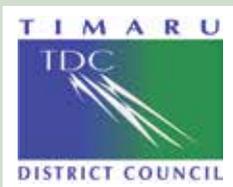




# Annual Plan 2016/2017

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**Timaru District Council  
Annual Plan 2016/2017**

For the year beginning 1 July 2016

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# An Introduction from your Mayor and Chief Executive

## We're on our way!

Last year we developed our Long Term Plan (LTP) for 2015-25. We asked you the question "Are We There Yet?" concerning our planned work programme and strategic direction for the next ten years.

This work programme represents what the Council is doing on your behalf moving us closer to the District's vision of:

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

We had some great input from you in terms of what you thought the important issues were, and how they should be handled. We used this to help make the long term planning decisions for our district and to prepare the work plan for the next 3 years in detail through to our next Long Term plan review.

So, for the most part, what we are planning to do for the year 1 July 2016 – 30 June 2017 is already worked out. Inevitably though, there have been some minor changes in the costs and timing of some projects.

This document outlines these differences, along with the main projects that will get underway during the year, so you'll know what's coming up.

The great news for the 2016/17 year is that we are able to do this with a lower rate rise than indicated in the LTP.

When we look at what's happening around the district, it's clear that we are on our way in terms of implementing the LTP we agreed with you.

So, that's where it's at. Read on to find out Council's plan's for the coming year.



Peter Nixon  
Chief Executive

Damon Odey  
Mayor

## Same Service

- The quality and range of services will continue

## Ongoing Development

- Progress on Water Supply, Sewer, Stormwater and Rooding infrastructure upgrade projects
- Airport terminal and carpark upgrade
- Facility upgrades, including the outdoor pool at CBay

## Lower Rates rise

1.54% increase in rates rather than the 5.33% increase in the LTP forecast for the year. The main reasons for this are:

- Additional dividends expected from Council's investment in Timaru District Holdings Limited
- A careful review of all expenditure
- Inflation component of the budget being less than forecast
- Interest rates reduced (for money Council borrows)
- Rooding contracts finalised meaning some savings overall
- Some amended timing of capital expenditure resulting in lower interest and depreciation costs.

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We look forward to working with you in progressing our vision of Lifestyle - Economy – Identity – Leadership and making our Timaru District prosperous with a lifestyle truly second to none.

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# Overview

# Your Council and Community Boards



**Damon Odey**

**Mayor**

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**Deputy Mayor**

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Jan Finlayson	03 693 7297	janfinlayson@xtra.co.nz
Chris Fisher	03 697 4840	rochelle.chris@xtra.co.nz
McGregor Simpson	03 693 9696	margesimpson@clear.net.nz
Plus Geraldine Ward Councillor Kerry Stevens		

## Pleasant Point Community Board

John McDonald (Deputy Chair)	03 614 7619	pleasantpoint@foursquare-si.co.nz
Neville Gould	03 614 7760	tengawai@slingshot.co.nz
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Karalyn Reid	03 614 7858	karalynjoyce@xtra.co.nz
Bernie Wilson	03 614 7097	goodstock@xtra.co.nz
Plus Pleasant Point-Temuka Ward Councillors Richard Lyon (Chair) and Pat Mulvey		

## Temuka Community Board

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Plus Pleasant Point-Temuka Ward Councillors Pat Mulvey (Chair) and Richard Lyon		

# What's an Annual Plan?

## What's the Annual Plan all about?

As the name says it is a plan for 1 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 you.

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 2016/17 is based on Year 2 of the Long Term Plan 2015-25.

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.

## Law changes since the last Annual Plan

The law has changed since we prepared our last Annual Plan. The focus of Annual Plans is now on any changes to the Long Term Plan that's already been approved.

Changes to legislation mean that it is no longer necessary to consult every year on the Annual Plan where there are no major changes to what was forecast.

The Annual Plan effectively represents an exceptions document that contains the main differences from the relevant LTP year.

## Engagement with the Community on this Annual Plan

Changes to legislation 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 2015-2025.

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. As part of this information sharing we invited feedback on what is planned. We received six items of feedback. Some of these related to smaller isolated matters which have been referred for maintenance follow up. Other matters involve additional capital expenditure and will be considered as part of the development of the next Long Term Plan.



# Strategic Direction

## Vision

Lifestyle – Economy – Identity – Leadership



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

## Lifestyle

**Fantastic, sustainable lifestyle second to none**

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

This means:

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

## Economy

**Thriving and innovative economy where opportunities abound**

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

This means:

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

## Identity

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

This means:

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

## Leadership

**Inspiring, people-focused leadership**

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

This means:

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

---

This section summarises Council's strategic direction. It includes the vision for the district and the community outcomes agreed with you when the Long Term Plan 2015-25 was developed.

---

# Strategic Direction

## Community Outcomes

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



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

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

There are six community outcomes the Council have identified:

### High quality infrastructure to meet community and business needs

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

### Smart, diversified economic success and growth supported and enabled

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

### Communities that are safe, vibrant and growing

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

### People enjoying a high quality of life

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

### A strong identity forged and promoted

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

### A valued, healthy and accessible environment

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

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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”

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# Strategic Direction

## Strategic Priorities

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



### Investing in Community

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

### Promote integrated, highly liveable communities

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

### Support areas of economic and district strength

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

### Ensure critical infrastructure meets future needs

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

# Annual Plan 2016/17 - What's coming up and what's changed?

## Summary of Key Projects for 2016/17

Most of what we agreed in our Long Term Plan (LTP) is going ahead as planned. However, the review of our planned projects has resulted in some budget and timing changes. The overall impact of these changes is minor.

The next few pages provides a summary of some of the major projects for 2016/17, and a note about any budget or timing changes.

For the full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25. A full list of projects for 2016/17 can be found in Section Two.

## Group of Activities

	<b>Community Support</b>		<b>Sewer</b>
	<b>Planning and Regulatory</b>		<b>Stormwater</b>
	<b>Recreation and Leisure</b>		<b>Waste Minimisation</b>
	<b>Roading and Footpaths</b>		<b>Water Supply</b>

## Community Support

Key Projects	
<b>Airport</b>	\$1,250,000
■ Terminal Upgrade	\$695,000
■ Carpark Upgrade	\$555,000
<b>Social Housing</b>	\$193,000
<b>Public Toilets</b>	\$140,000
<b>Rural Fire</b>	\$105,000

Key projects include:

- Timaru Airport - Signalled in the LTP, upgrading the terminal and car parking at Timaru Airport is required to cater for the larger aircraft that will be servicing the Timaru – Wellington route from March 2016. This is a new budget item for 2016/17 and will be funded primarily via a loan which will be repaid through additional landing fees, lease fees and new car parking fees.
- Social Housing - Ongoing refurbishment of Council's social housing units including upgrading bathrooms, ovens and installing heat pumps.
- Public Toilets - Ongoing renewal and upgrading of the district's public toilets. For 2016/17, this will include the toilet block behind the Bay Hall at Caroline Bay and replacing a further rural toilet.
- Rural Fire - Replacement of Rural Fire vehicles to maintain operational capabilities.

## District Planning and Regulatory Services

Key Projects	
<b>District Plan Review</b>	\$340,000

The major project is the District Plan review. This is required under the Resource Management Act 1991 every ten years. The District Plan provides the framework for future developments, land use and what is a permitted activity for each type of land designation. The District Plan Review (DPR) is an opportunity to reconsider everything in the District Plan. It's not exactly starting from fresh, but uses the existing provisions as a starting point. If the review finds we need to completely reconsider our approach to a particular issue, then there is scope to do that. It is estimated that the DPR will take approximately seven years to complete and overall funding of \$2.78M has been budgeted by Council to complete the project. We expect to spend \$340,000 of this in 2016/17.

# Annual Plan 2016/17 - What's coming up and what's changed?

## Recreation and Leisure

### Key Projects

<b>Caroline Bay Trust Aoraki Centre</b>	\$1M
<b>Theatre Royal Upgrade</b>	\$350,000
<b>Museum</b>	\$114,000
<b>Libraries</b>	
■ <b>Books &amp; Resources</b>	\$350,000
■ <b>Replacement of Timaru Library Roof</b>	\$350,000
<b>Parks</b>	\$889,600

Key projects include:

- CBay Trust Aoraki Centre - Renewal of the 50M Outdoor Pool plant facilities and other redevelopment work at the complex.
- Theatre Royal - An upgrade project, subject to the completion of a future plan for the Theatre
- Museum - Heating and humidifier upgrades to improve storage conditions and further development of offsite storage.
- Libraries - As well as ongoing replacement of books and resources, the Timaru Library roof will be replaced. This was originally planned to be done over 2 years but has become more urgent due to leaking. Funding has been bought forward to enable the project to be completed in 2016/17.
- Parks - Ongoing upgrading of district parks and reserves including playgrounds, park furniture and walkways is planned. Specific projects include continued work on the Temuka Domain upgrade, off road shared tracks development (Scarborough Coastal Track and more progress towards completing other tracks in the district) and upgrading the Pleasant Point Domain carpark.

## Roading & Footpaths

### Key Projects

<b>Chip Seal and Asphalt Renewals</b>	\$2,920,000
<b>Footpaths - New &amp; Renewals</b>	\$1,131,000
<b>Kerb &amp; Channel - New &amp; Renewals</b>	\$1,000,000
<b>Pavement Rehabilitations</b>	\$1,200,000
<b>Bridge replacements</b>	\$322,100
<b>Washdyke Network Improvements</b>	\$1,000,000
<b>CBD Refresh</b>	\$750,000
<b>District Signs Project</b>	\$120,000

The districts road and footpaths are one of the Council's major expenditure areas. Key projects for 2016/17 include:

- Chip Seal and Asphalt Renewals - An ongoing programme to renew chip seal and asphalt road surfaces in the district.
- Kerb and Channel - New and replacement kerb and channelling in the districts roading network, including enhancements to create safer speed environments.
- Pavement Rehabilitations - Ongoing reconstruction of roading throughout the district.
- Bridge Replacements - An ongoing programme to replace or structurally reinforce bridges. Council has been advised of a reduction in NZ Transport Agency funding of \$300,000 for 2016/17, so the scope of the project has had to be reduced accordingly.
- Washdyke Network Improvements - This project to improve the Washdyke roading network and provide infrastructure for future development is being carried out over a number of years. Progress on the project was delayed and 2015/16 funding carried forward to this year due to stormwater issues requiring resolution.
- CBD Refresh - This project provides for a freshen up of the Central Business Districts in Timaru and rural townships. It was to commence in 2015/16 but has been rescheduled to 2016/17 awaiting the District Town Centre (DTC) project completion. The DTC project sets the strategy for future development of town centres. Once adopted, CBD refresh works will be undertaken.
- District Signs Project - The District's "Welcome" signs will be replaced. This project has been carried forward to 2016/17 until signage theme decisions are made.

# Annual Plan 2016/17 - What's coming up and what's changed?

## Sewer

Key Projects	
Sewer Mains renewals & Upgrades	\$2,735,000
Sewer Reticulation extensions	\$250,000

Having completed the District wide Sewer Strategy the focus is now on renewing and upgrading infrastructure as well as extending sewer reticulation to enable further urban development.

There have been delays in some of this development, particularly the Temuka Domain Avenue renewal project due to the need for a re-evaluation of the concept design. This has resulted in funds being carried forward into the 2016/17 financial year.

## Stormwater

Key Projects	
Stormwater Capital Upgrades	\$480,000
Stormwater Renewals	\$140,500

Major projects focus on capital upgrades and renewal of stormwater infrastructure assets across the district.

## Waste Minimisation

Key Projects	
Waste Sorting Facility	\$889,000
Compost Site – new maturation pads	\$44,000
Bin Renewals	\$169,000

The major focus of the Waste Minimisation projects is to reduce the amount of waste going the landfill and further extend the life of the landfill. The Waste Sorting Facility will enable the recovery of material for recycling, and the composting facility extension is required to meet increased demand..

# Annual Plan 2016/17 - What's coming up and what's changed?

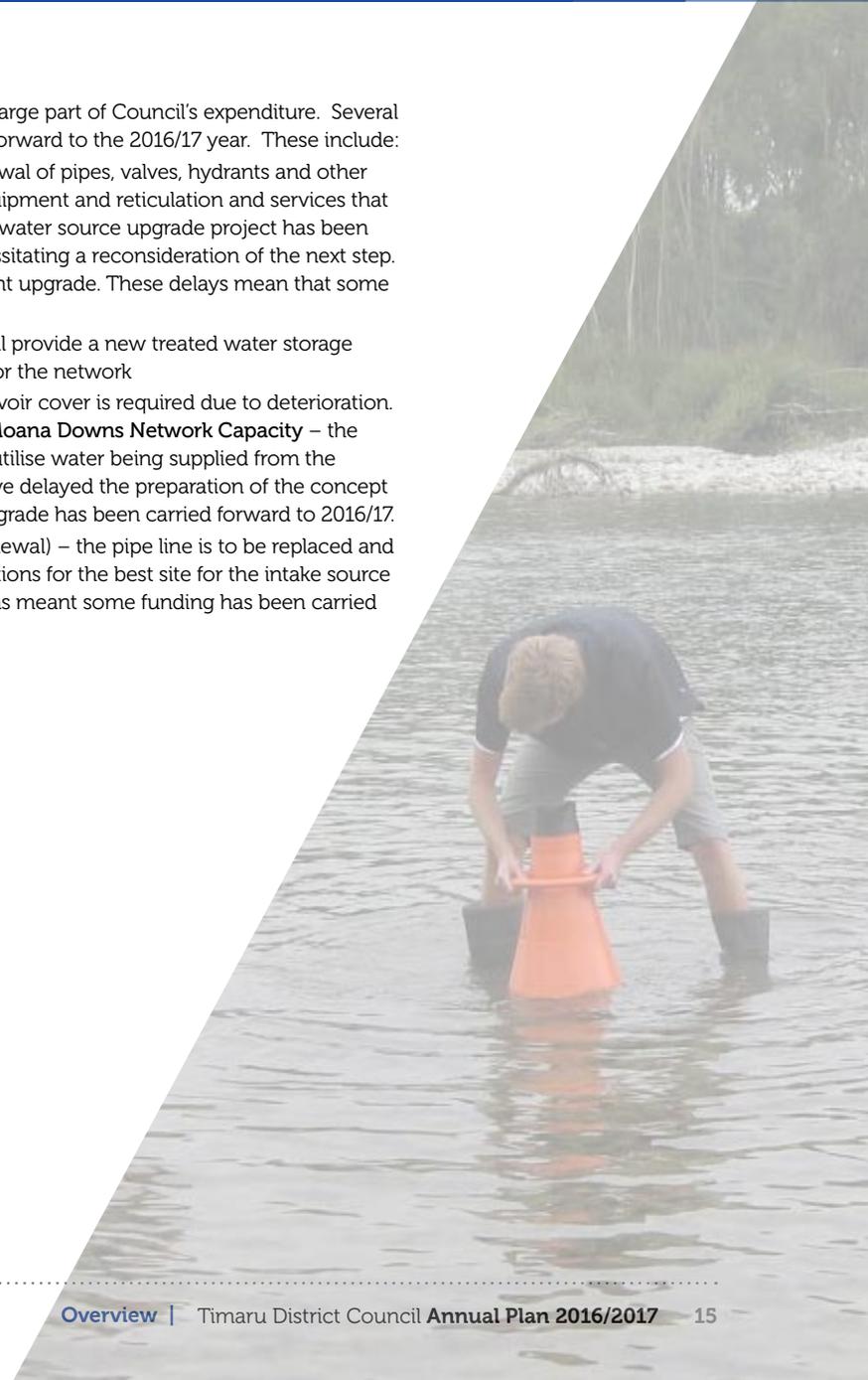
## Water Supply

### Key Projects

Te Moana Downs Network Capacity	\$2,123,000
Downlands Water Supply – Te Ngawai trunk main renewal	\$6,396,000
Urban Water Supplies - Fixed Plant & Equipment	\$835,000
Urban Water Supplies – Reticulation & Services renewals	\$1,568,500

Maintaining and upgrading water supplies accounts for a large part of Council's expenditure. Several key projects have been delayed with funds being carried forward to the 2016/17 year. These include:

- **Urban Water Supplies** – Projects include ongoing renewal of pipes, valves, hydrants and other water supply assets relating to both fixed plant and equipment and reticulation and services that have reached the end of their design life. The Temuka water source upgrade project has been delayed due to results following the bore drilling, necessitating a reconsideration of the next step. This in turn has delayed the Winchester water treatment upgrade. These delays mean that some funding has been carried forward to the 2016/17 year.
- **Pleasant Point Treated Water Storage** – this project will provide a new treated water storage facility for Pleasant Point to increase storage capacity for the network
- **Timaru Reservoir Cover** - renewal of the Timaru Reservoir cover is required due to deterioration. This project will be undertaken over several years. **Te Moana Downs Network Capacity** – the network capacity is being increased and enhanced to utilise water being supplied from the Geraldine Water Supply. Difficult ground conditions have delayed the preparation of the concept design, meaning that funding for this portion of the upgrade has been carried forward to 2016/17.
- **Downlands Water Supply** – (Te Ngawai trunk main renewal) – the pipe line is to be replaced and upgraded. The final design has been delayed while options for the best site for the intake source and treatment/storage facilities are determined. This has meant some funding has been carried forward to 2016/17.



