



Timaru District Council Pre Election Report 2016



Local Elections 2016
**YOUR VOTE
YOUR COMMUNITY**



Timaru District Council
Pre-Election Report 2016
Published on 29 July 2016

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Table of Contents

Table of Contents	3
Introduction from the Chief Executive	5
Strategic Direction	6
Key Issues for Council over the next 10 years	9
Major Projects	11
Financial Strategy	16
Financial Information	19
About Timaru District	22

Key Dates for the Election

15 July 2016

Nominations Open

12 August 2016

Nominations Close

16 September – 21 September 2016

Voting papers are delivered

8 October 2016

Election Day



Introduction from the Chief Executive

This Pre-Election Report is designed to provide information to promote public discussion about the issues facing the Timaru District Council prior to the upcoming local elections.

It brings together information previously published in the Councils Long Term Plan 2015-25, the Annual Plan for 2016/17 and the Annual Reports for 2013/14 and 2014/15. It also includes estimated financial information for the year ended 30 June 2016 as the final information is not available at the time of publishing.

Please note that the Annual Plan information and the estimated 30 June 2016 results have not been audited, however the remainder of the information was subject to audit at the time those documents were prepared.

Basis of Preparation

A pre election report is required to be produced by each local authority under Section 99A of the Local Government Act 2002 and is to be published no later than two weeks before nominations close.

The report must be politically neutral. Section 99A (6) requires that a pre election report must not contain a statement by, or photograph of, an elected member of the local authority.

As such this report has been prepared by the Chief Executive and focuses on key financial information from the past three years and projections for the next three years, as specified in the Act.

The prospective financial data and major project details are drawn from the information in the current LTP 2015-25 and they reflect the policy and service decisions of the current council at that time.

Where to find more information

You can find more information in the following published documents:

- Timaru District Council Long Term Plan 2015-25
- Timaru District Council Annual Plan 2015/16
- Timaru District Council Annual Report 2013/14
- Timaru District Council Annual Report 2014/15
- Candidates' Information Handbook
- Timaru District Council Local Governance Statement

All of these documents are available on our website www.timaru.govt.nz



Peter Nixon
Chief Executive

Vision

Lifestyle – Economy – Identity – Leadership



- Fantastic, sustainable lifestyle second to none
- Thriving and innovative economy where opportunities abound
- Strong and enviable reputation and identity
- Inspiring, people-focused leadership

Lifestyle

Fantastic, sustainable lifestyle second to none

We live in a pretty special place. We want to keep it that way. We want to make it even better for ourselves, our children, their children.

This means:

- We want to ensure our communities are well serviced with essential services
- We want to maintain a humming, vibrant mix of places to go and things to do
- We feel safe walking the streets and crime rates remain low
- Our families are strong and our children and youth are provided with great opportunities to learn and grow
- We care for and respect our elderly
- Our communities are thriving, exciting places to set down roots
- We have abundant recreational, sporting and leisure opportunities
- We care for, enhance and respect the natural environment

Identity

Strong and enviable reputation and identity

We want to forge and strengthen a reputation and identity that other districts may aspire to

This means:

- We are proud of our district - our environment, our lifestyle, our communities, our people, our success
- We build and own our identity
- Our residents are our strongest advocates - locally, nationally, internationally
- We respect and honour our heritage and individuality
- We value, encourage and celebrate cultural diversity
- We celebrate and sell our story

Economy

Thriving and innovative economy where opportunities abound

Our economy is essential to our future. We need it to grow innovatively and sustainably.

This means:

- We build on our economy's agricultural roots and support innovative, future focused industries
- Our industries and businesses produce high quality goods and services while valuing the environment from which their raw materials are sourced
- Our businesses are well supported and enabled to grow
- Our district has a variety of training and employment opportunities available
- Our standard of living grows continuously
- We have planned for and have balanced growth that keeps our businesses, population and youth local
- We maintain and build on our district's strong economic diversification
- Our district's opportunities attract people, skilled workers and families here to live, work and play
- New businesses choose Timaru District
- Our businesses and other agencies work together for maximum district benefit

Leadership

Inspiring, people-focused leadership

We want a district where we build on our strengths, minimise our weaknesses, challenge our threats and grasp our opportunities. This takes leadership.

This means:

- We lead to inspire and enable, and barriers are proactively reduced
- Our leaders help create the environment for the future to happen
- We inspire our district's future leaders
- We plan for the future to take advantage of its opportunities and recognise and address its challenges
- Our leaders make decisions that enable our community and economy to prosper

Community Outcomes

Community Outcomes represent the outcomes that the Council “aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions.”



The Council will continue to work with numerous organisations (e.g. health, business, environmental, community, government departments) to contribute to the strategic direction and identify future issues.

