13.6	13.7

During the reporting period, total remuneration and compensation of \$16,184 (2014: \$3,570) was provided by the Council to employees who are close family members of key management personnel.

30. Capital Commitments and Operating Leases

2015

	< 1 Year	1-5 Years	> 5 Years	2014/15 Total
	\$000s	\$000s	\$000s	\$000s
Capital Commitments				
Road network	1,892	-	-	1,892
Wastewater network	-	-	-	-
Total Capital Commitments	1,892	-	-	1,892

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

Alliance Road Corridor Collaborative Agreement

In October 2014, the Tararua District Council formed an alliance with Downer New Zealand to undertake road corridor maintenance activities on its road, footpath and stormwater network. This collaborative agreement (The Tararua Alliance) replaced the road maintenance contract the Council previously had with Infracon Limited (in liquidation). The Tararua Alliance brought together members of the Council's Engineering Services Team and Downer New Zealand Ltd to form a single delivery team to undertake all facets of the transportation infrastructure – including asset management, regulatory functions, design, physical works, and performance management.

The Tararua Alliance agreement is for a term of 5 years and the budgets for each year will be determined as part of Council's planning process. The budgets for 2015/16 are as follows:

- Operational expenditure (including overheads and finance cost) - \$8,426,000
- Capital expenditure \$7,160,000

2014

	< 1 Year	1-5 Years	> 5 Years	2013/14 Total
	\$000s	\$000s	\$000s	\$000s
Capital Commitments				
Road network	2,766	-	-	2,766
Wastewater network	1,800	-	-	1,800
Total Capital Commitments	4,566	-	-	4,566

Operating Leases as Lessee

The Council lease two buildings in the normal course of its business.

These leases have a non-cancellable term of 5 years and 10 years.

The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	2013/14 \$000s	2014/15 \$000s
Not later than one year	-	137
Later than one year and not later than five years	-	563
Later than five years	-	475
Total non-cancellable operating leases	-	1,175

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$NIL (2014: \$NIL).

Leases can be renewed at the Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

There are no restrictions placed on the Council by any of the leasing arrangements.

Operating leases as Lessor

Investment property and reserve lands are leased under operating leases. The majority of the leases have a non-cancellable term of 5 years.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	2013/14 \$000s	2014/15 \$000s
Not later than one year	18	31
Later than one year and not later than five years	45	69
Later than five years	-	-
Total non-cancellable operating leases	63	100

No contingent rents have been recognised during the period.

31. Financial Instruments

Financial Instrument Categories

The accounting policies for financial instruments have been applied to the line items below:

	2013/14 Council \$000s	2014/15 Council \$000s
Financial Assets		
Fair value through the surplus or deficit - held for trading	-	-
Loans and Receivables		
Cash and cash equivalents	9,518	4,341
Debtors and other receivables	3,875	5,213
Other financial assets		
- term deposits	3,124	5,523
- community loans	26	13
- loans to related parties	-	-
Total Loans and Receivables	16,543	15,090
Fair Value Through Other Comprehensive Revenue and Expense		
Other financial assets		
- Local Government Funding Agency borrower notes	112	144
- local authority and government stock	118	118
Total Fair Value Through Other Comprehensive Revenue and Expense	230	262
Total Financial Assets	16,773	15,352
Financial Liabilities		
Fair Value Through the Surplus or Deficit		
Borrowings		
- interest rate swaps	87	482
Financial Liabilities at Amortised Cost		
Creditors and other payables	3,466	4,286
Borrowings		
- bank overdraft	-	-
- secured loans	11,000	10,000
- debentures	-	-
Total Financial Liabilities at Amortised Cost	14,553	14,768

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.



- Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Valuation Technique			
	Total	Quoted market price	Observable inputs	Significant non-observable inputs
	\$000	\$000	\$000	\$000

Council - 30 June 2015

Financial Assets

Unlisted shares

- New Zealand Local Government Insurance Corporation Limited	118	-	-	118
- Unlisted shares (MW LASS)	1	-	-	1
- Local Government Funding Agency borrower notes	144	-	-	144

Financial Liabilities

Derivative financial instruments	482	-	482	-
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Council - 30 June 2014

Financial Assets

Unlisted shares

- New Zealand Local Government Insurance Corporation Limited	118	-	-	118
- Unlisted shares (MW LASS)	1	-	-	1
- Local Government Funding Agency borrower notes	112	-	-	112

Financial Liabilities

Derivative financial instruments	87	-	87	-
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There were no transfers between the different levels of the fair value hierarchy

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	Council	
	2013/14	2014/15
	\$000	\$000
Balance at 1 July	118	230
Gain and losses recognised in the surplus or deficit	-	-
Gain and losses recognised in other comprehensive revenue and expense	-	-
Purchases	112	32
Balance at 30 June	230	262

32. Financial Instrument Risks

Council have a series of policies to manage the risks associated with financial instruments. Council are risk averse and seeks to minimise exposure from its treasury activities. Council has established Treasury and Risk Management Policy. This policy does not allow any transactions that are speculative in nature to be entered into.