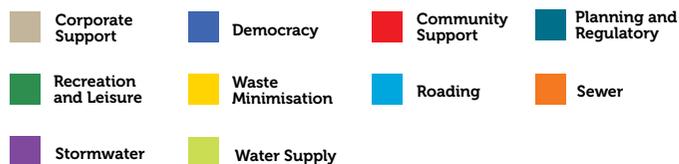
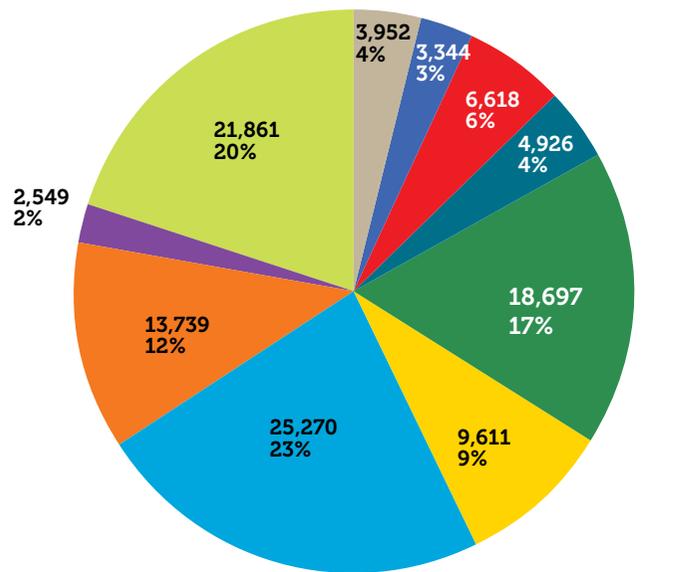
# The Numbers - Financial Overview

Below is a summary of key financial information relating to the Annual Plan 2016/17.

## 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.

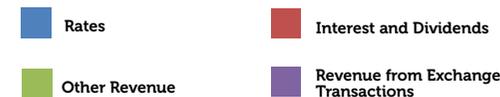
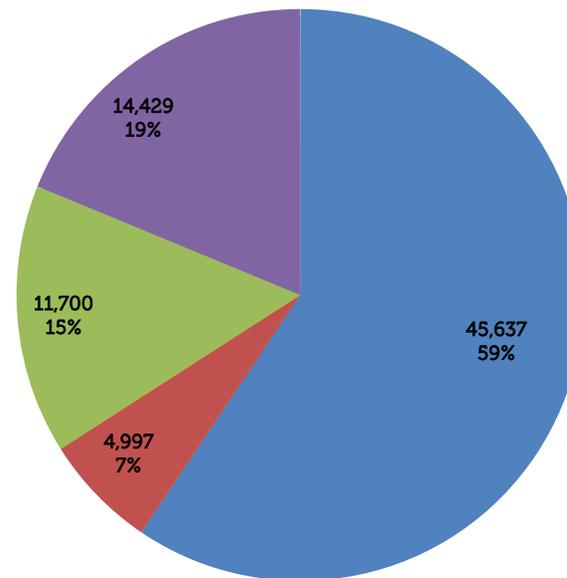
Timaru District Council Total Expenditure 2016/17 (\$000s)



## 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 2016/17.

Timaru District Council Total Income 2016/17 (\$000s)



## Other Key Forecast Numbers:

**Borrowings:** \$100.9M

**Reserve Funds:** \$24.4M

**Investments:** \$39.5M

**Operating Expenditure:** \$72.8M

**Capital Expenditure:** \$37.8M

## Fees and Charges

Some increases to fees and charges has occurred for activities such as building control, cemeteries, Land Information Memorandums, Libraries, Parking, Waste Minimisation and Special Liquid Waste (sewer). Council also separately consulted on Food Act Fees and Planning Fees. You can view the full final list of fees on our website.

Full details of our financial forecasts and statements for 2016/17 can be found in Section Three.

# The Breakdown - How will this affect you?

For 2016/17, the overall increase in the Council's rate income is 1.54%. The graphic below illustrates the impact of the overall increase in rates revenue for 2016/17. The property examples shown below represent:

- average land values for urban communities; and
- example land values for farming and commercial/industrial properties.

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	Farming*	Farming*	Farming*	Commercial/ Industrial**
	LAND VALUE \$128,000 	LAND VALUE \$110,000 	LAND VALUE \$80,000 	LAND VALUE \$110,100 	LAND VALUE \$365,400 	LAND VALUE \$1,400,000 	LAND VALUE \$3,654,000 	LAND VALUE \$317,800 
<b>General Rates \$</b> (including UAGC)	881.96	831.20	746.60	831.48	893.71	1,949.00	4,248.08	4,286.93
<b>Targeted Rates \$</b>	1,240.12	1,051.50	1,262.90	1,199.54	146.19	260.00	507.94	1,498.63
<b>Total Rates \$</b>	2,122.08	1,882.70	2,009.50	2,031.03	1,039.90	2,209.00	4,756.02	5,785.56
<b>Weekly Rates \$</b>	40.81	36.21	38.64	39.06	20.00	42.48	91.46	111.26
<b>Increase \$ over 15/16</b>	31.84	30.20	76.00	15.89	49.54	153.00	378.40	(169.04)
<b>Increase % over 15/16</b>	1.52%	1.63%	3.93%	0.79%	5.00%	7.44%	8.64%	-2.84%

All figures are GST inclusive

\* These examples do not include targeted rates for sewer, water supply or waste minimisation

\*\* This example includes one targeted rate for sewer, water supply or waste minimisation

# Where do my rates go?

As a property owner, it may sometimes be hard to visualise where your rates payments are going.

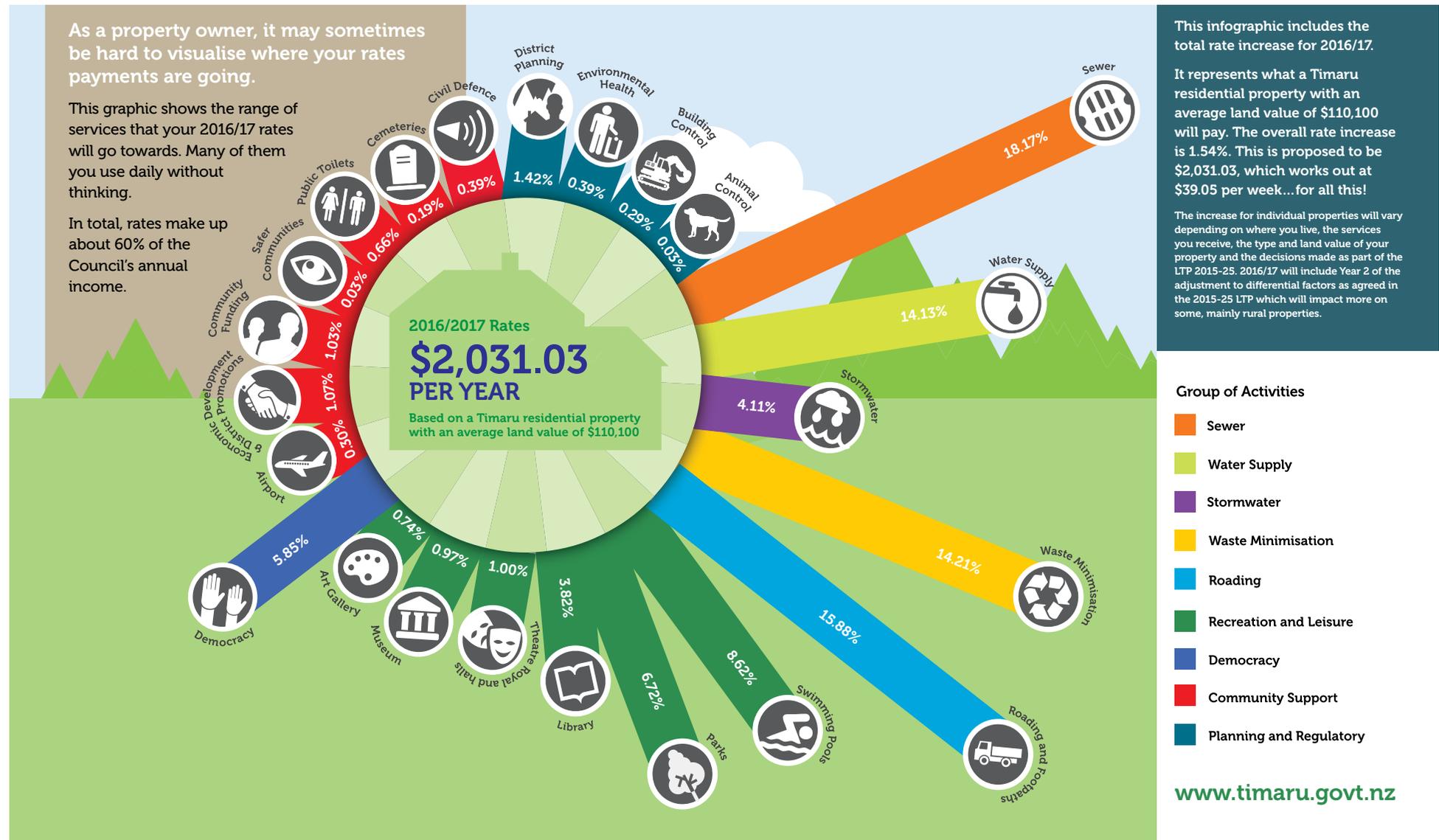
This graphic shows the range of services that your 2016/17 rates will go towards. Many of them you use daily without thinking.

In total, rates make up about 60% of the Council's annual income.

This infographic includes the total rate increase for 2016/17.

It represents what a Timaru residential property with an average land value of \$110,100 will pay. The overall rate increase is 1.54%. This is proposed to be \$2,031.03, which works out at \$39.05 per week...for all this!

The increase for individual properties will vary depending on where you live, the services you receive, the type and land value of your property and the decisions made as part of the LTP 2015-25. 2016/17 will include Year 2 of the adjustment to differential factors as agreed in the 2015-25 LTP which will impact more on some, mainly rural properties.



### Group of Activities

- Sewer
- Water Supply
- Stormwater
- Waste Minimisation
- Roothing
- Recreation and Leisure
- Democracy
- Community Support
- Planning and Regulatory

[www.timaru.govt.nz](http://www.timaru.govt.nz)

# 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.

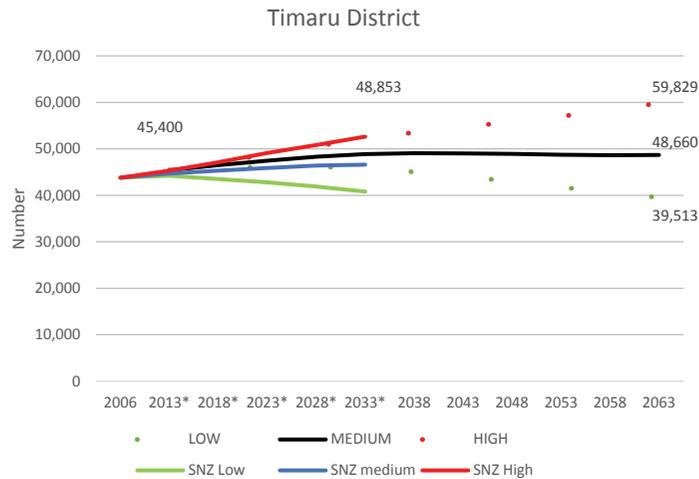
## Demographics

The estimated resident population of the Timaru District as at June 2015 was 46,200. The 2013 Census population was 43,929.

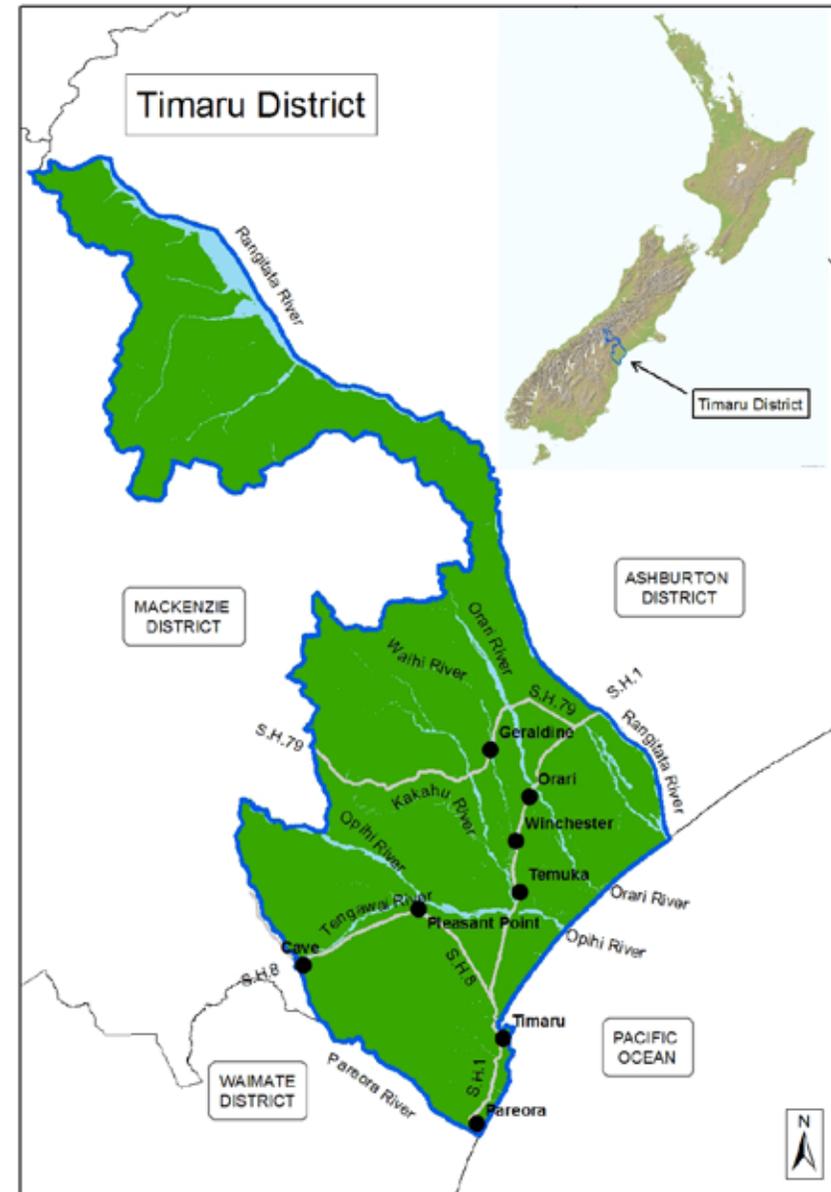
Population projections\*, based on a medium growth scenario project the District's Population to increase to 48,853 (+7.6%) by 2033, peaking in 2038 at 49,091, and declining slightly over the remaining period to 48,660 in 2063. The population is expected to increase to 48,293 (+6.4%) by 2028 which includes the 2015-25 LTP period.

