

WESTLAND  
DISTRICT COUNCIL



# GETTING REAL

Annual Plan 2013/14



the last best place  
**Westland**



Version S28 7:44



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# Section One: Introduction

Westland will, by 2030, be a world class tourist destination and have industries and businesses leading through innovation and service.

This will be achieved by:

- Involving the community and stakeholders
- Having inspirational leadership
- Having expanded development opportunities
- Having top class infrastructure for all communities
- Living the '100% Pure NZ' brand



## Mayor and Chief Executive Message

The 2013-14 Annual Plan is a “getting real” approach to re-setting our financial compass, and signals a departure from the direction that was proposed in the 2012-22 Long Term Plan.

Council takes responsibility for a significant deficit at the end of 2011-12 and continued financial challenges through the 2012-13 year which have prompted us to examine all budgets from the baseline up.

A new financial strategy is included in this plan to take the Council and community forward. Some difficult decisions have been made, and the this document reflects that. Council has adopted a set of Financial Management Principles that will improve decision-making at a governance level, and give more guidance to staff on Council expectations in relation to responsible financial management.

The Long Term Plan indicated a 6.6% overall rates increase for 2013-14. Council consulted on a 9.2% increase and, after considering submissions, it confirmed a 12.8% increase. We acknowledge that this increase is high, however it has come about due to the “catch-up” we are playing from keeping rates artificially low.

This overall rates increase of 12.8% will affect property owners in different ways depending on where you live in the District and what services you receive. We realise that this level of rates increase is unpalatable, but if we don’t act now rates increases in future years will be higher.

The draft Annual Plan Council proposed a number of changes to service levels in the Leisure and Cultural Assets, Solid Waste and Community Services activities. Council received 602 submissions and considered feedback from the community before making their final decisions.

A significant decision Council has made is to adopt an Austerity Depreciation Funding Policy which sees us not funding depreciation on long-life assets, such as water pipes, roads and buildings, and gradually returning to fully funding it over the next five years. This approach, while reducing rates this year, is not sustainable long term. It also means rates increases will be higher than what is in the Long Term Plan as we return to fully funding depreciation.

The bottom line is that there is no magic wand or silver bullet, and we are not going to pretend there is. The current situation is simply not affordable and not sustainable. We hope that the decisions we have made, in response to your feedback, demonstrate that we are “getting real”.

GETTING REAL

Maureen Pugh  
Mayor

Tanya Winter  
Chief Executive



# Your Council

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# 12.8%

## The Real Big Decision

This is the Westl and District Council looking you in the eye and saying...

Council understands that this increase is really high

We have been spending more than we're earning which is not sustainable

This Plan is the start of a change in direction. A 12.8% average overall rates increase allows us to address issues and improve our sustainability and long term future. If we didn't address issues now the increase next year would have been even bigger

### Will All Rates Increase The Same?

When the 'rates increase' is talked about in this document and in the media it is usually referring to an overall percentage. This percentage is how much extra money Council plans to collect from rates compared to the amount it collected the year before. The rates increase does not reflect how much each individual ratepayer will pay.

On page 70 and 71 of this document is a rates sample that gives examples of how a selection of different properties may be affected. Rates vary based on the services and infrastructure available to that property and the rating policy of Council.





# Where Are We Really Heading?

## What is the problem?

Just like a home trying to balance the budget there needs to be enough money coming in to cover the expenses, Council is no different. Council gets its money from a variety of sources including:

- Rates
- Investments
- Fees and Charges
- Grants and Subsidies

A negative change in one of these will put more pressure on the other income streams. If the other income streams can't increase to cover the shortfall then Council simply can't afford its budgeted expenses and needs to tighten its belt accordingly. In recent years Council has been spending more than it has been earning. At present Council can not afford to continue providing the services it has in the past without increasing income to match.

## How did this happen?

Council has been providing services without passing on the ACTUAL cost to ratepayers but instead funding shortfalls from reserves. In some cases this has been because the real cost of activities has been underestimated - in other words things were costing more than what was put into budgets. In some cases the projected income was less than expected.

## Are we alone?

Every Council has its own unique situation, things like the number of ratepayers, how much roading the council owns and even the climate will affect how rates impact on people. All these things are further influenced by national and international economies, law changes and government policy.

Over the past few years there has been increased focus on sustainability and financial prudence for local government. As a result, many councils have had to take a good hard look at what they provide, how they pay for it and how they operate. Westland District Council needs to do the same and has some serious issues to face in order to become financially sustainable.





## Did we have to act now?

Yes, changes have been made in the way Council provides services and how it recovers costs for these services. Some changes are unpopular and require a change in expectation of what Council does, others are obvious responses to sensible planning for the future.

The next review of the Council Long Term Plan is an opportunity to address some fundamental approaches to how Council does business and examine the ways in which rates are collected and distributed (the Rating Policy). In the meantime this Annual Plan enables Council to act on areas of immediate concern whilst still following the direction set by the current Long Term Plan.

## What will happen to rates in the future?

Rates are going to rise. How much rates will rise and over what time period is an important discussion between Council and community and must be continually monitored. The impacts of spending, rating and debt must be discussed and understood to enable the best decisions to be made for a sustainable Westland District. The chart below shows the effect of the Austerity Depreciation Funding Policy. By putting off paying for asset replacement this year, there will be higher rates increases in future years. Council initially planned to do this over four years but has now decided to do it over five years. This reduces the projected rates to under 6%.

Below is a graph that compares the rates increases in the Long Term Plan and what Council has now decided in this Annual Plan.

**Scenario one-** Where we expected to be heading:

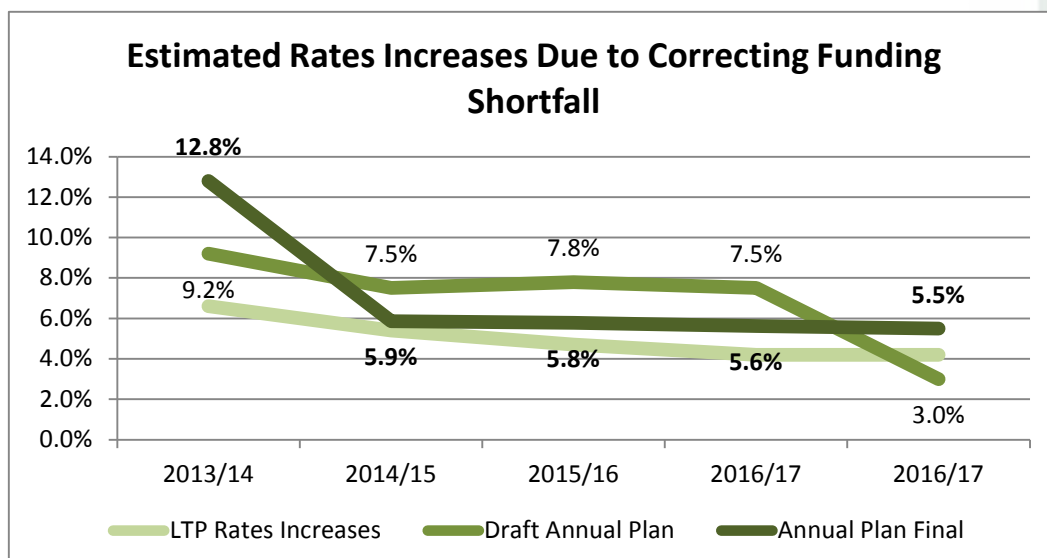
The pale green Line shows rates rises as predicted in the Long Term Plan.

**Scenario Two-** Where we proposed to head:

The medium green Line shows rates rises based on the Draft Annual Plan.

**Scenario Three-** Where we are heading:

The dark green Line shows rates rises based on this final Annual Plan.





# A New Financial Strategy

## Rates

Rates are the major source of income for any council and getting the balance between affordability and generating enough income to meet the needs of the community now and in the future is a huge priority for the Westland District Council.

The rate increases will be higher than what was signalled in the Long Term Plan over the next four years. This is due to getting real about what things actually cost and how they are funded.

It is important that Council appropriately funds areas of the organisation where gaps have been identified that negatively impact on the performance and efficiency of Council.

Another factor that will have an impact on rates is the unwinding of the Austerity Depreciation Funding Policy.\* This policy is a short term money saver that will need to be gradually reversed over the next few years in order to provide a sustainable financial future for council.

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Rates will be higher than what was signalled in the Long Term Plan

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*\*For more information on the Austerity Depreciation Funding Policy see pg 32*

## Debt

The amount of external debt for the Council's operational activities will remain within the Long Term Plan financial limit of \$3,000 per ratepayer. Debt is an important tool that all councils use in order to spread costs over a longer period of time rather than burden any single rating year with an expense that will benefit many future rating years.

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Debt is a fair tool used to even out the bumps of expenditure over a long period of time.

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## Service Levels

Overall the cost of service levels are modest for such a geographically dispersed rural council. The reality is that with stagnant population growth, increasing debt and the possibility of future external funding cuts the cost of maintaining the current service levels will increase.

Council has to carefully consider the short and long term impacts of service level increases and appreciate the role service level cuts can play in controlling rates rises.

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There is a direct relationship between service levels and rates

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## Investments

Council has two main investments. Equity in Westland Holdings Limited (\$8.7 million) and Cash Bonds (\$2 million). The income from both the equity and cash investments are expected to perform better than the cost of finance for the next three years.

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Distributions from Westland Holdings Limited are reducing rates by nearly \$500,000 in the 2013/14 Annual Plan

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## Reserves

Council reserves are at a critically low level and will need to be built up slowly over the next four years. In the meantime reserves will be monitored and reported to Council quarterly to track progress.

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Council will rebuild reserves over future years

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The new financial strategy is a move towards a more conservative and careful council.



# The Consultation Process and How We Got Real

## What is an Annual Plan?

Council adopted a Long Term Plan (LTP) for Westland in 2012. This ten year plan is the guiding document for Council and its activities. Every three years Council reviews the LTP, and in the years in between it produces an Annual Plan. The Annual Plan records any variations to the LTP and signals to the community what is planned over the next year, how much it will cost and how rates will be affected.

Council acknowledged that some aspects of the LTP were unachievable in the current economic climate, and some figures were simply wrong. With that in mind all budgets were built from the bottom up and a “back to basics” draft Annual Plan was created. The extra work required resulted in Council taking an extra month to create the draft, which pushed time frames out and meant that the final Annual Plan would not be adopted in accordance with the statutory deadline of 30 June 2013. The draft was finally adopted by Council in May 2013.

## A Change to the Purpose of Local Government

Local government in New Zealand is changing, and late 2012 the Government passed the first of a series of reforms that will shape how councils are run in the future. With this in mind Westland District Council took a fresh look at what we were doing and why. We sought guidance from the community through our consultation process about what they want from Council now and into the future.

## Discussion with the Community

Upon adopting the draft Annual Plan Council began a month of consultation with the community from 27 May to 27 June 2013. The work programme proposed in the draft differed so much from what was in the LTP that Council decided to embark on a thorough consultation process not normally required for an Annual Plan. This process included:

1. **Public meetings** - Meetings were held in the following communities:

Community	Attendance
Otira	10
Whataroa	10
Franz Josef Glacier	14
Fox Glacier	13
Hokitika	37
Ross	16
Kumara	10
Haast	17
Kokatahi/Kowhitirangi	23





## Discussion with the Community continued...

2. **Consultation Caravan** - The Council's distinctive caravan was used as a mobile information and engagement kiosk and was parked in the following communities for periods of two hours:

<b>Community</b>	<b>Attendance</b>
Hokitika	15, 11, 12, 9, 5
Harihari	7
Haast	5
Whataroa	3
Franz Josef Glacier	4
Fox Glacier	5

3. **Advertising**

Quarter page adverts were placed in the Hokitika Guardian six times over a two week period advising the community of the consultation process, how they could be involved, and identifying the major matters for consultation.

4. **Web site**

Council created a "Getting Real" page on its web site that provided information to the public about the Annual Plan. It included a submission form that could either be completed online, or printed and posted to Council.

5. **Summary Draft Annual Plan**

Copies of the Summary were delivered to householders via the West Coast Messenger. Communities who did not receive this newspaper were able to access copies via the Council Website, the public meetings and via the Consultation Caravan.

## Community Response

Council received 602 individual written submissions to the draft Annual Plan. This included 4 petitions with a total of 232 signatures (which we counted as single submissions). We heard 30 verbal submissions over a two day hearing.

## Council Reaction

Council listened carefully to the community and has made a series of decisions subsequent to the consultation. These decisions are outlined on the following pages.



# The Decisions are....

## Westland District Library

Hours are reduced but as a result of submissions the Library will open later and close later during the week.

Reducing opening hours saving \$11,000

The new Library hours are:

Monday - Friday: 9.30am – 5.30pm

Saturday 10.00am – 1.00pm

Sunday: Closed

## Hokitika Museum

Hours are reduced but as a result of submissions the Museum will open one hour longer in summer months. This reduces the proposed savings by \$5,000 from \$25,000 to \$20,000.

Reducing opening hours saving \$20,000

The new Museum hours are:

Summer: - 1 November to 30 April

10.00am - 5.00pm;

Winter: 1 May to 31 October

10.00am - 2.00pm.

Reducing the hours of the Research Centre Mon-Fri 10am-12pm

Reducing curatorial service levels.

## Events

Only focussing on one event (Wildfoods Festival) Saving \$40,000

The reduction will not allow for funding additional events or supporting community events.



## I-Site

In response to submissions the I-Site will open until 6pm in the Summer Months.

**Rationalising opening hours (negligible financial impact)**

The I-site opening hours will be:

Summer – 1 December to 31 March

8.30am-6.00pm Monday - Friday

9.00am-6.00pm Saturday, Sunday & Public Holidays;

Winter – 1 April to 30 November

8.30am-5.00pm Monday-Friday

10.00am-5.00pm Saturday/Sunday and public holidays

## Community Development

**Cutting \$87,000 by reducing activities**

Council will focus on,

Managing Council's funding schemes and contracts with community groups

Providing funding advice

Supporting community projects

Providing social policy advice to Council

Assisting communities with planning

Managing Council's consultation processes

## Community Assistance

**Cutting \$51,000 from the grants budget**

Council will continue to provide some community assistance grants but will develop a clear rationale for each grant and define the expectations around reporting and how the grants will be spent. Council responded to submissions and reinstated the Glacier Country and Enterprise Hokitika grants. The Grant to the Regent Theatre was included for two years. Grants debated for the Draft Annual Plan were:

Regent Theatre	\$ 25,000 pa	Approved for 2013/14 and 2014/15
<del>Sport West Coast</del>	<del>\$ 31,000</del>	<del>CUT</del>
<del>Infrastructure Fund</del>	<del>\$ 20,000</del>	<del>CUT</del>
Tourism West Coast	\$ 86,000	Approved
Glacier Country Grant	\$ 65,000*	Approved
Enterprise Hokitika	\$ 39,000*	Approved
Public Transport Grant (Hokitika Taxis)	\$ 15,000	Approved

\* These grants are funded from targeted rates, in other words only some people pay for the service.

Council will continue to make office space and infrastructure available to Sport West Coast free of charge.





# The Decisions are....

continued...

## Solid Waste

A number of changes to how solid waste is managed will impact on the community.

### Changes to Service levels

Most ratepayers will be impacted by a change in service level one way or another. The changes to the solid waste collection are,

- The free trailer bin stations from Otira, Jacksons, Lake Kaniere, Bruce Bay and Neils Beach will be removed
- Kerbside collection services will extend to Lake Kaniere
- 240 litre bins will be introduced for the recycling collection and the current 120 litre bins will be used for refuse collection instead of bags to existing serviced properties and Lake Kaniere
- The kerbside collection of co-mingled glass from Hokitika residential area will be stopped
- 10 second-hand trailer bins will be purchased to collect sorted glass at all the transfer stations around the Westland District- This will cost \$ 80,000

The changes do not affect the overall expenditure of the activity. However all ratepayers will be affected in their general rates by a net increase rates requirement that has arisen from the activity not generating as much income as it expected. This shortfall is around \$440,000.

### Phasing out Official Bags

There will be a transition period between the bags to bin collection. Residents have been issued with vouchers for 13 official refuse bags for the start of the 2013/2014 year, to allow for bins to be ordered and delivered. Once the bins are provided for collection, the official bags will be accepted free of charge at the Transfer Stations until the stock runs out.

There will be advertising and education around the solid waste options and changes and more information will be available online.