Other agencies may also contribute to these outcomes through the activities and services they provide.

There are six community outcomes the Council have identified:

High quality infrastructure to meet community and business needs

Infrastructure provision represents a core role of the Council. Provision of high quality infrastructure is essential to strong communities and economic prosperity.

Smart, diversified economic success and growth supported and enabled

The Timaru District economy is one of the most diversified in New Zealand. The Council is committed to providing great customer service and being recognised as a business friendly Council – putting out the red carpet, not the red tape.

Communities that are safe, vibrant and growing

We all want to live in places that are full of energy and vitality and where we feel safe. The provision of recreational facilities, core infrastructure and effective regulation helps create this sense of community.

People enjoying a high quality of life

Council’s activities are a fundamental contributor to everyone’s quality of life. Whether the clean and fresh water flowing from the tap, the road you use daily to get to school or work or the playground your grandchildren enjoy, each service makes a contribution.

A strong identity forged and promoted

Our identity defines our place in New Zealand and the world. We have much to celebrate and promote. The Council is a key player in promoting our identity and enabling it to develop.

A valued, healthy and accessible environment

Without a healthy environment, many of these aspirational goals will not be achieved. Many of the Council’s activities contribute towards both protecting and enhancing the physical environment.

Community Outcomes represent the outcomes that the Council “aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions”

Strategic Direction

Strategic Priorities

The Council has identified four priority areas it believes are essential to enable it to work towards the Vision and Community Outcomes.



Investing in Community

The Council is an important player in the Timaru District. It provides leadership and advocacy, but also has a role in promoting and encouraging strong partnerships to ensure the most effective solutions are achieved for the betterment of the wider Timaru District.

Promote integrated, highly liveable communities

The Council has an important role in planning for our district's future. It needs to promote integrated planning to meet future challenges and ensure wise investment of resources. Future development of well planned, integrated, attractive and safe communities means smart thinking and taking all relevant information into account, within the legislative framework that guides local government.

Support areas of economic and district strength

The Council has a role to support and enable economic growth in Timaru District to help enable our future to be realised. Areas of economic strength should be encouraged to flourish.

Ensure critical infrastructure meets future needs

One of the Council's core roles is in the provision of infrastructure, both below and above ground that enables communities to survive and prosper. Infrastructure connects our communities together and is critical to our social, economic, cultural and environmental wellbeing. Continuously planning and acting to meet future needs through maintenance and development of infrastructure is a foundation for Timaru District's future.

Read more about our strategic direction in the Long Term Plan 2015-25, available from:
www.timaru.govt.nz

Key Issues for Council over the next 10 years

The LTP 2015-25 identifies the following key issues affecting the district over the next 10 years.

These issues impact how Council plans for the future, what direction is taken and how the Council delivers services.

1. Meeting environmental standards

New environmental standards will impact on some Council services over the next ten years. These will impact particularly on activities like stormwater, sewer, water supply and waste minimisation as improved results for the environment are sought. Doing this on behalf of the community creates considerable cost. It is however essential that we take a responsible attitude to leaving our environment in a better state for our children, and theirs.

2. Increasing cost of providing services

Cost increases to items such as electricity, petrol, raw materials, pipes and pumps impact on the Council, just like cost increases impact on your own household budget. For the Council, this occurs within an expectation of doing more with less or improving our efficiency to ensure more can be achieved with less money.

3. Growth and demand

Many different growth factors impact on the delivery of Council services. These include changes in population, households and population demographics. Population and household projections¹ commissioned for the LTP indicate:

- Timaru District population is projected to increase to around 48,853 in 2033, (an increase of 7.6%) peaking around 2038 at 49,041 persons and declining very slightly over the remaining projection period to 48,660 in 2063.
- Virtually all growth in future years will be in age groups 65+, with the proportion of 65+ increasing from 20.1% in 2013 to 31% in 2033.
- Timaru District will see the population shifting from natural increase (more births than deaths) to natural decline from 2023.
- One person households will increase reflecting the structural ageing of the population. This will drive demand for particular types of dwellings.

The change in the demographic make-up of the district's population will place different pressures on Council provided services; for example social housing, recreational facilities and footpaths.

Changes in growth and demand do not occur uniformly across the district. Some areas may grow more than others, impacted by industry and business development.

The use of land in the Timaru District has changed substantially in the last 15 years. Potential areas where land use change may be impacted by growth and demand are:

- Washdyke as the main industrial growth area
- Increased commercial activity through the port
- Timaru CBD, and potentially the Showgrounds for commercial use
- Residential growth continuing in Gleniti and Old North Road areas
- Rural townships growth
- Rural land intensification

These may bring increased pressure on services and infrastructure.