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

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



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



# Timaru District, our Special Corner of the World

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

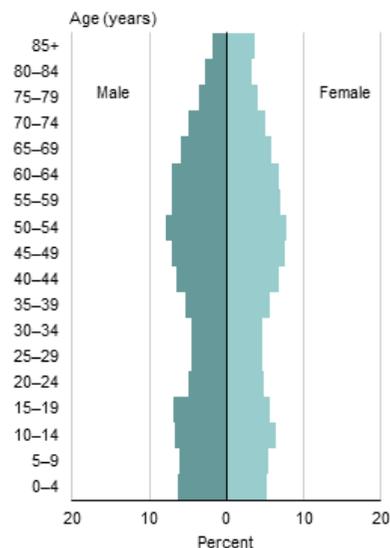
## Cultural Diversity

Timaru District residents are:

- 92.5% European (NZ: 74%)
- 74% 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 2015-25 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 Clondeboye 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 industries as at February 2015. As at February 2015, there were approximately 5,601 businesses operating in the district (2004: 4,736). The Agriculture, Forestry and Fishing industry sector accounts for around 23% 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 December 2015 shows progress for some key economic indicators, compared to the NZ situation.

Indicators	Timaru District	New Zealand
	Annual average % change	
Gross Domestic Product	⬆️ 1.2%	⬆️ 2.4%
Traffic Flow	⬆️ 1.6%	⬆️ 4.5%
Residential Consents	⬇️ 7.3%	⬆️ 9.8%
Non-Residential Consents	⬆️ 53%	⬆️ 16%
House Prices*	⬆️ 5.8%	⬆️ 12%
House Sales	⬆️ 0.8%	⬆️ 21%
Guest Nights	⬆️ 8.6%	⬆️ 4.7%
Retail Trade	⬇️ 1.5%	⬆️ 2.6%
Car Registrations	⬆️ 0.9%	⬆️ 7.7%
Commercial Vehicle Registrations	⬆️ 0.9%	⬆️ 0.9%
Job Seekers	⬇️ 0.9%	⬇️ 2.5%

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

Source: Quarterly Economic Monitor Timaru District December 2015 - Infometrics

## 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 of Canterbury providing tertiary educational services throughout Canterbury.

# Timaru District, our Special Corner of the World

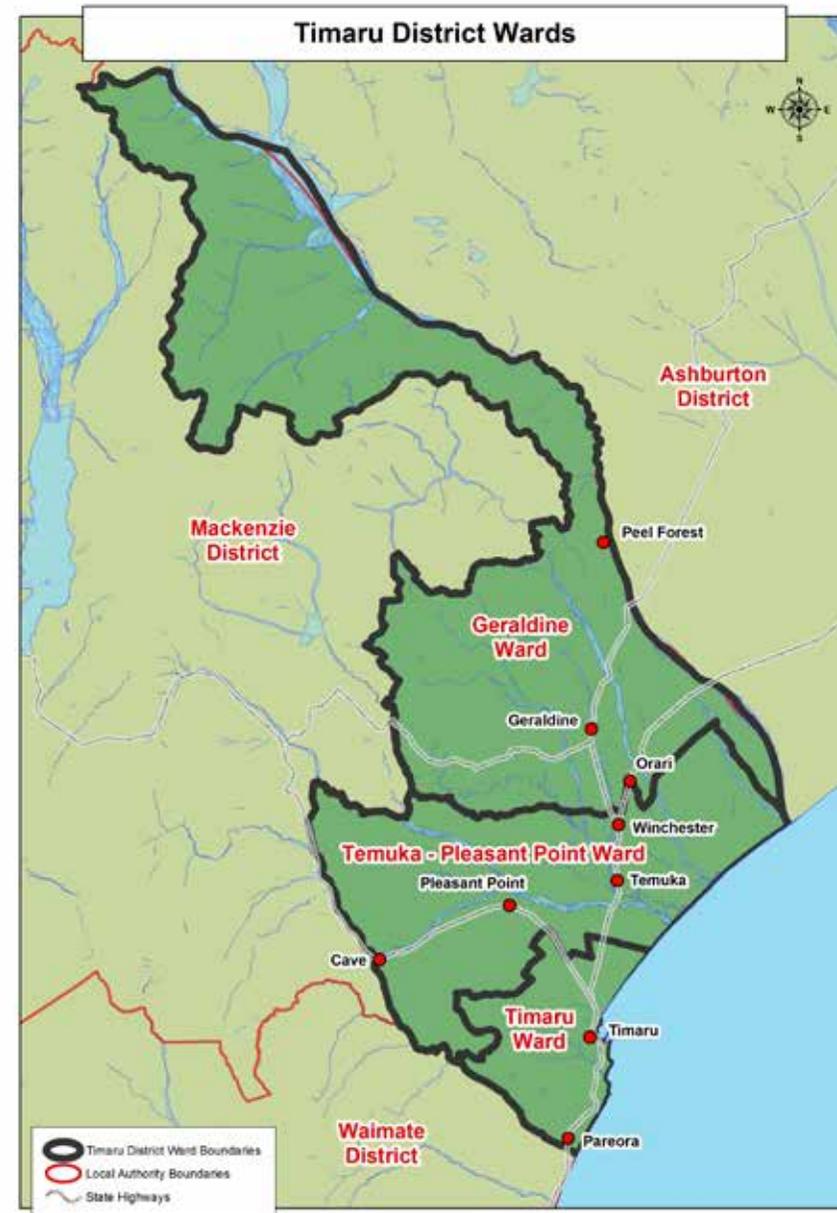
## Environment

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.





A scenic view of a town with a prominent church and mountains in the background. The church has a large green dome and two tall spires. The town is built on a hillside, and the foreground is filled with green vegetation, including several large, spiky plants. The sky is clear and blue.

# Council Activities and Work Programme 2016/2017



# 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 – Rooding and Footpaths, Sewer, Stormwater and Water Supply.

GROUP OF ACTIVITIES	ACTIVITIES	
Democracy	Governance and Leadership	
Community Support	Airport Community facilities (includes public toilets, cemeteries) Community Funding (includes community funding, subsidised labour)	Economic Development and District Promotions Emergency Management Safer Communities Social Housing
District Planning and Regulatory Services	Building Control District Planning	Environmental Health (includes environmental health, animal control, parking enforcement)
Recreation and Leisure	Cultural and Learning Facilities (includes Art Gallery, Halls, Theatre Royal, Libraries, Museum)	Parks, Recreation and Swimming Pools (includes Caroline Bay Trust Aoraki Centre, Fishing Huts, Motor Camps)
Rooding and Footpaths	Rooding and Footpaths (Includes parking facilities)	Cycleways and walkways
Waste Minimisation	Compost, Recycling and Refuse	
Sewer	Sewer	
Stormwater	Stormwater	
Water Supply	Water Supply	

# Democracy



# Democracy

## What we do

The Governance and Leadership activity supports and guides all the activities carried out by the Timaru District Council. The activity 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 focussed around progressing toward Council's Vision and Community Outcomes 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.

Key tasks under the Governance and Leadership activity are as follows:

- 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 and policy
- 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 LTP, 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 2015-25.**

# Community Support



# Community Support

## What we do

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

- Airport
- Community Facilities (includes 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 in the Levels area of Timaru District, about 10 kilometres northwest of Timaru CBD. The airport provides a key business and community link from the district to Wellington with several weekly return flights. The Council owns, administers and manages the asset – the main airport facility, including the terminal building and runway. It also ensures the airport is run to legislative and Civil Aviation rules and provides other services such as car parking and land for lease. Sites are leased for commercial and private aircraft hangars and aviation orientated industry.

### Community Facilities

Community Facilities includes cemeteries and public toilets. Council currently operates seven cemeteries for burial and cremation interments at Timaru, Temuka, Pleasant Point, Geraldine, Arundel and Pareora West. Council is also responsible for Mesopotamia and Woodbury cemeteries, which are operated 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 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 80's swimming.

### Economic Development and District Promotions

This activity is concerned with promoting and assisting economic development and visitor opportunities in the district. This is delivered in partnership with a Council Controlled Organisation (CCO), Aoraki Development Business and Tourism (ADBT), the economic and tourism development agency for Timaru 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 (e.g. irrigation).

Council funds a significant portion of ADBT's work and provides financial support for events and other initiatives as they arise. ADBT's role is to provide a range of services to the local business community in South Canterbury to help facilitate business success and grow the wellbeing of Timaru District and South Canterbury. This includes business start-up and expansion advice, business skills training, advocacy work and clusters in industry sectors. While ADBT currently has a major role in marketing South Canterbury to visitors, businesses and events, the Council will assume some of this responsibility directly during the first three years of the LTP. This includes the southcanterbury.org.nz website and information services in Timaru, Temuka and Geraldine. ADBT helps facilitate local business events.

### Emergency Management

Emergency Management is concerned with communities being prepared, responding to and recovering from emergencies when they happen. Two key activities – Civil Defence and Rural Fire – are involved, whose role is summarised by the '4Rs': Readiness, Reduction, Response and

Recovery.

Civil Defence is about developing resilient communities in an effective, adaptable and sustainable way. Creating community and agency response plans, forming strong communication networks and maximising coverage occurs within the '4Rs' framework. Planning and education means people can better understand the risks in their communities. Volunteer training and resourcing increases a community's readiness to respond. By coordinating partner emergency, health and welfare agencies, emergency events can be managed more effectively and in a manner that the community can support. TDC 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.

The Timaru District Council is a member of the South Canterbury Rural Fire District, whose role is to protect rural property and vegetation from the threat of fire. The Authority was created by Mackenzie, Waimate and Timaru District Councils, Forest Owners Group, the Department of Conservation and the New Zealand Fire Service. The South Canterbury Rural Fire District Committee was formed to meet and administer the Authority's obligations. Rural Fire provides services such as volunteer training, hazard assessment, coordination, response to and recovery from incidents.

### Safer Communities

The Safer Communities activity exists to enhance the safety, both now and in the future of the community. There are two distinct services provided:

- Project Turnaround (Restorative Justice)
- Safer Communities

By running particular programmes within these services the activity, together with other strategic partners, works to reduce crime, raise awareness of issues, facilitate communication for better outcomes and deliver a highly successful restorative justice programme for the Ministry of Justice.

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# Community Support

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
<b>CSH2</b>	<b>Housing-Refurbishment</b>	The ongoing refurbishment of the Council's social housing units to ensure they remain fit for purpose by replacing ovens, upgrading bathrooms and converting bedsits to units.	100,000
<b>CSH3</b>	<b>Housing-Heat Pumps</b>	Council has allocated funding for upgrading the heating system in some Council owned units with heat pumps.	93,000
<b>CSP1</b>	<b>Public Toilets-Renewals</b>	The renewal or upgrading of public toilets within the district. For 2016/17, this will include the toilet block behind the Bay Hall at Caroline Bay and replacing a further rural toilet.	140,000
<b>CSA2</b>	<b>Airport-Aviation Park Development</b>	Airport land has been set aside for lease to aviation enthusiasts at Timaru Airport, for those who want access to the runway and a residence with an aircraft hangar attached. The project is dependent upon interest from potential lessees. Council funding will be used for fencing and road access.	66,000
<b>CSA5</b>	<b>Terminal Upgrade</b>	Upgrading of the terminal at Timaru Airport to cater for the larger aircraft that will be servicing the Timaru -Wellington route from March 2016	695,000
<b>CSA6</b>	<b>Car Park Upgrade</b>	Upgrading of the car park at Timaru Airport to cater for additional vehicles due to the larger aircraft that will be servicing the Timaru-Wellington route from March 2016	555,000
<b>CSC2</b>	<b>Cemeteries-Reseal and roading programme</b>	Resealing and repairing roads within the district's cemeteries. This includes provision for extending the access road to the new cemetery area at Temuka.	26,300
<b>CSC3</b>	<b>Cemeteries-Concrete Beams</b>	Concrete beams are installed in larger cemeteries to mark plot locations and provide a base for memorials.	11,700
<b>CSCD1</b>	<b>Civil Defence-Communication Equipment</b>	The purchase of radio equipment and other electronic equipment to facilitate communications between field operatives, welfare centres and Area HQs during Civil Defence emergencies.	5,000
<b>CSCD2</b>	<b>Civil Defence-Sirens</b>	Installation of new warning sirens at either Washdyke, Timaru and Waipopo/Pattersons Park	43,000
<b>CSRF1</b>	<b>Rural Fire-Vehicles</b>	The replacement of Rural Fire vehicles to maintain operational capabilities.	105,000
<b>CSRF2</b>	<b>Rural Fire-Equipment</b>	The purchase of radio equipment and other equipment such as generators and hoses to support the response of the district's Volunteer Rural Fire teams.	8,000

# District Planning and Regulatory Services



# District Planning and Regulatory Services

## What we do

District Planning and Regulatory Services includes the following activities provided by Council:

- Building Control
- District Planning
- Environmental Health

This group is concerned with monitoring and enforcement functions across a wide cross-section of statutes, focusing on the protection of community health, safety and amenity. Another major function of the group is processing consents under the Building Act 2004 and the Resource Management Act 1991.

### Building Control

Building Control is responsible for administering and implementing the provisions of the Building Act 2004 (the Act). Under the Act, TDC must maintain accreditation as a Building Consent Authority (BCA). It is responsible for processing and granting building consents, inspecting and monitoring building work, issuing Code Compliance Certificates (CCC's), issuing Certificates of Public Use (CPU's), 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. The activity is concerned with balancing delivery of a customer focused service within legislative requirements, while managing the risk to Council and to the public.

### 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 will be 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 Timaru District.

### Environmental Health

The Environmental Health activity is primarily concerned with improving, preserving and promoting public health and safety in the Timaru District. It deals with a multitude of issues such as food safety, disease containment, noise control, housing and accommodation, 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 2013. 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 environmental health and liquor licensing services.

