

Annual Plan 2019/2020





**Timaru District Council
Annual Plan 2019-2020**

For the year beginning 1 July 2019

ISSN: 1171 - 901X (Print)

ISSN: 1175 - 3072 (Online)

Published on 25 June 2019 by Timaru District Council

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An Introduction from your Mayor and Chief Executive

Nau mai ki te Mahere-ā-Tau o te Kaunihera Rohe o Te Tihi

o Maru (Welcome to the Timaru District Council Annual Plan)

2019/20 is Year 2 of our Long Term Plan 2018-28. The major focus for the year is implementing the projects agreed with our community when the Long Term Plan was signed off in June 2018. You can see a summary of these projects and any changes in terms of timing and cost, outlined in the following pages.

2019/20 will be another busy year. We've got some big projects planned – both infrastructure upgrades and work on some of our key community facilities.

Like many Councils in New Zealand we are faced with the challenge of upgrading aging infrastructure. Infrastructure upgrades are also required due to changing legislative requirements – for example water safety standards, and to adapt to the effects of climate change, such as more intensive rainfall and flooding events, and increasing coastal erosion. This is a major undertaking – both in terms of costs and sourcing appropriate design and construction expertise. Some of the key infrastructure projects we will be progressing in 2019/20 include:

- Te Moana water supply – water treatment upgrading and reticulation renewal
- Timaru – Pareora water supply - progressive renewal of the water pipeline
- Downlands water supply – progressive renewal of water mains, intakes, pipelines as well as water treatment upgrading
- Stormwater and sewer network renewals across the district

During our LTP discussions with the community in 2018 we received a clear indication that upgrading the Theatre Royal in Timaru is important. This upgrade will also include the

development of a new heritage facility. Project planning is underway and we expect work to start on site in late 2019/20.

Other community facilities due for upgrading or repair during the year include the Temuka Swimming Pool, the Aigantighe Art Gallery and the Timaru Library. These, and many other facilities are the hub of our community, and it is important that they are continually refreshed.

All up we've budgeted approximately \$70 million for capital projects next year.

Moving our district forward at a pace we can afford is a balancing act. While individual property rates increases will vary depending on where you live, the value of your property and the services you receive, we are looking at an overall rates increase of 4.7%. This is significantly less than the 7.5% increase forecast in the Long Term Plan, mainly due to the revised timing for some of the capital projects and associated financing costs.

We'd like to thank you for your ongoing support of our district, and your involvement in council's decision making as we work together to face the challenges coming our district's way.

Kei te harikoa mātou ki te mahi tahi ki a koutou- ko Tō Tātou Rohe, ko Tō Tātou Pae Tawhiti!

(We look forward to working with you - it's Our Place and Our Future!)

Ngā mihi nui



Damon Odey
Mayor

Koromatua

Bede Carran
Chief Executive

Kaiwhakahaere

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Overview

We look forward to working with you as we progress our vision for the Timaru District:

- Fantastic Lifestyle
- Thriving Economy
- Strong Identity
- Inspiring Leadership

Your Council and Community Boards



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Jennine Maguire	03 693 9953	geraldineglass@clear.net.nz
Gavin Oliver	03 693 8842	gavinpeteroliver@gmail.com

Plus Geraldine Ward Councillor Kerry Stevens

Pleasant Point Community Board

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Plus Pleasant Point-Temuka Ward Councillors Richard Lyon (Chairperson) and Paddy O'Reilly

Temuka Community Board

Alison Talbot (Deputy Chairperson)	03 615 9189	steveali@xtra.co.nz
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Plus Pleasant Point-Temuka Ward Councillors Paddy O'Reilly (Chairperson) and Richard Lyon

What is an Annual Plan

What's the Annual Plan all about?

As the name says it is a plan for one year, but it's also part of a longer term planning process as the diagram below shows.

The work programme for the year was approved when the Long Term Plan (LTP) was finalised after input from the community.

The Annual Plan provides a summary of this agreed work programme, how much it will cost and how it will be paid for. It also outlines any major changes from what was approved in the LTP and the reasons for these changes.

Why are there changes to the plan?

The Annual Plan 2019/20 is based on Year 2 of the Long Term Plan 2018-28.

Overall, our main work programme hasn't changed significantly. Inevitably though, there have been some changes in costs, and the timing of some projects. In some cases, there is a change in the nature of a project or there are new projects that have come up.

Engagement with the Community on this Annual Plan

Changes to legislation in 2014 means that Council was not required to formally consult on this year's Annual Plan because there are no significant or material differences to Year 2 of our Long Term Plan 2018-2028.

We recognise the importance of keeping the community informed about our plans and published an Information Brochure that summarised the main projects planned for the year, and highlighted any variations from the Long Term Plan.

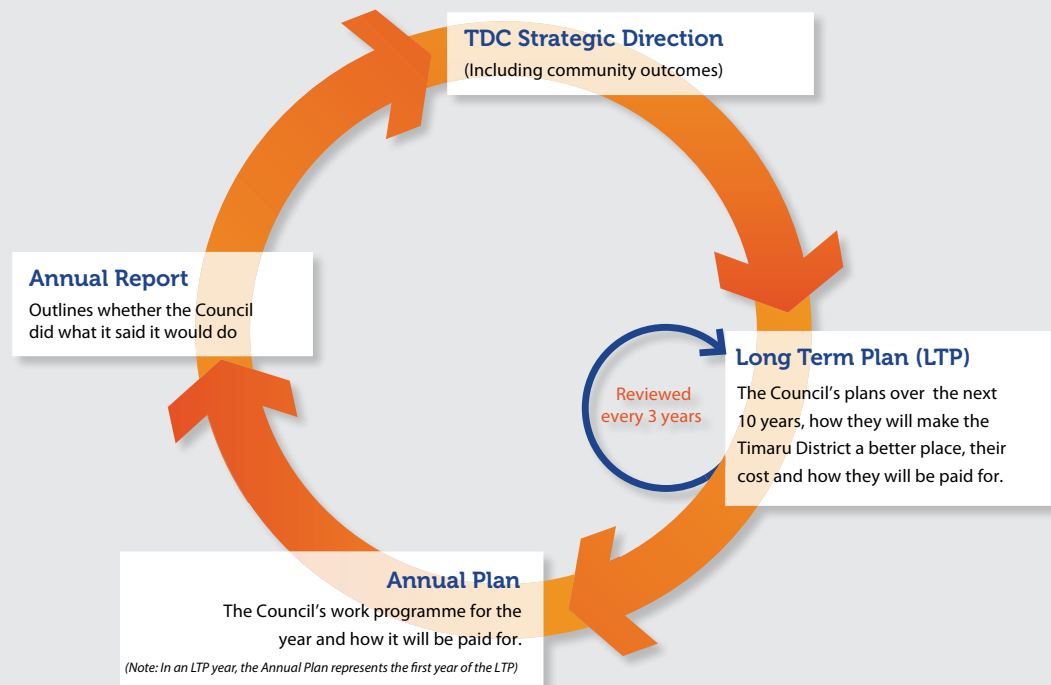
Community feedback was invited on:

- Any big issues or projects Council should be considering
- Any things Council should be doing more, or less of.

The feedback received will be considered in the next round of planning for the Long Term Plan 2021-31.

The Local Government Planning Cycle

This diagram shows the Council's planning cycle and where the Annual Plan fits.



OUR STRATEGIC DIRECTION

The Timaru District Strategic Direction includes a Vision, Community Outcomes and Strategic Priorities.

Council's contribution towards the Strategic Direction is outlined in Section Two of the Long Term Plan through the services we provide.

The Council will continue to work with numerous organisations (e.g. health, business, environmental, community, government departments) who also contribute towards achieving the Strategic Direction through the activities and services they provide.



CO = Community Outcome

VISION

Inspiring Leadership

Inspiring, people-focused leadership

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 our people and our future leaders
- We proactively reduce barriers. Our leaders help create the environment for the future to happen

- 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
- We serve our customers and community well

Strong Identity

Strong and enviable reputation and identity

We forge and strengthen a reputation and identity that other districts 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 ethnic diversity
- We celebrate and sell our story
- New residents are welcomed, and feel welcome
- Our creative and energetic arts and culture scene enhances and reflects our identity
- Our communities preserve and grow their own individual identities
- We celebrate our success

Thriving 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 balanced growth that keeps our businesses, population and youth local
- We maintain and build on our district's strong economic diversification
- New businesses choose Timaru District
- Our businesses and other agencies work together for maximum district benefit
- High quality infrastructure underpins the delivery of economic opportunity and prosperity
- We put out the red carpet, not the red tape

Fantastic 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:

- Our communities are well serviced with essential services
- We have a humming, vibrant mix of places to go to 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
- We have abundant leisure, cultural, and sporting opportunities
- We care for, enhance and respect the natural environment
- Our district's opportunities attract people, skilled workers and families here to live, work and play

STRATEGIC PRIORITIES

Council has identified the following community outcomes



Smart, diversified economic success and growth supported and enabled

The Timaru District economy is well diversified. The Council is committed to being recognised as a business friendly Council – putting out the red carpet, not the red tape – and serving our customers with pride



High quality infrastructure to meet community and business needs

Providing high quality infrastructure is a core role of the Council, and is essential to strong, connected communities and sustainable economic prosperity.



A valued, healthy and accessible environment

A healthy natural environment is critical to the district's prosperity. We must ensure that our actions enhance, protect and restore our natural environment wherever possible.



People enjoying a high quality of life

A higher quality of life is everyone's goal. The Council provides services that underpin everyone's quality of life – the potable water that flows from your tap, to the transport network that connects you to your work, family and friends or the playground your children and grandchildren enjoy.



A strong identity forged and promoted

Our identity defines our place in New Zealand and the world. We have much to value, to celebrate and to promote. Our identity is something that all current and future residents own, and that the Council is committed to promoting.



Communities that are safe, vibrant and growing

We want the places where we live and play to be full of vitality, to be safe and to be well-planned for. The Council plays an important role in this through delivering excellent recreational, sporting and cultural facilities, supporting community events and initiatives and managing development and behaviour through appropriate rules and regulation.

The Council has identified four strategic priorities.

Invest in our Community

Promote integrated, highly liveable communities

Support areas of economic and district strength

Ensure critical infrastructure meets future needs

Section Two outlines how the Council's work aligns with these priorities.

Relationship with Ngāi Tahu

Ngāi Tahu as Mana Whenua of Timaru District

Ngāi Tahu are a Treaty Partner of the Crown and are mana whenua of the area administered by the Timaru District Council. Ngāi Tahu is the collective representation of whānau and hapū who share a common ancestry and are tangata whenua (people of the land). They hold ancestral and contemporary relationships with the lands, waters, and ecosystems of their takiwā. Mana whenua are hapū or whānau who, through a combination of whakapapa and occupation (ahi ka) hold customary authority over the land and resources of an area or takiwā. Associated with mana whenua status are the rights and duties of rangatiratanga and kaitiakitanga.

Ngāi Tahu Takiwā

The Te Rūnanga o Ngāi Tahu Act 1996 acknowledges the takiwā of Ngāi Tahu as extending over most of the South Island south of a line from Kahurangi Point on the West Coast and Te Parinui o Whiti (White bluff) near Cloudy Bay on the East Coast; and including off-shore islands. The contemporary structure and membership of Ngāi Tahu is set out in the Te Rūnanga o Ngāi Tahu Act 1996. The Act recognises Ngāi Tahu as being descended from five primary hapū: Ngāti Kuri, Ngāti Tūāhuriri, Ngāti Iraheku, Ngāti Huirapa and Ngāti Te Ruahikihiki. Chiefs from these hapu occupied and established themselves as mana whenua in various parts of the takiwā; Ngāti Huirapa in the Timaru District.

Te Rūnanga and Papatipu Rūnanga (ngā rūnanga)

The Act recognises Te Rūnanga o Ngāi Tahu (Te Rūnanga) as the iwi authority within the Ngāi Tahu takiwā. Te Rūnanga is comprised of 18 papatipu (main) rūnanga who represent the whānau and hapū who hold mana whenua within the Ngāi Tahu takiwā. The takiwā of each rūnanga is described in the Te Rūnanga o Ngāi Tahu (Declaration of Membership) Order 2001. The papatipu rūnanga who represent those who hold mana whenua in the Timaru District and their respective takiwā are:

Te Rūnanga o Arowhenua – whose takiwā centres on Arowhenua and extends from Rakaia to Waitaki, sharing interests with Ngāi Tūāhuriri ki Kaiapoi between Hakatere and Rakaia, and thence

inland to Aoraki and the Main Divide.

Te Rūnanga o Waihao – whose takiwā centres on Wainono and sharing interests with Te Rūnanga o Arowhenua to Waitaki, and extends inland to Omarama and the Main Divide.

Under s15 of the Te Rūnanga o Ngāi Tahu Act, Te Rūnanga must consult with papatipu rūnanga in forming a view on any matter. In practice, Te Rūnanga encourages councils, other government agencies and individuals to consult directly with papatipu rūnanga on issues in their takiwā. Te Rūnanga supports ngā rūnanga in these matters when requested by them, and represents Ngāi Tahu whānui in tribal matters and in negotiations with the Crown. Ngāi Tahu whānui also have shareholdings and interests in commercial activities and entities. These commercial entities may make applications or lodge submissions on Resource Management Act (RMA) processes from time to time but they are not mana whenua or the iwi authority.

Treaty of Waitangi & Duties of Local Authorities

The Council is required to take into account the principles of the Treaty of Waitangi when carrying out its duties under the Local Government Act 2002 (s4) and the Resource Management Act 1991 (s8). The relationship between Ngāi Tahu whānui and the Timaru District Council reflects, at a local level, the relationship between the Crown and its Treaty Partners; it is a partnership.

The Council is also required to engage directly with mana whenua in relation to policy-making and decision-making under both the Local Government Act (LGA) and the RMA. Section 81 of the LGA requires all local authorities to establish and maintain processes to provide opportunities for Māori to contribute to Council's decision-making processes. It also requires councils to consider ways to foster the development of Māori capacity to contribute to these processes and to provide Māori with relevant information.

The RMA has specific requirements for the Council to engage with tangata whenua through the iwi authority when preparing and reviewing the district plan and to consider tangata whenua values as part of decision-making on resource consent applications. While engagement with tangata whenua is provided specifically within the project planning for the district plan review and other key Council projects, it is important that the Long Term Plan,

and Annual Plan recognises these obligations and provides for adequate resourcing and timeframes to ensure an appropriate level of engagement on relevant Council projects.

Council Relationship with Mana Whenua

The Council considers it important to further develop relationships with the papatipu rūnanga who represent those who hold mana whenua in the Timaru District. Fostering these relationships is key to enabling the Council to meet its statutory requirements under the LGA and RMA. The Council will ensure all its key policy and decision-making processes include opportunities for discussion with mana whenua, through their mandated representatives, at the earliest opportunity and before any decisions are made; and endeavour to provide resources to help facilitate that engagement.

Council shall provide opportunities for mana whenua to engage in the development of key policy and plans, including the long term plans and annual plans, and on resource management plans, policies and strategies including the process, timing and content of plan or policy development and review. Opportunities are also considered for appointments on planning and resource consent hearing committees. To assist in this commitment, the Council has signed a Service Level Agreement with Aoraki Environmental Consultancy Limited. Aoraki Environmental Consultancy Ltd is mandated by Te Rūnanga o Arowhenua to help advise Councils and other agencies on issues of interest to Arowhenua Rūnanga, to facilitate consultation with Arowhenua Rūnanga, and to ensure timely and appropriate input into policy, plans and processes on behalf of Te Rūnanga o Arowhenua. The Council will also continue to offer places for rūnanga representatives on Council Committees, including the Environmental Services Standing Committee, the Safer Communities Committee and the Local Arts Assessment Committee, and other bodies as appropriate, and seek regular engagement with papatipu rūnanga to discuss matters of common interest and foster general relationships. Council's Senior Management Team will also be available to meet with ngā rūnanga representatives as required.

Relationship with Ngāi Tahu

Key Projects

Mana whenua interests in Council activities is broad.

Rangatiratanga and kaitiakitanga involve care for the natural environment and also the economic, social and spiritual wellbeing of the people and communities who live within and depend upon the natural environment. Mana whenua interests are not limited to 'culturally significant sites.' A township may have buildings or places that are prized for their architectural history, or providence, but a council is interested in all aspects of how the town functions. Similarly for mana whenua, wāhi tapu me wahi taonga (sacred and treasured places) are highly valued and require special protection, but kaitiakitanga is a duty that extends over the entire takiwā and to all those living within it.

While mana whenua are interested in all aspects of local governance, limitations on people's time and resources means some things are prioritised. Mana whenua will have a particular interest in the following projects identified in the Councils Long Term plan, Annual Plans:

- The District Plan Review
- Upgrades of stormwater infrastructure
- Water supply upgrades

What's coming up – Key Projects for 2019/20

Here are some of the key projects planned by Council over the next year.

This is only a selection and the funding shown only applies to the 2019/20 year. A full list of projects for 2019/20 can be found in Section Two.



What's coming up – Key Projects for 2019/20

CHANGES from Year 2 of Long Term Plan (LTP) 2018-2028

2019/20 is Year 2 of our LTP. Most of what was agreed in the LTP is still going ahead as planned, however there have been some timing and budget changes.

2019/2020		2019/2020	
DISTRICT PLAN REVIEW		ROADING	
This multi year project was delayed due to resourcing challenges and awaiting the issue of central government's new National Planning Standards. Now these have now been released the flow on effect is the consultation on the draft Plan will occur in 2020/21 instead of the end of 2019/20.	\$1M	Geraldine – Coach/Tiplady/Winchester intersection update	\$2M
Project timing change 🕒		This new work is possible due to NZTA financial assistance and approved additional Council funding.	(Council portion \$0.5M)
TIMARU LIBRARY		SEWER SERVICES	
Reroofing and associated upgrades have been delayed due to complexities of project, particularly the type and design of the original roof.	\$1.9M	Talbot Street, Geraldine – Siphon upgrade	\$0.65M
Project delay 🕒		Delays due to shortage of specialist construction contractors.	
ART GALLERY BUILDING RENEWALS		SEWER SERVICES	
Delay due to ongoing work with consultants on the strengthening work required for the House Gallery.	\$0.6M	Reticulation extensions to enable urban development	\$0.9M
Project delay 🕒		Progress is subject to negotiations with external parties.	
THEATRE ROYAL/HERITAGE FACILITY		CARRY FORWARD ➡	
Initial project stages are underway but physical work is now due to start in 2019/20.	\$5.6M	WATER SUPPLY	
Project delay 🕒		Te Moana water supply – reticulation renewal and treatment upgrade	\$2.4M
		Project is more complex than originally scoped, work will continue in 2019/20.	
		Project delay 🕒	

What's coming up – Key Projects for 2019/20

TEMUKA SWIMMING POOL Upgrading of the Temuka pool. Budget increase ⬆️	\$1M	WATER SUPPLY Timaru Pareora – Pipeline renewal While design work is well underway a number of complex issues still need to be addressed. Construction is likely to be over the next two summers. Project delay ⌚	\$9.8M
PARKS – PAREORA DAM Investigation and works to improve safety on the old dam on the Pareora river. New project (\$500,000 over 4 years) ➕	\$120,000	WATER SUPPLY Temuka water storage and pumps Design work is underway and site has been purchased, project will be completed in 2019/20. Project delay ⌚	\$1.2M
PARKS Increasing service levels for district parks. Budget increase ⬆️	\$120,000 (increase ongoing)	WATER SUPPLY Downlands water supply upgrade The project has become more complex and requires further approvals over and above the current project scope. Project delay ⌚	\$15M
HIGHFIELD GOLF COURSE Preparation of Fit for Future Use plan. New project ➕	\$75,000		

The Numbers – Financial Overview

This is a summary of key financial information relating to the Annual Plan 2019/20.

