



A G E N D A

Finance, Audit and Risk Committee

**Council Chambers
36 Weld Street
Hokitika**

**Monday 29 May 2017
commencing at 9.30 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.(G) 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 OF WESTLAND DISTRICT COUNCIL, TO BE HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON MONDAY 29 MAY 2017 COMMENCING AT 9.30 AM

22 May 2017

COUNCIL VISION

Westland District Council will facilitate the development of communities within its district through delivery of sound infrastructure, policy and regulation.

This will be achieved by:

- Involving the community and stakeholders.
- Delivering core services that meet community expectations and demonstrate value and quality.
- Proudly promoting, protecting and leveraging our historic, environmental, cultural and natural resource base to enhance lifestyle and opportunity for future generations.

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**

Cr D.C. Routhan

1.2 **Interest Register**

2. **CONFIRMATION OF MINUTES:**

2.1 **Finance, Audit and Risk Committee Meeting – 27 April 2017** Page 5 -8

3. **ACTION LIST** Page 9

The Action List is attached

4. **ITEMS FOR DISCUSSION:**

4.1 **Museum Upgrade: Costs, Funding Options and Possible Timelines**

5. **ITEMS FOR DECISION:**

5.1 **Financial Performance: April 2017** Page 10 - 22

5.2 **Kumara Township Development Funding** Page 23 - 33

6. **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:

6.1 **Confidential Minutes**

6.2 **Risk Register**

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:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
6.1	Minutes	Confidential Minutes – Finance, Audit and Risk Committee	Good reasons to withhold exist under Section 7	Section 48(1(a) & (d)
6.2	Risk Register	Confidential Update	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 OF WESTLAND DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA ON THURSDAY 27 APRIL 2017 COMMENCING AT 9.30 AM

1 MEMBERS PRESENT, APOLOGIES AND INTEREST REGISTER:

1.1 Members Present

Deputy Mayor Cr L.J. Martin (Chair)
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.

Staff in Attendance:

R.F. Reeves, Chief Executive; L.A. Crichton, Finance Manager; K.A. Jury, Corporate Planner; V.M. Watson, Business Support Officer/Committee Secretary.

1.2 Interest Register

Deputy Mayor Martin circulated the Interest Register and no amendments were made.

2. CONFIRMATION OF MINUTES:

2.1 Finance, Audit and Risk Committee Meeting – 23 March 2017

Moved Deputy Mayor Lash, seconded Cr Olson and **Resolved** that the Minutes of the Finance, Audit and Risk Committee Meeting held on the 23 March 2017 be confirmed as a true and correct record of the meeting.

3. **ITEMS FOR DISCUSSION:**

3.1 **Section 17 Review**

The Corporate Planner spoke to this item and provided a verbal report regarding review of services being provided and required information inclusive of CCO obligations.

4. **ITEMS FOR DECISION:**

4.1 **Quarterly Performance Report to March 2017**

The Corporate Planner spoke to this report and noted a correction to the report date to 30 March 2017.

Key Items Discussed

The report details performance and targets within planning, services and the survey criteria and data input sources.

The Finance Manager then spoke to this report and provided an update on

- *Financial summary around revenue and operating expenditure, general update explanations and projections. Revise of depreciation completed. Unbudgeted expenditure predominantly through Sunset Point. Reduction in rates debtors.*
- *Projected reserves, debt amount and repayment clarification from the annual plan.*
- *Annual plan discussion - contract costs and provision for overrun.*
- *Existing loan repayments are being met.*
- *Finance Manager answered questions to give clarification specific to transport figures \$660,000 road repairs project has been completed and subsidy will be able to be claimed.*
- *Deputy Mayor Martin requested Harihari project clarification on expenditure and payment with possible repayment to be made to the reserves account.*
- *Sunset Point costs and reserves development funds for the projects and plans.*
- *Public facility upgrades to use the reserve development funds.*
- *New project for Council to discuss, when details can be clarified. Reserves Development Funds proposes project and breakdown of funding options. Finance team and to review and report.*

- *Matrix approach to be looked at with an external option and look at specific legislations and criteria for the breakdown.*

Moved His Worship the Mayor, seconded Cr Routhan and **Resolved** that the Committee receive the Quarterly Performance Report to 30 March 2017.

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

Moved Cr Olson seconded His Worship the Mayor and **Resolved** that Council exclude the public in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 10.08am.

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

5.1 **Risk Register**

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:

Item No.	Minutes/ Report of	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
5.1	Risk Register	Confidential Update	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 48(2)(a)(i) and (ii) 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	Protection of privacy of natural persons/organisations.	Section 7(2)(a)

Moved Cr Olson, seconded Cr Routhan 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 11.30am .

MEETING CLOSED AT 11.30AM.

Confirmed by:

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

Date

Action List

Date of Meeting	Meeting	Item	Action	Who Responsible	Timeframe	Status
26.01.17	Finance, Audit and Risk Committee	Audit Management Report for the year ended 30 June 2016.	Advise Bede Kearney, Audit Director of future meetings of the Committee.	GMCS		
26.01.17	Finance, Audit and Risk Committee	CCOs Financial Reporting	Write to the CCOs requesting the provision of earlier financial reporting and also agree on an appropriate timeframe going forward; and release of the Audit Management Report for the year ended 30 June 2016.	GMCS		
26.01.17	Finance, Audit and Risk Committee	Committee Workplan	View the previous Executive Committee Workplan and circulate to the Finance, Audit and Risk Committee and also look at using the Audit Management Report to inform the workplan going forward	Deputy Mayor Martin and GMCS		

Report



DATE: 29 May 2017

TO: Mayor and Councillors

FROM: Group Manager Corporate Services

FINANCIAL PERFORMANCE: APRIL 2017

1 SUMMARY

- 1.1 The purpose of this report is to provide an indication of Council's financial performance for one month to 30 April 2017.
- 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 30 April 2017, 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 30 April 2017, 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 and forecast amounts.
- 3.2.2 Update on Rates Debtors.
- 3.2.3 Whole of Council Cost of Service Statement, including Full Year Forecast.
- 3.2.4 Council approved unbudgeted expenditure (New)
- 3.2.5 Variance analysis
- 3.2.6 Debt report including budget, forecast debt and actual debt.
- 3.2.7 Projects 2016-17
- 3.2.8 Carryover schedule
- 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 30 April 2017

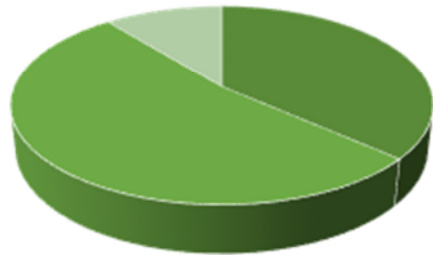
Lesley Crichton
Group Manager Corporate Services