This activity administers the District Licensing Committee which is a recent creation following the implementation of the Sale and Supply of Alcohol Act in December 2013. The Committee considers applications and renewals relating to liquor licences, including Special Licences obtained for selling liquor at events or special occasions. This function had previously been undertaken by a central licensing body in Wellington. That body, now known as Alcohol Regulatory and Licensing Authority (ARLA), exists to deal with appeals and significant enforcement matters.

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# District Planning and Regulatory Services

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
DP1	District Plan Review	A major overhaul and 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.	340,000
RS1	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, Recreation and Swimming Pools

The Council provides and manages several key district facilities that help meet the district's leisure and recreational needs.

## Cultural and learning facilities

### Aigantighe Art Gallery

The Aigantighe (pronounced egg-and-tie) Art Gallery is a public art gallery in Timaru. Aigantighe is a public art gallery 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 of non-collection artworks 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 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 provides 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. In addition to borrowing, people make extensive use of facilities and resources such as study places, computers, WiFi, photocopying, faxing 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 broadband and computer use is provided via the Aotearoa People's Network Kaharoa, funded jointly by the government and Council. Deliveries are also made to housebound people and rest homes. 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 provides 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 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), with a further twelve halls owned by committees (e.g. Claremont, Fairview, Seadown Halls). These halls are managed by local communities through hall 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 will promote and manage this facility in conjunction with the Caroline Bay Trust Aoraki Centre.

## Parks, Recreation and Swimming Pools

### Parks and Recreation

Parks and Recreation provides and manages over 540 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

# Recreation and Leisure

to support the particular activities catered for. Examples include the Claremont Bush in Claremont Timaru and Pekapeka Gully in Geraldine.

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.

## Swimming Pools

Caroline Bay Trust Aoraki Centre (CBay) is located at Maori Park. CBay opened in July 2012. It incorporates a 50 metre outdoor pool and a brand new indoor complex featuring a ten-lane 25 metre lap pool, a programme pool, a 250m<sup>2</sup> 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. 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

## Forestry

The Council manages a small forestry programme comprising mixed aged and species plantations. Forestry is planted primarily on over 238 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 and four motor camps 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.

Four motor camps are managed on domain reserves at Geraldine, Temuka, Pleasant Point and South Rangitata. Geraldine and Temuka are open permanently, while Pleasant Point and South Rangitata are seasonal. All motor camps are leased under management agreements.

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# Recreation and Leisure

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
RLDL1	<b>Libraries - Purchase Books and Resources</b>	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
RLDL2	<b>Libraries - Dowling Bequest</b>	Funding provided by the Dowling bequest for the purchase of Christian books.	3,000
RLDL3	<b>Libraries - MacKay Bequest</b>	Funding provided by the MacKay bequest for the purchase of art literature.	7,000
RLDL4	<b>Libraries - Equipment/ Furniture</b>	Purchase of equipment and furniture for the district libraries and service centres.	4,000
RLDL6	<b>Libraries – Self-Check Out</b>	The installation of a self-check out system at the Timaru Library.	31,500
RLDL7	<b>Libraries - Replacement of Library Carpets</b>	As carpets in the district's libraries come to the end of their useful life they will be replaced.	45,000
RLDL10	<b>Libraries - Timaru Library Roof</b>	The roof of the Timaru Library is approaching the end of its useful life and is to be replaced.	620,000
RLAG1	<b>Art Gallery - Sevicke-Jones Bequest</b>	Funding used for the purchase of art works from the Sevicke-Jones bequest.	600
RLAG2	<b>Art Gallery - Lattimore Bequest</b>	Funding used for the purchase of art works from the Lattimore bequest.	2,200
RLAG3	<b>Art Gallery - Art works</b>	Funding used for the purchase of art works from rates.	6,200
RLAG4	<b>Art Gallery - Building Renewals/Extension</b>	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.	40,000
RLAG6	<b>Art Gallery - Furniture and Equipment</b>	Purchase of furniture and equipment for the art gallery.	2,000
RLAM4	<b>Museum - Shelving/Map Units</b>	Funding for further shelving and map units to allow for the growing collection of large paper items at the museum.	2,500
RLAM6	<b>Museum - Replace Dehumidifier/Heating/Flooring</b>	Replace the museums dehumidifiers and heating system to ensure the right environment for storing the districts heritage is maintained.	44,400
RLAM7	<b>Museum - Office Furniture, Fittings and Equipment</b>	The replacement of office furniture, fittings and equipment as required.	1,500
RLAM8	<b>Museum - Off-Site Storage</b>	Development of an off-site storage area in a suitable building to house Museum collection items.	69,600
RLHT1	<b>Halls &amp; Theatres - Theatre Royal Upgrades</b>	Seating replacement, curtains, battens and flying system upgrades. Upgrades dependant on future plan for the Theatre	350,000
RLHT4	<b>Halls &amp; Theatres - Renewals</b>	Renewals of stage lighting at the Theatre Royal as required, with the intention to slowly convert to LED stage lighting as bulbs fail.	7,000
RLHT7	<b>Halls &amp; Theatres - Furniture and Equipment Replacements</b>	Replacement of furniture and equipment in any community halls in the district as required.	4,000

# Recreation and Leisure

ID	Project Title	Summary	2016/17
RLSP1	Swimming Pools - Geraldine Pool Renewals	Renewals of heating plant and equipment at the Geraldine Pool.	4,700
RLSP3	Swimming Pools - Caroline Bay Trust Aoraki Centre – Renewals	Refurbishment of the 50m outdoor pool is planned, with heating/ filtration plant 46 years old and in need or replacement.	1,000,000
RLSP4	Swimming Pools - Pleasant Point- Renewals	Swimming pools renewals at Pleasant Point pool	20,000
RLPR1	Parks and Recreation - Courts Resurfacing	Projects to resurface playing courts in the district. Projects for 2016/17 are likely to include resurfacing the southern bay of the Temuka Domain courts and completing the tennis/netball courts at Pleasant Point (former Pleasant Point High School site). Together with the Association of Pleasant Point Sports, the Council will develop these courts to provide a surface capable of supporting multiple sports.	163,100
RLPR2	Parks and Recreation - Structures	Replacement of retaining walls, bridges and minor structures in the district's parks.	25,700
RLPR3	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.	189,700
RLPR4	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.	77,300
RLPR5	Parks and Recreation -Furniture and Signs	Replacement and installation of new park furniture and signage	20,200
RLPR6	Parks and Recreation -Fences	Replacement of fences in the district's parks.	15,900
RLPR7	Parks and Recreation -Services	Replacement of parks services such as water mains, drains and culverts.	13,300
RLPR8	Parks and Recreation -Rural Plantings	Rural plantings at the district's parks.	3,400
RLPR9	Parks and Recreation -Temuka Domain Development	The continuing re-development of the Temuka Domain. Capital expenditure includes roading, carpark, relocate monuments, planting, earthworks, aviary alterations, footpaths and signage.	156,800
RLPR10	Parks and Recreation -Shared Urban Tracks	The implementation and development of the Off-road walking and biking strategy. Planned is ongoing work on the Scarborough Coastal Track and more progress towards completing other tracks in the district.	108,700
RLPR11	Parks and Recreation -Walkway Esplanade Enhancement	The redevelopment of walkways and planting along esplanade strips.	33,700
RLPR12	Parks and Recreation - Pleasant Point Domain carpark	Improvement to carparking on the State Highway 8 side of the Domain for sports people and spectators using the new facilities for cricket and football.	61,500

# Recreation and Leisure

ID	Project Title	Summary	2016/17
<b>RLPR13</b>	<b>Parks and Recreation - Esplanade Reserves Acquisition</b>	Purchase of land for esplanade reserves.	50,400
<b>RLF1</b>	<b>Forestry -Fencing Renewals</b>	Renewals of fencing in and around Council owned forest land.	7,200
<b>RLMC1</b>	<b>Motor Camps -Renewals</b>	The replacement of power supply equipment in the district's motor camps.	36,000

# Roading and Footpaths



# Roading and Footpaths

## What we do

Roading and Footpaths includes the following activities provided by Council:

- Roding and Footpaths
- Cycleways and Walkways

Roding and Footpaths is concerned with provision of the roading and footpaths network throughout the district.

Timaru District acts as a regional transportation hub, servicing significant agricultural areas, associated processing plants and a significant port operation. Roding and Footpaths delivers both assets (such as roads, signs, and infrastructure) and non-asset functions (such as street cleaning, garden/berm maintenance, temporary traffic management and road safety initiatives).

Council currently manages over 1,700km of sealed and unsealed roads, 289 bridges, 309km of footpath, drainage facilities (e.g. soak pits, culverts), street furniture, signs, bus stops, carparks, traffic signals, kerb and channel, 4,665 street lights, road marking and other minor structures.

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

Overall management of the facilities 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 Regulatory Services Group.

Delivery of the Roding and Footpaths Activity is influenced by a complex array of Government policies, national and regional strategies and legislative framework. The Council also has several strategies that help guide delivery, headlined by the Timaru Transportation Strategy, with other strategies for active transport, demand management, road safety, lifecycle management and sustainable transport.

Council provides many cycleways and walkways throughout the district. These range from cycleways in the road corridor, to combined walkways and cycleways that are off-street,

such as beside urban and rural streams. Off road walkways and cycleways are often managed jointly between the Parks and Land Transport units. Strategies, such as Active Transport Strategies and the Off-Road Walking and Cycling Strategy contribute to the direction for this activity.

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# Roading and Footpaths

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
RF1	<b>Structural Bridge Replacements (subsidised)</b>	The replacement of bridges in the district, which are at the end of their design life. This includes additional funding from 2016/17 for strengthening of rural bridges to provide capacity for full High Productivity Motor Vehicles (HPMV's - vehicles up to 65 tonne) in conjunction with bridge renewals	600,000
RF2	<b>Pavement Rehabilitations (subsidised)</b>	Reconstruction of roading in the district at the end of its design life to ensure maintenance costs are reduced.	1,200,000
RF3	<b>Minor Improvements Works</b>	General improvements to the roading network, such as safety improvements, upgrades or new cycle ways.	750,000
RF4	<b>Kerb and Channelling – Renewals</b>	Renewals of kerb and channelling in the district, including enhancements to create safer speed environments.	900,000
RF5	<b>New Kerb and Channelling</b>	New kerbing and channelling in the district's roading network.	100,000
RF6	<b>Chip Seal Renewals</b>	Renewals of chip seal road surfaces in the district.	2,420,000
RF7	<b>Asphalt Surface Renewals</b>	Renewals of asphalt road surfaces in the district.	500,000
RF8	<b>Unsealed Road Metalling Renewals</b>	Renewals of road metal on unsealed roads across the district.	500,000
RF9	<b>Intersection Upgrades/ Safety Improvements (subsidised)</b>	Safety improvements to intersections, which may include traffic signals, roundabouts or the upgrading of intersections to improve traffic safety and flow.	200,000
RF10	<b>District Footpath Improvements/Renewals (non- subsidised)</b>	Renewals of footpaths across the district, including Geraldine, Temuka, Timaru, Pleasant Point and other rural townships.	976,000
RF11	<b>New District Footpaths (non-subsidised)</b>	New footpaths across the district, including Geraldine, Temuka, Timaru, Pleasant Point and other rural townships.	155,000
RF12	<b>Signage Renewals</b>	Renewals of damaged, vandalised or stolen road signs and signage that has reached the end of its useful life.	110,000
RF13	<b>New Signs</b>	Provide new signs for the Timaru District roading network.	80,000
RF14	<b>Traffic Light Renewals</b>	The replacement of district traffic lights at the end of their useful life or when damaged.	30,000
RF15	<b>Culvert Renewals</b>	Renewals of culverts in the districts roading network.	40,000
RF16	<b>New Culverts</b>	New culverts in the district's roading network.	90,000
RF17	<b>Street Light and Lantern Renewals</b>	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.	44,000
RF18	<b>Streetlighting - LED Lantern replacements</b>	Active replacement of streetlights with LED lanterns allowing for lower maintenance and energy costs.	130,000
RF19	<b>Seal Extensions</b>	Seal extension of unsealed roads according to Council policy.	330,000
RF20	<b>Seal Widening</b>	Seal widening of roads across the district.	300,000

# Roading and Footpaths

ID	Project Title	Summary	2016/17
RF21	<b>CBD Renewals</b>	A freshen up of all the districts Central Business Districts, including the application of a new surface to the footpath tiles in the Timaru CBD.	750,000
RF22	<b>Security Cameras projects</b>	New security cameras to add to the current CBD surveillance systems.	36,000
RF23	<b>Welcome signage upgrades</b>	Upgrading to signage welcoming people to Geraldine	10,000
RF24	<b>District Welcome Signs Replacement</b>	Replacement of district entrance signage at sites throughout the district.	120,000
RF25	<b>Bus Shelters-Relocations</b>	The relocation of district bus shelters.	10,000
RF28	<b>Washdyke Network Improvements</b>	The project to improve the Washdyke roading network continues, to better facilitate commercial activity in the area and to provide infrastructure for future development.	1,000,000
RF30	<b>Christmas Decorations replacement</b>	Replacement Christmas decorations for Geraldine	2,500
RF33	<b>Carparking - Pay and Display machines</b>	Replacement of pay and display machines across the district	8,000
RF34	<b>Office Equipment</b>	The replacement of specialist engineering equipment in the Land Transport Unit.	4,000

# Sewer



# Sewer

## What we do

Timaru District Council manages wastewater (sewage) collection, treatment and disposal services to communities in the Timaru District.

In 1996, TDC commenced developing the Timaru's District Wide Sewer Strategy to carry out district-wide upgrading of existing facilities, construction of additional facilities, and improvements in treatment and disposal processes highlighted by the separation of domestic and industrial wastewater flows and treatments.

Wastewater asset and process improvements have been carried out since the initiation of the Sewer Strategy in 1996, culminating with the completion of the upgrading of the domestic wastewater treatment plant in January 2015.

As a result of these improvements, wastewater from the inland towns of Geraldine, Pleasant Point and Temuka are no longer discharged to the rivers. Wastewater is piped via the inland towns pipeline to the maturation pond at the Timaru Wastewater Treatment Plant and discharged through the ocean outfall in Timaru.

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

In managing the Sewer Activity, TDC looks after an asset base consisting of the 3 oxidation ponds at the inland towns of Geraldine, Pleasant Point and Temuka, 24 sewer pump stations, 346 km 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; oxidation ponds, wetland pond, biofilter/ odour bed, domestic pump station, and domestic screening structures for domestic wastewater; flow splitters, tanker

reception facility and an ocean outfall.

ECan has granted TDC consent to discharge to the ocean until 2045.

Approximately 80% of the total district residential population receives the sewer service. Additional sewer services are not currently available for any rural zoned areas. Rural houses manage their own effluent.