	LTP Budget 2019/20	Annual Plan 2019/20
Rates	\$54,024,900	\$52,697,082
Other operating revenue	\$34,158,824	\$36,024,143
Total operating revenue	\$88,183,724	\$88,721,226
Operating expenditure	\$81,469,636	\$80,891,150
Operational surplus	\$6,714,088	\$7,830,076
Rates increase overall	7.3%	4.7%

Fees and Charges

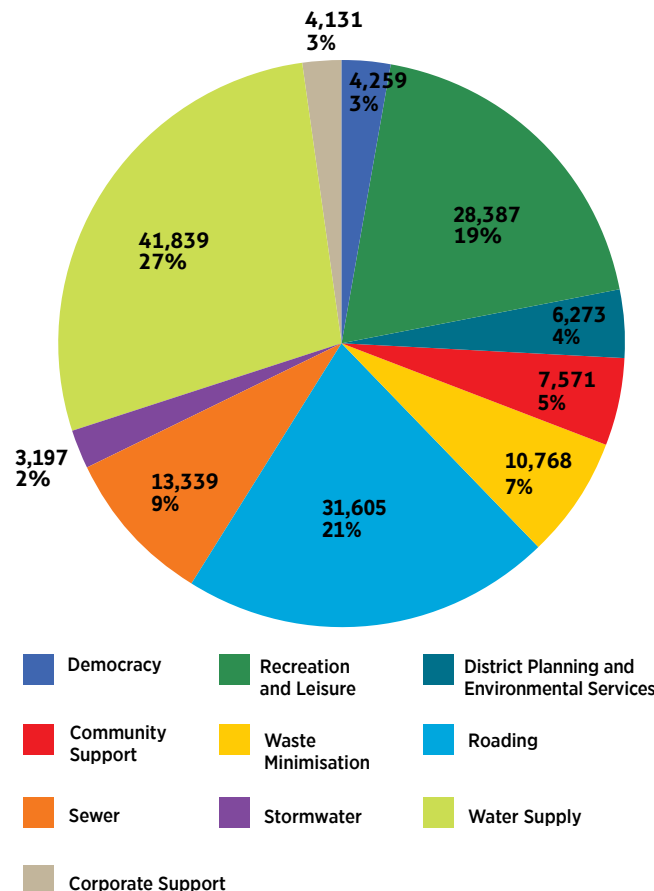
There are minor changes to fees and charges for a number of council activities, including cemeteries, some council facility hire, some library services, council owned motor camps, sewer, stormwater and water services inspections and trade waste charges, social housing units, and some waste minimisation charges.

There is also a new charge for liquor licence applications. A \$50 fee will be charged to advertise liquor licence applications on the Council website.

Total Expenditure

The graph shows what the Council will be spending during the year – both operating expenditure for the day to day running of services and facilities as well as capital expenditure to improve services and facilities.

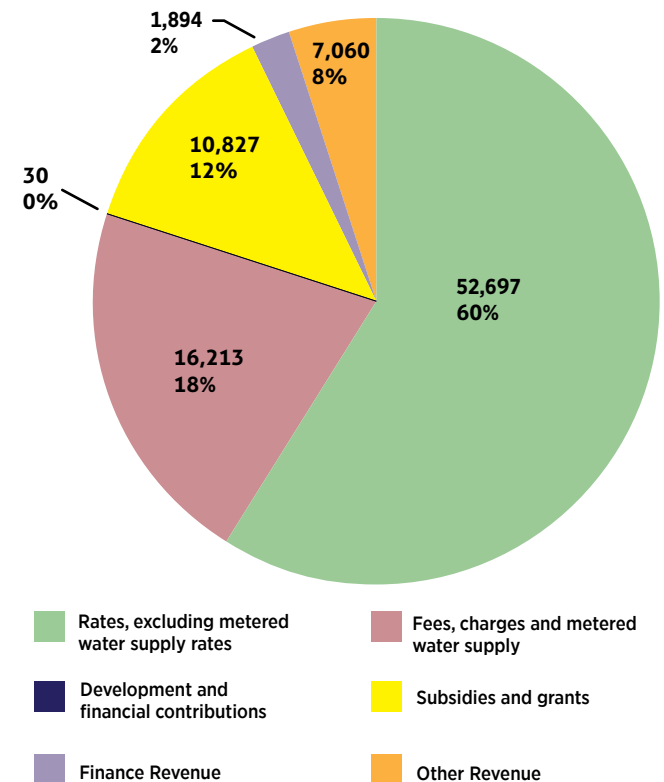
Timaru District Council Total Expenditure 2019/2020 (\$000s)



Total Income

Expenditure is paid for from a mix of rates, fees, interest and dividends on Council's investments, and external sources such as financial assistance from government agencies (e.g. NZ Transport Agency). The graph shows where the money will come from in 2019/20.

Timaru District Council Total Income 2019/20 (\$000s)









The Breakdown - How will this affect you?




This graphic illustrates the impact of the overall increase in rates revenue for 2019/20.

The property examples shown represent average land values for urban communities and example property values for farming and commercial/industrial properties.

For 2019/20, the rate increase is 4.7%. Your own individual rate increase will vary depending on:

- Where you live in the district
- The services you receive
- The type and value of your property
- The impact of the changes agreed through the LTP

	 Geraldine	 Pleasant Point	 Temuka	 Timaru		 Rural		 Commercial/Industrial
Land Value	\$166,400 (Average)	\$137,500 (Average)	\$105,600 (Average)	\$148,600 (Average)	\$389,900 (Sample)	\$1,493,800 (Sample)	\$3,898,800 (Sample)	\$403,600 (Sample)
General Rates (including UAGC)	\$1,127.99	\$1,054.88	\$974.17	\$1,082.96	\$1,202.17	\$2,604.13	\$5,658.48	\$4,795.47
Targeted Rates	\$1,322.88	\$1,048.88	\$1,317.17	\$1,201.95	\$19.50	\$74.69	\$194.94	\$1,485.00
Total Rates	\$2,450.87	\$2,103.76	\$2,291.34	\$2,284.91	\$1,221.67	\$2,678.82	\$5,853.42	\$6,280.47
Increase % over 18/19	6.19%	5.83%	5.74%	3.71%	4.92%	5.29%	5.46%	3.48%
Increase \$ over 18/19	\$142.93	\$115.87	\$124.40	\$81.65	\$57.29	\$134.57	\$302.92	\$211.00
Cost per week	\$47.13	\$40.46	\$44.06	\$43.94	\$23.49	\$51.52	\$112.57	\$120.78
Cost per day	\$6.71	\$5.76	\$6.27	\$6.25	\$3.34	\$7.30	\$15.93	\$17.13

 Residential
  Rural
  Commercial/Industrial

Timaru District, our Special Corner of the World

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.

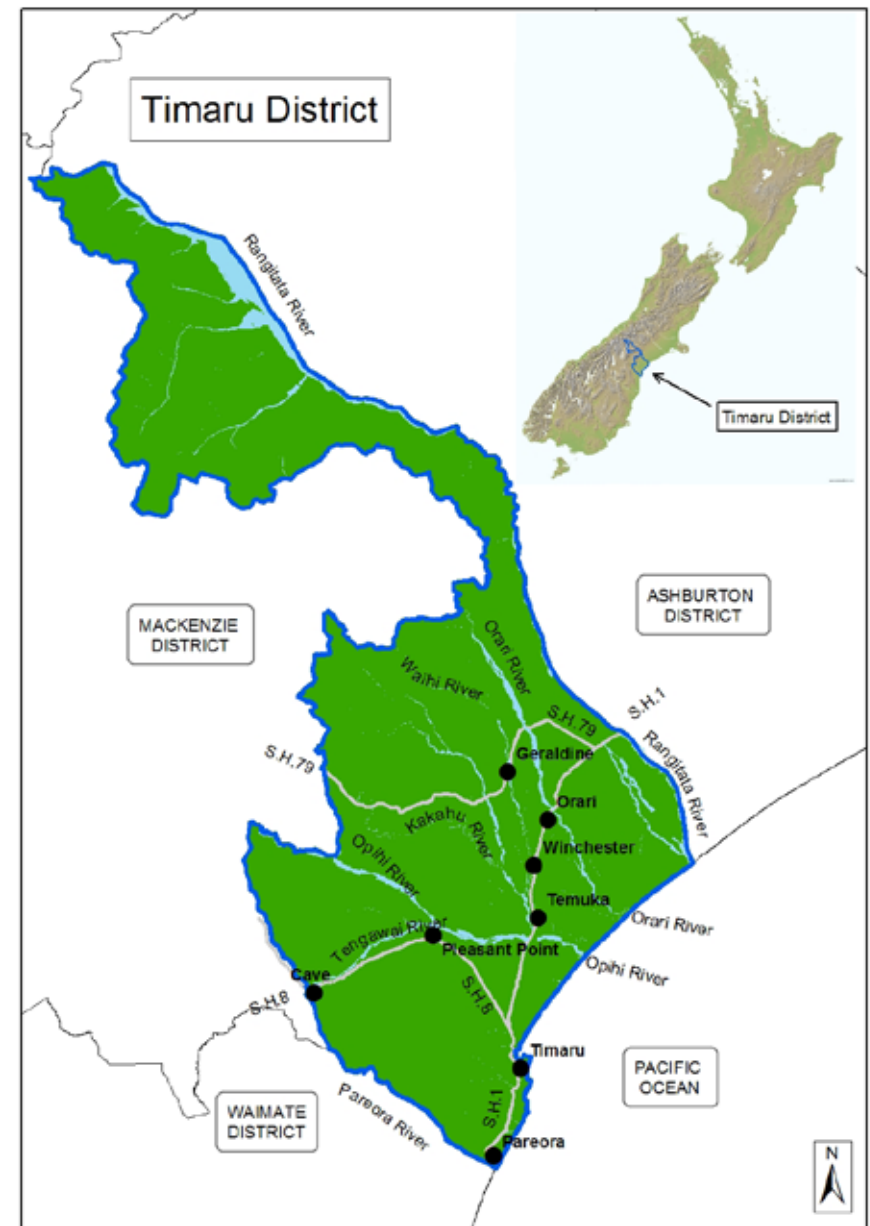
Demographics

The estimated resident population of the Timaru District as at June 2018 was 47,300. The 2013 Census population was 43,929. Population projections*, based on a medium growth scenario, project the district's population to increase to 49,400 (+8.8%) by 2028, peaking in 2038 at 50,200. The rate of natural increase will become negative from around 2028 meaning there will be more deaths than births. This reflects the age makeup of the district's population. Growth from 2028 will be reliant on net migration.

The population is expected to age 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 28.2% in 2028 and 32.9% in 2043.

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

*Based on Statistics NZ Population Projections update (released February 2017)



Timaru District, our Special Corner of the World

The following outlines the demographics of the Timaru District population, based on the 2013 Census:

Cultural Diversity

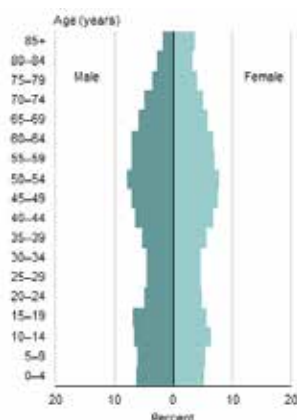
Timaru District residents are:

- 92.5% European (NZ: 74%)
- 7.4% Maori (NZ: 14.9%)
- 1.1% Pacific Peoples (NZ: 7.4%)
- 2.3% Asian (NZ: 11.8%)
- 2.7% Other Ethnicities (NZ: 2.9%)

Age-Sex Profile

48.6% of Timaru District residents are male. 51.4% are female.

The following illustrates the age-sex profile of Timaru District:



Source: Statistics New Zealand

Household Composition

In Timaru District: 67.3% are one-family households (NZ: 68.3%) 28.4% are one-person households (NZ: 23.5%) The average household size is 2.3 people (NZ: 2.7 people) The medium scenario for the district's households project growth to 21,105 households in 2033 (+13.1%), peaking in 2043 at 21,451 households, and declining slightly to 21,355 by 2063. Households are expected to increase to 20,680 (+10.8%) by 2028 which includes the 2018-28 LTP period. The increase in family households is for primarily couples without children (i.e. couples

who do not yet have children, couples who do not/will not have children, couples whose children have left home). One-person households will increase, reflecting the structural ageing of the population.

Families

In Timaru District: 50.8% are couples without children (NZ:40.9%) 35.5% are couples with children (NZ:41.3%) 13.7% are one parent with children families (NZ: 17.8%)

Work

The most common occupational group in Timaru District are 'labourers', followed by 'managers' and 'professionals'. Of those in the labour force, 75% are employed full time, with the remainder employed part time.

Income

In Timaru District:

- For those aged 15 or above, the median income is \$26,900 (NZ: \$28,500)
- 37.7% have an annual income of \$20,000 or less (NZ: 38.2%)
- 22.9% have an annual income of \$50,000 or more (NZ: 26.7%)

Economy

The Timaru economy is strongly influenced by its agricultural heritage. Agriculture is diverse, including dairy, sheep and deer farming and land suitable for all kinds of cropping. Significant businesses are located in the district, including Fonterra's Clandeboye dairy factory, McCain's food processing plant, NZ Light Leathers, Hilton Haulage, Alliance Group Smithfield plant, Sanfords, Talleys, Silver Fern Farms Pareora plant and Barkers Fruit Processors. The district is centrally located for distribution and PrimePort Timaru provides a gateway for exports and imports.

Employment in the district is strong, with the majority of people employed in manufacturing, health care and social assistance, retail trade, agriculture, forestry and fishing, and construction sectors. As at March 2019, there were approximately 5,517

businesses. The Agriculture, Forestry and Fishing industry sector accounts for around 21% of these businesses.

Visitors are a significant contributor to the district's economy, with the district providing a gateway to the central South Island.

The latest Infometrics report for the quarter ended March 2019 shows progress for some key economic indicators, compared to the whole of New Zealand position.

Indicators	Timaru District	New Zealand
Annual average % change		
Gross Domestic Product	⬆ 1.1%	⬆ 2.5%
Traffic Flow	⬆ 0.6%	⬆ 0.6%
Health Enrolments	⬆ 0.7%	⬆ 1.7%
Consumer spending	⬆ 2.0%	⬆ 4.1%
Residential Consents	⬇ -1.0%	⬆ 10.0%
Non-Residential Consents	⬆ 58.2%	⬆ 7.6%
House Prices*	⬆ 3.9%	⬆ 1.3%
House Sales	⬆ 8.8%	⬆ 1.6%
Guest Nights	⬇ -3.0%	⬆ 0.6%
Car Registrations	⬇ -7.0%	⬇ -7.6%
Commercial Vehicle Registrations	⬇ -3.0%	⬇ -0.07%
Job Seekers Support	⬆ 4.8%	⬆ 7.6%
Tourism Expenditure	⬆ 4.5%	⬆ 3.3%

* Annual percentage change (latest quarter compared to a year earlier)

Timaru District, our Special Corner of the World

Communities

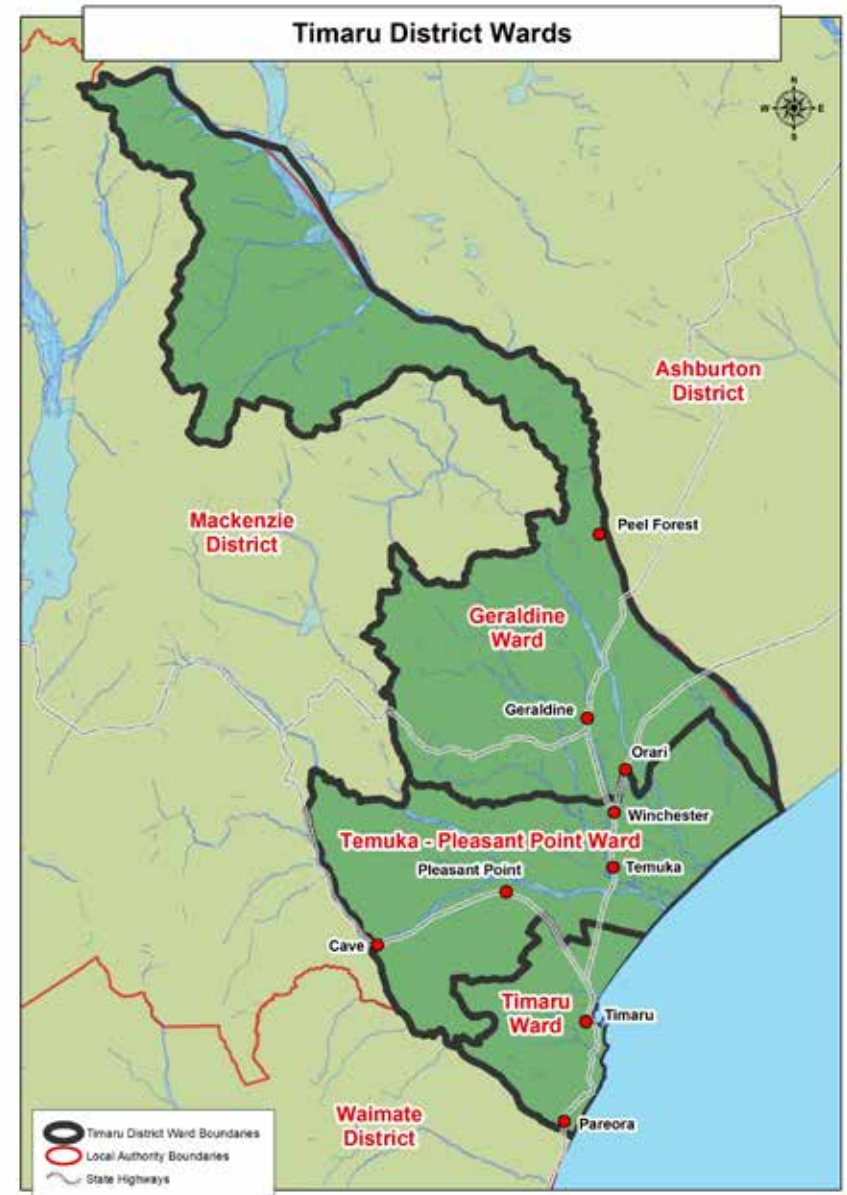
Timaru is the largest community, housing nearly two thirds (27,600 people) of the total population of the district. The next largest community is Temuka (4,120), followed by Geraldine (2,310) and Pleasant Point (1,220). Our communities are well serviced with education, health and recreational services along with a vast range of clubs and organisations. The South Canterbury District Health Board is the major health provider, with the Ara Institute providing tertiary educational services throughout the South Island.

Environment

The diverse landscapes of the Timaru District include rolling downlands, tussock land, coastal plains and wetlands, forest remnants, river gorges and rugged mountain ranges. The coastal plains to the north and downlands to the south are highly modified for intensive cropping, meat, wool and dairy production. Pasture and exotic woodlots dominate the modified hills and downs from Peel Forest to Cave, with occasional shrub and forest remnants. Limestone outcrops and volcanic sediment add to the diversity of the landforms.

The district is also defined by a number of waterways, including the Orari, Opihi, Rangitata, Waihi and Pareora Rivers. The Rangitata and Pareora physically define the district and all waterways are highly valued by the community for their recreational, social, natural amenity and economic values.

The district has a number of outstanding natural features and landscapes, as well as areas of significant native vegetation habitats of native fauna. There are also numerous important heritage sites, buildings and places







Council Activities and Work Programme 2019/20

Groups of Activities

This section provides an overview of the Council's business, organised within the Council's nine Groups of Activities. Four of these groups are mandatory under the Local Government Act – Roading and Footpaths, Sewer, Stormwater and Water Supply.

GROUP OF ACTIVITIES	ACTIVITIES
Democracy	Democracy
Community Support	Airport Community facilities (includes Public Toilets, Cemeteries) Community Funding Economic Development and District Promotions Emergency Management Safer Communities Social Housing
District Planning and Environmental Services	Building Control District Planning Environmental Compliance (includes Environmental Health, Animal Control, Parking Enforcement)
Recreation and Leisure	Cultural and Learning Facilities (includes Art Gallery, Halls, Theatre Royal, Libraries, Museum) Parks (includes Parks, Fishing Huts, Motor Camps, Forestry) Recreational Facilities (includes Caroline Bay Trust Aoraki Centre, Swimming Pools, Southern Trust Events Centre)
Roading and Footpaths	Roading and Footpaths (includes Parking Facilities, Cycleways, Walkways)
Waste Minimisation	Waste Minimisation
Sewer	Sewer
Stormwater	Stormwater
Water Supply	Water Supply

Democracy



Democracy

What we do

The Democracy activity supports and guides all the activities carried out by the Timaru District Council. It enables the Council to function and provide stable, transparent, effective, efficient and accountable local governance to the District.

The elected members of Council set direction, lead and make decisions. This is focused around progressing Council's Strategic Direction, with the overall goal of improving community well-being.

The activity includes all work associated with the elected Council and Community Boards in Geraldine, Pleasant Point and Temuka. Elected members, being the community's representatives, make decisions within the framework of the Local Government Act 2002 (LGA) on behalf of and in the interests of the community. Council and Community Boards are elected every three years.

The key functions include:

- Advocacy on issues that affect the district
- Allocating funding to Council activities
- Consultation with the community
- Communicating decisions, policy and activities to communities and stakeholders
- Developing and implementing strategy, policy and plans, such as the Long Term Plan and the District Plan
- Civic functions, such as citizenship ceremonies, award ceremonies and parades
- Elections and Representation reviews
- Administering statutory governance functions (e.g. Standing Orders, Delegations Registers)
- Partnering with external agencies
- Performance, planning and accountability. The development and adoption of key Council planning and accountability mechanisms, such as the Long Term Plan, Annual Plan and the Annual Report
- Maintenance of Sister City relationships with Eniwa (Japan), Weihai (China), Orange (Australia) and Orange (United States)
- Overall monitoring of the Council operation.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Community Support



Community Support

What we do

The Community Support group of activities provided by Council includes the following:

- Airport
- Community Facilities (Cemeteries and Public Toilets)
- Community Funding
- Economic Development and District Promotions
- Emergency Management
- Safer Communities
- Social Housing

Airport

The Council manages the Richard Pearse airport located approximately 10 kilometres northwest of Timaru. The airport provides a key business and community link from the district to Wellington with daily return flights. The Council owns and manages the asset – the main airport facility, including the terminal building and runway. Council is responsible for ensuring the airport is run to legislative and Civil Aviation rules and provides other services such as car parking and land for lease to commercial and private aircraft hangars and aviation orientated industry.