## Ross Community Pool

### Ross Community Swimming Pool Liner - \$115,000

The Ross Community Pool is leaking and requires a new liner. The cost of this project has been reviewed from \$85,000 to \$115,000.

The Ross Pool liner project will be funded from the Ross Endowment Fund.

## Flood Damage Budget

Removal Of The Flood Damage Budget of \$100,000 saving \$42,000 in rates. The remainder is the portion of funding from New Zealand Transport Authority (NZTA) subsidy.

Council decided to remove this budget and therefore not rate for flood damage for the 2013/14 year only. It is important to note that this does not mean Council will not spend against this budget in the event of a flood. If there is a flood and Council needs to respond it will fund work by way of a loan, repaying debt over 20 years. Smaller responses to flooding will be endeavoured to be funded from elsewhere in the Transportation budget.

## Parks and Reserves

### Roadside Mowing Of Berms- Saving \$20,000

The majority of property owners maintain and mow their berms well. Council currently mows a number of roadside berms when it considers the vegetation growth to be unacceptably high presenting an untidy view of the township. The priorities for mowing have been dependent on the use and location of the road. Council has decided it will no longer mow berms and instead actively promote the maintenance of property frontages by the property owners. However, this excludes any arterial or roads with major traffic volumes. Mowing will be prioritised.

### Cass Square Maintenance- Saving \$10,000

Council has decided to reduce the level of maintenance of Cass Square.

## Kokatahi and Haast Rural Fire Forces

Funding reinstated for a total of \$14,680.

The Kokatahi and Haast Rural Fire Forces will continue to be funded to the extent of \$6,605 and \$8,075 respectively with funding from the general rate.

Council will consult with New Zealand Fire Service with regard to future funding for the rural fire forces.



# The Decisions are....

continued...

## Community Halls And Buildings

The Council continues to support the efforts of communities pursuing quality community halls and buildings.

### Harihari Community Facility

External funding of \$695,000 has been raised for this project. The Council has already committed \$290,000 to the project and holds these funds in reserves. Based on the current cost estimate for this project there is a funding shortfall of \$190,000. Council has agreed to work with the community to re-scope the project rather than fund the shortfall and asked that a fixed price design and build option be explored.

### Fox Glacier Community Centre

After exploring several funding options for the Fox Glacier Community Centre, Council decided to retain the level of commitment signalled in the Long Term Plan at \$1 million. Of this \$200,000 will be funded from the Reserve Development Fund and \$800,000 funded from other sources that are yet to be determined.

## Mint Creek Water Supply

### Future Options For the Mint Creek Water Supply - referendum \$5,000

The ageing Mint Creek Water Supply is not going to meet mandatory Drinking Water Standards in the future. If Council continues to provide the scheme it will require further investment.

Council has decided to consult with users of the scheme and hold a referendum on possible future options.



## Transportation

Many of the cost savings and cuts made during the preparation of the 2013/14 Annual Plan have reduced the overall rates increase but due to the current Rating Policy have not delivered savings evenly across ratepayers in the district. This is most evident in the rural sector where some of the highest rates increases were initially forecast due largely to increased rates required for roads.

In order to address this, Council decided to re-allocate \$300,000 of transport costs (roading) from the General Rate to the Uniform Annual General Charge. This is neither an increase nor cost saving to Council but serves to redistribute the rates increase more evenly across the district's ratepayers. The re-allocation reduces pressure on the rural sector's rates.

Council has also decided to reduce the service levels in transportation by \$90,775. This has a rates savings of \$38,125. The remainder is the portion of funding from New Zealand Transport Authority (NZTA) subsidy.

## West Coast Wilderness Trail

### Council contribution to the marketing costs of the Cycle Trail

Council has allocated \$30,000 from rates towards marketing the Cycle Trail. The rates contribution accounts for 35% of the total cost with the remaining 65% (\$56,000) coming from the Major District Initiatives (MDI) funding. This decision is subject to the allocation of the MDI funding not impacting on other Council approved MDI Projects.

The need to establish a quality and competitive business model that is able to generate revenue drove this debate. Council felt it was vital to do this in order to provide a future income stream that could offset some of the ongoing maintenance of the Trail which is not budgeted for.

The rates contribution is funded from the Tourism Promotions Rate.





# The Decisions are....

continued...

## Township Development Fund- *Historic Funds*

Council responded to submissions and approved the following amounts to fund 50% of the historic Township Development Funds not uplifted. These are as follows:

Whataroa	\$35,000
Ross	\$26,500
Fox Glacier	\$15,500
Haast	<u>\$3,000</u>
<b>Total</b>	<b>\$80,000</b>

These amounts will be funded from the Three Mile Domain Reserve.

## Township Development Fund- *Current*

The Township Development Fund of \$70,000 per annum was reinstated using the existing funding policy.

This will be split evenly between Kumara, Ross, Harihari, Whataroa and Haast. The funds ( \$14,000 pa each) will be put in dedicated reserves for each township.

## Glacier Township Development Fund- *Current*

The Glacier Township Development Fund of \$70,000 per annum was reinstated using the existing funding policy.

This will be split evenly between Fox Glacier and Franz Josef. The funds ( \$35,000 pa each) will be put in dedicated reserves for each township.





# Other Decisions....

The following projects were not in the Draft Annual Plan and have been included as a result of public submissions.

## Franz Josef Urban Revitalisation Plan

The Franz Josef Urban Revitalisation Plan Project undertaken by Franz Inc. was granted \$100,000 from the Reserve Development Fund. This project was in the Long Term Plan but no funding source was identified.

## Franz Josef Cycle Trail

The Franz Josef Cycle Trail was granted \$55,000 from the Reserve Development Fund. This project was in the Long Term Plan but no funding source was identified

## Whataroa Playground

Council will fund the Whataroa Community Playground \$12,000 from the Reserve Development Fund as the community share towards the total project cost.

## Rates Review

Council received significant feedback through the Annual Plan consultation process about the anomalies and lack of transparency in the current rating system. In response to that feedback, Council has allocated \$50,000 to fund a rates review. This review will be funded from General Rates. The rates review will examine how the rates are set, ensure the methods of calculation are consistent with best practice and fairly applied across ratepayers.

## Transfer of Strategic Assets

In the Long Term Plan Council signalled its intention to transfer some strategic assets to Westland District Property Ltd. Council has decided to put this transfer on hold and will instead undertake a review of the CCO Structure in 2013-14 (see below).

## Review of Council Controlled Organisations (CCO's)

\$40,000 is included in the Annual Plan to fund a review of the CCO structure. This would be funded from general rates.



# Other Decisions....

The following projects were not in the Draft Annual Plan and have been included as a result of public submissions continued....

## Waste Management Re-Allocation

\$100,000 of Waste Management cost has been transferred to the waste management Uniform Annual Charge. This is to more fairly spread the rate across different types of ratepayers.

## Hokitika Beachfront Erosion

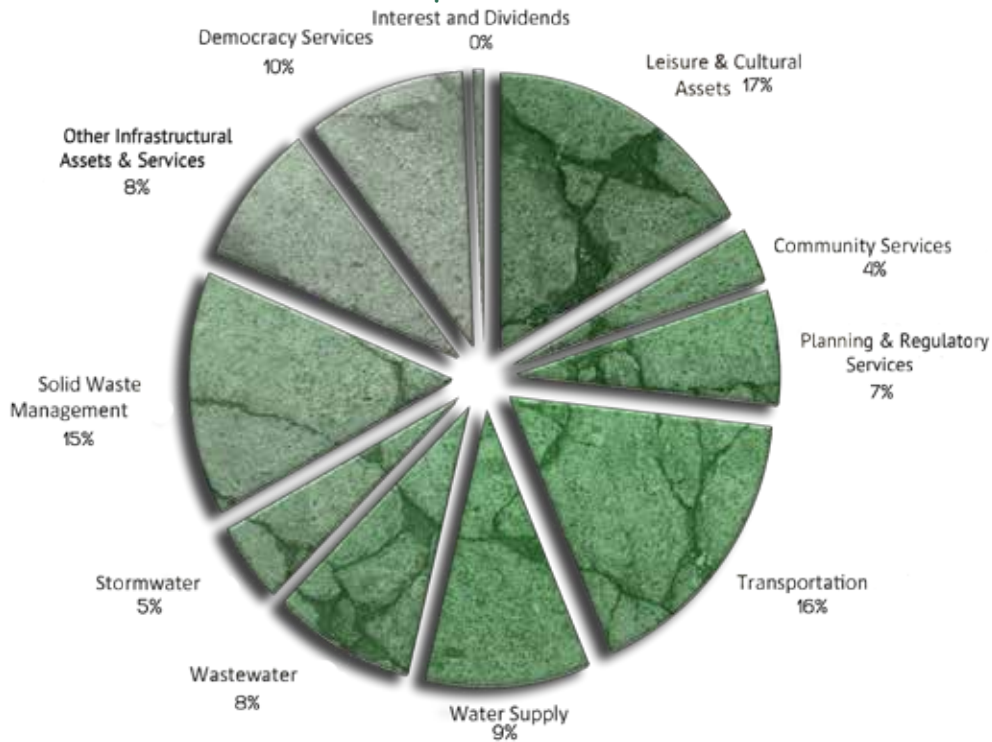
During the consultation on the draft Annual Plan, the erosion along Hokitika beachfront worsened. West Coast Regional Council (WCRC) undertook a survey with all Hokitika residents to determine a way forward. Five options were presented and the majority indicated they wanted a sea wall to protect the township to be paid for via a targeted rate on the township. This decision has impacted on Council in a number of ways:

- Council will see an increase to the rates we pay Regional Council
- Council has ceased collecting the Coastal Erosion Rate as this work will now be undertaken by WCRC, this saving has been offset by an increase in rates to be paid to WCRC on Council properties.
- Council resolved to retain the Coastal Erosion Reserve should it be required for amenity projects as part of the sea wall

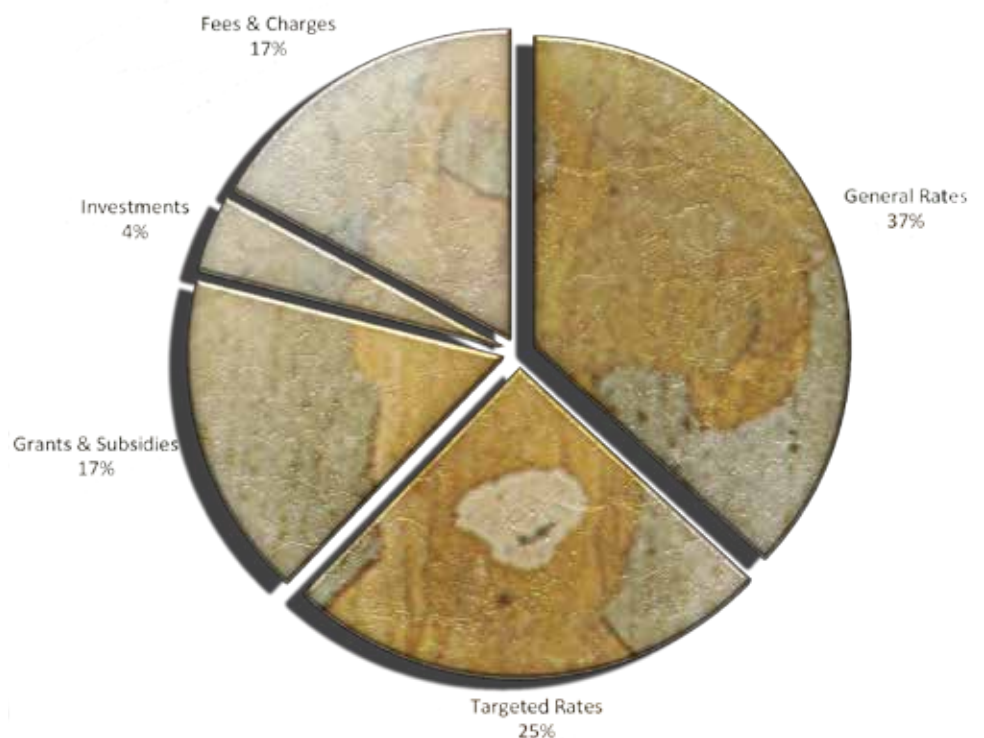


# Council Activities And Rates

## Where Your Rates Are Spent



## Where Council Gets Its Income





# Promoting And Supporting the Community

## Leisure And Cultural Assets

### Library

Total Cost to Ratepayers      \$ 394,817  
Percentage Spend of Rates      4%

#### From our Vision

*...Providing a first class service accessible to all residents*

### Museum

Total Cost to Ratepayers      \$ 238,664  
Percentage Spend of Rates      3%

#### From our Vision

*....Cares for its collection and shares Westland's stories and heritage through high quality exhibitions*

### Swimming Pools

Total Cost to Ratepayers      \$ 229,000  
Percentage Spend of Rates      3%

#### From our Vision

*....Provide an important recreation facility for residents and visitors contributing to our vision of top class infrastructure*

### I-Site

Total Cost to Ratepayers      \$ 140,049  
Percentage Spend of Rates      2%

#### From our Vision

*...Contributes to our vision of Westland as a world class tourist destination*

### Where We Are At

There is a reduction in Library opening hours.

There is also a reduction of Museum opening hours including the Research Centre.

The Ross Swimming Pool will get a new liner funded \$115,000 from the Ross Endowment Fund.

The I-Site will remain open until 6pm in the summer Months. Council transactions will move to the I- Site.





# Promoting And Supporting the Community

## Leisure And Cultural Assets CONTINUED...

### Events

Total Cost to Ratepayers	\$	0
Percentage Spend of Rates		0%

#### From our Vision

*....Brilliant, vibrant and fun events will help drive our vision of being a top class tourist destination by 2030*

### Elderly Housing

Total Cost to Ratepayers	\$	0
Percentage Spend of Rates		0%

#### From our Vision

*....Housing for the elderly that is safe, clean, functional and provides a network of close neighbours and friends*

## Community Halls And Buildings

Total Cost to Ratepayers	\$	92,054
Percentage Spend of Rates		1%

#### From our Vision

*....Having top class infrastructure and involving our stakeholders and communities by engaging them to help care for and use them*

## Parks And Reserves

Total Cost to Ratepayers	\$	362,052
Percentage Spend of Rates		4%

#### From our Vision

*....Well maintained and used parks and reserves contribute to our vision for top class infrastructure.*

## Cemeteries

Total Cost to Ratepayers	\$	83,634
Percentage Spend of Rates		1%

#### From our Vision

*....Contributes to our vision of top class infrastructure for our community.*

## Where We Are At

Events will now focus solely on the Wildfoods Festival and not on developing new events or supporting community events.

Council will continue its support for the development of the Fox Glacier Community Centre and the Harihari Community Facility.

Elderly Housing has had some minor improvements approved to re-roof some units.

Council has decided to reduce the Parks and Reserves budget by \$30,000 by not mowing berms and sanding Cass Square less.



# Promoting And Supporting the Community

## Community Services

### Community Development

Total Cost to Ratepayers	\$	65,546
Percentage Spend of Rates		1%

#### From our Vision

....Provides inspirational leadership for the community making Westland a great place to live, work and play.

### Community Assistance

Total Cost to Ratepayers	\$	231,576
Percentage Spend of Rates		3%

#### From our Vision

....Provides inspirational leadership for the community making Westland a great place to live, work and play.

### Where We Are At

Community Services and Community Development provide support to a number of community organisations. Council has agreed to service cuts and to re-focus this area on providing advice and guidance as opposed to 'hands' on roles within community organisations.

Council has debated the rationale behind community assistance grants. Grants to Sport West Coast, and the Infrastructure Fund were cut. Grants to Public Transport (Hokitika Taxis), Glacier Country, Enterprise Hokitika, Regent Theatre and Tourism West Coast remain.



## Planning For Our Community

### Planning And Regulatory Services

#### Inspections And Compliance

Total Cost to Ratepayers \$ 236,516  
Percentage Spend of Rates 3%

##### From our Vision

*...Regular inspections and ensuring compliance with standards.*

#### Emergency Management

Total Cost to Ratepayers \$ 103,864  
Percentage Spend of Rates 1%

##### From our Vision

*Good emergency management and leadership will allow Westland to recover quickly in the event of an emergency or natural disaster.*

#### Resource

#### Management

Total Cost to Ratepayers \$ 273,830  
Percentage Spend of Rates 3%

##### From our Vision

*....Regulatory framework to encourage and direct development in Westland.*

#### Animal Control

Total Cost to Ratepayers \$ 21,507  
Percentage Spend of Rates <1%

##### From our Vision

*....Sensible animal control and well behaved and registered dogs make the experience of living and residing in Westland much more pleasant and enjoyable.*

#### Where We Are At

Council has resolved to retain funding for the Haast and Kokatahi Rural Fire Forces.