Appendix 1: Financial Performance April 2017



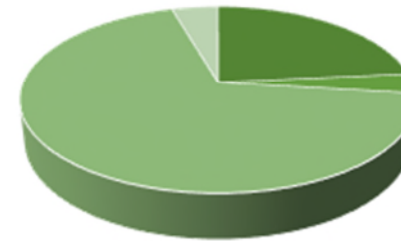
Financial Performance April 2017

Operating revenue Actual year to April



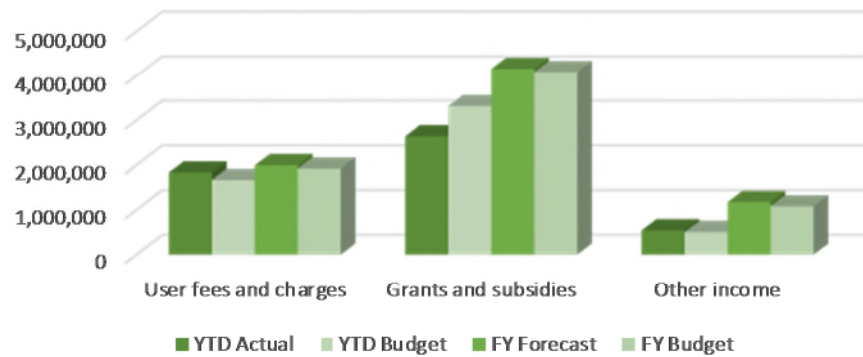
■ User fees and charges ■ Grants and subsidies ■ Other income

Operating expenditure Actual year to April

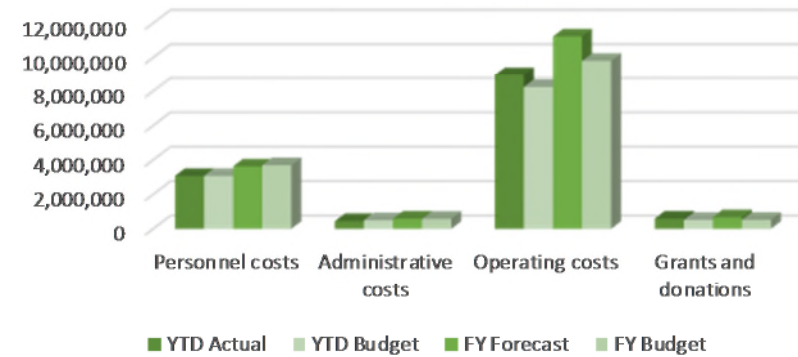


■ Personnel costs ■ Administrative costs ■ Operating costs ■ Grants and donations

Operating revenue



Operating expenditure



Column 1	User fees & Charges	Grants & Subsidies	Other Income
Actual YTD	1,831,367	2,639,298	542,999
Budget YTD	1,660,880	3,314,146	501,189
Variance	170,487	(674,847)	41,810
Forecast FY	1,994,575	4,155,275	1,172,712
Budget FY	1,918,351	4,082,876	1,076,546

Column 1	Personnel	Administration	Operating	Grants & subsidies
Actual YTD	3,070,356	453,146	8,967,886	589,901
Budget YTD	3,072,409	500,264	8,235,212	518,583
Variance	(2,053)	(47,118)	732,673	71,318
Forecast FY	3,624,634	594,026	11,223,018	676,875
Budget FY	3,692,808	583,305	9,801,863	525,000

Rates Debtors

Rates debtors at 31 March 2017		1,112,320
Rates installment	3,342,179	
Less payments received	-322,465	
paid in advance	-571,696	
Write off's	-27,284	
Penalties	-10,189	
Court costs awarded	4,601	
		2,415,146
Total rates debtors 30 April 2017		3,527,466
Arrears included above at April 2017	3,527,466	
Arrears at April 2016	3,745,771	
increase/(decrease) in arrears		-218,305

Since April 2016 awarded court costs are now being accounted for as part of outstanding rates debt.

Rates debtors:

- Second penalty letters sent out 567
- New direct debit arrangements 6

Rates debt - Aged at April 2017

Financial Year	Apr-17	Apr-16	Mar-17
Pre 2013	109,052	203,974	111,692
2013-14	60,817	173,550	65,918
2014-15	82,481	304,624	90,383
2015-16	181,846	3,063,624	206,507
Current	3,093,271		637,820
	3,527,467	3,745,771	1,112,320

WESTLAND DISTRICT COUNCIL	Year to April			Full year 2016-2017	
	Actual	Budget	Variance	FY Forecast	Budget
Operating revenue					
Rates (includes targeted rates and metered water)	14,136,684	13,769,053	367,630	14,794,607	14,721,081
User fees and charges	1,831,367	1,660,880	170,487	1,994,575	1,918,351
Grants and Subsidies	2,639,298	3,314,146	(674,847)	4,155,275	4,082,876
Other income	542,999	501,189	41,810	1,172,712	1,076,546
Overhead recoveries	5,096,466	5,618,105	(521,639)	6,300,105	6,751,733
Total revenue (A)	24,246,814	24,863,373	(616,559)	28,417,274	28,550,587
Operating expenditure					
Personnel costs	3,070,356	3,072,409	(2,053)	3,624,634	3,692,808
Administrative costs	453,146	500,264	(47,118)	594,026	583,305
Operating costs	8,967,886	8,235,212	732,673	11,223,018	9,801,863
Grants and donations	589,901	518,583	71,318	676,875	525,000
Overheads	5,058,356	5,663,379	(605,023)	6,151,263	6,796,057
Total operating expenditure (B)	18,139,645	17,989,847	149,798	22,269,816	21,399,033
Net operating cost of services - surplus/(deficit) (A - B)	6,107,169	6,873,526	(766,357)	6,147,458	7,151,554
Other expenditure					
Interest and finance costs	574,150	554,383	19,767	687,324	671,272
Depreciation	4,737,723	4,398,106	339,617	5,690,000	5,276,728
(Gain)/loss on investments	10,277	0	10,277	14,111	0
(Gain)Loss on swaps	(261,776)	(114,823)	(146,952)	(137,788)	(137,788)
(Gain)Loss on disposals	1,917	0	1,917	0	0
Total other expenditure (C)	5,062,292	4,837,666	224,626	6,253,647	5,810,211
Total expenditure (D = B + C)	23,201,937	22,827,513	374,423	28,523,463	27,209,244
Net cost of services - surplus/(deficit) (A - D)	1,044,877	2,035,860	(990,983)	(106,189)	1,341,343

The expenditure in the table below is reflected in the forecast net cost of services – surplus/(deficit).

