



# **A G E N D A**

## **Finance, Audit and Risk Committee**

**Council Chambers  
36 Weld Street  
Hokitika**

**Thursday 28 June 2018  
commencing at 8.00 am**

Deputy Mayor L.J. Martin – Chairperson  
His Worship the Mayor R.B. Smith  
Deputy Mayor Cr H.M. Lash  
Crs D.L. Carruthers, R.W. Eatwell, D.M.J. Havill ONZM,  
J.A. Neale, G.L. Olson, D.C. Routhan.



# FINANCE, AUDIT AND RISK COMMITTEE

**AGENDA FOR A MEETING OF THE FINANCE, AUDIT AND RISK COMMITTEE, TO BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 28 JUNE 2018 COMMENCING AT 8.00 AM**

## **COUNCIL VISION**

We work with the people of Westland to grow and protect our Communities, our Economy and our unique natural environment.

### **Purpose:**

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

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

## **1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:**

### **1.1 Apologies & Leave of Absence**

### **1.2 Interest Register**

## **2. CONFIRMATION OF MINUTES:**

### **2.1 Finance, Audit and Risk Committee Meeting Minutes – 24 May 2018**

(Pages 4-7)

**3. REPORTS FOR INFORMATION:**

**3.1 Financial Performance - May 2018**

(Pages 8-20)

**4. ITEMS FOR DISCUSSION:**

**4.1 Health and Safety – Verbal Update**

**4.2 Audit Management Report – Verbal Update**

**4.3 Finance, Audit and Risk Committee Rolling Workplan**

(Page 20)

**5. MATTERS TO BE CONSIDERED IN THE ‘PUBLIC EXCLUDED SECTION’**

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

**5.1 Confidential Minutes – 24 May 2018**

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

<b>Item No.</b>	<b>Minutes/ Report of</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
5.1	Confidential Minutes – 24 May 2018	Confidential Minutes	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)



# Finance, Audit and Risk Committee Minutes

MINUTES OF A MEETING OF THE FINANCE, AUDIT AND RISK COMMITTEE, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 24 MAY 2018 COMMENCING AT 9.30AM

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## 1. MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:

### 1.2 Members Present

Deputy Mayor Cr L.J. Martin (Chair)  
His Worship the Mayor R.B. Smith  
Deputy Mayor Cr H.M Lash  
Crs R.W. Eatwell, D.M.J. Havill (ONZM), J.A. Neale, G.L. Olson,  
D.L Carruthers.

### Apologies & Leave of Absence

Cr D.C Routhan

Moved Deputy Mayor Lash, seconded Cr Olson and **Resolved** that the apology from Cr Routhan for the Finance Audit and Risk Committee Meeting for the 24 May 2018 be received and accepted.

### Staff in Attendance:

S.R. Bastion, Chief Executive; L.A. Crichton, Group Manager: Corporate Services; E. Bencich, Acting Group Manager: District Assets; F. Scadden; Acting Group Manager: Planning, Community and Environment; V.M Watson Business Support/Committee Secretary.

### 1.2 Interest Register

The Chair circulated the Interest Register and no amendments were noted.

## 2. CONFIRMATION OF MINUTES:

### 2.1 Confirmation of Minutes – Finance, Audit and Risk Committee Meeting - 26 April 2018

Moved Deputy Mayor Lash, seconded Cr Havill and **Resolved** that the Minutes of the Finance, Audit and Risk Committee Meeting held on the 26 April 2018 be confirmed as a true and correct record, subject to the following amendment:

#### Page 4 – Interest Register

Amendment – noted by Cr Neale a request for Councillors to complete the financial or non-financial pecuniary interest column.

## 3. REPORTS FOT INFORMATION

### 3.1 Financial Report April 2018

The Finance Manager spoke to this report.

The purpose of this report is to provide an indication of Council's financial performance for one month to 30 April 2018.

The report concluded by recommending that Council receive the financial performance report to 28 April 2018, attached as **Appendix 1** to the agenda.

- There is a noted variance forecast of the NZTA subsidy.
- There is high expenditure on water asset maintenance and the cost implication of water cartage costs over summer.
- Parks and Reserves carry forward project, from 2015 and 2016 the initial Laser Park project was carried out with community consultation resulting in a cost and recommendation to improve drainage and the community garden. Hokitika Lions Club have reported to Council the plan and have offered to complete this project for the allocated budget amount. Clarification is to be sought on the property and building.

Moved His Worship the Mayor, seconded Cr Havill **Resolved** that the capital budget for Laser Park to the amount of \$45,000 be made available to Hokitika Lions Club, subject to an agreement approved by the Chief Executive which protects the council with an agreed scope and agreement of outcome.

*Cr Neale recorded her vote against the motion.*

Moved Deputy Mayor Lash, seconded Cr Eatwell and **Resolved** that the Financial Report for April 2018 attached as appendix 1 to the Agenda be received.

#### **4. FINANCE AUDIT AND RISK COMMITTEE ROLLING WORKPLAN**

The Group Manager: Corporate Services spoke to the May Workplan.

Audit New Zealand is currently carrying out the scheduled audit with operational systems and procedures as per the approved agreement schedule.

Moved Cr Eatwell, seconded Cr Olson and **Resolved** that the Finance Audit and Risk Rolling Workplan be received.

#### **5. MATTERS TO BE CONSIDERED IN THE 'PUBLIC EXCLUDED SECTION'**

Moved His Worship the Mayor, seconded Cr Eatwell and **Resolved** that Council confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 9:55am.

