

2014-15  
ANNUAL REPORT

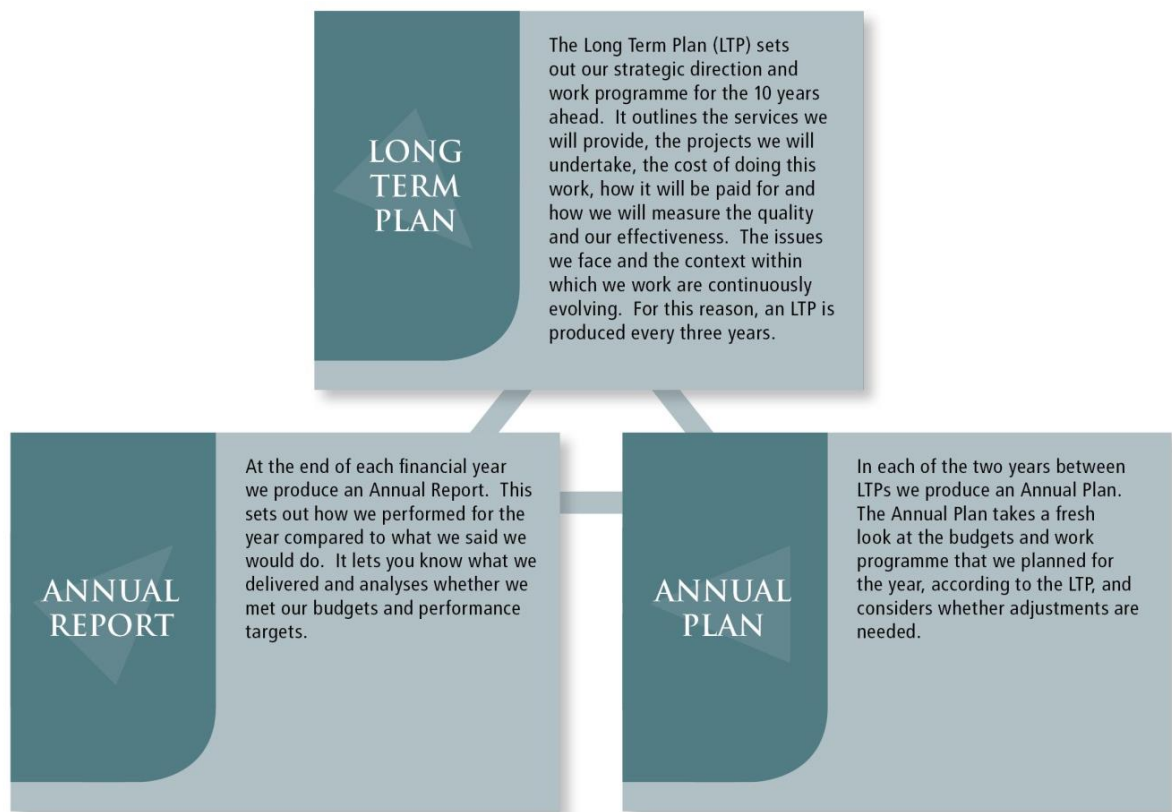
Central Otago District Council

MEASURING  
our  
progress

improving our community facilities and services  
thinking of our environment  
planning for the future promoting our place  
new look, new efficiencies using resources wisely  
working with our community enhancing our engagement  
Planning for the future



# THE PLANNING CYCLE



## CONSULTATION WITH MAORI

Council endeavours to foster the development of Maori capacity to contribute to Council's decision-making. So far Council has:

- Identified and contacted key stakeholders.
- Obtained representation at the Te Roopu Awhina network as a means of being informed about local Maori needs and aspirations and to contribute to meeting these where it is possible.
- Undertaken to work with runanga with an interest in Central Otago to ascertain their needs, explore the ways in which Council can contribute to local Maori aspirations and establish a productive working relationship between Council and Kai Tahu.

Council also intends to:

- Work with iwi and local Maori to establish a relationship-building process.
- Build on the relationship with Kai Tahu ki Otago that was established in 1997 and continue to inform Kai Tahu of decisions of significance that relate to land or bodies of water.
- Develop ongoing processes to deal with future issues; these could be in the form of formal relationship agreements with Kai Tahu.
- Establish communication processes that are appropriate to both Maori and Council.

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# Our Space, Our Place

The Central Otago District covers an area of almost 10,000km<sup>2</sup> and encompasses the electoral wards Vincent (Alexandra and Earnsclough-Manuherikia), Cromwell, Maniototo and Teviot Valley. The main towns include Alexandra, Clyde, Cromwell, Roxburgh, Ranfurly and Naseby. While still awaiting up-to-date Census figures, prior forecasts placed our population at approximately 18,000. We have one of the lowest population densities in New Zealand.

The Central Otago district has a unique and diverse economy. While rural or primary industries still provide the backbone, Central Otago has become a fashionable place to live and visit. This means that industries such as viticulture and tourism are playing an increasing part in local development, while service industries such as construction and business services have grown considerably.



The aspirations of our Central Otago community, and the many smaller communities within our district, are central to our planning. Central Otago District Council helps facilitate community planning and each of these community plans help articulate what it is our communities want and need to ensure this district remains a great place in which to live, work and play. We currently have 13 community plans.

Council also continues to foster closer relations and improved communication channels with local iwi to contribute to Council's decision-making. Council is a signatory to the Te Ropu Taiao Otago governance charter. This charter formalises an agreement between Otago Runanga and Otago local authorities to work together at both a collective and individual council level.

Community outcomes are a high level set of goals that we aim to achieve. These outcomes seek to improve the social, economic, environmental and cultural well-being of our district, now and for the future.

Community outcomes are important to us at Council. They are used to guide and inform the planning process and set out priorities. They also help us focus on a vision for the district.

The community outcomes Council has a key role in are set out below. They will be achieved by working in partnership with the whole community, including individuals, businesses, government agencies and community organisations.

## Thriving Economy

A thriving economy would be attractive to both business and residents alike

### ECONOMIC DEVELOPMENT

Promote Central Otago as a place to live. Help business get through the legislative requirements when developing business opportunities.

### TOURISM

A tourism industry that is well managed, which focuses on our natural environment and heritage with marketing plans that reflect this.

### EASE OF DOING BUSINESS

Having easy access to information, friendly business services with streamlined consent processes.

## Sustainable Environment

An environment that provides a good quality of life. A community that would also have a healthy balance between its natural and built environment

### WATER

Ensuring there is an appropriate allocation of water for irrigation while ensuring sustainable waterways. Provide certainty in the quality and availability of residential water supplies, as well as education on water conservation.

### WASTE MINIMISATION

Reduce the waste we generate and increase recycling.

### MANAGING DEVELOPMENT IMPACTS ON LANDSCAPE AND NATURAL ECOSYSTEMS

Understand and protect the inherent values of our landscape and natural ecosystems while having well defined areas for growth.

## Safe & Healthy Community

A vibrant community with a range of services and facilities. A community that valued and celebrated its rich heritage

### MAINTAIN SERVICES IN LOCAL COMMUNITIES

Retain key services and facilities which are appropriate to the local community while retaining volunteer networks.

### SAFE COMMUNITY

Retain our safe community.

### TRANSPORT & COMMUNICATION

Having a well connected community through a safe roading system and communications network.

### RECREATION

Respect landowners' rights, while enjoying access to our lakes and recreational areas. Encourage walking and cycling for the community's health and wellbeing.

### ARTS & CULTURE

Provide places and spaces for arts and cultural expressions.

### HERITAGE

Clear guidelines for accessing, managing and preserving heritage within Central Otago while also identifying tourism opportunities.

# Our Space, Our Progress

It is our pleasure to present this Central Otago District Council (CODC) Annual Report and provide feedback to you on what we achieved in the 2014/15 year.

The 2014/15 year saw a 'changing of the guard' at CODC. Phil Melhopt announced his resignation in September and took up a new opportunity as CEO of PrimePort in his hometown of Timaru.

While Council undertook a recruitment process for a new Chief Executive, former Clutha District Council CEO Charles Hakkaart stepped into the role as Acting CEO.

In early December we announced the appointment of Leanne Mash as our new CEO. Leanne, formerly CEO of Hinchinbrook Shire Council in Queensland, Australia, joined us in February.

The energy put into the CEO selection process combined with the need to make tough decisions related to our refuse and recycling services has helped turn a group of strong individual councillors into a fully functioning team of Councillors. The diversity of opinion that they have allows wide ranging debate and robust decision making and I have enjoyed working with them on these issues.

1 July 2014 was the start date for our introduction of fortnightly refuse collection across the district.

As unpopular and uncomfortable as the change might have been for some the statistics show that removing the convenience of weekly collection has had a dramatic impact on waste.

The figures for the years preceding the change showed waste to landfill had been slowly decreasing each year, but in this past year following the introduction of fortnightly rubbish collections, waste to landfill dropped by 19%, a whopping 1690 tonnes less.

Towards the end of the 14/15 year we were gearing our community up for another change, with the implementation of a new district wide kerbside recycling service from May, the next step on our journey 'Towards Zero Waste and a Sustainable Central Otago'.

The other big talking point for the year was our Long Term Plan hot topic – the future of 3 Waters charging. After strong debate and deliberation on the matter Council opted for a districtised model to be introduced from the 16/17 year, subject to a full review of our Revenue and Financing Policy in this current 15/16 year. This is seen as a move to make Central Otago an affordable place to live in into the future and a way of protecting our smaller communities.

When reflecting on the year there have been highlights that stand out, which we should acknowledge and celebrate – projects, activities and initiatives we have undertaken to enhance the well-being of our community. On the next pages we overview some of these highlights and more of these are detailed in our activity sections.

# PROMOTING OUR PLACE

## Central Otago NZ website redevelopment

The redeveloped [www.centralotagonz.com](http://www.centralotagonz.com) was launched in May. The website is now responsive to user device/screen size and incorporates the ability to list accommodation and activity bookings in real time through the 'Book It' platform. Updates to the navigational structure and page layout have also been optimised for improved user experience.

## Regional Identity website refresh

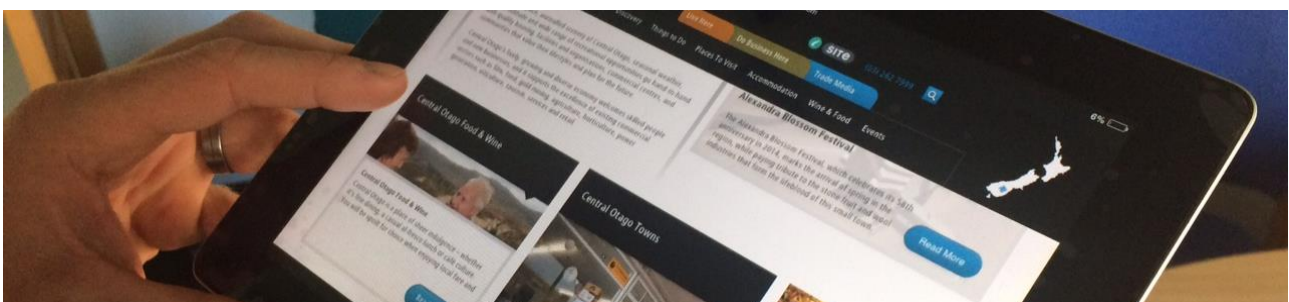
A key focus of the Brand Manager's time in 2015 has been on developing content for the new Central Otago regional identity brand website, which has been refreshed to reflect the changing nature of technology since it was built in 2006 and the body of work that has been developed since the regional identity brand was first launched. The revamped site will showcase the unique qualities and attributes associated with Central Otago in a more visually and compelling way, inspiring and building a greater sense of love and respect for this place.

As part of this new development key stories have been developed that will have the opportunity to be featured, including our Central Otago wine story, high country story and fruit story. These stories all help to reinforce Central Otago's distinctiveness and the activities we associate with this place.

## Promoting our premium fruit globally

Council provided support to the directors of Central Otago Premium Fruit Ltd in the development of strategies to promote sales under the COPFL brand in New Zealand, the USA (for apricots), China and a number of other countries in Asia (mainly cherries).

Stunning summer weather plus new plantings produced Central Otago's largest ever cherry crop of more than 3000 tonnes, double that of the 2014 harvest. The COPFL project working with its partners in key Asian and United States markets made excellent progress. A particularly exciting development was the successful use of social media to connect directly with end-use customers in China.



# WORKING COLLABORATIVELY

## Joint approach to emergency management

In October Central Otago District Council announced the appointment of a joint Emergency Management Officer with Queenstown Lakes District Council. With both councils having vacancies at the same time it made sense to seize the opportunity to create a shared, dedicated role in emergency management.

# IMPROVING OUR FACILITIES AND SERVICES

## New district-wide kerbside recycling services

A new kerbside recycling service contracted to AllWaste was introduced in May this year. We now deliver kerbside recycling services to all rateable properties in the Council kerbside collection area. The service was extended to include: Pisa Moorings, Bannockburn, Omakau, Ophir, Fruitlands, Teviot Valley, Naseby and Ranfurly. All 8400 eligible properties received two additional 240 litre wheelie bins, one for glass and one for mixed recyclables. The new 4-weekly pick-up schedule is now in operation, with area specific calendars delivered with the new bins. An extensive communications programme accompanied the new service rollout.

## New library system

In November we moved our library system to Kotui, a shared library management and discovery service (online catalogue). The additional features that Kotui provides, such as an onscreen prompt when a patron has read an item previously, are proving popular with both staff and patrons. Support is prompt and helpful. Our library staff have attended training sessions to learn how to get the most out of the system's features.

## Hangar interest soaring

This year hangar interest and uptake has been double what was forecasted.

The Alexandra Airport is experiencing increasing demand for private hangars and hangars with accommodation, with three new hangar leases signed, three further leases for hangars and apartments out for signing and strong interest for two more. We are also seeing an increasing in enquiries related to commercial aviation activity.

An Alexandra Airport Working Group is progressing a development plan for this Council asset.





## Improving our online services

In May we received the results of the Association of Local Government Information Management's annual ranking of local government websites. CODC's website was ranked 11 out of the 78 authorities, moving up from 35 in 2014.

In late October we made our archive catalogue and samples of our archival material available online on our website for the first time. This was the culmination of a large piece of work by our Records & Archives Officer.

We have also introduced online dog registrations through our website in 2015 in partnership with Datacom (our website provider) and Reg the Dog.

# WORKING TOGETHER WITH OUR COMMUNITY

## A strong year for community planning

The first community plans for Oturehua, Omakau and Ophir were worked on during 2014/15.

The Oturehua Community Plan working group is putting the recommendations of its plan (finalised in July 2014) into action include creating an Oturehua welcoming committee and lobbying for better broadband.

The Manuherikia Future group is developing plans for the first few action points of the Omakau Community Plan (finalised in December 2014), such as the town entrance beautification and town signage projects.

The draft Ophir Community Plan was circulated for community comment from early July, following visitor, resident and business surveys and a community workshop to develop the village's first plan.

The Cromwell and District Community Trust had a busy year with highlights including the unveiling of the community art mural at Lode Lane in Cromwell, the installation of signage and corresponding maps along the greenways within Cromwell, the annual lakeside clean-up and the Cromwell Ambassador programme.

## Clyde Underpass

The Clyde cycle/pedestrian underpass, linking the Clyde township to the Otago Central Rail Trail under State Highway 8 was constructed between Easter and the end of June 2015. The project had been in the making for the best part of a decade so it was a long-awaited milestone for both Council and its community to see work begin on site. A grand community celebration to mark the opening of the underpass was held in July 2015. More than just a safe road crossing, the underpass is a symbol of community cooperation and determination.



## Clyde Railway Station restored

Station restoration work, carried out by Stewart Construction, was completed just before Christmas. There was also a community working bee in late November to prepare the station for painting. A lease has been issued to Shebikesheebikes, who aim to be open for business in September in the historic building. Funding is coming together for restoration of the proposed museum area.

## Community pitch in on projects

A community-led project to remove raupo from the Aronui Dam took place over the summer months, following the Vincent Community Board decision to take over the reserve area. This was an example of a great community effort with many different organisations and individuals giving their time on a free basis.

In October, Alexandra Rotary Club undertook a community project and developed a cycle/ push chair ramp down the flood bank to the rear of the Alexandra Police Station, enhancing the accessibility of Rotary Park.

A joint redevelopment at Pinders Pond by the Roxburgh Lions and Council has resulted in the area being tidied up significantly and the enjoyed by a strong numbers of campers over the summer.

## Vallance Cottage gets TLC from community

Restoration work on the historic cottage included repairs to the timber floor and remedial painting work, completed with funding from the VCB, Central Lakes Trust Otago Community Trust and family contributions.

A community picnic was held on the reserve ground by the cottage in January to generate interest in the guardianship and future use of the cottage. A number of volunteer working bees have been held to keep the garden looking tidy too. The Vallance Cottage volunteers group was nominated for the Heritage and Environment Category at the Central Otago Trust Power Awards and were runners-up. A funding application has been made to the NZ Lottery Commission for a conservation plan.



# WORKING SMARTER

## Student research applied to road maintenance

In winter 2014 Council provided information and support to two University of Auckland PhD students. They developed a modelling tool that considers the costs associated with the metalling and whole of life maintenance costs for different pit materials, to determine which is the most cost-effective. The work they did using Central Otago data as a case study has identified we could have saved 25% over the life cycle of one of the roads studied by using gravel from an alternative pit, despite the upfront cost being higher.

We will be applying the tool developed by Auckland University to the 2015/16 metalling programme to review which pits will provide the most cost-effective options for each road. The outcome of this is likely to be of interest to the wider industry.

## Roading innovation awarded

In March Central Otago District Council earned a national accolade for its innovative new method for programming sealed road maintenance work. An in-depth examination of the work programme for Central Otago's 512km of sealed roads resulted in our Roothing Manager being presented on behalf of Council with a Roothing Infrastructure Management Support Innovation Award for 2015.

The recently adopted new method of programming work is based on a process called dTIMS, a software analysis platform developed to encourage the best practice in maintenance decision-making. It is expected the new approach will save the Council \$191,000 in resealing costs each year for the first three years of the programme.

The process determines the "life" left in a road surface using data collected, and marks a change in focus from maximising the network condition within a budget to identifying the minimum level of investment required to sustain the sealed road network over the long term.

# PLANNING FOR THE FUTURE

## Central Otago Tourism Strategy

The second Central Otago Tourism Strategy "Towards Better Tourism Outcomes for Central Otago" 2014-2019 was published and uploaded to both the CODC and centralotagonz.com websites. Tourism Central Otago will monitor the development of the strategy and report to the working group who will meet six-monthly to review progress on the recommendations.



## Ultra-Fast and Rural Broadband

Council submitted Registrations of Interest to improve ultra-fast broadband and mobile phone coverage in the district under each of the Government's UFB2, RBI2 and Mobile Black Spot Fund programmes.

Our UFB2 bid is for the roll-out of fibre in Alexandra – Clyde, Cromwell, Ranfurly and Roxburgh. Under the RBI2 programme we are asking for improved coverage in the Ida Valley, St Bathans/Cambrians area and also for Naseby. We have joined with fellow Otago councils to put in a joint bid for mobile phone coverage along stretches of the State Highway network, such as the Lindis Pass that are currently "black spots".

The next step in the process is to work with our community to develop the Digital Enablement Plans that must be submitted in support of each of our ROIs by 18 September. These plans must explain why the communities nominated want ultra-fast broadband, what they will do with it if they get it, and that they know how to use it. To aid this project a series of 'brainstorm sessions' were held around the district run by CODC and The Digital Office.

## Labour market needs surveyed

Central Otago Labour Market Surveys were conducted this year that sought to establish the labour requirements of key sectors of the district economy looking out five years to the 2019/20 season.

The report on the horticulture and viticulture surveys was presented to the Central Otago Labour Market Governance Group in June. The survey found that both sectors were in good shape with strong growth predicted in the horticulture sector. Labour demand is expected to grow with an additional 600 beds required by 2018/19. The report identified that accommodation provision particularly for temporary workers is a big issue to resolve.

The governance group will use the information from the report to assist in the development of a Central Otago labour market plan to help the district prepare for future economic growth. This will include reviewing training needs; exploring housing options; running workshops on industry best practice; and greater promotion of Central Otago as a seasonal work destination.

A second report scoping labour issues in five other growth sectors of the Central Otago economy – construction, irrigation, transport, hospitality and agriculture – is expected to be released by Spring 2015.

## Discussion on future of 3 waters charging

The future of 3 waters charging was the "big issue" of our Long Term Plan consultation in May 2015. The proposal to change the way water, wastewater and stormwater is funded from the 2016/17 year attracted 153 submissions.

Of those 54% supported a fully subsidised model, 23% preferred partially subsidised and 23% fell into the camp of wanting the status quo or an alternate solution. Those favouring the fully subsidised option felt it was important to protect Central Otago's smaller communities by spreading the cost of major upgrades to existing water and wastewater schemes.

There was strong debate and deliberation on the matter, which ultimately resulted in Council opting for a fully subsidised funding model to be introduced in Year 2 (2016/17) of the Plan, subject to a full review of the Revenue and Financing Policy in Year 1.



# OUR RESULTS

Our projects for the 2014/15 year, including those captured in our highlights on the previous pages were achieved without Council going into debt. We are mindful that some projects are still in progress and there are major capital works on the horizon. We will manage these within the limits of our financial strategy.

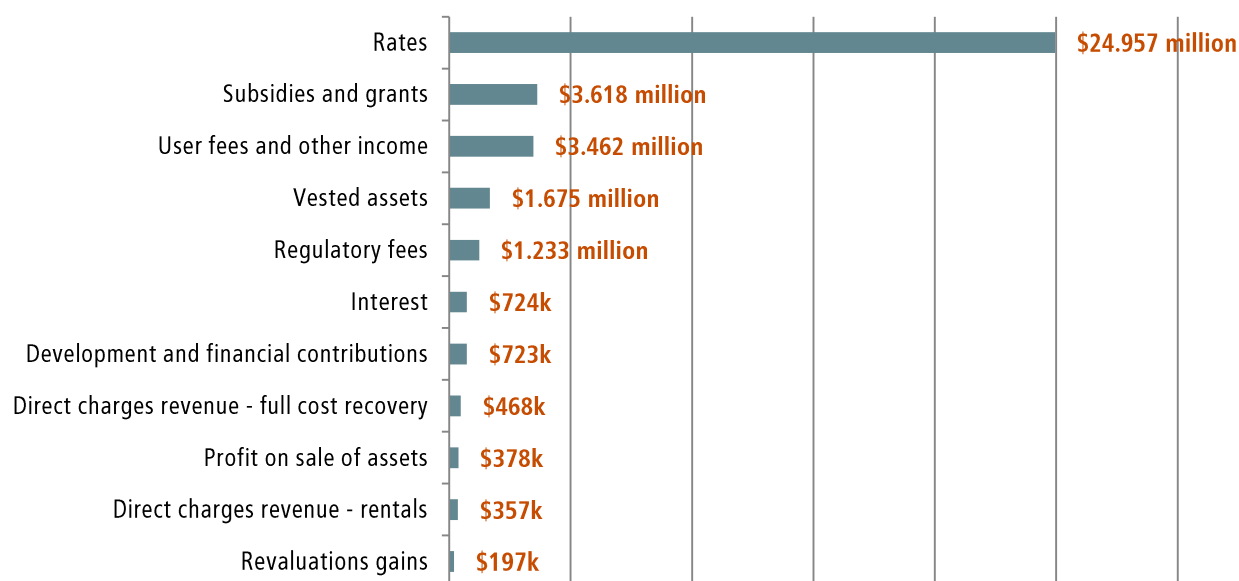
Council ended the year with a surplus of \$2.330m after tax.