Council approved unbudgeted Expenditure

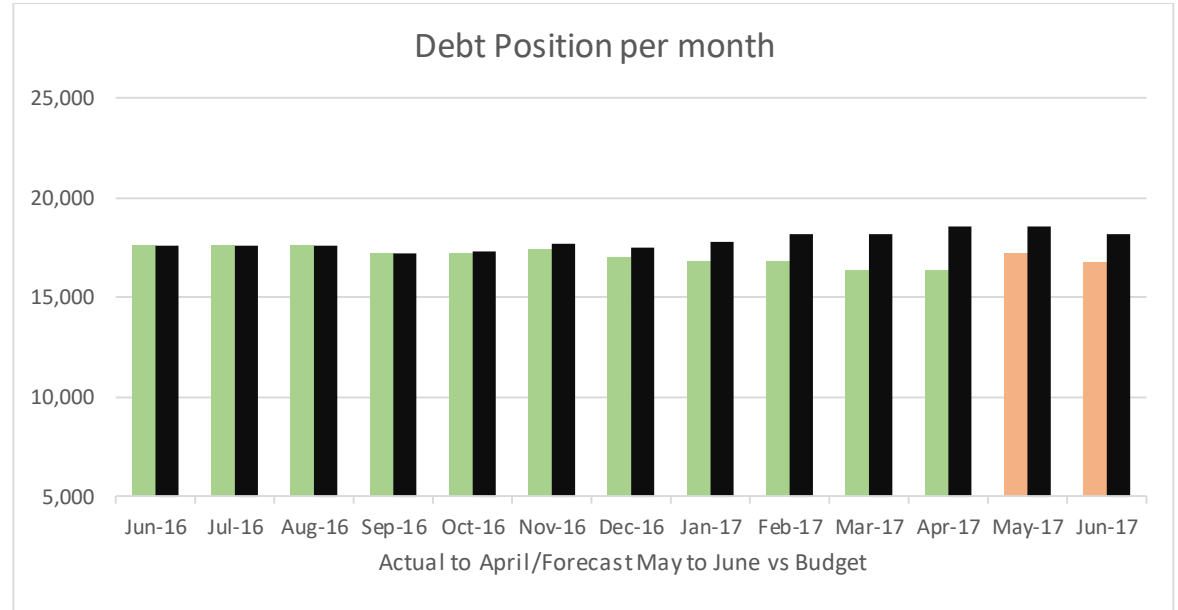
Dated approved	Description	Amount Approved \$	Amount Spent \$	Status
Nov-16	5.7 Carnegie Building – Detailed Structural Assessment	10,000		Under review
Nov-16	5.15 Elected Members Remuneration	21,680	12,318	Remuneration authority approval has now been received
Dec-16	4.4 Whataroa Cemetery Trustees – Maintenance Reimbursement Request	6,053	6,053	Complete
Dec-16	4.6 Sunset Point Erosion Control	247,459	220,487	Primary works complete
Jan-17	4.3 Marks Road Reserve Reimbursement	4,704	4,704	Complete
Jan-17	4.5 Blue Spur Water Treatment Plant PH Correction	50,000	50,128	Installation of temporary PH control then installation of permanent PH correction measures on river feed.
Jan-17	6.3 Tender Approval: Hokitika Stormwater Upgrade Works – Contract 16/17/09	500,000		Contract to be written
Nov-16	6.5 Franz Josef - Extra Toilet cleans	7,000	1,930	Extra cleans starting in March
Mar-17	5.3 Management of the Carnegie Buidling	20,000	10,000	Management fee is being paid monthly.
Mar-17	Remedial work Cass Square playing surface	9,959		Quote received April.
Apr-17	5.5 Tancred Street Stormwater Pump Station upgrade	18,500		Work to be carried out simultaneously with Hokitika Stormwater upgrade
Total		895,355	305,620	

Variance Analysis

Operating Revenue	
Rates revenue	Metered water charges higher than budgeted.
User fees and charges	<p>\$14k unbudgeted WCWT Partner contributions for 2016-17 which is offset in Operating costs.</p> <p>Liquor licence fees \$30k above YTD budget due to the introduction of annual and application fees.</p> <p>Refuse site fees are \$154k higher than expected. This is expected to be due to tourism therefore will likely reduce towards budget by year end.</p> <p>\$49k higher than anticipated cost recoveries for resource consents, some of this positive variance is likely to be timing differences, however it is expected that this revenue will remain strong through to the end of the financial year.</p> <p>The positive variances are offset by environmental health fees, \$38k changes to the food fees by splitting registration, audit and monitoring fees. Registration fee will be charged in early 2017.</p> <p>\$45k Museum revenue due to closure and some timing differences</p>
Grants and Subsidies	<p>Claims for the NZTA subsidy are now being progressed after the bad weather during December and January.</p> <p>Claims are expected to continue and the budgeted subsidy is still forecast to be claimed by the end of the financial year.</p>
Other Income	<p>\$10k Donation towards relocation of Pioneer statue from Lions Foundation.</p> <p>\$16k unbudgeted legal fees awarded on rates arrears</p> <p>Recoveries of \$20k EMO costs and \$17k HR services from WCRC due to shared service arrangements</p> <p>\$12k Menacing dog neutering campaign</p> <p>Offset by \$16k lower advertising revenue as operators use other mediums, and 20K insurance premium recoveries which are now going through the Balance sheet</p>
Operating expenditure	
Operating costs	<p>Unbudgeted spend included in Operating Costs:</p> <ul style="list-style-type: none"> - Whataroa Cemeteries Trust Maintenance reimbursement \$6,053 - Sunset point Erosion Control \$220,487 - Marks Road Reserve Reimbursement \$4,704 - Blue Spur Water Treatment Plant PH correction \$38,050 - Resource Management contractor costs due to vacancy \$218,000, some of this cost is recoverable through other revenue - Damaged culvert pipes due to overweight vehicles - \$267,000 - Unforseen breakdown of pump in Fitzherbert street - \$25,000 - Repairs to Hokitika WWTP sewer outfall - \$37,000 - EQ Assessment Hokitka Swimming Pool - \$11,000 <p>This is offset by \$32,000 communications costs which have been reduced by the use of other mediums, and \$40,000 for Wildfoods festival costs, this will mainly be a timing difference, however some cost savings were realised.</p>
Grants and Donations	\$150k Kumara endowment reserve funding for memorial gardens. Offset by council grants for toilet cleaning and Township maintenance funds not yet requested
Other expenditure	
Depreciation	Assets were revalued at the end of the financial year and asset lives and depreciation rates were updated to reflect this new information
(Gain)/Loss on Swaps	Swap values will change due to market conditions that is difficult to budget.