Council is required to move that the public be excluded from the following parts of the proceedings of this meeting, namely:

##### **5.1 Confidential Minutes – 26 April 2018**

##### **5.2 Westroads Quarterly Consolidated Financial Summary**

The general subject of the matters to be considered while the public are excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of the resolution are as follows:

<b>Item No.</b>	<b>Minutes/ Report of</b>	<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
5.1	Confidential Minutes – 26 April 2018	Confidential Minutes – Finance, Audit and Risk Committee	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
5.2	Westroads Limited Quarterly Financial Report	Westroads Quarterly Financial Report for Information	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)

This resolution is made in reliance on Section 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

No.	Item	Section
5.1	Protect the privacy of natural persons, including that of deceased natural persons.  Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 7(2)(a)  Section 7(2)(i)
5.2	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 7(2)(i)

Moved Cr Neale, seconded Cr Olson and **Resolved** that the business conducted in the “Public Excluded Section” be confirmed and accordingly the meeting went back to the open part of the meeting at 10:43am

**MEETING CLOSED AT 10.43 AM**

**At the conclusion of the Finance, Audit and Risk Committee a presentation was made to Olivia Anderson for representing New Zealand internationally at the under 19 Open European Korfball Championships in Netherlands 2018. The certificate recognised inspiration and commitment to Olivia’s chosen sport and for being a respected role model in the Westland District.**

Confirmed by:

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**Deputy Mayor Latham Martin**  
**Chair – Finance, Audit and Risk Committee**

\_\_\_\_\_  
**Date**

# Report



**DATE:** 28 June 2018

**TO:** Mayor and Councillors

**FROM:** Finance Manager

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## FINANCIAL PERFORMANCE: MAY 2018

### 1 SUMMARY

- 1.1 The purpose of this report is to provide an indication of Council's financial performance for one month to 31 May 2018.
- 1.2 This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by Council as part of the Long Term Plan 2015-25. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council receive the financial performance report to 31 May 2018, attached as **Appendix 1**.

### 2 BACKGROUND

- 2.1 Council receives monthly financial reporting so that it has current knowledge of its financial performance and position against targets and objectives adopted in the Long Term Plan 2015-25.

### 3 CURRENT SITUATION

- 3.1 Council now receives a monthly financial summary report in a consistent format.



3.2 The Financial Performance Report to 31 May 2018, is attached as **Appendix 1** and contains the following elements:

- 3.2.1 Segmental graphs for net cost of services, operating revenue and expenditure with the addition of the actual amounts.
- 3.2.2 Update on Rates Debtors.
- 3.2.3 Whole of Council Cost of Service Statement.
- 3.2.4 Variance analysis
- 3.2.5 Council approved unbudgeted expenditure
- 3.2.6 Debt report including budgeted debt, forecast debt and actual debt.
- 3.2.7 Capital Expenditure 2017-18
- 3.2.8 Carryover Schedule 2017-18
- 3.2.9 Balance Sheet

#### **4 OPTIONS**

4.1 Council can decide to receive or not receive the report.

#### **5 SIGNIFICANCE AND CONSULTATION**

5.1 This report is for information only and, while feedback is invited from Council in order for staff to continuously improve the quality of information provided, no assessment of significance or consultation and no options analysis is required.

#### **6 RECOMMENDATION**

A) **THAT** Council receives the Financial Performance Report to 31 May 2018

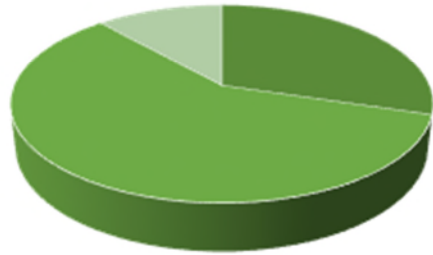
**Lavinia Hamilton**  
**Finance Manager**

**Appendix 1:** Financial Performance May 2018



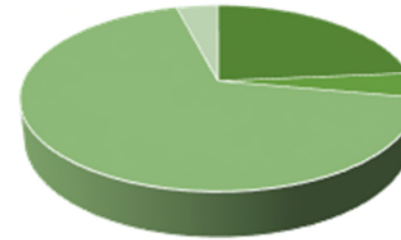
## Financial Performance May 2018

**Operating revenue  
Actual year to May**



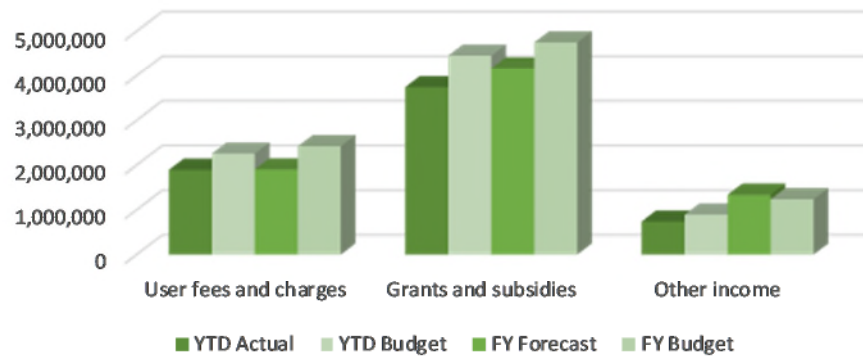
■ User fees and charges ■ Grants and subsidies ■ Other income