Market Risk

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

Council

Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through other comprehensive revenue and expense. This relates to shares in Civic Assurance which are held at net asset backing value as impairment of a New Zealand Government owned company is not deemed necessary.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Council

Council has purchased plant and equipment associated with the construction of certain infrastructural assets from overseas which required it to enter into transactions denominated in foreign currencies. All such purchases have now been completed so there is no exposure to this risk.

It is Council's policy to manage foreign currency risks arising from contractual commitments and liabilities that are above specified amounts by entering into forward foreign exchange contracts to hedge the foreign currency risk exposure. This means Council is able to fix the New Zealand dollar amount payable prior to delivery of the plant and equipment from overseas.

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

Council actively manages interest rate risk through fixing of funding costs using swaps, therefore reducing the uncertainty related to interest rate movements. Council's Treasury and Risk Management Policy is to maintain fixed rate debt between the range of 55%–90% compared to floating debt.

Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates.

Council

Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk. Council manages the variability of interest rates by using fixed rate swaps for external borrowing and term deposits for cash investments.

Credit Risk

In the normal course of its activities, the Council incurs credit risk from debtors and financial institutions. Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss.

Council

Due to the timing of its cash inflows and outflows, the Council invests surplus cash into term deposits, which gives rise to credit risk. There are no significant concentrations of credit risks except that Council's cash resources are mainly held by two trading banks.

Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.



Maximum Exposure to Credit Risks

Council's maximum credit risk exposure for each class of financial instrument is as follows:

	2013/14 Council \$000s	2014/15 Council \$000s
Cash at bank and term deposits	12,642	9,864
Debtors and other receivables	3,875	5,213
Community and related party loans	26	13
Local Government Funding Agency borrower notes	112	144
Local authority and government stock	118	118
Total credit risk	16,773	15,352

Credit Quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	2013/14 Council \$000s	2014/15 Council \$000s
Counterparties with Credit Ratings		
Local Government Funding Agency		
AA+ / AA-1+	112	144
Cash at Bank and Term Deposits		
AA-	12,642	9,864
Total cash at bank and term deposits	12,642	9,864
Counterparties without Credit Ratings		
Community and related party loans		
Existing counterparty with no defaults in the past	26	13
Existing counterparty with defaults in the past	-	-
Total community and related party loans	26	13

Debtors and other receivables mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has only one significant concentration of credit risk in relation to debtors (NZ Transport Agency). This concentration of risk and reliance on Government is not considered to be a matter of concern because of the New Zealand Government's strong credit rating.

Council has a large number of other credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers, there is no other significant risk.

Liquidity Risk

Management of Liquidity Risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due.

Council

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.

Council manages its borrowings in accordance with its funding and financial policies, which includes Liability Management Policy. These policies have been adopted as part of the Council's Long Term Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$500,000 (2014: \$500,000). There are no restrictions on the use of this facility. Council has a pre-approved multi-option facility of another \$5,000,000 to be used in the event of a natural disaster.

Contractual Maturity Analysis of Financial Liabilities

The table below analyses Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt is based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying Amount \$000s	Contractual Cash \$000s	Less than 1 Year \$000s	1–2 Years \$000s	2–5 Years \$000s	More than 5 Years \$000s
Council 2014/15						
Creditors and other payables	4,286	4,286	4,286	-	-	-
Net settled derivative liabilities	482	482	482	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured Loans	10,000	11,773	1,391	2,345	4,809	3,228
Total	14,768	16,541	6,159	2,345	4,809	3,228
Council 2013/14						
Creditors and other payables	3,466	3,466	3,466	-	-	-
Net settled derivative liabilities	87	87	87	-	-	-
Bank overdraft	-	-	-	-	-	-
Secured Loans	11,000	12,220	6,311	218	3,515	2,176
Total	14,553	15,773	9,864	218	3,515	2,176



Contractual Maturity Analysis of Financial Assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying Amount \$000s	Contractual Cash \$000s	Less than 1 Year \$000s	1–2 Years \$000s	2–5 Years \$000s	More than 5 Years \$000s
Council 2014/15						
Cash and Cash Equivalents	4,341	4,372	4,372	-	-	-
Debtors and other receivables	5,213	5,213	5,213	-	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- term deposits	5,523	5,613	5,613	-	-	-
- community and related party loans	13	13	13	-	-	-
- Local Government Funding Agency borrower notes	144	144	-	-	-	144
- local authority and government stock	118	118	-	-	-	118
Total	15,352	15,473	15,211	-	-	262
Council 2013/14						
Cash and Cash Equivalents	9,518	9,563	9,563	-	-	-
Debtors and other receivables	3,875	3,875	3,847	27	-	-
Net settled derivative assets	-	-	-	-	-	-
Other financial assets:						
- term deposits	3,124	3,189	3,189	-	-	-
- community and related party loans	26	26	26	-	-	-
- Local Government Funding Agency borrower notes	112	112	-	-	-	112
- local authority and government stock	118	118	-	-	-	118
Total	16,773	16,883	16,625	27	-	230