Forecast Debt Position per LTP 2016-17

Forecast as at	Jul-16	Apr-17
Opening Balance	17,600	17,600
Loan funded capex forecast	3,196	963
Forecast repayments 2016-17	-1,611	-1,811
Forecast balance June 2017	19,185	16,752



Debt Position per month													
	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Budget	17,600	17,600	17,600	17,250	17,300	17,699	17,526	17,753	18,181	18,175	18,567	18,596	18,213
Forecast at 1 July 2016	17,600	17,600	17,667	17,394	17,536	17,926	17,921	18,316	18,867	19,019	19,539	19,568	19,185
Actual + Forecast	17,600	17,600	17,600	17,200	17,200	17,382	16,982	16,782	16,782	16,382	16,382	17,242	16,752
Waste Management loan	2,554	2,554	2,554	2,513	2,513	2,524	2,483	2,483	2,483	2,442	2,442	2,502	2,427
Water Supply loan	2,369	2,369	2,369	2,328	2,328	2,328	2,288	2,288	2,288	2,246	2,246	2,246	2,204
Waste water loan	0	0	0	0	0	0	0	0	0	0	0	0	0
Structured Infrastructure loan for Council asse	8,295	8,295	8,295	8,233	8,233	8,233	8,170	7,970	7,970	7,908	7,908	7,908	7,845
Stormwater loan	0	0	0	0	0	52	52	52	52	52	52	752	752
Transportation	0	0	0	0	0	0	0	0	0	0	0	100	100
Other loan	56	56	56	55	54	174	173	173	173	173	173	173	372
Hokitika Water supply upgrade	4,326	4,326	4,326	4,071	4,071	4,071	3,816	3,816	3,816	3,561	3,561	3,561	3,052

As at 30/04/2017

		Legend - Key	
Forecast on Budget			Project Delayed - Will not be completed by 30th June 2017
Forecast over Budget			Project on-Track - Will be completed by 30th June 2017
			Project Complete - 100% Progress

Project / Activity	YTD exp	2016-17	Forecast	Budget Track	Progress / Track	Progress comments
	\$0	\$0	\$0			
Corporate Services						
Corporate Services - Replacement Councillors tablets	13,268	10,000	13,268			Complete, overspend due to upgraded specification
Council HQ - Roof over skylights	1,575	20,000	20,000			Consent lodged next week, will not be started by end June, carryover will be requested
Information Management - Shelving		10,000	10,000			Review work has been completed
Information Management - DMS		200,000	200,000			Scoping and discovery phase has begun, carryover will be requested
Council website	19,975	35,000	35,000			Work to commenced January 2017, some carryover may be required
	34,818	275,000	278,268			

Library						
Kotui Library system	66,691	70,000	66,691			Complete
Library - Audio/Visual Resource	1,166	4,000	4,000			eBooks and Junior audios to be purchased before 30.06.17
Library - Free Adult Books	12,487	13,000	13,000			Spending on track
Library - Adult Non Fiction	12,740	17,500	17,500			Spending on track
Library - Junior Publications	7,994	11,500	11,500			Spending on track
Library - Large Print Books	5,008	6,000	6,000			Spending on track
	106,086	122,000	118,691			

WATER SUPPLY						
Kumara - Water treatment plant	1,405	420,000	420,000			Expected to start before the end of the Financial year, some carryover will be requested
Kumara - Water treatment plant - seismic valves		30,000	30,000			Expected to start before the end of the Financial year, some carryover will be requested
Hokitika - Pumps Replacement		50,000	50,000			Identification of pumps for replacement is currently underway.
Hokitika - River Intake	15,588	0	15,588			Remaining costs for completed survey works YTD exp from last financial year. No work carried out on this project this financial year. Work unlikely to be completed this financial year.
Ross - Mains Upgrade	490	0	490			
Whataroa - Water treatment plant	3,105	220,000	220,000			Expected to start before the end of the Financial year, some carryover will be requested
Whataroa - Seismic valves		20,000	20,000			Reassessing the need of the project
	20,588	740,000	756,078			

WASTEWATER						
Hokitika - Mains upgrade	11,146	150,000	150,000			Unlikely to complete mains upgrades this financial year.
Franz Josef - New WWTP	110,057	200,000	200,000			Final invoices yet to be included.
Fox Glacier - WWTP upgrade		100,000	100,000			Recommend carry over to next financial year in order to combine budgets.
Haast - Mains upgrade		20,000	20,000			Unlikely to complete mains upgrades this financial year.
Haast - De-sludge oxidation ponds		150,000	150,000			Not started as yet. Partial De-sludging
	121,203	620,000	620,000			

STORMWATER						
Sewell Street Pump	83,886		83,886			Previous year emergency Work.
Hokitika - Tancred, Bealey and Rolleston street upgrades	391,885	769,000	1,149,000			Civil component of upgrade currently underway.
	475,771	769,000	1,232,886			

CEMETERIES						
Cemetery - Hokitika upgrade & expansion		10,000	10,000			Berm extension is expected to be completed June
Cemetery - Hokitika improvements	4,254	25,000	25,000			Boundary fence between Seaview and Cemetery expected June
	4,254	35,000	35,000			

Community Township Development						
Sunset Point remedial work	220,305	-	247,459			Unbudgeted spend - 4.6 Sunset Point Erosion Control - Approved by Council Dec 16
RSA Footpath repair	419	-	4,800			Unbudgeted works to footpath and channel outside of RSA building
New footpaths - Franz		25,000	25,000			To be discussed with Community, unlikely to be completed this year, a carryover will be requested
Footpath upgrades - Hokitika		27,000	27,000			Jollie street, not Part of NZTA program, not NZTA subsidised.
Footpath upgrades - Kumara		5,000	5,000			Completed March costs yet to be received
New Litter Bins	4,154	-	4,154			Using carry forward first
Footpath upgrades - Franz		15,000	15,000			Upgrade of crossings onto SH 6 in business area. Likely to use 50% of budget. HSE issue
	224,879	72,000	328,413			