**Operating expenditure  
Actual year to May**

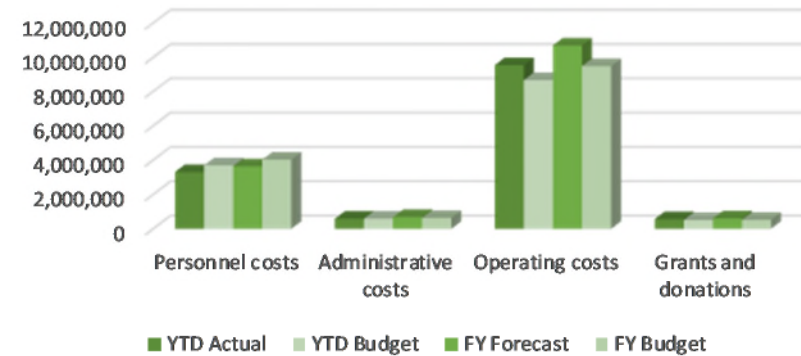


■ Personnel costs ■ Administrative costs ■ Operating costs ■ Grants and donations

**Operating revenue**



**Operating expenditure**



Column1	User fees & Charges	Grants & Subsidies	Other Income
Actual YTD	1,892,759	3,743,380	738,651
Budget YTD	2,256,917	4,452,315	889,990
Variance	(364,159)	(708,935)	(151,339)
FY Forecast	1,902,557	4,166,303	1,337,439
FY Budget	2,418,583	4,746,309	1,238,334

Column1	Personnel	Administration	Operating	Grants & donations
Actual YTD	3,307,541	594,131	9,547,373	567,707
Budget YTD	3,693,546	593,009	8,649,292	513,674
Variance	(386,005)	1,122	898,081	54,033
FY Forecast	3,633,514	683,848	10,693,657	611,405
FY Budget	4,023,177	638,727	9,484,130	521,300

## Rates Debtors

<b>Rates Debtors at 30 April 2018</b>		<b>3,302,415</b>
Rates instalment	- 370	
Less payments received	- 2,356,855	
Paid in advance	101,386	
Write off's	-	
Penalties	- 668	
Discounts	- 1,177	
Court costs awarded	-	
		-2,257,684
<b>Total Rates Debtors at 31 May 2018</b>		<b>1,044,731</b>
Arrears included above at 31 May 2018	1,044,731	
Arrears at 31 May 2017	1,257,141	
Increase/(decrease) in arrears		-212,410

## Debt Management May 2018

### Rates Debt - Aged at 31 May 2018

Financial Year	Apr-18	Apr-17	Mar-18
Pre 2013	58,500	104,228	58,500
2013-14	38,902	56,651	38,910
2014-15	50,743	78,865	52,081
2015-16	54,015	157,972	54,788
2016-2017	117,925	859,425	120,317
Current	724,645	-	2,977,827
<b>Total</b>	<b>1,044,731</b>	<b>1,257,141</b>	<b>3,302,423</b>

WESTLAND DISTRICT COUNCIL	Year to May			Full Year 2017-2018	
	Actual	Budget	Variance	FY Forecast	Budget
<b>Operating revenue</b>					
Rates (includes targeted rates and metered water)	14,464,411	14,482,620	(18,209)	15,307,645	15,204,697
User fees and charges	1,892,759	2,256,917	(364,159)	1,902,557	2,418,583
Grants and Subsidies	3,743,380	4,452,315	(708,935)	4,166,303	4,746,309
Other income	738,651	889,990	(151,339)	1,337,439	1,238,334
Overhead recoveries	6,201,725	6,578,303	(376,578)	6,799,755	7,176,333
<b>Total revenue (A)</b>	<b>27,040,925</b>	<b>28,660,145</b>	<b>(1,619,220)</b>	<b>29,513,699</b>	<b>30,784,256</b>
<b>Operating expenditure</b>					
Personnel costs	3,307,541	3,693,546	(386,005)	3,633,514	4,023,177
Administrative costs	594,131	593,009	1,122	683,848	638,727
Operating costs	9,547,373	8,649,292	898,081	10,693,657	9,484,130
Grants and donations	567,707	513,674	54,033	611,405	521,300
Overheads	6,165,593	6,574,643	(409,050)	6,756,823	7,172,293
<b>Total operating expenditure (B)</b>	<b>20,182,346</b>	<b>20,024,164</b>	<b>158,181</b>	<b>22,379,247</b>	<b>21,839,627</b>
<b>Net operating cost of services - surplus/(deficit) (A - B)</b>	<b>6,858,580</b>	<b>8,635,981</b>	<b>(1,777,401)</b>	<b>7,134,452</b>	<b>8,944,629</b>
<b>Other expenditure</b>					
Interest and finance costs	671,184	712,794	(41,611)	735,983	777,593
Depreciation	5,609,712	5,323,891	285,821	6,304,794	5,807,919
(Gain)/loss on investments	0	0	0	0	0
(Gain)Loss on swaps	952	(160,891)	161,842	(13,675)	(175,517)
(Gain)Loss on disposals	(47,301)	0	(47,301)	(47,301)	0
<b>Total other expenditure (C)</b>	<b>6,234,546</b>	<b>5,875,795</b>	<b>358,751</b>	<b>6,979,801</b>	<b>6,409,995</b>
<b>Total expenditure (D = B + C)</b>	<b>26,416,892</b>	<b>25,899,959</b>	<b>516,933</b>	<b>29,359,048</b>	<b>28,249,622</b>
<b>Net cost of services - surplus/(deficit) (A - D)</b>	<b>624,033</b>	<b>2,760,186</b>	<b>(2,136,153)</b>	<b>154,651</b>	<b>2,534,634</b>