Community Facilities

Community Facilities includes cemeteries and public toilets. Council currently operates eight cemeteries for burial and cremation interments at Timaru, Temuka, Pleasant Point, Geraldine, Arundel, Woodbury, Mesopotamia and Pareora West. The day to day maintenance and interments at Mesopotamia and Woodbury cemeteries are managed by local communities.

Council provides 45 public toilet facilities throughout the district. Toilet facilities range from central city complexes that are open 24 hours, to envirotilets in remote areas. Services associated with public toilets (e.g. cleaning, maintenance) are managed by the Council and carried out by contract.

Community Funding

Community Funding involves assisting groups with projects and activities through various Council funding schemes, where they comply with Council policies. Council policy is focused on local

events, rural community halls, museums and community services and on substantial donations or loans for improved or new facilities. Funding support is also provided to community groups through low interest loans. Council administers the Creative Communities Scheme supported by Creative NZ. This activity also includes internal grants for rate remissions, a sport and recreation sewer charge and over 65's and over 80's swimming concessions.

Economic Development and District Promotions

This activity is concerned with promoting and assisting economic development and visitor opportunities in the district.

Council makes a major contribution to economic development through the provision of infrastructure and facilities and other services provided to the community. It is an advocate for district and individual businesses where needed.

A specific economic development component is delivered in partnership with a Council Controlled Organisation (CCO), Aoraki Development.

Key objectives for Aoraki Development include actively attracting and assisting the establishment of new business, assisting businesses to retain and attract a skilled workforce, encouraging new opportunities and facilitating the growth of existing businesses.

The District Promotions component, called Aoraki Tourism, covers district tourism and destination marketing. This is delivered in house and is focused on delivering a renewed tourism strategy.

Emergency Management

Communities that are safe, vibrant and growing are the cornerstone of emergency management. Developing resilient communities in an effective, adaptable and sustainable way is achieved through the '4Rs': Readiness, Reduction, Response and Recovery. Timaru District Council is an active member of the Canterbury Civil Defence Emergency Management Group (CDEM) and closely coordinates with neighbouring local authorities and other agencies to deliver services. By coordinating with partner emergency, health and welfare agencies, emergency events can be managed more effectively and in a manner that the community can support. Council works with communities in

writing community and agency response plans, facilitating strong communication networks, and providing best practice training for volunteers and staff.

Safer Communities

The Safer Communities activity helps to enhance the safety of the community, both now and in the future. It includes:

- Project Turnaround - A Restorative Justice programme funded by the Ministry of Justice
- Safer Communities - Targeted programmes, such as dealing with graffiti, run in conjunction with strategic partners with the aim of helping to reduce crime, raise awareness of issues and facilitate communication.

Social Housing

Council has 236 social housing units that fill a need in the community for quality but affordable housing for those in need. This compliments other rental property provided by central government community housing, rest homes and the private sector. Demand for the units is high, with an occupancy rate of 95%+ and a large waiting list. A comprehensive social housing policy sets the criteria for tenant selection, and requires the activity to be self-funding without any rates input.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Community Support

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Social Housing-Refurbishment	Ongoing refurbishment of the Council's social housing units to ensure they remain fit for purpose.	130,000
Public Toilets-Renewals	The renewal or upgrading of public toilets within the district. For 2019/20 this includes upgrading some rural toilets, toilets in Council owned parks and CBD areas.	80,000
Airport Renewals	Minor replacement and upgrading work at the Timaru Airport.	17,000
Cemeteries -Timaru District Replacement Site	Land is required to replace the Timaru Cemetery and provide a facility for the future. Funding has been set aside for investigating potential sites with a view to commencing the land purchase process.	2,000,000
Cemeteries-Reseal and roading programme	Resealing and repairing roads within the district's cemeteries.	1,000
Cemeteries-Concrete Beams, Furniture, Structures & Services	Concrete beams are installed in larger cemeteries to mark plot locations and provide a base for memorials. Furniture and structures such as seating are replaced as required.	20,000
Civil Defence-Equipment	Upgrading of radio equipment and other electronic equipment to facilitate communications between field operatives, welfare centres and Area HQs during Civil Defence emergencies	11,700
Civil Defence-Sirens	Installation of new and replacement warning sirens	24,000

District Planning and Environmental Services



District Planning and Environmental Services

What we do

District Planning and Environmental Services activities provided by Council include:

- Building Control
- District Planning
- Environmental Compliance

These activities are concerned with consenting, compliance, monitoring and enforcement functions across a wide cross-section of statutes that focus on the protection of community health, well-being, safety and amenity.

Building Control

Building Control is responsible for administering and implementing the provisions of the Building Act 2004 (the Act). This involves balancing delivery of a customer focused service within legislative requirements, while managing the risk to the community and Council.

Under the Act, Council must maintain accreditation as a Building Consent Authority. It is responsible for processing and granting building consents, inspecting and monitoring building work, issuing Code Compliance Certificates, Certificates of Public Use, and processing Land and Project Information Memorandums, providing advice on building related matters and enforcing numerous other provisions under the Act. The Act's main purpose is to provide for the regulation of building work, the establishment of a licensing regime for building practitioners, and the setting of performance standards for buildings. As a result of a 2016 amendment to the Building Act, Council has a requirement to ensure that all potentially earthquake prone buildings within the district are assessed within the statutory time frame, for the purpose of identifying their level of structural compliance.

District Planning

The District Planning Activity is primarily concerned with managing how land is used and how subdivision is undertaken in the district. The key tool for managing this is the Timaru District Plan. This outlines the district's resource management issues and objectives, policies, methods and rules. These are used to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources

of the district.

On a day to day basis, the activity is concerned with providing advice on district planning matters, processing land use and subdivision consent applications, providing policy advice and monitoring work. The activity also provides policy advice on planning and development, conservation, design, heritage and environmental issues that affect the district.

Environmental Compliance

The Environmental Compliance activity is primarily concerned with preserving, improving, and promoting public health and safety in the district. It deals with a multitude of issues such as food safety, disease containment, noise control, hazardous substances, liquor licensing, environmental nuisance, gambling control, parking enforcement and animal control. The activity is also responsible for the general administration, review and enforcement of the Timaru District Consolidated Bylaw 2018. The bylaws cover a wide variety of issues in the community that require rules, ranging from premises such as tattooists and ear piercing businesses, to overgrown or overhanging vegetation.

Council has two shared service arrangements with Mackenzie District Council and Waimate District Council, to provide health protection, bylaw, liquor and health licencing services.

This activity administers the District Licensing Committee which considers applications and renewals relating to liquor licences, including Special Licences obtained for selling liquor at events or special occasions under the Sale and Supply of Alcohol Act.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

District Planning and Environmental Services

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	
		2019/20
District Plan Review	Furthur work on the review of the Timaru District Council District Plan. The review is prescribed to take place by legislation every 10 years and will take several years to complete.	969,099
Dog Control Signage	Replace and renew dog control signage in the district as required.	5,000

Recreation and Leisure



Recreation and Leisure

What we do

Recreation and Leisure includes the following activities provided by the Council:

- Cultural and Learning Facilities
- Parks
- Recreational Facilities

Cultural and Learning Facilities

Aigantighe Art Gallery

The Aigantighe (pronounced egg-and- tie) Art Gallery is a public art gallery in Timaru that collects, exhibits, preserves, researches and educates about visual art. Its rich and growing permanent art collection is shown in the original House Gallery through revolving exhibitions, while temporary exhibitions are held in the 1978 extension. The Aigantighe is regarded as the regional art gallery of South Canterbury due to its focus on regional art both in the permanent collection and in the temporary exhibition programme. The gallery is open 6 days a week and is free to visit.

South Canterbury Museum

The South Canterbury Museum is a regional museum of nature, history and culture located in Timaru. It provides access to unique collections of local heritage items, images, archives and information, long term displays, a programme of short term exhibitions, a variety of public programmes and services and heritage programmes for schools both at the museum and around the District (Government funded). The museum is open 6 days a week with free admission.

Timaru District Libraries

Timaru District Libraries provide public library services delivered from facilities in Timaru, Temuka and Geraldine and online. Temuka and Geraldine libraries also double as Council Service Centres, with an Information Centre at Temuka. The main Timaru library provides a public library service and coordinates branch services. Library facilities are heavily used for other community purposes such as study places, computers, WiFi, photocopying, and historical collections for in-library reading, writing, research, relaxation and communication. The libraries are also meeting places for groups and a place for the sharing of community

information.

Timaru District libraries cooperate nationally with other agencies to enable access to Interloan services and various online databases. Free internet and computer use is provided via the Aotearoa People's Network Kaharoa, funded jointly by the government and Council. Library deliveries are also made to housebound people and rest homes. The Timaru Library is open seven days per week and Temuka and Geraldine Library/Service Centres six days. All facilities are free to visit and membership is free to Timaru District residents.

Halls and Theatres

The Council owns and manages the Theatre Royal in Timaru. This Category B Heritage building seats up to 1,000 people. The theatre is the premier venue for visiting cultural and entertainment shows and also available for community use.

The Council also provides or supports a number of other venues, including:

- *Facilities owned and managed solely by TDC*
These include the Caroline Bay Hall, Lounge, Entertainment Centre and Sound Shell, Pleasant Point Hall, Temuka Alpine Energy Centre, Winchester Hall and Washdyke Community Hall and Sports Centre. These facilities are managed entirely by Council, including hall bookings, maintenance, upgrades and payment of rates and insurance.
- *Facilities owned by Council and managed by committees*
Eleven community halls are owned by Council (e.g. Clandeboye, Pleasant Valley, Taiko Halls). These halls are managed by local communities through committees, who are responsible for upkeep and annual expenses. The Westend Hall in Timaru is also owned by Council and available to the public but leased and managed by the Masonic Lodge. Council will occasionally provide funding for major structural or capital work, or support halls through existing TDC community funding schemes.
- *Facilities operated by the Council but not owned*
Since 1 February 2012, the Council has leased the Aorangi Stadium from the Aorangi Stadium Trust and promotes and manages this facility in conjunction with the Caroline Bay Trust Aoraki Centre. There are also a number of halls owned

by community organisations (e.g. Claremont, Seadown and Fairview halls). These are supported via targeted rates which are collected on behalf of the hall owners.

Parks

The Parks activity provides and manages over 615 hectares (excluding Crown leases) of parks, reserves, sports grounds and gardens throughout the district. The district's parks network is grouped into five main categories as follows:

- *Premier Parks*
Premier Parks are parks of particular significance to the district and are generally developed and maintained to a high standard. Examples are the Timaru Botanic Gardens, Caroline Bay and parts of Temuka and Geraldine Domains.
- *Sports and Recreation Parks*
Sports and Recreation Parks are primarily used for active sport and recreation and may provide for other community activities. Examples include the Pleasant Point Domain, Gunnion Square in Temuka and Aorangi Park in Timaru.
- *Neighbourhood Parks*
Neighbourhood Parks are developed urban parks and usually contain a children's playground. Examples include Cornwall Park and Lough Park in Timaru.
- *Amenity Parks*
Amenity Parks cover a wide range of purposes, from developed areas with mown grass, gardens or trees through to undeveloped natural green areas providing corridors for native fauna along rivers and streams. Generally these areas enhance the environment with open spaces and plantings. Examples include Kennedy Park in Geraldine, independently managed rural domains, Patiti Point Reserve and Centennial Park in Timaru.
- *Natural Parks*
Natural Parks provide opportunities for people to experience nature. Predominantly located in rural areas, these include native bush areas, wetlands and riparian areas. Many of the areas include walking tracks, mountain biking tracks and picnic areas with facilities in each area to support the particular activities catered for. Examples include the Claremont Bush and Otupua Wetland in Timaru and Pekapeka Gully in Geraldine.

Recreation and Leisure

Other park categories include Special Purpose Parks (e.g. Cultural Heritage Parks such as memorials and historic structures and places) and Civic Spaces. Exclusive Use Land is also leased or occupied by sporting and community groups and generally not freely available to the public.

The level of park development varies from location to location. A rural esplanade reserve or scenic reserve may have virtually no improvements, whereas a premier urban park will contain buildings, structures, lighting, paths, vehicle access ways and car parks, signs, fencing, furniture, services and a range of vegetation from grass to mature trees.

Parks encompass a number of uses such as the new area in Redruth, Timaru designated as a dog park. Outdoor events are often held using park facilities and several clubs and organisations use them for their activities, including hockey, croquet, cricket, bowling, cycling, soccer, rugby league, tennis, netball and pistol shooting.

Some recreation planning, co-ordination and provision is also managed through this activity, and is currently contracted to Sport Canterbury.

A Parks Strategy provides a vision for parks in the Timaru District that, while not binding, gives an indication of Council's intentions for the future provision of park land in the district.

Forestry

The Council manages a small forestry programme comprising mixed aged and species plantations. Forestry is planted primarily on over 235 hectares of reserve land unsuitable for other uses, with 58 separate sites. The primary species planted are Radiata Pine (65%), Douglas Fir/Oregon Pine (28%), Macrocarpa (5%) and Poplar/Other species (2%). The forestry resource is wholly owned by the Council and is operated as a land management activity, with some investment return.

Fishing Huts and Motor Camps

Council manages two fishing huts sites on reserve land, subject to the Reserves Act 1977. Fishing huts sites are located at South Rangitata and Stratheona near Pleasant Point.

Land on which privately owned fishing huts are located is leased to hut owners, who are responsible for all hut and site maintenance.

Five motor camps are managed on domain reserves at Geraldine, Temuka, Pleasant Point, South Rangitata and Winchester. Geraldine, Temuka and Winchester are open permanently, while Pleasant Point and South Rangitata are seasonal. All motor camps, except Pleasant Point, are leased under management agreements. The Pleasant Point Motor Camp is managed by the Council with local businesses supporting its operation.

Recreational Facilities

Swimming Pools

The district's premier swimming complex, the Caroline Bay Trust Aoraki Centre (CBay) is located at Maori Park, Timaru. CBay opened in July 2012. It incorporates a 50 metre outdoor pool and an indoor complex featuring a ten-lane 25 metre lap pool, a programme pool, a 250m² leisure pool with a lazy river and learn to swim area, an attached toddlers pool and wet playground, a chillax area featuring a spa pool, a steam room and sauna as well as a Fitness facility. There is also a café and retail space within the facility.

Pool complexes are also provided at the following locations:

- Geraldine - 25 metre outdoor pool and learners pool
- Pleasant Point - 25 metre outdoor pool and learners pool
- Temuka - 30 metre outdoor pool and toddlers pool

Southern Trust Events Centre

This facility is a triple basketball court complex located on Aorangi Park, Timaru. It was previously operated by the Aorangi Stadium Trust, however Council assumed operational management in 2012. It also contains a fitness studio which is available for hire by non-profit groups, several tenanted rooms (main tenants are Sport Canterbury and South Canterbury Basketball) and a lounge facility which is also available for hire. The facility is owned by the Aorangi Stadium Trust - a Council Controlled Organisation.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Recreation and Leisure

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Libraries - Purchase Books and Resources	Funding used for the purchase of books and resources to ensure the district's libraries are able to deliver a high level of service to the community	350,000
Libraries - Bequests - Dowling & MacKay	Funding provided by the Dowling bequest for the purchase of Christian books, and the MacKay bequest for the purchase of art literature	10,000
Libraries - Equipment/Furniture	Purchase of equipment and furniture for the district libraries and service centres	145,000
Libraries - Self Check Out system	The installation of a self-check out system at the Timaru Library	65,000
Libraries - Replacement carpets	As carpets in the districts libraries come to the end of their useful life they will be replaced	185,000
Libraries - Replacement of Security System	Upgrade of the heating system for the Timaru Library to ensure there is adequate heating for users	5,000
Libraries - Timaru Library Roof	The roof of the Timaru Library is approaching the end of its useful life and is to be replaced	1,750,000
Libraries - Building Upgrades	Building upgrades including fixtures and equipment	130,000
Libraries - Timaru Car Park Resurfacing	Resurfacing the Timaru Library car park	40,000
Art Gallery - Bequests - Sevicke-Jones, Lattimore and MacKay	Funding used for the purchase of art works from the Sevicke-Jones, Lattimore and MacKay bequests	9,800
Art Gallery - Art works	Funding used for the purchase of art works from rates	6,200
Art Gallery - Building Renewals	Refurbishment of Art Gallery buildings and additions/extensions to the Art Gallery's art stores for growing collection to ensure art works are housed in suitable conditions	610,000
Art Gallery - Furniture and Equipment	Purchase of furniture and equipment for the art gallery.	32,000
Museum - Exhibition Upgrades	Upgrade of exhibition areas in the South Canterbury Museum to ensure the continued delivery of a high level of service	75,000
Museum - Security System	Replacement of the security system at the museum	30,000
Museum - Office Furniture, Fittings and Equipment	The replacement of office furniture, fittings and equipment as required	1,500
Halls & Theatres - Theatre Royal Upgrade/ Heritage Facility development	Project to upgrade the Theatre Royal and Heritage Facility development.	5,645,000
Halls & Theatres - General Renewals	General internal renewals	7,000
Halls & Theatres - Community Centre Upgrades	Maintenance and upgrading at various Council owned community centres and halls	57,000

Recreation and Leisure

Project Title	Summary	2019/20
Halls & Theatres - Furniture and Equipment Replacements	Replacement of furniture and equipment in community halls as required	4,000
Aorangi Stadium - Plant and Equipment	Upgrade of plant and equipment	25,000
Swimming Pools - Geraldine Pool Renewals	Equipment renewals at the Geraldine Pool, including shade sails, inflatables, pool cover and lane ropes	19,500
Swimming Pools - Temuka Pool Upgrade/ Renewals	Upgrading of the Temuka pool	1,060,000
Swimming Pools - Caroline Bay Trust Aoraki Centre – Renewals	Equipment renewals including fitness equipment and building renewals	60,000
Swimming Pools - Pleasant Point- Renewals	Equipment renewals at the Pleasant Point pool, including inflatables, pool cover, lane ropes and tiles	9,000
Parks and Recreation - Courts Resurfacing	Progressing projects to resurface sports artificial surfaces in a number of locations across the district.	175,000
Parks and Recreation - Structures	Replacement of retaining walls, bridges and minor structures in the district's parks.	290,700
Parks and Recreation - Reseal Programme	Resurfacing of the hard surfaces in the district's parks, as they come to the end of their useful life.	449,100
Parks and Recreation - Replace/Install new Playground Equipment & Under-surfacing	Replacement of playground equipment and under-surfacing in the district's parks and the installation of new equipment or under-surfacing in district playgrounds	152,700
Parks and Recreation -Furniture and Signs	Replacement and installation of new park furniture and signage	48,650
Parks and Recreation -Fences	Replacement of fences in the district's parks	17,200
Parks and Recreation -Services	Replacement of parks services such as water mains, drains and culverts	87,000
Parks and Recreation -Rural Plantings	Rural plantings at the district's parks	3,700
Parks and Recreation -Temuka Domain Development	The continuing re-development of the Temuka Domain. Capital expenditure includes roading, carparks, relocate monuments, planting, earthworks, aviary alterations, footpaths and signage	168,900
Parks and Recreation -Shared Urban Tracks	The implementation and development of the Off-road walking and biking strategy including further development of off road shared tracks.	220,000
Parks and Recreation -Walkway Esplanade Enhancement	The redevelopment of walkways and planting along esplanade strips	36,400
Parks and Recreation - Esplanade Reserves Acquisition	Purchase of land for esplanade reserves.	54,200
Forestry -Fencing Renewals	Renewals of fencing in and around Council owned forest land.	9,500
Motor Camps -Renewals	Equipment renewals and road resealing in the district's motor camps.	64,000

Roading and Footpaths



Roading and Footpaths

What we do

Roading and Footpaths includes the following activities provided by Council:

- Roothing and Footpaths
- Cycleways and Walkways
- Parking Facilities
- Road Safety

Roothing and Footpaths is concerned with provision of the land transport network and associated assets and services throughout the district. It delivers both asset (such as roads, signs, and infrastructure) and non-asset functions (such as street cleaning, garden/berm maintenance, temporary traffic management and road safety initiatives).

Timaru District is a regional transportation hub, servicing significant agricultural areas, associated processing plants and a significant port operation. Council currently manages over 1,700km of sealed and unsealed roads, 297 bridges (including single lane bridges, weight restricted bridges, large culverts and footbridges), 312km of footpath, drainage facilities (e.g. soak pits, culverts), street furniture, signs, bus stops, carparks, traffic signals, kerb and channel, 4,406 street lights, cycleways, road marking and some minor structures. Overall management of the assets is provided by the Council, with operational work carried out by contractors.

The activity also includes managing the parking asset (e.g. parking meters and carparks). Monitoring parking compliance in the district is carried out by the Environmental Services Group.