# Providing Essentials For The Community

## Infrastructure

### Transportation

Total Cost to Ratepayers \$ 1,416,143  
Percentage Spend of Rates 16%

#### From our Vision

*Good roading is essential for our vision of top class infrastructure and opportunities for expanded development.*

### Cycle Trail

Total Cost to Ratepayers \$ 30,000  
Percentage Spend of Rates <1%

#### From our Vision

*.....Continuing to build our positive tourism culture and give confidence to the industry for future investment.*

### Water Supply

Total Cost to Ratepayers \$ 828,681  
Percentage Spend of Rates 9%

#### From our Vision

*Clean and healthy water is vital for our vision of top class infrastructure for our communities.*

### Wastewater

Total Cost to Ratepayers \$ 674,370  
Percentage Spend of Rates 8%

#### From our Vision

*The management of wastewater contributes to our vision of top class infrastructure.*

### Stormwater

Total Cost to Ratepayers \$ 405,565  
Percentage Spend of Rates 5%

#### From our Vision

*The management of storm water contributes to our vision of top class infrastructure.*

### Where We Are At

Council decided to reduce the flooding budget by \$100,000 which has a rates saving of \$42,000. Budgets were further reduced with the expectation of lower contract prices.

Council decided to re- allocate \$300,000 of transport costs (roading) from the General Rate to the Uniform Annual General Charge. This is neither an increase nor cost saving but serves to redistribute the rates increase more evenly across the district's ratepayers.

Council has allocated \$30,000 from the Tourism Promotion Rate towards marketing the Cycle Trail.

The Council has given consideration to the future of the Mint Creek Water Supply and resolved to conduct a referendum with users of the scheme on options for its future.



## Providing Essentials For The Community

### Infrastructure CONTINUED...

## Solid waste Management

Total Cost to Ratepayers      \$    1,311,116  
Percentage Spend of Rates                      15%

#### From our Vision

*...Affordability, customer focus, quality, reliability, responsiveness, accessibility, building relationships and safety.*

### Where We Are At

As a result of the Franz Josef Landfill reaching the end of its consent and life and a number of other factors, the way solid waste is managed in Westland will undergo a change.

Most ratepayers will be impacted by a change in service level one way or another.

Whilst expenditure hasn't increased the expected income for solid waste was overstated in the Long Term Plan and this has left a \$440,000 short fall in the net rates requirement for this activity.

The proposed changes to the solid waste collection are,

- Purchase 10 second-hand trailer bins to collect sorted glass at transfer stations around the Westland District
- Remove the free trailer bin stations from Otira, Jacksons, Lake Kaniere, Bruce Bay and Neils Beach

- Extend kerbside collection services to Lake Kaniere
- Introduce 240 litre bins for the recycling collection and use the current 120 litre bins for refuse collection instead of bags to existing serviced properties and Lake Kaniere
- Stop the kerbside collection of co-mingled glass from Hokitika residential area and instead offer the sorted trailer bins at the transfer stations for glass recycling

There will be a transition period between the bags to bin collection. Residents have been issued with vouchers for 13 official refuse bags for the start of the 2013/2014 year, to allow for bins to be ordered and delivered. Bags will continue to be accepted at transfer stations free of charge until stock runs out.

There will be advertising and education around the solid waste options and changes and more information will be available online. Following issues raised by Otira Community, Council will continue to consult with the community on a new refuse collection option.



# Providing Leadership For The Community

## Other Infrastructural Assets And Services

### Community Township Development

Total Cost to Ratepayers \$ 424,087  
Percentage Spend of Rates 5%

#### From our Vision

...Providing maintenance and creating opportunities for communities to upgrade and develop their town environment.

### Land And Buildings

Total Cost to Ratepayers \$ 106,761  
Percentage Spend of Rates 1%

#### From our Vision

...Providing spaces for emergency management, cultural heritage and the space to do business with the community.

### Public Toilets

Total Cost to Ratepayers \$ 208,583  
Percentage Spend of Rates 2%

#### From our Vision

...Provision of clean, safe and convenient facilities.

### Where We Are At

The \$70,000 pa Township Development Fund provides funds for both the Glacier Towns and rural townships.

Township Development was debated at length. Council resolved to keep these grants.

The Weld Street Council building has been identified as not being compliant in a number of areas including its fire alarm system, disability access and toilets. The building's lift needs attention to bring it up to a suitable standard fit for purpose in a public building. The wheelchair entrance was also destroyed in the recent tornado event. Council decided to carry out the remedial work noting its responsibility as a building regulatory service provider to lead by example. The work on the building and reinstatement of the wheelchair access was a timely opportunity to consider combining Council's front end transactions into the I-Site which would have security advantages and 7 day a week public access.

Public toilet grants have been debated by Council and the current funding levels retained to continue this partnership with the community. The grant for the Harihari Community Association public toilet was increased by \$500 to \$6,500 to bring it in line with other public toilet grants.





## Providing Leadership For The Community

### Democracy Services

#### Corporate Services

Total Cost to Ratepayers \$ 897,112  
Percentage Spend of Rates 10%

##### From our Vision

.... Provides support and expertise to Council and to staff who work for Westland District Council.

#### Where We Are At

Council has spent time discussing the way it operates and is mindful of continually exploring opportunities for efficiency and ways of working smarter.

Council has decided to reduce the budget for the District Plan review by \$20,000.

During the consultation, it became apparent that two issues were of concern to the community. The rating system is dated and not very transparent and there is concern over our business model for CCO's. Council has set aside \$90,000 to properly review both of these issues next year.

### Council Controlled Organisations

#### Council Controlled Organisations

Total Cost to Ratepayers \$ 0  
Percentage Spend of Rates 0%

#### Where We Are At

Council signalled in the Long Term Plan, a proposal to transfer some strategic assets from Council to Westland District Properties.

The properties affected are the Hokitika and Ross Elderly Housing, Hokitika Swimming Pool, Ross Squash Courts, Kumara Sports Grounds and Toilets and Jackson Bay Wharf.

Council will not be undertaking this transfer in 2013-14, and instead will review the CCO structure.



# THE Austerity Depreciation Funding Policy

## = Jam Jars 101

Funding Depreciation is putting a little bit of money aside each year for the eventual replacement of a specific asset like a bridge or an office computer.

By doing this, when the time comes to replace the asset there is already a 'jam jar' of money with 'Bridge' or 'Computer' on the label. That means paying for the replacement is much less painful. For Council this means not having to ask ratepayers for a lump sum of money.

It takes years to gradually fill these jam jars. Our jam jars or reserves as Council calls them are almost empty because the funds have been used to cover other expenses rather than passing them on to ratepayers.

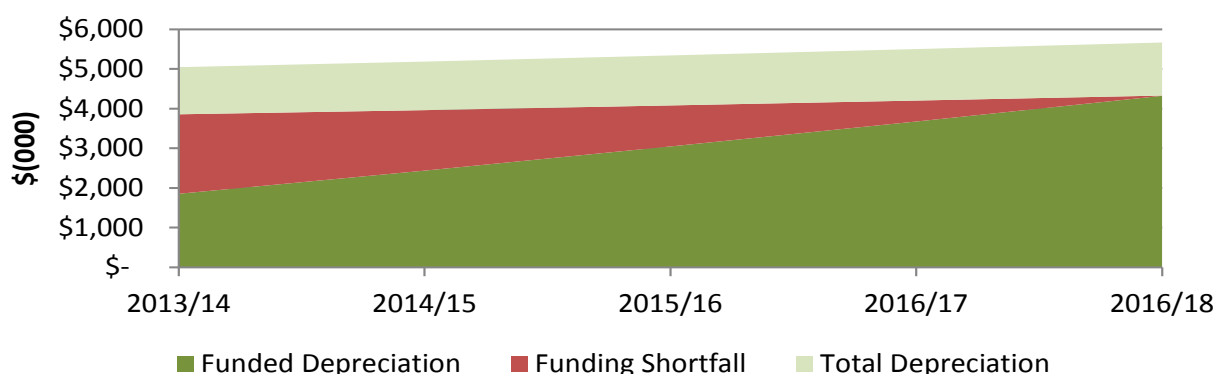
Because of this Council has adopted an Austerity Depreciation Funding Policy, which basically is...

*"To keep rates down we are putting off our share now and putting it onto future generations".*

This means two things; Firstly making things last as long as possible before replacing them, gives us more time to fill the jars. The second is to ensure money is put aside at the right rate. So much each year for the office computer and so much each year for the bridge.

Council has had a hard look at the finances and decided that putting the right amount into those jam jars all at once is too difficult for ratepayers who are already facing considerable rates increases. Instead we have flagged some vital jam jars to fill first and others to fill in the near future. This is less like a *"get out of jail free card and more like a no repayments for the first 12 months deal"*. In other words we have to eventually fill the jars and this will mean a catch up. Although there are no major asset replacements planned in the near future, life can be uncertain and if something happens and we need to replace a bridge or similar expensive asset Council will have to find funds, and that may mean from ratepayers.

**Funding Shortfall for Asset Renewals**





# Section Two: Financials

## Statement Of Prospective Cash Flows FOR THE YEAR ENDED 30 JUNE 2014

	Note	Long Term Plan 2012/13 \$000	Long Term Plan 2013/14 \$000	Annual Report 2011/12 \$000	Annual Plan 2013/14 \$000
<b>Cash flows from operating activities</b>					
<i>Cash provided from</i>					
Receipts from General Rates		5,005	5,217	4,603	5,991
Receipts from Targeted Rates		4,057	4,319	3,628	3,972
Receipts from Activities and other income		7,993	6,898	7,908	5,947
Interest (paid) / Received	<b>R</b>	(302)	(372)	(398)	(731)
Cash paid to suppliers and Employees		(12,566)	(11,712)	(13,227)	(12,513)
<b>Net cash flows from operating activities</b>		<b>4,187</b>	<b>4,350</b>	<b>2,514</b>	<b>2,666</b>
<b>Cash flows from investing activities</b>					
Purchase of Property, Plant & Equipment	<b>S</b>	(5,130)	(4,202)	(7,135)	(3,845)
Sale of Investments		0	0	0	923
<b>Net cash flows from investing activities</b>		<b>(5,130)</b>	<b>(4,202)</b>	<b>(7,135)</b>	<b>(2,922)</b>
<b>Cash flows from financing activities</b>					
Proceeds from Borrowings	<b>4</b>	1,450	1,261	1,952	1,365
Repayment of Loans		(609)	(640)	0	(738)
<b>Net cash flows from financing activities</b>		<b>841</b>	<b>621</b>	<b>1,952</b>	<b>627</b>
Net Increase/(Decrease) in Cash, cash equivalents and bank overdraft		(102)	769	(2,669)	371
Opening Cash and Cash Equivalents	<b>T</b>	724	622	4,243	1,332
<b>Closing Cash and Cash Equivalents</b>		<b>622</b>	<b>1,391</b>	<b>1,574</b>	<b>1,703</b>





# Prospective Statement Of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2014

		Long Term Plan 2012/13 \$000	Long Term Plan 2013/14 \$000	Annual Report 2011/12 \$000	Annual Plan 2013/14 \$000
	Note				
<b>Income</b>					
General rates	A	4,999	5,235	4,787	5,991
Targeted rates	B	3,974	4,331	3,628	3,972
Vested assets income	C	0	805	0	0
Income from activities	1 & D	11,721	6,898	9,520	5,947
Other Gains/ (Losses)		0	0	(265)	0
<b>Total income</b>		<b>20,694</b>	<b>17,269</b>	<b>17,670</b>	<b>15,910</b>
<b>Expenditure</b>					
Employee benefit expenses	E	1,300	1,336	3,232	3,150
Depreciation and amortisation	F	4,510	4,742	5,032	5,044
Other expenses	2	9,917	10,448	10,769	9,108
Interest & Finance Costs	G	302	372	1,090	781
<b>Total operating expenditure</b>		<b>16,029</b>	<b>16,898</b>	<b>20,123</b>	<b>18,082</b>
<b>Net Surplus/(Deficit) before tax</b>	H	<b>4,665</b>	<b>371</b>	<b>(2,453)</b>	<b>(2,172)</b>
Income tax expense		0	0	4	0
<b>Net Surplus/(Deficit) after tax</b>		<b>4,665</b>	<b>371</b>	<b>(2,457)</b>	<b>(2,172)</b>
<b>Add Other Comprehensive Income</b>					
Gain/(Losses) on revaluation of Assets	I	0	10,728	(7,111)	1,887
<b>Total Comprehensive Income</b>		<b>4,665</b>	<b>11,099</b>	<b>(9,568)</b>	<b>(285)</b>



# Prospective Statement Of Changes In Equity

FOR THE YEAR ENDED 30 JUNE 2014

		Long Term Plan 2012/13 \$000	Long Term Plan 2013/14 \$000	Annual Report 2011/12 \$000	Annual Plan 2013/14 \$000
	Note				
Equity at start of year	J	397,625	402,290	382,803	374,626
Add Total Comprehensive Income for Year		4,665	11,099	(9,568)	(285)
Equity at end of year		402,290	413,389	373,235	374,341



# Prospective Statement Of Financial Position

AS AT 30 JUNE 2014

		Long Term Plan 2012/13 \$000	Long Term Plan 2013/14 \$000	Annual Report 2011/12 \$000	Annual Plan 2013/14 \$000
Note					
<b>Assets</b>					
<b>Current assets</b>					
		622	1,391	1,812	1,703
	<b>K</b>	911	941	4,244	2,248
		0	0	19	30
	<b>3</b>	2,231	2,231	1,879	982
		<b>3,764</b>	<b>4,563</b>	<b>7,954</b>	<b>4,963</b>
<b>Non-current assets</b>					
		1,546	1,546	2,483	1,000
		0	0	64	65
		402,260	413,252	373,777	379,732
	<b>3 &amp; L</b>	8,929	8,929	8,886	8,697
		<b>412,735</b>	<b>423,727</b>	<b>385,210</b>	<b>389,494</b>
		<b>416,499</b>	<b>428,290</b>	<b>393,164</b>	<b>394,457</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
	<b>M</b>	942	984	2,624	2,463
	<b>N</b>	480	455	238	0
	<b>O</b>	235	241	396	210
		156	161	67	67
		134	134	177	175
		<b>1,947</b>	<b>1,975</b>	<b>3,502</b>	<b>2,915</b>
<b>Non-current liabilities</b>					
	<b>4</b>	11,667	12,313	15,241	16,125
		359	370	457	400
		236	243	113	60
	<b>P</b>	0	0	616	616
		<b>12,262</b>	<b>12,926</b>	<b>16,427</b>	<b>17,201</b>
		<b>14,209</b>	<b>14,901</b>	<b>19,929</b>	<b>20,116</b>
		<b>402,290</b>	<b>413,389</b>	<b>373,235</b>	<b>374,340</b>
<b>Equity</b>					
		162,196	162,354	153,225	153,107
		3,089	3,302	3,125	2,462
	<b>Q</b>	237,005	247,733	216,886	218,773
		<b>402,290</b>	<b>413,389</b>	<b>373,236</b>	<b>374,340</b>





## Statement of Reserve Funds

Council has two types of Reserve Funds which are available to fund Council activities:

**Restricted Reserves:** These are held on behalf of other parties or required by legislation and the funds can only be used for the purposes imposed by those parties or by the legislation.

**Council Created Reserves:** These are established and disestablished at Council's discretion. Council generally establishes reserves to allow for project funding, to spread costs over multiple years, to hold asset renewal funds, to manage self-funding activities and to hold rate reserves.

In early 2013 Council reviewed its cash reserves to ensure that the funds allocated are available should they be needed. Resulting from this Council created reserved were reduced to match the funding available. These balances vary from LTP balances, as LTP balances could not be funded.

These funds are available as cash or internal borrowing under Council Borrowing and Investment policies. These policies are being reviewed in 2013. Funds cannot be withdrawn from reserves without a Council resolution.