## Variance Analysis

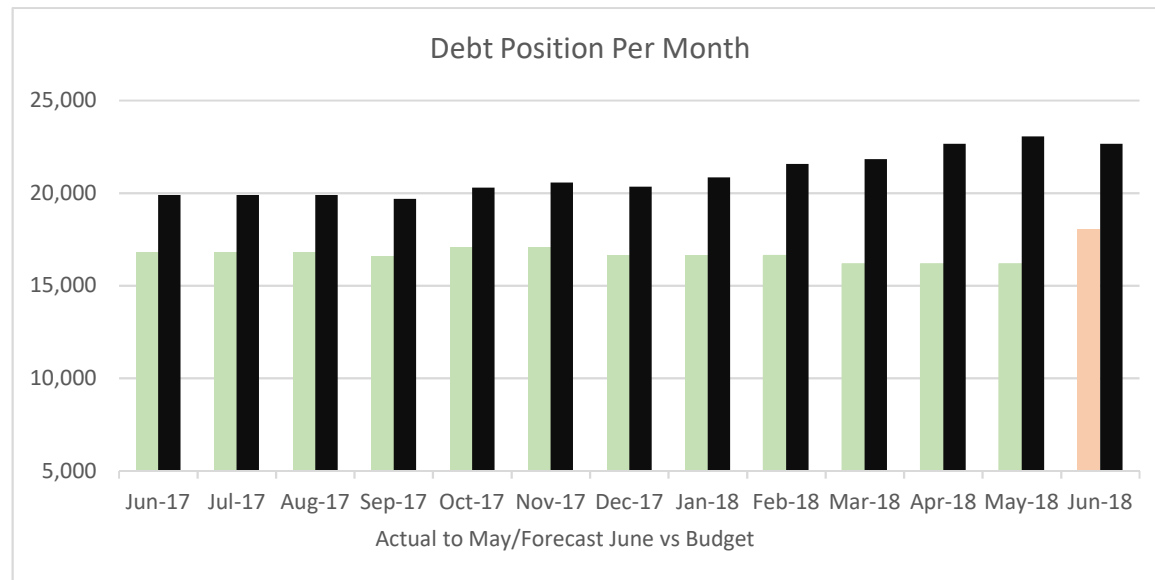
<b>Operating Revenue</b>	
Rates revenue	There are some variances in the rates this is still expected to reach budget with the final water invoices in June.
User fees and charges	Building Control consents and fees \$166k lower than budget year to date. Event Fees are down by \$85K, this is partially off-set by un-budgeted sponsorship of \$54K. Waste water trade waste fees are down \$93K.
Grants and Subsidies	NZTA subsidy \$777K lower than budgeted year to date. Some of this would be for the Whitcombe Valley Road for which the income will mostly be received in June. The forecast has been reduced to reflect the fact that it is likely that we will not receive all of this funding
	WCWT cycle trail budgeted grant contribution of \$479k from MBIE could not be claimed as at May 2018. Entire WCWT cycle trail grant contribution of \$479k budgeted in September 2017.
<b>Operating Expenditure</b>	
Personnel costs	Positive variance due to budgeted unfilled staff vacancies, in District Assets, Museum, and Building Control.
Operating costs	The most significant variation water services which has an overall budget variance of \$338K, cost fluctuations in solid waste and parks & reserves several other areas has caused a collective budget overrun of \$109k YTD, Consultancy costs in in-house professional services has a cost overrun of \$144K YTD but this is mostly offset by savings in wages.
Grants and Donations	Community township development \$21k higher than budget, \$12K is unbudgeted for Bruce Bay and \$9K for Hari Hari from last year this comes from the Hari Hari reserve. \$20k for MYD youth strategy paid in November, and March, this is offset by a \$20K Grant and a \$20K SPCA Grant for the fit out of facilities as approved unbudgeted expenditure. There is also \$30K of approved unbudgeted expenditure for the Regent Theatre.
<b>Other Expenditure</b>	
Depreciation	This has increased as assets are capitalised, including unbudgeted capital expenditure
(Gain)/Loss on Swaps	Swap values are based on market factors and are difficult to predict. Any gain or loss on swaps would not materialise unless swaps were cashed in before maturity.

## Council Approved Unbudgeted Expenditure

Dated Approved	Description	Amount Approved \$	Amount Spent \$	Status
Sep-17	5.9 Sunset Point Erosion	2,880	2,880	Complete.
Oct-17	10.1 Hokitika Regent Theatre	30,000	30,000	To allow time for formulation of long-term emergency recovery strategy.
Apr-17	7.2 Hokitika SPCA	20,000	20,000	Contribution towards fit-out of dog pound.
Aug-17	5.3 Management of the Carnegie Building	40,000	33,333	Monthly management Fee
Dec-17	5.5 Heating for the Harihari Community Swimming Pool	52,669	52,469	Harihari
Dec-17	5.5 Heating for the Harihari Community Swimming Pool	9,000	9,000	Township development fund - Reserve Funded
<b>Total</b>		<b>154,549</b>	<b>147,682</b>	

**Forecast Debt Position per Annual Plan 2017-18**

Forecast as at	Jul-17	May-18
Opening Balance	19,887	16,790
Loan funded capex forecast	4,552	3,020
Forecast repayments 2017-18	(1,792)	(1,792)
<b>Forecast balance June 2018</b>	<b>22,647</b>	<b>18,018</b>