Council also provides many cycleways and walkways throughout the district. These range from cycleways in the road corridor, to combined walkways and cycleways that are off-road, such as beside urban and rural streams. Off road walkways and cycleways are often managed jointly between the Parks and Recreation Unit and the Land Transport Unit.

Service delivery is influenced by a complex array of government legislation and policies as well as national and regional strategies. The Council also has several strategies that help guide delivery, headlined by the Timaru Transportation Strategy, with other strategies for active transport, off road walking and cycling, public transport, road safety, lifecycle management and parking.

Funding for the management and maintenance of the roading and footpaths network is provided from rates, loans, and user charges together with funding assistance received from central government through the New Zealand Transport Agency (NZTA). The NZTA is also responsible for the State Highway network.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Roading and Footpaths

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Structural Bridge Replacements	The replacement of bridges in the district, which are at the end of their design life.	760,000
Pavement Rehabilitations	Reconstruction of roading in the district at the end of its design life to ensure maintenance costs are reduced. The budget has been increased due to higher traffic volumes causing road surfaces to wear out quicker than expected.	2,300,000
Minor Improvements Works	General improvements to the roading network, such as safety improvements, upgrades or new cycle ways	805,000
Kerb and Channelling – Renewals	Renewals of kerb and channelling in the district, including enhancements to create safer speed environments	1,030,000
New Kerb and Channelling	New kerbing and channelling in the district's roading network.	400,000
Chip Seal Renewals	Renewals of chip seal road surfaces in the district	2,550,000
Asphalt Surface Renewals	Renewals of asphalt road surfaces in the district	500,000
Unsealed Road Metalling Renewals	Renewals of road metal on unsealed roads across the district	500,000
Intersection Upgrades/Safety Improvements	Safety improvements to intersections, which may include traffic signals, roundabouts or the upgrading of intersections to improve traffic safety and flow	250,000
Geraldine - Coach/Tiplady Intersection upgrade	Upgrading of the Geraldine - Winchester - Coach - Tiplady Intersection (Council portion \$500,000)	2,000,000
District Footpath Improvements/Renewals	Renewals of footpaths across the district, including Geraldine, Temuka, Timaru, Pleasant Point and other rural townships	1,470,000
Cycleways	Construction of new cycleways	100,000
New District Footpaths	New footpaths across the district, including Geraldine, Temuka, Timaru, Pleasant Point and other rural townships	153,000
Signage Renewals	Renewals of damaged, vandalised or stolen road signs and signage that has reached the end of its useful life	130,000
New Signs	Provide new signs for the Timaru District roading network	80,000
Traffic Sign Renewals	The replacement of district traffic lights at the end of their useful life or when damaged	80,000
Culvert Renewals	Renewals of culverts in the districts roading network	80,000
New Culverts	New culverts in the district's roading network	90,000
Street Light and Lantern Renewals	Replacement of street lights, bulbs and lanterns. Also included are subdivision contributions where required to enhance lighting or services provided by the developers of new subdivisions, if the enhancement is for the public good	24,000
Streetlighting - LED Lantern replacements	Active replacement of streetlights with LED lanterns allowing for lower maintenance and energy costs	980,000
Community Lighting Lantern replacements	Replacement of community lighting lanterns	20,000
Seal Extensions	Seal extension of unsealed roads according to Council policy	330,000
Seal Widening	Seal widening of roads across the district	900,000

Roading and Footpaths

Project Title	Summary	
		2019/20
CBD Refresh (district wide)	A freshen up of all the districts Central Business Districts, with a final work programme to be determined.	500,000
Security Cameras projects	New security cameras to add to the current CBD surveillance systems.	20,000
Bus Shelters-Relocations	The relocation of district bus shelters.	70,000
Christmas Decorations replacement	Replacement Christmas decorations for Timaru and Geraldine	9,000
Subdivision contribution	Council's contribution towards subdivision costs associated with street lighting	4,000
Carparking - Pay and Display machines	Replacement of pay and display machines across the district	15,000
Office Equipment	The replacement of specialist engineering equipment in the Land Transport Unit.	12,000
Land for Roding purposes	Purchase of land required for new roading	15,000

Sewer



Sewer

What we do

Timaru District Council Sewer Services include the collection, treatment and disposal of domestic and industrial wastewater.

Sewer systems are provided in the urban areas of Timaru, Temuka, Geraldine and Pleasant Point. These systems are linked via pipelines to the main wastewater treatment plant and ocean outfall in Timaru. A small collection scheme also serves the Arowhenua community which feeds into the Temuka pond for treatment. Additional sewer is not currently available for any rural zoned areas. Rural houses manage their own effluent. Approximately 80% of the total district residential population receives the sewer service.

Timaru's industrial wastewater stream is treated separately from the domestic wastewater stream. Primary treatment is done on-site by industries to comply with tradewaste discharge limits set by Council before discharging to the public wastewater system, and ultimately ocean discharge

The Sewer activity looks after an asset base consisting of the main wastewater treatment plant in Timaru, three oxidation ponds at the inland towns of Geraldine, Pleasant Point and Temuka, 24 sewer pump stations, and a reticulation network of approximately 354km of pipeline and nearly 4,000 manholes. The assets at the main wastewater treatment plant at Aorangi Road in Timaru consist of a milliscreen plant for industrial wastewater; a domestic wastewater treatment system consisting of a network of screening structures, treatment ponds, and pump station; a reception facility for tankered discharges; and an ocean outfall for discharging of the treated wastewater.

Environment Canterbury has granted Council consent to discharge to the ocean until 2045.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Sewer

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Drainage/Sewer-Small Mains Renewals and Capital Upgrades	Replacement of pipes and other sewer assets across the district as they reach the end of their useful life	1,090,000
Maintenance Generated Renewals	Renewals generated as a result of planned maintenance to the sewer network	140,000
Model Analysis and Calibration	Wastewater network modelling and flow monitoring for model calibration purposes	150,000
Pump Renewals	Renewal of pumps as they come to the end of their useful life	98,000
Data Capture Equipment Repairs	Repair of sewer sampling and monitoring equipment	16,000
Mechanical Plant and Equipment Renewals	Replacement of plant and equipment that has reached the end of its design life, including electrical equipment, Programme Logic Controllers (PLC) and telemetry	310,000
Inland Towns Ponds Screens and Aerators Renewal	Renewals of pond screens and aerators that have reached the end of their useful life	50,000
Building and equipment renewals	Renewals at buildings and equipment associated with the sewer network	15,000
New Sewer Reticulation	The extension of reticulation in sewer networks to enable residential development in urban areas	926,000
Talbot Street , Geraldine - Siphon Upgrade	Installation of a new siphon to improve sewer network capacity downstream to the Geraldine pond.	650,000

Stormwater



Stormwater

What we do

Timaru District Council provides stormwater services in the urban townships of Timaru, Temuka, Geraldine and Pleasant Point. The schemes range from piped to open channel systems and comprise Council's primary stormwater networks. Stormwater is disposed to soakpits, surface water bodies (e.g. drains, rivers) or the ocean, depending on the scheme.

Rural stormwater is managed mainly through land drainage with minimal conveyances provided in Winchester, Cave and Pareora.

The management of stormwater is critical for the safety of the community and the protection of public and private property. If not effectively collected and drained, stormwater can become a significant hazard and can cause damage to structures and properties. The discharge of stormwater also has the potential to cause adverse effects on the environment and subsequently the wellbeing of communities. The natural attributes of rivers, lakes and other freshwater bodies can be degraded by excessive sediment and contaminant inputs or by the flow rates and volumes of stormwater discharges. Council has a responsibility to ensure that stormwater is managed in a manner that sustainably supports the environmental, social, cultural and economic wellbeing of the communities it serves.

The activity looks after an asset base of around 146km of pipeline, 33km of open channel, 6 detention dams, 1 retention and filtration basin, 2 pump stations, over 2,344 manholes, 216 soak pits, over 3,000 sumps, and secondary/overland flow paths.

Where practicable Council is making increasing use of low impact design systems that when not used for stormwater purposes, provide open green space for people to enjoy.

Stormwater schemes in residential areas are designed to cope with a 1 in 5-year return rainfall event (i.e. the event has a 20% chance of occurring in any one year). In industrial and commercial zones they are designed to cope with a 1 in 10 year return rainfall event (i.e. the event has a 10% chance of occurring in any one year). Rainfall events of this size may cause temporary ponding, while some surface flooding may result where events exceed this size.

For larger rainfall events, stormwater systems are designed to flow along escape routes or secondary flow paths such as roads and gullies, to prevent damage to structures. These are generally designed for a 1 in 50 year return rainfall event (i.e. the event has a 2% chance of occurring in any one year).

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Stormwater

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Geraldine Stormwater Renewals	General renewal of minor culverts, sumps and soak pits in Geraldine.	5,000
Geraldine Stormwater Capital Upgrades	Upgrading the stormwater network, and other projects that will be identified in the Geraldine Stormwater Management Plan(SMP), including work to improve stormwater quality in line with the Land & Water Regional Plan	305,000
Temuka Stormwater Renewals	General renewal of minor culverts, sumps and soak pits in Temuka.	15,000
Temuka Stormwater Capital Upgrades	Upgrading the stormwater network, and other projects that will be identified in the Temuka Stormwater Management Plan(SMP), including work to improve stormwater quality in line with the Land & Water Regional Plan	165,500
Timaru - Fixed Plant and Equipment Renewals	Renewal of plant and equipment that have reached the end of their useful life including electrical, instrumentation, controls and telemetry.	36,000
Timaru - Gleniti Dams	Construction of bunds to attenuate stormwater flow in the Gleniti area	85,000
Timaru Stormwater Renewals	Maintenance generated renewals of minor culverts, sumps and soak pits in Timaru.	20,000
Timaru Stormwater Capital Upgrades	Projects to improve the network capacity and flow quality, including work to improve stormwater quality in line with the Land & Water Regional Plan	110,000
Timaru Stormwater Network Renewals	Network renewal work including improvements at the Washdyke pump station	490,000
Timaru - Number 1 Drain Upgrade	Increasing the capacity of the stormwater drain to improve network flow and quality of discharge.	200,000
Rural Stormwater Renewals	General renewals of stormwater reticulation, minor culverts, sumps and soak pits in rural locations.	5,000

Waste Minimisation



Waste Minimisation

What we do

Waste Minimisation addresses the management of waste generated in the Timaru district. This involves the safe and effective collection, recycling, recovery and disposal of waste materials with a focus on minimising waste. Since 2006, the Council has operated the 3-2-1-ZERO kerbside collection in the District. This highly successful system provides 85% of the district's households with organic waste, recycling and rubbish bins which are collected regularly with materials sorted and managed at the Redruth Resource Recovery Park.

The vision for Waste Minimisation is:

"A sustainable community that is able to reuse, recycle and recover discarded resources and minimise residual waste to landfill, while ensuring protection of public health and the environment."

Council manages the overall activity including the services listed below and owns waste minimisation sites and facilities where operational work is carried out by contractors. Waste Management New Zealand Ltd (WMNZ) is contracted until June 2021 to provide kerbside collection, transfer stations, landfill, composting and recycling operations. Council services provided are:

- Kerbside collection service to urban and some rural residents for organic (green) waste, recycling and rubbish
- Transfer station facilities at Geraldine, Pleasant Point, Temuka and Timaru (Redruth) incorporating:
 - recycling, composting and rubbish dropoff
 - scrap dropoff
 - scrap metal and cleanfill dropoff
 - household hazardous waste dropoff
 - reusable goods dropoff
- Waste Minimisation facilities at Redruth Resource Recovery Park including:
 - landfill
 - recycling and composting facilities
 - a retail shop for reusable materials called "The Crow's Nest" at Redruth. This also offers a kerbside collection service for large reusable goods
- An off-site scrap metal recycling drop-off

- Information and education resources for the public and businesses
- 3-2-1-ZERO waste minimisation support for public zero waste events
- 3-2-1-Zero Public Place Recycling
- Implementation of business and community waste minimisation programmes such as the modern cloth nappy programme

Under the Waste Minimisation Act 2008, Councils must complete a Waste Management and Minimisation Plan (WMMP) every six years that assesses the provision of existing services and provides options for the delivery of future services.

A full review was conducted in conjunction with the 2018-28 LTP. This commenced with a waste assessment in 2017 which highlighted the need for continuing to implement waste diversion opportunities and an increased focus on community education. Following discussion with the community as part of consultation on the 2018-28 LTP, these priorities continue to be at the forefront of the WMMP.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.

Waste Minimisation

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	
		2019/20
Redruth Landfill	New cell development, site works, fixed asset renewals, closure of cells that have reached capacity, and aftercare work	543,830
Complementary Business	Kerbside collection - new and renewal bins	398,600
(All activities at Redruth site other than landfill)	Compost facility-additional compost and maturation pads, replace composting equipment	
	closed landfill capping	
Other Sites	Waste levy projects including public place recycling	19,500

Water Supply



Water Supply

What we do

The Water Supply activity provides for the safe and effective abstraction of water from the source, and treatment, storage and distribution of water to urban and rural parts of the district. Quality water is delivered for residential, commercial, industrial and stockwater purposes. Water is not supplied for irrigation or horticultural purposes.

Over 19,000 residential and non-residential properties are served through the following 12 individual water supplies (see map) operated on behalf of the residents of the Timaru District.

Urban Water Supply Schemes:

- Geraldine
- Peel Forest
- Pleasant Point
- Temuka
- Timaru
- Winchester

Rural Drinking Water and Stockwater Supply Schemes:

- Downlands
- Orari
- Seadown
- Te Moana

Stockwater only Schemes:

- Beautiful Valley
- Rangitata – Orari Water Race

Urban water schemes operate as individual water supplies but are managed and funded via a single budget. The Downlands scheme is managed and operated by Timaru District Council on behalf of residents of the Timaru, Mackenzie and Waimate districts. The policy for this scheme is determined by a Joint Standing Committee of the three Councils.

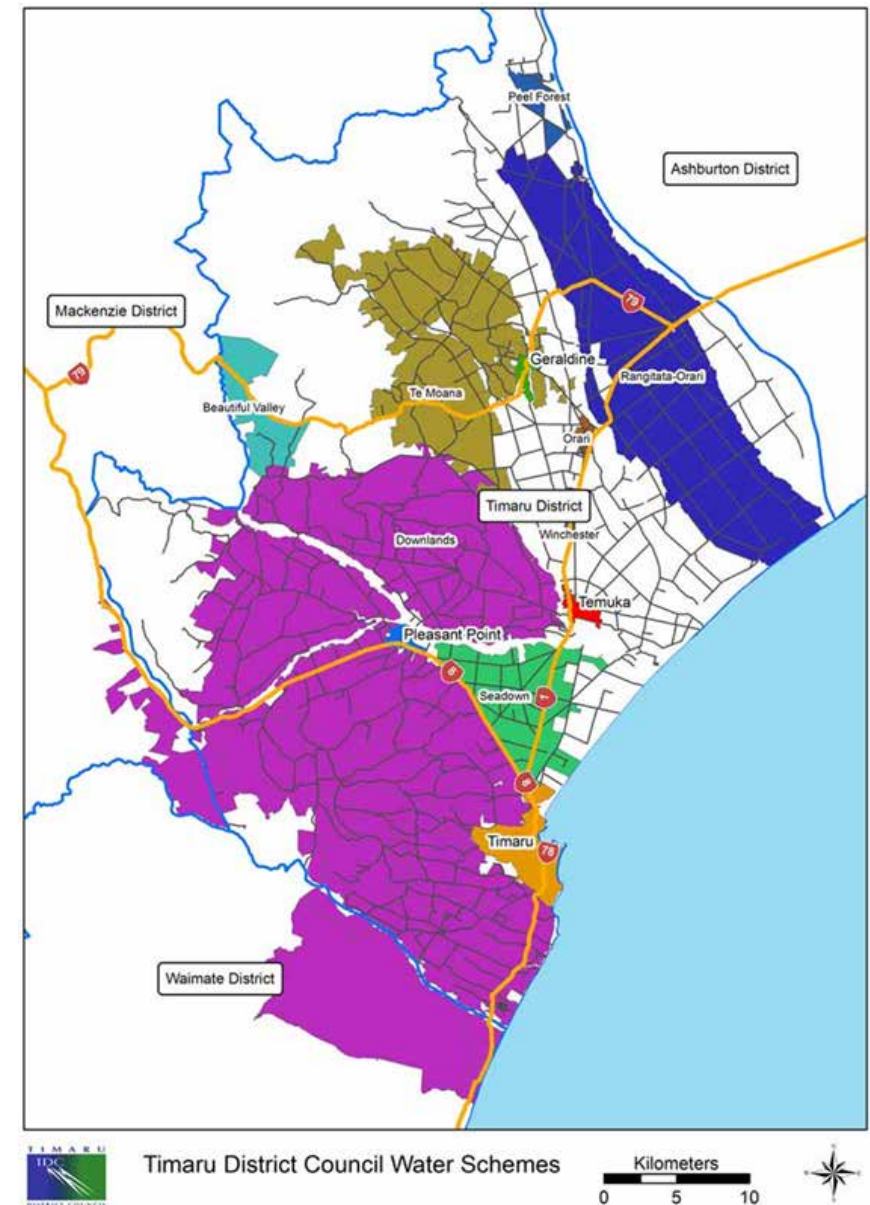
Water sources for the schemes include rivers, and bores. Environment Canterbury (ECan) allocates water to the Council via resource consents, which set upper limits on the amount of water that can be taken from each water source.

Water supply assets managed include 19 water intakes, 12 treatment plants, 35 reservoirs and 24 pump stations. The

total length of the pipe networks is approximately 1,854 kilometres.

The urban schemes are generally on-demand at the tap. The rural drinking water and stockwater schemes are flow control supplies (using restrictors) to private storage tanks except the Seadown scheme which supplies directly to stockwater troughs. The Seadown scheme is currently under review to enable more efficient supply and use of water. The Rangitata-Orari water race scheme supplies stockwater to water races on or adjacent to scheme properties.

For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2018-28.



Water Supply

Planned Work 2019-20

The list below represents the projects planned for the Annual Plan 2019/20, based on and as adjusted from Year 2 of the Long Term Plan 2018-28. For a full list of projects relating to 2018-28, please refer to the Long Term Plan 2018-28.

Project Title	Summary	2019/20
Urban Water Supplies -Reticulation and Services Renewals	Renewal of pipes, valves, hydrants and other water supply assets in the urban water schemes that have reached the end of their design life, including renewals generated as a result of maintenance to the water supply network	1,622,000
Urban Water Supplies -Fixed Plant and Equipment	Renewals at urban water supplies, including pumps, reservoir pipeworks, plant equipment, instrumentation, electrical, controls, telemetry, intakes and treatment renewals	2,030,000
Urban Water Supplies - Timaru Pareora Pipeline Renewal	Renewal of the Timaru Pareora pipeline due to condition and performance issues	9,800,000
Urban Water Supplies - Timaru Reservoir Cover	Renewal of the Timaru Reservoir cover that has deteriorated due to age. This will occur in stages.	50,000
Urban Water Supplies - Temuka Treated Water Storage and pumps	A new treated water storage facility for Temuka to increase storage capacity for the network	1,200,000
Te Moana Downs Water Supply Reticulation Renewals	Renewal of pipes, valves, hydrants and other reticulation assets that have reached the end of their useful life, plus pump renewals	944,000
Te Moana Downs Water Supply - Treatment Upgrade	Upgrade to the treatment of the Te Moana Downs water supply to meet drinking water standards	1,500,000
Rangitata-Orari Renewals	Renewal of the stock races, intake protection and fish screens.	80,000
Seadown Water Supply - Reticulation Renewals	Renewal of pipes, valves, hydrants and other reticulation assets that have reached the end of their useful lives	75,000
Seadown Water Supply - Treatment Upgrade	Upgrade to the treatment of the Seadown water supply to meet drinking water standards	12,000
Seadown Water Supply - Water Storage	Construction of a new treated water reservoir	400,000

Downlands Water Supply (82% owned by TDC - figures for TDC portion only)

Mains, Tanks, Intake Renewals and Leak Detection	Programmed renewal of mains, intake renewals, and network leak detection and renewal of pipes, plant and other assets identified through maintenance of the network.	9,126,600
Maintenance Generated renewals	Renewals generated as a result of planned maintenance to the network	32,800
Equipment renewals	Renewal of telemetry, pumps and chlorination equipment, and switchboard and solar panel renewals	18,860
Te Ngawai infiltration gallery and low lift pumps	Upgrade of the Te Ngawai infiltration gallery and low lift pumps	687,160
Treatment Plant Upgrade	The Te Ngawai Treatment Plant will be upgraded for supply to meet drinking water standards	4,100,000
Raw Water Storage	Construction of a reservoir at Te Ngawai Treatment Plant	902,000
Springbrook Treatment Upgrade	The upgrading of the Springbrook water treatment facility for supply to meet drinking water standards	205,000





FINANCIAL INFORMATION

Section Roadmap

This section outlines financial information relating to the Annual Plan and the Council operation. It includes:

Financial Statements



The image shows a thumbnail of a financial statement table titled "Forecast Statement of Comprehensive Revenue and Expense". The table has multiple columns, likely representing different financial periods or categories, and lists various revenue and expense items.