Careful planning and preparation for changes in these areas is required to ensure the Council provides services in a sustainable manner both now and in the future.

Other growth factors will impact on specific Council services, such as increased traffic, higher demand for water, changes in business types or numbers, changes in the type of traffic (e.g. more heavy truck traffic). One-off demands may come from a major business moving into the district. Demands to meet new technology expectations may also impact on the demand and growth for services.

The Council will continue to monitor demand and growth through activity planning and plan for upcoming changes in delivering its services, where necessary.

4. Legislative and regulatory change/reform

As a creature of statute, the Council is constantly subject to government legislative changes that impact on how services are delivered. These may impact on a particular service (e.g. environmental health) or the whole Council operation (e.g. local government reform).

Regulatory reform also occurs at a regional level, with changes to Environment Canterbury policy such as the Land and Water Regional Plan placing obligations on the Council.

All Council activities are subject to legislative changes, such as the District Planning and Regulatory Services group with changes to the Resource Management Act and Building Act expected and implementation of the Food Act. These changes can have a significant effect on how Council delivers its services including changes to systems and business processes and upskilling of staff. Other changes signalled are improved stormwater quality before it is discharged, and meeting Drinking Water Standards, as well as those that impact on the Council organisation such as Health and Safety reform. Regular change to the legislative environment places added pressure on Council to change the way services are delivered to meet the required levels of compliance.

5. Delivering on community expectations while keeping it affordable

There is ongoing pressure from the community for higher quality facilities and services to be provided for most Council activities. Smoother roads, modern technology and convenience are some examples. The expectation is for a higher level of service for the same amount of money – in other words doing more with less.

Community expectations can be influenced by numerous drivers

¹ Jackson, N.O. (2014). Timaru District Council – Population and Household projections 2013-2063 (Medium Scenario). Report Commissioned by Timaru District Council. August 2014. Natalie Jackson Demographics Ltd as a sub-contract to the National Institute of Demographic and Economic Analysis (NIDEA), University of Waikato.

Key Issues for Council over the next 10 years

such as generational change, legislation, environmental standards, facilities experienced elsewhere and new technology. The increase in expectations is not unique to Timaru District and is a nationwide trend. Council facilities must cater for the expectations of the community by remaining accessible, well maintained and fit for purpose.

All of this costs money, and must be balanced and prioritised against building our district's future and the ability of the community to pay.

6. Funding Pressures

Central government reviews of local government funding sources has placed pressure on some activities. A new approach for allocating central government funding has seen a significant drop in funding for maintenance, improvements and renewals within the roading activity – in excess of \$1M annually. This is compounded by increasing costs to this activity, such as increased heavy vehicles causing more wear and tear, changing land use affecting the use of particular roads within the district and the volatile costs of oil.

7. Ageing Infrastructure

A significant amount of our core infrastructure is getting older and will require replacing over the next 30 years. This includes roads, footpaths, sewer pipes, and water supply assets. Over \$130 million is planned for building and replacing roading infrastructure, such as reconstruction of roads, renewal and bridge replacements. Around \$60M is planned on replacing old water supply network assets. Around \$17M is planned to replace sewer network assets.

7. External influences

Other influences impact on Council activities such as climate change, the global economic climate, international commodity prices, oil prices, and globalisation. These all impact on the district and the delivery of Council services in various ways and must be considered in their future delivery.

Major Projects

Council's focus continues to be on investing in our districts infrastructure, services and amenities. The following lists the major projects planned for the three years following the election. In addition to these, considerable funding is allocated to renewal and replacement of existing infrastructure. See the LongTerm Plan 2015-25 and Annual Plan 2016/17 for further detail.

Note:

For all major projects:

Figures for 2016/17 are based on 2016/17 Annual Plan

Figures for 2017/18 - 2019/20 are based on Long Term Plan 2015-25

Timaru Cemetery Replacement

A new cemetery for Timaru with potential new sites to be identified and purchase likely in 2018

2016/17	\$0
2017/18	\$525,200
2018/19	\$0
2019/20	\$0



Timaru Airport Upgrade

Terminal and carpark upgrading and Aviation Park development

2016/17	\$1,316,000
2017/18	\$0
2018/19	\$0
2019/20	\$0



District Plan Review

10 year review of the District Plan – Council's land use plan

2016/17	\$340,000
2017/18	\$273,100
2018/19	\$307,200
2019/20	\$426,400



Major Projects

Temuka Pool Renewal

Temuka's 33m swimming pool to be upgraded, with design to be determined

2016/17	\$0
2017/18	\$110,600
2018/19	\$377,200
2019/20	\$0



South Canterbury Museum Extension/Construction

Following a strategic review, potential redevelopment of the museum facility.