	Debt Position per month												
	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
<b>Budget</b>	19,887	19,887	19,887	19,689	20,289	20,564	20,341	20,841	21,566	21,825	22,650	23,050	22,647
<b>Forecast at 1 July 2017</b>	16,790	16,790	16,790	16,592	17,192	17,467	17,674	18,614	19,769	20,028	20,853	21,253	20,850
<b>Actual + Forecast</b>	16,790	16,790	16,790	16,572	17,062	17,062	16,614	16,614	16,614	16,166	16,166	16,166	18,018
Waste Management loan	2,401	2,401	2,401	2,338	2,338	2,338	2,251	2,251	2,251	2,227	2,227	2,227	2,207
Water Supply loan	2,205	2,205	2,205	2,150	2,150	2,150	2,075	2,075	2,075	2,051	2,051	2,051	2,178
Wastewater loan	0	0	0	230	720	720	720	720	720	720	720	720	1,485
Structured Infrastructure loan for Council assets	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845	7,845
Stormwater loan	760	760	760	744	744	744	720	720	720	711	711	711	702
Transportation	100	100	100	80	80	80	50	50	50	40	40	40	685
Vehicle loan	52	52	52	50	50	50	44	44	44	44	44	44	44
Cass Square rehabilitation loan	120	120	120	118	118	118	112	112	112	110	110	110	109
Other loans	0	0	0	0	0	0	0	0	0	0	0	0	225
Hokitika Water supply upgrade	3,307	3,307	3,307	3,017	3,017	3,017	2,798	2,798	2,798	2,418	2,418	2,418	2,538

Forecast on Budget			Project Delayed - Will not be completed by 30th June 2018
Forecast over Budget			Project on-Track - Will be completed by 30th June 2018
			Project Complete - 100% Progress

Project / Activity	YTD Exp	2017-18	Forecast	Budget Track	Progress / Track	Progress Comments
	\$0	\$0	\$0			
<b>LEADERSHIP</b>						
Council HQ Refurbishment	32,112	150,000	150,000			
Westland District Signage	14,000	0	14,000			
IT Equipment Renewals	46,792	130,000	130,000			Delayed - will be completed early next financial year
Civil Defence Laptops	3,053	-	4,000			
Civil Defence RTs	5,062	-	5,062			
Dog control Laptop	1,735	-	1,735			
Information Management - Shelving	-	10,000	0			On hold, shelving was to be constructed in Drummond Hall for storage, but with Museum closure this doesn't make sense at this stage unless Council files need to be shifted urgently.
	<b>102,754</b>	<b>290,000</b>	<b>304,797</b>			

<b>LIBRARY</b>						
Library - Chromebooks For Children's Code Club	4,162	5,000	4,162			Completed - \$838 under budget
Library - iPad Pro For Digital Literacy Classes	1,352	1,200	1,352			Completed - \$152 over budget
Library - Whiteboard For Digital Literacy Classes	511	600	511			Completed - \$89 under budget
Library - Book Trolleys	627	850	627			Completed - \$223 under budget
Library - Book Display Holders	344	800	344			Completed - \$456 under budget
Library - Website Upgrade	9,500	8,000	9,500			Completed - \$1500 over budget
Library - Audio/Visual Resource	3,455	4,000	4,000			Project on-Track - Will be completed by 30th June 2018
Library - Free Adult Books	14,099	15,000	15,000			Project on-Track - Will be completed by 30th June 2018
Library - Adult Non Fiction	14,411	15,500	15,500			Project on-Track - Will be completed by 30th June 2018
Library - Junior Publications	11,440	11,500	11,500			Project on-Track - Will be completed by 30th June 2018
Library - Large Print Books	4,637	6,000	6,000			Project on-Track - Will be completed by 30th June 2018
	<b>64,538</b>	<b>68,450</b>	<b>68,496</b>			

<b>WATER SUPPLY</b>						
Arahura - Replacement Pump	5,813	-	5,813			
Hokitika - River Water Intake Upgrade	459,089	-	500,000			Loan funded by WWP
Hokitika - Water Treatment Plant Improvements	-	420,000	0			Project rescoped within LTP - Not to be progressed 2017-2018 FY
Hokitika - Mains Upgrades	18,493	100,000	100,000			
Hokitika - Aluminum Testers/Meters	10,632	0	10,632			
Ross - Water Treatment Plant - Seismic Valves	-	30,000	30,000			
Ross - Upgrades	5,030	0	5,030			
Whataroa - Pump Upgrades	-	35,000	35,000			
Franz Josef - Actuator	10,164	0	10,164			
Franz Josef - UPS	2,733	0	2,733			
Fox Glacier - Water Treatment Plant Upgrade	-	450,000	50,000			Project rescoped within LTP - First phase only in 2017-2018 FY
Fox Glacier - Seismic Valves	-	30,000	30,000			
Haast - Valve	3,957	-	3,957			
Haast - Input card	3,838	-	3,838			
	<b>519,751</b>	<b>1,065,000</b>	<b>787,168</b>			

<b>WASTEWATER</b>						
Hokitika - WWTP Upgrade	1,668	300,000	300,000			Partial completion, will require some carry forward
Franz Josef - New WWTP - Floodwall	1,228,151	-	1,235,000			Floodwall Emergency works to protect settling ponds required to
Franz Josef - WWTP Pump & equipment	10,669	-	10,669			Partial completion, will require some carry forward. Court Order.
Franz Josef - New WWTP	-	1,500,000	-			Tourism Infrastructure Funding \$1,985,800, WDC loan funded contribution \$265,000. Rescoped within the LTP - Not to be
Fox Glacier - WWTP upgrade	-	100,000	100,000			First phase of the WWTP
Haast - WWTP Input Card	3,611	-	3,611			
	<b>1,244,098</b>	<b>1,900,000</b>	<b>1,649,280</b>			