## Our 5-year financial performance

	2015/14	2014/13	2013/12	2012/11	2011/10
	\$000	\$000	\$000	\$000	\$000
Rates revenue*	24,957	23,657	22,553	21,861	20,567
Other revenue**	12,835	12,774	10,517	10,414	12,683
<b>Total Revenue</b>	<b>37,792</b>	<b>36,431</b>	<b>33,070</b>	<b>32,275</b>	<b>33,250</b>
Employee benefit expenses	7,349	7,142	6,615	6,372	6,129
Depreciation and amortisation	9,668	9,463	9,594	9,302	9,330
Other expenses	18,445	16,553	16,329	16,729	16,038
<b>Total Expenditure</b>	<b>35,462</b>	<b>33,158</b>	<b>32,538</b>	<b>32,403</b>	<b>31,497</b>
Net surplus (deficit)*	2,330	3,273	532	(128)	1,753
Working capital (net)	14,730	11,015	8,977	7,817	8,900
Total assets	665,034	662,771	648,182	639,676	645,757
Cash flows from operating activities	9,552	11,359	10,687	9,226	7,433
* Note: includes revenue from water meter charges (introduced in July 2013)					
**Note: includes vested assets	1,675	2,106	106	573	1,118

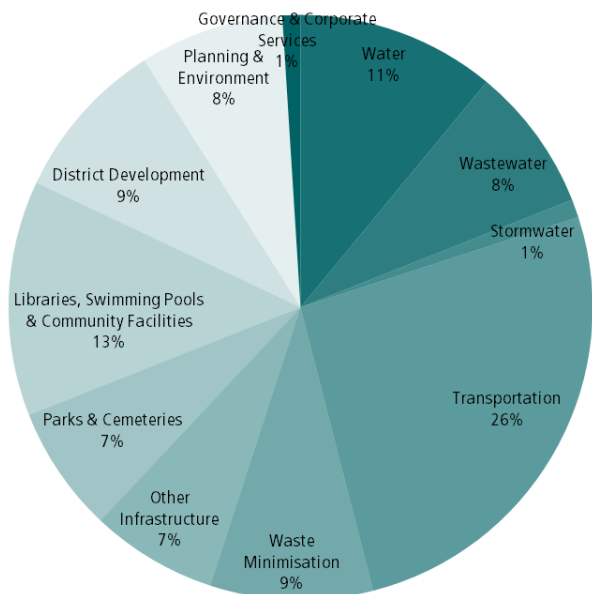
## Where our revenue comes from

Total revenue \$37.8 million



## How the money is spent by activity

Total expenditure \$35.5 million



## KEY FACTS & FIGURES FOR 2014/15

**\$37.8million** = Council's total operating revenue

**\$35.5million** = Council's total operating expenditure

**\$7.1billion** = our ratable capital value at 30 June 2014 (\$6.5 billion in 2013/14)

**\$3.5billion** = our ratable land value at 30 June 2014 (\$3.2 billion in 2013/14)

**\$0** = the district's debt

**13,703** = the number of rateable properties in our district (13,552 in 2013/14)

**\$646million** = the current book value of our district's non-current assets

The following graphs highlight various benchmarks indicating whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

## Annual report disclosure statement for year ending 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.

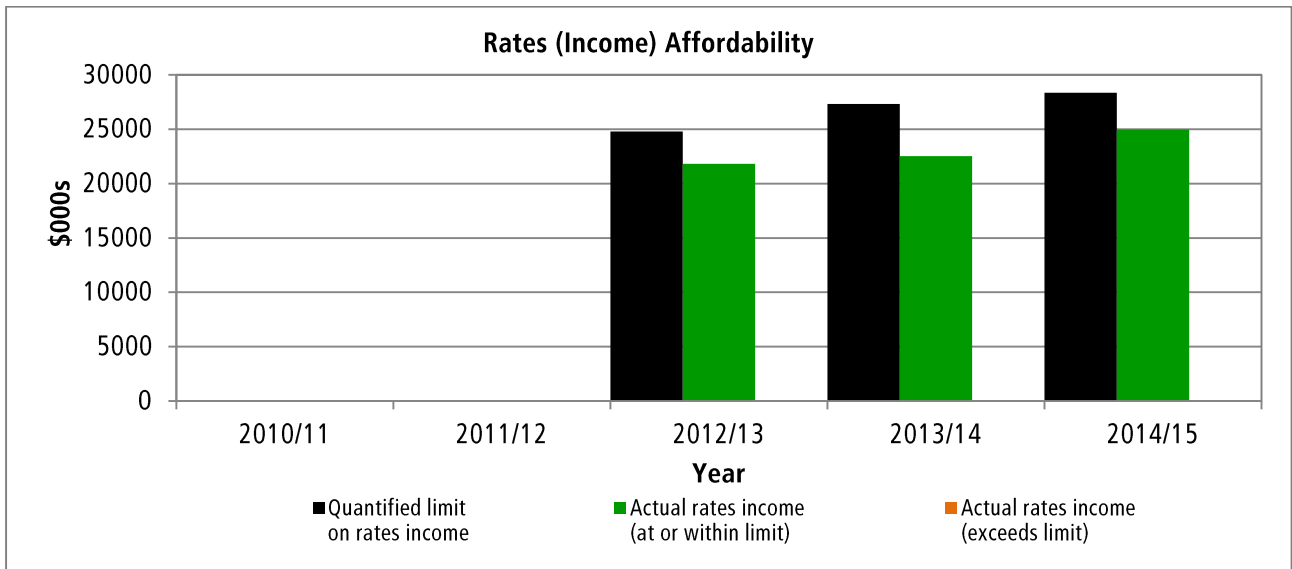
The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

## Rates Affordability

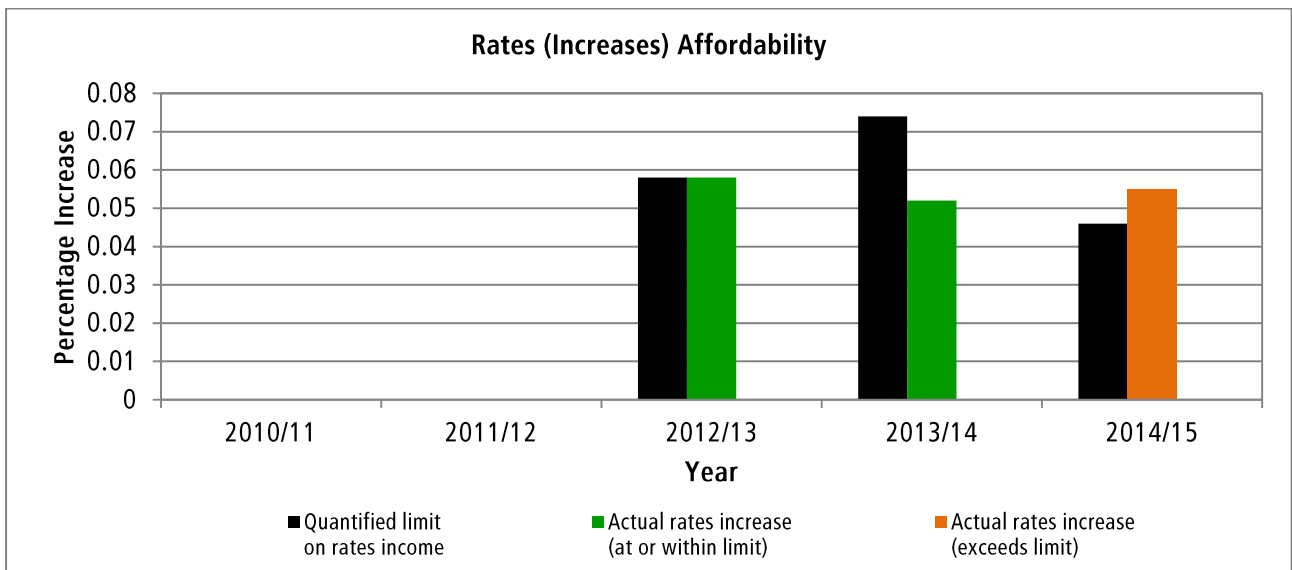
The council meets the rates affordability benchmark if—

- 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.

The following **rates (income) affordability** graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit was introduced as part of the 2012/2022 Long Term Plan and was not required in the 2010 to 2012 years. As such the Council now monitors this measure closely to ensure it stays within the limits and has done so in the 2014 and 2015 years. The limit has been set at a maximum of 75% of total council revenue.



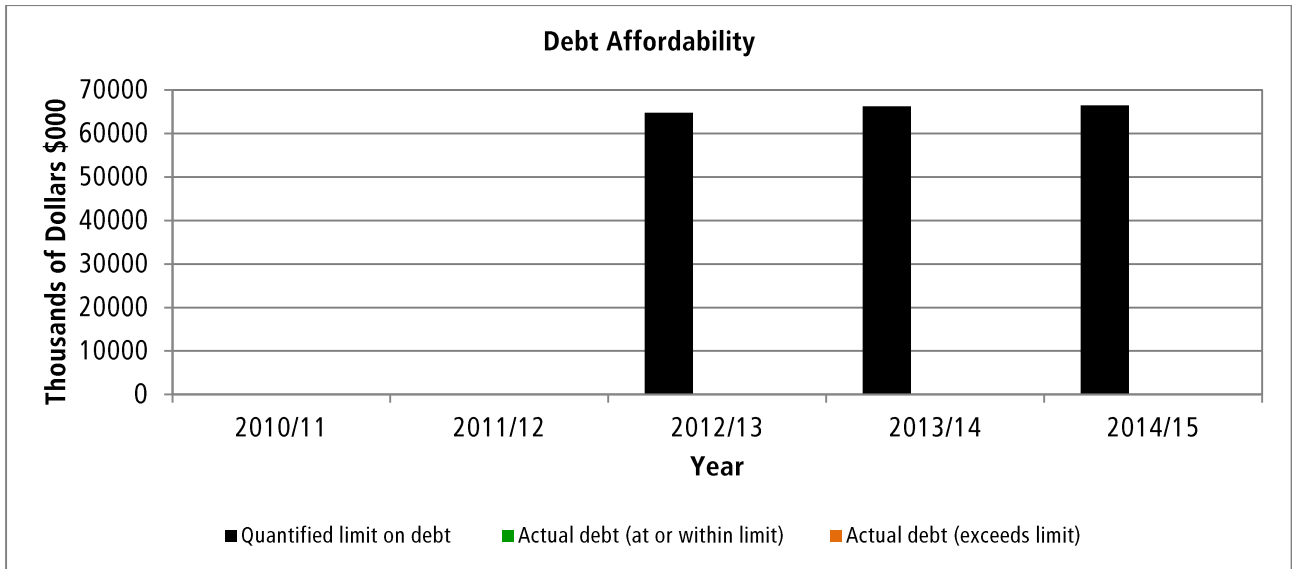
The following **rates (increases) affordability** graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is Local Government Cost Index plus 2.5%.



### Debts Affordability

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

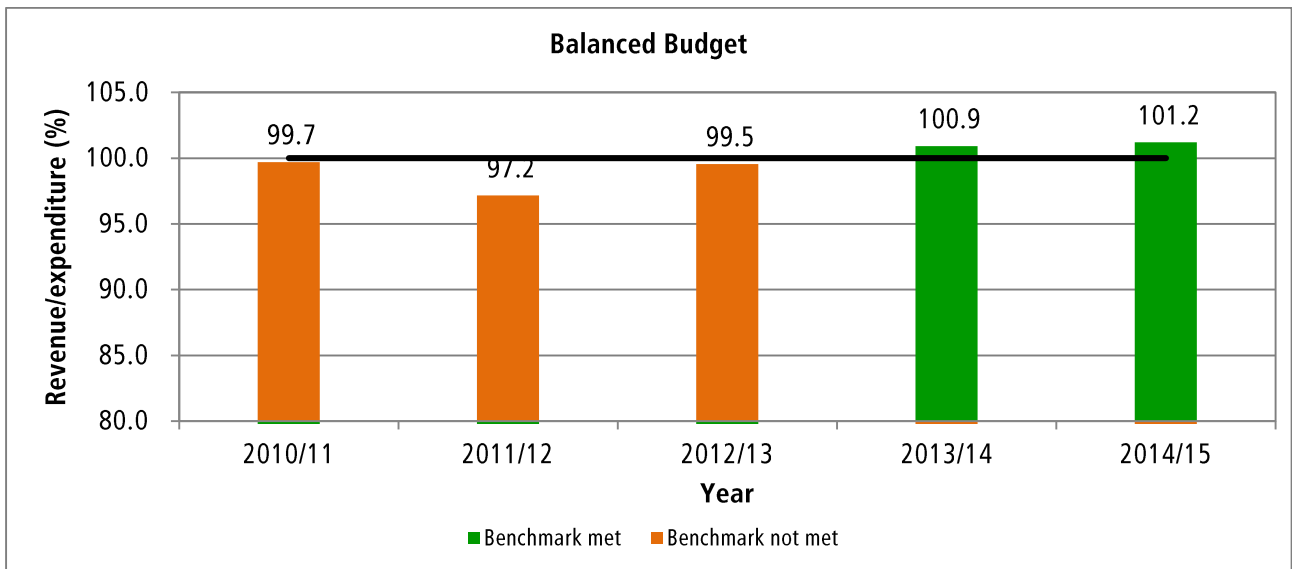
The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is 10% of total assets.



### Balanced Budget

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.

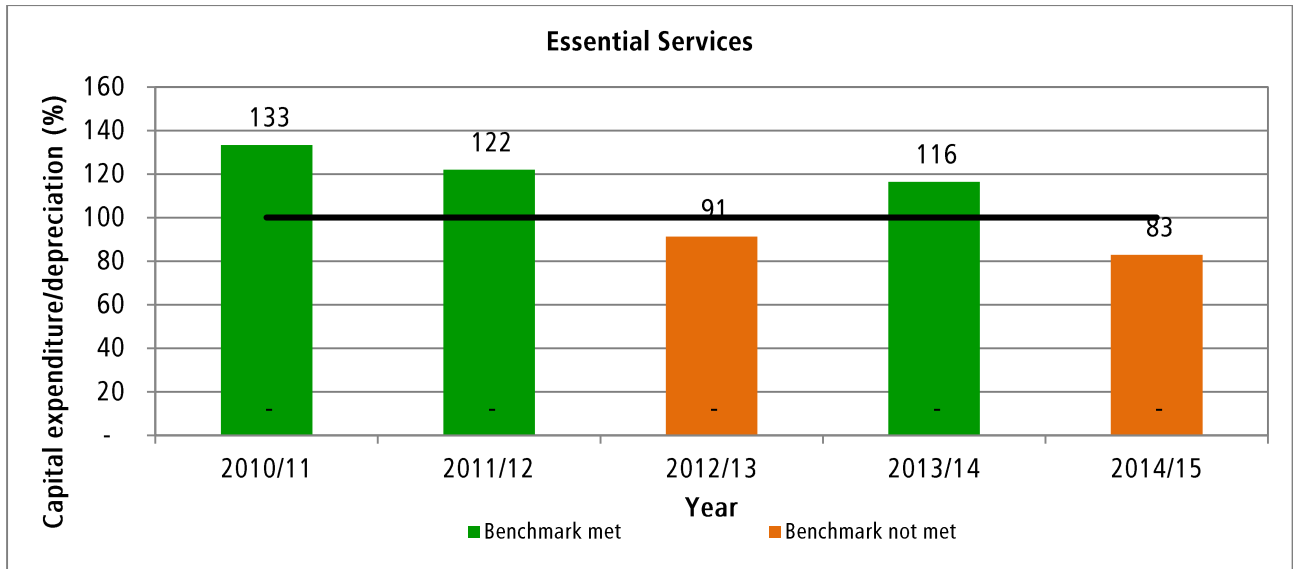




### Essential Services

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

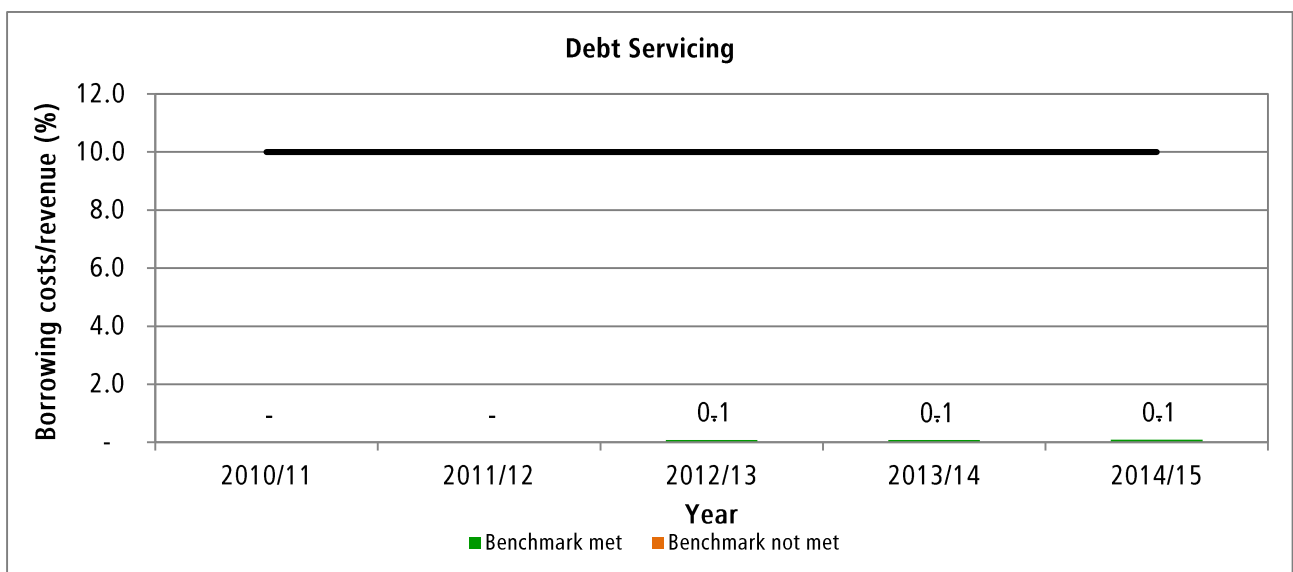
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



### Debt Servicing

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).

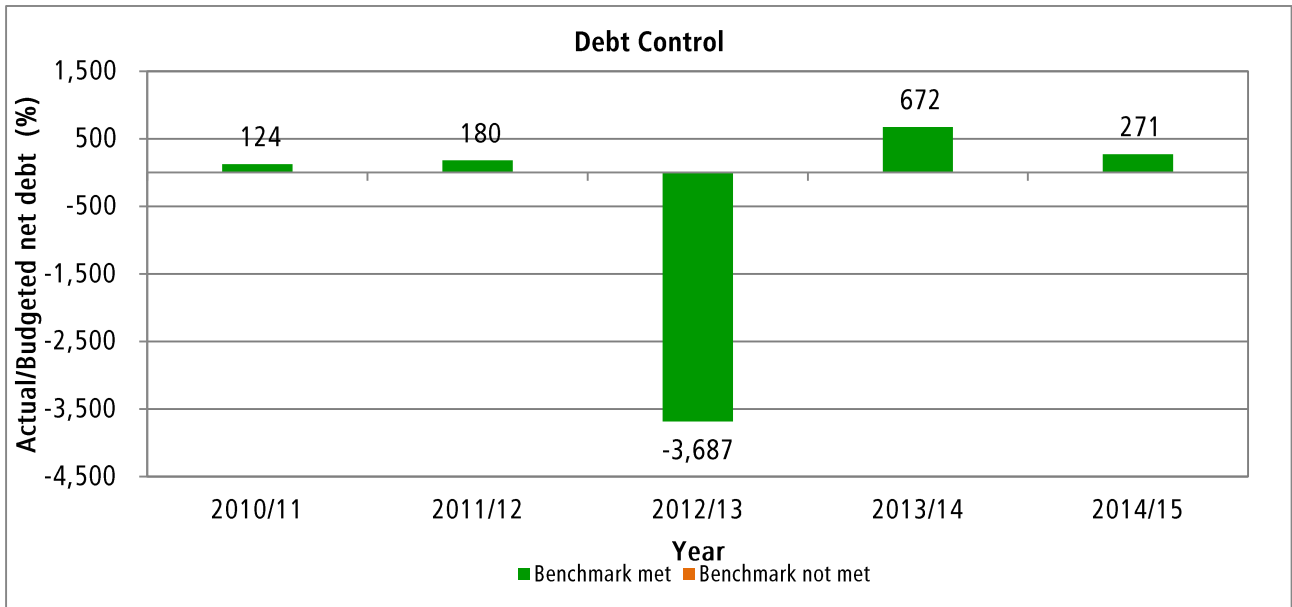
Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



### Debt Control

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).

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

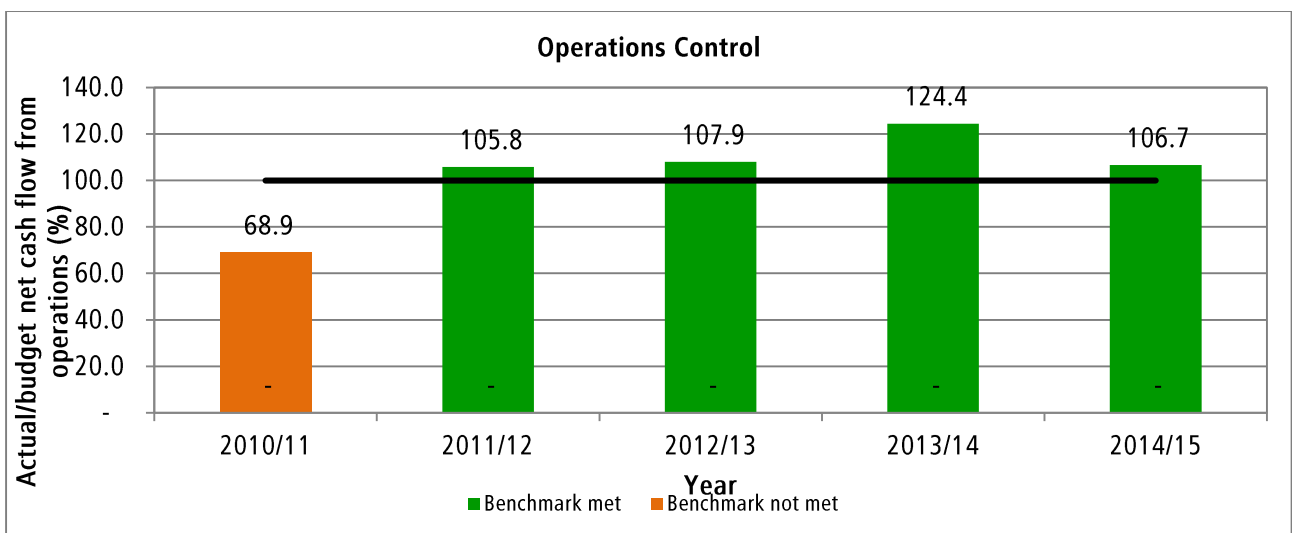


Note: In years 1, 2, 4 and 5 the council planned to have net assets – that is, its financial assets (excluding trade and other receivables) were planned to exceed its financial liabilities. Mathematically, the results shown in the graph above are correct. The graph shows “benchmark met” whenever the council is better off (either less indebted or with greater net assets) than planned. Conversely it shows “benchmark not met” whenever the council is either more indebted or has less net assets than planned.

### Operations Control

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.



## Statement of Compliance

Councillors and management of the Central Otago District Council confirm that all statutory requirements of the Local Government Act 2002 in relation to the Annual Report have been complied with.



We thank elected members and Council staff for their commitment and efforts this past year, and thank our community for its support, with special thanks to all of those of you who took the time to make submissions, provide feedback and get involved.

We look forward to the year ahead and the ongoing engagement we will have with the community.

Chief Executive Officer  
Leanne E Mash

Mayor  
Tony Lepper

# Our Activities

'Our Activities' provides a detailed overview of the activities we have undertaken during the 2014/15 financial year. The groups of activities incorporate the core services that we deliver and we give particular consideration to how these core services contribute to the community in our decision-making process.

While some of the activities relate to legislation such as the Building Act 2004 and the Resource Management Act 1991, they contribute to the community's social, cultural, environmental and economic well-being and therefore also contribute to the community outcomes in some way, either directly or indirectly. Corporate support provides the internal processes and support required for the organisation to carry out its activities.

Within each activity you will find a brief introduction, what we have achieved, how we measure our success and what the activity cost. All operating and capital expenditure is inflated and stated exclusive of GST.

WATER		
WASTEWATER		
STORMWATER		
TRANSPORTATION		
OTHER INFRASTRUCTURE	Waste Minimisation	Elderly Persons' Housing District/Commercial Property Public Toilets Airports
COMMUNITY SERVICES	Parks & Recreation Cemeteries	Community Facilities Libraries Swimming Pools <i>District Development</i> Economic Development Tourism Community Planning Visitor Information Centres Central Otago Brand Promotions & Grants
PLANNING & ENVIRONMENT	Resource Management Building Control Liquor Licensing Dog Control & Registration Environmental Health Civil Defence	
GOVERNANCE & CORPORATE SERVICES	Elected Members' Support	Administration Buildings Personnel Communications Customer Service & Administration Financial Planning & Reporting Information Systems

# WATER



# Water



## OUR SPACE, OUR CHALLENGES

We manage 10 public water supply schemes, servicing approximately 14,400 residents. We aim to supply the community with treated water at a suitable pressure and quantity.

As at July 2015 the total replacement cost of our water supply schemes was \$85 million.

The water supply service is a primary contributor to all three of our community outcomes.

Our challenge is to find the right balance between providing sustainable levels of quality and quantity with affordability.

## RISING TO THE CHALLENGES



### Alexandra water source determined

The outcomes of tests conducted at newly constructed trial bores, adjacent to the Clyde bore on the shores of Lake Dunstan, were reported to the Council in December 2014. Based on the high quantity of good quality water available Council adopted the trial site as the preferred option for a new water source for Alexandra. The timing and funding of future work on the project was then considered as part of the 2015/25 Long Term Plan process.

### Future of 3 waters charging

The future of 3 waters charging was the "big issue" of our Long Term Plan consultation. The proposal to change the way water, wastewater and stormwater is funded from the 2016/17 year attracted 153 submissions.

Of those 54% supported a districtised model, 23% preferred partially subsidised and 23% fell into the camp of wanting the status quo or an alternate solution. Those favouring the districtised option felt it was important to protect Central Otago's smaller communities by spreading the cost of major upgrades to existing water and wastewater schemes.

There was strong debate and deliberation on the matter, which ultimately resulted in Council opting for a districtised funding model to be introduced in Year 2 (2016/17) of the Plan, subject to a full review of the Revenue and Financing Policy in Year 1.

#### Our community asked us...

To provide certainty in the quality and availability of residential water supplies, as well as education on water conservation.

## Molyneux Park irrigation

Fulton Hogan has completed the installation of the pop up irrigation system in Molyneux Park's back sports fields, and is now testing and commissioning the system.

This work was part of wider project designed to eliminate the use of treated water to irrigate our parks and reserves spaces where possible.



## Bridge Hill rising main

A windy day caused a tree to fall over and land on the 400mm water main on Bridge Hill, in Alexandra. The water hammer that resulted from the tree landing on the pipe caused a section of pipe above Bodkin Road to fail. The failure caused a 30–40 metre geyser to form. This caused flooding of nearby properties and road corridors.

The repairs to the pipe have allowed for a period of time to design the replacement options for this section of main. This design work is nearing completion to allow for the section to be replaced prior to Christmas.

# HOW WE MEASURE OUR SUCCESS

WATER						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy (Affordability)	Provide a fully accessible and reliable water network	Time without water per customer per annum (planned and unplanned)	99.9%	<b>99.9%</b>	99.7% system availability	Achieved.
		Flow and pressure at connection	5 complaints	<b>4 complaints</b>	Number of low pressure or flow complaints trending down	Achieved. Complaints were related to faults on property connections and were isolated to the single property. The issues were temporary, and normal service returned once the faulty fitting or fixture was repaired.
A Sustainable Environment (Quantity / Sustainability)	Provide an efficient water network	Water consumption per property per annum	331m <sup>3</sup> per annum per connection	<b>411 m<sup>3</sup> per annum per connection</b>	Water consumption is stable at 450m <sup>3</sup> per annum per connection	Achieved. The summer weather was considerably hotter and drier than the previous year. It was declared a drought by Central Government.
		Number of requests for service received from customers	727	<b>1087</b>	Number of service requests trending down from 900	Not Achieved. There have been a high number of faults recorded on the connections across the district. Work has been identified to install secondary rider mains to reduce the areas that are giving problems with these older road crossings.
A Safe and Healthy Community (Quality / Sustainability)	Provide a safe and healthy water network	Percentage of residents who are satisfied with water quality (taste, odour, colour)	50% district-wide	<b>54% district-wide</b>	90% satisfied or above on community survey scale	Not Achieved. 51% of the comments were from Alexandra respondents. All areas commented on the quality of the water in Alexandra or in their area. Comments included, lime content issues, taste, appearance and smell.
		Compliance with the microbiological criteria of the NZ Drinking Water Standards	0 failed results	<b>0 failed results</b>	Zero failed E-coli tests	Achieved.