2016/17	\$0
2017/18	\$0
2018/19	\$0
2019/20	\$5,537,400

Art Gallery Building Renewals/Extension

Extension to the art gallery art store and building renewals.

2016/17	\$40,000
2017/18	\$504,200
2018/19	\$10,800
2019/20	\$16,600

Theatre Royal Projects

Following a review, Theatre upgrades, including potentially seating and refurbishment of backstage areas

2016/17	\$350,000
2017/18	\$210,100
2018/19	\$53,900
2019/20	\$49,800

CBay Trust Aoraki Centre

Replacement of plant for the 50m outdoor pool at CBAY and other work as required.

2016/17	\$1,000,000
2017/18	\$26,300
2018/19	\$97,000
2019/20	\$27,700

Libraries

Replacement of Timaru Library Roof

2016/17	\$620,000
2017/18	\$0
2018/19	\$0
2019/20	\$0

Temuka Domain Development

Ongoing development of the domain area

2016/17	\$156,800
2017/18	\$160,600
2018/19	\$164,800
2019/20	\$169,300

Major Projects

Southern Port Access

Improvement to the southern access to the Port, via a new bridge

2016/17	\$0
2017/18	\$210,100
2018/19	\$3,233,500
2019/20	\$1,993,500

CBD Parking Timaru

Upgrading parking facilities in the Timaru CBD

2016/17	\$0
2017/18	\$0
2018/19	\$862,300
2019/20	\$0

Washdyke Network Improvements

Improvement of the Washdyke roading network to better facilitate activity and provide infrastructure for future development.

2016/17	\$1,000,000
2017/18	\$840,300
2018/19	\$0
2019/20	\$0

Sewer

Talbot Street Geraldine siphon upgrade.

2016/17	\$0
2017/18	\$0
2018/19	\$646,700
2019/20	\$0

Stormwater

Geraldine and Temuka upgrades.

2016/17	\$380,000
2017/18	\$189,100
2018/19	\$0
2019/20	\$0

Waste Minimisation

Development of a Waste Sorting Facility, Compost Site, and Resource Recovery Park at Redruth.

2016/17	\$1,329,000
2017/18	\$574,600
2018/19	\$21,600
2019/20	\$22,100



Major Projects

Water Temuka and Pleasant Point Treated Water Storage

A new treated water storage facility alongside the existing facility to increase storage capacity for the network.

2016/17	\$800,000
2017/18	\$189,100
2018/19	\$2,263,500
2019/20	\$0

Water Te Moana Downs Network Capacity

The network capacity of the Te Moana network is being increased and enhanced to accommodate being supplied from the Geraldine supply.

2016/17	\$2,123,000
2017/18	\$1,209,000
2018/19	\$0
2019/20	\$0

Water Pareora Pipeline replacement

Renewal of the Pareora pipeline for the Timaru water supply.

2016/17	\$100,000
2017/18	\$4,201,700
2018/19	\$0
2019/20	\$0

Water Downlands – Te Ngawai Trunk Main Renewal

The Te Ngawai pipeline and infiltration galley will be replaced and upgraded on the Downlands water supply, along with improvements for raw water storage.

2016/17	\$6,396,000
2017/18	\$3,876,058
2018/19	\$0
2019/20	\$1,362,184



Water Timaru Reservoir Cover

Replacement of reservoir cover.

2016/17	\$800,000
2017/18	\$0
2018/19	\$0
2019/20	\$0

Water Seadown - Water Storage

Upgrades to water storage facilities

2016/17	\$40,000
2017/18	\$378,200
2018/19	\$32,300
2019/20	\$0



Financial Strategy

Purpose of the Financial Strategy

Councils Financial Strategy brings together important information set out in the Long Term Plan, integrating it with financial forecasts, strategies and policies to arrive at a sustainable and prudent budget.

The financial strategy guides the way the Council makes decisions. The Council must, under the Local Government Act 2002, manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently, and in a manner that sustainably promotes the current and future interests of the community. The aim of the Financial Strategy is to define a financial direction for the next 10 years that is agreed with the community. It aims to provide direction, drawn from a balancing of ratepayer affordability against community needs and aspirations.

This balancing process considers the impact on affordability of its expenditure proposals on:

- the need to maintain, replace and renew core infrastructure,
- the obligation under law to build new infrastructure of a higher standard; and
- a desire to respond to the aspirations of the community for new and improved community infrastructure.