<b>CEMETERIES</b>						
Cemetery - Hokitika Upgrade & Expansion	-	10,000	10,000			
	<b>0</b>	<b>10,000</b>	<b>10,000</b>			

<b>SWIMMING POOLS</b>						
Hokitika Swimming Pool - Earthquake Strengthening	30,000	30,000	30,000			Project complete
Hokitika Swimming Pool - Ventilation Compliance	15,696	16,000	15,696			Project complete
Hokitika Swimming Pool - Spa Pool	9,957	-	9,957			
	<b>55,653</b>	<b>46,000</b>	<b>55,653</b>			

<b>COMMUNITY SERVICES DEVELOPMENT</b>						
Community Halls - Custom House Roof Replacement	-	18,000	18,000			
Township Maintenance - Kumara Rubbish Bins	-	3,000	3,000			
Township Maintenance - Hokitika Rubbish Bins	-	7,000	7,000			
Township Maintenance - Repairs to Statues	1,300	-	1,300			
Township Maintenance - Fox Rubbish Bins	-	3,000	3,000			
Township Maintenance - Haast Rubbish Bins	-	2,000	2,000			
	<b>1,300</b>	<b>33,000</b>	<b>34,300</b>			

<b>ELDERLY HOUSING</b>						
Elderly Housing - Roof Repairs	45,253	50,000	50,000			Roof repairs completed previous financial year. Funds to be spent on double glazing under capital requirements.
	<b>45,253</b>	<b>50,000</b>	<b>50,000</b>			



<b>OFFICE EQUIPMENT</b>						
i-SITE/CSC - Replacement Television Screens	5,438	4,125	5,438			Project complete.
Laminator	861	-	861			Replacement of broken Corporate Services laminator
Ibis Pro Rates Modelling	13,757	-	13,757			Ibis Pro Rates Modelling software upgrade to assist with the LTP
Customer Service Centre	1,030	-	1,030			Purchase of bar code scanners, wireless headset, keyboards and mice, printer and switch due to change of Customer Service Centre location.
Museum	651	-	651			Heater
	<b>21,737</b>	<b>4,125</b>	<b>21,086</b>			
<b>MOTOR VEHICLES</b>						
Pool Vehicle	36,444	31,000	36,444			Arrived
Ford Ranger XL Double Cab	38,895	-	38,895			Replacement vehicle for Ford Ranger Ute. Cost \$38,039 insurance payment \$23,913
Ford Escape Ambiente	29,778	-	29,778			Replacement vehicle for Hyundai Santa Fe. \$29,778 trade in \$12,174
	<b>105,118</b>	<b>31,000</b>	<b>105,118</b>			
<b>NEW TOILET &amp; ASSOCIATED FACILITIES</b>						
Kapitea Reservoir	91,272	-	14,769			Tourism Infrastructure Funding \$74,670, WDC loan funded contribution \$14,769. Project came in under budget so contributions have been reduced
Okarito	8,299	-	32,715			Tourism Infrastructure Funding \$204,435, WDC loan funded contribution \$32,715.
Fox Glacier	138,968	-	25,125			Tourism Infrastructure Funding \$136,125, WDC loan funded contribution \$25,125.
Franz Josef	416,799	-	88,452			Tourism Infrastructure Funding \$463,068, WDC loan funded contribution \$88,452.
Bruce Bay	-	-	23,024			Tourism Infrastructure Funding \$117,216, WDC loan funded contribution \$23,024.
Haast Township- New Toilet Facilities, Dump Station, Shelter, Bus Depot & Carpark	-	-	262,880			Tourism Infrastructure Funding \$394,320, WDC loan funded contribution \$262,880.
Sunset Point - New Toilets, Shelter & Carparks	-	-	500,000			Tourism Infrastructure Funding \$485,325, WDC loan funded contribution \$500,000.
	<b>655,338</b>	<b>0</b>	<b>946,965</b>			
<b>SOLID WASTE</b>						
Butlers Refuse - Carbon Credits	64,500	-	64,500			
Haast - Toilet Office building	0	32,000	0			Project rescoped within LTP - Not to be progressed 2017-2018 FY
	<b>0</b>	<b>32,000</b>	<b>0</b>			
<b>LAND &amp; BUILDINGS</b>						
Land & Buildings - Car Parking	-	15,000	15,000			
Hokitika Gorge Carpark	45,000	-	15,000			
	<b>45,000</b>	<b>15,000</b>	<b>15,000</b>			
<b>MUSEUM</b>						
Hokitika Museum Upgrade & Future Development Options	25,769	-	75,000			Preparation of construction drawings and assistance with the tender process for the strengthening of the Carnegie Building.
	<b>25,769</b>	<b>0</b>	<b>75,000</b>			
<b>PARKS &amp; RESERVES</b>						
Reserves - Cass Square - Repairs To Statues	-	5,000	5,000			
Reserves - Cass Square - Playground Equipment Upgrade	-	20,000	20,000			
Reserves - Cass Square - Playing Surface	16,890	-	16,890			
Reserves - Cass Square - Playground Rubber Matting	37,780	20,000	37,780			Contractors to confirm costing scope.
Reserves - Lazar Park Upgrade	-	45,000	45,000			This is currently being held awaiting community input (Lions and Rotary).
	<b>54,670</b>	<b>90,000</b>	<b>124,670</b>			
<b>TRANSPORTATION</b>						
Unsealed Road Metalling	273,762	270,000	273,762			Contract item.
Sealed Road Resurfacing	414,853	782,000	782,000			Currently out to joint tender GDC/WDC.
Maintenance - Drainage Renewals	67,225	150,000	150,000			Replacement for old/failed culverts. Drainage
Structures Component Replacement	86,483	200,000	200,000			Structural report - repairs and ongoing reports HPMV 50 max.
Traffic Services Renewals	-	120,000	120,000			Streetlights. Road marking.
Sealed Road Pavement Rehabilitation	-	100,000	100,000			Preseal works. Special Purpose Roading (SPR).
Associated Improvements	-	1,500,000	-			Project rescoped within LTP - Not to be progressed 2017-2018 FY
Sealed Road Resurfacing	58,900	159,000	159,000			SPR Road.
Drainage Renewal	-	27,000	27,000			SPR Culverts.
Structures Component Replacement	30,069.00	53,000	53,000			SPR Structures.
Traffic Services Renewals	2,415.50	11,000	11,000			SPR Signs Road marking.
Minor Improvements	169,530.92	190,000	190,000			Local Roads. Minor safety improvements.
Minor Improvements	29,500.00	29,000	29,500			SPR Minor safety improvements
Footpath Upgrades	-	45,000	45,000			Business area Hokitika. Tile extension.
	<b>1,132,738</b>	<b>3,636,000</b>	<b>2,140,262</b>			
<b>Total</b>	<b>4,047,948</b>	<b>7,270,575</b>	<b>6,387,794</b>			