# WHERE DOES THE MONEY GO?

<b>WATER</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates 1	3,771	4,345	4,036	4,112
Subsidies and grants for operating purposes	19	20	20	32
Fees and charges	3	3	3	6
Internal charges and overheads recovered	74	86	72	75
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
<b>Total operating funding</b>	<b>3,867</b>	<b>4,454</b>	<b>4,130</b>	<b>4,225</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,519	1,637	1,790	1,653
Finance costs 2	112	348	-	-
Internal charges and overheads applied	805	852	958	855
Other operating funding applications	62	64	58	57
<b>Total applications of operating funding</b>	<b>2,498</b>	<b>2,901</b>	<b>2,806</b>	<b>2,565</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>1,369</b>	<b>1,553</b>	<b>1,324</b>	<b>1,660</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	404	419	90	128
Increase (decrease) in debt 3	850	5,136	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,254</b>	<b>5,555</b>	<b>90</b>	<b>128</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	161	795	245	128
- to improve the level of service	1,014	4,285	923	624
- to replace existing assets	1,501	1,901	1,034	604
Increase/(decrease) in reserves 4	(53)	127	(788)	432
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>2,623</b>	<b>7,108</b>	<b>1,414</b>	<b>1,788</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(1,369)</b>	<b>(1,553)</b>	<b>(1,324)</b>	<b>(1,660)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>1,339</b>	<b>1,466</b>	<b>1,305</b>	<b>1,258</b>

## Notes

- 1 Targeted rates from the 1/7/14 includes revenue from volumetric water charges. Comparative figures have been amended accordingly.
- 2, 3, 4 We are yet to borrow externally

# WASTE water



# Wastewater



## OUR SPACE, OUR CHALLENGES

We manage eight public wastewater schemes, servicing approximately 12,500 residents. Each scheme pumps, reticulates and treats the wastewater generated by your household as well as from businesses and industrial processes. In providing your wastewater service we utilise 216km of pipe, almost 2000 manholes and 81 pumps. As at July 2015 the total replacement cost of our wastewater infrastructure was \$71 million. Privately owned septic tanks are used in townships without reticulated schemes.

The wastewater service is a primary contributor to two of our community outcomes. Our challenge is to provide more sustainable wastewater services while maintaining affordability.

## RISING TO THE CHALLENGES

### Cromwell wastewater resource consent renewal

Landscape planting at the Cromwell Ponds was a condition of the resource consent. This involved the planting of 1050 plants in a 5 metre wide fenced area along the perimeter of the property.

Bannockburn Pump Station design and location work is underway and 75% complete. The remaining physical work and alignment confirmation is programmed to continue over the next financial year.

Desludging ponds in Cromwell was tendered in the public market. This work is programmed to be completed before November 2015.

### Dunorling Street pump station

The installation of a flow meter cut into an operational sewer pump station can cause a few operational issues and risks. The planning that needed to go into this project was identified due to the potential risks to the environment and Council's reputation. The resulting media attention of sewer from all of Alexandra entering the Clutha River would have been significant. As a result of the planning that Fulton Hogan and operational staff prepared, the installation of the meter was without incident during an overnight shutdown. During this work the electrical panel and variable speed drives were replaced to improve the plant's efficiency.



## Ranfurly wastewater consent

Council has received a new 35-year term consent to continue to discharge treated effluent to Bandy's Creek. Council also has a new three-year consent to continue to discharge septage to land at the site. This is as sought by the Council and it gives that period of time to develop and implement an alternative approach to septage handling in the Maniototo area.

## Sludge management

Discussions with the Victoria Landfill (Scope) identified their intention to raise the price to dispose sludge to the landfill on 1 January 2014. The price increase is a significant change to the current price and work has started to investigate other disposal options and operational improvements to reduce this price risk.

# HOW WE MEASURE OUR SUCCESS

WASTEWATER							
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results		2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy	Provide an efficient, accessible and reliable wastewater network	Number of requests for service received from customers	73		113	Number of service requests trending down from 115	Partially Achieved. The total number is below the target; however the trend has increased from the previous year.
A Sustainable Environment	Provide a safe and compliant wastewater network	Compliance with resource consents	75 notifiable events		55	100% compliance	Partially Achieved. 55 events district-wide <b>Compliant – notifiable events are reported to ORC as part of RC conditions</b>
			Alexandra	5	5		4 events were related to the Clarifier maintenance inspection. Retesting 4 days later showed the plant had resumed normal operation. The other event was the system resetting biologically from a heavy rain event.
			Omakau	12	24		24 pH related events. This pond will require mixing to control this variable.
			Cromwell	0	0		New consent conditions
			Bannockburn	18	0		New consent conditions
			Roxburgh	13	15		15 pH and Dissolved oxygen events prior to discharge to the irrigation beds.
			Lake Rox Village	0	0		Achieved.
			Ranfurly	20	0		New consent conditions
			Naseby	12	11		11 flow related events
A Safe and Healthy Community		Sewage is managed without risk to public health	1		1 property	Frequency of blockages affecting a single property, no more than twice a year	Not Achieved. The Motorhome disposal site at the Caltex in Alexandra blocked 3 times. The fault was attributed to debris from campers blocking the sewer. A stainless steel screen has been installed to prevent this happening in the future.

# WHERE DOES THE MONEY GO?

WASTEWATER	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates	3,007	3,243	2,830	2,893
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	2	2	2	2
Internal charges and overheads recovered	90	116	66	90
Local authorities fuel tax, fines, infringement fees and other receipts	5	5	5	21
<b>Total operating funding</b>	<b>3,104</b>	<b>3,366</b>	<b>2,903</b>	<b>3,006</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,123	1,178	1,120	1,023
Finance costs	200	268	1	-
Internal charges and overheads applied	398	421	458	419
Other operating funding applications	58	59	65	49
<b>Total applications of operating funding</b>	<b>1,779</b>	<b>1,926</b>	<b>1,644</b>	<b>1,491</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>1,325</b>	<b>1,440</b>	<b>1,259</b>	<b>1,515</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	386	401	70	316
Increase (decrease) in debt	1,068	809	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,454</b>	<b>1,210</b>	<b>70</b>	<b>316</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	194	180	219	107
- to improve the level of service	1,022	719	966	493
- to replace existing assets	860	717	717	203
Increase/(decrease) in reserves	703	1,034	(573)	1,028
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>2,779</b>	<b>2,650</b>	<b>1,329</b>	<b>1,831</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(1,325)</b>	<b>(1,440)</b>	<b>(1,259)</b>	<b>(1,515)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>1,284</b>	<b>1,365</b>	<b>1,261</b>	<b>1,218</b>

# STORM water



# Stormwater



## OUR SPACE, OUR CHALLENGES

The stormwater activity provides for the safe removal of excess rainfall that does not naturally permeate into the ground. We manage and monitor stormwater for 10 townships.

In managing stormwater run-off we utilise over 91km of pipes channels and open drains with more than 800 manholes. As at July 2015 our stormwater infrastructure had a replacement cost of \$30 million.

The stormwater activity is a secondary contributor to two of our community outcomes.

With the feedback received from the community it is evident that our level of service needs to be reviewed. We will also undertake catchment management plans and flood surveys across the district.

## RISING TO THE CHALLENGES

### Alexandra stormwater

We experienced a rain event on 28 March 2015 in which 30mm of rain fell within a peak of 20-30 minutes. The NIWA Database stated that for Alexandra this was a 1 in 60 year event. The intense nature of the storm far exceeded the capacity of our stormwater system of soak pits and road drainage. Excess run-off then either ponded, backed up into building spaces or utilised gardens and road carriageways as secondary overland flow paths. Both the roading and water services teams were kept busy addressing issues related to impacts of this event.



# HOW WE MEASURE OUR SUCCESS

STORMWATER						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Sustainable Environment	Provide an efficient, fully accessible and reliable stormwater network	Proportion of our budgeted works programme completed annually	65%	<b>91%</b>	100% of budgeted works completed within the financial year	Not achieved.
		Number of requests for service received from customers	4	<b>29</b>	Number of service requests trending down from 10	Not Achieved. There have been a number of heavy and significant rain events in the district during this reporting period.
A Safe and Healthy Community	Provide a safe and compliant stormwater network	Compliance with resource consents in relation to stormwater discharges to water ways	100%	<b>100%</b>	100% compliance	Achieved. There have been no compliance related issues for this report period.

# WHERE DOES THE MONEY GO?

<b>STORMWATER</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates	354	365	333	338
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	33	41	43	43
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
<b>Total operating funding</b>	<b>387</b>	<b>406</b>	<b>376</b>	<b>381</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	60	62	64	67
Finance costs	-	-	-	-
Internal charges and overheads applied	47	48	47	47
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding</b>	<b>107</b>	<b>110</b>	<b>111</b>	<b>114</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>280</b>	<b>296</b>	<b>265</b>	<b>267</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	1	10	10	-
- to improve the level of service	33	116	51	11
- to replace existing assets	10	-	-	20
Increase/(decrease) in reserves	236	170	204	236
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>280</b>	<b>296</b>	<b>265</b>	<b>267</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(280)</b>	<b>(296)</b>	<b>(265)</b>	<b>(267)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>402</b>	<b>418</b>	<b>333</b>	<b>380</b>

# TRANSPORTATION



# Transportation



## OUR SPACE, OUR CHALLENGES

The transportation activity is a primary contributor to all three of our community outcomes. It enables the movement of goods, people, and services across our district.

We utilise a significant number of transportation assets to deliver our community outcomes. The largest of this is more than 1850km of roads spreading throughout the district. Most of these, approximately 1360km, are unsealed roads or tracks. We utilise 175 bridges, just under 5000 culverts and close to 12,000 hectares of road reserves. As at 30 June 2014 the gross replacement cost of our roading network was \$521 million.

Our challenge is to manage a vast and ageing roading network within an environment of constrained funding, rising community expectations and changing population demographics.

## RISING TO THE CHALLENGES

### One Network Road Classifications

The One Network Road Classification (ONRC) framework was applied to our Central Otago district roading network this year, and Council's Roding Hierarchy was amended slightly to enable it to be aligned with the ONRC.

These changes flow onto the grading programmes and are expected to better align resources to demand.

We also developed a Transition Plan documenting how we will ensure the ONRC is embedded into our management of the network.

The ONRC framework has been incorporated into the CODC Activity Management Plan (AMP) and will be provided to the industry in 2015 as an example of how to embed the ONRC into levels of service

#### Our community asked us...

To have a well connected community through a safe roading system.

### Roding Policy and Bylaw

The Roding Bylaw went out for consultation in early 2015, was adopted in June and came into effect on 1 July 2015. The bylaw was the culmination of 18 months of policy development and consultation. It establishes a clear and simple regulatory regime that aims to be easy and efficient for people to follow, and provides for the recovery of administration and enforcement costs where necessary. It also allows the Council to recover the cost of works required to repair or maintain roads incurred as a consequence of people undertaking activities on or beside roads that cause damage.

## Student research applied to road maintenance

In winter 2014 Council provided information and support to two University of Auckland PhD students. They developed a modelling tool that uses gravel pit test data and then considers the costs associated with the metalling and whole of life maintenance costs for different pit materials. This determines which is the most cost-effective. The work they did using Central Otago data as a case study has identified we could have saved 25% over the life cycle of one of the roads studied by using gravel from an alternative pit, despite the upfront cost being higher.



We will be applying the tool developed by Auckland University to the 2015/16 metalling programme to review which pits will provide the most cost-effective options for each road. The outcome of this is likely to be of interest to the wider industry.

## Roading innovation awarded

In March Central Otago District Council earned a national accolade for its innovative new method for programming sealed road maintenance work. An indepth examination of the work programme for Central Otago's 512km of sealed roads resulted in Roading Manager Julie Muir being presented on behalf of Council with a Roading Infrastructure Management Support Innovation Award for 2015.



The recently adopted new method of programming work is based on a process called dTIMS, a software analysis platform developed to encourage the best practice in maintenance decision-making. It is expected the new approach will save the Council \$191,000 in resealing costs each year for the first three years of the programme.

The process determines the "life" left in a road surface using data collected, and marks a change in focus from maximising the network condition within a budget to identifying the minimum level of investment required to sustain the sealed road network over the long term.

## Clyde Underpass

The Clyde cycle/pedestrian underpass, linking the Clyde township to the Otago Central Rail Trail under State Highway 8 was constructed between Easter and the end of June 2015. The project had been in the making for the best part of a decade so it was a long-awaited milestone for both Council and its community to see work begin on site. A grand community celebration to mark the opening of the underpass was held in July. More than just a safe road crossing, the underpass is a symbol of community cooperation and determination.

# HOW WE MEASURE OUR SUCCESS

TRANSPORTATION						
Community Outcomes	Our Objective Level of Service	How we measure success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy	Provide a fully accessible roading network	Proportion of customers who are satisfied with the provisions made for cyclists and footpath facilities	Cycling 85% Footpaths 78%	<b>Cycling 85%</b> <b>Footpaths 78%</b>	To develop an upward trend in customer satisfaction	We have maintained the current satisfaction level.
		Proportion of people making use of alternative transport mechanisms within the district	Cycling 14% Walking 30%	<b>Cycling 14%</b> <b>Walking 30%</b>	3% increase per annum	Not achieved. There has been no promotional campaigns to increase walking and cycling and as a result we have not seen an increase.
		Average length of time to issue a consent for access to a road	1.6 days	<b>0.6 days</b>	To develop a downwards trend in number of days	Achieved.
A Sustainable Environment	Provide an efficient roading network	Proportion of our budgeted capital works programme completed annually	115% of the projects were completed with 96% of the budget spent	<b>100% of the projects were completed with 98% of the budget spent.</b>	100% of budgeted works completed within the financial year	Achieved.
		Number of service requests received from customers	509	<b>661</b>	No more than 650 requests per annum	Not achieved. Increased calls have been received regarding drainage, signs and unsealed roads. This reflects the impact of reduced funding from NZTA on these items in year 3 of the 2012-15 programme. This resulted in a reduction in proactive drainage work being undertaken and

## TRANSPORTATION

Community Outcomes	Our Objective Level of Service	How we measure success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
						level of service reduction on the lowest volume gravel roads.
		Customer satisfaction with car parks	88%	<b>89%</b>	To develop an upward trend in customer satisfaction	Achieved.
		Total number of crashes on district roads reported to Police	-	-	To reverse the upwards trend in crash numbers	No longer measured as Police are not consistently reporting this information to be recorded in the national crash database.
		Number of serious injury and fatal crashes on district roads and state highways	District roads – 6 SH – 12 Total – 18 Report is run from April 2013 to March 2014	<b>District roads – 8 SH – 15 Total – 23 Report is run from April 2014 to March 2015</b>	To reverse the upwards trend in crash numbers	Not achieved. There were 18 crashes, three of which had multiple injuries. Four of the local road crashes and two of the SH crashes involved motorcyclists. Of the remaining crashes, six involved alcohol.
A Safe & Healthy Community	Provide a safe roading network	Sealed Roads Roughness, Smooth Travel Exposure (STE) (%), Pavement Integrity Index (PII) Unsealed Roads Roughness	STE = 94% the NZ Av (2012/13) is 84% P I Index = 7.1 NZ Av (2012/13) is 6.3 Unsealed to be developed	<b>STE = 94% the NZ Av (2013/14) is 86.4% P I Index = 7.1 NZ Av (2013/14) is 6.5 Unsealed to be developed</b>	To maintain the STE % higher than the NZ average and PII lower than NZ average	Achieved for STE which is consistently higher than the NZ average. Not achieved for PII. This remains above NZ average due to funding constraints driving prioritization of works resulting in rougher low volume roads.
		Customer satisfaction with condition of sealed roads	96%	<b>91%</b>	To maintain customer satisfaction at or above 90%	Achieved.
		Customer satisfaction with condition of unsealed roads	72%	<b>72%</b>	To develop an upward trend in customer satisfaction	We have maintained the current satisfaction level.

# WHERE DOES THE MONEY GO?

<b>TRANSPORTATION</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	4,059	3,612	3,886	3,886
Targeted rates	561	686	710	710
Subsidies and grants for operating purposes	1,515	1,458	1,437	1,563
Fees and charges	12	12	12	226
Internal charges and overheads recovered	51	62	45	56
Local authorities fuel tax, fines, infringement fees and other receipts	146	147	147	227
<b>Total operating funding</b>	<b>6,344</b>	<b>5,977</b>	<b>6,237</b>	<b>6,668</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	3,249	3,153	3,240	3,627
Finance costs	-	-	-	-
Internal charges and overheads applied	748	748	934	935
Other operating funding applications	29	30	33	45
<b>Total applications of operating funding</b>	<b>4,026</b>	<b>3,931</b>	<b>4,207</b>	<b>4,607</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>2,318</b>	<b>2,046</b>	<b>2,030</b>	<b>2,061</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,821	1,814	1,864	1,877
Development and financial contributions	328	337	120	152
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	5	-	-	15
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>2,154</b>	<b>2,151</b>	<b>1,984</b>	<b>2,044</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	470	474	524	325
- to improve the level of service	555	563	563	515
- to replace existing assets	2,931	2,900	2,900	3,034
Increase/(decrease) in reserves	516	260	27	231
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>4,472</b>	<b>4,197</b>	<b>4,014</b>	<b>4,105</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(2,318)</b>	<b>(2,046)</b>	<b>(2,030)</b>	<b>(2,061)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>4,435</b>	<b>4,547</b>	<b>4,970</b>	<b>4,449</b>



# OTHER infrastructure

waste minimisation airports  
elderly persons housing public toilets  
district/commercial property



# Waste Minimisation



## OUR SPACE, OUR CHALLENGES

There are two distinct areas of service in providing this activity – waste management and waste minimisation. Waste management collects and disposes of your rubbish, provides access to transfer stations, green waste drop-offs and recycling. Waste minimisation focuses on leading, facilitating and educating the community on wiser use of resources and environmental sustainability.

We provide a weekly kerbside wheelie bin service to approximately 7500 properties (domestic and commercial) across the district, and weekly kerbside recycling in the larger townships of Cromwell, Clyde and Alexandra. We supplement this with five green waste and 10 recycling drop-off sites throughout the district and we support Central Otago WasteBusters to process all recycled materials. All residual waste, that cannot be reused or recycled at our transfer stations, is disposed into the Victoria Flats Landfill in Queenstown.

Waste minimisation is a primary contributor to two of our community outcomes.

Society places no value on rubbish yet it still costs money to collect and dispose of it. The environmental cost of rubbish disposal is beginning to be understood also. The Waste Minimisation Act 2008 recognised that the true cost of waste should be met by the polluter. It shifted our focus from managing waste to minimising it. So we are changing the way we think about rubbish. Producing waste indicates an inefficient use of resources.

## RISING TO THE CHALLENGES

### Towards zero waste

Since 2007 the annual tonnage of general waste to landfill has trended down and this year is no exception. A new fortnightly rubbish collection service was introduced in July 2014 and this has contributed to a huge 19% reduction in waste to landfill compared to the previous year. Zero waste goals are also being achieved through more garden waste being mulched and used on Council's parks and reserves and increased participation in home composting, with free workshops held in collaboration with community partners. The move towards zero waste and reduction in resources used is indicated by the total materials sent to landfill and the total materials sent to the recycling market being less than in previous years.



Making A Difference  
For Central Otago



## MAD4CO is making a difference for Central Otago

Council, along with community partners MAD4CO (Making a Difference for Central Otago), Wastebusters and Central Otago REAP supports numerous sustainable living themed events throughout the year. Celebrations for various 'International Days' have included Earth Hour, International Day of Biological Diversity, World Environment Day and Plastic Free July.

Events have included: glass recovery project, Food Forest development, heritage apple tree grafting, Miners Lane Clyde clean-up, environmental film showings, soil health, Bokashi and composting workshops, Boundary Road Reserve plantings & clean-up, solar energy presentation, water roadshow, cloth nappy and waste free parenting workshops, climate change presentations, Project Gold plantings, Adult Learners' Week pop-ups, and market stands at A&P Shows, Festive Fete and other local markets.

A key annual event is the Alexandra Thyme Festival and is our community's starting point on a learning journey towards sustainable living. This year's festival feedback was excellent and the events, workshops, walks, talks and exhibitions were well attended. Waste minimisation, recycling and sustainable living themes complemented several of the events including sustainable building, native planting, local food resilience, local seed growing and foraging, and bee-friendly environments.



## Education for sustainability in schools

The facilitation of the Enviroschools programme to nearly all Central Otago primary and area schools continues to ensure that education for sustainability is integrated into the day-to-day thinking and curriculum of local primary and area schools, and more recently early childhood education centres. This has the added benefit of parents of young children learning waste minimisation and wider sustainability practices. Congratulations go to Clyde and Cromwell schools that achieved their 'Bronze Status' this year. The schools have been widely involved with many of the MAD4CO activities throughout the year and the Enviroschools facilitator continues to be a key point of contact for local teachers and school's Enviro groups. Our local facilitator also meets regularly with the Otago team and in particular collaborates regularly with the Queenstown Lakes facilitator.

The annual Keep New Zealand Beautiful Week saw Council and KACB work together to encourage school groups, community groups and individuals in clearing litter and promoting responsible litter disposal and recycling.

## Closed Landfill Compliance Monitoring

Compliance monitoring and maintenance at the 15 closed landfills across the district has continued with regular walkover and groundwater monitoring undertaken. The Otago Regional Council completed a three-yearly audit on all of the closed landfills. Overall the compliance to consents was high with no issues of significance.

### Our community asked us...

To reduce the waste we generate and increase recycling.

## New kerbside recycling services for the wider district

Following a Council review of Central Otago WasteBusters' services, Council made the decision to transition to a new kerbside recycling service for the district.

The new kerbside service contracted to AllWaste was introduced in May 2015 and delivers kerbside recycling services to all rateable properties in the Council kerbside collection area. The service was extended to include: Pisa Moorings, Bannockburn, Omakau, Ophir, Fruitlands, Teviot Valley, Naseby and Ranfurly. All 8400 eligible properties received two additional 240 litre wheelie bins, one for glass and one for mixed recyclables. The new 4-weekly pick-up schedule is now in operation, with area specific calendars delivered with the new bins. An extensive communications programme accompanied the new service rollout and involved a high media presence across Facebook, web, local radio, community newsletters and local papers for the three months covering the pre and post rollout period.



## Changes at Central Otago WasteBusters

After more than 15 years of waste minimisation and recycling services to the community, Central Otago WasteBusters held a special general meeting in May 2015 at which members approved a takeover by Wanaka Wastebusters. This will allow the local organisation and its wider community goals to continue and grow.

Wanaka Wastebusters subsequently presented a proposal to Council that offered operational management, business development and a governance role to the Alexandra-based organisation and included a proposal to continue the servicing of the recycling drop-off facilities in the Maniototo, Teviot and Manuherikia. This new Council contract with Wastebusters will help support the multiple community benefits that Wastebusters brings to the Central Otago region. Recycling drop-off facilities continue to operate across the district, which enable public access to recycling for those living in areas that do not receive a kerbside collection, for visitors to the district and to meet peak demand in the busy summer months.



# HOW WE MEASURE OUR SUCCESS

WASTE MINIMISATION						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Sustainable Environment	Engage the community in waste reduction and wiser use of resources	Total quantity to landfill (tonnes pa)	8910 tonnes	<b>7220 tonnes</b>	Incremental year on year reduction	Achieved. Total waste to landfill continues to trend down. First year of fortnightly rubbish collections saw a large decrease in waste to landfill.
		Total amount generated per person	878kg	<b>642kg</b>	Incremental year on year reduction (measured as rubbish+recycling)	Achieved. Total materials 'consumed' trends down achieving a reduction in amount of stuff used.
		Total quantity diverted by COWB (tonnes p.a.)	1885 tonnes	<b>1650 tonnes</b>	Incremental year on year increase	Not achieved. A review of kerbside recycling collection services was undertaken resulting in a new contract which commenced in May 2015 expected to see an increase in recycling.
		Average wheelie bin weight (kg/bin collected)	16.2 kg	<b>20.4kg</b>	Incremental year on year reduction in wheelie bin weight	Not achieved. Due to the reduced frequency of the kerbside rubbish collection, the average weight of a wheelie bin has now increased.
		% of wheelie bins set out for collection each week	78.8%	<b>84.5%</b>	Reduce year on year the percentage of bins set out for collection	Not achieved. Due to the reduced frequency of the kerbside rubbish collection, the set out rate for wheelie bins has increased.
		Percentage of residents satisfied with the execution of waste minimisation and Council's aim of moving towards zero waste	73%	<b>76%</b>	Improve customer satisfaction to 100%	Achieved.
A Safe and Healthy Community	Provide compliant waste systems and facilities	Compliance with resource consents for transfer stations, closed and operational landfills	88%	<b>91%</b>	Incremental percentage improvements	Achieved.

# WHERE DOES THE MONEY GO?

<b>WASTE MINIMISATION</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates	2,371	2,481	2,313	2,314
Subsidies and grants for operating purposes	52	53	53	77
Fees and charges	41	42	54	60
Internal charges and overheads recovered	1	-	7	5
Local authorities fuel tax, fines, infringement fees and other receipts	857	872	685	537
<b>Total operating funding</b>	<b>3,322</b>	<b>3,448</b>	<b>3,112</b>	<b>2,993</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	2,732	2,888	2,583	2,618
Finance costs	-	-	-	-
Internal charges and overheads applied	289	295	288	281
Other operating funding applications	248	171	176	150
<b>Total applications of operating funding</b>	<b>3,269</b>	<b>3,354</b>	<b>3,047</b>	<b>3,049</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>53</b>	<b>94</b>	<b>65</b>	<b>(56)</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	46	8	8	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	92	67	100	-
- to improve the level of service	-	-	57	59
- to replace existing assets	7	35	6	13
Increase/(decrease) in reserves	-	-	(90)	(128)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>99</b>	<b>102</b>	<b>73</b>	<b>(56)</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(53)</b>	<b>(94)</b>	<b>(65)</b>	<b>56</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>56</b>	<b>59</b>	<b>65</b>	<b>60</b>

# Other Infrastructure



## OUR SPACE, OUR CHALLENGES

The other infrastructure activity includes the provision of elderly persons' housing and public toilets. We own and lease a variety of commercial and farm properties, and develop land for sale. The income from commercial property is used to fund other Council costs. We manage the assets at the aerodromes at Alexandra, Cromwell and Roxburgh. We own and manage forestry blocks, which provide an amenity value for the community. The services provided by other infrastructure are a primary contributor to two of our community outcomes. Our challenges in this space include: balancing appropriate levels of service while not placing too great a burden on tenants and ratepayers; weighing up our investments in property and land, and the benefit to the community from further investment or sale; and the implications of earthquake prone building legislation.

## RISING TO THE CHALLENGES

### Hangar interest soaring

This year hangar interest and uptake has been double what was forecasted.

The Alexandra Airport is experiencing increasing demand for private hangars and hangars with accommodation, with three new hangar leases signed, three further leases for hangars and apartments out for signing and strong interest for two more.

Feedback suggests a lack of space at Queenstown and Wanaka for hangars is influencing the increased interest in Alexandra. That is also flowing through to enquiries related to commercial aviation activity.

In discussions with perspective lessees and with some free advice from an airport consultant, a development concept plan has been further refined.

There has also been interest from two parties for hangar sites at the Cromwell Aerodrome.



## Big Fruit Reserve plans developed

Concept plans for the big fruit development, part of the wider Cromwell Town Centre redevelopment project, were progressed. A community workshop was held in January to get input on the detail of what the space might look like and how it might evolve.