### Restricted Reserves

Name	Purpose / Activities	Notes	Balance 1-Jul-13 \$000	Deposits \$000	Withdrawals \$000	Balance 30-Jun-14 \$000
Offstreet Parking	Collected for off-street parking. Imposed by RMA/District Plan		28	1	-	29
Reserve Development	Monies collected from developments. Imposed by RMA/ District Plan.	1	546	7	(467)	86
Museum Assistance Fund	Originally the Museum Bequest Fund & Carnegie Furnishings.		18	0	-	18
Kumara Endowment Fund	Proceeds from sale of endowment land for the purpose of the Borough.		441	8	-	448
Euphemia Brown Bequest	From the estates of Euphemia & William E Brown. To provide Christmas cheer or comfort for orphan children, or aged or infirm persons residing in and around Hokitika.		23	1	-	24
Waiho River-Franz Josef	Money from the Crown to pay for relocation of properties south of the Waiho river.		332	9	-	341
Mayors Trust Funds	Contributions from James & Margaret Isdell Trust; Coulston Herbert Trust.		31	1	-	32
Ross Endowment Land	Proceeds from sale of endowment land for the purpose of the Borough.		237	6	(115)	128
Driveway deposits	Bond collected from developers and held until works complete		156	-	-	156
Big Brothers Big Sisters	Grant funding received		1	-	(1)	-
Community Patrol	Grant funding received		3	-	(3)	-
Graffiti	Grant funding received		1	-	(1)	-
Taxi Chits	Grant funding received		1	-	(1)	-
<b>Total Restricted Reserves</b>			<b>1,818</b>			<b>1,263</b>



# Statement of Reserve Funds continued

## Council Created Reserves

Name	Purpose / Activities	Notes	Balance 1-Jul-13 \$000	Deposits \$000	Withdrawals \$000	Balance 30-Jun-14 \$000
Kumara Township Fund	Township funding for the purpose of community related projects		-	14	(14)	-
Harihari Township Fund	Township funding for the purpose of community related projects		-	14	(14)	-
Whataroa Township fund	Township funding for the purpose of community related projects		35	14	(14)	35
Ross Township Fund	Township funding for the purpose of community related projects		27	14	(14)	27
Haast Township Fund	Township funding for the purpose of community related projects		3	14	(14)	3
Franz Township Fund	Township funding for the purpose of community related projects		-	35	(35)	-
Fox Township Fund	Township funding for the purpose of community related projects		16	35	(35)	16
Kokatahi/Kowhitirangi Community Rate	Allowing the community to have funds for various community related projects		-	8	(8)	-
Foreshore Protection Fund	Foreshore Protection for groin replacement on the foreshore.		24	-	(24)	-
Glacier Country Promotions	Targeted rates collected from Glacier Country to provide funding for marketing projects.		95	2	(17)	80
Three Mile Domain	To fund Three Mile Domain costs.		147	6	-	152
The Preston Bush Trust	This fund was for the community to beautify the bush with tracks and interpretation boards.		6	-	-	6
Harihari Community Complex	The Harihari Pony Club land was sold and the funding to go towards a new community complex. (Another \$100,000 is allocated from the Reserve Development Fund.)	2	189	1	(190)	-
Guy Menzies Day	Surplus from Guy Menzies Day Event.		5	-		5
Cycleway	Road Reserve sold to Westland Diaries allocated to fund towards construction of Wilderness Trail.		242	-	(242)	-
Emergency Contingency Fund	Rates collected to support Westland in a Civil Defence emergency.		45	1	-	46
Transportation Asset Renewal	For funding the renewal of roads and bridges.		-	806	(806)	-
Water Renewal	For funding the renewal of water supplies networks		-	461	(120)	341
Waste Water Renewal	For funding the renewal of sewerage and sewage networks		-	201	(50)	151
Stormwater Renewal	For funding the renewal of stormwater systems		-	188	-	188
Solid Waste Renewal	For funding the renewal of Refuse transfer Stations and landfills.		-	-	-	-
Landfill Post Closure Provision	For funding the aftercare costs for closed landfills.		-	33	-	33
Parks Renewal	For funding Parks, Reserves, Public Toilets, Ross Pool and Cemeteries Asset Renewal		-	18	-	18
Buildings Renewal	For renewal of all Council operational buildings.		-	76	(30)	46
Administration Renewal	For renewal of office equipment, furniture, technical equipment, vehicles and technology		-	52	-	52
Library Book Renewals	To replace library books		-	52	(52)	-
Total Council Created Reserves			832			1,199
<b>Total All Reserves</b>			<b>2,650</b>			<b>2,462</b>

### Notes to the Statement of Reserve Funds

- Council has not budgeted to receive any contributions as subdivision activity in 2013/14 is unpredictable. Any contributions received will be placed into the reserve. The withdrawals are to fund \$100,000 Harihari Community Facility and \$200,000 Fox Community Centre, \$100,000 Franz Josef Urban Revitalisation Plan, \$55,000 Franz Josef Cycle Trail and \$12,000 Whataroa Playground.
- It is assumed the Harihari Community Facility funding will be withdrawn part way through 2013/14.

FINANCIAL IMPACT STATEMENT  
WHOLE OF COUNCIL GROUP OF ACTIVITIES

Annual Plan 2013/2014	Leisure & Cultural Assets	Community Services	Planning & Regulatory	Transportation	Water Supply	Wastewater	Stormwater	Solid Waste Management	Other Infrastructural Assets and Services	Democracy Services
\$'000										
<b>SOURCES OF OPERATING FUNDING</b>										
General rates, uniform annual general charges, rates penalties	6,889	297,122	635,717	1,416,143	-	674,370	405,565	71,511	739,431	1,102,640
Targeted rates (other than a targeted rate for water supply)	1,258	-	-	-	-	-	-	1,239,605	-	-
Fees, Charges and targeted rates for water supply	1,979	-	-	-	1,978,681	-	-	-	-	-
Subsidies and grants for operating purposes	1,544	20,000	-	1,523,698	-	-	-	-	-	-
Interest & Dividends from Investments	547	-	-	-	-	-	-	-	-	547,000
Fees and charges	2,455	-	785,360	-	-	30,500	-	858,550	5,500	26,980
Local authorities fuel tax, fines, infringement fees, and other receipts	120	-	-	120,000	-	-	-	-	-	-
<b>Total operating funding [A]</b>	<b>14,792</b>	<b>317,122</b>	<b>1,421,077</b>	<b>3,059,841</b>	<b>1,978,681</b>	<b>704,870</b>	<b>405,565</b>	<b>2,169,666</b>	<b>744,931</b>	<b>1,676,620</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>										
Payments to staff and suppliers	12,250	329,122	1,421,077	2,253,878	1,280,782	478,308	217,172	1,938,937	1,034,007	1,069,620
Finance costs	1,034	-	-	-	236,525	25,383	-	230,729	-	541,472
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding [B]</b>	<b>13,284</b>	<b>329,122</b>	<b>1,421,077</b>	<b>2,253,878</b>	<b>1,517,307</b>	<b>503,691</b>				
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>1,508</b>	<b>(12,000)</b>	<b>-</b>	<b>805,963</b>	<b>461,374</b>	<b>201,179</b>	<b>188,392</b>	<b>-</b>	<b>(289,075)</b>	<b>65,529</b>
<b>SOURCES OF CAPITAL FUNDING</b>										
Subsidies and grants for capital expenditure	1,066	-	-	1,065,652	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,094	-	-	-	75,000	935,000	-	130,000	20,000	(65,529)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding [C]</b>	<b>2,160</b>	<b>-</b>	<b>-</b>	<b>1,065,652</b>	<b>75,000</b>	<b>935,000</b>	<b>-</b>	<b>130,000</b>	<b>20,000</b>	<b>(65,529)</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>										
Capital expenditure										
—to meet additional demand	200	-	-	-	-	110,000	-	80,000	-	-
—to improve the level of service	290	-	-	-	-	-	-	-	290,000	-
—to replace existing assets	3,397	-	-	1,871,615	195,000	875,000	188,392	50,000	20,000	-
Increase (decrease) in reserves	(219)	(12,000)	-	-	341,374	151,179	-	-	(579,075)	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding [D]</b>	<b>3,668</b>	<b>(12,000)</b>	<b>-</b>	<b>1,871,615</b>	<b>536,374</b>	<b>1,136,179</b>	<b>188,392</b>	<b>130,000</b>	<b>(269,075)</b>	<b>0</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(1,508)</b>	<b>12,000</b>	<b>-</b>	<b>(805,963)</b>	<b>(461,374)</b>	<b>(201,179)</b>	<b>(188,392)</b>	<b>-</b>	<b>289,075</b>	<b>(65,529)</b>
<b>Funding balance: [A - B] + [C - D]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





# Projects

## PROJECTS FOR YEAR ENDED 30 JUNE 2014

This list represents the projects included in the 2013/14 financial year and the sources of funding for those projects. It is based on the Long Term Plan 2012/22. Some new projects have been added and some previously budgeted projects have been withdrawn or delayed. The rates impact on these projects is already included in the budgets. The impact of loan funded projects however will not affect rates until 2014/15.

Activity	Brief Description of Project (Comments on 2013-14 - Yr 1 projects only)	Long Term Plan \$000	2013-14 \$000	Depr.	Rates	Subsidy	Loan	Reserves
<b>Library</b>								
E-content for overdrive; Audio/Visual resources	E-Books/Audiobooks/ DVDs	4	3		100%			
Adult - Fiction	Maintain quality and choice of fiction books	12	13	100%				
Adult - Non Fiction	Core collection - need to improve average	21	18	100%				
Children and Young Adult resources / Junior Publications	Today's readers, tomorrow's leaders	10	12	100%				
Large print books	Inc number of older readers needing LP	4	6	100%				
		<b>51</b>	<b>52</b>	<b>49</b>	<b>3</b>	-	-	-
<b>CEMETERIES</b>								
Hokitika Cemetery - Expansion / Improvements	10k is required for new sites. On av 20-30 are buried per year max to 40 in a year.Pre-sales are putting pressure on available plots.	15	10		100%			
		<b>15</b>	<b>10</b>	-	<b>10</b>	-	-	-
<b>PARKS AND RESERVES</b>								
Cass Square - Replacement of top playing surface	Deferred to 14-15 and 15-16	26						
Cass Square - Repairs to Statues	Statues are in need of repairs.	5	10		100%			
		<b>31</b>	<b>10</b>	-	<b>10</b>	-	-	-



# Projects continued

Activity	Brief Description of Project (Comments on 2013-14 - Yr 1 projects only)	Long Term Plan \$000	2013-14 \$000	Depr.	Rates	Subsidy	Loan	Reserves
<b>PLANNING &amp; REGULATORY</b>								
Cost of Reviewing District Plan	Budgeted in Operational budgets	103						
Other Renewals	Taken out	5						
		<b>108</b>	-	-	-	-	-	-
<b>TRANSPORTATION</b>								
Franz Josef Cycle Trail	Contribution to the development of cycle trail.	55	55					100%
West Coast Wilderness Cycle Trail (Marketing)			86		35%	65%		
Renewals - District	Works committed - NZTA program.	2,112	1,872	42%		58%		
		<b>2,112</b>	<b>2,012</b>	<b>805</b>	<b>30</b>	<b>1,122</b>	-	<b>55</b>
<b>WATER SUPPLY</b>								
Install Water Meters at Treatment Plants( Harihari , Whataroa and Fox)	Data Management. Meters are required to monitor consumption and assess the future demand.	51	25				100%	
Telemetry SCADA improvements	Remote location plants and connection to above meters. Year 2 project	51						
Hokitika Renewals - Reticulation upgrades	As per 3 water AMP programs.	124	120	100%				
Haast upgrade - Intakes & Treatment - deferred to 2014/15		670						
Fox Treatment plant deferred to 2015/16		361						
Kumara Reticulation upgrades - Fourth Street	Council decision to form Fourth street. Urban area. Now needs services and a proper ring main.	-	50				100%	





## Projects continued

Activity	Brief Description of Project (Comments on 2013-14 - Yr 1 projects only)	Long Term Plan \$'000	2013-14 \$'000	Depr.	Rates	Subsidy	Loan	Reserves
Mint Creek - Whataroa Rural Supply - Divestment / Closure Costs	Funds to close/transfer the supply.		5		100%			
<b>WASTEWATER</b>		<b>1,256</b>	<b>200</b>	<b>120</b>	<b>5</b>	<b>-</b>	<b>75</b>	<b>-</b>
Franz Josef Compliance issues (Infiltration Galleries)	On going problems which will require a budget for future proofing	21	20		100%			
Franz Josef Compliance issues - Stage 2 Plant Improvement (In progress)	Essential for resource consent compliance.	175	175				100%	
WWTP - Improvements at Hokitika	Includes investigation of renewal Resource Consent application		50	100%				
Hokitika WWTP - Trade waste agreements	Need to review TWA to improve discharge		20	100%				
Haast Treatment improvements	Resource Consent compliance	350	375				100%	
Flow Meters - Hokitika & Franz, Then Fox and Haast	Provide data to ensure resource consent compliance		60				100%	
Fitzherbert Street Pumping Main	Two recent breaks on main.	335	325				100%	
<b>STORMWATER</b>		<b>880</b>	<b>1,025</b>	<b>50</b>	<b>40</b>	<b>-</b>	<b>935</b>	<b>-</b>
Mains Upgrade - Gibson Quay / Sewell St Pumps deferred to 2014/15	Yr 2 Project - 40 yr old Pump.	225						
Weld Street - New Mains - deferred to 2015/16		33						
Franz Josef - Investigations	Operational Problems - Infrastructure failing, CCTV works, AMP program. Condition ratings and data management	21	25		100%			

# Projects continued

Activity	Brief Description of Project (Comments on 2013-14 - Yr 1 projects only)	Long Term Plan \$000	2013-14 \$000	Depr.	Rates	Subsidy	Loan	Reserves
Fox Glacier - Investigations	Operational Problems - Infrastructure failing, CCTV works, AMP program. Condition ratings and data management	21	25		100%			
<b>SOLID WASTE</b>		299	50	-	50	-	-	-
Butlers Extension/Additional Leachate treatment fields - deferred to 2014/15		51						
Capping of Franz Josef Landfill (With Resource consent Obligations)	Re-profiling and preparing for final capping in 2014-15.	309	25				100%	
Hokitika Capping - Landscaping	Work in progress from 2012-13. Landscaping continues as per capping plan		30				100%	
Hokitika - Leachate Management system	Feasibility studies if we need to address any leachate issues and if yes what needs to be done.		25				100%	
Other bin stations and satellite transfer stations	Estimated costs for provision of bin trailers for glass sorting at transfer station. Detailed cost-benefit analysis are included in a separate report.		80				100%	
Kumara Landfill (Ops Project)			25				100%	
<b>BUILDINGS</b>		360	185	-	-	-	185	
Pensioner Housing	Upgrade roofs at Pensioner Housing.		20				100%	
Carnegie Building -Fire alarm system upgrade	Upgrade fire-alarm system.		30	100%				
Harihari Community Centre	To build a community centre in Harihari		290					100%





# Projects continued

Activity	Brief Description of Project (Comments on 2013-14 - Yr 1 projects only)	Long Term Plan \$000	2013-14 \$000	Depr.	Rates	Subsidy	Loan	Reserves
<b>BUILDINGS Continued</b>								
Refurbishing Council Front Office	Council office layout improvements		150				100%	
Ross Swimming Pool - Solar installation and plumbing fixes	On-going issue with Solar Panels at Ross Pool		10		100%			
Ross Swimming Pool - Pool liner	New pool liner for leaking pool		115					100%
			<b>805</b>	<b>30</b>	<b>30</b>	<b>-</b>	<b>285</b>	<b>490</b>
<b>CONVENIENCES</b>								
Beach front Toilets	Repainting works and minor repairs.		4		100%			
			<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMMUNITY TOWNSHIP DEVELOPMENT</b>								
Franz / Fox Township Development	To implement township development projects.	72	70					
Township Development	To implement township development projects.	72	70					
Franz Josef Urban Revitalisation Plan	Funding to Franz Inc. to implement the Plan.	100	100					100%
		<b>244</b>	<b>244</b>					
<b>CORPORATE SERVICES</b>								
IT SERVICES / GIS improvements	IT hardware improvements		30		100%			
CCO Review	To review CCO Structure.		40		100%			
Rates Review	To undertake a review of the rating system.		50	-	100%	-	-	-
			<b>120</b>		<b>120</b>			
<b>COMMUNITY SERVICES</b>								
150th Celebrations	Fund towards Westland's 150th Celebrations		5		100%			
			<b>5</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL PLANNED WORKS PROGRAMME</b>		<b>5,313</b>	<b>4,618</b>	<b>1,053</b>	<b>417</b>	<b>1,122</b>	<b>1,480</b>	<b>545</b>





# Notes To The Financial Statements

## NOTE 1

### INCOME FROM ACTIVITIES

#### FOR THE YEAR ENDED 30 JUNE 2014

		Long Term Plan 2012/13 \$000	Annual Plan 2013/2014 \$000
Library		24	29
Museum		47	41
I-Site	*	372	171
Events	**	597	452
Swimming Pool Hokitika		-	-
Ross Swimming Pool		-	-
Community Halls & Buildings		12	13
Parks & Reserves		7	7
Cemeteries		37	36
Safer Community Council		17	20
Community Assistance		25	20
Community Development		-	-
Inspections & Compliance		554	542
Resource Management		129	156
Animal Control		87	87
Emergency Management		10	-
Cycletrail		56	-
Transportation	^	2,838	2,709
Water Supply		14	-
Wastewater		43	31
Stormwater		20	-
Solid Waste Management	***	1,236	859
Community Township Development		-	-
Land & Buildings		-	6
Public Toilets		-	-
Democracy		2	27
Interest & Dividends	****	687	687
Total Income per Activity		6,071	5,947

#### EXPLANATIONS FOR NOTE 1 REVENUE BY ACTIVITY

##### \* I-site

The revenue for the I-site in the LTP was an unrealistic figure and would be extremely difficult if not impossible to achieve.