Sensitivity Analysis

The tables below illustrate the potential profit and loss and equity (excluding accumulated funds) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

	Note	2014/15 (000s)				2013/14 (000s)			
		-100bps	-100bps	+100bps	+100bps	-100bps	-100bps	+100bps	+100bps
		Profit	Other Equity	Profit	Other Equity	Profit	Other Equity	Profit	Other Equity
Interest Rate Risk									
Financial Assets									
Cash and Cash Equivalents	1	(43)	-	43	-	(95)	-	95	-
Financial Liabilities									
Nett settled derivatives	2	(892)	-	(100)	-	(433)	-	239	-
Borrowings:									
- bank overdraft		-	-	-	-	-	-	-	-
- multi-option credit facility	3	(10)	-	10	-	(20)	-	20	-
Total sensitivity to interest rate risk		(945)	-	(47)	-	(549)	-	355	-

Explanation of Sensitivity Analysis – Council

- Cash and cash equivalents include deposits at call totalling \$4,341,000 (2014: \$9,518,000).
A movement in interest rates of plus or minus 1% has an effect on interest revenue of \$43,100 (2014: \$95,180).
- Council has in place interest rate swaps with Westpac as at year end to hedge the rise of interest rates in the future.
- The value of loans under swap arrangements totalled \$9,000,000 (2014: \$9,000,000).
Council has unhedged borrowing of \$1,000,000 held as part of a multi-option credit facility.
The loan in multi-option credit facility is fixed at 4.6% and reviewed quarterly.



33. Capital Management

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

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

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

The Act requires the Council to make adequate and effective provision in its Long Term Plan and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the Revenue and Financial Policies in the Council's Long Term Plan.

The Council has the following Council-created reserves:

- Asset Revaluation Reserves
- Special funded reserves
- Trust funds

Any gain or loss on infrastructure asset revaluation is applied to the specific asset reserve.

Special funded reserves are reserves restricted by Council decision. Transfers to and from these reserves are at the discretion of the Council. Interest is added to these funds where applicable.

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

34. Contingent Assets and Liabilities

Council is aware of the following contingent liabilities existing at year end.

	2013/14 Council	2014/15 Council
	\$000s	\$000s
Contingent Liabilities		
Risk Pool call	-	-
Weathertight claim	100	50
Total Contingent Liabilities	100	50

Contingent Asset

Infracon Limited (the Company) was placed into liquidation effective Monday 25 August 2014 by the Company's Shareholders, Tararua District Council and Central Hawkes Bay District Council. The Shareholders also resolved to appoint PricewaterhouseCoopers as liquidators of the Company.

The Liquidator's second six-monthly report showed that the Liquidators anticipate making a distribution to the shareholders. However, no distributions can be made until all creditor claims have been determined and paid. Council will receive 66% of any cash balance remaining on finalisation of the liquidation. The liquidators six monthly progress report for the period ending 24 August 2015 indicated that there are still outstanding creditors' claims, a small amount of residual stock to be sold and unpaid receivables to finalise before the liquidation is completed.

Council is only able to reliably quantify the shareholder distribution once the liquidation is completed given the complexity of some of the claims and the potential further cost that will be incurred by the liquidators in resolving the claims.

Contingent Liability

Risk Pool Calls

Council obtained public liability and professional indemnity insurance cover from New Zealand Mutual Liability RiskPool (Riskpool). Riskpool operates as a mutual fund where each member makes an annual contribution to obtain cover.

However, should claims exceed contributions then calls can be made on the members of that fund year, for the shortfall amount.

Council ceased to be a member of risk pool from financial year 2009/10 onwards because of the concern Council had for being jointly and severally liable for any claims. However, in November 2009 Council was advised that Riskpool would make three calls in each financial year beginning 2009/10 due to insufficient funds for weather tightness claims for the Fund Year 2009/10.

For the year 2014/15, Riskpool made no call. Risk pool has also advised that additional funds are not required and therefore no call will be made for the 2016 and 2017 years. We have not recognised any contingent liability this year.

Weathertight Claims

Council has a contingent liability for a claim relating to Weathertightness under the Funding Assistance Package. Under this programme, Council agrees to fund 25% of the cost to remedy the weathertightness defect.

Council has one claim for a potential cost initially estimated at \$125,000. Council is working with the Ministry of Business, Innovation and Employment and the owners to confirm the final design and cost to remedy the weathertightness defect. As Council is not able to reliably quantify the potential liability given the complexity of the claims, a contingent liability has been estimated for the value of \$50,000 to also account for any further increases in cost.

35. Post Balance Date Events

There are no post balance date events.