The Cromwell Community Board's key objectives for the development of the Big Fruit Reserve is to enhance the visual aspect of Cromwell, ensure good line of sight between the highway and town centre and enrich the community's enjoyment and use of the space by planning provision for future development of the reserve with a playground, plantings and public art.

## Clyde Railway Station restored

Station restoration work, carried out by Stewart Construction, was completed just before Christmas. There was also a community working bee in late November to prepare the station for painting.

Two registrations of interest were received for the future use of the Station and these were considered by the Vincent Community Board in October and a preferred tenant selected. A lease was issued to Shebikeshebikes, who aim to be open for business in September.

Funding is coming together for restoration of the proposed museum area.



## Alexandra Suspension Bridge (1882)

The Vincent Community Board also invited registrations of interest for the preparation of a feasibility study on the future use of the historic bridge piers as the base for a walking/cycling bridge across the Clutha River at Alexandra. BECA was chosen as the preferred consultant for the feasibility study and an application to Central Lakes Trust for funding is being prepared.

## Vallance Cottage

Restoration work on the historic cottage included repairs to the timber floor and remedial painting work, completed with funding from the VCB, Central Lakes Trust Otago Community Trust and family contributions.

A community picnic was held on the reserve ground by the cottage in January to generate interest in the



guardianship and future use of the cottage. A list of names was collected of those community members interested in being part of the future management of the cottage. A number of volunteer working bees have been held to keep the garden looking tidy too. The Vallance Cottage volunteers group were nominated for the Heritage and Environment Category at the Central Otago Trust Power Awards and were runners-up.

A funding application has been made to the NZ Lottery Commission for a conservation plan, which will provide expert advice on the heritage significance, maintenance requirements and potential future use of the building.



## Elderly Persons' Housing

Council was able to take advantage of subsidies offered through Smart Energy Solutions and had insulation installed in 54 units that were not up to the recommended EECa standard. Ceiling blankets were installed over insulation; the blanket sits on top of the ceiling joists which can be a significant point of heat loss. Anecdotal reports from tenants are that they are noticing that their units are retaining heat more efficiently.

### Our community asked us...

To retain key services and facilities which are appropriate to the local community while retaining volunteer networks.

# HOW WE MEASURE OUR SUCCESS

OTHER INFRASTRUCTURE						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
Thriving Economy	Commercial buildings are maintained and upgraded where necessary, the prime driver being to maintain the ability to maximise the economic return and the integrity of the asset	Decreasing number of complaints received from tenants/leaseholders	0	0	Decreasing	Achieved. No complaints received.
	Each building will be assessed at a frequency required to meet all Building Act and Code of Compliance requirements	Compliance with building WOF requirements	Full compliance	Full compliance	Full compliance	Achieved. Annual compliance inspections undertaken by building contractor and building warrants of fitness issued.
Safe and Healthy Community	Housing suitable and affordable for elderly is provided in the main townships until such time as the need can be met by other agencies	Number of units available in the district and their location	98 units	98 units	98 units	Achieved.
	Free public toilets are available for the local community and visitors throughout the district at locations set out in the Public Toilet Strategy	Number and location of public toilets	26 available	25 available	27 available	Not achieved. Only counting toilets that are fully owned and maintained by Council. The previous year's result included a private toilet that Council provided a grant for. The Tarras joint venture is on hold as the other party has been unable to satisfy conditions.
	Airports will meet Airways Corporation's four-yearly inspection criteria	Five-yearly inspection and certification by Civil Airways Corporation	Full compliance	Full compliance	Full compliance	Achieved.

# WHERE DOES THE MONEY GO?

<b>OTHER INFRASTRUCTURE</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	652	736	812	812
Targeted rates	316	272	252	252
Subsidies and grants for operating purposes	-	-	-	13
Fees and charges	761	780	763	777
Internal charges and overheads recovered	29	42	45	51
Local authorities fuel tax, fines, infringement fees and other receipts	49	50	62	116
<b>Total operating funding</b>	<b>1,807</b>	<b>1,880</b>	<b>1,934</b>	<b>2,021</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,660	1,657	1,678	1,810
Finance costs	-	-	-	-
Internal charges and overheads applied	(280)	(262)	(195)	(240)
Other operating funding applications	401	409	366	375
<b>Total applications of operating funding</b>	<b>1,781</b>	<b>1,804</b>	<b>1,849</b>	<b>1,945</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>26</b>	<b>76</b>	<b>85</b>	<b>76</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	1,362	365	2,365	533
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,362</b>	<b>365</b>	<b>2,365</b>	<b>533</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	4	5	-	6
- to replace existing assets	1,176	213	2,433	427
Increase/(decrease) in reserves	208	223	17	176
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>1,388</b>	<b>441</b>	<b>2,450</b>	<b>609</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(26)</b>	<b>(76)</b>	<b>(85)</b>	<b>(76)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>275</b>	<b>286</b>	<b>299</b>	<b>318</b>

# COMMUNITY services

tourism libraries  
swimming pools business development cemeteries  
visitor information centres central otago brand  
community planning parks  
promotion and grants



# Parks, Reserves & Cemeteries



## OUR SPACE, OUR CHALLENGES

Access to parks, reserves, rivers and recreational facilities are important for our overall well-being. Maintaining high quality open spaces is what makes our district an attractive place to live, work and play. Our overarching goal is to provide recreational facilities that work for the users. In providing this activity we utilise 146 hectares of land and 15 playgrounds.

The provision of cemeteries assists with peace of mind for people, knowing their loved ones will rest in peaceful, well-kept environments. Council is responsible for 11 cemeteries in the district.

Parks, reserves and cemeteries contribute to all three of our community outcomes.

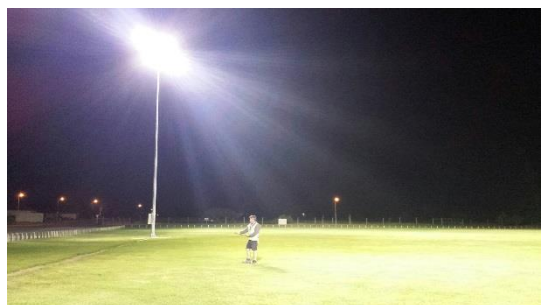
Our challenge in the parks and reserves activity involves ensuring we understand what recreational users really want and provide for that. As we work through Reserve Management Plans we will be involving the community at each stage to ensure we have robust plans for the future.

We have a responsibility to the community, and under the law, for the maintenance of burial records and cemetery grounds, burial of human remains and interment of human ashes. Some of our cemeteries need further development. We have developed a strategy and operational direction to clearly guide us through these challenges.

## RISING TO THE CHALLENGES

### Alpha Street Reserve lighting

Cromwell's Alpha Street Reserve had four new sports field lights installed late 2014. A need for the lighting was identified as a short-term objective in the Cromwell Ward Recreation Assessment Study in 2011. Generous funding grants from both the Central Lakes Trust (\$41,000) and the Otago Community Trust (\$20,000) assisted in getting the \$164,000 project completed. The new lights will enable night training and games during the winter season and provide an alternative venue to Anderson Park during high demand.



### Molyneux Park landscaping

The road extension landscaping work at Molyneux Park was completed, and included new entrance signs to Molyneux Park and the planting of an avenue of trees.

## Fraser Domain closure

Fraser Domain closed for camping on 1 September following the Vincent Community Board's consideration of a report on the future of the area. The domain will now be enhanced and promoted as a picnic spot.

## Heritage blooms named

The Heritage roses in McArthur Gardens in Pioneer Park had heritage name plates made by the Alexandra Men's Shed. The new name plates were installed in December under the expert guidance of Heritage Rose Society member Murray Radka. The timing of the project was a nice fit with the 200<sup>th</sup> anniversary of the first rose being brought to New Zealand by pioneers.



## Community pitch in on projects

A community-led project to remove raupo from the Aronui Dam took place over the summer months, following the Vincent Community Board decision to take over the reserve area. This was an example of a great community effort with many different organisations and individuals giving their time on a free basis.

In October, Alexandra Rotary Club undertook a community project and developed a cycle/ push chair ramp down the flood bank to the rear of the Alexandra Police Station, enhancing the accessibility of Rotary Park.

A joint redevelopment at Pinders Pond by the Roxburgh Lions and Council has resulted in the area being tidied up significantly and the enjoyed by a strong numbers of campers over the summer.

## Donated artwork



The Teviot Valley ward benefitted from two donations of artworks for its reserve spaces.

A sculpture entitled The Sphere was created by Roxburgh metal artists Bill and Michelle Clarke of Forged & Crafted studio and donated to the community. It was mounted in the Teviot River Garden in Roxburgh September and has since had lighting installed by the Board to have the stunning globe glow at night.

Another sculptural addition to Roxburgh's parks is a larger than life stainless steel Hare sculpture taking pride of place in King George Park. It was donated to the community by the Rotary Club of Roxburgh and Districts and was created by local Forged and Crafted artist Bill Clarke.

## New playground equipment

A new climbing frame was installed at the Naseby Reserve to replace the old timber fort in late April.

## Reserve management plans

The Draft Cromwell Sportsgrounds Reserve Management Plan for the Anderson Park, Alpha Street and golf club leased area went out for community comment from April to June. Fourteen submissions on the draft plan will be considered by the Cromwell Community Board in early August.

The Pioneer Park Reserve Management Plan went through community consultation and was finalised and approved by Vincent Community Board in December.

Work on Maniototo Reserves Management Plan commenced in the third quarter with an information-gathering phase and community meetings to feed into the drafting of the plan.

### Our community asked us...

To respect landowners' rights, while enjoying access to our lakes and recreational areas. Encourage walking and cycling for the community's health and wellbeing.

## Memorial spruce ups

Restoration and tidying work was carried out by both Council and local communities on a number of war memorials and monuments in the lead up to Anzac Day commemorations and the 100<sup>th</sup> anniversary of Gallipoli.

# HOW WE MEASURE OUR SUCCESS

PARKS, RESERVES & CEMETERIES						
Community Outcomes	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
Thriving Community	Areas are maintained and operated so that they look good and meet the needs of users	% of residents satisfied with maintenance of parks and reserves	96%	95%	Maintain satisfaction with maintenance of parks and reserves at above 90%	Achieved.
			98%	98%	Maintain satisfaction with maintenance of sportsfields at above 90%	Achieved.
Sustainable Environment	To provide access to a network of parks and reserves that meets community demand	Proportion of residents satisfied with parks and reserves and cemeteries through the Resident Opinion Survey	98%	97%	Maintain satisfaction with provision of parks and reserves at above 90%	Achieved.
			99%	99%	Maintain satisfaction with provision of sportsfields at 90%	Achieved.
			93%	99%	Maintain satisfaction with provision of cemeteries at above 90%	Achieved.
Safe & Healthy Community	Parks and playgrounds are maintained to a level that is safe for users	% of residents satisfied with maintenance of playgrounds	97%	97%	Maintain satisfaction with maintenance of playgrounds at above 90%	Achieved.



# WHERE DOES THE MONEY GO?

<b>PARKS, RESERVES AND CEMETERIES</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates	2,031	1,993	1,934	1,934
Subsidies and grants for operating purposes	11	18	12	4
Fees and charges	433	446	439	418
Internal charges and overheads recovered	19	19	24	45
Local authorities fuel tax, fines, infringement fees and other receipts	15	16	21	30
<b>Total operating funding</b>	<b>2,509</b>	<b>2,492</b>	<b>2,430</b>	<b>2,431</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,875	1,854	1,922	1,818
Finance costs	-	-	-	-
Internal charges and overheads applied	198	199	198	181
Other operating funding applications	66	69	77	106
<b>Total applications of operating funding</b>	<b>2,139</b>	<b>2,122</b>	<b>2,197</b>	<b>2,105</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>370</b>	<b>370</b>	<b>233</b>	<b>326</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	6	-	-	85
Development and financial contributions	40	40	40	127
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>46</b>	<b>40</b>	<b>40</b>	<b>212</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	56
- to improve the level of service	-	-	-	176
- to replace existing assets	257	259	259	154
Increase/(decrease) in reserves	159	151	14	152
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>416</b>	<b>410</b>	<b>273</b>	<b>538</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(370)</b>	<b>(370)</b>	<b>(233)</b>	<b>(326)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>492</b>	<b>507</b>	<b>400</b>	<b>446</b>

# Community Facilities, Libraries & Swimming Pools



## OUR SPACE, OUR CHALLENGES

Community facilities, libraries and swimming pools contribute to two community outcomes.

Our community facilities and buildings provide places for social, sporting and cultural interaction.

Our challenge is to review levels of service and consider the financial viability of our halls. We must also balance this with potential loss of heritage and consider the long-term effects on smaller rural communities.

Our libraries promote literacy, education and the exchange of information and ideas. We provide libraries under a shared services arrangement with Queenstown Lakes District Council. The main challenge for libraries is keeping up with technology to ensure the customer experience provided is consistent with modern expectations.

Swimming pools contribute to the health and well-being of the community, add to the attractiveness of the area, and provide a place for people to learn to swim. We manage the Cromwell Swim Centre and Molyneux Aquatic Centre directly, along with a community swimming pool in Ranfurly.

The maintenance and operational costs of providing swimming pools is our biggest challenge in this area.

## RISING TO THE CHALLENGES

### Cromwell Memorial Hall redevelopment

A contract was let for architectural services for the hall redevelopment and concept designs progressed with the architect and Community Board. In May the Board publicised the concept plans. Consultants have commenced the detailed design stage of the project, which is expected to be completed by late September 2015 with construction scheduled for throughout 2016.

#### Our community asked us...

To provide places and spaces for arts and cultural expressions.

### Alexandra Community Centre

An air conditioning system was installed in the Hall and Senior Citizens Lounge at the Alexandra Community Centre, thanks to financial contributions from the Central Lakes Trust, Otago Community Trust and the Vincent Community Board. The new system will make it easier and more enjoyable for people who attend social functions and events, as they will no longer have to contend with extreme high or low temperatures and stuffiness.

## Libraries

In November we moved our library system to Kotui, a shared library management and discovery service (online catalogue). All libraries in the district were closed in the two days prior to this date to allow for a seamless upload of patron data. Well publicised, this closure provided minimal disruption to customers and was integral to the smooth transition.

The additional features that Kotui provides, such as an onscreen prompt when a patron has read an item previously, are proving popular with both staff and patrons. Support is prompt and helpful. All library staff attended essential skills/circulation and enterprise training sessions for the Kotui upgrade and specific staff attended specialist training for cataloguing, acquisitions, serials and reports modules to learn how to make better use of those system features.



In 2015 all of our Central Otago libraries have been working through a stocktake based on data from our Collection HQ tool. The collection check has been a good avenue for staff to weed books based on relevance to our collection. Library staff have a set of international guidelines to enable them to do this and Nikki Williams, our Collections Manager, has trained all team leaders on this.

Careful weeding is key to the health of a collection. Taking out unwanted and irrelevant items makes those left behind stand out. Circulation frequently rises after a weeding project, as when people can browse the shelves without sifting through older material they are not interested in they're more likely to find something that they are looking for – or something they didn't know they were looking for.

Meanwhile, freeing up physical space devoted to books that never leave the library makes more room to buy new materials that will circulate. This project is ongoing but expected to be completed by end of July 2015.

During the year both Roxburgh and Cromwell libraries joined the "Books On Prescription" scheme run by WellSouth, part of the Southern District PHO. Books covering a range of commonly experienced mental health issues such as depression, anxiety and stress are provided by the scheme and are available from the library by patron enquiry or GP "prescription". Books on Prescription are now held by Alexandra, Cromwell, Maniototo and Roxburgh libraries.

### Maniototo Library stays put

At its meeting on 13 May 2015, Council agreed that the Maniototo Public Library would remain at its current location within the Maniototo Area School and that CODC would take over full management from 1 July 2015. A Memorandum of Understanding between Council and the Maniototo Area School Board of Trustees was signed, which defines the conditions of use of the building and the standard delivery of library services. This is an interim agreement until a tenancy agreement is signed between the two parties.

It was agreed that the library's new opening hours would be from 11.30am to 3.30pm from Monday to Friday.

### New book club in Clyde

A few community members in Clyde approached Helen Rendall, our Clyde Librarian, and asked her to help set up a book club for Clyde. The book club had its first meeting in May and now meets on the first Saturday of each month at Olivers in Clyde. The Clyde Book Club members read a variety of books each month, then meet to discuss the books they have read over coffee. The Clyde librarian puts together a monthly list of books for members to choose from and these vary greatly in genre. Members can pre-order their books before they turn up to book club. A system has been put in place so that members can swap books when they see each other and this is still recorded on our system. This is a great example of community coming together from all different backgrounds to share a common interest while striking up new connections and comradeship.

## Swimming Pools

During the first quarter we worked in with our neighbours from Queenstown Lakes District Council to accommodate Wanaka swimmers when their facility was closed down for earthquake repairs. This saw us make welcome 1038 Wanaka visitors to our Cromwell Swim Centre from July-September 2014.

We celebrated the 30<sup>th</sup> anniversary of the Cromwell Swim Centre in March, with a memories wall, colouring in competition and a special celebration complete with a lane pool cake.

A new large pool toy was purchased for the Cromwell complex to provide further options for children to play on.

Molyneux Aquatic Centre had the roof insulation upgraded to ensure that this facility would be appropriately insulated and operate efficiently going into the future. Cladding on the exterior walls was also upgraded.

The Swim Skills and River Safe Programme, kindly sponsored by Central Lakes Trust, continued to provide free lessons for local school children.



# HOW WE MEASURE OUR SUCCESS

COMMUNITY FACILITIES, LIBRARIES & SWIMMING POOLS						
Community Outcomes	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
Thriving Community Safe & Healthy Community	Community buildings are accessible and affordable to communities based on existing provision	Percentage of residents satisfied	91%	<b>91%</b>	85% satisfied by ward	Achieved.
		A charging policy is in place that demonstrates fees that reflect the level of benefit provided	Not achieved	<b>Not achieved.</b>	Charging policy in place	Not achieved.
	To provide all year round aquatic facilities (with the exception of some public holidays) that are affordable to ratepayers and meet the needs of the majority of users	Percentage of users satisfied as per Resident Opinion Survey results	93%	<b>94%</b>	Maintain user satisfaction at > 90%	Achieved.
	Aquatic facilities are managed to NZ Water Safety Council "Pool Safe" Standards	Annual "Pool Safe" audit	Both Molyneux Aquatic Centre and Cromwell Swim Centre passed	<b>Both Molyneux Aquatic Centre and Cromwell Swim Centre passed</b>	To Pass	Achieved.
	To maximise the number of residents that use the library	The percentage of residents who have used a library in the past 12 months	68%	<b>69%</b>	Maintain % of residents who use the library in the preceding 12 months	Achieved.

# WHERE DOES THE MONEY GO?

<b>COMMUNITY FACILITIES, LIBRARIES &amp; SWIMMING POOLS</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	-	-	-	-
Targeted rates	3,670	3,670	3,696	3,696
Subsidies and grants for operating purposes	90	40	16	89
Fees and charges	586	615	601	556
Internal charges and overheads recovered	19	22	29	38
Local authorities fuel tax, fines, infringement fees and other receipts	107	110	112	119
<b>Total operating funding</b>	<b>4,472</b>	<b>4,457</b>	<b>4,454</b>	<b>4,498</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	2,917	2,854	2,904	2,707
Finance costs	-	-	-	-
Internal charges and overheads applied	617	645	698	726
Other operating funding applications	373	377	290	287
<b>Total applications of operating funding</b>	<b>3,907</b>	<b>3,876</b>	<b>3,892</b>	<b>3,720</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>565</b>	<b>581</b>	<b>562</b>	<b>778</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,553	4	30	19
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>1,553</b>	<b>4</b>	<b>30</b>	<b>19</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	1,174	513	740	678
- to replace existing assets	2,180	795	884	699
Increase/(decrease) in reserves	(1,236)	(723)	(1,032)	(580)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>2,118</b>	<b>585</b>	<b>592</b>	<b>797</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(565)</b>	<b>(581)</b>	<b>(562)</b>	<b>(778)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>969</b>	<b>1,051</b>	<b>997</b>	<b>958</b>

# District Development



## OUR SPACE, OUR CHALLENGES

We facilitate economic opportunity indirectly with the provision of infrastructure, recreational and cultural assets. We directly facilitate economic opportunity with the provision of a business development programme, a regional tourism organisation, community planning, visitor centres, managing the regional brand and a modest promotional grants fund.

The district development activity is a primary contributor to all three of our community outcomes.

Our challenges in District Development include:

- working with community groups, businesses and organisations to build the Central Otago economy, by identifying opportunities, facilitating initiatives and providing support where possible;
- keeping up with changes in industry and technology, and visitor demand;
- responding to the challenges of visitor growth while maintaining affordability, through innovation and improvement of existing facilities;
- continuing to support community planning groups and develop community plans that feed into our Council planning process;
- encouraging the local community to use the regional brand consistent with our regional values; and
- engaging with community groups to build partnerships based on innovation and resourcefulness.

## RIISING TO THE CHALLENGES

### A strong year for community planning

The first Otarehua Community Plan was finalised at the end of July 2014. The Community Plan Working Group is a positive, enthusiastic group who are now working on the recommendations within the Plan, which include creating an Otarehua welcoming committee, developing an increased focus on activities that all members of the community can enjoy, and lobbying for better telecommunications and broadband access for the area.

The Omakau Community Plan was finalised in December 2014. The working group who drove the Plan has named itself "Manuherikia Future" is another positive and energetic group that is now developing project plans for the first few action points within the plan, such as the town entrance beautification and town signage projects.

The draft Ophir Community Plan was circulated for community comment from early July. Community consultation undertaken to get the village's first community plan to this stage included visitor, resident and business



surveys plus a community workshop. Information from these processes was consolidated into the draft document that the Ophir Welfare Committee (a group acting on behalf of Ophir residents and “cribbies”) has reviewed and has put it out for feedback.

Work is underway on developing a third community plan for the Naseby community. Visitor surveys were undertaken through Easter and Anzac weekend breaks, and interviews with businesses were conducted in June. The Naseby community has elected to run the community survey in early August and the community workshop in November so as to capture residents and crib owners upon their return to the township for the summer season.

Significant achievements for the Cromwell and District Community Trust over the year include the unveiling of the community art mural at Lode Lane in Cromwell, and the installation of signage and corresponding maps along the greenways within Cromwell, the annual lakeside clean-up and the Cromwell Ambassador programme. The Trust has also been actively involved in preparing submissions to governing bodies on issues relating to community plan action points.

## Success securing youth funding

Council prepared a joint application, on behalf of the Cromwell and Alexandra Youth Trusts, to Round 11 of the Ministry of Youth and Development Partnership Fund. This community fund is targeted at projects that support young people aged 12 to 24, to develop skills, knowledge and experience to participate confidently in their communities.

CODC was successful in securing a grant of \$18,000 (\$9000 per Trust). These funds will be used to assist the Trusts in running Youth Forums and Youth Week Celebrations in each area.



## Eden Hore Fashion Collection

Council was successful in gaining a grant through the Lottery World War One Commemorations, Environment and Heritage Fund to conduct a feasibility study on the long-term curation and display of the Eden Hore Fashion Collection. Council has been allocated \$40,000 to carry out this project and has until May 2016 to complete it.

The Brand Manager has been working on describing the key attributes and values that define the Eden Hore Collection. The reason this piece of work is being developed is to ensure there is a unified understanding about the unique qualities associated with the collection, so that there is consistency in the key messages being presented. This core material can then be used to develop any marketing material in the future.

## Cromwell Museum

The day-to-day operation and management of the Cromwell Museum is now being managed by the Cromwell Museum Trust. The Trust, comprising volunteers from throughout the community (including representatives from both the Cromwell Genealogy Society and the Cromwell Goldfields Heritage Trust), took over responsibility of the museum in January this year. The Cromwell Museum now includes the floor space previously occupied by the Cromwell i-SITE and the Trust has been busily developing new displays for this area.

### Our community asked us...

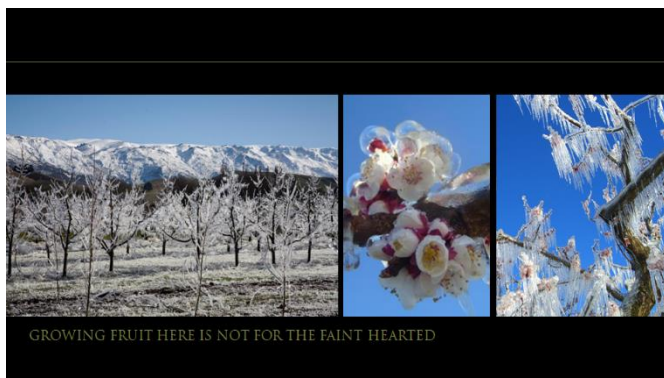
To provide places and spaces for arts and cultural expressions.



## Regional Identity website refresh

A key focus of the Brand Manager's time in 2015 has been on developing content for the new Central Otago regional identity brand website. This is being refreshed to reflect the changing nature of technology since it was built in 2006 and the body of work that has been developed since the regional identity brand was first launched. The intention is to showcase the unique qualities and attributes associated with Central Otago in a more visually and compelling way, so that it will inspire and build a greater sense of love and respect for this place.

As part of this new development key stories have been developed that will have the opportunity to be featured. For example the wine story, high country story and fruit story. These stories all help to reinforce Central Otago's distinctiveness and the activities we associate with this place. A narrated wine story has been developed and work is well underway to completing the Central Otago Fruit Story.



## Cromwell i-SITE showcase

The Brand Manager developed key stories for display on information panels and digital displays at the new Cromwell i-SITE and also helped create a new information panel for Ranfurly i-SITE too.

Using the Cromwell i-SITE to showcase the key stories that set this region apart has been a great opportunity for the regional identity brand. Capturing the essence of these stories and depicting it in an image form helps to reinforce what is special about Central Otago as a place to live, work and play.

## Promoting our place

In 2014/15 our community boards distributed promotions funding to 28 groups/organisations to the value of \$197,415 for a range of events, facilities and activities intended to enhance the experiences of locals and visitors alike.

## Marketing Portfolio

TCO released its first Marketing Portfolio in August. This portfolio is a valuable guide to the many ways that TCO can assist business in reaching consumers in key markets in New Zealand and overseas.

## Central Otago Tourism Strategy

The second Central Otago Tourism Strategy "Towards Better Tourism Outcomes for Central Otago" 2014-2019 was published and uploaded to both the CODC and centralotagonz.com websites.

The strategy recommendations were presented to Community Boards and business groups throughout the region.