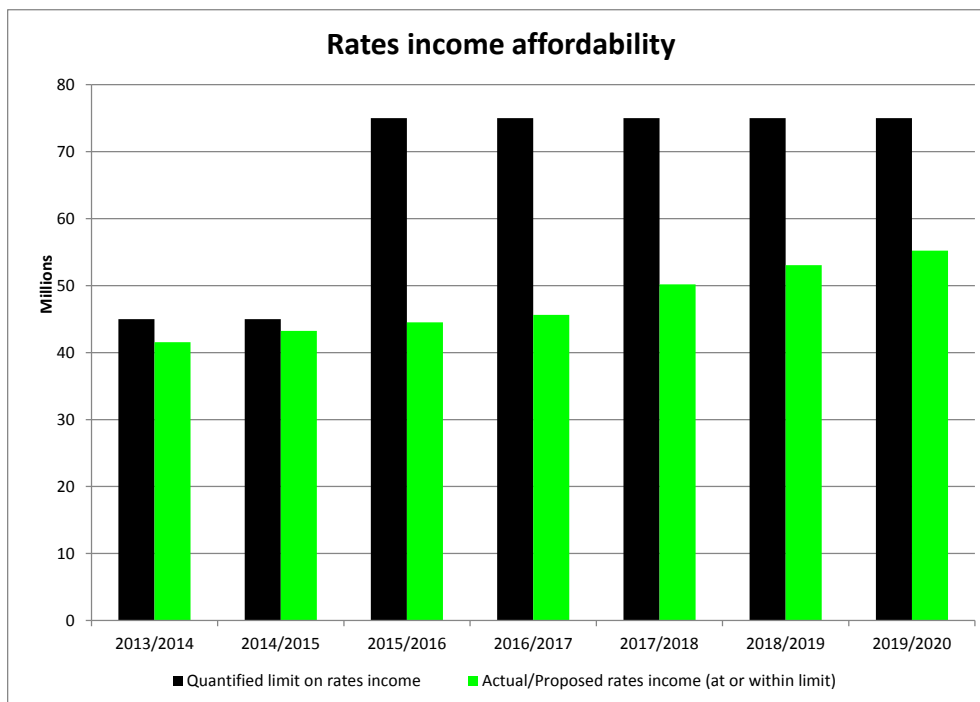
Compliance with the Financial Strategy

The information below compares Councils performance against benchmarks set in the Financial Strategy for the three financial years preceding the 2016 election.

Rates

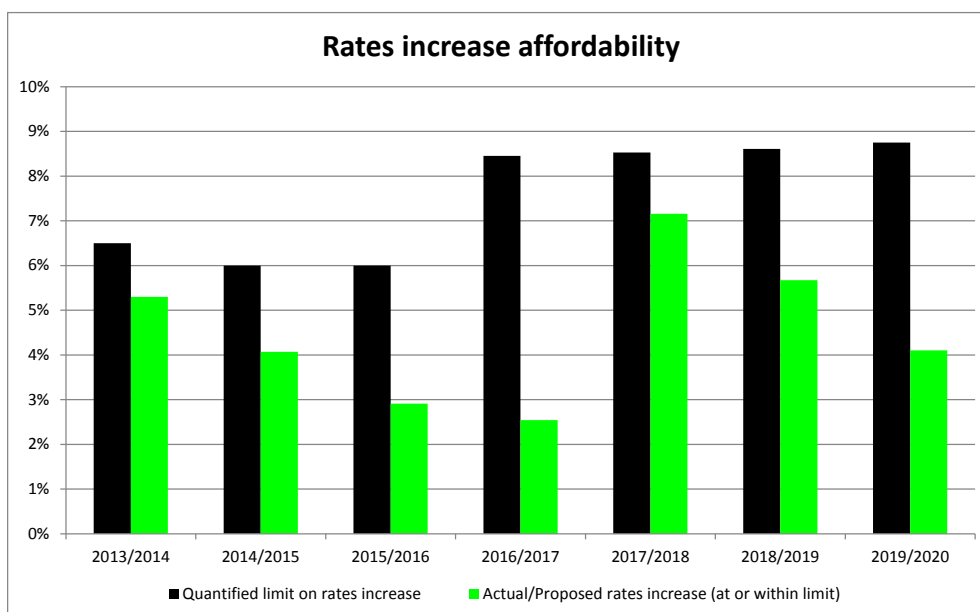
1. Rates (income) affordability benchmark

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy. The quantified limit is \$45m for 2013/2014 and 2014/2015 and \$75m for 2015/2016 onwards.



2. Rates (increase) affordability benchmark

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy. The quantified limit is 6%, plus inflation as per the Local Government Cost Index, except 2013/2014 when it was 6.50%.