A number of Financial Statements are included, as outlined below:

Statement Concerning Balancing of Budget

This shows how the council has set operating revenues at a level sufficient to cover operating expenses (unless exceptions have been applied.)

Forecast Statement of Comprehensive Revenue and Expense

This can also be referred to as the Profit and Loss Statement, the Income Statement, or the Operating Statement. It shows the financial results of various Timaru District Council activities at the end of each period as either a surplus or deficit. It does not include asset purchases or disposals.

Forecast Statement of Movements in Equity

Equity is the residual interest in the assets of Timaru District Council after the deduction of its liabilities. This statement shows movement in that interest.

Forecast Statement of Movements in Retained Earnings

Retained Earnings are part of equity. This statement shows the

movements relating to special funds which are held by Council for specific purposes.

Forecast Statement of Financial Position

This shows the financial state of affairs at a particular time. It can also be referred to as the Balance Sheet.

Forecast Statement of Cashflows

This describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

These statements include inflation. A set of statements, excluding inflation is included at the back of the section.

Funding Impact Statement



The image shows a thumbnail of a funding impact statement table titled "Funding Impact Statement 2019-20". The table lists various funding sources and their impacts across different categories, with columns for 2019 and 2020.

This outlines Council's expenditure and sources of funds, including rates to be applied across the district.

Section Roadmap

Rating Contribution by Activity

This screenshot shows a detailed table titled 'Rating Contribution by Activity 2019-20'. The table lists various council activities in the first column, followed by several columns representing different contribution metrics. The activities include categories like 'Community', 'Environment', 'Health and Safety', 'Infrastructure', 'Social Services', and 'Waste Management'. The table is organized into sections, with some activities grouped together under broader headings.

This shows how each rating type contributes to the various council activities.

Fees 2019-2020

This screenshot displays a table titled 'Fees 2019/20'. It provides a summary of fees and charges for the 2019/2020 financial year. The table is divided into sections, including 'Fees', 'Charges', and 'Other'. It lists various types of fees such as 'Council Rates', 'Water Rates', 'Waste Management Fees', and 'Other Fees', along with their respective amounts and descriptions. The table is organized into columns for different fee categories and their associated values.

A summary of fees and charges for the 2019/20 year, particularly relating to Resource Management Act (RMA) fees. A full list of fees is available separately from the Council or from the Council website.

Disclosure Statement

This screenshot shows a document titled 'Annual Plan Disclosure Statement for the year ending 30 June 2021'. It outlines the Council's planned financial performance in relation to various benchmarks. The document includes sections for 'Financial Performance', 'Key Performance Indicators', and 'Risk Management'. It details the Council's financial goals, the benchmarks it aims to meet, and the strategies it has in place to manage risks and achieve its objectives. The document is structured into clear sections with headings and sub-headings.

This outlines the Council's planned 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, as required under the Local Government (Financial Reporting and Prudence) Regulations 2014.

Accounting Policies

This screenshot displays a document titled 'Accounting Policies'. It describes the basis for the preparation of the financial statements and how the amounts are calculated. The document includes sections for 'Accounting Policies', 'Financial Reporting', and 'Risk Management'. It outlines the Council's accounting principles, the methods used to calculate financial figures, and the measures in place to ensure the accuracy and reliability of the financial statements. The document is organized into clear sections with headings and sub-headings.

Accounting policies show the basis for preparation of the financial statements. They describe how the amounts in the financial statements are calculated.

Reserve Funds Summary

This screenshot shows a table titled 'Reserve Funds Summary'. It outlines the Council's reserve and separate funds and anticipated changes over a 10-year period. The table lists various reserve funds in the first column, followed by columns representing different financial metrics over time. The funds include categories like 'General Reserve', 'Capital Reserve', 'Provisional Reserve', and 'Other Reserve'. The table is organized into sections, with some funds grouped together under broader headings.

This outlines Council's reserve and separate funds and anticipated changes over the 10 year period.

Statement Concerning Balancing of Budget

In accordance with Section 100 of the Local Government Act 2002 (the Act), Council resolves to permit an unbalanced budget in that the Forecast Statement of Comprehensive Revenue and Expense Council is forecasting an operating surplus for the year commencing 1 July 2019.

In its forecast Statement of Comprehensive Revenue and Expense, Council is reporting a surplus due to forecast revenue including grants and subsidies specifically provided by external parties to fund capital expenditure projects. These grants and subsidies are not available to meet day to day forecast operating expenses. Expenditure associated with these grants and subsidies is recorded in the Forecast Statement of Financial Position, not the Forecast Statement of Comprehensive Revenue and Expense. Forecast interest income on Special Funds invested is allocated to and reinvested with those special funds and is therefore also not available to meet forecast day to day operating costs.

Council fully funds depreciation on assets and maintains investments to match depreciation special fund balances. Timaru District Council is of the opinion that it is financially prudent not to have a balanced budget in the Forecast Statement of Comprehensive Revenue and Expense and, due to the matters noted above, it is necessary for forecast revenue to exceed forecast expense in the Forecast Statement of Comprehensive Revenue and Expense.

Forecast Financial Information

These prospective financial statements were authorised for issue by Timaru District Council on 25 June 2019. Timaru District Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

Timaru District Council's planning processes are governed by the Local Government Act 2002. The Act requires Council to prepare a ten year Long-Term Plan (LTP) every three years and an Annual Plan, which updates the LTP by exception, in the intervening years. This is Timaru District Council's Annual Plan for the 2019/2020 year and is prepared in accordance with the Act. The Council and management are responsible for the preparation of the prospective financial statements and the appropriateness of the underlying assumptions.

The information contained within this document is prospective financial information in terms of PBE FRS 42. The forecast financial statements have been prepared on the basis of assumptions as to future events the Council reasonably expects to occur associated with actions the Council expects to take. They have been prepared in accordance with current accounting policies in this plan. Actual results up until January 2019 have been taken into account in preparation of these prospective financial statements. Prospective Group financial statements have not been prepared as information for all entities in the group is not available.

The purpose for which this plan has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by the Timaru District Council to its community for the year, and to provide a broad accountability mechanism of Council to the community. This information has been prepared for the Council's budgeting and financial planning purposes. It may therefore not be appropriate to be used for any other purpose. Actual results are likely to vary from the information presented and the variations may be material.

These prospective financial statements will not be updated.

Forecast Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Revenue			
Rates, excluding metered water supply rates	50,334	54,025	52,697
Fees, charges and metered rates for water supply	15,758	18,536	16,213
Development and financial contributions	20	20	30
Subsidies and grants	8,992	8,565	10,827
Finance Revenue	2,099	1,782	1,894
Other revenue	6,036	5,138	7,060
Other gains/(losses)	0	0	0
Total Revenue	83,240	88,066	88,721
Expenses			
Personnel costs	18,099	18,027	19,366
Operating costs	39,018	39,446	40,003
Finance costs	5,372	6,329	4,655
Depreciation and amortisation	16,518	17,550	16,867
Total Expenses	79,007	81,352	80,891
Total Comprehensive Revenue And Expense	4,233	6,714	7,830

Forecast Statement of Movements in Equity

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Equity At Beginning Of The Year	759,450	763,683	789,062
Net surplus for the year	4,233	6,714	7,830
Revaluation of fixed assets	0	0	0
Equity Adjustment	0	0	0
Total recognised revenues and expenses	4,233	6,714	7,830
Equity At The End Of The Year	763,683	770,397	796,892

Forecast Statement of Movements in Retained Earnings

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Retained Earnings At 1 July	726,999	742,766	762,805
Net surplus for the year	4,233	6,714	7,830
Transfers to Reserves	(19,313)	(20,214)	(19,824)
Equity Adjustment	0	0	0
Transfers from Reserves	30,847	28,697	37,521
Retained Earnings At 30 June	742,766	757,963	788,332

Forecast Statement of Financial Position

As at 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Equity			
Retained Earnings	742,766	757,964	788,332
Revaluation Reserve	0	0	0
Special Fund Reserves	20,917	12,434	8,559
Total Equity	763,683	770,398	796,891
Current Assets			
Cash & Bank Balances	15,801	12,850	7,985
Short Term Deposits	17,417	9,417	26,216
Receivable & Prepayments	6,218	6,218	6,218
Inventories	72	72	72
Total Current Assets	39,508	28,557	40,491
Non-Current Assets			
Investments	24,439	23,957	20,974
Fixed Assets	839,891	876,433	880,767
Total Non-Current assets	864,330	900,390	901,741
Total Assets	903,838	928,947	942,232
Current Liabilities			
Payables & Accruals	10,542	10,576	11,874
Current Portion of Term Debt	5,659	6,232	5,214
Total Current Liabilities	16,201	16,808	17,088
Non-Current Liabilities			
Term Debt	113,490	131,248	119,681
Other Term Liabilities	10,463	10,493	8,572
Total Non-Current Liabilities	123,954	141,741	128,253
Total Liabilities	140,155	158,549	145,341
Net Assets	763,683	770,398	796,891

Forecast Statement of Cashflows

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Cash Flows From Operating Activities			
Cash was provided from:			
Receipts from customers	18,985	20,764	20,373
Rates	50,333	54,025	52,697
Subsidies	8,992	8,565	10,827
Interest	2,099	1,782	1,894
Dividends	2,790	2,890	2,890
	83,200	88,026	88,681
Cash was applied to:			
Payments to employees	(17,630)	(18,027)	(19,366)
Payments to suppliers	(39,424)	(39,383)	(39,939)
Interest paid	(5,371)	(6,329)	(4,655)
Income Tax paid	0	0	0
	(62,425)	(63,739)	(63,960)
Net Cash Inflows From Operating Activities	20,775	24,287	24,721
Cash Flows From Investing Activities			
Cash was provided from:			
Sale of fixed assets	45	45	45
Sale of investments (special funds)	30,847	28,697	37,521
Mortgages/advances repaid	220	220	220
	31,112	28,962	37,786
Cash was applied to:			
Purchases of fixed assets	(57,167)	(54,097)	(70,475)
Purchase of investments	(29,313)	(28,214)	(29,823)
Mortgages/advances made	(220)	(220)	(220)
	(86,700)	(82,531)	(100,518)
Net Cash Flows From Investing Activities	(55,587)	(53,569)	(62,732)

Forecast Statement of Cashflows

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Cash Flows From Financing Activities			
Cash was provided from:			
Loans raised	24,974	23,990	30,598
	24,974	23,990	30,598
Cash was applied to:			
Settlement of loans	(4,979)	(5,659)	(5,214)
	(4,979)	(5,659)	(5,214)
Net Cash Flows From Financing Activities	19,995	18,331	25,384
Net Increase (Decrease) In Cash Held	(14,817)	(10,951)	(12,627)
Cash at beginning of the year	48,035	33,218	46,828
Cash At End Of The Year	33,218	22,267	34,201
Represented by:			
Cash & Bank Balances	15,801	12,850	7,985
Short Term Deposits	17,417	9,417	26,216
	33,218	22,267	34,201

Funding Impact Statement 2019-20

The purpose of the Funding Impact Statement is to show the revenue and financing mechanisms that Council uses to cover its estimated expenses.

The Funding Impact Statement is required under the Local Government Act 2002 and conforms to the Local Government (Financial Reporting and Prudence) Regulations 2014. The Funding Impact Statement has been prepared in accordance with Schedule 10, Part 2, Clause 20 of Schedule 10 of the Local Government Act, 2002.

In general terms, the Council will use a mix of revenue sources to meet operating expenses, with major sources being general rates, dividends and fees and charges. Revenue from targeted rates is applied to specific activities.

The following table outlines Council expenditure and sources of funds.

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Sources Of Operating Funding			
General Rates, Uniform annual general charges, rates penalties	28,662	28,883	28,302
Targeted Rates (other than metered water supply rates)	24,980	26,738	26,027
Subsidies and grants for operating purposes	3,400	3,464	5,119
Fees, charges and metered water supply rates	17,580	18,595	17,899
Interest and dividends from investments	4,889	4,672	4,784
Local authorities fuel tax, fines, infringement fees and other receipts	1,275	1,856	1,629
Total Operating Funding	80,786	84,208	83,760
Applications Of Operating Funding			
Payments to staff and suppliers	57,091	57,520	59,299
Finance costs	5,426	6,329	4,655
Other operating funding applications	0	0	0
Total Applications Of Operating Funding	62,517	63,849	63,954
Surplus/(Deficit) Of Operating Funding	18,269	20,359	19,805
Sources Of Capital Funding			
Subsidies and grants for capital expenditure	5,592	5,104	6,273
Development and financial contributions	20	49	30
Increase/(decrease) in debt	19,995	18,331	25,384
Gross proceeds from the sale of assets	45	45	45
Lump sum contributions	0	0	0
Other dedicated capital funding	222	371	244
Total Sources Of Capital Funding	25,873	23,900	31,976
Applications Of Capital Funding			
Capital expenditure			
- to meet additional demand	1,524	1,428	4,345
- to improve the level of service	17,440	15,514	20,061
- to replace existing assets	38,202	37,155	46,068
Increase/(decrease) in reserves	(13,023)	(9,838)	(18,693)
Increase/(decrease) of investments	0	0	0
Total Applications Of Capital Funding	44,142	44,259	51,781
Surplus/(Deficit) Of Capital Funding	(18,269)	(20,359)	(19,805)
Funding Balance	0	0	0

Funding Impact Statement 2019-20

Reconciliation to Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June	Annual Plan Forecast 2018/19 \$000	Long Term Plan Forecast 2019/20 \$000	Annual Plan Forecast 2019/20 \$000
Surplus (deficit) of operating funding per FIS	18,269	20,359	19,805
Subsidies and Grants for capital expenditure	5,592	5,104	6,273
Other dedicated capital funding	222	371	244
Development and financial contributions	20	49	30
Vested Assets	40	40	40
Depreciation	(16,518)	(17,550)	(16,867)
Landfill Post closure	(64)	(64)	(64)
Movement in Rates Balances	(3,328)	(1,595)	(1,631)
Surplus per Statement of Comprehensive Revenue and Expense	4,233	6,714	7,830

Rating Base

	2019/20
Projected number of rating units at end of preceding year	22,659
Total capital value of rating units at end of preceding year	12,245,535
Total land value of rating units at end of preceding year	6,092,385

Funding Impact Statement 2019-20

Rating Information *(all amounts are shown inclusive of 15.0% GST)*

Rates are set and assessed on properties in accordance with the Local Government (Rating) Act 2002. The Funding Impact Statement provides information on the general rates and targeted rates, including how the liability for rates is calculated and the activities that targeted rates fund.

Definition of separately used or inhabited parts of a rating unit

For the purposes of setting and assessing rates, the following definition of 'a separately used or inhabited part of a rating unit' is used:

'Every rating unit is a separately used or inhabited part. Separately used or inhabited parts will be added to the rating unit for any additional part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement'.

Examples include:

- Each separately used or inhabited part of a residential unit will count as a separate part. This includes minor household units with kitchen facilities often referred to as "granny flats".
- Where residential properties are partially used for business, the number of parts will equal the number of separately used or inhabited residential units plus one for each separate business use (e.g. a house with a doctor's surgery attached contains two parts).

- In the case of retirement villages and similar types of properties, each separately used or inhabited residential unit and each other major use (such as halls, libraries etc) are separate parts.

Rates examples

The following examples show how the adopted changes will affect properties in different areas. The examples show the rates proposed for 2019-20 compared with the actual rates for 2018-19.

In the following examples the variables are used to demonstrate the potential impacts on rateable properties in different locations:

- Standard waste management rates have only been used.
- Rural water supplies are not included and where applicable will be additional to the rates identified.
- Metered water is not included and where applicable will be additional to the rates identified.
- Community centre rates are not included and where applicable will be additional to the rates identified.

Timaru – residential, recreational, community

	Actual 2018/19	Budget 2019/20
Land Valuation	161,300	161,300
UAGC	677.00	707.00
General Rates	387.12	404.86
Community Works and Services	217.76	179.04
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,250.88	\$2,327.91

Timaru – commercial, industrial, accommodation

	Actual 2018/19	Budget 2019/20
Land Valuation	456,100	456,100
UAGC	677.00	707.00
General Rates	4,374.00	4,588.37
Community Works and Services	615.74	506.27
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$6,635.73	\$6,838.64

Funding Impact Statement 2019-20

Timaru – primary

	Actual 2018/19	Budget 2019/20
Land Valuation	483,300	483,300
UAGC	677.00	707.00
General Rates	579.96	608.96
Community Works and Services	652.46	536.46
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,878.42	\$2,889.42

Geraldine - residential, recreational, community

	Actual 2018/19	Budget 2019/20
Land Valuation	147,800	147,800
UAGC	677.00	707.00
General Rates	354.72	370.98
Community Works and Services	221.70	251.26
Community Board	3.00	3.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,225.42	\$2,369.24

Timaru – residential multi unit

	Actual 2018/19	Budget 2019/20
Land Valuation	202,400	202,400
UAGC	677.00	707.00
General Rates	485.76	508.02
Community Works and Services	273.24	224.66
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,405.00	\$2,476.69

Geraldine - commercial, industrial, accommodation

	Actual 2018/19	Budget 2019/20
Land Valuation	181,300	181,300
UAGC	677.00	707.00
General Rates	1,738.67	1,823.88
Community Works and Services	271.95	308.21
Community Board	3.00	3.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$3,659.62	\$3,879.09

Funding Impact Statement 2019-20

Geraldine - residential multi unit

	Actual 2018/19	Budget 2019/20
Land Valuation	199,000	199,000
UAGC	677.00	707.00
General Rates	774.24	1,000.97
Community Works and Services	241.95	338.30
Community Board	3.00	3.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,665.19	\$3,086.27

Temuka – commercial, industrial, accommodation

	Actual 2018/19	Budget 2019/20
Land Valuation	174,100	174,100
UAGC	677.00	707.00
General Rates	1,669.62	1,751.45
Community Works and Services	435.25	456.14
Community Board	3.50	3.50
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$3,754.37	\$3,955.09

Temuka - residential, recreational, community

	Actual 2018/19	Budget 2019/20
Land Valuation	101,000	101,000
UAGC	677.00	707.00
General Rates	242.40	253.51
Community Works and Services	252.50	264.62
Community Board	3.50	3.50
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,144.40	\$2,265.63

Temuka - residential multi unit

	Actual 2018/19	Budget 2019/20
Land Valuation	120,800	120,800
UAGC	677.00	707.00
General Rates	579.84	607.62
Community Works and Services	302.00	316.50
Community Board	3.50	3.50
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,531.34	\$2,671.62

Funding Impact Statement 2019-20

Pleasant Point - residential, recreational, community

	Actual 2018/19	Budget 2019/20
Land Valuation	123,600	123,600
UAGC	677.00	707.00
General Rates	296.64	310.24
Community Works and Services	6.18	6.18
Community Board	5.00	5.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$1,953.82	\$2,065.42

Pleasant Point - primary

	Actual 2018/19	Budget 2019/20
Land Valuation	434,300	434,300
UAGC	677.00	707.00
General Rates	521.16	547.22
Community Works and Services	21.72	21.72
Community Board	5.00	5.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,193.88	\$2,317.93

Pleasant Point - commercial, industrial, accommodation

	Actual 2018/19	Budget 2019/20
Land Valuation	108,600	108,600
UAGC	677.00	707.00
General Rates	1,041.47	1,092.52
Community Works and Services	5.43	5.43
Community Board	5.00	5.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,697.90	\$2,846.95

Pleasant Point - residential multi unit

	Actual 2018/19	Budget 2019/20
Land Valuation	197,000	197,000
UAGC	677.00	707.00
General Rates	945.60	990.91
Community Works and Services	9.85	9.85
Community Board	5.00	5.00
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,606.45	\$2,749.76

Funding Impact Statement 2019-20

Rural - residential, recreational, community

	Actual 2018/19	Budget 2019/20
Land Valuation	197,100	197,100
UAGC	677.00	707.00
General Rates	473.04	494.72
Community Works and Services	9.86	9.86
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$2,128.90	\$2,248.58

Rural - primary

	Actual 2018/19	Budget 2019/20
Land Valuation	1,634,200	1,634,200
UAGC	677.00	707.00
General Rates	1,961.04	2,059.09
Community Works and Services	81.71	81.71
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$3,688.75	\$3,884.80

Rural - commercial, industrial, accommodation

	Actual 2018/19	Budget 2019/20
Land Valuation	280,200	280,200
UAGC	677.00	707.00
General Rates	2,687.12	2,818.81
Community Works and Services	14.01	14.01
Sewer	369.00	369.00
Waste Management	285.00	313.00
Water	315.00	355.00
	\$4,347.13	\$4,576.82

Funding Impact Statement 2019-20

General Rates

Uniform Annual General Charge (UAGC)

The cost of providing community amenities, such as libraries, swimming pools (including Caroline Bay aquatic centre), parks and the cost of governance and leadership, civil defence, environmental health, the roading network, street lighting, road/streets landscapes refuse disposal, dog control, economic development and promotion, property costs (non commercial), and the airport, is recovered from all ratepayers in the form of a uniform annual general charge assessed as a fixed amount per rating unit.