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# Sewer

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
<b>SEW1</b>	<b>Drainage/Sewer-Small Mains Renewals and Capital Upgrades</b>	Replacement of pipes and other sewer assets across the district as they reach the end of their useful life.	2,735,000
<b>SEW2</b>	<b>Maintenance Generated Renewals</b>	Renewals generated as a result of planned maintenance to the sewer network.	70,000
<b>SEW3</b>	<b>Model Analysis and Calibration</b>	Wastewater network modelling and flow monitoring for model calibration purposes.	25,000
<b>SEW4</b>	<b>Bio Filters/Trunk Main Ventilation</b>	Investigation and implementation of strategies to ensure sewer trunk main ventilation.	22,000
<b>SEW5</b>	<b>Pump Renewals</b>	Renewal of pumps as they come to the end of their useful life.	128,000
<b>SEW6</b>	<b>Data Capture Equipment Repairs</b>	Repair of sewer sampling and monitoring equipment.	16,000
<b>SEW7</b>	<b>Mechanical Plant and equipment Renewals</b>	Replacement of plant and equipment that has reached the end of its design life, including electrical equipment, Programme Logic Controllers (PLC) and telemetry.	50,000
<b>SEW10</b>	<b>Building and equipment renewals</b>	Renewals at buildings and equipment associated with the sewer network	15,000
<b>SEW13</b>	<b>Sewer Reticulation Extensions to enable development (Urban Zone Only)</b>	The extension of reticulation in sewer networks to enable residential development in urban areas.	250,000

# Stormwater



# Stormwater

## What we do

Timaru District Council manages the operation of stormwater schemes for communities in Timaru, Temuka, Geraldine, Pleasant Point, Winchester, Cave and Milford-Ohapi. Approximately 83% of the total district resident population is serviced.

There are no significant stormwater activities in other rural areas, although some drainage is managed by Environment Canterbury and partially funded by Timaru District Council.

Schemes range from piped to open channel stormwater systems. Stormwater collected from schemes is disposed of to a mixture of soakpits, surface water bodies (e.g. rivers, ocean) and drains depending on the scheme.

The activity looks after an asset base of around 144km of pipeline, 33km of open channel, 4 detention dams, 2 pump stations, over 2,000 manholes and over 3,000 sumps.

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 2015-25.**

# Stormwater

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
ST1	Geraldine Stormwater Renewals	General renewal of minor culverts, sumps and soak pits in Geraldine.	5,000
ST3	Geraldine Hislop-Domain/Huffey Street Stormwater Upgrade	Upgrading the capacity of the stormwater network to improve flow and quality of discharge.	180,000
ST4	Temuka Stormwater Renewals	General renewal of minor culverts, sumps and soak pits in Temuka.	5,500
ST5	Temuka Stormwater Capital Upgrades	Upgrading of the Temuka stormwater network, and other projects that will be identified in the Temuka Stormwater Management Plan.	50,000
ST6	Temuka - Fraser/King Street Stormwater Upgrades	Upgrading stormwater main in Fraser Street and King Street to improve stormwater flow and quality.	200,000
ST8	Timaru Stormwater Network and Minor Renewals	General renewals of pipes, minor culverts, sumps and soak pits in Timaru.	115,000
ST10	Timaru Stormwater Capital Upgrades	Projects to improve stormwater network capacity and flow quality.	50,000
ST11	Timaru Stormwater Modelling	Development of Stormwater Network Model in Timaru to improve the accuracy of stormwater analysis.	55,000
ST12	Timaru - Number 1 Drain Upgrade	Increasing the capacity of the stormwater drain to improve network flow and quality of discharge.	200,000
ST13	Rural Stormwater Renewals	General renewals of stormwater reticulation, minor culverts, sumps and soak pits in rural locations.	15,000
ST15	Stormwater Reticulation Extensions to enable development (Urban Zone Only)	The extension of reticulation in Stormwater networks to enable residential development in urban areas.	65,000

# Waste Minimisation



# Waste Minimisation

## What we do

Waste Minimisation includes the following activities provided by Council:

- Compost, Recycling and Refuse

### Waste Minimisation Activities

Waste Minimisation addresses the management of waste generated in the Timaru District. In 2006, the Council implemented the 3-2-1-ZERO waste minimisation system in the District. This highly successful scheme has meant that 82% of the district is provided with kerbside collection services for organic waste, recycling and rubbish. Bins are collected regularly with materials sorted and managed at the Redruth Resource Recovery Park. The vision 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 services listed below and owns solid waste sites and facilities where activity occurs. 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 waste, recycling and rubbish
- transfer station facilities at Geraldine, Pleasant Point, Temuka and Timaru (Redruth) incorporating:
  - Recycling, composting and rubbish drop-off
  - E-scrap drop-off facilities
  - Household hazardous waste drop-off
  - Reusable goods drop-off
- Waste Minimisation facilities at Redruth Resource Recovery Park including:
  - A 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 reusable goods.

- An off-site scrap metal recycling facility.
- Information and education resources for the public and businesses.
- A Waste Exchange listing service
- 3-2-1-ZERO waste minimisation support for public events
- 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 every six years that assesses the provision of existing services and

**For complete information relating to this activity, please refer to Section Two of the Long Term Plan 2015-25.**

# Waste Minimisation

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
<b>WM1</b>	<b>Stage 2 Development</b>	Capping existing landfill cells.	12,000
<b>WM2</b>	<b>Stage 3 Development</b>	Construction of new landfill cells, including drainage. A new cell is planned for 2021/22.	40,000
<b>WM3</b>	<b>Drainage</b>	Drainage relating to pump replacements and leachate-system.	15,000
<b>WM4</b>	<b>Land Fill Gas</b>	Funding for gas wells and reticulation extensions.	20,000
<b>WM5</b>	<b>Waste Sorting Facility</b>	Construction of the waste sorting facility at the Redruth Resource Recovery Park facilities to reduce rubbish going to the landfill, enable recovery of material for recycling and further extend the life of the landfill.	889,000
<b>WM7</b>	<b>Transfer Stations upgrades</b>	Funding for the upgrade and upkeep of equipment for the district's transfer stations.	4,000
<b>WM8</b>	<b>Compost Site</b>	The creation of new maturation pads for compost to meet increasing demand and new composting pads.	440,000
<b>WM9</b>	<b>New Bins</b>	Funding for new wheelie bins to meet growth.	42,000
<b>WM10</b>	<b>Bin Renewals</b>	Replacing wheelie bins as they come to the end of their useful life.	169,000
<b>WM12</b>	<b>Public Place Recycling</b>	Install public place sets	4,000

# Water Supply



# Water Supply

## What we do

Water Supply provides for the safe and effective treatment, storage and distribution of water to urban and rural parts of the district. This includes the permitted taking of water from various sources (e.g. rivers, bores) through allocations granted by Environment Canterbury (ECan). Quality water is delivered for residential, commercial, industrial and stockwater purposes. Water is not supplied for irrigation or horticultural purposes.

Over 16,000 properties are served through 12 individual water supplies operated on behalf of the residents of the Timaru District. Schemes are provided (in order of largest to smallest population served) to:

- Timaru – Urban drinking water
- Downlands - Rural drinking water and stock water
- Temuka - Urban drinking water
- Geraldine - Urban drinking water
- Te Moana - Rural drinking water and stockwater
- Pleasant Point - Urban drinking water
- Seadown - Rural drinking water and stockwater
- Winchester – Urban drinking water
- Orari - Rural drinking water and stockwater
- Peel Forest - Urban drinking water
- Rangitata/Orari – Stockwater races
- Beautiful Valley – Stockwater

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

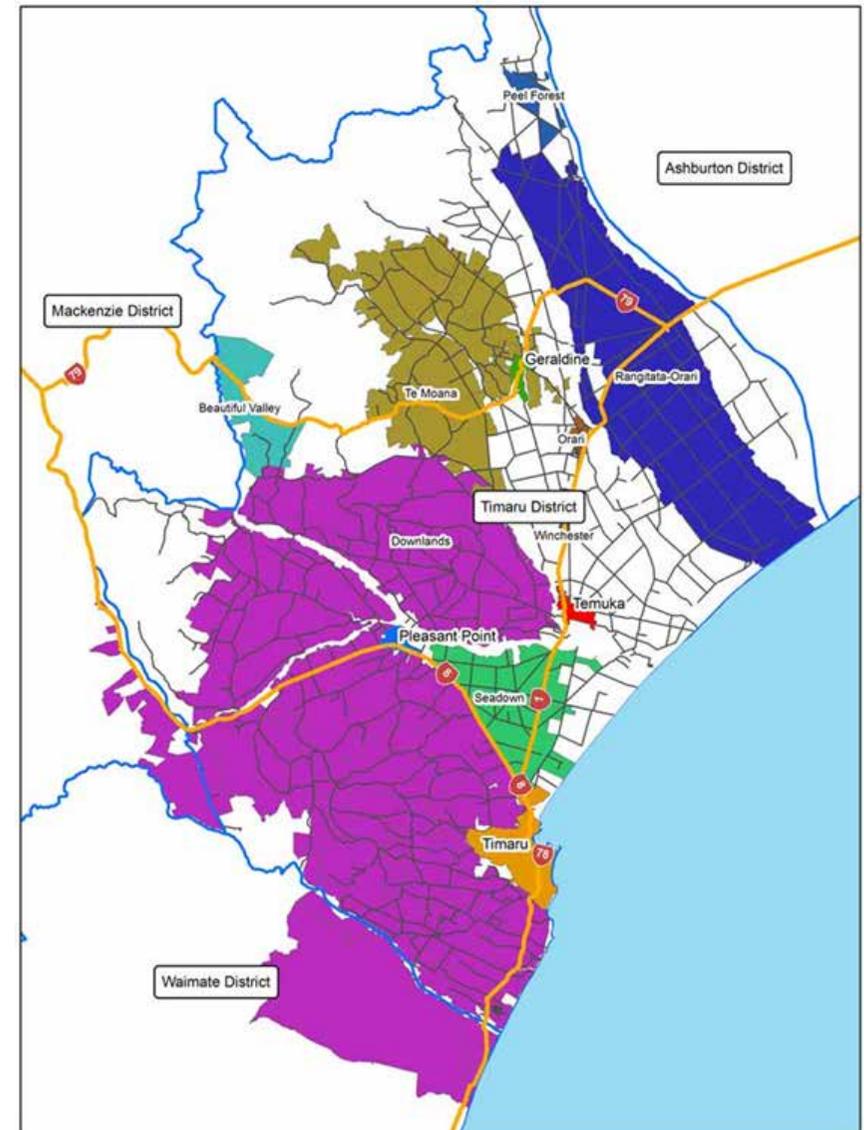
Water sources for the schemes include rivers, bores and surface springs. ECan allocates water to the Council via resource consents, which set upper limits on the amount of water that can be taken from water sources. Water supply assets managed include 19 water intakes, 11 treatment plants, 27 reservoirs, 18 storage tanks and 21 pump stations. Total length of the pipe networks is about 1,820 kilometres.

The urban schemes are generally on-demand at the tap.

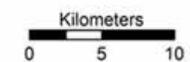
The rural drinking water and stockwater schemes are flow control supplies (using restrictors) to private storage tanks, except the Seadown scheme which supplies directly to stockwater troughs.

The 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 2015-25.**



Timaru District Council Water Schemes



# Water Supply

## Planned Work 2016-17

The list below represents the projects planned for the Annual Plan 2016/17, based on and as adjusted from Year 2 of the Long Term Plan 2015-25. For a full list of projects relating to 2015-25, please refer to the Long Term Plan 2015-25.

ID	Project Title	Summary	2016/17
<b>WS1</b>	<b>Urban Water Supplies -Reticulation and Services Renewals</b>	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	1,568,500
<b>WS2</b>	<b>Urban Water Supplies -Fixed Plant and Equipment</b>	Renewals at urban water supplies, including pumps, reservoir pipeworks, plant equipment, instrumentation, electrical, controls, telemetry, intakes and treatment renewals	835,000
<b>WS3</b>	<b>Urban Water Supplies - Timaru Pareora Pipeline Renewal</b>	Renewal of the Timaru Pareora pipeline due to condition and performance issues	100,000
<b>WS5</b>	<b>Urban Water Supplies - Temuka Source Upgrade</b>	Project to improve the Temuka water source through the use of alternative ground water sources	150,000
<b>WS7</b>	<b>Urban Water Supplies -Pleasant Point Treated Water Storage</b>	A new treated water storage facility for Pleasant Point to increase storage capacity for the network	800,000
<b>WS8</b>	<b>Urban Water Supplies - Timaru Reservoir Cover</b>	Renewal of the Timaru Reservoir cover that has deteriorated due to age. This will occur in stages.	800,000
<b>WS9</b>	<b>Urban Water Supplies – Upgrade to Supply Te Moana from Geraldine</b>	Upgrade of Geraldine network related to the supply of water to the Te Moana Scheme	258,000
<b>WS10</b>	<b>Rangitata-Orari Renewals</b>	Renewal of the stock races, intake protection and fish screens.	65,000
<b>WS11</b>	<b>Seadown Water Supply Reticulation Renewals</b>	Renewal of pipes, valves, hydrants and other reticulation assets that have reached the end of their useful lives	15,000
<b>WS13</b>	<b>Seadown Water Supply Plant and Equipment renewals</b>	Renewal of plant and equipment that has reached the end of its useful life, including pump and VSD, electrical, instrumentation and controls	12,000
<b>WS15</b>	<b>Seadown Water Supply Leak Detection and Network Analysis and Metering</b>	Analysis of the water supply network and leak detection to improve supply delivery in the Seadown Scheme	12,000
<b>WS16</b>	<b>Seadown Water Supply Storage Upgrade</b>	Improvements to the water storage capacity for the Seadown water supply to industry standard of one days storage	40,000
<b>WS17</b>	<b>Te Moana Downs Water Supply Reticulation Renewals</b>	Replacement of pipes in the reticulation network that have reached the end of their useful life	300,000
<b>WS18</b>	<b>Te Moana Downs Water Supply Network Capacity Upgrade</b>	The network capacity of the Te Moana Downs supply is being increased and enhanced to accommodate being supplied from the Geraldine supply, and to improve water quality in the Te Moana network	2,123,000
<b>WS19</b>	<b>Te Moana Downs Water Supply - Renewals</b>	Replacement of jets, tanks, pump and chlorination equipment that have reached the end of their useful life	33,000

# Water Supply

ID	Project Title	Summary	
			2016/17
WS20	Te Moana Downs Water Supply Leak Detection, Network Analysis and Metering	Analysis of the network and leak detection to improve supply delivery in the scheme	10,000
<b>Downlands Water Supply (82% owned by TDC - figures for TDC portion only)</b>			
WS21	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.	196,800
WS22	Renewal of Jets and Equipment	Renewal of jets, telemetry, switchboard and solar panels, pumps and chlorination equipment that have reached the end of their useful life	77,900
WS23	Network Analysis and Metering	Water supply modelling and meters to establish water demand in particular areas of the Downlands water supply	20,500
WS24	Te Ngawai Trunk Main Renewal	Renewal and upgrading of the Te Ngawai trunk main to enable future growth in the Downlands scheme from the Te Ngawai intake	6,396,000
WS26	Reservoir Cover and Pipework	Re-covering, lining and pipework renewals at Downlands Scheme reservoirs	287,000



A graphic illustrating financial information. It features a white calculator with a black pen resting on a document containing a bar chart and a pie chart. A teal banner with the text "Financial Information" is overlaid on the image. The background document shows a bar chart with blue bars of varying heights and a pie chart with three segments. A table with numerical data is also visible, including a row labeled "RES" with values 11090 and 29277.

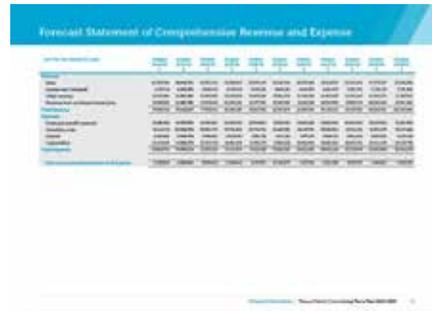
## Financial Information

Financial Information

# Section Roadmap

This section outlines financial information relating to the Annual Plan and the Council operations.