Elderly Housing						
Elderly Housing - Roof repairs	39,760	40,000	39,760			Completed in January 2017
Information Services						
IT equipment Renewals	8,397	30,000	30,000			Committed
Office Equipment						
Inspection Administration	1,662	-	1,662			Upgrades to workstations and screens
Resource Management	3,433	-	3,433			Upgrades to workstations and screens
Emergency Management	475	-	475			Upgrades to workstations and screens
In House Professional Services	5,975	-	5,975			Upgrades to workstations and screens
i-SITE/CSC	5,006	-	5,340			Security upgrade
Events Coordination	566	-	566			Upgrades to workstations and screens
Corporate Services	3,189	-	3,189			Upgrades to workstations and screens
Chief Executive	2,948	-	2,948			Upgrades to workstations and screens
Operations Administration	1,193	-	1,193			Upgrades to workstations and screens
	24,447	0	24,447			
Motor Vehicles						
Ford Kuga JFF992	3,184	-	3,184			Civil Defence equipment, lights and Siren
Wildfoods Festival						
Replacement of promotional assets	-	20,000	20,000			Enabling this amount or the remainder of this amount not spent by th
Land & Buildings						
Carnegie Building	17,446	-	17,446			Unbudgeted works - lighting Completed SE
Ross Memorial Hall	93,136	-	93,136			Last year expenditure - will be complete SE
Land & Buildings - carparking	-	15,000	15,000			This project is not required
	110,582	15,000	125,582			
Parks & Reserves						
Reserves - Cass Square - Repairs to Statues	-	5,000	5,000			Completion of the Pioneer statue
Reserves - Cass Square - Grandstand	-	30,000	30,000			This project will not proceed
Reserves - Cass Square - Playground equipment upgrade	-	25,000	25,000			part of this budget will be used towards remedial works on playing surface, the remainder will be used to upgrade swings and soft fall area. Some carryover may be required
Reserves - Marks Road Reserve	-	10,000	10,000			Funds are for recreation purpose. Information required from community before this budget will be spent
Reserves - Hokitika Waterfront Development	-	100,000	100,000			Plans and Planning underway with community groups. Using previous year carryover before this budget will be used, carryover will be requested
Reserves - Hokitika Heritage trail signs	-	3,500	3,500			Staff currently liaising with Heritage Hokitika members. Expected to be completed this financial year
	0	173,500	173,500			
Transportation						
Unsealed Pavement Maintenance	391	-	391			Annual Road Maintenance program. On-Track
Routine Drainage Mtce	16,165	-	16,165			Annual Road Maintenance program. On-Track
Environmental Maintenance	10,860	-	10,860			Annual Road Maintenance program. On-Track
Network and Asset Management	1,460	-	1,460			Laptop for traffic counting downloads
Emergency Works	50,416	-	50,416			Arthurs town road emergency works
4th Street Kumara	23,280	-	23,280			Costs are from the previous year - Complete works
Unsealed Road Metalling	184,092	278,000	278,000			Annual Road Maintenance program. On-Track
Sealed Road Resurfacing	159,422	875,500	875,500			Annual Road Maintenance program. On-Track
Maintenance - Drainage Renewals	374,037	154,500	154,500			Annual Road Maintenance program. On-Track
Structures Component Replace	29,024	206,000	206,000			Annual Road Maintenance program. On-Track
Traffic Services Renewals	9,624	123,500	123,500			Annual Road Maintenance program. On-Track
Routine Drainage Maintenance	17,120	-	17,120			Annual Road Maintenance program. On-Track
Sealed Road Resurfacing	77,867	154,500	154,500			Annual Road Maintenance program. On-Track
Drainage Renewal	5,950	26,000	26,000			Annual Road Maintenance program. On-Track
Structures Component Replace	94,754	51,500	51,500			Annual Road Maintenance program. On-Track
Traffic services renewals	3,800	10,500	10,500			Annual Road Maintenance program. On-Track
Minor Improvements	-	184,500	184,500			Annual Road Maintenance program. On-Track
Minor Improvements	13,816	28,000	28,000			Annual Road Maintenance program. On-Track
Sealed Road Pavement Rehabilitation	-	300,000	300,000			Annual Road Maintenance program. On-Track
Associated Improvements	-	1,000,000	-			Will not be utilised - Loan funded will not be drawn
Whitcome valley road widening, seal and extention	65,454	500,000	500,000			\$100k has been budgeted towards bringing forward the Keogans road sealing. The \$400k unspent budget will be carried over to next year
Ross Hall car park seal	-	35,000	35,000			Ross Car Park - Community has undertaken some works.
	1,137,532	3,927,500	3,047,193			
Total	2,311,501	6,839,000	6,833,002			

Carry Over Schedule to 2016-17

Activity	Detail	Funded by	Approved	Actual	Forecast	Balance	Approved variance in 201	Status
Museum	Retail Development	Depreciation	17,000	15,191	15,191	1,809	Capital	Approved amount in LTP was \$30,000.
Township Development	Upgrade footpaths and driveways over next three years	Depreciation	5,000		5,000	-	Capital	Community projects?
Township Development	Repairs and Maintenance to Hokitika Statues	Depreciation	5,000	-	5,000	-	Capital	Discussion with contractor and Heritage Hokitika has taken place. Low priority at present
Water Supply	Replace Water meters (on-going) - Hokitika	Depreciation	190,000	-	190,000	-	Capital	Initial scoping done. Now in detailed scoping. The budget is for Franz and Hokitika. Currently Fox is in progress on meters replacement.
Water Supply	Replacement of Water Meters - Fox G	Depreciation	5,712	20,954	20,954	- 15,242	Capital	Work in progress.
		Total depreciation funded carryovers	222,712	36,146	236,146	- 13,434		
Museum	Museum Donations - for Exhibitions	Donations	10,871	-	10,871	-	Operating adverse	Plus \$5,000 donated July 2016.
		Total donations carryovers	10,871	-	10,871	-		
Community Development	SPARC Travel Grant	External Grant	1,117	1,117	1,117	-	Operating adverse	
Community Development	Creative Communities Grant	External Grant	7,573	4,932	7,573	-	Operating adverse	
Community Development	Taxi Chits	External Grant	600	600	600	-	Operating adverse	
		Total external grant funded carryovers	9,290	6,649	9,290	-		
WCWT	Completion of Trail	Subsidy	479,000	71,169	479,000	-		Project on track
			479,000	71,169	479,000			
Solid Waste	Landfills - Butlers Site Shed - Hazardous Washdown Facility	Loan Funding	15,000	-	15,000	-	Capital	Budgets seem to be not fitting the estimates for the works. Rescoping the works now.
Solid Waste	Intermediate Capping for Butlers	Loan Funding	50,000	-	50,000	-	Capital	More than likely that capping will be towards the end of the financial year.
Solid Waste	Landfill- Haast - Digout new Cell	Loan Funding	10,000	6,260	10,000	-	Capital	Works in progress now.
Solid Waste	Haast intermediate cap current cell	Loan Funding	10,000	-	10,000	-	Capital	Works in progress now.
Solid Waste	Franz Josef Landfill	Loan Funding	25,000	-	25,000	-	Capital	On-hold pending future direction on Franz River issues.
Parks & Reserves	Cass Square - Turf Upgrades	Loan Funding	120,000	121,029	121,029	- 1,029	Capital	Works in Progress - cost overrun due to flooding of reseeded area
		Total loan funded carryovers	230,000	127,289	231,029	-		