36. Remuneration

During the year to 30 June 2015, the total remuneration and value of other non-financial benefits received by, or payable to the Mayor, Councillors, the Chief Executive, and senior managers of the Council were as follows:

	2013/14 \$000s	2014/15 \$000s
Mayor		
Roly Ellis	78	81
Councillors		
Tracey Collis	20	26
James Crispin	17	26
Warren Davidson	25	25
Brenda Dodunski	2	-
Keith Fenemor	24	26
Shirley Hull	26	24
Carole Isaacson	17	24
Bill Keltie	32	33
Peter Johns	6	-
David Roberts	25	26
Chris Southgate	6	-
Total Mayor & Councillors	279	291
Community Boards		
Ernie Christison	3	5
Charlie Death	7	7
Timothy Delaney	3	5
Katrina Dimock	2	-
Robert Dresser	7	9
Diana Eagle	3	3
Elizabeth Fraser-Davies	1	-
Trudi Hull	2	3
Carole Isaacson	1	-
Ross Macdonald	4	5
Sharon Shannon	2	3
Ray Teahan	2	-
Total Community Boards	37	40
Chief Executive		
Blair King, employee benefit costs	195	210
Blair King, motor vehicle	15	15
Total Chief Executive	210	225
Key Management Personnel (includes mayor, councillors, chief executive, and senior managers)		
Employee benefit costs	953	993
Post employee benefit costs (including Superannuation)	26	33
Other long term benefits	-	-
Termination benefits	-	-
Total Key Management Personnel	979	1,026
Severance Payments		
All employees (2 in 2015)*	-	8

* The value of each of the severance payments was \$2,269 and \$5,649.

Total Employee Annual Remuneration by Band

Remuneration Band	2014/15	Remuneration Band	2013/14
less than \$60,000	57	less than \$60,000	59
\$60,000–\$79,999	19	\$60,000–\$79,999	17
\$80,000–\$199,999	6	\$80,000–\$219,999	6
\$100,000–\$239,999	4		
Total	86	Total	82

Total remuneration includes non-financial benefits provided to employees.

At balance date, Council employed 53 (2014: 55) full-time employees, with balance of staff representing 14.6 (2014: 15) full-time equivalent employees. At balance date, Council employed five casual staff (2014: 9).

A full-time equivalent (FTE) employee is determined on the basis of a 40-hour working week.

37. Major Budget Variations

This note explains the major budget variances from the Council's budget figures in the 2014/15 Annual Plan. Detail variances at an activity level are included in the Activity Funding Impact Statements in the Activity Reports.

Statement of Comprehensive Revenue and Expense – Revenue

Rates Revenue

Due to the transition to PBE IPSAS, rates revenue is showing as \$440,000 under budget.

Rates revenue is now presented less internal rates, remissions and discounts, and inclusive of rates penalties.

Grants and Subsidies

Grants and subsidies are lower than budget by \$1.052 million.

Subsidies for water projects were below budget, by \$530,000, for the subsidised Pahiatua second bore water upgrade project. The test bore did not strike the required volume of ground water. That led to the expected capital expenditure being halted, and the consequent delay in receiving the approved subsidy.

We budgeted for \$2 million subsidy from the NZ Transport Agency for the Saddle Road upgrade. However, we were only able to recognise \$1.5 million, as part of the upgrade relates to sections of road belonging to Manawatu District Council and Palmerston North City Council. We also deferred a significant portion of our road resealing programme, resulting in a further \$600,000 under budget.

This reduction in subsidies received is offset by higher subsidies received from Ministry for the Environment for wastewater projects (\$150,000), and additional NZ Transport Agency subsidies relating to flood damages (\$400,000).

Fees and Charges

Fees and Charges are below budget for the year by \$1.5 million. This mainly relates to \$1.29 million of budgeted internal charges and revenue for the previous Engineering Services department. These charges are internal charges and have been excluded from the comprehensive revenue and expense.

We received unbudgeted revenue from the new Water and Wastewater team of \$44,000, and additional revenue of \$30,000 from the Dannevirke Camping Ground.

Due to the transition to the new PBE standards, \$301,000 of rates penalties have been reclassified to rates revenue.

Other Revenue Sources

Revenue from interest, forestry and other revenue is higher than budget by \$2.36 million due to:

- Revenue from forestry sales of \$1.95 million was over budget by \$1.4 million. This is budgeted for in other revenue net of expenses but is now reported on a separate line as gross revenue.



- Unbudgeted insurance payments for the Eketahuna wastewater pipes (\$760,000) damaged in the January 2014 earthquake, and initial insurance payments for the replacement of the Pahiatua Recycling Centre (\$69,000).
- Higher than budgeted interest revenue of \$97,000 – a result of the favourable interest rates, compared to those assumed in the budget, and higher cash balances due to delay/deferring of capital projects.

Statement of Comprehensive Revenue and Expense – Expenses

Operating Expenses

Overall, total operating expenditure was over budget by \$745,000.