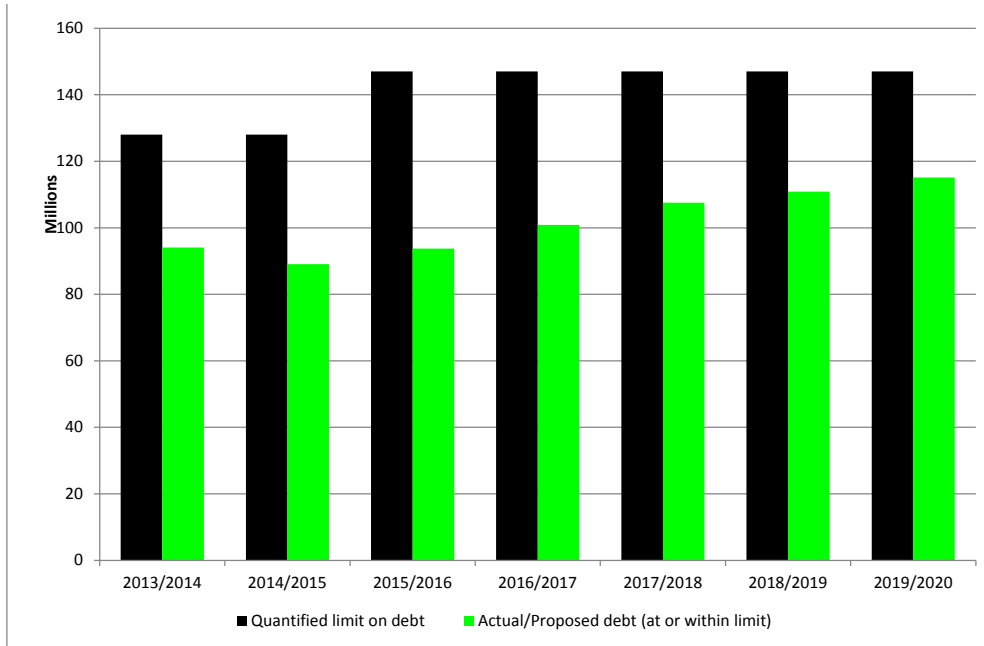
Debt Affordability

3. Debt affordability benchmark

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy.

The quantified limit is \$128m for 2013/2014 and 2014/2015 and \$147m for 2015/2016 onwards.

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



Investments

Council has a number of financial investments in order to create a return which can be used to pay for services or reduce rates.

The table below shows the target and actual return on these investments.

Pre Election Report 2016 Returns on investments

	Actual 2013/14	Target 2013/14	Actual 2014/15	Target 2014/15	Actual 2015/16	Target 2015/16
TDHL dividends	\$2.09	\$1.84	\$2.19	\$1.84	\$2.32	\$2.25-\$2.45
Interest on TDHL advance	4.21%	5%	5.01%	5%	4.18%	5%
Bonds	9.9%	5%	6.6%	5%	5.1%	5%



Financial Information

Statement of Financial Position

As at 30 June

	Actual 2013/14 \$000	Actual 2014/15 \$000	Estimated 2015/16 \$000	Budget 2016/17 \$000	Budget 2017/18 \$000	Budget 2018/19 \$000	Budget 2019/20 \$000
ASSETS	Note 1	Note 1	Note 1	Note 2	Note 2	Note 2	Note 2
Current Assets							
Cash and cash equivalents	16,736	27,706	36,770	29,039	13,996	13,664	13,731
Trade and other receivables	7,261	8,403	6,584	8,403	7,261	7,261	7,261
Inventories	79	87	74	87	79	79	79
Other financial assets	22,458	13,928	11,935	10,528	19,058	19,058	19,058
Total Current Assets	46,534	50,124	55,363	48,057	40,394	40,062	40,129
Non-current Assets							
Property, plant and equipment	761,997	767,625	783,495	800,393	816,220	826,632	839,520
Intangible assets	1,572	1,497	1,122	1,497	1,572	1,572	1,572
Forestry	604	671	671	671	604	604	604
Investment Property	1,624	1,713	1,762	1,713	1,624	1,624	1,624
Investments in subsidiaries	23,658	23,658	23,658	20,138	17,992	21,164	24,959
Other financial assets	5,885	4,445	5,638	-	-	-	-
Total Non-current assets	795,340	799,609	816,346	824,412	838,012	851,596	868,279
Total Assets	841,874	849,733	871,709	872,469	878,406	891,658	908,408
LIABILITIES							
Current liabilities							
Trade and other payables	8,971	10,629	7,907	10,698	9,167	9,202	9,236
Employee benefit liabilities	1,614	1,779	1,970	1,779	1,614	1,614	1,614
Borrowings	10,000	5,000	18,000	18,567	23,544	4,582	5,683
Derivative financial instruments	464	585	881	585	464	464	464
Total Current liabilities	21,049	17,993	28,758	31,629	34,789	15,862	16,997
Non-current liabilities							
Provisions	4,029	5,701	6,939	5,759	4,386	4,494	4,605
Employee benefit liabilities	399	382	266	382	399	399	399
Borrowings	84,062	84,045	75,729	82,286	84,023	106,297	109,460
Derivative financial instruments	1,051	1,655	3,229	1,655	1,051	1,051	1,051
Total Non-current liabilities	89,541	91,783	86,163	90,082	89,859	112,241	115,515
Total Liabilities	110,590	109,776	114,921	121,711	124,648	128,103	132,512
Net Assets	731,284	739,957	756,788	750,758	753,758	763,555	775,896