## Financial Statements



The image shows a screenshot of a financial table titled "Forecast Statement of Comprehensive Revenue and Expense". The table has multiple columns representing years from 2016 to 2021, and several rows of financial data. The data is presented in a structured, grid-like format with alternating light and dark blue headers.

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.

## Funding Impact Statement



The image shows a screenshot of a financial table titled "Funding Impact Statement 2015-25". The table has multiple columns representing years from 2015 to 2025, and several rows of financial data. The data is presented in a structured, grid-like format with alternating light and dark blue headers.

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

# Section Roadmap

## Reserve Funds Summary



The screenshot shows a table titled 'Reserve Funds Summary'. It lists various funds such as 'General Fund', 'Capital Fund', and 'Reserve for Contingencies'. Each fund has columns for 'Balance', '2016/17 Budget', '2017/18 Budget', and '2018/19 Budget'. The table provides a detailed overview of the Council's financial reserves and their projected changes over a 10-year period.

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

## Disclosure Statement



The screenshot shows a table titled 'Annual Plan Disclosure Statement'. It lists various items such as 'Capital Expenditure', 'Debt Repayment', and 'Contingencies'. Each item has columns for 'Item', 'Description', and 'Amount'. The table provides a detailed overview of the Council's planned financial performance and its relation to various benchmarks.

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.

## Fees 2016/17



The screenshot shows a table titled 'Fees 2016/17'. It lists various fees such as 'Resource Management Act (RMA) Fees', 'Council Fees', and 'Charges'. Each fee has columns for 'Fee Name', 'Description', and 'Amount'. The table provides a detailed overview of the Council's fees and charges for the 2016/17 year, particularly relating to Resource Management Act (RMA) fees.

A summary of fees and charges for the 2016/17 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.

# 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 2016.

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 28 June 2016. 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 period 2016/2017 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 2016 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	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Revenue</b>			
Rates	44,462	46,832	45,637
Interest and Dividends	4,907	4,838	4,997
Other revenue	12,462	11,456	11,700
Revenue from exchange transactions	14,281	14,642	14,429
<b>Total Revenue</b>	<b>76,112</b>	<b>77,768</b>	<b>76,763</b>
<b>Expenses</b>			
Employee benefit expenses	16,040	16,420	16,470
Operating costs	33,402	33,962	34,095
Finance costs	6,443	6,547	6,125
Depreciation	15,561	16,301	16,116
<b>Total Expenses</b>	<b>71,446</b>	<b>73,230</b>	<b>72,806</b>
<b>Total Comprehensive Revenue And Expense</b>	<b>4,666</b>	<b>4,538</b>	<b>3,957</b>

# Forecast Statement of Movements in Equity

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Equity At Beginning Of The Year</b>	738,207	742,873	746,801
Net surplus for the year	4,666	4,538	3,957
Revaluation of fixed assets	0	0	0
Equity Adjustment	0	0	0
Total recognised revenues and expenses	4,666	4,538	3,957
<b>Equity At The End Of The Year</b>	<b>742,873</b>	<b>747,411</b>	<b>750,758</b>

# Forecast Statement of Movements in Retained Earnings

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Retained Earnings At 1 July</b>	703,476	715,226	714,570
Net surplus for the year	4,666	4,538	3,957
Transfers to Reserves	(17,289)	(18,224)	(18,066)
Transfers from Reserves	24,373	21,678	25,848
<b>Retained Earnings At 30 June</b>	<b>715,226</b>	<b>723,218</b>	<b>726,309</b>

# Forecast Statement of Financial Position

As at 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Equity</b>			
Retained Earnings	715,226	723,218	726,309
Special Fund Reserves	27,647	24,193	24,449
<b>Total Equity</b>	<b>742,873</b>	<b>747,411</b>	<b>750,758</b>
<b>Current Assets</b>			
Cash & Bank Balances	16,591	14,697	29,039
Short Term Deposits	19,058	19,058	10,528
Receivable & Prepayments	7,261	7,261	8,403
Inventories	79	79	87
Total Current Assets	42,989	41,095	48,057
<b>Non-Current Assets</b>			
Investments	25,355	21,900	20,138
Fixed Assets	790,287	803,115	804,274
Total Non-Current assets	815,642	825,015	824,412
<b>Total Assets</b>	<b>858,631</b>	<b>866,110</b>	<b>872,469</b>
<b>Current Liabilities</b>			
Payables & Accruals	11,096	11,142	13,062
Current Portion of Term Debt	19,292	18,564	18,567
Total Current Liabilities	30,388	29,706	31,629
<b>Non-Current Liabilities</b>			
Term Debt	79,664	83,194	82,286
Other Term Liabilities	5,706	5,799	7,796
	85,370	88,993	90,082
<b>Total Liabilities</b>	<b>115,758</b>	<b>118,699</b>	<b>121,711</b>
<b>Net Assets</b>	<b>742,873</b>	<b>747,411</b>	<b>750,758</b>

# Forecast Statement of Cashflows

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Cash Flows From Operating Activities</b>			
Cash was provided from:			
Receipts from customers	18,463	18,761	18,796
Rates	44,882	47,242	46,037
Subsidies	7,820	6,886	6,893
Interest	2,612	2,393	2,352
Dividends	2,295	2,445	2,645
	76,072	77,727	76,723
Cash was applied to:			
Payments to employees	(16,040)	(16,420)	(16,470)
Payments to suppliers	(33,338)	(33,899)	(34,032)
Interest paid	(6,443)	(6,547)	(6,125)
Income Tax paid	0	0	0
	(55,821)	(56,866)	(56,626)
<b>Net Cash Inflows From Operating Activities</b>	<b>20,251</b>	<b>20,861</b>	<b>20,096</b>
<b>Cash Flows From Investing Activities</b>			
Cash was provided from:			
Sale of fixed assets	45	45	45
Sale of investments (special funds)	24,374	21,678	25,848
Mortgages/advances repaid	220	220	220
	24,639	21,943	26,113
Cash was applied to:			
Purchases of fixed assets	(31,397)	(29,057)	(37,720)
Purchase of investments	(17,289)	(18,224)	(18,066)
Mortgages/advances made	(215)	(220)	(220)
	(48,901)	(47,501)	(56,006)
<b>Net Cash Flows From Investing Activities</b>	<b>(24,262)</b>	<b>(25,558)</b>	<b>(29,893)</b>

# Forecast Statement of Cashflows

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Cash Flows From Financing Activities</b>			
Cash was provided from:			
Loans raised	24,613	22,095	26,398
	24,613	22,095	26,398
Cash was applied to:			
Settlement of loans	(23,111)	(19,292)	(19,292)
	(23,111)	(19,292)	(19,292)
Cash Flows From Financing Activities	1,502	2,803	7,106
<b>Net Increase (Decrease) In Cash Held</b>	(2,509)	(1,894)	(2,690)
Cash at beginning of the year	38,158	35,649	42,257
<b>Cash At End Of The Year</b>	35,649	33,755	39,567
Represented by:			
Cash & Bank Balances	16,591	14,697	29,039
Short Term Deposits	19,058	19,058	10,528
	35,649	33,755	39,567

# Funding Impact Statement 2016/2017

This Funding Impact Statement has been prepared in compliance with Part 1: 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:

Rates are assessed on properties in accordance with the statutory provisions of the Local Government (Rating) Act 2002.

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
<b>Sources Of Operating Funding</b>			
General Rates, Uniform annual general charges, rates penalties	14,203	14,621	14,213
Targeted Rates (other than a targeted rate for water supply)	32,253	33,676	33,509
Subsidies and grants for operating purposes	3,263	2,882	3,094
Fees, charges and targeted rates for water supply	16,662	17,091	16,962
Interest and dividends from investments	4,907	4,839	4,907
Internal charges and overheads recovered			
Local authorities fuel tax, fines, infringement fees and other receipts	855	855	951
<b>Total Operating Funding</b>	<b>72,143</b>	<b>73,962</b>	<b>73,637</b>
<b>Applications Of Operating Funding</b>			
Payments to staff and suppliers	49,285	50,227	50,409
Finance costs	6,837	6,923	6,509
Internal charges and overheads applied			
Other operating funding applications	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>56,122</b>	<b>57,150</b>	<b>56,917</b>
<b>Surplus/(Deficit) Of Operating Funding</b>	<b>16,021</b>	<b>16,812</b>	<b>16,719</b>
<b>Sources Of Capital Funding</b>			
Subsidies and grants for capital expenditure	5,455	4,805	4,749
Development and financial contributions	20	26	35
Increase/(decrease) in debt	1,507	2,803	7,106
Gross proceeds from the sale of assets	45	45	45
Lump sum contributions	0	0	0
Other dedicated capital funding	329	283	279
<b>Total Sources Of Capital Funding</b>	<b>7,356</b>	<b>7,962</b>	<b>12,213</b>
<b>Applications Of Capital Funding</b>			
Capital expenditure			
- to meet additional demand	3,642	1,768	605
- to improve the level of service	6,058	6,781	10,888
- to replace existing assets	21,697	20,508	26,228
Increase/(decrease) in reserves	(8,020)	(4,283)	(8,787)
Increase/(decrease) of investments	0	0	0
<b>Total Applications Of Capital Funding</b>	<b>23,377</b>	<b>24,774</b>	<b>28,933</b>
<b>Surplus/(Deficit) Of Capital Funding</b>	<b>(16,021)</b>	<b>(16,812)</b>	<b>(16,719)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Funding Impact Statement 2016/2017

## Reconciliation to Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June	Long Term Plan Forecast 2015/16 \$000	Long Term Plan Forecast 2016/17 \$000	Annual Plan Forecast 2016/17 \$000
Surplus (deficit) of operating funding per FIS	16,021	16,812	16,719
Subsidies and Grants for capital expenditure	5,784	5,087	5,027
Development and financial contributions	20	26	35
Vested Assets	40	41	40
Depreciation	(15,561)	(16,301)	(16,116)
Landfill Post closure	(64)	(64)	(64)
Movement in Rates Balances	(1,573)	(1,064)	(1,685)
Surplus per Cost of Service Statement	4,666	4,538	3,957

Rates example properties across the district based on the 2016/17 Annual Plan are shown in Section One.

## Rating Base

	2016/17
Projected number of rating units at end of preceding year	22,613
Total capital value of rating units at end of preceding year	\$11,933,089,251
Total land value of rating units at end of preceding year	\$6,066,229,200

# Funding Impact Statement 2016/2017

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

These figures give ratepayers an estimate of what their level of rates is likely to be in the coming year.

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

## Uniform Annual General Charge (UAGC)

The cost of providing community amenities, such as libraries, swimming pools, parks and the cost of governance and leadership, civil defence, environmental health, road/streets landscapes, economic development and

promotion, 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 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Uniform Annual General Charge	\$506.00	\$518.00	10,577

## General Rates

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 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Commercial/Industrial/ Accommodation	4.20	\$0.01234	\$0.01185	4,647
Primary	0.36	\$0.00090	\$0.00102	3,458
Residential - General/ Recreational/ Community Services	1.00	\$0.00280	\$0.00282	6,075
Residential - Multi-Unit	2.00	\$0.00561	\$0.00564	202

## Community Works and Services Rates

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 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Geraldine	\$0.00153	\$0.00154	266
Rural	\$0.00005	\$0.00005	190
Temuka	\$0.00215	\$0.00273	447
Timaru	\$0.00157	\$0.00144	2,413

# Funding Impact Statement 2016/2017

## Aquatic Centre Rate

The cost of Caroline Bay Aquatic centre is recovered from all ratepayers in the form of a uniform targeted aquatic centre rate assessed as a fixed amount per separately used or inhabited part of a rating unit for residential (general or multi-unit) rating units, per rating unit for other rating units (being

the same amount as the amount assessed per separately used or inhabited part of a residential (general or multi-unit) rating unit). Information about the differential categories can be found under the heading Differential Rating.

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Residential	\$108.00	\$109.00	1,983
Other	\$108.00	\$109.00	354

## Rural Fire Protection Rate

The cost of rural fire protection is recovered from all rateable land in the district, excluding the urban areas of Geraldine, Pleasant Point, Temuka and Timaru (see the description of

these areas below), in the form of a uniform targeted rural fire protection rate assessed on the Land Value of the rating unit.

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Rural Fire Protection Rate	\$0.00008	\$0.00006	210

## Uniform Community Board Charges

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 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Geraldine	\$2.00	\$2.00	6
Pleasant Point	\$5.00	\$5.00	6
Temuka	\$3.50	\$3.50	10

## Uniform Annual Sewer Charge

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 annual sewer charge. 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 exclusively or principally as a residence of not more than one household shall be deemed to have not more than one water closet or urinal.

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Sewer Charge	\$367.00	\$369.00	8,050

## Differentiated Annual Waste Management Charge

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 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Standard	\$275.00	\$279.00	5,608
Large	\$373.00	\$379.00	135

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

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Small Recycling (140 litres)	\$70.00	\$71.00	17
Large Recycling (240 litres)	\$80.00	\$81.00	23
Small Compost (140 litres)	\$110.00	\$111.00	17
Large Compost (240 litres)	\$130.00	\$131.00	22
Small Rubbish (140 Litres)	\$135.00	\$136.00	11
Large Rubbish (240 litres)	\$195.00	\$196.00	35

# Funding Impact Statement 2016/2017

## Annual Water Charges

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 annual water charge.

- **“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.

	Actual Rate 2015/16		Rate 2016/17		Estimated revenue 2016/17 (\$000)
	Connected	Serviceable	Connected	Serviceable	
Urban supplies	\$278.00	\$139.00	\$287.00	\$143.50	5,003

### 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 Water Supply District.

All references to a **“Water Supply”** are references to schemes defined by a Special Order. Water rates are assessed as follows:

#### a Urban

- i 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 rating unit for other Connected rating units (being the same amount assessed per separately used or inhabited part of a Connected residential rating unit)
  - iii per Serviceable rating units (being 50% of the above amount) assessed on rating units as:

- 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.
- 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 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.

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Rangitata-Orari (Area charge)	\$16.90	\$17.30	311
Te Moana (Unit charge)	\$275.00	\$275.00	336
Te Moana (Tank charge)	\$527.50	\$530.70	342
Orari (Service charge)	\$403.00	\$216.00	24
Seadown (Area charge)	\$15.20	\$15.50	81
Seadown (Domestic charge)	\$381.00	\$388.00	137
Beautiful Valley (Area charge)	\$3.69	\$3.69	7
Downlands (Domestic charge)	\$486.00	\$518.00	95
Downlands (School charge)	\$833.50	\$888.00	1
Downlands (Service charge)	\$347.00	\$370.00	698
Downlands (Unit charge)	\$139.00	\$148.00	668

### c Water by Meter

A uniform targeted rate for water supply per cubic meter of water

consumed by any rating unit situated in the following areas which has been fitted with a water meter:

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Seadown	\$0.84	\$0.84	5
Urban schemes	\$0.60	\$0.60	1,783

# Funding Impact Statement 2016/2017

## Uniform Community Centre Charges

To provide funding for community centres unit situated in the following Community Centre Areas:

	Actual Rate 2015/16	Rate 2016/17	Estimated revenue 2016/17 (\$000)
Claremont Community Centre	\$20.00	\$20.00	5
Fairview Community Centre	\$30.00	\$30.00	6
Kingsdown Community Centre	\$36.00	\$36.00	5
Otipua Community Centre	\$20.00	\$20.00	2

## 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 and the Aquatic Centre 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	4.20
2 Commercial - Central	4.20
3 Commercial - Other	4.20
4 Community Services	1.00
5 Industrial	4.20
6 Primary	0.36
7 Recreational	1.00
8 Residential – General	1.00
9 Residential – Multi Unit	2.00

## 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.

**Rural** means all that area excluding Geraldine, Pleasant Point, Temuka and Timaru.

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

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

## Rates payable by instalment

Rates and charges are due and payable on the following dates:

Instalment	All Ratepayers	
	Instalment	Due Date
1		20 September 2016
2		20 December 2016
3		20 March 2017
4		20 June 2017

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

# Funding Impact Statement 2016/2017

cash or EFTPOS at Council offices, credit card via Council website, direct credits or other bank transfer methods.