Significant variance (higher than budget) was noted in the following activities:

- Forestry (\$1.74 million) due to harvesting costs. These were budgeted for as net forestry revenue.
- Housing (\$35,000) for higher maintenance costs.
- Parks and Reserves (\$109,000) of which \$50,000 relates to Domain Board expenditure (offset by increased revenue of \$50,000) with the remainder due to the increase in contract costs for parks maintenance.
- Water Supplies (\$147,000) due to the unbudgeted initial costs of bringing in-house the new Water and Wastewater Team. These cost increases relate mainly to hireage of equipment and contracted staff cost.
- Wastewater (\$123,000) are over budget due to the unbudgeted initial costs of bringing in-house the new Water and Wastewater Team and unexpected costs of \$57,000 related to resource consent renewals.
- Roothing operating expenditure was higher than budget by \$490,000 mainly due to:
 - Additional flood damage work.
 - Increase in pre-seal work in preparation for the 2015/16 reseals.
- District Promotion & Development (\$62,000) due to the unbudgeted cost of operating the new Business Network.

These were offset by savings in operating costs in other activities, reduction in staff costs mainly due to restructuring and resignations (\$363,000), and depreciation expense (\$188,000).

Also, due to the transition to the new PBE IPSAS standards, Council has removed rates remissions and discounts, as well as internal rates revenue and reported these with rates revenue. \$850,000 was budgeted for as an operational expense.

Finance Costs

Finance costs are higher than budget by \$297,000. Due to unrealised loss from the fair value movement of interest rate swaps of \$395,000, with interest cost from term debt of \$522,000 being \$104,000 lower than budget due to lower external debt and lower than planned market interest rates.

Statement of Financial Position

Cash and Cash Equivalent

Cash and Cash Equivalent including Other Financial Assets (current) is higher than budget due to delay and/or deferring of capital renewal projects.

Non-Current Other Financial Assets

Non-current other financial assets are lower than budget due to the liquidation of Infracon Limited. Council's investment of \$3.65 million was written down to NIL in 2013/14 due to Company's ability to pay all its liabilities.

Debtors and Other Receivables

Debtors and other receivables are higher than budget by \$168,000 mainly due to higher NZ Transport Agency subsidies accruals and higher rate debtors at year end.

Payables and Deferred Revenue

Payables are higher than budget by \$1.4 million due to higher than expected contract payments at year end. The increase in payables is mainly due to completing large capital and operational projects in the last two months prior to year end.

Property, Plant and Equipment

Property, plant & equipment was \$1.8 million higher than last year and \$40.5 million lower than budget at year end. An analysis of the variances between the budget value and the actual year end value of property, plant and equipment is outlined below:

- Asset additions were lower than budget by \$8.2 million due to delay in the completion and capitalisation of capital projects.
- Infrastructure assets are being valued on 1 July. Previously this was completed 30 June and was budgeted for as such. Therefore the planned increase in asset values due to revaluation are lower than budget by \$21 million.
- The budget also assumed that capital projects in 2013/14 would also be completed.

Borrowings (Current and Non-Current)

Total borrowings were lower than budget by \$1.2 million due to delay and/or deferring of capital renewal projects. The classification of current and non-current is different to budget due to short term borrowing from Westpac of \$1 million.

Accumulated Funds

Accumulated funds are \$12 million lower than budget. This is mainly due to:

- Opening accumulated funds being lower than forecast for the budget.
- Transfer from accumulated funds to special Reserves higher due to delay/deferring in renewal expenditure.

Asset Revaluation Reserves

The asset revaluation reserve is lower than budget by \$35 million due to a change in revaluation date from 30 June to 1 July and the opening balance being lower than forecast by \$14 million.

Special Funded Reserves

Special Funds are \$4.9 million above budget at year end. This is due to the actual opening balance for special funds being higher than forecast, and transfers to special funds of \$3.7 million were higher than budget by \$1.5 million.

Statement of Cash Flows

Overall net increase in cash balances held were lower than budget by \$154,000.

Significant variances are:

Operating Activities

- Overall cash flow was \$2 million lower than budget due to lower Council's portion of the NZ Transport Agency subsidy for the Saddle Road, higher flood damage expenditure, and increased cost for roading pre-seals.

Investing Activities

- Overall cash flow is \$1.3 million over budget
- This is mainly due to a higher cash outflow due to more investing in term deposits.

Financing Activity

- Cash outflow of \$1 million as opposed to budgeted cash inflow of \$1 million is due to lower external debt required. This is due to lower capital expenditure than budgeted.