##### \*\* Events

The revenue for Events in the LTP was an unrealistic figure and would be extremely difficult if not impossible to achieve.

##### \*\*\* Solid Waste

The LTP figures included Income in Solid Waste twice. This error was recognised after the LTP was adopted and has been corrected in the Annual Plan figures.

##### \*\*\*\* Interest and Dividends

Interest and Dividends were included in overheads and not separately disclosed in the LTP.

##### ^ Transportation

After revising the transportation budget the subsidy income was reduced to reflect the reduced expenditure. The LTP shows a higher level of income.



# Notes To The Financial Statements continued

## NOTE 2

### EXPENDITURE BY ACTIVITY

#### FOR THE YEAR ENDED 30 JUNE 2014

		Long Term Plan 2012/13 \$000	Annual Plan 2013/2014 \$000
Library		448	458
Museum		264	290
I-Site	*	466	317
Events	**	495	452
Swimming Pool Hokitika		229	249
Ross Swimming Pool		-	25
Community Halls & Buildings		105	112
Parks & Reserves	***	351	397
Cemeteries		105	123
Safer Community Council		50	34
Community Assistance		228	252
Community Development	^	235	69
Inspections & Compliance		775	782
Resource Management	^^	373	431
Animal Control		92	109
Emergency Management		120	110
Cycletrail	****	-	141
Transportation	^^^	4,844	4,896
Water Supply	#	2,022	2,580
Wastewater	##	782	906
Stormwater	###	487	594
Solid Waste Management	x	2,130	2,265
Community Township Development	xx	399	543
Land & Buildings	xxx	227	319
Public Toilets		174	217
Democracy	*^	697	995
Interest & Dividends	*^*	-	621
<b>Total Expenditure per Activity</b>		<b>16,098</b>	<b>18,288</b>

### EXPLANATIONS FOR NOTE 2 EXPENDITURE BY ACTIVITY

#### \* I-site

\$149,000 decrease in Annual Plan to LTP. This is due to the incorrect figures in the LTP

#### \*\* Events

\$43,000 decrease in Annual Plan to LTP. This is due to the incorrect figures in the LTP

#### \*\*\* Parks & Reserves

\$46,000 increase in Annual Plan to LTP. This is the result of a review of this budget during the Annual Plan process and showed contract costs were not being adequately budgeted for.



## Notes To The Financial Statements continued

### \*\*\*\*Cycletrail

\$141,000 increase in Annual Plan compared to the LTP. This was due to a \$55,000 grant to the Franz Josef cycletrail and \$85,715 costs for marketing the Westland Cycletrail. The \$85,715 is funded from \$30,000 targeted rates and \$55,715 grant.

### ^ Community Development

\$166,000 decrease in Annual Plan to LTP. The majority of this decrease is the result of restructure with this cost centre. Previously there was a Community Services Team Leader and the cost centre was treated as an overhead. This position was dissolved at the end of 2012 and means overhead no longer exist.

### ^^ Resource Management

\$58,000 increase in the Annual Plan to the LTP. This reflects the District Plan being correctly accounted for in this cost centres expenditure. It was previously included as a capital expense which is incorrect.

### ^^^ Transportation

\$50,000 increase in the Annual Plan to the LTP represents the inflationary cost of works.

### # Water Supply

\$558,000 increase in Annual Plan to the LTP. This is due mainly to finance costs associated with water being included at \$235,525 and depreciation costs increasing by \$222,658. Note that 50% of depreciation costs have been unfunded in the net rates calculation of this activity

### ## Waste Water

\$124,000 increase in Annual Plan to the LTP. This is due to a revision of contractor costs and the need to increase repairs & maintenance budgets in this activity totalling \$69,238 increase. An increase in depreciation (of which 50% is unfunded) at \$69,238. A review of Council's overhead restructure also resulted in a \$35,000 increase in this activity.

### ### Stormwater

\$107,000 increase in Annual Plan to the LTP. An increase in depreciation (of which 50% is unfunded) of \$69,000. A review of Councils overhead restructure also resulted in a \$13,000 increase in this activity. An investigation of infrastructure failures at \$25,000

### x Solid Waste

\$135,000 increase in Annual Plan to the LTP. The majority of this relates to financing costs.

### xx Community Township Development

\$144,000 increase in the Annual Plan to the LTP reflects the allocation of township litter bins to Community Township Development.

### xxx Land & Buildings

\$92,000 increase in Annual Plan to the LTP. This is due a grant to Fox Community Hall of \$200,000 and the removal of council headquarters from this cost centre offsets the total grant.

### \*^ Democracy

\$298,000 increase in Annual Plan to the LTP. This is due to elections not be adequately budgeted for in the LTP at \$42,505. A review Council's overhead restructure also resulted in a \$175,000 increase in this activity.

### \*\* Interest and Dividends

Interest and Dividends were included in overheads and not separately disclosed in the LTP.



## Notes To The Financial Statements continued

<b>NOTE 3</b>	<b>Annual Report 2011/12 \$000</b>	<b>Annual Plan 2013/14 \$000</b>
<b>OTHER FINANCIAL ASSETS</b>		
<b>Current portion</b>		
<i><b>Assets available for sale</b></i>		
Civic Assurance	26	26
Bonds	1,853	956
Loans and receivables	0	0
<b>Total current portion</b>	<b>1,879</b>	<b>982</b>
<b>Non-current portion</b>		
Loans and receivables		
Loan to Hokitika Airport Ltd	189	0
<i><b>Assets available for sale</b></i>		
Forestry	2	2
<b>Cost</b>		
Westland Holdings Ltd - Westland District Property Ltd.	2,627	2,627
Westland Holdings Ltd - Hokitika Airport Ltd	2,718	2,718
Westland Holdings Ltd - Westroads Ltd	3,350	3,350
<b>Total non-current portion</b>	<b>8,886</b>	<b>8,697</b>



# Notes To The Financial Statements continued

## NOTE 4

### Debt

Description	Start Date	Investment Debt	Asset Debt	Total Debt	Amount	Type	Rate	Interest 2014	Principal Repayments	Year End Loans
Westland Holdings		8,695,000	-	8,695,000	5,000,000	Swap	5.99%	299,500	-	5,000,000
		-	-	-	3,000,000	Swap	5.35%	160,500	-	3,000,000
		-	-	-	695,000	Swap	4.55%	31,623	-	695,000
Waste Management	1/07/13	-	3,069,700	3,069,700	1,805,000	Swap	4.55%	82,128	55,809	1,749,192
	1/07/13	-	-	-	1,264,700	Floating	4.00%	50,588	42,205	1,222,495
Water Supply	1/07/13	-	3,223,653	3,223,653	3,223,653	Floating	4.00%	128,946	107,579	3,116,074
Hokitika Airport	16/11/11	250,000	-	250,000	250,000	Floating	4.00%	-	250,000	-
WDPL	9/07/12	100,000	-	100,000	100,000	Floating	4.00%	-	100,000	-
WBU Losses	30/06/13	-	159,999	159,999	159,999	Floating	4.00%	-	159,999	-
Projected Debt 30 June 2013		9,045,000	6,453,352	15,498,352	15,498,352			753,284	715,592	14,782,760
Forecast Debt 2013										
Asset Debt (project worksheet)	1/01/14	-	1,365,000	1,365,000	1,365,000	Floating	4.00%	27,300	22,549	1,342,451
<b>Forecast Debt 30 June 2014</b>					<b>16,863,352</b>			<b>780,584</b>	<b>738,141</b>	<b>16,125,211</b>





# Notes To The Financial Statements continued

## NOTES

### A General Rates

General Rates are higher than the LTP due to recognising the true cost of providing the services provided by Council. LTP budgets are unsustainable

### B Targeted Rates

Targeted rates have reduced from the LTP figures and the Annual Report figure as depreciation has been unfunded in water, wastewater and solid waste. The reason for unfunding the depreciation is due to Council adopting the Austerity Depreciation Policy. Funding depreciation is essential to the long term provision of this core infrastructure. In the long term, unfunding depreciation is unsustainable and is deferring a liability to future ratepayers.

### C Vested Assets

The LTP for 2013/14 shows income from vested assets, however during the Annual Plan review it was concluded that it is unlikely that this income will be received. Budgeting for vested asset income has no impact on rates

### D Income From Activities

Income from Activities is less than LTP figures and the Annual Report figure because the one off cycle trail grant funding is no longer included

### E Employee Benefit Expenses

The employee benefit expenses in the LTP are incorrect. The Annual Report figure is higher than 2012/13 as it includes the former CEO's retirement gratuity

### F Depreciaton

The LTP figures for depreciation was underestimated due to unexpected revaluation outcomes. The majority of the assets that were revalued downwards (shown in the Annual Report) were long life assets and only minimally reduced the cost of depreciation. There is a slight increase in the Annual Plan which is due to capital projects being completed and recognised as an asset to Council.

### G Interest and Finance Costs

Interest and finance costs in the LTP do not accurately reflect Council's borrowings. The Annual Plan figure shows a more accurate figure and is in line with the 2011/12 Annual Report. (The Annual Report figure also includes some 'non cash' figures such as movements in derivatives).

### H Surplus/Deficit

The deficit in the Annual Plan is due to unfunding of depreciation. Council is unfunding the depreciation to reduce the rates. This means our income is insufficient to cover these expenses, resulting in a deficit. Council has given a lot of consideration to this and believes it is prudent to do this for a few years due to the impact of large rates increases.

### I Gains/(Losses) on Revaluation of Assets

The LTP figure for gains/losses showed a increase of \$10 million in the value in assets, however when the Annual Report was completed later in the year the valuation was actually a \$7 million decrease. For the purposes of the Annual Plan Council has been advised by values the estimate is 1% increase in the value of roading assets



# Notes To The Financial Statements continued

## **J Opening Equity**

The opening equity figure in the Annual Plan is based on the closing equity figure for 2011/12 Annual Report plus estimated capital works completed by 30 June 2013.

## **K Trade and Other Receivables**

The LTP figures assume outstanding claims from New Zealand Transport Agency, which is also reflected on the other side of the balance sheet in trade and other payables. 2011/12 Annual Reports included the outstanding cycle trail grants. The Annual Plan figures more accurately represent the 30 June 2013 outstanding receivables.

## **L Other Financial Assets**

The LTP figures and the Annual Report include the Loan to Hokitika Airport. This loan was repaid at the beginning of 2013.

## **M Trade and other Payables**

The LTP figures did not take into account outstanding payables relating to roading (which is offset by trade receivables). The Annual Report figure also includes expenses associated with the cycle trail.

## **N Borrowings**

Council expects it will be borrowing for longer terms to better manage refinancing risks. This is to come more inline with Council's treasury policy. The Annual Plan reflects this process by showing no current debt. Council does not have an overdraft.

## **O Employee Benefit Liability**

The Annual Report includes the former CEO's retirement gratuity which has since been paid and the Annual Plan reduced employee benefit liability figure reflects this change.

## **P Other Non Current Liabilities**

Other Non Current Liabilities in 2011/12 is Deferred Tax liability \$108,000 and Derivative Financial Instruments \$507,000. Council is forecasting little movement in interest rates and is not expecting a significant change in the Derivatives.

## **Q Reserves**

Council has revalued its reserves balances to ensure they can be funded should they be called upon for the purpose that they are held. The reserves in equity have been adjusted to reconcile to this new position

## **R Interest Paid / Received**

The Interest (paid) / Received figure in the Annual Report column is the net figure of \$50,000 interest received and \$781,000 interest paid.

## **S Purchase Property Plant & Equipment**

The breakdown of the purchase of Property, Plant and Equipment figure shown in the Annual Plan figure can be located one the Planned Capital Programme page

## **T Cash and Cash Equivalents**

The Council's investment in bonds has not been included in these figures as they are a long term investment



# Statement Of Accounting Policies

## REPORTING ENTITY

Westland District Council (Council) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of Council is to contribute to the purpose of local government in the Westland District by:

- enabling democratic local decision-making and action by, and on behalf of, communities; and
- meeting 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.

By providing goods or services for the community rather than making a financial return, Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The prospective financial statements are for Westland District Council only and do not include transactions related to the group.

## BASIS OF PREPARATION

The financial statements are prospective information in terms of FRS42: Prospective Financial Information. The purpose for which the information is prepared is to enable the public to participate in decision making processes as to the services to be provided by Council to the community. The prospective information may not be appropriate for purposes other than those described.

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

The information in the prospective financial statements is uncertain and its preparation requires the exercise of judgement. Actual financial results achieved are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

The Council authorised the prospective financial statements on 23 May 2013. The Council, which is authorised to do so and believes that the assumptions underlying these prospective financial statements are appropriate, approved the draft annual plan for consultation. Council and management of Westland District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual results have been incorporated within the prospective financial statements.

In September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities (PBEs). The papers proposed that accounting standards for PBEs would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2013-14 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards.

## Statement of Compliance

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

## Functional and Presentation Currency

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

## Accounting Policies

The accounting policies have been applied consistently to all periods presented.





# Statement Of Accounting Policies continued

## SIGNIFICANT ACCOUNTING POLICIES

### COST ALLOCATION POLICY

- Direct costs are charged directly to significant activities.
- Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as staff numbers, items processed, and/or based on level of support provided to each activity.

### SUBSIDIARIES

Subsidiaries are those entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power of the governing body or where such policies have been irreversibly predetermined by Council. The subsidiary of Council is Westland Holdings Limited.

The prospective financial statements show the investment in this subsidiary at cost.

### REVENUE

Revenue is measured at the fair value of consideration received.

#### Rates revenue

Rates are set annually by a resolution of Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

#### Other revenue

Council receives government grants from New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Council also from time to time receives grants from other parties that are recognised on the same basis.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The stage of completion is assessed by reference to surveys of work performed.

Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns or allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Council are valued, by external valuers, at fair value and recognised as revenue when control over the asset is obtained.

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

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.



# Statement Of Accounting Policies continued

## CONSTRUCTION CONTRACTS

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the surplus or deficit in proportion to the stage of completion of the contract. Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the surplus or deficit.

## BORROWING COSTS

The Council has elected to defer the adoption of NZ IAS 23 *Borrowing Costs (Revised 2007)* in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

## INCOME TAX

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

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

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilized.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

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

## LEASES

### Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council and Group recognises finance leases as assets and liabilities in the Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.



# Statement Of Accounting Policies continued

## FINANCIAL ASSETS

### Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

### Trade and other receivables

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

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

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

### Other Financial assets

The Council classify its financial assets into the following four categories: financial assets at fair value through the surplus or deficit, held-to-maturity investments, loans and receivables, and financial assets available for sale. The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the surplus or deficit in which case the transaction costs are recognised therein.

Purchases or sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council use a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

#### Financial assets at fair value through surplus or deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit where hedge accounting is not applied.

Financial assets in this category include derivative financial instruments.



## Statement Of Accounting Policies continued

### **Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

### **Held to maturity investments**

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

The Council currently does not have any investments that have been classified as held to maturity investments.

### **Financial assets available for sale**

Financial assets available for sale are those that are designated as available for sale or are not classified in any of the other categories above.

- Investments held for the long-term but which may be realised before maturity;
- Share holdings held for strategic purposes.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be removed from equity and recognised in surplus or deficit even though the asset has not been de-recognised. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is recognised in the surplus or deficit.