### Carryover Schedule to 2017-18

Activity	Detail	Approved \$	Actual \$	Forecast \$	Balance \$	Approved Variance in 2017	Status
Township Development	Upgrade footpaths and driveways over next three years	5,000	0	5,000	5,000	Capital	Community project.
Township Development	Repairs and Maintenance to Hokitika Statues	5,000	0	5,000	5,000	Capital	Discussion with contractor and Heritage Hokitika has occurred. Currently low priority.
Water Supply	Replace Water meters (on-going)	190,000	7,456	190,000	182,544	Capital	Now in detailed scoping. The budget is for Hokitika and Franz Josef. Currently Fox Glacier is in progress on meters replacement.
Corporate Services	Council HQ - Roof over skylights	20,000	0	20,000	20,000	Capital	Completion expected in Feb 2018
Corporate Services	Council website	13,250	8,747	13,250	4,503	Capital	
Water Supply	Kumara - Water treatment plant - seismic valves	30,000	0	30,000	30,000	Capital	
Water Supply	Hokitika - Pumps Replacement	50,000	9,784	50,000	40,216	Capital	
Water Supply	Whataroa - Water treatment plant	216,895	28,413	216,895	188,482	Capital	
Water Supply	Whataroa - Seismic valves	20,000	0	20,000	20,000	Capital	
Wastewater	Hokitika - Mains upgrade	138,854	11,998	138,854	126,856	Capital	
Wastewater	Haast - Mains upgrade	20,000	0	20,000	20,000	Capital	
Wastewater	Haast - De-sludge oxidation ponds	150,000	0	150,000	150,000	Capital	
Township Development	New footpaths - Franz	25,000	0	25,000	25,000	Capital	
Township Development	Footpath upgrades - Hokitika	27,000	0	27,000	27,000	Capital	
Township Development	Footpath upgrades - Kumara	5,000	0	5,000	5,000	Capital	
Township Development	Footpath upgrades - Franz	15,000	0	15,000	15,000	Capital	
Wildfoods Festival	Replacement of promotional assets	19,434	6,640	19,434	12,794	Capital	Flags Purchased, Replacement Fencing
Parks & Reserves	Reserves - Cass Square - Repairs to Statues	5,000	0	5,000	5,000	Capital	
Parks & Reserves	Reserves - Cass Square - Playground equipment upgrade	25,000	20,000	25,000	5,000	Capital	
Stormwater	Hokitika - Tancred, Bealey and Rolleston street upgrades	307,689	353,613	353,613	(45,924)	Capital	Completed Stage one
<b>Depreciation Funded</b>		<b>1,288,122</b>	<b>446,650</b>	<b>1,334,046</b>	<b>841,472</b>		
WCWT	Completion of Trail	339,241	539,123	339,241	(199,882)	Capital	Existing spend work in progress.
<b>Subsidy Funded</b>		<b>339,241</b>	<b>539,123</b>	<b>339,241</b>	<b>(199,882)</b>		
Solid Waste	Landfills - Butlers Site Shed - Hazardous Washdown Facility	15,000	0	15,000	15,000	Capital	