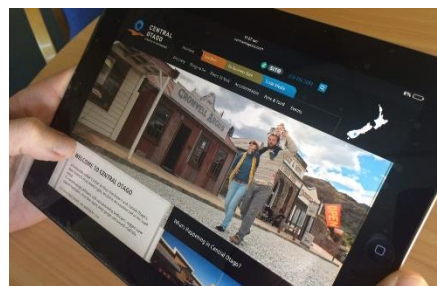
Tourism Central Otago will monitor the development of the strategy and report to the working group who will meet six-monthly to review progress on the recommendations.

### Our community wants...

A tourism industry that is well managed, which focuses on our natural environment and heritage with marketing plans that reflect this.

## Central Otago NZ website redevelopment

The redeveloped [www.centralotagonz.com](http://www.centralotagonz.com) was launched mid-May 2015. The website is now responsive to user device/screen size and incorporates the ability to list accommodation and activity bookings in real time through the 'Book It' platform (this is also used by the Central Otago Visitors Centres within their IBIS booking system). Updates to the navigational structure and page layout have also been optimised for improved user experience.



## Promoting our premium fruit globally



Council provided support to the directors of Central Otago Premium Fruit Ltd (COPFL) in the development of an action plan to take the project forward. Strategies were developed to promote sales under the COPFL brand in New Zealand, the USA (for apricots), China and a number of other countries in Asia (mainly cherries).

While the apricot crop was smaller than usual as a result of weather events earlier in the season stunning summer weather plus new plantings produced Central Otago's largest ever cherry crop of more than 3000 tonnes, double that of the 2014 harvest. The COPFL project working with its partners in key Asian and United States markets made excellent progress. A particularly exciting development was the successful use of social media to connect directly with end-use customers in China.

## Labour market needs surveyed

Local consultants Martin Anderson and Tara Druce were appointed to conduct the Central Otago Labour Market Surveys that sought to establish the labour requirements of key sectors of the district economy looking out five years to the 2019/20 season. The surveys also explored issues such as recruitment, retention, up-skilling, and the availability of accommodation and transport that can impact on labour availability.

The horticulture and viticulture surveys and face-to-face interviews were conducted in early 2015, then findings were analysed and a report prepared and presented to the Central Otago Labour Market Governance Group in June.

The survey found that both viticulture and horticulture were in good shape with strong growth predicted in the horticulture sector. Labour demand is expected to grow with an additional 600 beds required by 2018/19 and both sectors are now highly dependent on backpackers as a source of labour at peak times with RSE workers and New Zealanders continuing to be the mainstay of both sectors at non-peak times. Alongside growth in labour demand is an allied issue of finding workers with the right skills particularly at the supervisor and machinery operator levels. The report identified that accommodation provision particularly for temporary workers is a big issue to resolve.

### Our community asked us...

To promote Central Otago as a place to live. Help business get through the legislative requirements when developing business opportunities.

The governance group will use the information from the report to assist in the development of a Central Otago labour market plan to help the district prepare for future economic growth. This will include reviewing training needs; exploring housing options; running workshops on industry best practice; and greater promotion of Central Otago as a seasonal work destination.

A second report scoping labour issues in five other growth sectors of the Central Otago economy – construction, irrigation, transport, hospitality and agriculture – is expected to be released by Spring 2015.

## Economic Impact Surveys

A survey of Otago Central Rail Trail users was carried out in the spring, summer and autumn of 2014/15 near Wedderburn, as were surveys of the Roxburgh Gorge and Clutha Gold Trail users. The purpose of the surveys is to capture the views and opinions of users of the trails including visitors to Central Otago, to quantify the economic benefits that these trails bring to the district, and to provide information that will enable more effective promotion of Central Otago to target markets and demographics.



This is the first time users of the Roxburgh Gorge and Clutha Gold Trails have been surveyed since they opened to the public so the information gathered will establish a baseline against which to chart future usage and trail driven development.

A survey was also conducted during the November 2014 Highlands 101 motorsport event at Highlands Motorsport Park.

## Ultra-Fast and Rural Broadband

Council submitted Registrations of Interest (ROI) to improve ultra-fast broadband and mobile phone coverage in the district under each of the Government's UFB2, RBI2 and Mobile Black Spot Fund programmes.

Our UFB2 bid is for the roll-out of fibre in Alexandra – Clyde, Cromwell (including Bannockburn and Pisa Moorings), Ranfurly and Roxburgh. Under the RBI2 programme we are asking for coverage in that part of the Ida Valley that will not receive wireless broadband under the original RBI programme, for improved coverage in the St Bathans/Cambrians area and also for Naseby.

With respect to the Mobile Black Spot Fund we have joined with the other Otago councils to put in a joint bid for mobile phone coverage along stretches of the State Highway network such as the Lindis Pass and from Ettrick to Milton, which are currently "black spots".

The next step in the process is to work with our community to develop the Digital Enablement Plans that must be submitted in support of each of our ROIs by 18 September. These plans must explain why the communities nominated want ultra-fast broadband, what they will do with it if they get it, and that they know how to use it. To aid this project a series of 'brainstorm sessions' were held around the district run by CODC and The Digital Office.

## Export forums

We held another three successful Export Forums during the 14/15 year on the topics of doing business with China, exporting to Taiwan, and trends in Agribusiness.

# HOW WE MEASURE OUR SUCCESS

DISTRICT DEVELOPMENT						
Community Outcomes	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy	Manage the brand applications and process in a timely manner	End to end time in delivery of approving new brand users	8.5 days	<b>8.15 days</b>	Within 15 working days	Achieved.

# WHERE DOES THE MONEY GO?

DISTRICT DEVELOPMENT	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	974	1,003	1,103	1,103
Targeted rates	1,509	1,631	1,423	1,422
Subsidies and grants for operating purposes	30	30	62	57
Fees and charges	196	202	223	181
Internal charges and overheads recovered	7	9	6	12
Local authorities fuel tax, fines, infringement fees and other receipts	143	147	141	131
<b>Total operating funding</b>	<b>2,859</b>	<b>3,022</b>	<b>2,958</b>	<b>2,906</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,534	1,562	1,662	1,603
Finance costs	10	11	11	12
Internal charges and overheads applied	499	520	499	479
Other operating funding applications	833	836	913	850
<b>Total applications of operating funding</b>	<b>2,876</b>	<b>2,929</b>	<b>3,085</b>	<b>2,944</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>(17)</b>	<b>93</b>	<b>(127)</b>	<b>(38)</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	8	8	-	4
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>4</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	303	184
- to replace existing assets	187	-	63	35
Increase/(decrease) in reserves	(196)	101	(493)	(253)
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>(9)</b>	<b>101</b>	<b>(127)</b>	<b>(34)</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>17</b>	<b>(93)</b>	<b>127</b>	<b>38</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>67</b>	<b>68</b>	<b>44</b>	<b>48</b>

# PLANNING and environment

planning civil defence  
rural fire building control  
liquor licensing dog control and registration  
environmental health



# Planning & Environment



## OUR SPACE, OUR CHALLENGES

All planning and environment activities contribute to all three of our community outcomes.

In our Resource Management activity we prepare and implement the District Plan under the Resource Management Act (RMA). We provide advice to our customers and monitor conditions of resource consents and District Plan provisions to ensure the environmental effects are managed appropriately.

Our big challenge in this space is that our District Plan must be reviewed by 2018. RMA reforms proposed by Government may also bring changes to our District Plan.

The purpose of Building Control is to help people build in a safe manner through a streamlined and cost-effective process. We issue building consents, carry out building inspections and respond to building-related enquiries. We also issue Land Information Memoranda and monitor Building Warrants of Fitness.

We aim to provide a streamlined, cost-effective process. We are also awaiting and responding to changes in legislation, including around earthquake prone building policy and changes in online consenting.

The Environmental Health activity provides confidence to the community and to our visitors that our food premises, hairdressers, camping grounds and funeral directors are safe and clean. We licence and annually inspect registered premises to manage the public health risks of food and water contamination. We undertake testing of water supplies and respond to complaints such as noise and odour, to minimise nuisance to the community.

We are preparing for new Food Act legislation, which will impact on all food premises.

We maintain the social well-being of the district by monitoring and controlling the sale of alcohol and the number of gaming machines in the district. Our role as District Licensing Agency involves processing and issuing licences.

The Government is phasing in new alcohol licensing rules and we have been keeping on top of these changes and communicating with and supporting stakeholders and our community through this transition period.

The aim of Dog Control is to ensure a healthy and safe environment, free from dangerous and aggressive dogs and to minimise nuisance.

Our challenge is to educate dog owners about their obligations and reduce the number of complaints received.

We have a responsibility to plan and provide for civil defence emergency management within the district. At a local level a number of staff are first line civil defence responders. The emergency management plan, policies and procedures are based on the standard 4-R programme.

Maintaining an appropriate level of readiness for a civil defence emergency is an ongoing challenge. Having the right people in the right place and providing training and development for the local staff responders is a priority.

# RIISING TO THE CHALLENGES

## District Plan review

A Discussion Document for the District Plan Review was released for public submission in the latter half of 2014. Drop-in sessions with Council planning staff were held in November at various locations around the district, providing an opportunity for members of the public to get along and discuss the review process and any matters they may wish to raise. Submitters met with the Hearings Panel during March to discuss their submissions.

Council will now prepare a Proposed District Plan, which will be publicly notified for submissions in the 2016/17 year.

### Our community asked us...

To protect the inherent values of our landscape and natural ecosystems while having well defined areas for growth.

## Joint approach to emergency management

In October Central Otago District Council announced the appointment of a joint Emergency Management Officer with Queenstown Lakes District Council. With both councils having vacancies at the same time it made sense to seize the opportunity to create a shared, dedicated role in emergency management. Trevor Andrews stepped into the position from late October 2014.

## Online dog registrations introduced

Council entered into a new contract for dog registrations with New Zealand company Reg the Dog. This has allowed Council to introduce the option of online dog registration for the first time. It is a move that we hope will improve the service we provide our customers by allowing multiple registration options (in person, post, by freephone and online) and ultimately allow a reduction in fees.

## Consents figures

During the 14/15 year a total of 772 building consents were issued with a total value of building work of \$85,009,283. This was a decrease of 3% in number of consents, but a 12% increase by value from the previous year.

During the 14/15 year a total of 351 resource consent applications were received. This represents a 10.3% increase from the previous year.





## Food Act Changes

The new Food Act, passed in June 2014, comes into force on 1 March 2016. This will mean significant changes to all registered food operations in our district and so the process to help educate and transition food businesses to the new regime began this year.

The central feature of the new Act is a sliding scale where businesses that are higher risk from a food safety point of view will operate under more stringent food safety requirements and checks than lower risk food businesses. High risk businesses will operate under a written Food Control Plan (FCP) that identifies food safety risks and steps they need to take to manage these risks. Other medium and lower risk businesses will come under National Programmes that will require the operators to register their business details and maintain minimal records to establish that they have safe foods practices in place.

Our community asked us...

To retain our safe community.

## Local Approved Products Policy

Council adopted its LAPP in September 2014. Our local approved products policy (LAPP) sets a clear framework, decided on by Council in consultation with its community, to restrict the location of premises selling approved psychoactive products in the Central Otago district. Our policy restricts retail premises to business resource areas, and not within 200m of identified sensitive sites such as education institutions, places of worship and community facilities.

# HOW WE MEASURE OUR SUCCESS

PLANNING & ENVIRONMENT						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
Thriving Economy Sustainable Environment	To enable people to develop their land in an appropriate way through a streamlined and cost-effective consent process	Customer satisfaction with resource consent process in Resident Opinion Survey	82%	74%	Maintain customer satisfaction at > 75%	Not achieved.
		Resource consents processed within statutory timeframes and in accordance with internal standards	99.6%	94%	Resource consents processed within statutory timeframe 100%	Not achieved.
Thriving Economy Safe & Healthy Community	To help people develop appropriately, and assist in the provision of health and well-being in the community by ensuring that food	Customer satisfaction with building consent processes in Resident Opinion Survey	92%	82%	Maintain customer satisfaction at > 75%	Achieved.
		Building consents processed within statutory timeframes and in accordance with internal standards	100%	100%	Building consents processed within statutory timeframe 100%	Achieved.
Thriving Economy Safe & Healthy Community	To help people develop appropriately, and assist in the provision of health and well-being in the community by ensuring that food	Annual licensing and inspections programme, including audit of food control plans is completed in accordance with	100% food hygiene regulations	100%	95% of annual licensing programme completed within reporting period	We have a total of 236 premises registered under the Health Registration of Premises Regulations. The inspection of these premises was undertaken by contract with QLDC to 31/12/14 and with ICC from 1/1/15 to 30/6/15. During the 2014/15 year QLDC undertook 57 inspections and ICC 146 inspections.

## PLANNING & ENVIRONMENT

Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
	service premises are hygienic	legal and internal standards				<p>With the introduction of the Food Act 2014 we have had a further 38 premises transition to the new Food Control Plan system.</p> <p>In all we undertook 241 inspections or audits during the year. The extra 5 inspections is the result of those premises being inspected under the Food Hygiene Regulations regime and being counted as transferring to the Food Act regime. This scenario is likely to continue throughout the Food Act transition period which will last at least the next two years.</p>
Thriving Economy Safe & Healthy Community	To provide a safe and healthy environment in which people may live and travel without fear of dangerous dogs	Customer satisfaction in the Resident Opinion Survey (dog control & registration)	75%	75%	Maintain customer satisfaction at > 60%	Achieved.
Safe & Healthy Community	Community satisfaction with Council performance	Resident Opinion Survey – satisfaction with rural fire services	95%	95%	>95%	Achieved.
	Timely response to call-outs	Dispatch firefighting resources within 30 minutes of a call-out and/or place on standby pending further information	100%	-	100%	Rural fire is no longer a Council run activity. It is now administered by Otago Rural Fire Authority.
A Safe & Healthy Community	Community satisfaction with Council performance	Resident Opinion Survey – satisfaction with Emergency Management (Civil Defence)	94%	93%	>90%	Achieved.

# WHERE DOES THE MONEY GO?

<b>PLANNING &amp; ENVIRONMENT</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	1,161	1,187	1,290	1,290
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,099	1,129	1,222	1,435
Internal charges and overheads recovered	7	7	7	12
Local authorities fuel tax, fines, infringement fees and other receipts	256	264	208	302
<b>Total operating funding</b>	<b>2,523</b>	<b>2,587</b>	<b>2,727</b>	<b>3,039</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	1,978	2,011	2,178	2,118
Finance costs	-	-	-	-
Internal charges and overheads applied	382	396	469	454
Other operating funding applications	52	53	37	48
<b>Total applications of operating funding</b>	<b>2,412</b>	<b>2,460</b>	<b>2,684</b>	<b>2,620</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>111</b>	<b>127</b>	<b>43</b>	<b>419</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	12	10	10	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	111	145	143	-
Increase/(decrease) in reserves	12	(8)	(90)	419
Increase/(decrease) in investments	-	-	-	-
<b>Total applications of capital funding</b>	<b>123</b>	<b>137</b>	<b>53</b>	<b>419</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(111)</b>	<b>(127)</b>	<b>(43)</b>	<b>(419)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>115</b>	<b>118</b>	<b>36</b>	<b>38</b>

# GOVERNANCE and corporate services

communication  
administration buildings



# Governance



## OUR SPACE, OUR CHALLENGES

The governance activity is at the forefront of everything we do. While the Council provides many different services, it is the governance activity that supports elected members to be effective and responsible decision-makers. This activity facilitates and supports Council and community boards, ensures agendas are published and available to the public and runs local body elections every three years.

The governance activity contributes indirectly to all three main community outcomes.

Our challenges are to ensure accurate and timely information is provided to elected members and, where appropriate, to the community to enable participation in the decision-making process; to develop high-level supporting strategies and policies; and to respond to legislative change.

## RIISING TO THE CHALLENGES

### Council on Social Media

In August 2014 we launched a Council LinkedIn page [www.linkedin.com/company/central-otago-district-council](http://www.linkedin.com/company/central-otago-district-council). The plan is to grow this social media profile as a channel to promote items related to our activities that are of particular interest to the business community – e.g. economic development workshops and forums, vacancies and new staff profiles. Our presence on this professional networking site complements our other social media channels – Facebook and YouTube – and traditional media activity.

We are continuing to see increasing levels of engagement on our official Council Facebook page – [www.facebook.com/centralotagodistrictcouncil](http://www.facebook.com/centralotagodistrictcouncil). By the end of our first year on Facebook (2014) we had 1126 page likes and by the end of this 2014/15 year we were at 1458. This is proving to be a popular platform for people to share and comment on Council news.

**Our community wants...**

A well connected community.

### Community Board engagement

In July 2014 the Cromwell Community Board launched a regular drop-in session for members of the community to pop in and chat to board members about their concerns and ideas and give feedback. Members are rostered on for the fortnightly session. Cromwell Community Board has also had regular columns and Chair editorial spots in both the Cromwell Bulletin and Cromwell & District News to report back to its ward with snippets of council news.

The Teviot Valley Community Board followed suit launching its first drop-in session in September. A drop-in session was also held in Clyde in September for the community to discuss the Clyde Underpass options and issues with staff and elected members.

## Engagement Policy

During October Council consulted on its Draft Significance and Engagement Policy, a document that gives the Central Otago community a better understanding of how and when it can expect to be involved in shaping decisions about Council's key plans, policies and issues. The policy was adopted in November following amendments arising from public feedback.

# HOW WE MEASURE OUR SUCCESS

GOVERNANCE						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy	Satisfaction with the leadership, representation and decision-making by elected members	Resident Opinion Survey and those satisfied with the performance of elected members of local community boards	83%	83%	>85%	Not achieved.
A Sustainable Environment		Resident Opinion Survey and those satisfied with the performance of elected members	82%	80%	>85%	
A Safe and Healthy Community						Not achieved.



# Corporate Services



## OUR SPACE, OUR CHALLENGES

The corporate services activities provide both direct and indirect support across the organisation that allows Council to function efficiently and effectively. The corporate services activity contributes indirectly to all three main community outcomes.

Our challenges are to provide an efficient and consistent level of customer service; to ensure the community has access to relevant, timely and meaningful information, to create opportunities for the public to influence decision-making; to provide and develop effective monitoring and reporting of the organisation's performance; and to provide the right tools for efficient, effective and prudent management.

## RIISING TO THE CHALLENGES

### Improving our online services

Our Council website continues to trend up in terms of viewer statistics with 322,901 page views for the year, but marked increases quarter on quarter during the year. Our most popular sections/website features are our rating and property search, GIS viewer district plan section, and our winter roading reports.

In May we received the results of the Association of Local Government Information Management's annual ranking of local government websites. CODC's website was ranked 11 out of the 78 authorities, moving up from 35 in 2014.

In late October we made our archive catalogue and samples of our archival material available online on our website for the first time. This was the culmination of a large piece of work by Records & Archives Officer Kas McEntyre.

We have also introduced online dog registrations through our website in 2015 in partnership with Datacom (our website provider) and Reg the Dog.



## Updated Geographic Information Viewer

In November 2014 Central Otago District Council launched an upgrade of its Geographic Information Systems (GIS) Viewer – for the benefit of both staff and contractors, and the public.

GIS is an information portal to communicate geospatial and corporate data, enhancing the value of the data by allowing it to be visualised and analysed within an interactive map. Available to the public via the Council website – [www.codc.govt.nz/maps](http://www.codc.govt.nz/maps) - the public GIS Viewer is one of the top ranking pages on our Council site and is a valuable tool for real estate agents, developers, planners, who use it to access property information such as rates, building and resource consents, and urban and rural aerial maps.

The upgrade to the viewer included improved performance, GPS location services and making the viewer 'responsive' like the CODC website so it can be viewed easily on tablets and smart phones. Future plans for the public GIS including presenting cemetery information.

### Our community wants...

To have easy access to information and friendly business services.

# HOW WE MEASURE OUR SUCCESS

CORPORATE SERVICES						
Community Outcome	Our Objective Level of Service	How we Measure Success	2013/14 Results	2014/15 Results	Our Aim Years 1-3	Comments
A Thriving Economy	Satisfaction with the initial contact with Council	Resident Opinion Survey – the service was fast and efficient.	94%	94%	>90%	Achieved
		Resident Opinion Survey – the service was friendly and courteous	97%	95%	>90%	Achieved
		Resident Opinion Survey – issues dealt with effectively	86%	84%	>80%	Achieved
A Sustainable Environment	Satisfaction with contact regarding service requests	Resident Opinion Survey – the service was fast and efficient	80%	79%	>80%	Not achieved
		Resident Opinion Survey – the service was friendly and courteous	91%	93%	>90%	Achieved
		Resident Opinion Survey – issues dealt with effectively	77%	73%	>75%	Not achieved
A Safe and Healthy Community	Satisfaction with the overall effectiveness of Council communications	Resident Opinion Survey – overall effectiveness of communications	79%	81%	>80%	Achieved

# WHERE DOES THE MONEY GO?

<b>GOVERNANCE &amp; CORPORATE SERVICES</b>	2013/14 Long Term Plan \$000	2014/15 Long Term Plan \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	104	93	(35)	(35)
Targeted rates	194	250	273	230
Subsidies and grants for operating purposes	-	-	-	20
Fees and charges	131	134	155	73
Internal charges and overheads recovered	443	423	627	(427)
Interest and dividends from investments	241	286	339	688
Local authorities fuel tax, fines, infringement fees and other receipts	237	200	147	121
<b>Total operating funding</b>	<b>1,350</b>	<b>1,386</b>	<b>1,506</b>	<b>670</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	3,021	3,033	3,411	3,597
Finance costs	41	42	40	23
Internal charges and overheads applied	(2,931)	(3,034)	(3,383)	(4,137)
Other operating funding applications	417	402	445	460
<b>Total applications of operating funding</b>	<b>548</b>	<b>443</b>	<b>513</b>	<b>(57)</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>802</b>	<b>943</b>	<b>993</b>	<b>727</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	10	16	16	13
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>10</b>	<b>16</b>	<b>16</b>	<b>13</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	-	-	100	-
- to improve the level of service	-	-	150	307
- to replace existing assets	560	504	851	294
Increase/(decrease) in reserves	302	507	(40)	1,589
Increase/(decrease) in investments	(50)	(52)	(52)	(1,450)
<b>Total applications of capital funding</b>	<b>812</b>	<b>959</b>	<b>1,009</b>	<b>740</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(802)</b>	<b>(943)</b>	<b>(993)</b>	<b>(727)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>606</b>	<b>667</b>	<b>599</b>	<b>495</b>

# FINANCIALS

assumptions  
audit opinion  
accounting policies  
fees and charges



# FUNDING IMPACT STATEMENT

For the year ended 30 June 2015

<b>WHOLE OF COUNCIL</b>	2013/14 Annual Plan \$000	2013/14 Actual \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>OPERATING</b>				
General rates, uniform annual general charges and rates penalties	6,867	6,900	7,056	7,056
Targeted rates	16,550	16,757	17,865	17,901
Subsidies and grants for operating purposes	1,870	1,826	1,600	1,855
Fees and charges	3,865	3,351	3,473	3,734
Interest and dividends from investments	296	508	339	688
Local authorities fuel tax, fines, infringement fees and other receipts	1,548	1,758	1,463	1,604
<b>Total operating funding</b>	<b>30,996</b>	<b>31,100</b>	<b>31,796</b>	<b>32,838</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	21,675	21,114	22,552	22,641
Finance costs	311	30	52	35
Other operating funding applications	2,348	2,255	2,460	2,427
<b>Total applications of operating funding</b>	<b>24,334</b>	<b>23,399</b>	<b>25,064</b>	<b>25,103</b>
<b>Surplus/(Deficit) of operating funding</b>	<b>6,662</b>	<b>7,701</b>	<b>6,732</b>	<b>7,735</b>
<b>CAPITAL</b>				
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,991	1,998	1,902	1,981
Development and financial contributions	476	753	320	723
Increase (decrease) in debt	1,871	-	-	-
Gross proceeds from sale of assets	3,397	285	2,391	565
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding</b>	<b>7,735</b>	<b>3,036</b>	<b>4,613</b>	<b>3,269</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	951	3,167	1,198	616
- to improve the level of service	2,969	3,642	3,753	3,053
- to replace existing assets	10,994	4,538	9,290	5,483
Increase/(decrease) in reserves	(467)	(566)	(2,844)	3,301
Increase/(decrease) in investments	(50)	(44)	(52)	(1,450)
<b>Total applications of capital funding</b>	<b>14,397</b>	<b>10,737</b>	<b>11,345</b>	<b>11,004</b>
<b>Surplus/(Deficit) of capital funding</b>	<b>(6,662)</b>	<b>(7,701)</b>	<b>(6,732)</b>	<b>(7,735)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation expense (not included in above FIS)</b>	<b>9,467</b>	<b>9,463</b>	<b>10,362</b>	<b>9,668</b>

# RECONCILIATION OF FUNDING IMPACT STATEMENT

For the year ended 30 June 2015

	2013/14 Annual Plan \$000	2013/14 Actual \$000	2014/15 Annual Plan \$000	2014/15 Actual \$000
<b>PUBLIC EQUITY</b>				
Surplus/(deficit) of operating funding from funding impact statement	6,662	7,701	6,732	7,735
Depreciation	(9,467)	(9,463)	(10,362)	(9,668)
Subsidies and grants for capital purposes	1,991	1,998	1,902	1,981
Development and financial contributions	476	753	320	723
Vested assets	-	2,106	-	1,675
Profit/(loss) on sale of assets	-	66	-	372
Valuations gains/(losses)	-	112	48	(487)
<b>Net surplus/(deficit) before tax in statement of comprehensive revenue and expense</b>	<b>(338)</b>	<b>3,273</b>	<b>(1,360)</b>	<b>2,330</b>

# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2015

Actual 2013/14 \$000		Notes	Actual 2014/15 \$000	Annual Plan 2014/15 \$000
<b>REVENUE</b>				
<b>Revenue from non-exchange transactions</b>				
23,657	Rates	1	24,957	24,921
3,596	Subsidies and Grants	2	3,618	3,299
1,136	Regulatory fees	3	1,233	1,036
3,360	User fees and other income	3	3,462	3,171
753	Development and financial contributions	3	723	408
2,106	Vested assets	4	1,675	-
141	Valuation gains	5	92	-
<b>Revenue from exchange transactions</b>				
438	Direct charges revenue – full cost recovery	6	468	455
346	Rental revenue	6	357	386
565	Interest		724	339
-	Dividends		-	3
110	Profit on sale of assets		378	-
223	Gains on revaluation of investment properties	5	105	48
<b>36,431</b>	<b>Total revenue</b>		<b>37,792</b>	<b>34,066</b>
<b>EXPENDITURE</b>				
7,142	Employee benefit expenses	7	7,349	7,322
9,463	Depreciation and amortisation	18, 19	9,668	10,362
30	Finance costs		35	52
252	Valuation losses	5	684	-
44	Loss on disposal of assets		6	-
16,227	Other expenses	8	17,720	17,690
<b>33,158</b>	<b>Total expenditure</b>		<b>35,462</b>	<b>35,426</b>
<b>3,273</b>	<b>Surplus/(Deficit) before tax</b>		<b>2,330</b>	<b>(1,360)</b>
-	Income tax expense	9	-	-
<b>3,273</b>	<b>Surplus/(Deficit) after tax</b>		<b>2,330</b>	<b>(1,360)</b>
<b>Gain on asset revaluations</b>				
537	Gains (loss) on revaluation of wastewater assets		226	1,609
1,150	Gains (loss) on revaluation of water assets		536	2,346
326	Gains (loss) on revaluation of stormwater assets		8	406
8,221	Gains (loss) on revaluation of roading assets		-	8,149
1	Gains (loss) on revaluation of property and parks assets		-	-
	Gains (loss) on revaluations of land assets		(81)	-
	Gains (loss) on revaluation of building assets		4,923	-
<b>10,235</b>	<b>Total gain on asset revaluations</b>		<b>5,612</b>	<b>12,510</b>
<b>Gain on available for sale financial assets</b>				
(21)	Gains (loss) on revaluation of investment bonds		(13)	-
(5)	Gains (loss) on revaluation of share equities		7	-
<b>(26)</b>	<b>Total gain on available for sale financial assets</b>		<b>(6)</b>	<b>-</b>
<b>10,209</b>	<b>Total other comprehensive income</b>		<b>5,606</b>	<b>12,510</b>
<b>13,482</b>	<b>Total comprehensive income</b>		<b>7,936</b>	<b>11,150</b>

The accompanying notes form an integrated part of these financial statements.



# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

Actual 2013/14 \$000		Notes	Actual 2014/15 \$000	Annual Plan 2014/15 \$000
<b>PUBLIC EQUITY</b>				
643,804	Public equity balance at 1 July		657,286	661,627
<b>Accumulated funds</b>				
339,539	Balance at 1 July		342,915	340,263
3,273	Surplus/(Deficit		2,330	(1,360)
-	Adjustment for assets not owned by council		(403)	-
(2)	Transfer to restricted reserves		(4)	(3)
105	Transfer from property revaluation reserve on disposal		-	-
<b>342,915</b>	<b>Balance at 30 June</b>	<b>10</b>	<b>344,838</b>	<b>338,900</b>
<b>OTHER RESERVES</b>				
<b>Property revaluation reserve</b>				
304,162	Balance at 1 July		314,292	321,295
10,235	Revaluation gains/(loss)		5,612	12,510
-	Adjustments for assets not owned by council		(4,350)	-
(105)	Transfer to accumulated funds on disposal on property		-	-
<b>314,292</b>	<b>Balance at 30 June</b>	<b>10</b>	<b>315,554</b>	<b>333,805</b>
<b>Available for sale financial assets revaluation reserve</b>				
37	Balance at 1 July		11	-
(26)	Revaluation gains/(loss)		(6)	-
-	Reclassification to surplus or deficit on disposal		-	-
<b>11</b>	<b>Balance at 30 June</b>	<b>10</b>	<b>5</b>	<b>-</b>
<b>Restricted reserves (trust and bequest funds)</b>				
66	Balance at 1 July		68	69
2	Transfer from accumulated funds		4	3
<b>68</b>	<b>Balance at 30 June</b>	<b>10</b>	<b>72</b>	<b>72</b>
<b>314,371</b>	<b>Total other reserves</b>		<b>315,631</b>	<b>333,877</b>
<b>657,286</b>	<b>Public equity 30 June</b>		<b>660,469</b>	<b>672,777</b>

The accompanying notes form an integrated part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

Actual 2013/14 \$000		Notes	Actual 2014/15 \$000	Annual Plan 2014/15 \$000
<b>EQUITY</b>				
342,915	Accumulated funds	10	344,838	338,852
314,292	Property revaluation reserve	10	315,554	333,853
11	Fair value through other comprehensive income revenue reserve		5	-
68	Restricted reserves	10	72	72
<b>657,286</b>	<b>Total equity</b>		<b>660,469</b>	<b>672,777</b>
<b>REPRESENTED BY:</b>				
<b>Current assets</b>				
2,981	Cash and cash equivalents	11	6,005	5,306
10,719	Other financial assets	12	10,327	-
2,727	Receivables	13	2,557	2,432
35	Inventories	14	373	63
<b>16,462</b>	<b>Total current assets</b>		<b>19,262</b>	<b>7,801</b>
<b>Less current liabilities</b>				
872	Agency and deposits	15	435	930
3,717	Payables and deferred revenue	15	3,286	1,843
858	Employee entitlements	16	811	681
-	Borrowings and other financial liabilities		-	-
<b>5,447</b>	<b>Total current liabilities</b>		<b>4,532</b>	<b>3,454</b>
<b>11,015</b>	<b>Working capital</b>		<b>14,730</b>	<b>4,347</b>
<b>Non-current assets</b>				
139	Available for sale financial assets	12	133	665
1,977	Loans and receivables	17	1,033	1,892
641,230	Property, plant and equipment	18	641,870	663,084
395	Intangible assets	19	499	273
933	Forestry assets	21	1,032	966
1,635	Investment property	22	1,205	1,593
<b>646,309</b>	<b>Total non-current assets</b>		<b>645,772</b>	<b>668,473</b>
<b>Less non-current liabilities</b>				
38	Provisions	24	33	43
-	Borrowings and other financial liabilities		-	-
<b>38</b>	<b>Total non-current liabilities</b>		<b>33</b>	<b>43</b>
<b>657,286</b>	<b>Net assets (assets minus liabilities)</b>		<b>660,469</b>	<b>672,777</b>

The accompanying notes form an integrated part of these financial statements.

# STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

Actual 2013/14 \$000		Notes	Actual 2014/15 \$000	Annual Plan 2014/15 \$000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>				
33,555	Receipts from rates, fees and other revenue		34,660	33,676
547	Interest received		712	339
-	Dividends received		-	3
78	Net GST		41	-
(22,821)	Payments to suppliers and employees		(25,861)	(25,064)
-	Interest paid		-	-
<b>11,359</b>	<b>Net cash flow from operating activities</b>	<b>34</b>	<b>9,552</b>	<b>8,954</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>				
358	Receipts from sale of property, plant and equipment		585	2,391
500	Receipts from sale of investments		500	-
50	Receipts from the repayment of loans and receivables		1,424	52
(8,904)	Purchase of property, plant and equipment		(8,431)	(14,241)
(7)	Purchase of investment property		(209)	-
(263)	Purchase of intangibles		(281)	-
(10)	Purchase of forestry		(8)	-
(1,219)	Purchase of investments		(108)	-
-	Investment in loans and receivables		-	-
<b>(9,495)</b>	<b>Net cash flow from investing activities</b>		<b>(6,528)</b>	<b>(11,798)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>				
-	Proceeds from borrowings		-	-
-	Repayment of borrowings		-	-
-	<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>1,864</b>	<b>Net increase/(decrease) in cash held</b>		<b>3,024</b>	<b>(2,844)</b>
1,117	Cash at the beginning of the year		2,981	8,147
<b>2,981</b>	<b>Closing cash held 30 June</b>	<b>11</b>	<b>6,005</b>	<b>5,303</b>

The accompanying notes form an integrated part of these financial statements.

# RESERVE FUNDS

Reserves are held to ensure that funds received for a particular 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. Restricted reserves are reserves that have rules that can be set by legal obligation that restrict the use that Council may put the funds to. The remaining Council created reserves are discretionary reserves which the Council has established for the fair and transparent use of monies. Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates.

RESERVES		Opening Balance 2014/15 (\$000)	Transfers In 2014/15 (\$000)	Transfers Out 2014/15 (\$000)	Closing Balance 2014/15 (\$000)
<b>Specific Reserves</b> These reserves are designated from a statute or legal document or are to maintain and provide for improvements to separately identifiable areas.	Other Infrastructure	892	46	(35)	903
	Parks, Reserves and Cemeteries	16	2	-	18
	Libraries, Swimming Pools & Community Facilities	26	1	-	27
	Governance & Corporate Services	2,186	123	(7)	2,302
	Planning & Environment	0	291	0	291
	Self-insurance Fund	1,745	79	(40)	1,784
	<b>Total Specific Reserves</b>	<b>4,865</b>	<b>542</b>	<b>(82)</b>	<b>5,325</b>
<b>Development Contributions</b> To provide for growth in identifiable infrastructure assets.	Governance & Corporate Services	(5,280)	549	(407)	(5,138)
	<b>Total Development Contributions</b>	<b>(5,280)</b>	<b>549</b>	<b>407</b>	<b>(5,138)</b>
<b>General Reserves</b> These reserves are invested to provide a financial return to ratepayers.	Governance & Corporate Services	11,185	1,804	(237)	12,752
	<b>Total General Reserves</b>	<b>11,185</b>	<b>1,804</b>	<b>(237)</b>	<b>12,752</b>
<b>Property</b> To provide for the purchase of properties.	Other Infrastructure	(241)	558	(60)	257
	Libraries, Swimming Pools & Community Facilities	276	13	(13)	276
	Governance & Corporate Services	460	59	0	519
	<b>Total Property</b>	<b>495</b>	<b>630</b>	<b>(73)</b>	<b>1,052</b>
<b>Loss of Service Potential and Development</b> To set aside funds for the replacement or provision of assets in identifiable infrastructure areas.	Water	(3,124)	1,600	(460)	(1,984)
	Wastewater	1,253	818	(10)	2,061
	Stormwater	970	236	-	1,206
	Transportation	(449)	423	(1,741)	(1,767)
	Other Infrastructure	(21)	22	0	1
<b>Total Loss of Service Potential &amp; Development</b>	<b>(1,371)</b>	<b>3,099</b>	<b>(2,211)</b>	<b>(483)</b>	
<b>Amenities</b> To provide funding for ongoing operations and assets in amenity areas.	Waste Minimisation	(158)	1,093	(1,232)	(297)
	Other Infrastructure	(213)	14	(8)	(207)
	Parks, Reserves & Cemeteries	610	110	(33)	687
	Libraries, Swimming Pools & Community Facilities	(194)	101	(223)	(316)
	Planning & Environment	273	58	(14)	317
	<b>Total Amenities</b>	<b>318</b>	<b>1,376</b>	<b>(1,510)</b>	<b>184</b>
<b>Governance</b> To provide funding for the elected member activity, specifically the democratic process.	Governance & Corporate Services	106	7	(6)	107
	<b>Total Governance Reserves</b>	<b>106</b>	<b>7</b>	<b>(6)</b>	<b>107</b>
<b>District Development</b> To provide funding for ongoing operations and assets in this activity.	District Development	304	138	(294)	148
	<b>Total District Development Reserves</b>	<b>304</b>	<b>138</b>	<b>(294)</b>	<b>148</b>
<b>Total Reserves</b>		<b>10,622</b>	<b>8,145</b>	<b>(4,820)</b>	<b>13,947</b>

# VARIANCE REPORT

For the year ended 30 June 2015

	Actual 2014/15 \$000	Annual Plan 2014/15 \$000	Variance 2014/15 \$000	
<b>REVENUE</b>				
<b>Revenue from non-exchange transactions</b>				
Rates	24,957	24,921	36	F
Subsidies and grants	3,618	3,299	316	F
Regulatory fees	1,233	1,036	197	F
User fees and other income	3,462	3,171	291	F
Vested assets	1,675	-	1,675	F
Valuation gains	92	-	92	F
Development and financial contributions	723	408	315	F
<b>Revenue from exchange transactions</b>				
Direct charges revenue – full cost recovery	468	455	13	F
Rental revenue	357	386	(29)	U
Interest	724	339	385	F
Dividends	-	3	(3)	U
Profit on sale of assets	378	-	378	F
Gains on revaluation of investment properties	105	48	57	F
<b>Total revenue</b>	<b>37,792</b>	<b>34,066</b>	<b>3,726</b>	<b>F</b>
<b>EXPENDITURE</b>				
Water	3,823	4,111	(288)	F
Wastewater	2,709	2,905	(196)	F
Stormwater	494	444	50	U
Transportation	9,056	9,177	(121)	F
Waste Minimisation	3,109	3,112	(3)	F
Other Infrastructure	2,263	2,148	115	U
Parks and Cemeteries	2,551	2,597	(46)	F
Libraries, Swimming Pools and Community Facilities	4,678	4,889	(211)	F
District Development	2,992	3,129	(137)	F
Planning and Environment	2,658	2,720	(62)	F
Governance and Corporate Services	439	194	245	U
Valuation losses	684	-	684	U
Loss on disposal of assets	6	-	6	U
<b>Total expenditure</b>	<b>35,462</b>	<b>35,426</b>	<b>36</b>	<b>U</b>
<b>Net surplus (deficit)</b>	<b>2,330</b>	<b>(1,360)</b>	<b>3,690</b>	<b>F</b>

Note: "F" = Favourable, "U" = Unfavourable

# Explanation of Variances

## Revenue

### Fees and Charges

Fees and charges include \$210,000 external funding received for the Clyde cycle/pedestrian underpass which was unbudgeted.

### Interest and Dividends

Interest income exceeds budget by \$385,000 due to planned capital expenditure being deferred until 2015/16.

### Regulatory Fees

There has been an increase in consenting activity resulting in a favourable increase of revenue of \$55,000 above budget.

### Contributions for Capital Purposes

Development contributions of \$723,000 reflect better than anticipated growth exceeding budget by \$315,000.

### Other Noted Revenue Variances

Vested assets are a result of a completed subdivision, whilst valuation gains relate to investment properties. As there is no certainty of realising gains in these areas, no budget is provided for.

## Expenditure

Total payments to staff and suppliers of \$25.1m exceeded budget slightly by \$57k. Variances within activities include:

### Water

Lower costs of \$82k on physical works contracts / reactive maintenance for Omakau and Naseby water infrastructure.

### Roading

Operational expenditure on the Clyde cycle/pedestrian underpass (no budget) was offset by NZTA and other external funding.

### Community Facilities, Libraries and Swimming Pools

Lower than budget swimming pool energy costs in both Molyneux Aquatic Centre and Cromwell Swim Centre were achieved.

### **Other Infrastructure**

Building repair work on the Centennial Milk Bar at Ranfury was completed. Repairs were required due to fire damage caused by vandalism and were covered by insurance proceeds.

### **District Development**

Some planned projects had commenced prior to year end, but were delayed due to resourcing constraints. These monies will be carried over for the projects to be completed in the 2015/16 year.

### **Governance and Corporate Services**

There was a favourable cash position and therefore interest expenses and bank fees were less than anticipated.

# Accounting Policies

## 1. Reporting Entity

The Central Otago District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled within New Zealand.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Central Otago District Council has designated itself as a tier 1 public benefit entity (PBE) for the purposes of the new PBE International Public Sector Accounting Standards (IPSAS), which came into effect on 1 July 2014.

The financial statements comprise the activities of the Council. The Council does not have a significant interest in any other entities.

The financial statements of the Council are for the year ended 30 June 2015. The financial statements were authorised for issue by the Council on 28 October 2015. The Council does not have the power to amend the financial statements after issue.

## 2. Basis of Financial Statement Preparation

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and in accordance with New Zealand generally accepted accounting practice (NZ GAAP). The financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These financial statements comply with PBE Standards.

These financial statements are the first financial statements presented in accordance with the new PBE accounting standards.

Some rounding variances may occur in the financial statements due to the use of decimal places in the underlying financial data.

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

The financial statements are prepared on a historical cost basis, as modified by the revaluation of:

- Available for sale financial assets
- Forestry assets
- Certain classes of property, plant and equipment
- Investment property

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

## 3. Joint Ventures

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



## 4. Revenue

Revenue is measured at a fair value of consideration received or receivable. Revenue has been classified as prescribed in PBE IPSAS 1 which requires revenue to be categorised as arising from either non-exchange transactions or exchange transactions. The 2014/15 Annual Plan comparative figures in the Prospective Statement of Comprehensive Revenue have been amended accordingly.

### **Revenue from non-exchange transactions:**

Includes revenue from subsidised services and goods whereby the council has received cash or assets that do not give approximately equal value to the other party in the exchange.

#### **I. Rates**

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

#### **II. Goods Sold and Services Rendered**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

#### **III. Government Grants**

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

#### **IV. Water Billing Revenue**

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

#### **V. Vested Assets**

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Vested assets are recognised at the point when Council has issued the certificate prescribed under the Resource Management Act 1991 S224(c), relating to the respective subdivisions.

#### **VI. Development Contributions**

Development and financial contributions revenue is recognised at the point where Council has issued an invoice in respect of the development demand notice, and provides or is able to provide the service.

### **Revenue from exchange transactions:**

Includes revenue where the council has received cash or assets and directly gives approximately equal value to the other party in the exchange.

#### **VII. Direct Charges at Fair Value**

Revenue from direct charges sold at a fair value are recognised when the significant risk and rewards of ownership have been transferred to the buyer. Direct charges include revenue from dog registration, dog control and recreational reserves.

#### **VIII. Rental Revenue**

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

#### **IX. Interest Revenue**

Interest revenue is recognised as it accrues, using the effective interest method.

#### **X. Dividend Revenue**

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

## 5. Operating Leases

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

## 6. Grant Expenditure

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

Discretionary grants are those grants where 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 Council's decision due to no substantive conditions attached.

## 7. Income Tax

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

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

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which 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 surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

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

Current and deferred tax is recognised against the 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.

## 8. Equity

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

- accumulated funds
- restricted reserves
- property revaluation reserve
- fair value through other comprehensive revenue and expense reserve

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

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

Also included in restricted reserves are reserves created by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at Council's discretion.

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

Fair value through other comprehensive revenue and expense reserves comprises the cumulative net change in the fair value of financial assets through other comprehensive revenue and expense.

## 9. Cash and Cash Equivalents

Cash and cash equivalents include cash balances deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

## 10. Debtors and Other Receivables

Debtors and other receivables are stated at their cost less any provision for impairment (see Impairment Policy 19).

## 11. Inventories

Inventories represent land purchased or held being developed for resale and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

## 12. Financial Assets

Council classifies its financial assets as available-for-sale financial assets, and loans and receivables.

### Available-For-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Other financial instruments held by Council are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss recognised in other comprehensive revenue and expenditure, except for impairment losses which are recognised on the surplus or deficit.

Financial instruments classified as available for sale investments are recognised / derecognised by Council on the date it commits to purchase / sell the investments. Available-for-sale financial assets are derecognised when they mature. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is recognised on the surplus or deficit.

## Loans and Receivables

Loans and receivables are non-derivative financial assets. They are measured at initial recognition at fair value, and subsequently carried at amortised cost using the effective interest method, subject to a test for impairment. Gains or 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 asset/investment. They 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.

## 13. Property, Plant and Equipment

The following infrastructural assets are shown at fair value, based on annual valuations by external independent valuers:

- Water
- Wastewater
- Stormwater

All of the above were revalued on an optimised depreciated replacement cost basis

Revaluations of land, buildings and transportation are completed every 3 years and parks and reserves are completed every 5 years by external independent valuers.

Revaluations will be undertaken by independent valuers, suitably qualified in the category and location of the assets. The valuation process includes verification of asset registers, application of rates representing current replacement cost or market value (if any), asset optimisation and adjustments for asset condition and performance.

Valuations are performed with sufficient regularity to ensure revalued assets are carried at a value that is not materially different from fair value.

Where Council has elected to account for revaluations of property, plant and equipment on a class of asset basis, increases or decreases in the carrying amounts arising on revaluation of a class of assets are credited or debited to other comprehensive revenue and expenditure and are accumulated to an asset revaluation reserve in equity for that class of asset. However, the net revaluation result is recognised in the surplus or deficit to the extent it reverses a net revaluation decrease of the same class of assets previously recognised in the surplus or deficit.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

Assets to be depreciated include:

OPERATIONAL ASSETS		INFRASTRUCTURE ASSETS	
Buildings		Bridges	30-125 yrs
- structures	5-100 yrs	Footpaths and cycle ways	30-100 yrs
- external fabric	5-70 yrs	Kerb and channel	70-100 yrs
- services	5-80 yrs	Roads – sealed	8-17 yrs
- internal fit out	5-80 yrs	Roads – unsealed	10-25 yrs
Equipment, furniture and fittings	3-10 yrs	Roads – land and formation	not depreciated
Motor vehicles and plant	4-12 yrs	Sewerage plant and equipment	15-35 yrs
Library books	10 yrs	Sewerage reticulation networks	60-80 yrs
Parks and reserves	2-50 yrs	Stormwater networks	70 yrs
		Water plant and equipment	10-35 yrs
		Water reticulation networks	60-100 yrs

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These 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.

Assets under construction are not depreciated. The total cost of the project is transferred to the relevant asset when it is available for use, and then depreciated.

## 14. Non-current Assets (or Disposal Groups) Held for Sale

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

An impairment loss is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset (or disposal group) is recognised at the date of de-recognition.

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. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. Further, the liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position. Those assets and liabilities shall not be offset and presented as a single amount.

## 15. Intangible Assets

### I. Computer Software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three to ten years using the straight line method.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

## II. Other Intangible Assets

Other intangible assets that are acquired by Council are stated at cost less accumulated amortisation (see below) and impairment losses (see Impairment Policy 19).

Easements are not amortised. Branding assets are amortised over their estimated useful lives of 10 years using the straight line method.

## III. Subsequent Expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

## IV. Amortisation

An intangible asset with a finite useful life is amortised over the period of that life. The asset is reviewed annually for indicators of impairment, and tested for impairment if these indicators exist. The asset is carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised, but is tested for impairment annually, and is carried at cost less accumulated impairment losses.

# 16. Forestry Assets

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis. These are shown in the statement of financial position at fair value less estimated point of sale costs at harvest. The costs to establish and maintain the forest assets are included in the surplus or deficit together with the change in fair value for each accounting period.

The valuation of forests is based on discounted cash flow models where the fair value is calculated using cash flows from continued operations; that is, based on sustainable forest management plans taking into account growth potential. The yearly harvest from forecast tree growth is multiplied by expected wood prices and the costs associated with forest management, harvesting and distribution are then deducted to derive annual cash flows.

The fair value of the forest assets is measured as the present value of cash flows from one growth cycle based on the productive forest land, taking into consideration environmental, operational and market restrictions. Forest assets are valued separately from the underlying freehold land.

The forestry assets are revalued annually by D W Guild MNZIF of Guild Forestry as at 30 June.

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

# 17. Emissions Trading Scheme

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

# 18. Investment Property

Investment properties are properties which are held either to earn rental revenue or for capital appreciation or for both. Investment properties generate cash flow largely independent of other assets held by the entity. Investment properties are stated at fair value. An external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio annually. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction.

Any gain or loss arising from a change in fair value is recognised in the surplus or deficit.

Rental revenue from investment property is accounted for as described in the Revenue Policy (4), above.

## 19. Impairment of Financial Assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

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

Financial assets at fair value through other comprehensive revenue and expense

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

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

If impairment 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) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

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

## 20. Impairment of Non-Financial Assets

The carrying amounts of Council's assets, other than inventories (see Inventories Policy 11), forestry assets (see Forestry Assets Policy 16), and Investment Property (see Investment Property Policy 18) and PPE carried at fair value (see Property, Plant and Equipment Policy 13) are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

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.

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 asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount.

The total impairment loss is recognised in the surplus or deficit.

## 21. Third Party Transfer Payment Agencies

Council collects and distributes monies for other organisations. Where collections are processed through Council's books, any monies held are shown as accounts payable in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

## 22. Creditors and Other Payables

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

## 23. Employee Entitlements

Provision is made in respect of Council's liability for the following short and long-term employee entitlements.

### I. Short-term Entitlements

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

These include salaries and wages accrued up to balance date, annual leave earned to date, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Liabilities for annual leave are accrued at the full amount owing at the pay period ending immediately prior to the statement of financial position date.

Liabilities for accumulating short-term compensated absences (e.g. sick leave), where material, are measured as the amount of unused entitlement accumulated at the pay period ending immediately prior to the statement of financial position date, that Council anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

### II. Long-term Entitlements

Where (for historical reasons) a retirement gratuity entitlement exists, where material, liability is assessed on an actual entitlement basis using current rates of pay taking into account years of service. All remaining staff with this provision in their contracts have completed the qualifying conditions.

Where (for historical reasons) a long service leave entitlement exists in an individual's employment agreement, the value of the entitlement will be recognised on an actual basis for staff who have completed the service entitlement, but not yet taken the leave, and on a discounted basis for the staff members who have not yet completed the qualifying service.

### III. 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.



## 24. Borrowings

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

Council has not capitalised borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, in line with PBE IPSAS 5.

Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

## 25. Provisions

A provision is recognised in the statement of financial position when Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

## 26. Landfill Post Closure Costs

Council has a number of closed landfills. The resource consents for these include a legal obligation to provide ongoing maintenance and monitoring services throughout the life of the consent. The provision is measured on the present value of future cash flows expected, taking into account future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

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

The estimated future costs of meeting this obligation have been accrued and charged. The calculations assume no change in the legislative requirements for post-closure treatment.

## 27. Goods and Services Tax

The financial statements are prepared exclusive of GST with the exception of debtors and other receivables and creditors and other payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

## 28. Cost Allocations

The costs of all internal service activities are allocated or charged directly to external service type activities. External service activities refer to activities which provide a service direct to the public. Internal service activities provide support for the external service activities.

Where the user of a service can be identified, the cost recovery is made by way of a direct charge. Where this has not been possible, the costs are allocated by way of general overhead, on the basis of expenditure incurred within the activity.

# Notes to the Financial Statements

For the year ended 30 June 2015

## 1. Rates

	2014/15 \$000	2013/14 \$000
General Rates	3,601	3,780
Uniform Annual General Rate	1,343	1,285
	<b>4,944</b>	<b>5,065</b>
Targeted rates attributable to activities per funding impact statement:		
- Water	4,112	3,437
- Wastewater	2,893	2,686
- Stormwater	338	352
- Transportation	710	546
- Waste Minimisation	2,314	2,348
- Other Infrastructure	252	258
- Parks, Reserves & Cemeteries	1,934	1,977
- Libraries, Swimming Pools & Community Facilities	3,696	3,608
- District Development	1,422	1,344
- Economic Development	773	652
- Planning and Environment	1,288	1,171
- Governance and Corporate Services	230	202
<b>Total Targeted Rates</b>	<b>19,962</b>	<b>18,581</b>
Rates penalties	154	137
Rates remissions	(50)	(75)
Rates discount	(53)	(51)
	<b>51</b>	<b>11</b>
<b>Total Rates Revenue</b>	<b>24,957</b>	<b>23,657</b>

From 1 July 2014 total rates revenue includes income from the sale of volumetric water supply. The total revenue for 2013/14 has been adjusted to reflect the change in classification

## 2. Subsidies and Grants

	2014/15 \$000	2013/14 \$000
New Zealand Transport Agency roading subsidies	3,428	3,441
Creative NZ and SPARC grants	27	30
Central Lakes Trust	85	87
Otago Community Trust	20	-
Other grants	58	38
<b>Total subsidies and grants</b>	<b>3,618</b>	<b>3,596</b>

### 3. Fees and Charges

	2014/15 \$000	2013/14 \$000
Regulatory fees - building consent and health charges	949	895
Regulatory fees - resource management fees	147	143
Regulatory fees – liquor licensing	137	99
User fees – Libraries, swimming pools and visitor centres	1,008	958
User fees - Parks, recreation reserves and cemeteries	156	361
User fees – Waste collection, minimisation and disposal	597	701
User fees – Property and land usage	906	785
User fees – Roothing and fuel taxes	453	220
User fees - Planning	327	302
Development contributions	723	753
Other fees and charges	15	32
<b>Total fees and charges</b>	<b>5,418</b>	<b>5,249</b>

### 4. Vested Assets

Subdivision developers are required to install services as a condition of resource consent approval. These services, (roading, sewerage, water supply and footpaths) subsequently vest in the Council as part of its infrastructure. The value of these is identified as income (non-cash) in the Statement of Comprehensive Income, and is distributed within the following asset classes.