Financial Information

Statement of Financial Position

As at 30 June

	Actual 2013/14 \$000	Actual 2014/15 \$000	Estimated 2015/16 \$000	Budget 2016/17 \$000	Budget 2017/18 \$000	Budget 2018/19 \$000	Budget 2019/20 \$000
EQUITY							
Retained Earnings	699,458	707,548	710,198	726,309	733,473	740,098	748,644
Other reserves	31,826	32,409	46,590	24,449	20,285	23,457	27,252
Total Equity	731,284	739,957	756,788	750,758	753,758	763,555	775,896

Notes

- 1 The actual results for the year ended June 2014 and June 2015 have been audited, and the results for the year ended June 2016 are estimates.
- 2 Financial information for 2016/17 is from the final Annual Plan 2016/17, information for 2017/18 - 2019/20 are from the Long Term Plan 2015-25. These documents were prepared at different times and therefore are not directly comparable.

Financial Information

Funding Impact Statement For the year ended 30 June

	Actual 2013/14 \$000	Actual 2014/15 \$000	Estimated 2015/16 \$000	Budget 2016/17 \$000	Budget 2017/18 \$000	Budget 2018/19 \$000	Budget 2019/20 \$000
SOURCES OF OPERATING FUNDING							
General rates, Uniform annual general charge, rate penalties	11,661	11,963	13,633	14,213	15,341	15,748	16,331
Targeted rates (other than a targeted rate for water supply)	27,614	32,082	28,776	33,509	35,365	37,747	39,300
Subsidies and grants for operating purpose	3,942	3,579	3,620	3,094	2,198	2,796	2,449
Fees, charges and targeted rates for water supply	16,434	16,599	17,239	16,962	17,612	18,042	18,818
Interest and dividends from investments	4,509	5,310	4,764	4,907	4,743	4,728	4,866
Internal charges and overheads recovered	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1,019	1,219	1,066	951	884	918	930
Total operating funding	65,179	70,752	69,098	73,637	76,143	79,978	82,694
APPLICATIONS OF OPERATING FUNDING							
Payments to staff and suppliers	44,492	45,726	47,126	50,409	51,250	52,566	54,269
Finance costs	5,101	5,772	4,820	6,509	7,337	7,676	7,742
Internal charges and overheads applied	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-
Total applications of operating funding	49,593	51,498	51,946	56,918	58,587	60,242	62,011
Surplus/(deficit) of operating funding	15,586	19,254	17,152	16,719	17,556	19,736	20,683
SOURCES OF CAPITAL FUNDING							
Subsidies and grants for capital expenditure	5,034	6,404	5,346	4,749	5,402	6,815	8,811
Development and financial contributions	32	59	61	35	27	59	81
Increase/(decrease) in debt	8,201	(5,463)	4,575	7,106	5,809	3,312	4,264
Gross proceeds from the sale of assets	1,534	50	69	45	61	45	45
Lump sum contributions	-	-	-	-	-	-	-
Other dedicated capital funding	115	419	216	279	342	681	686
Total sources of capital funding	14,916	1,469	10,267	12,214	11,641	10,912	13,887
APPLICATIONS OF CAPITAL FUNDING							
Capital expenditure							
- to meet additional demand	704	1,642	2,811	605	2,331	4,937	8,831
- to improve the level of service	12,516	7,720	3,078	10,888	7,288	6,449	5,411
- to replace existing assets	12,643	10,781	14,760	26,228	24,040	16,333	16,417
Increase/(decrease) in reserves	4,586	1	6,770	(8,787)	-4,462	2,929	3,912
Increase/(decrease) of investments	53	579	-	-	-	-	-
Total applications of capital funding	30,502	20,723	27,419	28,933	29,197	30,648	34,570
Surplus/(deficit) of capital funding	(15,586)	(19,254)	(17,152)	(16,719)	(17,556)	(19,736)	(20,683)
Funding balance	-	-	-	-	-	-	-

Notes

- The actual results for the year ended June 2014 and June 2015 have been audited.
- The results for the year ended June 2016 are estimates.
- Financial information for 2016/17 is from the final Annual Plan 2016/17, information for 2017/18 - 2019/20 are from the Long Term Plan 2015-25. These documents were prepared at different times and therefore are not directly comparable.