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Uniform Annual General Charge	\$677.00	\$707.00	14,629

General Rate

The general rate includes that portion of the above activities not recovered by the uniform annual general charge, plus costs associated with the roading network, street lighting, refuse disposal services, dog control, building control, district planning and property costs (non-commercial). It is assessed on all rateable land within the District in the form of a differential general rate assessed on the Land Value of the rating unit. Information about the categories of rateable land and the differentials can be found under the heading Differential Rating.

	Differential Factor	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Commercial/Industrial/Accommodation	4.00	\$0.00959	\$0.01006	5,002
Primary	0.50	\$0.00120	\$0.00126	4,569
Residential - General/Recreational/ Community Services	1.00	\$0.00240	\$0.00251	7,201
Residential - Multi-Unit	2.00	\$0.00480	\$0.00503	241

Targeted Rates

Community Works and Services

The cost of activities, such as non-subsidised roading (footpaths), community lighting, and stormwater drainage, is recovered from each community in which the service is provided in the form of a targeted community works and services rate assessed on the Land Value of the rating unit. The communities in which these rates are assessed are:

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Geraldine	\$0.00150	\$0.00170	363
Rural	\$0.00005	\$0.00005	235
Temuka	\$0.00250	\$0.00262	571
Timaru	\$0.00135	\$0.00111	2,815

Community Boards

The cost of providing specific Council services as determined by the Temuka, Geraldine and Pleasant Point Community Boards, is recovered from those ratepayers in the form of a targeted fixed amount per rating unit in each of the Temuka, Pleasant Point and Geraldine communities (see description of these areas below).

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Geraldine	\$3.00	\$3.00	8
Pleasant Point	\$5.00	\$5.00	6
Temuka	\$3.50	\$3.50	10

Funding Impact Statement 2019-20

Sewer

The cost of providing sewage disposal is recovered from those ratepayers who receive the service, and are not subject to tradewaste charges, in the form of a targeted uniform sewer rate. This is a fixed amount on each water closet or urinal connected either directly or through a private drain to a public sewage drain subject to the proviso that every rating unit used primarily as a residence of not more than one household shall be deemed to have not more than one water closet or urinal.

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Sewer Charge	\$369.00	\$369.00	8,269

Waste Management

The cost of providing waste collection is recovered from rating units which receive the service in the form of a targeted differential annual waste management charge of a fixed amount per set of 3 bins for all rateable and non-rateable land (see description of waste categories below).

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Standard	\$285.00	\$313.00	5,796
Large	\$385.00	\$408.00	786

Additional bins are charged for as a targeted differential annual waste management bin charge of a fixed amount per additional bin:

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Small Recycling (140 litres)	\$74.00	\$78.00	3
Large Recycling (240 litres)	\$84.00	\$89.00	44
Small Compost (140 litres)	\$114.00	\$121.00	5
Large Compost (240 litres)	\$135.00	\$143.00	39
Small Rubbish (140 Litres)	\$141.00	\$149.00	25
Large Rubbish (240 litres)	\$202.00	\$214.00	124

Water

The cost of providing a water supply is recovered from those ratepayers who receive or could receive the service in the form of a targeted water rate.

- **"Connected"** means those rating units which receive an ordinary water supply.
- **"Serviceable"** means those rating units which are situated within 100 metres from any part to the water works to which water can be but is not supplied.
- **"Residential"** means all properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area which residential dwellings are permitted.
- **"Other"** means all rating units used primarily for purposes other than residential purposes.

Urban supplies	Actual Rate 2018/19		Rate 2019/20		Estimated revenue 2019/20 (\$000)
	Connected	Serviceable	Connected	Serviceable	
Urban supplies	\$315.00	\$157.50	\$355.00	\$177.50	6,354

b Rural

- i A targeted rate of a fixed amount per hectare within the rating unit located in the Rangitata-Orari Water Supply District.
- ii A targeted rate in the Te Moana Downs Water Supply District of a fixed amount per unit of water supplied **and** a targeted rate of a fixed amount for each tank.
- iii A targeted rate of a fixed amount per unit of water supplied in the Orari

a Urban

- i Urban water is supplied at Geraldine, Pleasant Point, Peel Forest, Temuka, Timaru and Winchester.
- ii A differential targeted rate of fixed amounts in accordance with the following differentials (excluding those rating units supplied through a meter):
 - i per separately used or inhabited part of a Connected residential rating unit;
 - ii per Serviceable rating units (being 50% of the above amount) assessed on rating units as:

Township Water Supply District

- iv A targeted rate in the Seadown Water Supply District of a fixed amount per hectare within the rating unit **and** a targeted rate of a fixed amount per separately used or inhabited part of a rating unit for each domestic supply.
- v A targeted rate per rating unit of a fixed amount per hectare in the Beautiful Valley Water Supply District.
- vi On so much of the rating units appearing on Valuation Rolls number

Funding Impact Statement 2019-20

24640, 24660, 24670, 24680, 24690, 24700, 24710, 24820, 24840, 24850, 24860, and part 25033, as is situated within the Downlands Water Supply District the following targeted rates.

- a) a fixed amount for each separately used or inhabited part of a rating unit within the Pareora Township and for rating units used as halls within the scheme.
- b) a fixed amount per rating unit for rating units used as schools within the Pareora Township.

c) in addition a fixed amount for each separate connection (excluding Pareora Township) to the water supply except where there is more than one connection to any rating unit as a technical requirement of the scheme, in which case only one charge will apply.

d) in addition to the charge assessed in (c) above, a fixed amount per unit of water or where water supplied in one half units a fixed charge (being 50% of the amount per unit) per half unit.

Rural supplies	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Rangitata-Orari (Area charge)	\$17.30	\$17.40	313
Te Moana (Unit charge)	\$290.00	\$290.00	357
Te Moana (Tank charge)	\$554.88	\$605.00	397
Orari (Service charge)	\$232.00	\$224.00	26
Seadown (Area charge)	\$18.70	\$20.30	107
Seadown (Domestic charge)	\$467.00	\$507.00	182
Beautiful Valley (Area charge)	\$3.69	\$3.69	7
Downlands (Domestic charge)	\$601.00	\$634.00	118
Downlands (School charge)	\$1,031.00	\$1,086.50	1
Downlands (Service charge)	\$429.00	\$453.00	862
Downlands (Unit charge)	\$172.00	\$181.00	815

c Water by Meter

Targeted rates for water supply per cubic meter of water consumed to any rating unit situated in the following areas which has been fitted with a water meter:

Water by Meter	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Seadown	\$0.89	\$0.89	2
Urban	\$0.64	\$0.64	2,013

Community Centres

To provide funding for community centres uniform targeted rates of a fixed amount per separately used or inhabited part of a rating unit situated in the following Community Centre Areas:

	Actual Rate 2018/19	Rate 2019/20	Estimated revenue 2019/20 (\$000)
Claremont Community Centre	\$20.00	\$20.00	5
Fairview Community Centre	\$30.00	\$30.00	6
Kingsdown Community Centre	\$36.00	\$35.00	5
Otipua Community Centre	\$20.00	\$19.00	2
Seadown Community Centre	\$25.00	\$25.00	6

Lump sum contributions

Lump sum contributions will not be invited in respect of any targeted rates.

Differential Rating

The Council proposes to differentiate the general rate based on land use (Schedule 2 Local Government (Rating) Act 2002).

For the general rate, the relationship between the rates set on rateable land in each different differential type is shown below. A rating unit can be partitioned into property parts that can be put into different differential categories.

The differential is applied under the following nine types:

Type	General Rate factor
1 Accommodation	4.00
2 Commercial - Central	4.00
3 Commercial - Other	4.00
4 Community Services	1.00
5 Industrial	4.00
6 Primary	0.50
7 Recreational	1.00
8 Residential – General	1.00
9 Residential – Multi Unit	2.00

Funding Impact Statement 2019-20

Description of differential categories

Type 1- Accommodation

All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.

Type 2 – Commercial Central

All properties situated within the Timaru Central Business District and used primarily for commercial purposes.

Type 3 – Commercial Other

All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District.

Type 4 – Community Services

All properties used primarily for education, religious and/or community purposes.

Type 5 - Industrial

All properties used primarily for industrial purposes.

Type 6 - Primary

All properties used primarily for agricultural, horticultural or pastoral purposes, including the grazing of animals.

Type 7 - Recreational

Properties used primarily for active or passive indoor/outdoor recreational activities.

Type 8 – Residential – General (including baches)

All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.

Type 9 – Residential – Multi- Unit

All properties used primarily for multi unit

residential accommodation, for example, purpose built rental flats.

Timaru means the area defined by so much of the rating units appearing on valuation rolls number 24930, 24941, 24942, 24950, 24960, 24971, 24972, 24981, 24991, 25000, 25011, 25021, 25022, 25023, 25032 and 25033.

Geraldine means the area defined by so much of the rating unit appearing on valuation rolls number 24751 and 24752.

Temuka means the area defined by so much of the rating unit appearing on valuation rolls number 24770 and 24780.

Pleasant Point means the area defined by so much of the rating unit appearing on valuation roll number 24821.

Peel Forest means the area defined by so much of the rating unit appearing on valuation roll number 24640.

Winchester means the area defined by so much of the rating unit appearing on valuation roll number 24700.

Rural means all parts of the Timaru District excluding Geraldine, Pleasant Point, Temuka and Timaru.

Standard waste rate is for 3 bins: a 140 litre rubbish bin, a compost bin and a recycling bin, or a 3 bin stacker set.

Large waste rate is for a 240 litre rubbish bin, a compost bin and a recycling bin.

Rates payable by instalment

Rates and charges (except for metered water) are due and payable on the following dates:

All Ratepayers

Instalment	Due Date
1	20 September 2019
2	20 December 2019
3	20 March 2020
4	22 June 2020

Ratepayers may elect to pay on a more regular basis if they choose. Rates may be paid using any one of a number of payment methods acceptable to the Council including direct debits, cheques by mail, cheques or cash or EFTPOS at Council offices, credit card via Council website, direct credits or other bank transfer methods.

The due dates for metered water targeted rates are as follows:

Month invoice raised	Due Date
July 2019	20 August 2019
August 2019	20 September 2019
September 2019	21 October 2019
October 2019	20 November 2019
November 2019	20 December 2019
December 2019	20 January 2020
January 2020	20 February 2020
February 2020	20 March 2020
March 2020	20 April 2020
April 2020	20 May 2020
May 2020	22 June 2020
June 2020	20 July 2020

Penalties

A penalty of 10% of the amount of the instalment remaining unpaid will be added if not paid on or before the instalment due date, on the following dates:

Instalment	Penalty Date
1	24 September 2019
2	23 December 2019
3	23 March 2020
4	23 June 2020

A further penalty under section 58(1)(b) and 58(1)(c) of 10% of the amount of any rates from previous financial years remaining unpaid on 2 July 2019 will be added on 24 September 2019. An additional penalty will be added to any unpaid rates from previous financial years that remain unpaid on 24 March 2020. This penalty will be added on 25 March 2020.

Penalties will not be applied to the metered water targeted rates.

Rate Discount Policy

That pursuant to Section 55 of the Local Government (Rating) Act 2002, the following discount will apply:-

A discount of 2.50% will be allowed on the total rates set, if the 2019/2020 rates, including any current penalties, are paid in full on or before 20 September 2019.

Rating Contribution by Activity 2019-20

General Rate	%	Comm/Ind	Res/rec \$ rate per \$ land value	Primary	Multi-Unit
Democracy	12.11%	0.00122	0.00030	0.00015	0.00061
Airport	0.83%	0.00008	0.00002	0.00001	0.00004
Public Toilets	0.83%	0.00008	0.00002	0.00001	0.00004
Cemeteries	0.49%	0.00005	0.00001	0.00001	0.00002
Community Development	0.81%	0.00008	0.00002	0.00001	0.00004
Workforce Initiatives	0.21%	0.00002	0.00001	0.00000	0.00001
Economic Development / District Promotions	3.84%	0.00039	0.00010	0.00005	0.00019
Emergency Management	0.96%	0.00010	0.00002	0.00001	0.00005
Safer Communities	0.04%	0.00000	0.00000	0.00000	0.00000
Building Control	2.33%	0.00023	0.00006	0.00003	0.00012
District Planning	5.50%	0.00055	0.00014	0.00007	0.00028
District Health	1.27%	0.00013	0.00003	0.00002	0.00006
Animal Control	0.11%	0.00001	0.00000	0.00000	0.00001
District Libraries	6.98%	0.00070	0.00018	0.00009	0.00035
Aigantighe Art Gallery	1.54%	0.00015	0.00004	0.00002	0.00008
Museum	1.66%	0.00017	0.00004	0.00002	0.00008
Theatre Royal	0.92%	0.00009	0.00002	0.00001	0.00005
Halls & Community Centres	1.06%	0.00011	0.00003	0.00001	0.00005
Swimming Pools	6.04%	0.00061	0.00015	0.00008	0.00030
Aorangi Stadium	0.15%	0.00001	0.00000	0.00000	0.00001
Parks	14.83%	0.00149	0.00037	0.00019	0.00075
Motor Camps	0.06%	0.00001	0.00000	0.00000	0.00000
Forestry	-0.69%	-0.00007	-0.00002	-0.00001	-0.00003
Road / Street Landscapes	2.21%	0.00022	0.00006	0.00003	0.00011
Subsidised Roothing	32.62%	0.00328	0.00082	0.00041	0.00164
Streetlighting	0.94%	0.00010	0.00002	0.00001	0.00005
Waste Minimisation	0.91%	0.00009	0.00002	0.00001	0.00005
Properties	1.43%	0.00014	0.00004	0.00002	0.00007
	100.00%	0.01006	0.00251	0.00126	0.00503

Rating Contribution by Activity 2019-20

Uniform Annual General Charge	%	Comm/Ind	Res/rec \$ per rating unit	Primary	Multi-Unit
Democracy	14.59%	103.16	103.16	103.16	103.16
Airport	0.67%	4.72	4.72	4.72	4.72
Public Toilets	2.35%	16.60	16.60	16.60	16.60
Cemeteries	0.88%	6.22	6.22	6.22	6.22
Community Development	3.91%	27.65	27.65	27.65	27.65
Workforce Initiatives	0.25%	1.79	1.79	1.79	1.79
Economic Development / District Promotions	1.16%	8.18	8.18	8.18	8.18
Emergency Management	1.15%	8.14	8.14	8.14	8.14
Safer Communities	0.41%	2.92	2.92	2.92	2.92
District Health	1.53%	10.84	10.84	10.84	10.84
Dog control	0.01%	0.05	0.05	0.05	0.05
District Libraries	12.62%	89.22	89.22	89.22	89.22
Aigantighe Art Gallery	2.78%	19.67	19.67	19.67	19.67
Museum	3.00%	21.23	21.23	21.23	21.23
Theatre Royal	1.66%	11.73	11.73	11.73	11.73
Halls & Community Centres	1.91%	13.52	13.52	13.52	13.52
Swimming Pools	10.92%	77.20	77.20	77.20	77.20
Aorangi Stadium	0.26%	1.86	1.86	1.86	1.86
Parks	17.88%	126.38	126.38	126.38	126.38
Motor Camps	0.11%	0.80	0.80	0.80	0.80
Road / Street Landscapes	2.67%	18.86	18.86	18.86	18.86
Subsidised Roothing	16.85%	119.11	119.11	119.11	119.11
Streetlighting	1.14%	8.05	8.05	8.05	8.05
Waste Minimisation	1.10%	7.75	7.75	7.75	7.75
Properties	0.19%	1.35	1.35	1.35	1.35
	100.00%	707.00	707.00	707.00	707.00

Rating Contribution by Activity 2019-20

Community Works & Services Rate	Geraldine	Rural \$ rate per \$ land value	Temuka	Timaru
Non-subsidised Roothing	0.00067	0.00002	0.00130	0.00042
Street Lighting	0.00011	0.00000	0.00006	0.00007
Stormwater	0.00092	0.00003	0.00126	0.00062
	0.00170	0.00005	0.00262	0.00111

Community Works & Services Rate	Geraldine	Rural	Temuka	Timaru
Non-subsidised Roothing	39.64%	31.67%	49.46%	37.71%
Street Lighting	6.22%	2.06%	2.36%	6.33%
Stormwater	54.13%	66.27%	48.18%	55.96%
	100.00%	100.00%	100.00%	100.00%

Reserve Funds Summary

Special Funds

Separate Accounts are maintained for targeted rates charged for a specific purpose. A separate account is maintained for each targeted rate to ensure that the funds are held and used for the specific purpose intended.

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2019 (\$000s)	Funds Deposited 2019-2020 (\$000s)	Funds Withdrawn 2019-2020 (\$000s)	Forecast Balance 30 June 2020 (\$000s)
Cemetery Future (Timaru) Fund	Community Facilities	Development of future cemetery for Timaru.	74	1	80	(5)
Collett Bequest (Museum)	Cultural and Learning Facilities	For museum items.	561	17	0	578
Community Development Interest Fund	Community Funding	To make major grants (over \$10,000) to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	330	40	30	340
Community Development Loan Fund	Community Funding	To make major loans to non profit community based organisations and clubs for improving or developing new or existing facilities which reflect credit or provide benefit to the Timaru District residents.	286	0	0	286
Contingency Fund	All of Council	For emergency purposes as determined by Council.	1,246	37	0	1,284
Depreciation – General Fund	All of Council	For the renewal and/or replacement of district wide funded depreciable assets and for the repayment of loans associated with such assets.	1,342	8,733	13,343	(3,268)
Depreciation Fund – Beautiful Valley Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	77	6	2	81
Depreciation Fund - Geraldine	Roading and Footpaths and Stormwater	For the renewal and/or replacement of Geraldine funded depreciable assets and for the repayment of loans associated with such assets, (excludes water related assets).	200	130	83	247
Depreciation Fund – Orari/ Waihi	Water Supply	For the renewal and / or replacement of Water depreciable assets and for the repayment of loans associated with such assets	1	0	0	1
Depreciation Fund – Orari Township Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	247	10	4	253
Depreciation Fund – Rangitata / Orari Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	40	16	15	41
Depreciation Fund - Rural	Roading and Footpaths and Stormwater	For the renewal and/or replacement of Rural funded depreciable assets and for the repayment of loans associated with such assets, (excludes water related assets).	183	84	78	189

Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2019 (\$000s)	Funds Deposited 2019-2020 (\$000s)	Funds Withdrawn 2019-2020 (\$000s)	Forecast Balance 30 June 2020 (\$000s)
Depreciation Fund – Seadown Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	691	110	137	664
Depreciation Fund - Sewer	Sewer	For the renewal and/or replacement of Sewer depreciable assets and for the repayment of loans associated with such assets.	1,312	3,633	3,564	1,381
Depreciation Fund – Te Moana Downs Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	516	223	635	104
Depreciation Fund - Temuka	Roading and Footpaths and Stormwater	For the renewal and/or replacement of Temuka funded depreciable assets and for the repayment of loans associated with such assets, (excludes water related assets).	172	220	166	226
Depreciation Fund - Timaru	Roading and Footpaths and Stormwater	For the renewal and/or replacement of Timaru funded depreciable assets and for the repayment of loans associated with such assets, (excludes water related assets).	1,650	1,436	1,933	1,153
Depreciation Fund – Urban Water	Water Supply	For the renewal and/or replacement of Water depreciable assets and for the repayment of loans associated with such assets.	1,935	2,635	5,762	(1,192)
Depreciation Fund (Housing)	Social Housing	For the renewal and/or replacement of Housing depreciable assets and for the repayment of loans associated with such assets.	393	266	329	330
Development (Timaru) Fund	All of Council	Funding of major developments within Timaru. Interest on this fund to be credited to the Community Development Interest Fund.	265	0	0	265
Disaster Relief Fund	All of Council	For the replacement of infrastructural assets excluding roading in the event of a natural disaster.	2,871	289	0	3,160
District Recreation Facilities Fund	All of Council	To be used for the development of significant recreation facilities in the district.	695	21	0	716
Dowling Bequest	Cultural and Learning Facilities	For the purchase of Christian fiction literature for the library.	21	1	3	18
Downlands Asset Replacement Fund	Water Supply	Replacement of infrastructural assets relating to Downlands Water Supply Scheme.	5,458	937	5,700	695
Downlands Capital Contribution Reserve	Water Supply	For the provision of capital expenditure financed from capital contributions.	131	4	0	135

Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2019 (\$000s)	Funds Deposited 2019-2020 (\$000s)	Funds Withdrawn 2019-2020 (\$000s)	Forecast Balance 30 June 2020 (\$000s)
Economic Development Fund	Economic Development and District Promotions, Community Funding and Democracy	For economic development support.	284	9	0	293
Election Expenses Fund	Democracy	To provide for meeting election expenses.	44	61	100	5
Endowment Land Geraldine Fund	All of Council	From the proceeds of Endowment Land. For the purchase of similar land.	459	21	0	480
Forestry Development Fund	Parks and Recreational Facilities	To provide funding for the development of forests within the District.	250	6	125	131
George Barclay Bequest	Cultural and Learning Facilities	Original bequest was \$600. Interest to be used for the purchase of reference books for the Timaru Children's Library.	2	0	0	2
Grants & Donations Fund	Community Funding	For the provision of grants & donations (created from the unspent grant allocation and carried forward balances)	145	118	114	149
Investment Fund	All of Council	1. For the repayment of district wide loans 2. For the funding district wide capital projects 3. For provision of internal loans.	(713)	674	6,001	(6,040)
Joan & Percy Davis Library Trust (Geraldine)	Cultural and Learning Facilities	Interest to be used to purchase books for the Geraldine Library. (8/7/82)	1	0	0	1
Lattimore W A (Timaru) Bequest	Cultural and Learning Facilities	Interest to be used for the purchasing of art works for the Aigantighe Art Gallery.	15	0	2	13
Mackay Bequest (Art Gallery)	Cultural and Learning Facilities	For the purchase of paintings.	234	7	7	234
Mackay Bequest (Library)	Cultural and Learning Facilities	For the purchase of books relating to art for the Timaru Library.	147	4	7	145
Main Creative Communities NZ Fund	Community Funding	Carried forward balance of Creative Communities NZ fund – main committee.	9	0	0	10
Main Drains Cost Sharing Fund	Sewer, Stormwater and Water Supply	Extension of main drains on a cost sharing basis.	1,413	73	0	1,486
Mayor's Welfare Fund	Democracy	Help out the needy as determined by the Mayor.	13	5	5	13
McCarthy Bequest (Library)	Cultural and Learning Facilities	For general library purposes	13	0	0	14
McCarthy Bequest (Parks)	Parks and Recreational Facilities	For Timaru Botanic Gardens general purposes	72	2	0	74
Museum Acquisition Fund/ Alan Ward Fund	Cultural and Learning Facilities	For the purchase of articles for the Museum.	10	0	0	11

Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2019 (\$000s)	Funds Deposited 2019-2020 (\$000s)	Funds Withdrawn 2019-2020 (\$000s)	Forecast Balance 30 June 2020 (\$000s)
Officials' Indemnity, Safety and Health Fund	All of Council	For the purpose of officials' indemnity insurance excess, and for providing funds to comply with Occupational Health and Safety Regulations.	538	16	0	554
Parking Improvement (Tu) Fund	Roading and Footpaths	For the purchase of land buildings, or equipment which will be used for providing, or in association with, parking facilities within Timaru or for meeting the annual charges on any loan raised for any of these purposes.	256	5	162	100
Property Development Fund	All of Council	For the purchase or development of land and improvement projects within the District.	291	9	0	300
R C Hervey Fund	Cultural and Learning Facilities	For providing improved services to the Timaru Library.	79	2	0	82
Reserves Development (Tu) Fund	Parks and Recreational Facilities	For the planting of trees and general development of reserves owned by the District Council within Timaru.	12	0	0	13
Reserves from Subdivisions/ Development Levy	Parks and Recreational Facilities	Development of reserves within the District as set out in the Local Government Act 1974 Section 288.	94	30	27	97
Safer Community Funds	Safer Communities	For Safer Communities projects.	379	11	56	334
Sport and Recreation Loan Fund	Community Funding	Sport and Recreation loans for facilities and/or major plant items in excess of \$2,000 total value.	714	32	0	745
Te Moana Water Capital Contributions	Water Supply	For the provision of extensions to the Te Moana water network.	350	11	0	361
Timaru Ward Capital Asset and Loan Repayment Fund	All of Council	For the purpose of repayment of Timaru Ward separate rate loans and/or Timaru Ward Capital Projects.	21	1	0	21
Winchester Domain Fund	Parks and Recreational Facilities	For development of the Winchester Domain	83	2	38	47
			25,916	19,947	38,507	7,357

Reserve Funds Summary

Separate Funds

Separate Accounts are maintained for targeted rates charged for a specific purpose. A separate account is maintained for each targeted rate to ensure that the funds are held and used for the specific purpose intended.

Name of Fund	Forecast Balance 1 July 2019 (\$000s)	Funds Deposited 2019-2020 (\$000s)	Funds Withdrawn 2019-2020 (\$000s)	Forecast Balance 30 June 2020 (\$000s)
Fairview Hall	1	5	5	1
Claremont Hall	1	4	4	1
Otipua Hall	0	1	1	0
Kingsdown Hall	0	4	4	0
Seadown Hall	(1)	5	5	(1)
Geraldine Works and Services	87	316	336	67
Rural Works and Services	68	204	204	68
Temuka Works and Services	179	496	496	179
Timaru Works and Services	785	2,190	2,160	815
Solid Waste Collection	1,428	5,931	6,705	654
Sewer	4,959	7,190	7,738	4,411
Beautiful Valley Water	5	6	8	3
Downlands Water	0	1,562	1,562	0
Orari Township Water	28	23	28	23
Rangitata/Orari Water	319	272	289	302
Seadown Water	104	251	230	125
Te Moana Water	810	655	916	549
Urban Water	1,138	5,525	5,647	1,016
Geraldine Community Board	33	7	7	33
Pleasant Point Community Board	22	6	6	22
Temuka Community Board	41	9	9	41
	10,007	24,662	26,360	8,309

Annual Plan Disclosure Statement for the year ending 30 June 2020

What is the purpose of this statement?

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

The Council is required to include this statement in its annual plan 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.

Benchmark		Planned	Met
1. Rates (income) affordability benchmark	Total rates will not exceed \$85 million	\$52,697,082	Yes
2. Rates (increase) affordability benchmark	Total rates increase will be less than 6% plus inflation	4.7%	Yes
3. Debt affordability benchmark	Debt will not exceed \$209 million	\$124,845,592	Yes
4. Balanced budget benchmark	100%	109.61%	Yes
5. Essential services benchmark	100%	438.03%	Yes
6. Debt servicing benchmark	10%	5.25%	Yes

Notes

1. Rates (income) affordability benchmark

The Council meets the rates (income) affordability benchmark if its planned rates income equals or is less than its quantified limit on rates.

2. Rates (increase) affordability benchmark

The Council meets the rates (income) affordability benchmark if its planned rates increases are equal or are less than its quantified limit on rates increases.

3. Debt affordability benchmark

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

4. Balanced budget benchmark

The Council meets the balanced budget benchmark if its planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment) is equal to or greater than its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

5. Essential services benchmark

The Council meets the essential services benchmark if its planned capital expenditure on network services is equal to or is greater than expected depreciation on network services.

6. Debt servicing benchmark

The Council meets the debt servicing benchmark if its planned borrowing costs are equal to or less than 10% of its planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment).

Fees 2019/20

Summary

Fees and charges are one of the ways the Council passes on some of the costs directly to those who benefit from Council services and facilities. This means those who benefit from these services pay for them. There will be a minimal increase in some fees to meet the increased costs of some services and reflect required cost recovery, including:

- Cemeteries
- Some Council facility hire
- Some library services
- Council owned Motor Camps
- Sewer, Stormwater and Water services inspections
- Trade waste charges
- Social Housing rentals
- Some Waste Minimisation charges

There is also a new charge for liquor licence applications - a \$50 Public Notice of Application fee to advertise licence applications on the Council website.

Full details of all fees is available in a separate document available from the Council or from the Council website - www.timaru.govt.nz.

Resource Management Fees

(all charges GST inclusive)

Section 36 of the Resource Management Act 1991 enables Council to charge additional fees to recover actual and reasonable costs where the Lodgement Fee is inadequate.

When the total cost to process an application exceeds the Lodgement Fee in Table One, the additional fees are charged at the rates specified in Table Two of this fee schedule.

The Council will refund part of the fixed fee if the

work required to process the application is less than usual.

The Lodgement Fee will be required to accompany the application. An invoice will be sent for any additional fees. The Lodgement Fee is a deposit only and may not be the complete charge. There may be additional fees or a part refund as explained above.

Discounts shall be paid on administrative charges for applications for resource consent and applications to change or cancel conditions that are not processed within the statutory timeframes. The discounts shall be in accordance with the Regulations to the Resource Management Act 1991.

Table One - Lodgement Fees (Deposit)

2019/20

Notified Consent	\$4,000.00
Limited Notified (service only) Consent	\$3,000.00
Non-notified Subdivision Consent	\$700.00
Non-notified Land Use Consent which includes a monitoring fee for a single site inspection	\$900.00
Non-notified Subdivision Consent - Change to Flats Plan or Unit Title	\$700.00
Right of Way Approval (not included in Subdivision Consent)	\$650.00
Revocation of Easements and Consent Notices (not included in Subdivision Consent)	\$525.00
Existing Allotments Section 226 Certificate (new titles created)	\$525.00
Section 223 Certificate (subdivision sealing completion)	\$410.00
Section 224(c) Certificate	\$410.00
Section 224(c) Certificate including Section 223 Certificate	\$410.00
Removal of Building Line Restriction	\$640.00
Certificates of Compliance	\$640.00
Change or Cancellation of Conditions	\$525.00
Existing Use Rights and Existing Use Certificate	\$525.00
Extension of Time	\$480.00
Outline Plan	\$640.00
Waiver of Outline Plan	Actual cost
Alteration to a Designation	\$1,100.00
Extension of Time to a Designation	\$1,100.00
Plan Change	\$10,500.00
Notice of Requirements for Designations or Heritage Order	\$5,100.00
Certificates for LMVD	\$640.00
Certificates under the Sale and Supply of Alcohol Act 2012	\$155.00
Overseas Investment Office Certificate	Actual cost
Pre-Lodgement Work - Staff time conducting assessments, attending meeting(s) and writing correspondence prior to the lodgement of specific resource consent application(s) and private plan change(s)	Actual cost (after first half hour free)
Permitted Boundary Activity Notices	\$525.00
Permitted Activity Notice	\$525.00
Monitoring of Permitted Activity under the National Environmental Standards	Actual cost

Fees 2019/20

Table Two - Charge Rates - Staff time

2019/20

District Planning Manager	\$160.00 per hour
Senior Planner	\$130.00 per hour
Planner	\$110.00 per hour
Subdivision and Compliance Officer	\$110.00 per hour
Administration Staff	\$70.00 per hour
Other Council Staff	\$130.00 per hour
Public Notices	At Cost
Disbursements	At Cost
Consultants/Legal Advice (incl Aoraki Environmental Consultancy)	At Cost
Commissioning Special Reports	At Cost

Hearing Costs:

Hearings Committee	\$100.00 per hour for the chairperson
	\$80.00 per hour per member who is not the chairperson
Commissioner	At Cost

Monitoring (if monitoring of resource consent is required)

Single Site Inspection (to be paid with the lodgement fee for Non-notified Land Use Consent)	\$200.00
Additional monitoring of resource consents and monitoring of non-compliance with the Timaru District Plan or the Resource Management Act 1991	At Cost

Other Charges

2019/20

Timaru District Plan	\$200.00 + postage
Annual update service to the District Plan	\$150.00 per year
District RAPID Numbers (book)	\$75.00
Allocation of new Rapid Number (includes Plate)	\$50.00
Replacement Rapid Number Plate	\$25.00
Bond Applications	\$350.00
Bond Refund	\$350.00
Road Name request	\$700.00

Accounting Policies

Reporting Entity and Statutory Base

The Timaru District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 and qualifies as a public benefit entity (PBE) under the New Zealand equivalents to the International Public Sector Accounting Standards (IPSAS).

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return.

The Council is not required to produce its annual plan with group consolidated figures and therefore this plan covers the Council only activity and excludes the wholly owned subsidiaries, in-substance subsidiaries and associates.

The prospective financial statements comply with Tier 1 PBE Standards, (including PBE FRS 42 – Prospective Financial Statements).

The prospective financial statements were authorised for issue by Council on 25 June 2019.

Significant Accounting Policies

Basis of Preparation

The prospective financial statements of the Timaru District Council have been prepared as the going concern basis, in accordance with the requirements of the Local Government Act 2002 (LGA), which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (GAAP).

They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable reporting standards as appropriate for New Zealand public benefit entities.

Statement of Compliance

The prospective financial statements of the Council have been prepared in accordance with Tier 1 PBE accounting standards.

Prospective Financial Statements

The main purpose of prospective statements in the Annual Plan is to provide users with information about the core services that

the Council intends to provide to ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of services. The prospective financial statements have been prepared using the best information available at the time they were prepared in accordance with Section 95 of the Local Government Act 2002.

This requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The prospective financial statements have been prepared on an historical cost basis, except for the revaluation of investment properties, biological assets and financial instruments (including derivative instruments).

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

Basis of Consolidation

Joint Ventures

A joint venture is a contractual arrangement whereby the Council and other parties undertake an economic activity that is subject to joint control.

For jointly controlled assets, Council recognises in its financial forecasts its share of jointly controlled assets, the liabilities and expenses it incurs, its share of liabilities and expenses incurred jointly, and its share of income of the joint venture.

Goods and Service Tax (GST)

These financial statements have been prepared exclusive of GST, except for receivables and payables, which are GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST paid to, or received from the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

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

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences. Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

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

Accounting Policies

Revenue Recognition

Revenue is measured at fair value.

Revenue is comprised of exchange and non-exchange transactions. Exchange transaction revenue arises when one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange.

Non-exchange transaction revenue arises from transactions without an apparent exchange of approximately equal value.

Non-exchange revenue includes rates, grants and subsidies and fees and user charges derived from activities that are partially funded by rates. Revenue relating to non-exchange transactions is recognised as conditions, if any exist, are satisfied.

Sales by Trading Activities

Sales comprise amounts received and receivable for goods and services supplied to customers in the ordinary course of business.

Revenue from the sale of goods is recognised in the surplus or deficit when the significant risks and rewards of ownership have been transferred to the owner. Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the balance sheet date.

Rates Revenue

Rates are set annually by a resolution from 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 when payable.

Water billing is recognised based on the volumes delivered.

Vested Assets

Certain infrastructural assets have been vested to the Council as part of the subdivisional consent process. Such vested assets are recognised as revenue when the significant risks and rewards of ownership have been transferred to the Council and when the obligation to accept the transfer of the assets to the Council has been determined. Vested infrastructural assets have been valued based on the actual quantities of infrastructural components vested and the current "in the ground" cost of providing the identical services.

Other grants, bequests and assets vested in Council, irrespective of the conditions attached to vesting, are recognised as revenue

when control over the assets is obtained.

New Zealand Transport Agency contributions

New Zealand Transport Agency contributions are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been met.

Interest

Interest is recognised in the surplus or deficit as it accrues, using the effective interest method.

Dividends

Dividends are recognised, net of imputation credits, when the shareholders' rights to receive payment have been established.

Agency Revenue

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

Grant Expenditure

Non-discretionary grants are those grants 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 and approved.

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

Provisions

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments at the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised

as an interest expense and is included in "finance costs".

Equity & Reserves

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classed into a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses. The components of equity are:

- Retained Earnings
- Restricted reserves
 - Special funds

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

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

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

Cash and Cash Equivalents

Cash and cash equivalents means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day-to-day cash management.

Trade and Other Receivables

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

Loans, including loans to community organisations made by Council at below-market interest rates are initially recognised

Accounting Policies

at the present value of their expected 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.

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Investments

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date. The classification depends on the purpose for which the investments were acquired.

Term Deposits

Term Deposits are classified as Loans and Receivables and measured at amortised cost.

Investments in debt and quoted equity securities

Investments in debt and quoted equity securities are financial instruments classified as held for trading and are measured at fair value at balance sheet date. Any resultant gains or losses are recognised in the surplus or deficit for the period.

Investment in Subsidiaries

Investment in Subsidiaries are included in the parent entity at cost

less any impairment losses.

Community loans

Community loans at subsidised interest rates are fair valued on initial recognition based on the present value of all future cash receipts discounted using the prevailing market rate for similar instruments. The resulting loss on initial recognition is taken to the surplus or deficit. In subsequent periods this loss is amortised back through the surplus or deficit.

Other – Investments (Unquoted equity investments)

Other investments held by the Council are classified as being available-for-sale and are stated at lower of cost and net realisable value, with any resultant gain or loss being recognised directly in equity, except for impairment losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised through the surplus or deficit.

Property, Plant & Equipment - Valuation

Timaru District Council has the following classes of Property, Plant and Equipment

- Operational assets –
 - Council related Land
 - Council Buildings and Building Improvements
 - Airport Improvements
 - Parks and Pools Plant and Equipment
 - Plant and Equipment, including Motor Vehicles
 - Furniture and Office Equipment
 - Library Books
 - Art Works
- Infrastructure assets -
 - Sewer, stormwater, water
 - Roads, bridges and lighting
 - Land under roads

Infrastructure assets are the fixed utility systems owned by the Council.

- Heritage assets
- Restricted assets - Restricted assets are parks and reserves owned by the Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other

restrictions.

Council Land

Land, other than airport land, has been stated at its deemed cost, which is fair value as valued by I Fairbrother ANZIV of QV Valuations as at 1 July 2005.

Airport land has been stated at its deemed cost, which is fair value as valued by B Dench ANZIV of QV Valuations as at 1 July 2005.

Acquisitions subsequent to 1 July 2005 are at cost.

Council Buildings and Building improvements

Buildings and Building Improvements, have been stated at their deemed cost, which is fair value as valued by I Fairbrother ANZIV of QV Valuations as at 1 July 2005.

Acquisitions subsequent to 1 July 2005 are at cost.

Airport improvements

Airport improvements, including runway, have been stated at their deemed cost, which is Optimised Depreciated Replacement Cost as valued by B Dench ANZIV of QV Valuations as at 1 July 2005.

Acquisitions subsequent to 1 July 2005 are at cost.

Parks and Pools plant and equipment

Parks and Pools plant and equipment assets, are stated at their deemed cost which is optimised depreciated replacement cost valued as at 1 July 2005 by Maunsell Limited, valuers.

Acquisitions subsequent to 1 July 2005 are at cost.

Plant and Equipment (including motor vehicles)

Plant and Equipment (including motor vehicles) are at cost less provision for depreciation.

Furniture and Office Equipment

Furniture and Office Equipment have been stated at their deemed cost which is the assessed fair value at 1 July 2005 based on the 1 July 1993 indemnity value by Morton & Co Limited, valuers, and acquisitions 1 July 1993 to 1 July 2005 at cost.

Acquisitions subsequent to 1 July 2005 are at cost.

Library books

The Timaru District Library, Temuka Library and Geraldine Library collections have been revalued as at 30 June 2017 at depreciated replacement cost calculated by the District Librarian in accordance

Accounting Policies

with the library collection valuation guidelines prepared by the New Zealand Library Association in May 1992.

The Library collections are revalued on an annual basis.

Art Works

Art Works are stated at their deemed cost which is the assessed fair value at 1 July 2005 based on the 1 April 1992 insurance value by the Art Gallery Director, and acquisitions 1 April 1992 to 1 July 2005 at cost.

Acquisitions subsequent to 1 July 2005 are at cost.

Sewer, Stormwater, Water

Sewer, stormwater and water assets, are stated at their deemed cost which is optimised depreciated replacement cost valued as at 1 July 2005 by Maunsell Limited, valuers.

Acquisitions subsequent to 1 July 2005 are at cost.

Roads, Bridges and Lighting

Roads, bridges and lighting are stated at their deemed cost which is optimised depreciated replacement cost valued as at 1 July 2005 by Maunsell Limited, valuers.

Acquisitions subsequent to 1 July 2005 are at cost.

Land under Roads

Land under roads has been stated at their deemed cost which is at an average of adjacent "undeveloped land value" valued as at 1 July 2005 by Maunsell Limited.

Acquisitions subsequent to 1 July 2005 are at cost.

Heritage Assets

Significant statues are stated at their deemed cost which is optimised depreciated replacement cost valued as at 1 July 2005 by Maunsell Limited, valuers. Other heritage type assets such as museum exhibits have not been valued.

Acquisitions subsequent to 1 July 2005 are at cost.

Vested Assets

Vested assets are recognised at the costs to the developer, except for land, which is valued at fair value, at the time of transfer to the Council. This is then treated as the cost of the land to Council. These assets, other than land, are also subject to depreciation and subsequent revaluation if any. Vested reserve land has been initially recognised at the most recent appropriate certified

government valuation.

Forestry Assets

Forestry assets are valued annually as at 30 June at fair value less estimated point of sale costs. Fair value is determined by the estimated worth of the maturing tree stocks in the Council's forests. The valuation method adopted is based on cash flows on a single rotation basis discounted at a market based pre-tax rate. The changes in fair value of the forestry assets are included in the surplus or deficit.

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

Investment Property

Investment properties are properties which are held either to earn rental income or for capital appreciation or both. Investment properties are stated at fair value as determined annually by independent valuers with any gain or loss arising from a change in fair value being recognised in the surplus or deficit.

Intangible Assets

Acquired computer software licences 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. The useful lives and associated amortisation rates of software has been estimated at 3 - 5 years (20% - 33%).

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

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Capital Work in Progress

Capital works in progress are not depreciated. The total cost of a project is transferred to the relevant asset class on completion and then depreciated.