38. Adjustments to the Comparative Year Financial Statements

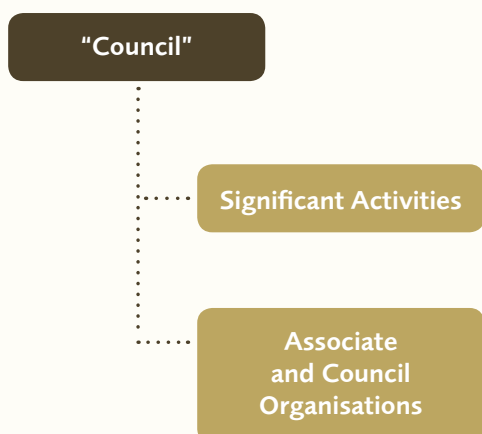
The Council has adjusted its comparative year financial statements for the year ended 30 June 2014 due to reclassification, adjustments and transition to the new PBE accounting standards. The adjustments are shown in the table below:

	Notes	Before adjustments \$000s	Change \$000s	30 June 2014 restated balance \$000s
Revenue				
Rates Revenue	(a)	19,406	(480)	18,926
Remissions			(421)	
Discount			(73)	
Penalty			291	
Internal Rates Revenue	(b)		(277)	
Fees and Charges	(a)	2,928	(291)	2,637
Penalty			(291)	
Other Revenue	(c)	630	88	718
Expense				
Operating Expense	(a)	14,835	(771)	14,064
Remissions			(421)	
Discount			(73)	
Internal Rates Expense	(b)		(277)	
Other Comprehensive Income				
Gains/(losses) on asset revaluation	(c)	13,046	6	13,052
Non-Current Assets				
Intangible Assets	(c)	694	99	793
Equity				
Accumulated Funds	(c)	350,362	93	350,455
Asset Revaluation Reserve	(c)	504,895	6	504,901

- (a) Due to the transition to PBE IPSAS, Council rates remissions, penalties, and discount are to be recorded as a reduction/(addition for penalties) against rates revenue as this is essentially foregone revenue and consistent with the tax expenditures guidance of PBE IPSAS 23.
- (b) Council has eliminated internal rates revenue from the presented financial statements.
- (c) Council has recognised Carbon Credits, acquired through a non-exchange transaction, as intangible assets. The Carbon Credits have been initially recognised at fair value in line with PBE IPSAS 31.121(c). Council will value the Carbon Credits annually, after recognition, using the revaluation model.

Governance Over Council Controlled Organisations

HOW COUNCIL'S OPERATIONS ARE MANAGED AND REPORTED



Significant Activities

These are activities of the Council.

Subsidiary

At 30 June 2015, Council no longer had control over Infracon Limited and had no subsidiaries. Therefore, Council is not required to prepare consolidated financial statements.

Associate

Manawatu Wanganui LASS Limited – 14% owned

At the end of the financial year, Council's share of the profit or loss is reflected in the Statement of Comprehensive Revenue and Expense Tararua District Council's financial result.

Council Organisations (CO)

Tararua Aquatic Community Trust

Council does not meet the definition of control in accordance with PBE IPSAS 6.

However, Council has included the Trust's financial statements in this section as the public has an interest and also that Council provides significant funding.



Council's Interests in Other Entities

The Local Government Act 2002, Schedule 10 (16) requires Council to provide information regarding its involvement in Trading Organisations (CCTOs), companies and other organisations under the control of Council or in which Council has a significant interest.

Tararua Aquatic Community Trust

The Trust

Tararua Aquatic Community Trust is a charitable trust created by deed of trust and registered under the Charitable Trust's Act 1957. This trust was set up on 30 April 1993 as an independent body with its own board and management structure.

Objective

The Trust's objective is to provide and maintain an indoor swimming pool and related services, in the Tararua district for the benefit and welfare of the citizens of the Tararua district.

This Year's Result

The Trust made a profit of \$8,800 (2014: \$49,332 loss). The Trust has managed its revenues, expenses, assets, liabilities and investments, and general financial dealings prudently as required by deed.

The Trust complied with the terms and conditions listed in the Management Agreement between the Trust and the Council. The Trust provided an audited set of Annual Accounts and Chairman's report to Council in August 2015.

Tararua Aquatic Community Trust Financial Statements

	2013/14	2014/15
	\$000s	\$000s
Statement of Comprehensive Revenue and Expense		
Revenue		
Council grant	185	237
Operating revenue	4	25
Interest revenue	2	3
Other asset gains/(losses)	-	-
Total Revenue	191	265
Expenses		
Operating expenditure	241	256
Total Expenses	241	256
Net Surplus/(Deficit) for Year	(49)	9
Other comprehensive revenue and expense	-	-
Total Comprehensive Revenue and Expense	(49)	9
Total Comprehensive Revenue and Expense	(49)	9
Statement of Financial Position		
Assets		
Current Assets	72	74
Non-Current Assets	900	895
Total Assets	972	969
Liabilities		
Current Liabilities	23	11
Non-Current Liabilities	-	-
Equity		
Public Equity	950	958
Total Equity and Liabilities	972	969



Manawatu-Wanganui LASS Limited

This company has been set up in 2008 by seven local councils to investigate the possibilities of economies of scale by joint procurement.

To date, there has been no call on share capital and the financial transactions during the year were restricted to insurance being charged to Council of \$62,000. Tararua District Council owns 1/7th equal share or 14% of this company and has a liability for \$1,000 share capital. This company is an investment of Council.