Parks & Reserves	Repairs and Maintenance to Hokitika Statues	Rates YE 2014	2,709	-	2,709	-	Capital	\$1,000 committed to Oscar Bottom memorial
Parks & Reserves	Repairs and Maintenance to Hokitika Statues	Rates YE 2015	5,000	-	5,000	-	Capital	Discussion with contractor and Heritage Hokitika has taken place. Low priority at present
Museum	Research Development Centre	Rates YE 2016	22,000	8,058	22,000	-	Capital	Started, approximately \$8,000 spent
		Total rates funded carryovers	29,709	8,058	29,709	-		
Township Development	Franz Josef Urban Revitalisation plan	Recreation Contributions	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. Possible that some spend could occur this FY, but very likely that further partial or complete carryover required.
Waterfront carryforward	Hokitika Waterfront Development	Recreation Contributions	25,240	13,209	25,240	-	Capital	No large procurement process will now take place - this funding is now being set towards redevelopment work around sunset point. Expecting workign drawings on the project by December end. Posibly looking for procurement to commence in New Year - 2017
Franz Josef Cycle Trail	Franz Josef Cycle Trail	Recreation Contributions	48,000	15,885	48,000	-	Operating adverse	Franz Josef Community Council responsible for this project now.
		Total recreation contribution carryovers	173,240	29,094	173,240	-		
Township Development	Hari Hari Township Development fund	Reserves	8,971	5,000	8,971	-	Operating adverse	To be held until Hari Hari decides what they want to spend it on.
		Total reserves funded carryovers	8,971	5,000	8,971	-		
West Coast Wilderness Trail	Cycle Trail - Partner Programme Revenue	Stakeholder Contribution 2015-16	13,275	13,275	13,275	-	Operating adverse	This money has been transferred to the WCWT Trust
		Total stakeholder contribution carryovers	13,275	13,275	13,275	-		
			1,177,068	296,679	1,191,531	-	13,434	

Balance Sheet as at 30 April 2017	Council		
	Actual	Budget	Actual
	Apr-17 \$'000	Jun-17 \$'000	Jun-16 \$'000
Assets			
Current assets			
Cash and cash equivalents	1,878	4,113	1,875
Debtors and other receivables	5,588	2,754	3,764
Other financial assets	36	0	1,000
Inventory	0	0	0
Work in progress	0	0	0
<i>Total current assets</i>	7,502	6,867	6,639
Non-current assets			
Property, plant and equipment	429,323	419,290	433,498
Intangible assets	74	71	74
Derivative financial instruments	0	0	0
Council Controlled Organisations	8,695	8,695	8,695
Other Financial Assets	809	1,133	40
Investment property	0	0	0
Term inventory	0	0	0
Assets under construction	1,027	0	651
<i>Total non-current assets</i>	439,928	429,189	442,958
Total assets	447,430	436,056	449,596
Liabilities			
Current liabilities			
Creditors and other payables	1,503	2,331	2,112
Derivative financial instruments	2	0	0
Borrowings	0	3,750	0
Employee entitlements	240	296	240
Provisions	0	0	0
Tax payable	3	3	3
Other current liabilities	170	193	280
<i>Total current liabilities</i>	1,918	6,573	2,634
Non-current liabilities			
Derivative financial instruments	508	160	771
Borrowings	16,383	18,873	17,600
Employee entitlements	28	29	28
Provisions	1,251	1,644	1,251
Deferred Tax	30	30	30
<i>Total non-current liabilities</i>	18,199	20,736	19,680
Total liabilities	20,118	27,309	22,314
Net assets	427,312	408,747	427,282
Equity			
Retained earnings	152,052	155,011	153,182
Restricted reserves	5,652	6,152	4,491
Revaluation reserves	269,545	247,584	269,545
Other comprehensive revenue and expense reserve	64	0	64
Net assets	427,312	408,747	427,282

Report

DATE: 29 May 2017

TO: Mayor and Councillors

FROM: Community Development Advisor

KUMARA TOWNSHIP DEVELOPMENT FUNDING

1 SUMMARY

- 1.1 The purpose of this report is to inform Council about the division among ratepayers in the Kumara Rating District about how the annual Township Development Funding (TDF) should be allocated and to seek Council direction on the matter.
- 1.2 This issue arises from an email that the Chair of the Kumara Junction Community Association (KJCA) wrote to three District Councillors 28 September 2016, asking if KJCA “may be eligible for consideration for funding which currently we have no way of accessing.” Subsequent discussion by Council’s Community Development Advisor (CDA) with the Chair in person revealed that they were referring to the TDF in the Kumara Rating District.
- 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 declines KJCA’s request for a separate allocation of funds from the TDF, and encourages KJCA to work through the Kumara Residents Trust to secure funding for specific TDF-eligible projects, until the TDF framework can be reviewed in 2017/18 as part of development of Council’s 2018-2028 Long Term Plan.

2 BACKGROUND

- 2.1 The Kumara Junction Community Association (KJCA) have recently taken a number of steps to register themselves as an incorporated society and have recently agreed on a constitution. They have agreed on the geographic

boundaries of the Junction locality as being from Acre Creek in the south to the Taramakau River in the north and eastwards to SH73's new "Road Conditions" Electronic Sign Board. This area includes the subdivision in Sanctuary Place. When questioned about what they would spend their TDF on, they advised that they have been working with NZTA on beautifying the Kumara Junction roundabout, they wanted to tidy up the Gentle Annie Track beside the Taramakau River and that they had future projects under consideration. See Appendix 1.

- 2.2 The Kumara Residents Trust (KRT), along with other Westland community associations, receives an annual allocation from community rates for Township Development Funding. KRT's annual allocation is \$14,000. KRT is recognised by Westland District Council (WDC) as the umbrella group in Kumara for receiving TDF. From next year onwards, KRT have indicated their intention to host a specific advertised public allocation meeting where local groups can put forward their request to be considered by the meeting attendees. See Appendix 2.

3 CURRENT SITUATION

- 3.1 The Community Development Advisor (CDA) attended a meeting of the KJCA 16 March, 2017, to explain how TDF worked and to hear their views on TDF which are the same as recorded in Attachment 1. The CDA also attended a meeting of the KRT 6 April, 2017, to hear their views on TDF which are the same as recorded in Attachment 2. To summarise, KJCA have asked for their portion of the TDF annually and KRT have asked that the \$14,000 allocation annually remain intact for them to distribute to groups who put forward a request.
- 3.2 Two precedents have been set in South Westland in the last twelve months. The Bruce Bay Hall Board have asked for the Bruce Bay community's proportional share of Fox Glacier's TDF, and this was agreed on at a meeting in Fox Glacier 28, September 2016, attended by residents of both Bruce Bay and Fox Glacier, WDC's Chief Executive, WDC's Group Manager Corporate Services and WDC's CDA. Okarito Community Association asked for Okarito's proportional share of Whataroa's TDF at a special meeting in Okarito 20 January, 2017, attended by Deputy Mayor Helen Lash, Cr Gray Eatwell, WDC's Group Manager Corporate Services, WDC's Group Manager Planning, Community and Environment and WDC's CDA. The division was subsequently also agreed on at a meeting of the Whataroa Community Association 23 January 2017 which was attended by Cr Gray Eatwell, Deputy Mayor Helen Lash and WDC's CDA.

- 3.3 The Bruce Bay and Okarito examples keep the 'parent' TDF fund intact but rely on an agreement to allocate a set proportional amount to these smaller communities. This appears to be what the Kumara Junction community is seeking from the Kumara TDF fund, but in this case no agreement has yet been reached between KJCA and KRT on a set allocation.