Landfill Assets

Landfill assets being earthworks, plant and machinery and the estimate of site restoration, are stated at cost less any accumulated depreciation and any accumulated impairment

losses. The useful life of the land-fill is considered to be the period of time to the expiring of the resource consent in 2030.

Property, Plant & Equipment - Depreciation

Depreciation is provided on a basis that will write off the cost or valuation of the assets, other than land, less their estimated residual values over their estimated useful lives.

Depreciation has been provided at the following rates.

Council related Land	Nil
Council Buildings and Building improvements	1-30% Straight Line
Airport Improvements	2-50% Straight Line
Parks and pools plant and equipment	2-33% Diminishing Value
Plant and Equipment	10-50% Diminishing Value
Motor Vehicles	5-25% Diminishing Value
Furniture and Office Equipment	20-50% Diminishing Value
Library Collections	0-12.5% Straight Line (0% permanent retention collection, 12.5% current collection)
Art Works	Nil
Water	1-33% Straight Line
Sewerage	1-6% Straight Line
Stormwater	1-4% Straight Line
Roading	1-50% Straight Line
Bridges	1-3% Straight Line
Lighting	6-8% Straight Line
Land under Road	Nil
Heritage assets	1-7% Straight Line

Impairment

The carrying amount of the non current assets, other than investment property and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the surplus or deficit.

Accounting Policies

Non Current Assets Held For Resale

Non current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non current assets classified as held for sale are measured at the lower of the asset's previous carrying amount and fair value less costs to sell.

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

Loans

Loans are classified as other liabilities and are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans are stated at amortised cost with any difference between fair value at acquisition and maturity value being recognised in the surplus or deficit over the period of the borrowings on an effective interest basis.

Employee Entitlements

Entitlements to salary and wages and annual leave are recognised when they accrue to employees. Provision is made in respect of the Council's liability for annual leave, long service leave, retirement gratuities and sick leave. Council accrued retiring gratuities and accrued long service leave are calculated based on an actuarial valuation using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. Annual leave entitlements have been calculated on an actual entitlement basis at current rates of pay. Sick leave entitlements are measured as the amount of unused entitlement accumulated at balance sheet date that the Council anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods. Obligations for contributions to Kiwisaver and superannuation schemes are recognised as an expense in the surplus or deficit when incurred. All employer superannuation contributions are made to defined contribution schemes.

Provision For Landfill Post Closure Costs

A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

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

Amounts provided for landfill post-closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

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

Leases

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognised as assets and liabilities on the Statement of Financial Position at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently assets leased under a finance lease are depreciated as if the assets are owned.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease.

Borrowing Costs

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

Derivative Financial Instruments

The Council is risk averse, and seeks to minimise exposure arising from its treasury activity.

The Council uses derivative financial instruments to manage its exposure to interest rate risks. In accordance with the Investment Policy and Liability Management Policy, the Council does not hold or issue derivative financial instruments for trading purposes. Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value with the gain or loss on re-measurement to fair value recognised immediately in the surplus or deficit. The fair value of interest rate swaps is the estimated amount that the Council would receive or pay to terminate the swap at balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

Foreign Currencies

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Transactions covered by foreign currency forward exchange contracts are measured and reported at the forward rates specified in those contracts.

At balance sheet date foreign monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these transactions are included in the surplus or deficit.

Statement of Cashflows

Cash and cash equivalents means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council invests as part of its day-to-day cash management.

Operating activities include cash received from all revenue sources of the Council, and expenditure payments made for the supply of goods and services. Agency transactions such as collection of regional council rates are not recognised as receipts and payments in the Statement of Cash Flows.

Accounting Policies

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities, and any non-current assets.

Financing activities are those activities relating to the changes in equity, and debt structure of the Council.

Overhead Allocation

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

Direct costs are those costs directly attributable to a significant activity and these costs are charged directly to the significant activity.

Indirect costs are those costs which can not be identified in an economically feasible manner, with a significant activity. Indirect costs are allocated to significant activities based on the services provided.

Critical Accounting Estimates and Assumptions

In preparing these prospective financial statements, Timaru District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Changes in Accounting Policy

All policies have been consistently applied to all the years presented.





OTHER INFORMATION

Directory

Postal Address:

Timaru District Council,
PO Box 522,
Timaru 7940

Location

Timaru Main Office:
2 King George Place, Timaru 7910
Telephone: (03) 687-7200
Email: enquiry@timdc.govt.nz
Website: www.timaru.govt.nz
Hours (except statutory holidays):
Mon – Fri, 8.30am – 5pm

Temuka Service Centre:

72-74 King Street, Temuka 7920
Telephone: (03) 687 7591
Hours (except statutory holidays):
Mon – Thu, 8.30am – 5pm,
Fri, 8.30am – 6pm
Sat, 10am – 1pm

Geraldine Service Centre:

78 Talbot Street, Geraldine 7930
Telephone: (03) 693-9336
Hours (except statutory holidays):
Mon – Thu, 8.30am – 5pm
Fri, 8.30am – 6pm
Sat, 10am – 1pm

Bankers:

Bank of New Zealand,
247 Stafford Street, Timaru 7910

Auditors:

Audit New Zealand
on behalf of the Controller and Auditor-General
Private Box 99, Wellington 6140

Logo

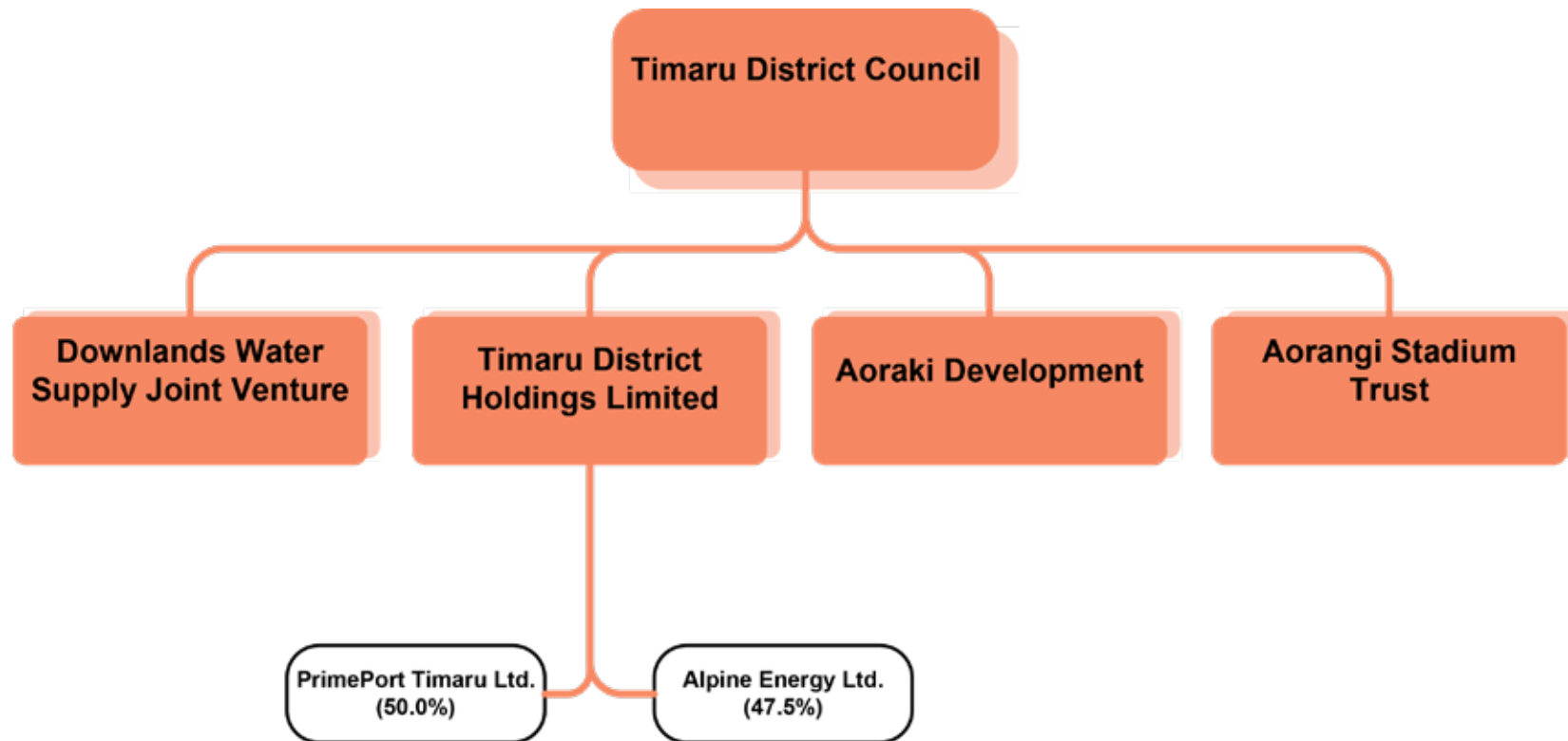


Coat of Arms

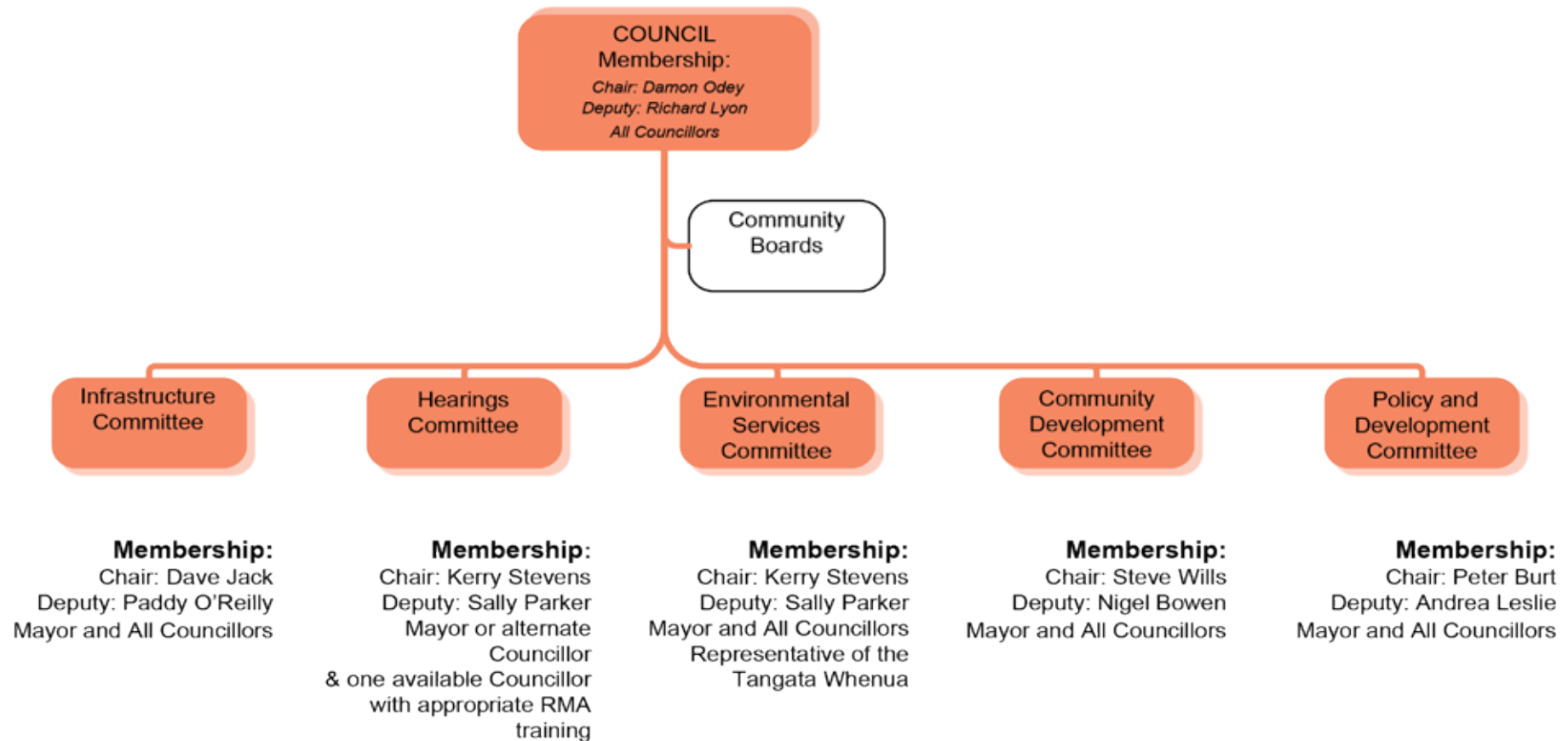


The grant of armorial bearings to the City of Timaru was made by the College of Heralds, London, by letters patent dated 18 October 1977. The original grants document with its impressive artwork and gold seals is displayed outside the Council Chambers in the upstairs foyer of the District Council Building, King George Place, Timaru. Although granted to the former Timaru City Council, the heraldic emblems used are equally applicable to the whole district and use of the Coat of Arms by the District Council has been approved by the New Zealand Herald of Arms. The description of the Arms and Significance of the main features are available on request. The Coat of Arms is used to accentuate the civic responsibilities of the Council or to denote Mayoral authority.

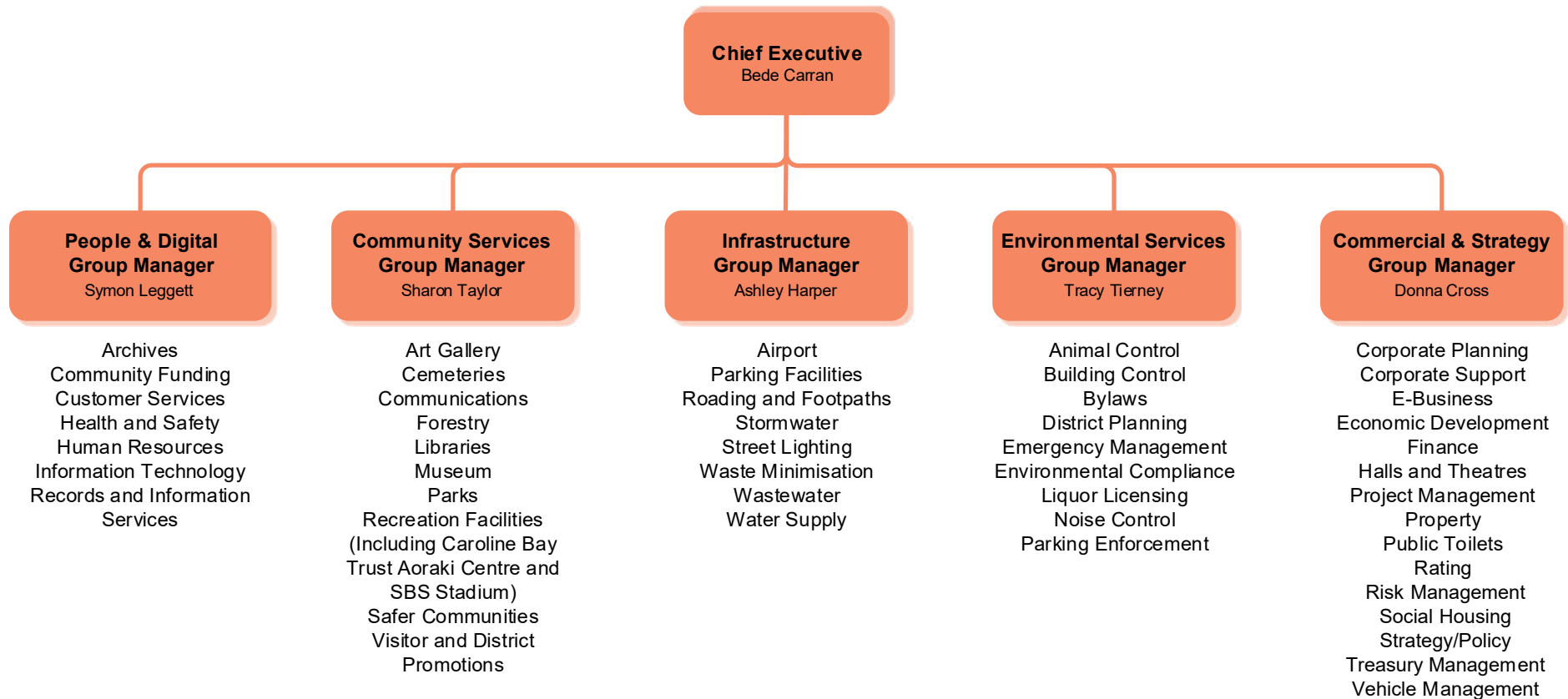
Group Organisational Structure



Council Committees



Council Management



Glossary

Activity

Services, projects or goods provided by, or on behalf of, Council (e.g. libraries, art gallery). These activities are then combined into groups of activities.

Annual Plan

The Annual Plan is produced in the intervening years between Long Term Plans. It includes the work programme for the year and financial statements.

Annual Report

Reports on the performance of the Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and the Long Term Plan.

Asset

Something of value that the Council owns on behalf of the people of Timaru District such as roads, drains, parks and buildings.

Activity/Asset Management Plan

A plan for managing an activity to ensure that its capacity to provide a service is maintained, future strategy is established, work is planned for and costs to provide an activity are identified.

Borrowing

The raising of loans for capital items, such as a sewerage scheme.

Capital Expenditure

Expenditure that will increase the value of the Council's assets. It generally involves building a new asset or replacing an existing asset.

Capital Value

Value of land including any improvements.

Community Boards

Local elected bodies set up under the Local Government Act. Community Boards are consulted by the Council and can represent community concerns to the Council. Timaru District has three Community Boards – Temuka, Geraldine and Pleasant Point.

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".

Consultation Document

A document used to consult on issues presented. This may include options and a preferred option.

Council Controlled Organisations

Council-controlled organisations are organisations in which one or more local authorities control 50 per cent or more of the voting rights or appoint 50 percent or more of the directors.

Financial Strategy

Guides Council's financial direction, including information around revenue, expenditure, rating, debt and investments. It is required under Section 101A of the Local Government Act.

Financial Year

The Council's financial year runs from 1 July to 30 June of the following year.

General Rate

A rate levied across all properties for activities that benefit the whole District.

Group of Activities

Several activities combined together (e.g. Recreation and Leisure).

Infrastructure Strategy

A 30 year strategy that sets out significant infrastructure issues, expenditure forecasts, principal options and planned projects under Section 101B of the Local Government Act. At a minimum, the strategy must cover roading and footpaths, sewer, stormwater, flood control and water supply.

Land Value

Value of land, excluding any improvements.

Local Government Act 2002

The key legislation that defines the powers and responsibilities of local authorities like the Timaru District Council.

Long Term Plan (LTP)

A ten-year plan that sets out the Council's strategic framework, work programme, performance framework, funding approach and budget for the next ten years.

Operating Expenditure

Money the Council spends on day to day expenditure items such as salaries, materials, electricity and plant hire.

Operating Revenue

Money earned through the activities in return for a service provided, or by way of a grant or assistance to ensure particular services or goods are provided. Examples include NZTA financial assistance, rental income, permits and fees.

Operating Surplus/(Deficit)

The expressions 'operating surplus' and 'operating deficit' are accounting terms meaning the excess of income over expenditure and excess expenditure over income respectively. Income and expenditure in this context exclude 'capital' items such as the receipt or repayment of loans, the cost of capital works and transfers to and from Reserves. An operating surplus/deficit is inclusive of non-cash items such as income and expenditure owing but not paid (Debtors and Creditors) and depreciation.

Performance Measure

A measure that shows how well Council is doing in achieving the objectives it has set for itself.

Rates

Funds collected by the Council from levies on property. These are based on the land value of the property but the term is often used to include Uniform Annual General Charges and Targeted Rates.

Revenue and Financing Policy

This describes how the Council's work will be paid for and the mechanisms used for gathering funds (e.g. general rate, targeted rates, fees, user charges, grants).

Significance

In relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision or matter, as assessed by the local authority.

Significance and Engagement Policy

The Significance and Engagement Policy (SEP) enables the Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities. It also provides clarity about how and when communities can expect to be engaged in decisions about different issues, assets or other matters.

Statement of Cash Flows

This describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

Statement of Comprehensive Revenue and Expense

Referred to as the Profit and Loss Statement, the Income Statement, or the Operating Statement. It shows the financial results of various Timaru District Council activities at the end of each period as either a surplus or deficit. It does not include asset purchases or disposals.

Statement of Financial Position

This shows the financial state of affairs at a particular time. It can also be referred to as the Balance Sheet.

Subsidies

Amounts received from other agencies for the provision of services.

Targeted Rates

Any rate levied other than the general rate, which is targeted at users of a service such as water supply, sewer and waste minimisation.

Transfer to/from Reserves

Transfers of funds to reserves are generally surpluses on operations. Transfers from reserves assist to fund capital expenditure.

User Charges

Charges levied for use of Timaru District Council services (e.g. building consent fees, swimming pool entry fees).

Working Capital

The Council's net current assets that are held in cash or can be readily converted to cash, less liabilities due for payment within a year. This is indicative of the Council's ability to meet its obligations as they become due.



Timaru District Council

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