Council's investments in its subsidiaries are not included in this category as they are held at cost as allowed by NZ IAS 27 *Consolidated and Separate Financial Statements*.

### **Impairment of financial assets**

At each balance sheet date, the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

## **INVENTORIES**

Inventories are measured at the lower of cost or net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of metal inventories and work in progress, cost includes an appropriate share of productions overheads based on normal operating capacity. Metal inventory cost is calculated on a discounted sale value basis, as an approximation of weighted average cost.

Inventories include development properties that are being developed for sale. These properties are measured at the lower of cost and net realisable value and the cost include development costs to date.

Net realisable value is the estimated selling prices in the ordinary course of business, less the estimated costs of completion and selling expenses.





# Statement Of Accounting Policies continued

## **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consist of:

### **Operational assets**

These include land, buildings, improvements, museum artefacts, Jackson Bay Wharf, library books, plant and equipment, and motor vehicles.

### **Restricted assets**

Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions. These include land vested under the Reserves Act 1977 and endowments or other property held in trust for specific purposes.

### **Infrastructure assets**

Infrastructural assets are the fixed utility systems owned by the Council. Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. Assets carried at a valuation are detailed below.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and Group and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### **Subsequent costs**

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and museum artefacts, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:



# Statement Of Accounting Policies continued

Asset Class	Depreciable life (years)
<b>Operational</b>	
Buildings	50
Furniture and Fittings	10
Plant & Equipment (including computers)	3 to 10
Library Collection	8
Jackson Bay Wharf	30
<b>Restricted</b>	
Buildings	50
<b>Infrastructure</b>	
Roads	
Formation	N/A
Sub base	N/A
Base Course	20 to 75
Surfacing (sealed)	1 to 16
Surfacing (unsealed)	5
Bridges	60 to 150
Box Culverts / channels	60 to 150
Footpaths	5 to 50
Streetlights	20 to 40
Signs	10
Water	
Pipeline	60 to 80
Connections	60
Reservoirs and Tanks	20 to 50
Pump Stations	15 to 20
Sewer	
Pipeline	60 to 80
Manholes	50 to 60
Pump Stations	15 to 20
Oxidation Ponds	60 to 100
Stormwater	
Open Drains	N/A
Pipeline	60 to 80
Bank Protection	50 to 100
Manholes	50 to 60
Pump Stations	15 to 20
Runway	0 to 67

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

## Revaluation

All valuations are carried out on a five-yearly cycle by independent qualified valuers, unless there is a significant change in carrying value, in which case they will be revalued as required. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

### Land and buildings

Council's operational, restricted and infrastructural land has been valued at fair value by Quotable Value NZ as at 30 June 2011.

Council buildings, excluding pump stations, Treatment Plant buildings and other infrastructure assets, have been valued at net current value as at 30 June 2011 by Quotable NZ.

### Infrastructural asset classes

Roading infrastructural assets (including bridges) have been valued by MWH Limited registered valuer at depreciated replacement cost as at 30 June 2012.

Sewerage, Water Supply and Stormwater infrastructural assets have been valued by Westland District Council and at depreciated replacement cost peer reviewed by Buller District Council as at 30 June 2012.



# Statement Of Accounting Policies continued

## **Land under roads**

Land under roads was valued based on fair value determined by MWH Limited effective 30 June 2003.

Under NZ IFRS Council has elected to use the fair value of land under roads as at 30 June 2003 as deemed cost. Land under roads is no longer revalued.

## **Accounting for revaluations:**

The Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluating are credited or debited to other comprehensive income and an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to other comprehensive income and the revaluation reserve for that class of asset.

## **INTANGIBLE ASSETS**

### *Mining licences*

Mining licences that are acquired by the Council, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated remaining useful lives for the mining licences is 2 years.

## **IMPAIRMENT OF NON-FINANCIAL ASSETS**

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against other comprehensive income and the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus or deficit.

## **INVESTMENT PROPERTY**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

## **EMPLOYEE BENEFITS**

### **Short-term benefits**

Employee benefits that the Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date and retiring and long service leave entitlements expected to be settled within 12 months.

The Council recognise a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### **Long-term benefits**

#### *Long service leave and retirement leave*

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of between 6.13 and 7.0%, and an inflation factor of 2.1 to 3.0% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.



# Statement Of Accounting Policies continued

## **Superannuation schemes**

### *Defined contribution schemes*

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the board of trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme. Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/ deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

## **PROVISIONS**

The Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

## **TRADE AND OTHER PAYABLES**

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

## **BORROWINGS**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

### **Accounting for derivative financial instruments and hedging activities**

The Council use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. The Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The movement in the fair value of the derivative contracts is recognised in the surplus or deficit.

## **EQUITY**

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into a number of reserves. The components of equity are:

- Retained earnings
- Restricted Reserves\*
- Council Created Reserves\*
- Asset revaluation reserves

\*Following a shortfall in cash available to fund reserves the Council has reorganised reserves into two categories in 2013. Reserves may be legally restricted or created by Council.

### **Council created reserves**

Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned.

### **Restricted Reserves**

Funds are provided to the Council by various people and organisations for specific projects. Each account is separately accounted for to maintain a degree of independence from general council funds. Payments made from these funds during the year are in accordance with the conditions of the trust or bequest.



# Statement Of Accounting Policies continued

## **GOODS AND SERVICES TAX (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

## **BUDGET FIGURES**

The budget figures are those approved by the Council in the Long Term Plan 2012-22. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

## **ASSUMPTIONS**

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### **Landfill aftercare provision**

The estimate of the provision for landfill post-closures is based on assumptions, which may be influenced by changes in technology and society's expectations and could affect future results.

### **Infrastructural assets**

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be affected by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit.

To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

## **Critical judgements in applying Council's accounting policies**

Management does not consider that there are any material critical judgements in applying Council's accounting policies for the period ended 30 June 2014.

## **CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies during the financial year.





# Funding Impact Statement Rates

Pursuant of section 23 of the Local Government (Rating) Act 2002, Council adopt the rates for the financial year commencing on 1 July 2013 and ending on 30 June 2014 as follows:

## General Rate

A rate per dollar on the land value of each rateable property. This will be a differential rate dependant on the underlying zoning of each property as denoted in the District Plan or the location of the property.

1. Rural General – Properties 10 Hectares or larger zoned Rural.
2. Small Holdings – Properties less than 10 Hectares zoned Rural, except those in Hokitika Zone 1 or Glacier Towns Small Holdings.
3. Hokitika Zone 1 – Properties less than 10 hectares, within 5 kilometres of the boundary of Hokitika township, zoned Rural.
4. Hokitika Zone 2 – Properties in Kaniere which are within the Small Settlement zone
5. Rural Townships – Properties in Kumara, Arahura, Ross, Harihari, Whataroa, and Haast which are within a Tourist, Small Settlement or Coastal Settlement zone.
6. Small Settlements - Properties at Lake Kaniere, Kokatahi, Okarito, Okuru, Neils Beach, Hannah's Clearing and Jackson Bay which are within a Tourist, Small Settlement or Coastal Settlement zone.
7. Glacier Towns - Properties in Franz Josef/Waiau, Franz Alpine Resort and Fox Glacier which are within a Tourist or Residential zone.
8. Rural Commercial – Commercial Properties in a Rural zone except those in Glacier Towns Small Holdings Commercial.
9. Commercial in Rural Residential – Commercial Properties in a Tourist, Small settlement or Coastal Settlement zone except those in Glacier Towns Commercial.
10. Glacier Towns Commercial – Commercial Properties in Franz Josef/Waiau, Franz Alpine Resort and Fox Glacier which are within a Tourist or Residential zone.
11. Glacier Towns Small Holdings – Properties between the southern boundary of Lake Mapourika and the Fox River which are less than 10 hectares in size, except for those properties within the Glacier Towns.
12. Glacier Towns Small Holdings Commercial - Commercial properties between the southern boundary of Lake Mapourika and the Fox River, except for those properties within the Glacier Towns.
13. Hokitika 1-6 units – Residential properties in Hokitika except those in Hokitika Beachfront.
14. Hokitika Beachfront – Residential properties that bound the sea on Revell Street and Beach Street in Hokitika.
15. Hokitika Commercial – Commercial Properties in Hokitika.

The appropriate rate will be charged on the rateable land value as assessed by our valuation provider, Quotable Value, each year.

## Uniform Annual General Charge

A uniform annual general charge to be charged as a fixed amount on each separately occupied portion of a rateable property.

Where more than one property is owned by the same Ratepayer, the properties are contiguous, and are utilised as a single property, then only one UAGC in total will be assessed. Similarly, where an adjoining leased area is utilised as part of the parent property, then only one UAGC in total will be assessed. This reassessment is reliant on property owners satisfying Council that they meet the relevant criteria.



# Funding Impact Statement Rates continued

## Tourism Promotions

A general rate to fund Tourism Promotions made up of:

1. Four differential Commercial Uniform Charges based on the capital value of the property.
2. A Uniform General Charge for all other ratepayers.

The uniform charge will be charged on all commercial properties based on capital value. The fees are charged according to 4 tiers. All other ratepayers will be charged a uniform general charge.

## Waste Management

1. A Waste Management Uniform Charge on each property which has a Uniform Annual General Charge.
2. A differential rate per dollar on the capital value of each rateable property as follows:
  - (a) Waste Management (Commercial). Properties whose General Rate is either Commercial, Commercial in Rural Residential, Hokitika Commercial, Glacier Town Commercial, or Glacier town Small Holding commercial
  - (b) Waste Management (Rural). Properties whose General Rate is Rural General.
  - (c) Waste Management (Small Holdings). Properties whose General Rate is Small Holdings, Hokitika Zone (1), or Glacier Towns Small Holdings.
  - (d) Waste Management (Urban). Properties whose General Rate is Rural Towns, Small Settlements, Residential within the previous Hokitika Borough or Hokitika Zone (2).

The appropriate rate will be charged on the rateable capital value as assessed by our valuation provider each year. A waste management rate will not be charged on utilities where a differential general is not charged.

## Targeted Rates

### Refuse Collection

A targeted uniform charge to fund refuse collection.

1. Hokitika Refuse Collection - A uniform charge per property in Hokitika.
2. Rural Refuse Collection - A uniform charge per property.

The rate will be charged on each separately occupied portion of a property where rubbish collection is available, in Hokitika, and in the area from Kumara township in the north to Ross township in the south, including Kaniere township.

### Water Charges

Targeted uniform charges and commercial metered water to fund the cost of water supplies.

1. Treated Water in Rural Townships – Ross, Harihari, Whataroa, Franz Josef/Waiau & Fox Glacier. A uniform charge or metered charge per cubic metre.
2. Untreated Water in Rural Townships – Kumara, Arahura, Harihari untreated, Whataroa Rural, Haast. A uniform charge.
3. Treated Water in Hokitika and Kaniere. A uniform charge or metered charge per cubic metre. The uniform charge will be charged for each separately occupied portion of a property supplied with water, unless separately metered.



## Funding Impact Statement Rates continued

Commercial properties will be charged a differential rate if not separately metered. An unconnected rate of 50% of the connected charge will be charged on any property where a water supply is available but is not connected.

### Kokatahi Community Rate

A targeted rate to fund projects in the Kokatahi community.

1. A Kokatahi Community Uniform Charge.
2. A Kokatahi Community Rate per dollar on the land value of each rateable property.

The uniform charge will be charged on each property in the Kokatahi/Kowhitirangi area which has a general rate uniform annual charge. The rate will be charged on the rateable land value of each property in the Kokatahi/Kowhitirangi area from Geologist Creek in the north to Hokitika Gorge in the south and the Kaniere/Kowhitirangi Road from Nesses Creek onward.

### Sewerage Charges

A targeted uniform charge to fund the costs of sewerage disposal in Hokitika, Kaniere, Franz Josef/Waiau, Fox Glacier and Haast.

1. A sewerage Charge per property for Residential Properties.
2. A sewerage Charge per pan or urinal for Commercial Properties.

The rate would be charged on each separately occupied portion of a property connected to the sewerage disposal system provided by Council. An unconnected rate of 50% of the connected charge will be charged on any property where Council sewerage disposal is available but is not connected.

### Kaniere Sewerage Capital Contribution

A targeted rate to recover the capital cost of the Kaniere sewerage system. The rate has been assessed as a capital contribution of \$4,907 per property on a table mortgage basis over 25 years from 1 July 2000. The interest rate is re-assessed periodically and is currently 7%. The balance outstanding on a property may be paid in part or full at any time, and the repayment completion date re-calculated accordingly.

The rate will be charged on each property able to be connected to the Kaniere sewerage system which has not already completed payment of the capital contribution.

### Glacier Country Promotions

Targeted rates to fund Glacier Country Promotions Officers made up of:

1. A Glacier Country Uniform Charge.
2. A Glacier Country Commercial Uniform Charge.
3. A Glacier Country Promotions Rate per dollar on the land value of commercial rated properties.

The uniform charge will be charged on each property in the Glacier region which has a general rate uniform annual charge, but has not been commercial rated. The commercial uniform charge will be charged on each commercial rated property in the Glacier region. The promotion rate will be charged on the rateable land value of each commercial rated property in the Glacier region.

These rates will be levied on all rateable properties in the area from Lake Mapourika in the north to the Ohinetamatea River in the south.



## Funding Impact Statement Rates continued

### Hokitika Area Promotions

A targeted uniform charge to be levied on each Hokitika Commercial ratepayer. The purpose of this rate is to fund the annual payment toward costs associated with the Promotions Officer employed by Enterprise Hokitika.

### Ross Swimming Pool

A targeted rate to fund 75% of the cost of operating the Ross swimming pool. The rate will be charged per dollar on the land value of every rateable property in the town of Ross.

### Hannah's Clearing Water Supply Capital Repayment

A targeted uniform charge to recover the capital cost of providing individual water supply systems to Hannah's Clearing properties. The rate will be \$575 per annum and the amount to be recovered will be the actual cost per property plus 6% interest on a table mortgage basis plus GST. The interest rate will be re-assessed periodically.

The rate will be charged on each property provided with a water supply system which has not already completed payment of the capital cost.



# Funding Impact Statement Rates continued

## Rates Summary

The General and Targeted Rates to be collected by Council for the year and the revenue generated from each are as follows. These figures are GST inclusive. The rates are per dollar but are shown on the rates assessment as a rate per cent.