4 OPTIONS

- 4.1 There are two options as follows:

4.1.1 Option One: Retain the status quo for now, that is, that KRT continue to be allocated \$14,000 annually to distribute to any project in the Kumara Rating District (including Kumara Junction). The issue could be reconsidered through an overall review of the TDF programme in 2017/18 as part of the development of Council's 2018-2028 Long Term Plan.

4.1.2 Option Two: Allow KJCA to have their proportional share annually of the \$14,000, based on the number of rateable properties in the agreed geographical area of Kumara Junction. The amount in question would currently be \$3,780 annually.

5 SIGNIFICANCE AND ENGAGEMENT

5.1 Under the Council's Significance and Engagement Policy, this decision can be assessed as having a medium level of significance for Council. It only affects ratepayers in the Kumara Rating District and does not increase the rates within that District. It does, however, raise important precedent issues for not only Township Development Funds but any programmes funded by a geographically-based community rate.

5.2 As referred to above, both the KRT and the KJRA have discussed the matter at advertised meetings which have been attended by Council's CDA and followed up by correspondence as recorded in Appendix 1 and Appendix 2 of this report.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 In terms of the first option, retaining the status quo for now: This has the advantage of keeping the entire set of Kumara TDF funds intact to be able to potentially access more funds from another source. It also allows for a specific advertised public meeting where groups put forward their request to be considered by the meeting attendees, which seems a fair and

transparent system. A disadvantage is that without a guaranteed allocation KJCA would find it difficult to plan big projects in advance and would not be able to guarantee funding for specific projects annually.

- 6.2 Another advantage to Option One, retaining the status quo for now, is that this is a complex matter with wide-reaching implications, and deferring any change for now would allow Council to consider the issue more fully in 2017/18 in the context of a review of the TDF during the development of Council's 2018-2028 Long Term Plan.
- 6.3 The precedent set by the TDF allocation agreements between Fox Glacier and Bruce Bay, and between Whataroa and Okarito, has some differences from this situation. In those cases the larger community groups receiving TDF funding from Council (Fox Glacier and Whataroa) agreed to set aside funds for the smaller groups within them (Bruce Bay and Okarito, respectively). In this case, Kumara Residents Trust has not agreed to set aside a specific amount each year for Kumara Junction Community Association. It would be a significant step for Council to step in, in the absence of mutual agreement, and disaggregate a funding system that was put in place for the benefit of the wider community. Another way in which this situation differs is that Kumara Junction is not as clearly identifiable a settlement as Bruce Bay and Okarito; for example, it has no community hall and is relatively dispersed rather than clustered.
- 6.4 In terms of the second option: The advantage of allowing KJCA to have their proportional share of the \$14,000 is that they could plan ahead for future projects at Kumara Junction with confidence, knowing that they have a regular budget to work with. A disadvantage would be that it would not keep the Kumara TDF funds intact to be able to potentially access more funds from another source. The bigger issue is that the decision for Council to disaggregate the funds allocated to any particular community (in this case, wider Kumara) would set a precedent which could then undermine the integrity of not only TDF but the range of Council programmes funded by a geographically-based community rate. There are numerous smaller settlements and areas in Westland that might seek Council intervention to secure them a specific allocation of funding from their larger community, and this could result in an ad hoc decisionmaking process if dealt with on a case-by-case basis.
- 6.5 There are no direct financial implications for Council because the \$14,000 in the TDF for the Kumara Rating District would remain the same amount.

7 PREFERRED OPTION AND REASONS

- 7.1 The preferred option is Option One: retain the status quo for now, with Kumara Residents Trust to continue to be allocated \$14,000 annually to distribute to any project in the Kumara Rating District (including Kumara Junction). This would avoid Council overriding its previous decisions on geographic boundaries for community funding, without full consideration of such boundaries through an overall review of the TDF programme in 2017/18 as part of the development of Council's 2018-2028 Long Term Plan.

8 RECOMMENDATION

- A) **THAT** Council continues to allocate the full amount of Township Development Funding for the wider Kumara area (\$14,000 per year) to the Kumara Residents Trust for distribution, and encourages the Kumara Junction Community Association to propose specific eligible projects through the process run by the Kumara Residents Trust, until the Council reviews its Township Development Funding framework in 2017/18 as part of developing its 2018-2028 Long Term Plan.

Derek Blight
COMMUNITY DEVELOPMENT ADVISOR

Jim Ebenhoh
GROUP MANAGER: PLANNING, COMMUNITY AND ENVIRONMENT

Appendix 1: Letter from Chair, Kumara Junction Community Association
Appendix 2: Letter from Chair, Kumara Residents Trust

KUMARA JUNCTION COMMUNITY

Councillors and Mayor

Westland District Council

I write on behalf of the Kumara Junction Community Association in relation to accessing the Kumara District township development fund.

As the local community association, we request the Council approve the granting of a proportionate share of the Kumara township development fund direct to the Kumara Junction Community Association to enable the community to progress with a number of community projects as outlined below.

Background

Access to existing funds

In September last year I wrote to the Council requesting information/clarification on two funds: the Kumara endowment land trust fund (\$398k) which was being used in part for the Chinese garden in Kumara and the Kumara township development fund (\$14K annually), the latter of which was allocated by the Kumara Residents Trust predominately to Kumara township based activities. My comment at the time was that if either of these funds had terms of reference which meant they included the population of Kumara Junction then we had not been consulted on the use of those funds, and we wanted to be included.

- I now understand the Council is unable to locate the trust deed and thus is unable to clarify coverage/application of the Kumara endowment land trust deed, some funds from which are being utilised for the Chinese garden. I make the point that when this situation is resolved if our community is considered to be part of the area covered then we would be very interested in making application for funds.
- A Council officer called on me in March in response to a follow up letter from me to the Council and indicated in relation to the Kumara township development fund (which does include the Kumara Junction area) there was a strong possibility we could follow the precedent set in Okarito and Bruce Bay where they received their population based share of their township development fund directly. Like us, they had apparently had no previous access to this fund.

- To receive funding directly from the Council we needed to become a legal entity and thus we have taken a number of steps to register our long-standing association as an incorporated society. We have very recently agreed a constitution, have met the requirements for incorporation and we are about to submit our application. We have agreed the geographic boundaries and Council staff estimated the population based share of the fund as \$3780 per annum out of the total pool of \$14,000 allocated for the Kumara rating district, the boundaries of which extend as far as Otira.
- We note the population of Kumara Junction is 240 people and growing, and that of Kumara about 305.