Other Activities

Tararua Safer Community Council (TSCC)

The Council

Tararua Safer Community Council is an organisation developed by the local community and funded by the Crime Prevention Unit. Since 1995, the Tararua District Council has had an agreement with the Crime Prevention Unit to sponsor the Tararua Safer Community Council.

The Crime Prevention Unit provides a Discretionary fund of \$5,000 to assist crime prevention programmes in the Tararua district. The Tararua Safer Community Council is in its twelfth year of operation; it is chaired by Maureen Reynolds, and has representation from 20 plus community groups and agencies.

Objective

The mission of the Tararua Safer Community Council is to coordinate existing community crime prevention programmes and to plan for, and encourage the development of new programmes within the context of a local crime prevention plan.

General Information



Council

His Worship the Mayor



R A (Roly) Ellis

PO Box 115
Dannevirke
06 374 4080
info@tararua.govt.nz

North Ward Councillors



Cr J E (Jim) Crispin

8 Stairs Street
Dannevirke
06 374 6768
027 717 8862
jim.crispin@tararua.govt.nz



Cr K R (Keith) Fenemor

92A Adelaide Road
Dannevirke
06 374 5450
027 374 2011
keith.fenemor@tararua.govt.nz



Cr C J (Carole) Isaacson

63 Umutaoroa Road
RD 8
Dannevirke
06 374 5577
027 307 5013
carole.isaacson@tararua.govt.nz



Cr D A (David) Roberts

PO Box 69
Dannevirke
06 374 6405
027 644 9459
david.roberts@tararua.govt.nz

South Ward Councillors



Cr T H (Tracey) Collis

674 Kakariki Road
RD 6
Eketahuna
06 376 6756
027 630 4057
tracey.collis@tararua.govt.nz



Cr W H (Warren) Davidson

RD 3
Eketahuna
06 375 8364



Cr S (Shirley) Hull

Pahiatua-Mangahao Road
RD 3
Pahiatua
06 376 7283
201 417 044
shirley.hull@tararua.govt.nz



**Deputy Mayor
Cr W H (Bill) Keltie**

217 Hinemoa Valley Road
RD 1
Pahiatua
06 376 8996
027 463 5384
bill.keltie@tararua.govt.nz



Community Boards & Council Committees

Community Boards

Dannevirke Community Board

Generally meets on the first Monday of the month at 3:00pm.

- **Chairperson**
Mr R A (Bob) Dresser
22 Ries Street, Dannevirke 4930
06 374 6270
dresser234@msn.com
- **Deputy Chairperson**
Mr W R (Ross) MacDonald
91 Piri Piri Road, RD 7, Dannevirke 4977
06 374 7996
gloriarossmacdonald@gmail.com
- Mr E (Ernie) Christison
677 Laws Road, Dannevirke 4978
027 442 8099
ernie.contracting@xtra.co.nz
- Mr T (Tim) Delaney
41 Riverdale Road, Dannevirke 4930
06 374 5200
woollybuttskennel@gmail.com
- **Councillor**
Mrs C (Carole) Isaacson
RD 8, Umutaoroa, Dannevirke 4978
06 374 5577
carole.isaacson@tararua.govt.nz

Eketahuna Community Board

Generally meets on the first Friday of the month at 10:00am.

- **Chairperson**
Mr C C (Charlie) Death
Nireaha Road, RD 2, Eketahuna 4994
06 375 8503
deaths@inspire.net.nz
- **Deputy Chairperson**
Mrs D F (Diana) Eagle
1775 Mangaone Valley Road, RD 4,
Eketahuna 4993
06 376 8256 or 027 323 3570
eagleeketahuna@xtra.co.nz
- Ms T (Trudi) Hull
120 Priest Road, RD 2, Eketahuna 4994
06 375 8220
chris.trud@xtra.co.nz
- Ms S (Sharon) Shannon
125 Larsens Road, Eketahuna
06 375 8130
bevansharon@hotmail.com
- **Councillor**
Mr W H (Warren) Davidson
RD 3, Eketahuna 4994
06 375 8364
warren.davidson@tararua.govt.nz

Community Committees

Woodville operates its own autonomous community committee, Woodville Districts' Vision (Inc).

Pahiatua operates its own autonomous community committee, Pahiatua on Track (Inc).