The due date for metered water targeted rates will be the 20th of the month following invoice date.

## Penalties

A penalty of 10% is added to any portion of each instalment that remains unpaid at the close of the due date, on the following dates:

Instalment	Penalty Date
1	21 September 2016
2	21 December 2016
3	21 March 2017
4	21 June 2017

Any rates outstanding from previous years (including penalties already incurred) which are still unpaid on 21 September 2016 will have a further 10% penalty added on that date and if any portion is still unpaid on 21 March 2017 a further 10% penalty will be added on that date.

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

## Rates 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 2016/17 rates, including any current penalties, are paid in full on or before 20 September 2016.

# Rating Contribution by Activity 2016/2017

General Rate	%	Comm/Ind	Res/rec \$ rate per \$ land value	Primary	Multi-Unit
Governance & Leadership	12.25%	0.00145	0.00035	0.00012	0.00069
Civil Defence	0.90%	0.00011	0.00003	0.00001	0.00005
Environmental Health	0.88%	0.00010	0.00002	0.00001	0.00005
District Library	8.75%	0.00104	0.00025	0.00009	0.00049
Aigantighe Art Gallery	1.70%	0.00020	0.00005	0.00002	0.00010
Museum	2.23%	0.00026	0.00006	0.00002	0.00013
Theatre Royal	1.09%	0.00013	0.00003	0.00001	0.00006
Safer Communities	0.06%	0.00001	0.00000	0.00000	0.00000
Motor Camps	0.07%	0.00001	0.00000	0.00000	0.00000
Properties	0.73%	0.00009	0.00002	0.00001	0.00004
District Services Management	0.09%	0.00001	0.00000	0.00000	0.00000
Drainage & Water Management	0.34%	0.00004	0.00001	0.00000	0.00002
Community Development	2.12%	0.00025	0.00006	0.00002	0.00012
Parks	15.33%	0.00182	0.00043	0.00016	0.00086
Aorangi Stadium	0.15%	0.00002	0.00000	0.00000	0.00001
Swimming Pools	13.80%	0.00164	0.00039	0.00014	0.00078
Cemeteries	0.44%	0.00005	0.00001	0.00000	0.00002
Halls & Community Centres	1.21%	0.00014	0.00003	0.00001	0.00007
Public Toilets	1.51%	0.00018	0.00004	0.00002	0.00009
Subsidised Labour	0.24%	0.00003	0.00001	0.00000	0.00001
Economic Development & District Promotions	2.46%	0.00029	0.00007	0.00003	0.00014
Road/street Landscapes	2.20%	0.00026	0.00006	0.00002	0.00012
Airport	0.68%	0.00008	0.00002	0.00001	0.00004
Dog Control	0.06%	0.00001	0.00000	0.00000	0.00000
Building Control	0.65%	0.00008	0.00002	0.00001	0.00004
District Planning	3.25%	0.00038	0.00009	0.00003	0.00018
Forestry	0.00%	0.00000	0.00000	0.00000	0.00000
Subsidised Roding	25.03%	0.00297	0.00071	0.00026	0.00141
Streetlighting - District	0.69%	0.00008	0.00002	0.00001	0.00004
Waste Minimisation operations	1.08%	0.00013	0.00003	0.00001	0.00006
	100.00%	0.01185	0.00282	0.00102	0.00564

# Rating Contribution by Activity 2016/2017

Uniform Annual General Charge & Aquatic Centre Rate	%	Comm/Ind	Res/rec \$ per rating unit	Primary	Multi-Unit
Governance & Leadership	11.25%	70.54	70.54	70.54	70.54
Civil Defence	0.83%	5.20	5.20	5.20	5.20
District Planning	2.98%	18.69	18.69	18.69	18.69
District Building Control	0.60%	3.77	3.77	3.77	3.77
Dog Control	0.06%	0.35	0.35	0.35	0.35
Environmental Health	0.81%	5.08	5.08	5.08	5.08
District Library	8.04%	50.39	50.39	50.39	50.39
Aigantighe Art Gallery	1.56%	9.79	9.79	9.79	9.79
Museum	2.05%	12.83	12.83	12.83	12.83
Theatre Royal	1.00%	6.29	6.29	6.29	6.29
Safer Communities	0.05%	0.34	0.34	0.34	0.34
Properties	0.67%	4.20	4.20	4.20	4.20
District Services Management	0.08%	0.49	0.49	0.49	0.49
Drainage & Water Management	0.31%	1.97	1.97	1.97	1.97
Community Development	1.94%	12.18	12.18	12.18	12.18
Motor Camps	0.07%	0.42	0.42	0.42	0.42
Parks	14.07%	88.25	88.25	88.25	88.25
Aorangi Stadium	0.14%	0.86	0.86	0.86	0.86
Swimming Pools	20.87%	130.84	130.84	130.84	130.84
Cemeteries	0.40%	2.51	2.51	2.51	2.51
Halls & Community Centres	1.11%	6.94	6.94	6.94	6.94
Public Toilets	1.39%	8.69	8.69	8.69	8.69
Subsidised Labour	0.22%	1.41	1.41	1.41	1.41
Economic Development & District Promotions	2.26%	14.16	14.16	14.16	14.16
Road/street Landscapes	2.02%	12.64	12.64	12.64	12.64
Airport	0.62%	3.90	3.90	3.90	3.90
Subsidised Roding	22.98%	144.07	144.07	144.07	144.07
Streetlighting - District	0.63%	3.98	3.98	3.98	3.98
Waste Minimisation operations	0.99%	6.22	6.22	6.22	6.22
	100.00%	627.00	627.00	627.00	627.00

# Rating Contribution by Activity 2016/2017

Community Works & Services Rate		Geraldine	Rural	Temuka	Timaru
		\$ rate per \$ land value			
Non-subsidised Roothing		0.00063	0.00002	0.00143	0.00058
Street Lighting		0.00012	0.00000	0.00008	0.00010
Stormwater		0.00079	0.00003	0.00122	0.00076
		0.00154	0.00005	0.00273	0.00144

Community Works & Services Rate		Geraldine	Rural	Temuka	Timaru
		\$ rate per \$ land value			
Non-subsidised Roothing		40.93%	46.01%	52.46%	40.59%
Street Lighting		7.65%	2.44%	2.77%	6.80%
Stormwater		51.43%	51.55%	44.78%	52.61%
		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 2016 (\$000s)	Funds Deposited 2016-17 (\$000s)	Funds Withdrawn 2016-17 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
Aquatic Centre contributions	Parks, Recreation and Swimming Pools	Funds donated towards to Aquatic centre facility to be used for its construction and funding of interest payments.	65	2	58	9
Cemetery Future (Tu) Fund	Community Facilities	Development of future cemetery for Timaru.	57	2	0	59
Collett Bequest (Museum)	Cultural and Learning Facilities	For museum items.	522	18	0	540
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.	425	43	30	438
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.	125	0	0	125
Contingency Fund	All of Council	For emergency purposes as determined by Council.	560	324	0	884
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.	5,095	7,857	11,743	1,209
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.	60	5	0	65
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).	104	65	54	115

# Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2016 (\$000s)	Funds Deposited 2016-17 (\$000s)	Funds Withdrawn 2016-17 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
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.	230	7	0	237
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.	9	15	15	9
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).	102	62	63	101
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.	593	92	39	646
Depreciation Fund - Sewer	Sewer	For the renewal and/or replacement of Sewer depreciable assets and for the repayment of loans associated with such assets.	2,110	3,180	4,858	432
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.	238	182	318	102
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).	82	140	99	123
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).	2,376	1,105	1,225	2,256
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.	3,992	2,291	3,256	3,027
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.	269	257	261	265
Development (Tu) 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

# Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2016 (\$000s)	Funds Deposited 2016-17 (\$000s)	Funds Withdrawn 2016-17 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
Disaster Relief Fund	All of Council	For the replacement of infrastructural assets excluding roading in the event of a natural disaster.	2,537	445	0	2,982
District Recreation Facilities Fund	All of Council	To be used for the development of significant recreation facilities in the district.	646	22	0	668
Dowling Bequest	Cultural and Learning Facilities	For the purchase of Christian fiction literature for the library.	29	1	3	27
Downlands Asset Replacement Fund	Water Supply	Replacement of infrastructural assets relating to Downlands Water Supply Scheme.	4,203	833	3,085	1,951
Downlands Capital Contribution Reserve	Water Supply	For the provision of capital expenditure financed from capital contributions.	106	4	0	110
Economic Development Fund	Economic Development and District Promotions, Community Funding and Governance and Leadership	For economic development support.	262	9	0	271
Election Expenses Fund	Governance and Leadership	To provide for meeting election expenses.	73	47	95	25
Endowment Land Geraldine Fund	All of Council	From the proceeds of Endowment Land. For the purchase of similar land.	446	28	0	474
Forestry Development Fund	Parks, Recreation and Swimming Pools	To provide funding for the development of forests within the District.	469	16	42	443
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)	21	115	114	22
Investment Fund	All of Council	<ol style="list-style-type: none"> <li>1. For the repayment of district wide loans.</li> <li>2. For the funding of district-wide capital projects</li> <li>3. For provision of internal loans</li> </ol>	2,674	729	640	2,763
Joan & Percy Davis Library Trust (Ger)	Cultural and Learning Facilities	Interest to be used to purchase books for the Geraldine Library. (8/7/82)	1	0	0	1

# Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2016 (\$000s)	Funds Deposited 2016-17 (\$000s)	Funds Withdrawn 2016-17 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
Lattimore W A (Tu) Bequest	Cultural and Learning Facilities	Interest to be used for the purchasing of art works for the Aigantighe Art Gallery.	18	1	2	17
Mackay Bequest (Art Gallery)	Cultural and Learning Facilities	For the purchase of paintings.	198	6	0	204
Mackay Bequest (Library)	Cultural and Learning Facilities	For the purchase of books relating to art for the Timaru Library.	177	6	7	176
Main Creative Communities NZ Fund	Community Funding	Carried forward balance of Creative Communities NZ fund – main committee.	6	0	0	6
Main Drains Cost Sharing Fund	Sewer, Stormwater and Water Supply	Extension of main drains on a cost sharing basis.	1,002	64	100	966
Mayor's Welfare Fund	Governance and Leadership	Help out the needy as determined by the Mayor.	11	6	5	12
McCarthy Bequest (Library)	Cultural and Learning Facilities	For Timaru general library purposes	27	1	0	28
McCarthy Bequest (Parks)	Parks and Recreation	For Timaru Botanic Gardens general purposes	46	1	0	47
Museum Acquisition Fund/Alan Ward Fund	Cultural and Learning Facilities	For the purchase of articles for the Museum.	9	0	0	9
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.	577	19	65	531
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.	-21	-1	8	-30
Property Development Fund	All of Council	For the purchase or development of land and improvement projects within the District.	569	19	66	522
R C Hervey Fund	Cultural and Learning Facilities	For providing improved services to the Timaru Library.	73	3	0	76
Reserves Development (Tu) Fund	Parks, Recreation and Swimming Pools	For the planting of trees and general development of reserves owned by the District Council within Timaru.	11	0	0	11

# Reserve Funds Summary

Name of Fund	Activity	Purpose	Forecast Balance 1 July 2016 (\$000s)	Funds Deposited 2016-17 (\$000s)	Funds Withdrawn 2016-17 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
Reserves from Subdivisions/ Development Levy	Parks, Recreation and Swimming Pools	Development of reserves within the District as set out in the Local Government Act 1974 Section 288.	107	21	44	84
Safer Community Funds	Safer Communities	For Safer Communities projects.	351	42	28	365
Social Housing Fund (TDC)	Social Housing	Funding of new social housing units and major maintenance.	0	0	0	0
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.	1,129	50	0	1,179
Te Moana Water Capital Contributions	Water Supply	For the provision of extensions to the Te Moana water network.	119	74	70	123
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.	19	1	0	20
Winchester Domain Fund	Parks and Recreation	For development of the Winchester Domain	77	3	11	69

# 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 2016 (\$000s)	Funds Deposited 2016-2017 (\$000s)	Funds Withdrawn 2016-2017 (\$000s)	Forecast Balance 30 June 2017 (\$000s)
Aquatic Centre	0	2,033	2,033	0
Fairview Hall	1	5	5	1
Claremont Hall	1	4	4	1
Otipua Hall	0	1	1	0
Kingsdown Hall	0	4	4	0
Geraldine Works and Services	80	231	242	69
Rural Works and Services	73	165	196	42
Temuka Works and Services	97	389	434	52
Timaru Works and Services	216	2,098	2,192	122
Rural Fire Protection	73	183	191	65
Solid Waste Collection	1,532	5,103	5,521	1,114
Sewer	2,360	7,000	7,798	1,562
Beautiful Valley Water	5	6	6	5
Downlands Water	0	1,271	1,271	0
Orari Township Water	3	21	20	4
Rangitata/Orari Water	160	270	282	148
Seadown Water	88	190	209	69
Te Moana Water	481	590	516	555
Urban Water	680	4,350	4,643	387
Geraldine Community Board	23	5	5	23
Pleasant Point Community Board	18	6	6	18
Temuka Community Board	28	9	9	28

# Annual Plan Disclosure Statement for the year ending 30 June 2017

## 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 revenues, 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 \$75m	\$45,636,950	Yes
2. Rates (increase) affordability benchmark	Total rates increase will be less than 6% plus inflation	1.54%	Yes
3. Debt affordability benchmark	Debt will not exceed \$147m	\$100,852,800	Yes
4. Balanced budget benchmark	100%	105.33%	Yes
5. Essential services benchmark	100%	254.21%	Yes
6. Debt servicing benchmark	10%	7.99%	Yes

## Notes

### 1. Rates (income) affordability benchmark

For this benchmark, the Council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the Council's long-term plan. The Council meets the rates (income) affordability benchmark if its planned rates income for the year equals or is less than each quantified limit on rates.

### 2. Rates (increase) affordability benchmark

For this benchmark, the Council's planned increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the Council's long-term plan. The Council meets the rates (increase) affordability benchmark if its planned rates increases for the year equal or are less than each quantified limit on rates increases.

### 3. Debt affordability benchmark

For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's long-term plan. The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

### 4. Balanced budget benchmark

For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

### 5. Essential services benchmark

For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services. The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

### 6. Debt servicing benchmark

For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects that Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

# Fees 2016/17

## 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. Council is increasing fees in some areas to meet the increased costs of some services and reflect required cost recovery. Most 2016/17 changes are minor. These include:

- Airport parking
- Building Control
- Cemeteries
- District Services Administration Fees
- Food Act 2014 - Fees
- Southern Trust Events Centre
- Land Information Memorandums
- Land Transport Corridor Access request
- Parking
- District Planning
- Sewer -Special Liquid Waste
- Social Housing rentals
- Waste Minimisation

### Food Act 2014 - Fees

The Food Act 2014 came into force on 1 March 2016. The new Act changes the way Food Premises operate and are regulated. The Act provides the council with the ability to recover costs associated with its functions under the new Act. This has resulted in a change in the fee structure and the fees charged for 2016/17. The fee changes were the subject of a Special Consultative Procedure as required by the Act.