	2014/15 \$000	2013/14 \$000
Reserves	25	60
Roothing (including footpaths)	461	1,318
Stormwater	162	308
Wastewater	202	115
Water	825	305
<b>Total vested assets</b>	<b>1,675</b>	<b>2,106</b>

### 5. Valuation Gains and Losses

	2014/15 \$000	2013/14 \$000
<b>Non-financial Instruments</b>		
Gain (loss) in fair value of forestry assets (Note 21)	91	(4)
Gain (loss) in fair value of investment property	(639)	83
	<b>(548)</b>	<b>79</b>
<b>Financial Instruments</b>		
Gain (loss) in fair value of community loans	61	33
Gain (loss) on disposal of available for sale financial assets	-	-
	<b>61</b>	<b>33</b>
<b>Total Gains (Losses)</b>	<b>(487)</b>	<b>112</b>
Total gains per Statement of Comprehensive Revenue and Expense	197	364
Total losses per Statement of Comprehensive Revenue and Expense	(684)	(252)
<b>Total Gains (Losses)</b>	<b>(487)</b>	<b>112</b>

## 6. Revenue from Exchange Transactions

Revenue from exchange transactions is revenue where the council has received cash or assets and directly gives approximately equal value to the other party in exchange.

	2014/15 \$000	2013/14 \$000
Full cost recovery - dog registration and dog control	176	162
Full cost recovery - camping ground revenue	292	276
Rental revenue - leased premises	357	346
<b>Total revenue from exchange transactions</b>	<b>825</b>	<b>784</b>

## 7. Employee Benefit Expenses

	2014/15 \$000	2013/14 \$000
Salaries and wages	7,225	6,952
Defined contribution plan employer contributions*	165	145
Increase (decrease) in employee benefit liabilities	(41)	45
<b>Total Employee Benefit Expenses</b>	<b>7,349</b>	<b>7,142</b>

\*includes employer contributions to Kiwisaver and Jacques Martin superannuation scheme

## 8. Other Expenses

	2014/15 \$000	2013/14 \$000
Audit fees:		
- audit fees for financial statement audit	89	87
- audit fees for 2014 financial statement audit	25	-
- audit fees for 2015-25 LTP audit	75	45
Contractors	6,476	5,629
Professional fees	1,328	1,312
Fuel and energy	1,064	1,111
Grants	746	643
Insurance premiums	372	396
Accounts receivable written off	-	1
Increase (decrease) in provision for bad debts	19	(8)
Interest expense	-	-
Payments under operating lease agreements	206	133
Other operating expenses	7,320	6,878
<b>Total Other Expenses</b>	<b>17,720</b>	<b>16,227</b>

## 9. Tax

CODC has unused tax losses of \$75,908 with a tax effect of \$21,254 that have not been recognised. (2013/14: tax losses \$71,451; tax effect \$20,006).

	2014/15 \$000	2013/14 \$000
Net surplus (deficit):	2,330	3,273
- Tax at 28%	652	916
Plus (less) tax effect of:		
- Non-deductible expenditure	-	-
- Non-taxable income	652	916
- Tax loss not recognized	-	-
<b>Tax Expense</b>	<b>-</b>	<b>-</b>
Current tax	-	-
Deferred tax	-	-
	-	-

## 10. Public Equity

	2014/15 \$000	2013/14 \$000
<b>Accumulated Funds</b>		
Opening balance 1 July	342,915	339,539
Surplus (deficit) for the year	2,330	3,273
Adjustments for assets not owned by council	(403)	-
Transfers to restricted reserves	(4)	(2)
Transfers from property revaluation reserve on disposal	-	105
<b>Closing Balance 30 June</b>	<b>344,838</b>	<b>342,915</b>

### Property Revaluation Reserves

Property Revaluation reserves for each asset class consist of:

	Opening Balance \$000	Net Movement \$000	2014/15 Adjustment for Assets not Owned by Council \$000	Closing Balance \$000
Roading	170,599	-	-	170,599
Bridges	26,881	-	-	26,881
Water	30,206	536	-	30,742
Wastewater	24,666	226	-	24,892
Stormwater	9,634	8	-	9,642
Land	37,613	(81)	(4,350)	33,182
Buildings	14,691	4,923	-	19,614
Parks and Reserves	2	-	-	2
<b>Total Gain on Asset Revaluation</b>	<b>314,292</b>	<b>5,612</b>	<b>(4,350)</b>	<b>315,554</b>

Water, wastewater and stormwater infrastructural assets were revalued as at 1 July 2014. Council has revalued these assets each financial year since 2005.

Land and Buildings were revalued as at 1 July 2014. Council has revalued these assets every three years.

	Opening Balance \$000	2013/14 Net Movement \$000	Closing Balance \$000
Roading	166,768	3,831	170,670
Bridges	22,492	4,389	26,881
Water	29,056	1,150	30,207
Wastewater	24,128	537	24,666
Stormwater	9,308	326	9,634
Land	37,613	-	37,614
Buildings	14,796	(105)	14,691
Parks and Reserves	1	1	2
<b>Total</b>	<b>304,162</b>	<b>10,130</b>	<b>314,292</b>
Revaluation transferred to accumulated funds on realisation		105	
<b>Total Gain on Asset Revaluations</b>		<b>10,235</b>	

### Available for Sale Revaluation Reserve

Available for sale revaluation reserves consist of:

	Opening Balance \$000	2014/15 Net Movement \$000	Closing Balance \$000
Shares in unlisted companies	(2)	7	5
Investment bonds	13	(13)	-
<b>Total</b>	<b>11</b>	<b>(6)</b>	<b>5</b>

	Opening Balance \$000	2013/14 Net Movement \$000	Closing Balance \$000
Shares in unlisted companies	3	(5)	(2)
Investment bonds	34	(21)	13
<b>Total</b>	<b>37</b>	<b>(26)</b>	<b>11</b>

### Restricted Reserves

	2014/15 \$000	2013/14 \$000
<b>Trust and Bequest Funds</b>		
Opening balance 1 July	68	66
Transfers to accumulated funds	4	2
<b>Closing Balance 30 June</b>	<b>72</b>	<b>68</b>

## 11. Cash and Cash Equivalents

Cash and Cash equivalents comprise cash and current accounts, and on call deposits as follows:

	2014/15 \$000	2013/14 \$000
Cash at bank and on hand	825	628
Term deposits with maturities of less than 3 months at acquisition	5,180	2,353
<b>Total cash and equivalents</b>	<b>6,005</b>	<b>2,981</b>

The carrying value of cash and cash equivalents approximates their fair value. Of the total cash balance of \$6,005,000 (2013/14: \$2,981,000), an amount of \$72,000 (2013/14: \$68,000) is restricted in its use.

## 12. Other Financial Assets

Investment bonds were held as corporate and bank bonds, and are valued at fair value. The fair value of the unlisted shares in NZ Local Government Insurance Corporation Ltd was established using a net assets basis from the annual report of the Company for the year ended 31 December 2014. The unlisted shares held in irrigation companies are measured at cost as fair value cannot be reliably measured. Deposits are held with New Zealand registered banks and recorded at amortised cost.

	2014/15 \$000	2013/14 \$000
<b>Current Portion</b>		
Deposits maturing 3-12 months	10,327	10,219
Investment Bonds	-	500
	10,327	10,719
Add (less) fair value adjustment investment bonds	-	-
<b>Total current portion</b>	<b>10,327</b>	<b>10,719</b>

	2014/15 \$000	2013/14 \$000
<b>Non Current Portion</b>		
Share investments in unlisted companies	133	139
<b>Total non current portion</b>	<b>133</b>	<b>139</b>
<b>Total other financial assets</b>	<b>10,460</b>	<b>10,858</b>

### Interest Rates

The weighted average effective interest rates on investments (current and non-current) were:

Corporate and bank bonds	-%	7.75%
Short-term deposits, promissory and floating rate notes	4.20%	4.21%

## Investment Maturities

The following schedule gives maturities for all current and non-current available for sale financial assets (excluding share investments).

	2014/15			Total \$000
	Short term deposits	Promissory & floating rate notes	Corporate and bank bonds	
	\$000	\$000	\$000	
Less than 3 months	-	-	-	-
3 to 12 months	10,327	-	-	10,327
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
	<b>10,327</b>	-	-	<b>10,327</b>

	2013/14			Total \$000
	Short term deposits	Promissory & floating rate notes	Corporate and bank bonds	
	\$000	\$000	\$000	
Less than 3 months	-	-	-	-
3 to 12 months	10,219	-	500	10,719
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
	<b>10,219</b>	-	<b>500</b>	<b>10,719</b>

## 13. Receivables

	2014/15 \$000	2013/14 \$000
Sundry accounts receivable	1,048	970
Goods and Services Tax	280	502
Rates receivable	614	529
NZ Transport Agency subsidy	556	630
Prepaid expenses	154	155
<b>Receivables prior to impairment</b>	<b>2,652</b>	<b>2,786</b>
Less provision for impairment receivables	(95)	(59)
<b>Total receivables</b>	<b>2,557</b>	<b>2,727</b>

Of the Rates Receivable, Council has within its district certain properties where the owners have formally or informally abandoned the land. Outstanding rates on these properties are treated as being impaired. Other outstanding rates receivables are not impaired as Council has access to various powers under the Local Government (Rating) Act 2002 for collection. The age of rates receivable is detailed below:

	2014/15		Net \$000
	Gross \$000	Impairment \$000	
<b>Rates Receivable</b>			
Reporting year ended 30 June	472	(21)	451
Unpaid 1 year	52	(13)	39
Unpaid 2 years	28	(12)	16
Unpaid older	62	(32)	30
	<b>614</b>	<b>(78)</b>	<b>536</b>



	Gross \$000	2013/14 Impairment \$000	Net \$000
<b>Rates Receivable</b>			
Reporting year ended 30 June	416	(13)	403
Unpaid 1 year	46	(12)	34
Unpaid 2 years	23	(10)	13
Unpaid older	44	(22)	22
	<b>529</b>	<b>(57)</b>	<b>472</b>

As at 30 June 2015 and 2014, 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 for non-rates receivables has been calculated by a review of specific debtors. There is no concentration of credit risk with respect to receivables due to the dispersed customer base. The age of outstanding sundry accounts receivable is detailed below:

	Gross \$000	2014/15 Impairment \$000	Net \$000
<b>Sundry Accounts Receivable</b>			
Current	718	-	718
Unpaid 1 month	246	-	246
Unpaid 2 months	13	-	13
Unpaid 3 months and older	71	(17)	54
	<b>1,048</b>	<b>(17)</b>	<b>1,031</b>

	Gross \$000	2013/14 Impairment \$000	Net \$000
<b>Sundry Accounts Receivable</b>			
Current	791	-	1,245
Unpaid 1 month	96	-	96
Unpaid 2 months	14	-	14
Unpaid 3 months and older	69	(2)	67
	<b>970</b>	<b>(2)</b>	<b>968</b>

## 14. Inventory

	2014/15 \$000	2013/14 \$000
Commercial inventory:		
- land developed and held for sale	373	35
- land being developed for sale	-	-
<b>Total inventory</b>	<b>373</b>	<b>35</b>

Council holds title to surplus land at Cromwell. During the year development costs associated with these properties were transferred from Property, Plant and Equipment to Inventory.

## 15. Payables

(Financial liabilities measured at amortised cost)

	2014/15 \$000	2013/14 \$000
Trade payables and accrued expenses	3,200	3,581
Audit fee accruals	86	136
Agency and Deposits	435	872
<b>Total payables</b>	<b>3,721</b>	<b>4,589</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

## 16. Employee Entitlements

	2014/15 \$000	2013/14 \$000
Accrued pay	261	266
Annual and Statutory leave entitlements	521	527
Retirement leave entitlements	29	65
<b>Total employee entitlements</b>	<b>811</b>	<b>858</b>

## 17. Community Loans

Community loans consist of lending to recreation and cultural clubs and bodies, vendor mortgages on sale of land and community lending to local clubs and bodies. The fair value of investments is equal to the holding value, apart from community loans which have been determined using the effective interest method for low interest loans (interest rate 2014/15 5%; 2013/14 5.15%) or interest free loans.

	2014/15 \$000	2013/14 \$000
Mortgages and other investments		
- Interest bearing	549	1,981
- Non-interest bearing	485	58
	<b>1,034</b>	<b>2,039</b>
Less provision for impairment community loans	(1)	(62)
	<b>1,033</b>	<b>1,977</b>
<b>Interest Rates</b>		
Mortgages and other investments (interest bearing)	6.07%	5.30%

## 18. Property, Plant and Equipment

### Restricted Assets

Some properties have various restrictions placed on them which affect Council's ability to freely deal with those properties. For example, a number of properties, while having a Certificate of Title on issue in Council's name, have been vested under the Reserves Act and may revert to the Crown should the purpose for which the properties were vested cease to be relevant. It is not currently practical to quantify these properties.

"Endowment" properties can be freely divested. The only known restrictions apply to the purpose to which the proceeds received from such divestments may be utilised. Another example is property held in trust by the Council for particular purposes as a result of bequests.

## Heritage Assets

Heritage assets are included in the asset register in the same categories as non-heritage assets of similar nature. The book values of building heritage assets have been revalued as at 1 July 2014 and are as follows:

	2014/15 \$000	2013/14 \$000
Buildings	121	95
Bridges	403	450
Recreation and cultural	0	10
	<b>524</b>	<b>555</b>

Water, wastewater and stormwater assets were revalued with an effective date of 1 July 2014. These valuations were dated 9 September 2014

All the above were revalued on an optimised depreciation replacement cost basis and carried out by Rationale Ltd. Edward Guy (Civil), BCom, managing director of Rationale was the principal valuer for this work.

These valuations have been completed in accordance with the following standards:

- Public Benefit Entity International Public Sector Accounting Standard (PBE IPSAS) 17 – Property, Plant and Equipment.
- NZ Infrastructure Asset Valuation and Depreciation Guidelines Version 2 2006.
- Local Government (Financial Reporting Prudence) Regulations 2014.

Land and building assets were revalued with an effective date of 1 July 2014 by QV Asset & Advisory. Andrew Parkyn, BCom (VPM), manager of QV Asset and Advisory and Melanie Bell, BCom (VPM) were the principal valuers for this work.

These valuations have been completed in accordance with the following standards:

- Public Benefit Entity International Public Sector Accounting Standard (PBE IPSAS) 17 – Property, Plant and Equipment.
- International Valuation Standards 2013 (operative in New Zealand 1 January 2014).

Property, Plant and Equipment as at 30 June 2015

	Cost/Revaluation 1-Jul-14	Accumulated Depreciation and Impairment Charges 1-Jul-14	Carrying Amount 1-Jul-14	Transfers of completed or Additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Accum Depn on Disposals	Asset Adjustments	Current Year Depreciation	Revaluation	Revaluation Depreciation Recovered	Cost/Revaluation 1-Jul-15	Accum Depn and Impairment Charges 1-Jul-15	Carrying Amount 1-Jul-15	Estimated Replacement Cost 30-Jun-15
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>INFRASTRUCTURAL ASSETS</b>																
Bridges	35,501	(619)	34,882	-	-	-	-	-	-	(620)	-	-	35,501	(1,239)	34,262	73,208
Roading	388,346	(3,673)	384,673	-	4,009	390	-	-	-	(3,816)	-	-	392,745	(7,489)	385,256	438,346
Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Under Roads	9,707	-	9,707	-	-	71	-	-	-	-	-	-	9,778	-	9,778	9,707
<b>Stormwater</b>																
Treatment Plant & Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	20,692	(375)	20,317	-	31	162	-	-	-	(380)	(367)	375	20,518	(380)	20,138	30,417
Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Water Supply</b>																
Treatment Plant & Facilities	14,809	(380)	14,429	-	94	-	-	-	-	(384)	(192)	380	14,711	(384)	14,327	22,409
Other Assets	44,964	(778)	44,186	120	800	825	-	-	-	(791)	(430)	778	46,279	(791)	45,488	62,749
Under Construction	215	-	215	(120)	243	-	-	-	-	-	-	-	338	-	338	-
<b>Wastewater</b>																
Treatment Plant & Facilities	10,710	(418)	10,292	-	146	-	-	-	-	(412)	(176)	418	10,680	(412)	10,268	17,952
Other Assets	29,873	(725)	29,148	651	81	202	-	-	-	(736)	(739)	724	30,068	(737)	29,331	52,703
Under Construction	1,790	-	1,790	(651)	511	-	-	-	-	-	-	-	1,650	-	1,650	-
	<b>556,607</b>	<b>(6,968)</b>	<b>549,639</b>	<b>-</b>	<b>5,915</b>	<b>1,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,139)</b>	<b>(1,904)</b>	<b>2,675</b>	<b>562,268</b>	<b>(11,432)</b>	<b>550,836</b>	<b>707,491</b>
<b>OPERATIONAL ASSETS</b>																
Equipment	1,736	(1,476)	260	-	190	-	(483)	483	-	(124)	-	-	1,443	(1,117)	326	
Furniture and Fittings	1,205	(899)	306	-	287	-	(2)	-	-	(61)	-	-	1,490	(960)	530	
<b>Parks and Reserves</b>	7,147	(2,177)	4,970	1,128	1,055	25	-	-	-	(380)	-	-	9,355	(2,557)	6,798	
Under Construction	1,128	-	1,128	(1,128)	62	-	-	-	-	-	-	-	62	-	62	
<b>Other</b>	3,933	(1,024)	2,909	941	370	-	(19)	5	-	(222)	-	-	5,225	(1,241)	3,984	
Under Construction	941	-	941	(941)	-	-	-	-	-	-	-	-	-	-	-	
<b>Plant and Machinery</b>	2,607	(1,350)	1,257	-	106	-	(899)	490	-	(111)	-	-	1,814	(971)	843	
Under Construction	-	-	-	-	5	-	-	-	-	-	-	-	5	-	5	
<b>Motor Vehicles</b>	813	(342)	471	-	159	-	(223)	166	-	(96)	-	-	749	(272)	477	
<b>Land</b>	45,155	(85)	45,070	-	-	-	(548)	-	(4,753)	-	(81)	-	39,773	(85)	39,688	
<b>Buildings</b>	37,032	(3,592)	33,440	200	421	-	(48)	-	-	(1,236)	1,396	3,526	39,001	(1,302)	37,699	
Under Construction	200	-	200	(200)	23	-	-	-	-	-	-	-	23	-	23	
<b>Library Books</b>	2,617	(1,974)	643	-	79	-	-	-	-	(125)	-	-	2,696	(2,099)	597	
	<b>104,514</b>	<b>(12,919)</b>	<b>91,595</b>	<b>-</b>	<b>2,757</b>	<b>25</b>	<b>(2,222)</b>	<b>1,144</b>	<b>(4,753)</b>	<b>(2,355)</b>	<b>1,315</b>	<b>3,526</b>	<b>101,636</b>	<b>(10,604)</b>	<b>91,032</b>	
<b>TOTAL FIXED ASSETS</b>	<b>661,121</b>	<b>(19,887)</b>	<b>641,234</b>	<b>-</b>	<b>8,672</b>	<b>1,675</b>	<b>(2,222)</b>	<b>1,144</b>	<b>(4,753)</b>	<b>(9,494)</b>	<b>(589)</b>	<b>6,201</b>	<b>663,904</b>	<b>(22,036)</b>	<b>641,868</b>	

Property, Plant and Equipment as at 30 June 2014

	Cost/Revaluation 1-Jul-13	Accumulated Depreciation and Impairment Charges 1-Jul-13	Carrying Amount 1-Jul-13	Transfers of completed or Additional Work	Current Year Additions Council Constructed	Current Year Additions Transferred To Council	Current Year Disposals at Cost	Accum Depn on Disposals	Current Impairment Charges	Current Year Depreciation	Revaluation	Revaluation Depreciation Recovered	Cost/Revaluation 1-Jul-14	Accum Depn and Impairment Charges 1-Jul-14	Carrying Amount 1-Jul-14	Estimated Replacement Cost 30-Jun-14
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>INFRASTRUCTURAL ASSETS</b>																
Bridges	31,764	(652)	31,112	-	-	-	-	-	-	(619)	3,118	1,271	34,882	-	34,882	73,208
Roading	382,675	(3,744)	378,931	7	4,286	1,316	-	-	-	(3,673)	(3,611)	7,417	384,673	-	384,673	438,346
Under Construction	7	-	7	(7)	-	-	-	-	-	-	-	-	-	-	-	-
Land Under Roads	9,683	-	9,683	-	-	-	-	-	-	-	24	-	9,707	-	9,707	9,707
<b>Stormwater</b>																
Treatment Plant & Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	20,354	(369)	19,985	-	73	308	-	-	-	(375)	(43)	369	20,692	(375)	20,317	29,926
Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Water Supply</b>																
Treatment Plant & Facilities	14,375	(357)	14,018	-	124	-	-	-	-	(383)	(477)	378	14,022	(362)	13,660	22,077
Other Assets	44,419	(876)	43,543	28	614	305	-	-	-	(775)	385	855	45,751	(796)	44,955	61,169
Under Construction	219	-	219	(28)	24	-	-	-	-	-	-	-	215	-	215	-
<b>Wastewater</b>																
Treatment Plant & Facilities	10,705	(392)	10,313	2	131	-	-	-	-	(419)	(128)	409	10,710	(402)	10,308	17,682
Other Assets	30,104	(725)	29,379	11	86	115	-	-	-	(722)	(460)	726	29,856	(721)	29,135	51,680
Under Construction	1,698	-	1,698	(13)	105	-	-	-	-	-	-	-	1,790	-	1,790	-
	<b>546,003</b>	<b>(7,115)</b>	<b>538,888</b>		<b>5,443</b>	<b>2,044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,966)</b>	<b>(1,192)</b>	<b>11,425</b>	<b>552,298</b>	<b>(2,656)</b>	<b>549,642</b>	<b>703,795</b>
<b>OPERATIONAL ASSETS</b>																
Equipment	1,680	(1,356)	324	-	57	-	1	-	-	(122)	-	-	1,738	(1,478)	260	
Furniture and Fittings	1,167	(842)	325	-	41	-	(5)	-	-	(61)	-	-	1,203	(903)	300	
<b>Parks and Reserves</b>	<b>6,308</b>	<b>(1,773)</b>	<b>4,543</b>	<b>-</b>	<b>779</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(404)</b>	<b>-</b>	<b>-</b>	<b>7,147</b>	<b>(2,177)</b>	<b>4,970</b>	
Under Construction	382	-	382	-	746	-	-	-	-	-	-	-	1,128	-	1,128	
<b>Other</b>	<b>3,080</b>	<b>(890)</b>	<b>2,190</b>	<b>562</b>	<b>291</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(134)</b>	<b>-</b>	<b>-</b>	<b>3,933</b>	<b>(1,024)</b>	<b>2,909</b>	
Under Construction	1,242	-	1,242	(562)	261	-	-	-	-	-	-	-	941	-	941	
<b>Plant and Machinery</b>	<b>2,349</b>	<b>(1,181)</b>	<b>1,168</b>	<b>-</b>	<b>258</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(169)</b>	<b>-</b>	<b>-</b>	<b>2,606</b>	<b>(1,350)</b>	<b>1,256</b>	
<b>Motor Vehicles</b>	<b>805</b>	<b>(339)</b>	<b>466</b>	<b>-</b>	<b>168</b>	<b>-</b>	<b>(160)</b>	<b>104</b>	<b>-</b>	<b>(107)</b>	<b>-</b>	<b>-</b>	<b>813</b>	<b>(342)</b>	<b>471</b>	
<b>Land</b>	<b>45,020</b>	<b>(85)</b>	<b>44,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,020</b>	<b>(85)</b>	<b>44,935</b>	
<b>Buildings</b>	<b>36,368</b>	<b>(2,245)</b>	<b>34,123</b>	<b>61</b>	<b>804</b>	<b>-</b>	<b>(206)</b>	<b>20</b>	<b>-</b>	<b>(1,227)</b>	<b>-</b>	<b>-</b>	<b>37,027</b>	<b>(3,452)</b>	<b>33,575</b>	
Under Construction	235	-	235	(61)	26	-	-	-	-	-	-	-	200	-	200	
<b>Library Books</b>	<b>2,502</b>	<b>(1,843)</b>	<b>659</b>	<b>-</b>	<b>115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(131)</b>	<b>-</b>	<b>-</b>	<b>2,617</b>	<b>(1,974)</b>	<b>643</b>	
	<b>101,138</b>	<b>(10,554)</b>	<b>90,592</b>	<b>-</b>	<b>3,546</b>	<b>60</b>	<b>(372)</b>	<b>124</b>	<b>-</b>	<b>(2,355)</b>	<b>-</b>	<b>-</b>	<b>104,373</b>	<b>(12,785)</b>	<b>91,588</b>	
<b>TOTAL FIXED ASSETS</b>	<b>647,141</b>	<b>(17,669)</b>	<b>629,480</b>	<b>-</b>	<b>8,989</b>	<b>2,104</b>	<b>(372)</b>	<b>124</b>	<b>-</b>	<b>(9,321)</b>	<b>(1,192)</b>	<b>11,425</b>	<b>656,671</b>	<b>(15,441)</b>	<b>641,230</b>	

## 19. Intangible Assets

	Easements \$000	Computer Software \$000	Branding \$000	Total \$000
<b>Cost</b>				
Balance at 1 July 2014	83	678	144	905
Additions	-	280	1	281
Disposals	-	-	-	-
<b>Balance at 30 June 2015</b>	<b>83</b>	<b>958</b>	<b>145</b>	<b>1,186</b>
Balance at 1 July 2013	82	599	144	825
Additions	1	262	-	263
Disposals	-	(183)	-	(183)
<b>Balance at 30 June 2014</b>	<b>83</b>	<b>678</b>	<b>144</b>	<b>905</b>
<b>Accumulated Amortisation and Impairment</b>				
Balance at 1 July 2014	-	383	127	510
Amortisation charge	-	161	16	177
Disposals	-	-	-	-
<b>Balance at 30 June 2015</b>	<b>-</b>	<b>544</b>	<b>143</b>	<b>687</b>
Balance at 1 July 2013	-	439	113	552
Amortisation charge	-	127	14	141
Disposals	-	(183)	-	(183)
<b>Balance at 1 July 2014</b>	<b>-</b>	<b>383</b>	<b>127</b>	<b>510</b>
<b>Carrying Amounts</b>				
Balance at 30 June 2013	82	160	31	273
Balance at 30 June and 1 July 2014	83	295	17	395
<b>Balance at June 2015</b>	<b>83</b>	<b>414</b>	<b>2</b>	<b>499</b>

Easements are not cash generating in nature as they give the right to access across private land. As such impairment of easements is determined by considering the future service potential of the easement and its assessed replacement cost. No impairment losses have been recognised for easements, as the carrying amount of the assets has been assessed as less than their replacement cost.