Solid Waste	Intermediate Capping for Butlers	50,000	0	50,000	50,000	Capital	
Solid Waste	Landfill- Haast - Digout new Cell	3,740	0	3,740	3,740	Capital	
Solid Waste	Haast intermediate cap current cell	10,000	0	10,000	10,000	Capital	
Solid Waste	Franz Josef Landfill	25,000	0	25,000	25,000	Capital	
Corporate Services	Information Management - DMS	200,000	0	0	200,000	Capital	Project rescoped within LTP - Not to be progressed 2017-2018 FY
Water Supply	Kumara - Water treatment plant	418,595	45,894	418,595	372,702	Capital	
Wastewater	Franz Josef - New WWTP	89,943	4,326	89,943	85,617	Capital	
Wastewater	Fox Glacier - WWTP upgrade	100,000	0	0	100,000	Capital	Project rescoped within LTP - Not to be progressed 2017-2018 FY
Transportation	Hokitika Gorge & Whitcombe Valley Road - Upgrade Of Existing Toilet Facilities, Carparks, Road Widening, Seal & Extension.	500,000	302,033	500,000	197,968	Capital	Whitcombe Valley Project Budget is \$500,000, unsubsidised by NZTA. 2016- 2017, spent Keogans Road, unsubsidised seal extension, \$81,087, ( \$100,000 Budget approved by Council ) Approval granted from NZTA for 58% subsidy ( \$500,000 + \$690,000 = \$1,190,000 ) for the Whitcombe Valley Project
<b>Loan Funded</b>		<b>1,412,278</b>	<b>352,252</b>	<b>1,112,278</b>	<b>1,060,026</b>		
Township Development	Franz Josef Urban Revitalisation Plan	100,000	0	100,000	100,000	Capital	Awaiting further study / work with community, regional council and central government on a "master plan" for the township before this streetscape / revitalisation work takes place.
Waterfront carry forward	Hokitika Waterfront Development	10,007	10,000	10,000	7	Capital	No large procurement process will take place- this funding is now being set towards redevelopment work around Sunset Point.
Township Development	Hari Hari Township Development fund	9,000	0	9,000	9,000	Operating adverse	To be held until Hari Hari decides what they want to allocate funds to.
Reserves	Reserves - Marks Road Reserve	10,000	0	10,000	10,000	Capital	
Reserves	Reserves - Hokitika Waterfront Development	100,000	27,955	100,000	72,045	Capital	
Reserves	Reserves - Hokitika Heritage Trail signs	3,500	0	3,500	3,500	Capital	
<b>Reserve Funded</b>		<b>232,507</b>	<b>37,955</b>	<b>232,500</b>	<b>194,552</b>		
		<b>3,272,148</b>	<b>1,375,980</b>	<b>3,018,065</b>	<b>1,896,168</b>		

Balance Sheet as at 31 May 2018	Council		
	Actual	Budget	Actual
	May-18	Jun-18	Jun-17
	\$'000	\$'000	\$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,731	6,763	2,733
Debtors and other receivables	2,710	2,666	2,964
Other financial assets	30	0	813
Inventory	0	0	0
Work in progress	0	0	0
<i>Total current assets</i>	<b>5,471</b>	<b>9,429</b>	<b>6,511</b>
<b>Non-current assets</b>			
Property, plant and equipment	429,841	452,670	430,487
Intangible assets	62	71	81
Derivative financial instruments	0	0	0
Council Controlled Organisations	8,695	8,695	8,695
Other Financial Assets	551	1,398	34
Investment property	0	0	0
Term inventory	0	0	0
Assets under construction	1,833	0	1,309
<i>Total non-current assets</i>	<b>440,982</b>	<b>462,834</b>	<b>440,606</b>
<b>Total assets</b>	<b>446,453</b>	<b>472,263</b>	<b>447,118</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and other payables	1,369	2,423	1,956
Derivative financial instruments	0	0	1
Borrowings	0	6,343	0
Employee entitlements	210	296	182
Provisions	0	0	0
Tax payable	3	3	3
Other current liabilities	341	193	376
<i>Total current liabilities</i>	<b>1,924</b>	<b>9,258</b>	<b>2,518</b>
<b>Non-current liabilities</b>			
Derivative financial instruments	510	384	508
Borrowings	16,166	16,304	16,790
Employee entitlements	22	29	20
Provisions	2,090	1,000	2,090
Deferred Tax	91	30	28
<i>Total non-current liabilities</i>	<b>18,880</b>	<b>17,747</b>	<b>19,434</b>
<b>Total liabilities</b>	<b>20,804</b>	<b>27,005</b>	<b>21,952</b>
<b>Net assets</b>	<b>425,649</b>	<b>445,258</b>	<b>425,167</b>
<b>Equity</b>			
Retained earnings	149,976	151,687	149,951
Restricted reserves	6,118	8,777	5,606
Revaluation reserves	269,490	284,794	269,545
Other comprehensive revenue and expense reserve	64	0	64
<b>Net assets</b>	<b>425,648</b>	<b>445,258</b>	<b>425,167</b>

**FINANCE, AUDIT AND RISK COMMITTEE ROLLING WORK PLAN**

Item	June-18	July-18	Aug-18	Sept-18	Oct-18	Nov-18	Dec-18	Jan-18	Feb-19	Mar-19	April-19	May-19
<b>External Audit</b>	Interim Audit 2017/18		Interim Audit Management Report 2017/18		Audit Annual Report 2017/18				Audit Management Report 2018/19  Meet Audit Director if necessary			
<b>Financial Reporting</b>	Review final LTP document for recommendation to Council for approval				Review Annual Report 2017/18  Quarterly Report to September 2018			Quarterly Report to December 2018			Quarterly Report to March 2019	
<b>CCO's</b>	Codes of Conduct  Constitutions	Final WHL Statement of Intent 2018/19		Full Year Reports 2018/19			WHL AGM 2017/18 As per constitution			Half Year Reports 2018/19  WHL Draft Statement of Intent 2019/20		
<b>Insurance</b>		Valuation Information	Renewal									
<b>Risk Management Framework</b>	Update on Health & Safety Legislation	Review Risk Register			Review Risk Register			Review Risk Register			Review Risk Register	
<b>Internal Control Framework</b>		Review Current Policies and set Action Plan	Update – Internal Audit		Update			Update			Update	