### DESCRIPTION LAND VALUE 2013/14 RATE STRUCK

DESCRIPTION	LAND VALUE	2012/13	2013/14	%	RATE STRUCK
<b>General Rates</b>					
Rural General	782,849,000	0.11492	0.13281	15.6%	\$1,039,663
Small Holdings	143,276,100	0.16699	0.19257	15.3%	\$275,903
Hokitika Zone 1	50,728,000	0.16690	0.24282	45.5%	\$123,176
Hokitika Zone 2	23,003,400	0.55865	0.52569	-5.9%	\$120,927
Rural Townships	37,053,500	0.46238	0.40021	-13.4%	\$148,292
Small Settlements	52,244,000	0.27961	0.26159	-6.4%	\$136,665
Glacier Towns	35,018,500	0.31422	0.36740	16.9%	\$128,658
Rural Commercial	7,093,000	0.22519	0.21843	-3.0%	\$15,493
Commercial in Rur Res	4,999,000	0.55660	0.47323	-15.0%	\$23,657
Glacier Towns Commercial	37,097,000	0.40844	0.44042	7.8%	\$163,382
Glacier Towns Small Holdings	20,111,500	0.22121	0.28922	30.7%	\$58,167
Glacier Towns SH Commercial	5,292,000	0.31543	0.36224	14.8%	\$19,170
Hokitika Res 1	100,038,500	0.92498	1.01938	10.2%	\$1,019,769
Hokitika Res 2	2,996,000	1.46050	1.63100	11.7%	\$48,865
Hokitika Res 3	246,000	1.75260	1.93681	10.5%	\$4,765
Hokitika Res 4	233,000	2.14206	2.34457	9.5%	\$5,463
Hokitika Res 6	306,000	2.14206	2.34457	9.5%	\$7,174
Hokitika Beachfront	13,142,000	0.78415	0.81692	4.2%	\$107,360
Hokitika Commercial	38,646,000	1.01277	1.11910	10.5%	\$432,486
	<b>1,354,372,500</b>				<b>3,879,034</b>
<b>Uniform Annual General Charge</b>	5,485	\$382.43	\$497.60	30.1%	<b>\$2,729,332</b>
<b>Capital Value</b>					
<b>Emergency Management Contingency Fund</b>	2,284,837,500	0.00260	0.00000	-100.0%	<b>0</b>
<b>Tourism Promotions</b>					
All Commercial Properties with capital value:					
Over \$10 million	3	\$2,000.00	\$2,626.60	31.3%	\$7,880
\$3 - 10 million	11	\$1,000.00	\$1,313.30	31.3%	\$14,446
\$1 - 3 million	71	\$400.00	\$525.32	31.3%	\$37,298
\$0 - 1 million	203	\$200.00	\$262.66	31.3%	\$53,320
All other ratepayers	5192	\$3.00	\$3.94	31.3%	\$20,456
					<b>\$133,400</b>
<b>Total General Rate (incl GST)</b>					<b>\$6,741,766</b>
<b>Total General Rates (excl GST)</b>					<b>\$5,862,405</b>





# Funding Impact Statement Rates continued

## DESCRIPTION LAND VALUE 2013/14 RATE STRUCK

DESCRIPTION	CAPITAL VALUE/RATING UNITS	2012/13	2013/14	%	RATE STRUCK
Targetted Rates					
<b>Waste Management</b>					
Waste Management Uniform Charge	5,485	\$25.49	\$35.96	41.1%	197,239
Waste Management (Commercial)	303,263,000	0.04882	0.08562	75.4%	259,664
Waste Management (Rural)	932,675,500	0.00192	0.00339	76.4%	31,594
Waste Management (Small Holdings)	413,635,400	0.01457	0.02526	73.3%	104,471
Waste Management (Urban)	635,263,600	0.01104	0.01946	76.2%	123,599
Hokitika Refuse Collection	1,579	\$225.10	\$283.14	25.8%	447,081
Rural Refuse Collection	1,308	\$213.94	\$263.10	23.0%	344,135
<b>Total Waste Management Rates</b>					<b>\$1,507,783</b>
<b>Water Supply</b>					
Rural Township Untreated Water					
Domestic		\$345.00	\$271.90	-21.2%	
(unmetered) Commercial		\$575.00	\$453.17	-21.2%	
Unconnected		\$172.50	\$135.95	-21.2%	
Rural Township Treated Water					
Domestic		\$460.00	\$362.52	-21.2%	
(unmetered) Commercial		\$792.00	\$623.54	-21.3%	
Unconnected		\$230.00	\$181.26	-21.2%	
Hokitika/Kaniere Water					
Domestic		\$460.00	\$362.52	-21.2%	
(unmetered) Commercial		\$792.00	\$623.54	-21.3%	
Unconnected		\$230.00	\$181.26	-21.2%	952,984
<b>Hannah's Clearing Capital</b>	13	\$500.00	\$575.00	15.0%	<b>7,475</b>
<b>Total Water Rates</b>					<b>\$960,459</b>
Metered Water Charges					\$1,322,500
<b>Sewerage Rate</b>					
Connected		\$222.00	\$197.90	-10.9%	
Unconnected		\$111.00	\$98.95	-10.9%	\$746,336
Kaniere Sewerage Capital	70	\$417.00	\$417.00	0.0%	29,190
<b>Total Sewerage Rates</b>					<b>\$775,526</b>



# Funding Impact Statement Rates continued

DESCRIPTION	CAPITAL VALUE/RATING UNITS	2012/13	2013/14	%	RATE STRUCK
<b>Kokatahi Community Rate</b>					
Levy	216,788,000	0.00198	0.00212	7.2%	<b>4,600</b>
Uniform Charge	<b>180</b>	<b>\$25.55</b>	<b>\$25.56</b>	<b>0.0%</b>	<b>4,600</b>
<b>Total Kokatahi Community Rate</b>					<b>\$9,200</b>
<b>Glacier Country Promotions</b>					
Levy	42,699,500	0.08529	0.08753	2.6%	37,375
Uniform Charge	392	\$51.00	\$48.41	-5.1%	18,978
Commercial Uniform Annual Charge	76	\$256.00	\$242.07	-5.4%	18,397
<b>Total Glacier Country Promotions</b>					<b>\$74,750</b>
<b>Hokitika Area Promotions</b>					
Uniform Charge	134	\$327.00	\$334.70	2.4%	44,850
<b>Total Hokitika Promotions</b>					<b>\$44,850</b>
<b>Ross Swimming Pool</b>					
Levy	10778500	0.06133	0.19728	221.7%	\$21,264
<b>Total Ross Swimming Pool Rates</b>					<b>\$21,264</b>
<b>Total Targeted Rates (incl GST)</b>					<b>\$4,716,332</b>
<b>Total Targeted Rates (excl GST)</b>					<b>4,101,159</b>
<b>General Rates (excl GST)</b>					<b>5,862,405</b>
<b>Total Rates (excl GST)</b>					<b>\$9,963,563</b>



# Funding Impact Statement Whole of Council

	Long Term Plan 2012/13 \$000	Long Term Plan 2013/14 \$000	Annual Plan 2013/2014 \$000
<b>SOURCES OF OPERATING FUNDING</b>			
General rates, uniform annual general charges, rates penalties	4,999	5,235	6,889
Targeted rates (other than a targeted rate for water supply)	0	0	1,258
Fees, Charges and targeted rates for water supply	0	0	1,979
Subsidies and grants for operating purposes	2,814	3,160	1,544
Interest & Dividends from Investments	1,486	1,531	547
Fees and charges	1,174	1,186	2,455
Local authorities fuel tax, fines, infringement fees, and other receipts	3,813	3,978	120
<b>Total operating funding [A]</b>	<b>14,286</b>	<b>15,089</b>	<b>14,792</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff and suppliers	13,090	13,713	12,250
Finance costs	302	372	1,034
Other operating funding applications	0	0	0
<b>Total applications of operating funding [B]</b>	<b>13,392</b>	<b>14,085</b>	<b>13,284</b>
<b>Surplus (deficit) of operating funding [A - B]</b>	<b>894</b>	<b>1,005</b>	<b>1,508</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	6,408	1,374	1,066
Development and financial contributions	0	0	0
Increase (decrease) in debt	1,450	522	1,094
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
<b>Total sources of capital funding [C]</b>	<b>7,858</b>	<b>1,896</b>	<b>2,160</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure	0	0	
—to meet additional demand	200	0	200
—to improve the level of service	7,796	1,981	290
—to replace existing assets	2,659	2,422	3,397
Increase (decrease) in reserves	(1,903)	(1,502)	(219)
Increase (decrease) of investments	0	0	0
<b>Total applications of capital funding [D]</b>	<b>8,752</b>	<b>2,901</b>	<b>3,668</b>
<b>Surplus (deficit) of capital funding [C - D]</b>	<b>(894)</b>	<b>(1,005)</b>	<b>(1,508)</b>
<b>Funding balance: [A - B] + [C + D]</b>	<b>0</b>	<b>0</b>	<b>0</b>



# Funding Impact Statement Rates sample

	Farm Kokatahi	Farm Waitaha	Small Holding Awatuna	Small Holding Brickfield	Residential Kumara	Residential Hokitika	Residential Beachfront Hokitika	Residential Ross
Capital Value	3,425,000	1,750,000	490,000	475,000	230,000	340,000	390,000	200,000
Land Value	2,525,000	1,450,000	149,000	132,000	52,000	75,000	242,000	50,000
General Rates								
General Rate	3,353	1,926	287	321	208	765	1,977	200
Uniform Annual	498	498	498	498	498	498	498	498
General Charge								
Tourism Promotion	4	4	4	4	4	4	4	4
Emergency Fund	-	-	-	-	-	-	-	-
Targeted Rates								
Waste Management	152	95	160	156	81	102	112	75
Enterprise Hokitika	-	-	-	-	-	-	-	-
Ross Swimming Pool	-	-	-	-	-	-	-	99
Targeted Service Rates								
Water	-	-	-	363	272	363	363	363
Refuse Collection	-	-	263	263	263	283	283	263
Sewerage	-	-	-	-	-	198	198	-
Local Community Rates								
Kokatahi Amenity Rate	54	-	-	-	-	-	-	-
Kokatahi Amenity Rate (Fixed)	26	-	-	-	-	-	-	-
Glacier Country Promotions	-	-	-	-	-	-	-	-
Total Rates	4,086	2,522	1,211	1,604	1,325	2,212	3,434	1,501
Current Rates	3,543	2,156	958	1,387	1,241	2,058	3,269	1,374
Percentage Change	15.3%	17.0%	26.4%	15.6%	6.8%	7.5%	5.0%	9.2%



Residential Harihari	Residential Whataroa	Residential Franz Josef	Residential Okarito	Residential Fox Glacier	Residential Okuru	Shop Hokitika	Motel Hokitika	Commercial Haast	Commercial Harihari	Hotel Franz
150,000	235,000	385,000	335,000	320,000	240,000	290,000	1,325,000	1,800,000	920,000	12,000,000
40,000	54,000	150,000	170,000	128,000	94,000	215,000	395,000	310,000	210,000	3,500,000
160	216	551	445	470	246	2,406	4,420	677	994	15,415
498	498	498	498	498	498	498	498	498	498	498
4	4	4	4	4	4	263	525	525	263	2,627
-	-	-	-	-	-	-	-	-	-	-
65	82	111	101	98	83	284	1,170	1,577	824	10,311
-	-	-	-	-	-	335	335	-	-	-
-	-	-	-	-	-	-	-	-	-	-
363	363	363	-	363	-	363	-	-	624	-
-	-	-	-	-	-	283	283	-	-	-
-	-	198	-	198	-	396	2,969	-	-	27,508
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	48	-	48	-	-	-	-	-	3,306
1,089	1,162	1,772	1,047	1,679	830	4,827	10,200	3,277	3,201	59,663
1,076	1,152	1,668	932	1,590	706	4,390	9,372	2,431	3,042	56,973
1.2%	0.9%	6.3%	12.4%	5.6%	17.6%	9.9%	8.8%	34.8%	5.2%	4.7%





# Fees and Charges

Note: All Fees and Charges are GST inclusive unless otherwise stated

Corporate Services		Library	
<b>Black &amp; White Photocopying:</b>		Overdue Charges - per day (Adults)	\$0.30 (Max \$9.00)
Single Sided - A4	\$0.30	Overdue charges - per day (Children)	\$0.10 (Max \$3.00)
Single Sided - A3	\$0.50	DVD's	\$3.00
Double Sided - A4	\$0.40	Adult music CD's and audio books	\$2.00
Double Sided - A3	\$0.60	Book reserve fee	\$1.00
Single Sided - A2	\$2.60	Replacement cards	\$5.00
Single Sided - A1	\$3.60	Lost / Damaged Items	Replacement Cost
Single Sided - A0	\$5.10		
Overheads - A4	\$0.50		
<b>Colour Photocopying</b>		No charge for those holding a library card from Buller or Grey Districts	
Single Sided - A4	\$2.60	No charge is made for exchange students staying with families in the District for six months or more.	
Single Sided - A3	\$4.10	Visitors from other NZ Districts - Subscription charges - \$20.00 per Card per Month, \$25.00 for Three Months, \$50.00 for Six Months	
Double Sided - A4	\$3.60	Interloan Items (per item)	\$21.00
Double Sided - A3	\$5.10		\$7.00 - \$21.00
<b>Laminating</b>		Corporate Interlibrary Loans (per Item)	\$41.00
A4 - Per Page	\$3.10	Book Covering	\$4.00 - \$6.00
A3 - Per Page	\$4.10	Computer print outs – single sided A4	\$0.30
<b>Binding</b>		Computer print outs – double sided A4	\$0.40
Small - less than 100 pages	\$4.10		
Large - more than 100 pages	\$6.10		
<b>Scanning and scanning to email</b>			
Large scale format scanning	\$3.00 per scan		
Document scanning via photocopy machine	\$1.00 per scan		
<b>Faxes</b>			
Domestic	\$3.00		
International	\$5.00		
Received	\$1.00		
<b>Council Chambers</b>			
Full day - maximum charge	\$307.00		
Half day - maximum charge	\$102.00		
<b>Equipment Hire</b>			
Data Projector- per day	\$51.00		
Overhead Projector - per day	\$21.00		
		<b>Hokitika Museum</b>	
		<b>Admission</b>	
		Adults	\$5.00
		School age children (under 5 years old free)	\$2.50
		Westland Residents	Free
		<b>Research</b>	
		In person enquiry first half hour	\$5.00,
		Additional hours thereafter	\$15.00 per half hour
		Written research service (per hour)	\$60.00
		Minimum charge	\$30.00
		Special project research by negotiation	



# Fees and Charges continued

Hokitika Museum		Cemetery Charges - Hokitika	
<b>Copies and Reproduction Fees</b>		New grave in RSA Area	\$613.00
Photographs (depending on size plus postage and packaging)	\$18.00 - \$40.00	Reopen a grave in the RSA Area	\$613.00
Photocopying- Black and white A4 and A3	(Refer to charges as set out in Corporate Services Section)	Intern a child under 12 in Lawn Area	\$1,620.00
Books - reproduction fee	\$20.00 per item	Intern a child under 12 in children's section	\$368.00
Greeting cards- reproduction fee	\$100.00 per item	Intern a child under 18 months in the children's section	\$172.00
Advertising, display or publicity	\$125.00 per item	Research of cemetery records for family trees etc. (per hour)	\$35.00
Reproduction of books, manuscripts, fine art or other material in collection	5% of the recommended retail price of entire print run	Minimum Charge	\$37.00
Filming of items in collection (per item)	\$22.50	<b>Cemetery Charges - Ross and Kumara</b>	
Filming (excluding advertising) under supervision (per hour or part thereof)	\$75.00	New Grave (includes plot, interment and maintenance in perpetuity)	\$854.00
Newspaper articles, news broadcasts	No fee	Inter a child under 18 months in a new grave	\$429.00
Family History publications	Negotiable	Pre-purchase new plot	\$245.00
Commercial display	\$225.00	Bury Ashes (including registration)	\$368.00
<b>Venue Hire</b>		Reopen a grave site	\$419.00
Carnegie Gallery Hire (per week)	\$60.00	Research of cemetery records for family trees etc. (per hour)	\$35.00
Commission on sales	20%	Minimum Charge	\$35.00
Museum Hire for events (by negotiation)	by negotiation	<b>Marriage services</b>	
Meeting room hire (per meeting)	\$25.00	Marriage Licence - Registry Office	\$174.00
<b>Sports field charges</b>		Marriage Celebrant	\$123.00
<b>Cass Square (season hire)</b>		Note: Application forms for Marriage Licences are available from Council Offices.	
Touch Rugby per season	\$165.00	All other enquiries regarding Births, Deaths, or Marriages please free phone 0800 225 252	
Softball per season	\$165.00	<b>Land Information Services</b>	
Rugby - per season	\$900.00	Landonline Search—CT or Plan Instrument	\$10.00
Cricket per season	\$165.00	<b>Land Information</b>	
Soccer per season	\$900.00	GIS Map—A4	\$10.00
<b>Cass Square (casual use)</b>		GIS Map- A4 with aerial photos	\$15.00
Daily	\$60.00	GIS Map - A3	\$20.40
Hourly	\$25.00	GIS Map - A3 with aerial photos	\$31.00
Wildfoods Festival	\$5,750.00	GIS Client Services (per hour)	\$51.00
Showers and Changing Rooms	\$40.00	Land information memoranda	
Changing Rooms Only	\$20.00	Land Information Memoranda	\$210.00
Commercial Operators.	To be negotiated depending on type of usage	Urgent - within 48 hours	\$330.00
<b>Cemetery Charges - Hokitika</b>			
New Grave (includes plot, interment and maintenance in perpetuity)	\$1,620.00		
Ashes Plot Purchase and Interment (includes plot in Ashes Garden area and opening of plot)	\$454.00		
Pre-purchase new Plot	\$1,236.00		
Dig Grave site to extra depth	\$118.00		
Interment on Saturday, Sunday or Public Holiday	\$256.00		
Additional Cost to excavate grave on Saturday, Sunday or Public Holiday	\$332.00		
Reopen a grave site	\$650.00		
Intern Ashes in an existing grave	\$132.00		



## Fees and Charges continued

### Planning & Regulatory

#### Dog control

Registration Fee - Hokitika & Kaniere Townships	\$74.00
Registration Fee – dangerous or menacing dogs	Registration Fee plus 50%
Other Areas	\$58.50
Registration Penalty - 31 July	50% of registration fee.