About Timaru District

Geography & Climate

Timaru District covers 2,737 square kilometres of South Canterbury. Two rivers naturally define its northern and southern boundaries, the Rangitata and Pareora, with the district stretching along the gentle curve of the South Canterbury coastline. Timaru District is the fourth largest district by population and sixth largest

by area in the Canterbury region. It has a population density of 16.5 persons per square kilometre.

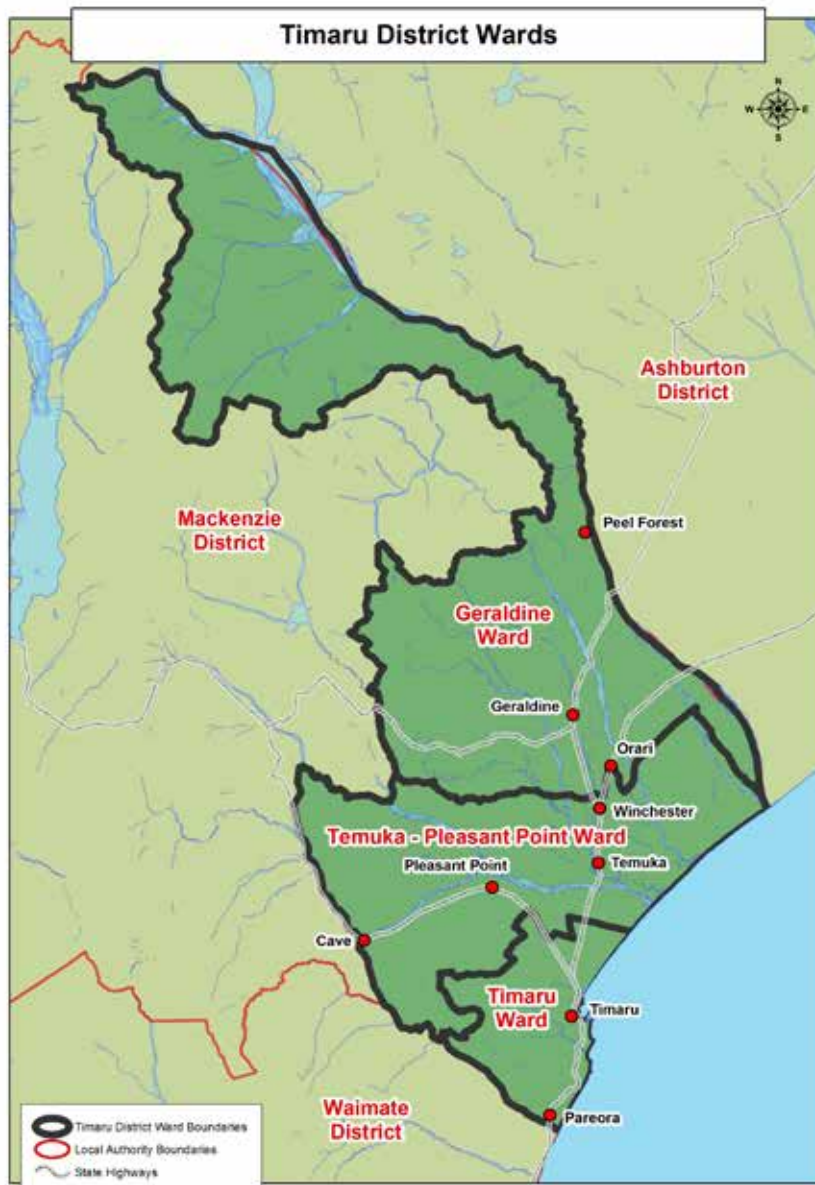
The district enjoys a temperate climate, with Timaru enjoying an annual average of around 1,826 hours of sunshine and 573mm of rain.

Demographics

The estimated resident population of the Timaru District as at June 2015 was 46,200. The 2013 Census population was 43,929. Population projections*, based on a medium growth scenario project the District's Population to increase to 48,853 (+7.6%) by 2033, peaking in 2038 at 49,091, and declining slightly over the remaining period to 48,660 in 2063. The population is expected to increase to 48,293 (+6.4%) by 2028 which includes the 2015-25 LTP period.

The population of Timaru District is expected to age significantly in the future. Virtually all growth in future years is projected to be in age groups 65+, with the proportion of 65+ increasing from 20.1% in 2013 to 31% in 2033*.

Around 80% of Timaru District residents live in or around the four main settlements - Timaru, Temuka, Geraldine and Pleasant Point.







Timaru District Council

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