Aims of Kumara Junction Community

The purposes of our association are:

1. To facilitate local community spirit
2. To promote the beautification of the environs of Kumara Junction
3. To develop amenities on public land in the Kumara Junction area for the benefit of all (eg. walking and cycling tracks)
4. Do anything necessary or helpful to the above purposes

Community projects

Following wide community discussion we have developed some priorities for projects, current and future. Funding support from various sources will be sought to progress the projects.

1. Roundabout improvement

Transit has worked with us and supported us by paying for a landscape architect who has provided a design for beautification/improvement, mainly through plantings, of the roundabout at the Junction including a pathway for walkers especially school children accessing the school bus. Currently we are working with Railways and Transit to get their approval for key parts of this project. While Transit has funded the architect, and will fund the substantial cost of the traffic management plan needed at planting time, we will need to pay for the plantings.

The roundabout is an entry point to the Coast and we would like it become a much more attractive feature for visitors to the Coast.

2. Gentle Annie track

We are currently engaged in improving the Gentle Annie walking/cycle track on the south bank of the Taramakau and while much of this work is and has been volunteer labour we are needing to improve access over a creek on the track which will require funds.

We are also keen on further development of this track with it possibly looping from its current end point at the Kahurangi Scouts Lodge back through native bush to the main road at the Serpentine and potentially joining the Cycle Trail either at a point up the Kumara Straight or back at the Tramway.

3. Information panels

There is a lot of history in this area and we want to develop information panels talking about the old gold trails and historical activities. We see that these could be placed at the beginning of the Gentle Annie and at the roundabout, either by the rail track or in the car park area by the café.

4. Steam train

If the steam train becomes a reality, and we really hope it does, then we will dust off an earlier idea about reinstating the old Kumara Junction railway station plus a craft shop for local artists in conjunction with our local popular café.

5. Bus shelter

In the meantime, the bus shelter at the Junction needs some significant upgrading to be fit for purpose and an attractive feature. It currently most certainly is not. We can provide the labour but there are costs involved with repairing the current building and then maintaining it.

6. Traffic safety

We have major concerns about traffic safety through our village and while it seems we may not be able to get a speed reduction in place as we would like, we could likely develop some suitable signage asking cars to consider pedestrians as they drive through, again a costly project. There are a number of points on the main road scary and risky to walkers and cyclists particularly not exclusively at the roundabout and at the entry to Sanctuary Place. Again, we are working with Transit on this.

7. Community development

Kumara Junction is an interesting community. We have families who have been here since their grandparents settled early to mid last century and we have a surge of folk moving into the area in the new sub divisions, Sanctuary Place and Taramakau River. While we have organised some social events we are moving to focus on promoting community linkages and providing opportunity for people to meet their neighbours. Hopefully while they are planting out the roundabout in September....

Finally...

With all this in mind, it is really important to us that we are acknowledged as a community and that our Council supports us.

It is also important that we are able to rely on a predictable and ongoing source of funding. While we have a number of fundraising projects in the pipeline, knowing we could rely on receiving Council

funding each year (with appropriate accountability) would greatly help with us progressing our aims and planning our activities both current and future. We do not wish to have to compete with Kumara residents in terms of priorities for township development funding, we believe we have a substantial population base and our activities should be able to stand alone rather than matched off against what may be happening in Kumara. It would be better for both parties for the allocation of funding to be population based and ring fenced for the Junction enabling healthy coexistence rather than conflict.

We thank you for your consideration of this request for direct funding of our proportionate share of the Kumara township development fund.



Hecta Williams

Chair

Kumara Junction Community

10 May 2017

Appendix 2

10 May, 2017

Hi Derek,

I have attached the recent KRT general meeting where we discussed the Kumara Junction's request to divide the Township Development Funding. It is copied below in case you don't need the full minutes.

I've also attached the form, which we will be using for the first time this next round.

I think the minutes share our view quite well. The benefits of keeping the fund in tact is that it is an opportunity to bring our small, yet close (distance wise) communities together, rather than create more division.

KRT hosting a specific advertised public allocation meeting, where groups put forward their request to be considered by the meeting attendees, seems to be a fair and transparent way. It will provide a robust way to ensure the community members are part of the allocation decision. This allocation meeting complements the quarterly Clubs & Group combined meetings that are facilitated by the Community Development Officer, where the groups share updates about their particular group.

It's great that there are other groups with projects in mind who want to access the funding. As KRT used the funds to kick-start our Chinese Miner's Memorial Reserve Project, there is no reason another community group cannot do the same, if it's agreed upon through the appropriate process.

If the funds are divided it would mean that the Kumara Junction group would receive a certain amount each year. If the funds remain intact they have the potential to access even more funding, as well as gain support from the Kumara township in the form of volunteers or resources. If the funds are divided it will create even more division and potential feelings of resentment.

It is important for the Council to consider the original decision and purpose to allocate small communities their Township Development funding. A decision to divide the funding within our small community may have wider implications to other small communities (ie Ross or Whataroa etc). Our understanding was allocating the funding to one Council recognised umbrella group ensured there was the opportunity for each individual community to run a public process to distribute these funds.

Thank you for the opportunity to share our view and the general discussion at the KRT meeting. We look forward to the outcome of this decision.

Regards,

Julie Rowe

Excerpt from the Kumara Residents' Trust General Meeting 6 April, 2017 Minutes:

Township Development Fund (TDF)

Derek summarised how the TDF is allocated and informed the meeting that WDC was approached by the Kumara Junction group last year wanting to receive part of the TDF, separate to KRT. He explained, that for them to qualify for Township Development funding they would have to be a legal entity, have a constitution and put project ideas in writing to Council. Derek wanted to gauge how KRT felt about the issue and take comments back to Council.

The following points were noted:

- KRT has actively encouraged key members of the Kumara Junction community to be involved with KRT including Hecta Williams being invited to consider being a KRT Trustee in the past
- Information has been shared by emailing Facebook, website links and electronic access to the Goldtrails.
- End of last year, our strategy document and membership information was forward to Hecta to circulate to Kumara Junction group members for their information
- Membership information had been emailed to Jackie Hill after her feedback about not being involved with KRT.
- There has been no response from community members at Kumara Junction.

After a general discussion it was felt by everyone that the Junction group should work with the rest of Kumara and "come to the party" rather than create more division and undermine KRT as the umbrella group for the WDC. They have been invited to meetings in the past and have been made aware of the Goldtrails (available online and through email).

Furthermore, with KRT being the umbrella group for distributing the fund, there has been work on formalising the funding process to make it more transparent and encourage wider community participation. This includes:

- Each upcoming funding round will be advertised in the Goldtrails
- KRT will contact community groups in May to inform them that applications are open after 1st July.
- A simple application form has been developed for groups to complete prior to the allocation time.
- Any group requesting funds will need to attend the allocation meeting so the funding allocations can be made as a community decision at a meeting hosted by KRT.

Derek thanked everyone for the feedback and said he would take it back to Council for them to make a decision on the Junction group's request. Derek left 9:20pm.