Branding has been amortised over a period of 10 years which reflects the estimated life of the impact of the brand. No impairment losses have been recognised.

Computer software is amortised over 3 to 10 years and where appropriate disposed of. No impairment losses have been recognised.

## 20. Insurance

The Council holds asset insurance with multiple insurance companies including Vero, ACE, AIG and Primacy as at 30 June 2015.

- The total value of all assets covered by insurance contracts is \$81 million. The maximum amount for which these assets is insured is \$152 million. Assets insured includes buildings, water and wastewater facilities, plant and equipment, library books, motor vehicles and forestry.
- There are no assets covered by financial risk sharing arrangements.
- The total value of self-insured assets is \$585 million. These are not covered by insurance policies.

## 21. Forestry Assets

	2014/15 \$000	2013/14 \$000
Balance as at 1 July	933	926
Increases due to purchases	8	10
Gain (loss) arising from revaluation	91	(4)
Gain (loss) arising from sales	-	0
<b>Balance as at 30 June</b>	<b>1,032</b>	<b>933</b>
The gain (loss) comprised of:		
Queenstown Joint Venture Forest	12	(52)
Alexandra Forest	13	8
Cromwell Forest	55	88
Naseby Forest	-	(61)
Ranfurly Forest	1	1
Roxburgh Forest	10	12
	<b>91</b>	<b>(4)</b>

Independent registered valuers, Guild Forestry, have valued Council owned forestry assets as at 30 June 2015

As at 30 June the Council owned forests had a 11% increase in value over the value as at the same time last year. The increase is attributable to natural growth, and improving log prices.

There are no carbon liabilities attached to the Council's forest estate.

The following significant valuation assumptions have been adopted in determining the fair value of forests assets

- A real pre tax discount rate of 8% has been used this year
- The value is of the tree crop only
- No volume growth in the old crop trees at Alexandra and Cromwell
- The valuation assumes that the forest will be grown for one rotation only and that no further planting will be undertaken
- The valuation uses current costs and no adjustment has been made for inflation

The Central District Council has forest investments of:

- 32 net stocked hectares in Alexandra
- 75.2 net stocked hectares in Cromwell
- 3.3 net stocked hectares in Ranfurly
- 2.6 net stocked hectares in Naseby
- 10.3 net stocked hectares in Roxburgh

Alexandra – 20.8 ha of Radiata pine of an undetermined age ready to be harvested at any time, with the balance ranging from 18 – 27 years old.

Cromwell – 15.6 ha of Radiata pine of an undetermined age ready to be harvested with the balance ranging from 27 - 30 years old.

Ranfurly – 2 ha of Corsican pine 24 years old and 1.3 ha of Radiata pine 29 years old.

Naseby – 2.6 ha Corsican pine 34 years.

Roxburgh – 10.3 ha of Radiata pine 30 years old.

Assumption: Radiata mature for clear felling at 35 years of age and Corsican pine 60 years.

Central Otago District Council is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore has not taken any measures to manage the risks of a decline in timber prices.

### Joint Venture

Central Otago District Council has 25% investment in a joint venture forest with Queenstown Lakes District Council which comprises of a total of 173.10 net stock hectares of Douglas fir from 30 to 19 years old. The forest is planted entirely in Douglas fir.

### Valuations

Independent registered valuers Guild Forestry have valued forestry assets as at 30 June 2015. A pre tax discount rate of 8% has been used this year. This is the same discount rate as last year.

The value of the Joint Venture Forest as at 30 June represents a 9% increase in value over the same time last year. The increase is attributable to natural growth and improving log prices.

- The valuation assumes that the forest will be grown for one rotation only and that now further planting will be undertaken
- The valuation uses current costs and no adjustment has been made for inflation

Assumption: Douglas fir mature for clear felling at an average age of 45.

## 22. Investment Property

	2014/15 \$000	2013/14 \$000
Balance as at 1 July	1,635	1,545
Additions from acquisitions	-	7
Expenditure on earthquake strengthening	209	-
Disposals	-	-
Gains (loss) arising from revaluation	(639)	83
<b>Balance at 30 June</b>	<b>1,205</b>	<b>1,635</b>
Rental income from investment property	111	120
Direct expenses from investment property generating income	20	6
Direct expenses from investment property not generating income	-	-

Central Otago District Council investment properties are valued annually at fair values effective 30 June. All properties were valued on open market evidence. The valuation was performed by QV Valuations who are experienced in property valuation in the local market.

There are no contractual obligations in relation to investment properties at balance date.



## 23. Joint Venture

Council has a one quarter interest in the Coronet Forest accounted for as a jointly controlled operation with Queenstown Lakes District Council. Council's interests in the jointly controlled operation are as follows:

	2014/15 \$000	2013/14 \$000
Current assets	-	-
Non-current assets	236	216
Current liabilities	-	-
Non-current liabilities	-	-
Income	12	-
Expenses	-	56

Income for Year 2014/15 included a valuation gain of \$12,006.

## 24. Landfill Aftercare Provision

The Council has a number of resource consents for closed landfills. The Council has a responsibility under these consents to provide ongoing maintenance and monitoring of the landfill sites.

These responsibilities include:-

- treatment and monitoring of leachate
- groundwater and surface monitoring
- monitoring of air quality
- ongoing maintenance of cover and monitoring bores.

The cash outflows are expected to continue through to 2021 when the last of the current resource consents expires. Future monitoring requirements past this date are not quantifiable. No reimbursements are expected.

The long term nature of this liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated using existing technology and is discounted at a rate of 6%.

	2014/15 \$000	2013/14 \$000
Opening Balance	38	43
Less applied to operations	(7)	(7)
Add Interest time adjustment	2	2
<b>Closing Balance</b>	<b>33</b>	<b>38</b>

## 25. Capital Commitments

	2014/15 \$000	2013/14 \$000
<b>Capital Commitments</b>		
Building	267	-
Water system	593	344
Wastewater system	674	165
Parks and reserves	-	142
<b>Total capital commitments</b>	<b>1,535</b>	<b>651</b>

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

## 26. Operating Leases

### Leasing Arrangements – Operating Leases as Lessee

Operating leases relate to the rental of buildings, office equipment and communication facilities. The Council does not have an option to purchase the leased asset at the expiry of the lease period.

New leases agreements commencing in 2014 include the Cromwell Visitor Information Centre premise and the Council's telecommunication systems.

### Non-Cancellable Operating Lease Payments

	2014/15 \$000	2013/14 \$000
No longer than 1 year	278	136
Longer than 1 year and not longer than 5 years	549	100
Longer than 5 years	-	-
<b>Total non-cancellable operating leases</b>	<b>827</b>	<b>236</b>

### Leasing Arrangements – Operating Leases as Lessor

Investment and commercial properties owned by the Council are leased under operating leases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

### Non-Cancellable Operating Lease Rental Income

	2014/15 \$000	2013/14 \$000
No longer than 1 year	184	111
Longer than 1 year and not longer than 5 years	264	352
Longer than 5 years	-	197
<b>Total non-cancellable operating leases</b>	<b>448</b>	<b>660</b>

## 27. Emissions Trading Scheme

The Council is part of the Emissions Trading Scheme (ETS) for its pre 1990 forests (mandatory participation).

Under the ETS the Council is allocated New Zealand Units (NZUs). An initial free allocation of NZUs is provided in relation to pre 1990 forests. Under the ETS liabilities can accrue as follows:

## Pre 1990 Forests

Liabilities accrue if the pre 1990 forest land is deforested and not replanted. The council does not anticipate any future liabilities will arise in relation to pre 1990 forest land based on the intention to replant trees harvested or removed in any other way.

## 28. Contingencies

### Contingent Assets

Contingent assets comprise the value of lessees' improvements on land leased from Council where a term of the lease provides for the improvements to vest in Council on the dissolution of the community group leasing that part of the reserve. Until this event occurs these assets are not recognised in the Statement of Financial Position. For 2014/15 and 2013/14, an assessment has been made that there is no probability of the community groups dissolving and the improvements vesting in Council, resulting in a disclosure of nil.

## 29. Remuneration

### Remuneration of Elected Members

	2014/15	2013/14
	\$	\$
<b>Mayor</b>		
A B Lepper	82,677	77,226
<b>Councillors</b>		
N J Gillespie **	24,686	23,561
S J Battrick	19,139	16,085
C R Higginson	19,139	21,071
S F Jeffrey	19,139	15,259
Dr B J Wills	19,139	14,664
S A Calvert	18,107	11,958
S L Duncan	18,107	11,958
N McKinlay	18,107	13,985
M R McPherson **	24,907	19,769
M C Topliss	18,107	11,958

\* Year 2013/14 figures for newly elected in the October 2013 elections represent only 8 months of remuneration.

\*\* Additional remuneration was provided to N Gillespie and M McPherson during 2014/15 due to positions held on hearing panels.

### Remuneration of Chief Executive Officer

In November 2014 the Chief Executive Officer of the Central Otago District Council resigned. An acting CEO was undertook the role until the new Chief Executive Officer was appointed under section 42 (1) of the Local Government Act 2002, in February 2015. Total salaries and benefits received were as detailed below.

	2014/15	2013/14
	\$	\$
Salary – permanent CEO's	190,072	201,091
Salary – acting CEO	20,783	-
Motor vehicle	15,000	15,000

As at 30 June 2015, the annual cost, including benefits, to the Central Otago District Council for the combined remuneration package received by both Chief Executive's is calculated at \$205,072 (2014 - \$216,091). The above figures are the full amount paid exclusive of expense claims.

### Remuneration of Key Management

	2014/15	2013/14
	\$	\$
Remuneration of Key Management	843,618	801,856

Key management includes the Chief Executive and the four managers, who form the Executive Team. The key management remuneration is all short-term benefit and includes the value of motor vehicles assigned to managers.

### Council Employees

	2014/15	2013/14
Total annual remuneration by band for employees at 30 June		
<\$60,000	70	78
\$60,000-\$79,999	24	18
\$80,000-\$99,999	13	10
\$100,000-\$199,999	7	6
\$200,000-\$220,000	1	1
<b>Total Employees</b>	<b>115</b>	<b>113</b>

At balance date, the Council employed 76 (2014 72) full-time employees, with the balance of staff representing 31 (2014 39) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week.

### Severance Agreements

Pursuant to Schedule 10 Part 3 (19) of the Local Government Act 2002, the Council is required to disclose the cost of any severance agreement with an employee. No such severance agreements occurred during 2014/15 (2013/14 – Nil).

## 30. Related Party Transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/receipt relationship on terms and condition on more or less favourable than those that it is reasonable to expect the Council and group would have adopted in dealing with the party at arm's length in the same circumstances.

## 31. Financial Instruments

The Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established and approved liability management and investment policies, as set out within the 2015-25 Long Term Plan adopted by Council at its June 2015 meeting. These policies do not allow any transactions that are speculative in nature to be entered into.

## Credit Risk

Financial instruments which potentially subject the Council to credit risk, principally consist of bank balances, debtors and other receivables, short term investments and other financial assets.

The Council's main bank accounts are held with the Bank of New Zealand. Surplus funds are invested in accordance with Council policy with a number of approved trading banks, building societies, local authorities, state owned enterprises, regional health entities, corporates or in NZ Government stock. Council's investment policy limits the amount of credit exposure to any one financial institution or organisation.

The level and spread of debtors and other receivables minimises the Council's exposure to risk. Collateral held: Rates as a charge on the property pursuant to the Local Government (Rating) Act 2002.

## Maximum Exposure to Credit Risk and Fair Values

The maximum exposure to credit risk and fair value of financial instruments is equivalent to the carrying amount in the Statement of Financial Position. Council manages the credit risk by spreading its investments across several institutions that have approved credit ratings.

The Council's maximum credit risk exposure for each class of financial instrument is as follows:

	Credit Rating	2014/15 \$000	2013/14 \$000
<b>Loans and receivables</b>			
Bank balances and term deposits	BBB and greater. No defaults in the past.	16,332	13,200
Debtors and other receivables	Note 13.	2,557	2,727
Community loans	Not rated. No defaults in the past.	1,033	1,977
<b>Total Credit Risk Loans and Receivables</b>		<b>19,922</b>	<b>17,904</b>
<b>Available For Sale Financial Assets</b>			
Investment bonds	A+. No defaults in the past.	-	14
Promissory and floating rate notes	Not rated. No defaults in the past.	-	500
<b>Total Credit Risk Available for Sale Financial Assets</b>		<b>-</b>	<b>514</b>
<b>Total Credit Risk</b>		<b>19,922</b>	<b>18,418</b>

## Currency Risk

The Council is not exposed to any direct currency risk as all transactions are in New Zealand dollars.

## Interest Rate Risk

The Council manages its investments to minimise interest rate risk, in accordance with its investment policy, by holding investments with differing maturities and fixed returns. The table below illustrates the potential effect on the surplus or deficit for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposures at balance date.

	2014/15		2013/14	
	\$000	\$000	\$000	\$000
Interest Rate Risk	-50bps	+50bps	-50bps	+50bps
	Effect on surplus (deficit)		Effect on surplus (deficit)	
Cash and cash equivalents	(23)	23	(15)	15
Promissory and floating rate notes	-	-	(3)	3
<b>Total Sensitivity</b>	<b>(23)</b>	<b>23</b>	<b>(18)</b>	<b>18</b>

The interest rate sensitivity is based on a reasonable possible movement in interest rates measured as a basis points (bps) movement. For example, a decrease in 50bps is equivalent to a decrease in interest rates of 0.5%.

## Liquidity Risk

To meet its liquidity requirements, Council maintains a target level of investments to mature with differing maturities in either the short term or long term, after taking into account projected cash flows. Limits are also in place to restrict the total amount invested with any one approved institution. Approved institutions are registered banks which maintain high levels of liquidity.

## 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 is exposed to price risk in relation to its available for sale investments where the interest rate is fixed. The price risk arises due to interest rate movements. This price risk is managed by diversification of Council's investment portfolio in accordance with the limits set out in Council's investment policy.

## 32. Internal Loans

The Council has used available cash reserves to finance debt internally rather than using external funding. These loans are a combination of specified and investment account borrowings and are not represented in the Statement of Comprehensive Income.

	Opening Balance \$000	New Advances \$000	Principal Paid \$000	Closing balance \$000
Water	5,002	1,238	(1,200)	5,129
Wastewater	756	10	(116)	650
Stormwater	-	-	-	-
Transportation	2,193	1,597	(223)	3,567
Waste Minimisation	261	1,129	(255)	1,135
Other Infrastructure	1,412	188	(388)	1,212
Parks, Reserves & Cemeteries	57	32	-	89
Community Facilities, Libraries & Swimming Pools	835	194	(33)	996
District Development	92	112	(19)	186
Governance and Corporate Services	7,174	357	(36)	7,496
	<b>17,782</b>	<b>4,947</b>	<b>(2,270)</b>	<b>20,460</b>

In accordance with accounting standards, internal interest is excluded from the Statement of Comprehensive Income. It remains included in the individual Funding Impact Statements to recognise the actual cost to ratepayers of that particular activity. The following table details the amount of internal interest included within the respective Funding Impact Statements.

## Internal Interest

Activity	2014/15	2014/15	2013/14
	\$000 Actual	\$000 Estimate	\$000 Actual
Water	235	323	192
Wastewater	33	71	43
Stormwater	-	-	0
Transportation	53	46	55
Waste Minimisation	11	17	28
Other Infrastructure	63	93	55
Parks, Reserves & Cemeteries	3	7	0
Community Facilities, Libraries & Swimming pools	79	132	25
District Development	-	14	0
Governance and Corporate Services	315	400	284
	<b>793</b>	<b>1,103</b>	<b>684</b>

## 33. Capital Management

The 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. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

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

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

The Council has the following Council created reserves:

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

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

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

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

## 34. Statement of Cash Flow

### Reconciliation of Net Surplus (Deficit) to Net Cash Flows from Operating Activities

	2014/15 \$000	2013/14 \$000
<b>Net Surplus (Deficit) After Tax</b>	<b>2,330</b>	<b>3,273</b>
Add (less) non-cash items:		
Depreciation	9,491	9,322
Amortisation of intangible assets	177	141
Vested Assets	(1,675)	(2,106)
Valuation gains	(197)	(365)
Valuation losses	684	252
Amortisation of landcare liability	5	5
Other non-cash expenses	100	-
Add (less) movements in working capital items:		
Decrease (increase) in debtors & other receivables	(53)	(49)
Decrease (increase) in prepayments	1	(75)
Increase (decrease) in agency and deposits	(437)	442
Increase (decrease) in creditors & other payables	(478)	669
Decrease (increase) in net GST receivable	222	50
Add (less) items included in investing activities:		
Net (gain) loss on sale of assets	(372)	(110)
(Increase) decrease in fixed asset related payables	(241)	(85)
Add (less) item included in term liabilities		
Decrease in landfill aftercare liability	(5)	(5)
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<b>9,552</b>	<b>11,359</b>

## 35. 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:

		Actual 2013/14			
		Before Adjustments \$000	Reclassification Adjustments \$000	PBE Transition Adjustment \$000	After Adjustments \$000
<b>Revenue</b>					
Rates	(a)	-	23,657	-	23,657
General rates	(a)	6,888	(6,888)	-	-
Targeted rates (including water)	(a)	15,364	(15,364)	-	-
Charges for volumetric water supply	(a)	1,393	(1,393)	-	-
Penalties, remissions, discounts	(a)	12	(12)	-	-
Subsidies and grants		3,596	-	-	3,596
Regulatory fees	(b)	1,298	-	(162)	1,136
User fees and other income	(b)	3,982	-	(622)	3,360
Vested assets		2,106	-	-	2,106
Development and financial contributions		753	-	-	753
Valuation gains	(c)	364	-	(223)	141
<b>Revenue from exchange transactions</b>					
Direct charges revenue – full cost recovery	(b)	-	-	438	438
Rental revenue	(b)	-	-	346	346
Interest		565	-	-	565
Dividends		-	-	-	-
Profit of sale of assets		110	-	-	110
Gains on revaluation of interest properties	(c)	-	-	223	223
<b>Total revenue</b>		<b>36,431</b>	<b>-</b>	<b>-</b>	<b>36,431</b>



## Explanatory Notes

### Reclassification Adjustments

- (a) The following revenue items have been reclassified and are now to be included within the rates under the Local Government (Financial Reporting Prudence) Regulation 2014-

General rates	\$6.89 million
Targeted rates (including water)	\$15.36 million
Charges for volumetric water supply	\$1.3 million
Penalties, remissions, discounts	\$12k

### Adjustments on transition to new PBE accounting standards

- (b) PBE IPSAS 9 *Revenue from Exchange Transactions* required the council to disclose revenue where the council has received cash or assets and give approximately equal value to the other party in exchange. Under direct charges revenue – full cost recovery the amount of \$162,000 from regulatory fees and \$276,000 from user fees and charges has been reclassified. The revenue of \$346,000 has been reclassified from user fees to rental revenue.
- (c) PBE IPSAS 16 *Investment Property* required the council to disclose the gains (losses) as a result of revaluation. Council investment properties are valued annually and the gain from revaluation of \$223,000 has been reclassified to gains on revaluation of investment properties.

## 36. Events Subsequent to Balance Date

There were no events arising since balance date relating to Council activities that require adjustment to these financial statements.

# Audit Opinion

To the readers of Central Otago District Council's Annual Report for the year ended 30 June 2015

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

- the financial statements of the District Council that comprise:
  - the statement of financial position as at 30 June 2015 on page 88;
  - the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ending 30 June 2015 on pages 86, 87 and 89; and
  - the notes to the financial statements that include accounting policies and other explanatory information about the financial statements on pages 91 to 128;
- the statement of service provision (referred to as Our Activities) and each group of activities carried out by the District Council on pages 23 to 82;
- the funding impact statements in relation to each group of activities of the District Council on pages 23 to 82;
- the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 23 to 82;
- the funding impact statement of the District Council on page 84; and
- the disclosures of the District Council that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 12 to 16.

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 125;
  - reserve funds on page 90;
  - remuneration paid to the elected members and certain employees of the District Council on pages 122 to 123;
  - employee staffing levels and remuneration on page 123;
  - severance payments on page 123;
  - rating base units on page 12; and
  - insurance of assets on page 117;
- 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; and
- a statement of compliance signed by the mayor of the Council, and by the District Council's chief executive on page 17.

# Opinion

## Audited information

In our opinion:

- the financial statements of the District Council on pages 86 to 128:
  - 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 provision of the District Council on pages 18 to 82:
  - 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 23 to 82, 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 23 to 82, 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.
- the funding impact statement of the District Council on page 84, 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 12 to 16 represent a complete list of required disclosures and accurately reflects the information drawn from District Council's audited information.

## Compliance with the other requirements of schedule 10

The District Council'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 provision. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council'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 provision within the Council's framework for reporting performance; and
- the overall presentation of the information we audited.

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

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

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

## Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and the statement of service provision that:
  - comply with generally accepted accounting practice in New Zealand;
  - present fairly the District Council'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;
- 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 Summary Annual Report and the audit of the District Council's 2015 25 Long Term Plan we have no relationship with, or interests, in the District Council.



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

# OUR COUNCIL

elected members  
community boards  
executive team



# Our Spaces, Our Faces

## Your Mayor & Councillors



(From left to right) Martin McPherson, Clair Higginson, Stephen Jeffery, Neil Gillespie, Nigel McKinlay, Tony Lepper, Stuart Duncan, Stephen Battrick, Shirley Calvert, Malcolm Topliss and Barrie Wills

### **Tony Lepper**

His Worship the Mayor

Phone: (03) 449 2413  
Mobile: 027 220 6831  
Email: mayor@codc.govt.nz

### **Neil Gillespie (Deputy Mayor)**

Cromwell

Phone: (03) 445 0669 (home)  
Mobile: 027 433 4856  
Email: neil.gillespie@codc.govt.nz

### **Nigel McKinlay**

Cromwell

Phone: (03) 445 4262  
Mobile: 027 474 1961  
Email: nigel.mckinlay@codc.govt.nz

### **Shirley Calvert**

Cromwell

Phone: (03) 445 4579  
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Email: shirley.calvert@codc.govt.nz

### **Barrie Wills**

Alexandra

Phone: (03) 448 8215  
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Email: barrie.wills@codc.govt.nz

### **Martin McPherson**

Alexandra

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Mobile: 021 879 849  
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### **Stephen Battrick**

Alexandra

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Email: stephen.battrick@codc.govt.nz

### **Clair Higginson**

Earnsclough/Manuherikia

Phone: (03) 449 3183  
Mobile: 021 102 2182  
Email: clair.higginson@codc.govt.nz

### **Malcolm Topliss**

Earnsclough/Manuherikia

Phone: (03) 447 3888  
Mobile: 027 475 8790  
Email: malcolm.topliss@codc.govt.nz

### **Stuart Duncan**

Maniototo

Phone: (03) 444 9194  
Mobile: 021 224 2320  
Email: stuart.duncan@codc.govt.nz

### **Stephen Jeffery**

Teviot Valley

Phone: (03) 446 8189  
Mobile: 027 220 6080  
Email: stephen.jeffery@codc.govt.nz

## Community Boards

The Council has four community boards covering the entire district. Community boards provide a link between Council and the community. Our Council is one of the few in the country that maintains a comprehensive community board structure with significant delegated powers.

### Maniototo Community Board

15 Perry Street, Ranfurly, Phone: (03) 444 9170



(From left to right) Mark Harris (Chair), Stu Duncan (Deputy), Sue Evans, Sue Umbers and Robert Hazlett.

### Cromwell Community Board

42 The Mall, Cromwell, Phone: (03) 445 0211



(From left to right) Neil Gillespie (Chair), Helen Hucklebridge (Deputy), Nigel McKinlay, Gordon Stewart and Tom Pinckney.



(From left to right) Shirley Calvert and Glen Christiansen.



### Teviot Valley Community Board

120 Scotland Street, Roxburgh, Phone: (03) 446 8105



(From left to right) Raymond Gunn (Chair), Cliff Parker (Deputy), Jenna Stevens, Russell Read and Stephen Jeffery.

### Vincent Community Board

1 Dunorling Street, Alexandra, Phone: (03) 440 0056



(From left to right) Clair Higginson (Chair), Barrie Wills (Deputy), Claire Goudie, Brian Fitzgerald and Malcolm Topless.



(From left to right) Stu Millis, Barry Hambleton and James Armstrong.

## Executive Team

**Leanne Mash**  
Chief Executive Officer

**Andrew Griffiths**  
Acting Chief Financial  
Officer

Elected Members'  
Support

Accounting

Financial Planning &  
Reporting

Rating / Policy

Information Systems

Customer Service &  
Administration

**Jon Kingsford**  
Manager,  
Infrastructure Services

Transportation

Water

Wastewater

Stormwater

Waste Minimisation

Elderly Persons'  
Housing

Public Toilets

District / Commercial  
Property

Airports

Community Facilities

**Louise van der Voort**  
Manager, Planning &  
Environment

Resource Management

Building Control

Liquor Licensing

Dog Control &  
Registration

Environmental Health

Rural Fire

Emergency  
Management

**Anne Pullar**  
Manager, Community  
Services

Parks & Recreation

Cemeteries

Libraries

Swimming Pools

Business  
Development

Tourism Central  
Otago

Visitor Information  
Centres

Community Planning

Regional Identity

Promotions & Grants

## Administration

**Main Office:** 1 Dunorling Street  
Alexandra

**Service Centres:** 42 The Mall, Cromwell  
120 Scotland Street, Roxburgh  
15 Pery Street, Ranfurly

**Auditor:** Audit New Zealand  
Christchurch  
on behalf of:  
The Auditor General

**Privacy Officer:** Corporate Services Manager



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