Council Committees

Chief Executive's Performance Appraisal Committee

His Worship the Mayor, Mr R A (Roly) Ellis (Chairperson)

Cr S A (Shirley) Hull

Deputy Mayor, Mr W H (Bill) Keltie

Cr D A Roberts

Tribunal and Hearings Committee

Cr W H Davidson (Chairperson)

His Worship the Mayor, Mr R A (Roly) Ellis

Cr T H (Tracey) Collis

Cr S A (Shirley) Hull

Council Controlled Trading Organisation Committee

His Worship the Mayor – Mr R A (Roly) Ellis (Chairperson)

Deputy Mayor, Mr W H (Bill) Keltie (Deputy Chairperson)

Cr J E (Jim) Crispin

Cr D A (David) Roberts

Forestry Committee

His Worship the Mayor, Mr R A (Roly) Ellis (Chairperson)

Cr K R (Keith) Fenemor

Deputy Mayor, Mr W H (Bill) Keltie

Tararua District Licensing Committee

Mr David Lea (Chairperson)

Mr Nick Perry

Mrs Maureen Reynolds

Mr Kerry Sutherland



Management Team & Directory

Management Team

Executive Staff

Blair King *ME (Civil) MIPENZ*
Chief Executive

Peter Wimsett *CA, BBS*
Manager Strategy & District Development

Raj Suppiah *CA*
Chief Financial Officer

Chris Edsall
Tararua Alliance Manager

Craig Lunn
Planning Manager

Kathy Dever-Tod
Manager Assets Group

Directory

Main Office and Council Chambers

PO Box 115 Dannevirke 4942	26 Gordon Street Dannevirke
Telephone:	(06) 374 4080
Fax:	(06) 374 4137
General email:	info@tararua.govt.nz
Council Website:	www.tararua.govt.nz
District Website:	www.tararua.com
Facebook:	Tararua-District-Council

Service Centre Locations

Dannevirke 26 Gordon Street, Dannevirke (06) 374 4080	Pahiatua 136 Main Street, Pahiatua (06) 376 0110
Woodville 42 Vogel Street, Woodville (06) 376 0200	Eketahuna 31 Main Street, Eketahuna (06) 376 0219

Bankers

Westpac New Zealand Limited
Dannevirke

Bank of New Zealand
Dannevirke

Auditors

Audit New Zealand
PO Box 149
Palmerston North
On behalf of the Auditor-General

Solicitors

Cooper Rapley
Palmerston North

Insurance Brokers

Aon New Zealand Ltd
Wellington

Glossary of Terms

Activity The operation of a facility or the provision of a service.

Asset Management Plan A plan, which identifies the current status of an asset, future renewal programme and options to meet growth due to demand/expansion.

Capital Development The creation of new assets or the addition of new components to existing assets that extend any asset's service potential.

Capital Renewal The replacement of existing assets when they have reached the end of their useful life.

Community Outcomes The community's priorities for the future of the district, identified through a community consultation process.

Cost of Service The true cost of performing an activity. Calculated as the total of direct costs, support costs, depreciation, interest and debt servicing.

Council-Controlled Organisation (CCO) means a council organisation that is:

- a) a company-
 - i) in which equity securities carrying 50% or more of the voting rights at the meeting of the shareholders of the company are-
 - A) held by one or more local authorities; or
 - B) controlled, directly or indirectly, by one or more local authorities; or
 - ii) in which one or more local authorities have the right, directly or indirectly, to appoint 50% or more of the directors of the company; or
- b) an organisation in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons,-
 - i) control, directly or indirectly, of 50% or more of the votes at any meeting of the members or controlling body of the organisation; or
 - ii) the right, directly or indirectly, to appoint 50% or more of the trustees, directors, or managers (however described) of the organisation.

Council-Controlled Trading Organisation (CCTO) A council-controlled organisation that operates a trading undertaking for the purpose of making a profit.

Depreciation The cost or value of the economic benefit of an asset used during a financial year.

Groups of Activities The Council's services are divided into nine groups of activities based on their relationship and the rationale for providing them.

Indicator Flag or signal that represent an issue of concern or which measure change or progress toward a desired outcome.

Infrastructural Assets Systems and networks that provide a continued service to the community that are not generally regarded as tradeable. These assets include roads, footpaths, water and sewerage services, and stormwater systems.

Long Term Plan (LTP) A plan which outlines the Council's programme for the next 10 years and how it will contribute to achieving the community outcomes.

Measure The actual piece of information or data used to gauge an indicator.

Operational Expenditure All funding for providing services on a day to day basis, excluding renewal and capital expenditure.

Operating Revenue Revenue received as part of day-to-day activities. Includes user charges and rates but not capital revenue (such as new loans).

Performance Measure Measure by which organisational performance may be judged in relation to objectives.

Policy A course of action or set of parameters adopted by the Council or by management within which decisions can be made and action can be taken.

Renewal Expenditure Funding for works that replace the existing assets over their projected lifetime. Generally funded from the depreciation reserve fund.

Revenue and Financing Policy The Revenue and Financing Policy sets out who should pay for Council's activity and how they should pay for the activity.



Separate Rate A rate levied over a particular group of properties that receive or are capable of receiving a specific service or benefit additional to that provided by general rate funding.

Service Delivery Plan Outlines each of the Council's activities including service levels, performance measures, issues and future demand.

Toby A valve situated at the property boundary for the purpose of controlling the flow of water to the property.

User fees and charges Fees charged to the community for use of specific services and facilities provided by the Council.

Vision Council's view of the future state of its community. It is used to inspire people into action, define future direction and implies that what we do now can influence and change the future for the better.