Full details of all fees is available in a separate document available from the Council or from the Council website - [www.timaru.govt.nz](http://www.timaru.govt.nz).

## Resource Management Fees

*(all charges GST inclusive)*

Section 36 of the Resource Management Act 1991 enables the 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 also reserves its discretion to 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)

	2016/17
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 (survey plan approval)	\$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	Actual cost
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).	after first half hour free

# Fees 2016/17

**Table Two - Charge Rates**

**2016/17**

<b>Staff Time Rate</b>	
District Planning Manager	\$160.00 per hour
Senior Planner	\$130.00 per hour
Planner	\$110.00 per hour
Development Planning Advisor	\$110.00 per hour
Administration Staff	\$90.00 per hour
Other Council Staff	\$130.00 per hour
Public Notices	At Cost
Disbursements	At Cost
Consultants/Legal Advice	At Cost
Commissioning Special Reports	At Cost
<u>Hearing Costs:</u>	
Hearings Committee	\$100.00 per hour for the chairperson \$80.00 per hour per member who is not the chairperson
Commissioner	At Cost
<u>If monitoring of resource consent is required (imposed as a condition of a resource consent):</u>	
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**

**2016/17**

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 Application	\$350.00
Bond Refund	\$350.00

# Accounting Policies

## Reporting Entity

The Timaru District Council was formed on 1 November 1989 and is a territorial local authority governed by the Local Government Act 2002.

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

The prospective financial statements presented here are for the reporting entity, Timaru District Council (parent). They do not include the consolidated forecasts of any Council Controlled organisations.

## Significant Accounting Policies

### Basis of Preparation

These prospective financial statements have been prepared under Public Benefit Entity Accounting Standards, which are based on International Public Sector Accounting Standards (IPSAS). Timaru District Council is a Public Benefit Entity (PBE) and is required to apply Tier 1 PBE Accounting Standards with effect from 1 July 2014.

### Statement of Compliance

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: sections 95, 100, 101, 111 and Part 2 of Schedule 10 which includes the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

### Prospective Financial Statements

The prospective financial statements comply with Tier 1 PBE Accounting Standards. The prospective financial statements have been prepared using the best information available at the time they were prepared.

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 two or more 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.

### 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.

### 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.

# Accounting Policies

## 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.

## 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.

## 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.

## 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 2015 at depreciated replacement cost calculated by the District Librarian in accordance 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.

# Accounting Policies

## 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.

## 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.

## 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.

## 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.

## 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.

## 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.

## 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.

## 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.

# Accounting Policies

## 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 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.

## Goods & Services Tax

These prospective financial statements have been prepared on a GST exclusive basis with the exception of Accounts

Receivable and Accounts Payable, which are stated on a GST inclusive basis. When GST is not recoverable as an input tax then 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.

## Revenue Recognition

### 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.

### Exchange and non-exchange transactions

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

### 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.

### 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 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.

# Accounting Policies

## 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

## 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.

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.

## Cost 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

## 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  
Facsimile: (03) 687-7209  
Email: [enquiry@timdc.govt.nz](mailto:enquiry@timdc.govt.nz)  
Website: [www.timaru.govt.nz](http://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  
Facsimile:(03) 615 9538  
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  
Facsimile: (03) 693 9451  
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

### Solicitors:

Gresson Dorman and Co,  
12 The Terrace, PO Box 244, Timaru 7940

## Coat of Arms



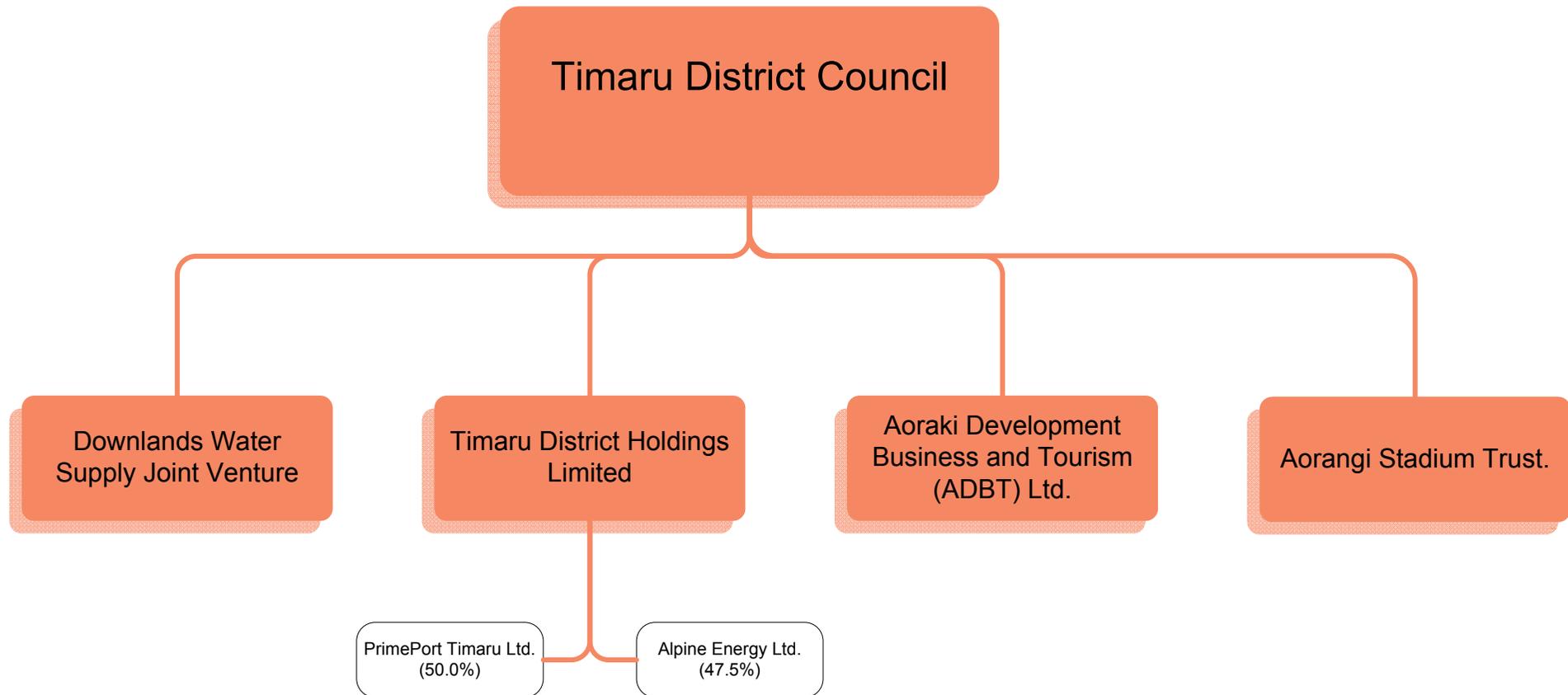
The grant of armorial bearings to the City of Timaru was made by the College of Heralds, London, by letters patent dated 18 October 1977. The original grants document with its impressive artwork and gold seals is displayed outside the Council Chambers in the upstairs foyer of the District Council Building, 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.

## Logo

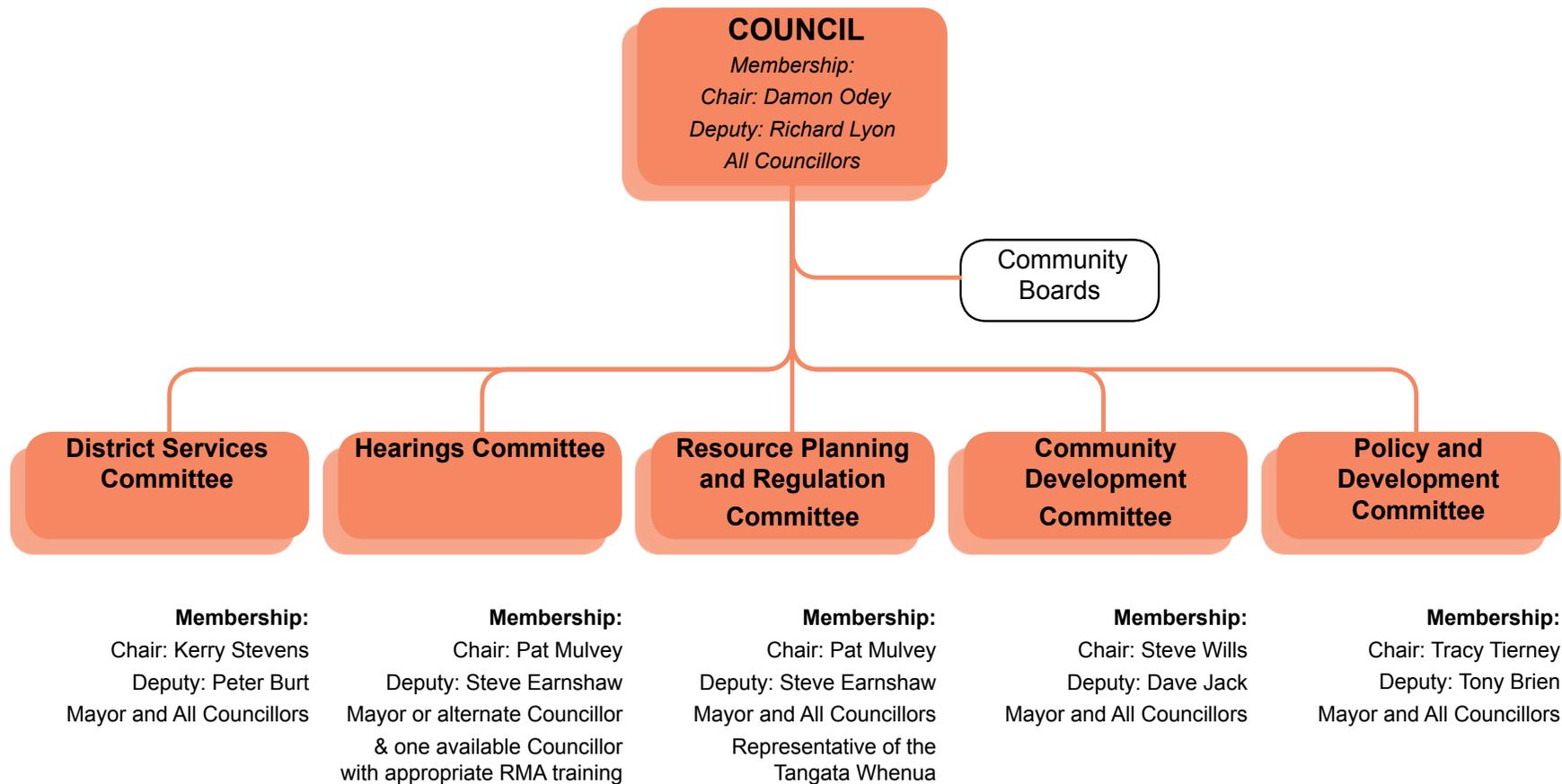


The Council Logo colours are blue and green - environmental colours depicting the sea meeting the land inside a unified format. The diagonal lines suggest upward movement, mountains, rivers, roads, energy, vitality, leadership - pointing to the TDC. The logo is used on all corporate documents, signs and buildings.

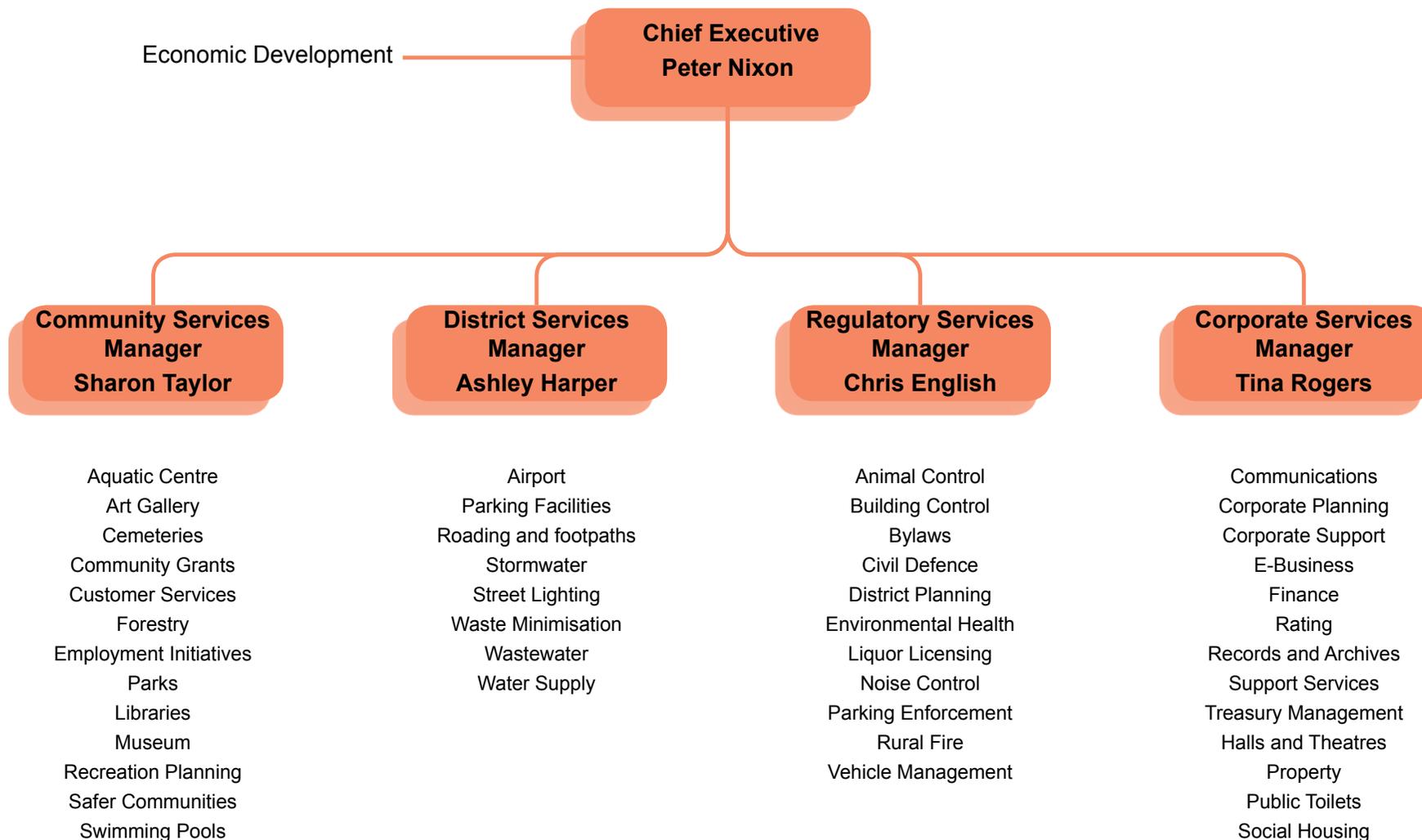
# Group Organisational Structure



# 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.

# Glossary

## 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.







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