#### Dog Impounding Fees

First Impounding Offence	\$82.00
Second Impounding Offence	\$164.00
Third Impounding Offence	\$245.00
Feeding per day	\$26.00
Second & Third Impoundings will apply if occurring within 12 of the first impounding date.	
Call-out for Dog Reclaiming	\$78.00
Impounding Act Stock impounding fees:	\$51.00
Actual costs with a minimum charge of Sustenance Fees	\$23.00/head/day

#### Health Act

Category I Food Premises Registration	\$380.00
Minimal Food Handling/ Preparation	
Category II Food Premises Registration	\$480.00
Category III Food Premises Registration	\$580.00
Food Premises Re-Inspection	\$380.00
Food Safety Programme Auditor Fees	\$200.00 plus \$200.00 per hour
Hairdressers Registration	\$388.00
Offensive Trade Registration	\$388.00
Mortuary Registration	\$388.00
Camping Ground Registration	\$388.00
Camping Ground - less than 10 sites	\$286.00
Transfer of Registration	50% of registration fee

#### LGA

Hawkers and Pedlars	\$153.00
Mobile Shops	\$429.00

#### Resource Consent Fees

NOTE: Where a charge is, in any particular case, inadequate to enable the recovery of actual and reasonable costs in respect of the matter concerned, the Council may require the person who is liable to pay the charge, to also pay any additional charge (Refer to Section 36, Resource Management Act 1991)

Preparation and change of a plan	(Deposit and Minimum Fee) \$2,044.00 plus Actual Costs (Rate \$200.00/hour)
Pre-application enquiries exceeding 30 minutes	Rate \$200.00/Hour
Notified Resource Consents and Designations including changes and variations.	(Deposit and Minimum Fee) \$1,022.00 (Deposit) plus Actual Costs (Rate \$200.00/Hour)

### Planning & Regulatory

Land use activities (not including Subdivisions) including changes (Deposit and Minimum Fee)	\$510.00
Land use: setback reductions including changes (Deposit and Minimum Fee)	\$410.00
Subdivisions including changes (Deposit and Minimum Fee)	\$614.00
Variations to Resource Consents	\$320.00
Subdivision Consents - including land use (Deposit and Minimum Fee)	\$818.00
Certificates of Compliance (Deposit and Minimum Fee)	\$510.00
Extension of time (S 125) (Deposit and Minimum Fee)	\$307.00
Survey Plan Approval Fee (S 223) (Deposit and Minimum Fee)	\$102.00
S 224 approval fee (Deposit and Minimum Fee)	\$204.00
Certification Fee (Deposit and Minimum Fee)	\$204.00
Existing Use Certificate (Deposit and Minimum Fee)	\$204.00
Requirements & Heritage Orders (Deposit and Minimum Fee)	\$1,022.00
plus Actual Costs	(Rate \$200.00/Hour -
Monitoring charges	\$200.00/hour
Approval of Outline Plan (Deposit and Minimum Fee)	\$358.00
Consideration of Waiving of Outline Plan (Deposit and Minimum Fee)	\$204.00
Issue of abatement notice	\$307.00
Return of items seized pursuant to Section 328 of the Resource Management Act 1991	\$154.00
Release of Covenants	\$100.00
Where any fee above is inadequate to enable the recovery of the actual & reasonable costs, a further cost will be payable	\$200.00/hour
Councillor Hearing Commissioner (Chair)	\$87.00/hr
Councillor Hearing Commissioner (Committee)	\$70.00
Independent commissioner at cost	\$200.00/hour
In-house Engineering Services	
Engineering Plan Checking and Approval	
Inspection of approved works	
Additional meetings as required	

#### Recreation contribution

5% of the value of all additional allotments created on all commercial, industrial and residential subdivisions occur; the rate is 5% on a nominal 4000 m2 building site. This amount (5%) will be calculated plus GST. Recreation \$4,000.00 per additional allotment created and a minimum of \$3,000.00 (GST Inclusive)

#### Performance Bonds

Performance bonds may be put in place from time to time with the amount to be established on a case by case basis. Lodgement fee \$250.00.

1) Total fees may vary according to the extent of processing required to approve an application for the grant of a building consent and the number of inspections that may need to be undertaken.



# Fees and Charges continued

## Planning & Regulatory

### Building consent fees:

- 1) Total fees may vary according to the extent of processing required to approve an application for the grant of a building consent and the number of inspections that may need to be undertaken.
- 2) The following scales of charges are indicative only and will vary depending on individual processing and inspection requirements.
- 3) Where any building consent fees exceeds 4% of the value of the building (excluding spaceheaters) The fee will be reduced to 4% of the building value

### Free-standing Fire Places

Project Information Memorandum At cost	(\$200/hour)
Consent	\$31.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (1 Inspection)	\$205.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour

## Accessory Buildings

Project Information Memorandum At cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$184.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour

## Alterations/Renovations (Minor)

Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$184.00 flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (3 Inspections)	\$615.00
Code Compliance Certificate	\$61.00 Flat Fee and \$200.00 per hour

## Alterations/Renovations (Major)

Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$409.00 flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (5 Inspections)	\$1,025.00
Code Compliance Certificate	\$511.00 Flat Fee and \$200.00 per hour

## Temporary Buildings

## Planning & Regulatory

Project Information Memorandum at cost	(\$200.00/hour)
Compliance Check	\$61.00
Consent	\$102.00 Flat fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00
Code Compliance Certificate	\$61.00 Flat Fee and \$200.00 per Hour
Marquees only	\$61.00 Flat Fee and \$200.00 per Hour

## Reports

Monthly building consent reports	\$49.10
Printed copy of the District Plan	\$154.00

## Signs

Project Information Memorandum	At cost (\$200.00/hour)
Compliance Check	\$61.00
Consent	\$123.00 Flat Fee and \$200.00 per Hour
BCA Accreditation Levy	\$56.00
Inspection Fee (1 Inspection)	\$205.00
Code Compliance Certificate	\$31 Flat Fee and \$200.00 per hour

## Election Signs

Up to 3 signs	\$307.00
Up to 6 signs	\$613.00
for each additional sign in excess of 6.	\$20.00

## Housing - Average (<120m<sup>2</sup>)

Project Information Memorandum	At cost \$200.00 per hour
Compliance Check	\$61.00
Consent	\$409 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fees (8 Inspections)	\$1,640.00
Code Compliance Certificate	\$511.00 Flat Fee and \$200.00 per hour

## Housing Executive (>120m<sup>2</sup>)

Project Information Memorandum	at Cost \$200.00 per hour
Compliance Check	\$61.00
Consent	\$613.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fees (10 Inspections)	\$2,050.00
Code Compliance Certificate	\$613.00 Flat Fee and \$200.00 per hour

## Drainage & Plumbing - Public System

Project Information Memoranda	At Cost \$200.00 per hour
Consent- Public Sewerage System	\$123.00 Flat Fee and \$200.00 per hour
BCA Accreditation Levy	\$56.00
Inspection Fee (2 Inspections)	\$410.00



## Fees and Charges continued

### Planning & Regulatory

Building Consent Amendment	\$123.00 Flat fee and \$200.00 per hour
Extension of time for exercise of building consent	\$123.00
Extension if time for obtaining CCC	\$123.00
Building Consent Holding fee (Not up- lifted within 10 working days)	\$72.00
Road Damage Deposit - Refundable deposit of	\$716.00

### Building Research Levy

In addition to the Building Consent fee, a Building Research levy based upon \$1.00  
Per \$1,000 or part thereof of total value is required to be paid.  
Consents of lesser value than \$20,000 are exempt from this levy

### Building – Department of Building and Housing Levy

In addition to the Building Consent, a Building Industry levy based upon \$2.01 per \$1,000 or part thereof of total value is required to be paid. Consents of lesser value than \$20,000 are exempt from this levy.  
Independent Building Consent Authority (BCA) Where the services of a Building Certifier are used, the fee will be established on a case by case basis to ensure full cost recovery.  
Relocated buildings. In addition to building consent fees, and the building Research levy, a minimum deposit of up to \$10,000 is required for buildings being relocated.

### Demolition

Consent	\$123.00 Flat Fee and \$200.00 per Hour
Inspection Fee (where necessary)	\$225.00 Flat fee and \$200.00 per Hour

### Other Building Charges

Soakage Tests	\$204.00
<b>Receiving and Checking Building War- rant of Fitness</b>	
On or before due date , plus	\$90.00
for 3 systems or less	\$40.00
additional systems in excess of 3	\$15.00 for each
After due date, plus	\$180.00
for 3 systems or less	\$40.00
additional systems in excess of 3	\$15.00 for each
Certificate of Public Use	\$256.00 Flat fee and \$200.00 per hour
Certificate of Acceptance	\$511.00 Flat Fee and \$200.00 per Hour
Compliance Schedules	\$286.00
Duplicate Schedules	\$143.00
Amendment to Compliance Schedule	\$92.00
Preparation of Certificates for Lodgement	\$358.00
Preparation of Sec 37 Certificate	\$153.00
Receipt and checking of Schedule 1 advice	\$123.00
Notices to Fix	\$256.00 Flat fee and \$200.00 per hour
Additional Inspections	\$205.00

### Planning & Regulatory

#### Application for PIM only

Residential	\$75.00 flat fee and 200.00/hour
Commercial/Industrial	\$125.00 and 200.00/ hour
Stock Underpass	Levies Only
Solar water heating installations	Levies Only
Where any building charge is inadequate to enable the recovery of the actual and reasonable costs, a further charge may be payable.	

#### Amusement Devices

For one device, for the first seven days of proposed operation or part thereof.	\$11.50
For each additional device operated by the same owner, for the first seven days or part thereof.	\$2.30
For each device, (for each further period of seven days or part thereof.)	\$1.12

#### Class 4 Gaming

Class 4 Gambling Venue	\$287.50
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#### Liquor Licensing Fees

Application for On Licence	\$793.30
Variation of On Licence	\$793.30
Renewal of On Licence	\$793.30
BYO (Sec 28) Licenses Endorsed, Appli- cations, Variations, Renewals	\$135.00
Temporary Authority, On and Off Licences	\$135.00
Application for Off Licences	\$793.30
Variation of Off Licences	\$793.30
Renewal of Off Licences (except certain caterers and auctioneers)	\$793.30
Caterers and Auctioneers	\$135.00
Application for Club Licence	\$793.30
Variation of Club Licence	\$793.30
Renewal of Club licence	\$793.30
Special Licences	\$64.40
Application for Managers Certificate	\$135.00
Renewal of Managers Certificate	\$135.00
Application for extract from records or register	\$23.60
Authority to sell from other than licensed premises (fire, tempest etc.) - Special Licences only	\$135.00

### Operations

#### Water Supply Connections

Actual cost recovery relating to the installation of water supply connections.

#### Sewerage & Stormwater Connections

Actual cost recovery relating to the installation of sewerage and stormwater connections.





# Fees and Charges continued

## Operations

### Vehicle Crossings

Actual cost recovery relating to the installation of vehicle crossing.

### Sewerage Supply

Trade Wastes - charges are levied separately according to waste volume and utilisation of sewerage system. Minimum fee of \$500 per annum

### Water supply annual charges

Hokitika/Kaniere Water Supply Commercial metered supply per cubic metre \$1.30

Council reserves the right to negotiate metered charges with significant users.

Treated Supplies—Rural Towns Fox Glacier/ Franz Josef/Whataroa/ Harihari Commercial metered supply per cubic metre \$1.20

## Property Rentals

Council property rentals are regularly reviewed to ensure they are set at fair market value.

## Temporary Road Closures

Non refundable application fee	\$100.00
Additional Information request (from applicant)	\$100 per hour
Public Notification on approval	At cost
Management of temporary road closure	At cost
Call Out / Audit of Traffic Management Plan	\$225.00 per hour
Not for Profit Organisations	Exempt.

## Refuse Site Gate Fees

### Hokitika Transfer Station

#### General Waste

Per tonne	\$475.00
60L bag	\$4.00

#### Green Waste

Green Waste per tonne	\$46.00
60L bag Green Waste uncompacted	\$0.50
Accepted Recyclable Items*	Free

### Non Weighbridge Sites

#### Uncompacted General Waste

Per Cubic Metre small loads < 0.5m <sup>3</sup>	\$65.00
Per Cubic Metre large loads > 0.5m <sup>3</sup>	\$95.00
60L bag	\$4.00
120L Wheelie Bin	\$8.00
240L Wheelie Bin	\$16.00
Small Trailer /Ute (0.68m <sup>3</sup> )	\$65.00
Medium Trailer (0.91m <sup>3</sup> )	\$90.00
Cage or Large Trailer (2.7m <sup>3</sup> )	\$260.00
Accepted Recyclable Items*	Free

Uncompacted Green Waste

## Refuse Site Gate Fees

Per Cubic Metre	\$10.00
60L bag	\$0.50

Small Trailer /Ute (0.68m <sup>3</sup> )	\$6.00
Medium Trailer (0.91m <sup>3</sup> )	\$10.00

## All Sites

### Other Items

Whiteware (Fridges must be degassed, per item)	\$10.00
Tyres (Based on average weight of 7.5kg, per item)	\$3.50
Cars Prepared (Conditions apply, per item)	\$45.00

Any legislative charges under the Waste Management Act will be imposed as a levy if required.

Note: From 1 July 2009, Government requires Council to charge a levy of \$10.00 per tonne, (or equivalent volume at non weighbridge sites), on all waste disposed of to landfill. This is included in the above fees.

For non standard loads the Transfer Station Operators reserve the right:

to measure the waste and charge the per cubic metre rate or;  
to measure the load and use the Ministry for the Environment Conversion Factors for compacted or dense waste.

\*Accepted Recycle Items: Only colour sorted glass will be accepted free of charge, all unsorted glass will be charged at the general waste rate.



## Fees and Charges continued

### Jackson Bay Port Charges (Please note prices exclude GST)

#### Commercial Fishing Vessels operating from the Wharf Annual Charge (vessels that with a license to Occupy)

Wet Fish (per tonne)	\$23.00
Crayfish (per tonne)	\$300.00

#### Commercial Fishing Vessels operating from the Wharf Daily Charge (24hrs) (No Licence to Occupy, or do not discharge Wet Fish or Crayfish)

Vessel Length > 22m	\$400.00
Vessel Length >19m up to 22m	\$375.00
Vessel Length >16m up to 19m	\$250.00
Vessel Length >13m up to 16m	\$225.00
Vessel Length >10m up to 13m	\$200.00
Vessel Length 10m or less	\$75.00
Late or Non payment of fee admin. charge	\$20.00

#### Other Vessels using the Wharf

Cruise passengers (per person landed over the wharf) \$5.00

Please note prices exclude GST

More information and fees explanation and conditions

Web [www.jacksonbay.org.nz](http://www.jacksonbay.org.nz)

Email [management@westlanddistrictproperty.co.nz](mailto:management@westlanddistrictproperty.co.nz)

Phone Westland District Property Ltd (03) 755 8497

### Jackson Bay Heliport Facility (Please note prices exclude GST)

Casual landing fee (per landing)	\$50.00
Late or Non payment of fee admin. charge	\$20.00

More information and fees explanation and conditions

Web [www.jacksonbay.org.nz](http://www.jacksonbay.org.nz)

Email [management@westlanddistrictproperty.co.nz](mailto:management@westlanddistrictproperty.co.nz)

Phone Westland District Property Ltd (03) 755 8497

### Hokitika Swimming Pool

#### Single Admission

Adult	\$5.00
Senior Citizen (60+)	\$4.00
Child at school	\$3.00
Pre Schooler	\$1.50
Pre Schooler and Parent	\$3.00
Family (2 adults / 2 children)	\$13.00
Spectator	Free

#### Concession Ticket - 10 Swims

Adult	\$40.00
Senior Citizen (60+)	\$32.00
Child at school	\$24.00
Pre Schooler	\$12.00
Pre Schooler and Parent	\$24.00
Family (2 adults / 2 children)	\$104.00

#### Season Ticket

Adult	\$280.00
Senior Citizen (60+)	\$224.00
Child at school	\$168.00
More information and fees explanation and conditions	
Email <a href="mailto:management@westlanddistrictproperty.co.nz">management@westlanddistrictproperty.co.nz</a>	
Phone Westland District Property Ltd (03) 755 8497	

### Baches on Unformed Legal Roads

Annual Site Fee	\$2,050.00
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More information and fees explanation and conditions

Email [management@westlanddistrictproperty.co.nz](mailto:management@westlanddistrictproperty.co.nz)

Phone Westland District Property Ltd (03) 755 8497





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