



AGENDA

RĀRANGI TAKE

NOTICE OF AN EXTRAORDINARY MEETING OF COUNCIL

to be held on **Friday, 21st August** commencing at **3.00pm** in the Council Chambers,
36 Weld Street, Hokitika and via Zoom

Chairperson: His Worship the Mayor

Members: Cr Carruthers (Deputy)
Cr Hart
Cr Kennedy
Cr Martin
Kw Tumahai

Cr Davidson
Cr Hartshorne
Cr Keogan
Cr Neale
Kw Madgwick



In accordance with clause 25B of Schedule 7 of the Local Government Act 2002,
members may attend the meeting by audio or audiovisual link

Council Vision:

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

Purpose:

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

- (a) To enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. NGĀ WHAKAPAAHA APOLOGIES

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive or the Group Manager: Corporate Services (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

3. PŪRONGOKAIMAHI STAFF REPORTS

- **Adoption of Summary of Technical Changes LTP 2018-28**
(page 4 - 43)
- **Draft Consultation Document: Westland Discovery Centre Pakiwaitara** (page 44 - 59)

- **Audit Report**

The Long Term Plan Amendment Consultation Document Audit Report to be tabled.

- **Adoption of the LTP Amendment Draft Consultation Document: Westland Discovery Centre Pakiwaitara**

Recommendation:

- a) That Council adopt the LTP Amendment Draft Consultation Document: Westland Discovery Centre Pakiwaitara

**DATE OF ORDINARY COUNCIL – THURSDAY, 27TH AUGUST
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM**

Report



DATE: 21 August 2020
TO: Mayor and Councillors
FROM: Chief Executive

Adoption of Summary of Technical Changes LTP 2018-28

1 SUMMARY

- 1.1 The purpose of this report is to adopt the Summary of Technical Changes LTP 2018-28.
- 1.2 This issue arises from the requirement to adopt information relied on by the local authority that is relied on in relation to a long term plan and consultation document under section 97G of the Local Government Act 2002 (LGA) due to Council's proposed amendment to the Long Term Plan 2018-28 (LTP) and the requirement to consult on the amendment.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council adopts the Summary of Technical Changes LTP 2018-28.

1 BACKGROUND

- 2.1 Council proposes to consult under s 93A of the LGA on the proposed purchase of 41 Weld Street, Hokitika, to develop a shared service centre that could comprise of the Hokitika Museum, Westland District Library and Visitor Information Services.

3 CURRENT SITUATION

- 3.1 A Summary of Technical Changes to the LTP 2018 – 28 has been written that shows the effects of the proposal on the LTP, including proposed changes to activity information, proposed amended Levels of Service under the Hokitika Museum activity and proposed changes to the financial statements and financial reporting and prudence disclosures.
- 3.2 Council is required to adopt these amendments prior to adopting a consultation document.

4 OPTIONS

- 4.1 Council has the following options:
 - 4.1.1 Do not adopt the Summary of Technical Changes LTP 2018-28.
 - 4.1.2 Adopt the Summary of Technical Changes LTP 2018-28

5 SIGNIFICANCE AND ENGAGEMENT

- 5.1 This is a matter of high significance as the actions taken could result in an amendment to Council's LTP. Under Part 2, clause 2.2 of Council's Significance and Engagement Policy, Hokitika Museum / Carnegie Building and Westland District Library are defined as strategic assets.
- 5.2 The proposed amendments will be consulted on if Council agrees to adopt the consultation document and conduct public consultation under s 93A LGA. If Council does not conduct public consultation the information in the Summary of Technical Changes LTP 2018-28 cannot be enforced.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Council can decide not to adopt the Summary of Technical Changes LTP 2018-28. If Council chooses this option, Council will not be able to fulfil its obligations under the LGA and cannot proceed to adopt the Consultation Document. The financial implications of this option are the cost of auditing the Summary of Technical Changes prior to presenting this report to Council, as required by s 94 LGA. This was carried out by Audit NZ.
- 6.2 Council can decide to adopt the Summary of Technical Changes LTP 2018 - 28. This will allow Council to adopt the Consultation Document. The financial implications are audit Summary of Technical Changes as required by s 94 LGA, amending the financial information for the supporting information with the assistance of our financial software provider and any costs associated with conducting the consultation.

7 PREFERRED OPTION(S) AND REASONS

7.1 The preferred option is option 2. Adopting the Summary of Technical Changes LTP 2018 – 28 allows Council to approve the draft Consultation Document and conduct public consultation.

8 RECOMMENDATION(S)

A) **THAT** Council adopts the Summary of Technical Changes LTP 2018 – 28.

Simon Bastion
Chief Executive

Appendix 1: Summary of Technical Changes LTP 2018 – 28.



Summary of Technical Changes to LTP 2018 - 28

Table of Contents

Introduction

COUNCIL ACTIVITIES

LEADERSHIP

Council Controlled Organisations

Prospective Leadership statement of service performance

Prospective Leadership Funding Impact Statement

LEISURE SERVICES AND FACILITIES

Hokitika Museum

Westland District Library

Prospective Leisure Facilities statement of service performance

Prospective Leisure Facilities Funding impact statement

FINANCIAL STATEMENTS

Comprehensive Funding Impact Statement

Prospective Funding Impact Statement

Prospective Statement of Financial Performance

Comprehensive Revenue

Prospective Statement of Changes in Net Assets/Equity

Prospective Statement of Financial Position

Prospective Statement of Cashflows

Prospective Reconciliation of Net Surplus to Operating Activities

Prospective Reconciliation of Net Surplus/(Deficit) to Council Funding Impact Statement

Prospective Statement of Special Funds Reserves

FINANCIAL REPORTING AND PRUDENCE DISCLOSURES

Introduction

On 30 June 2020 Council agreed to prepare a Long Term Plan amendment regarding the purchase of the building at 41 Weld Street Hokitika, the transfer the Management of Hokitika Museum from the Council Controlled Organisation Destination Westland back to Council and the provision of services of the Hokitika Museum, Westland District Library and visitor information from 41 Weld Street, and to undertake a Special Consultative Procedure to understand the community's view.

This document contains the technical changes to the Long Term Plan 2018 – 2028, if Council and the Community agree to the proposals set out in the Westland Discovery Centre 'Pakiwaitara' Summary of Proposal.

The amendments reflect Council's identified preferred options of:

- Returning the management of Hokitika Museum to Council and the proposed level of service.
- Purchasing 41 Weld Street to create Westland Discovery Centre 'Pakiwaitara'.
- Preparing for Westland District Library to move to a shared facility with Hokitika Museum.

COUNCIL ACTIVITIES

LEADERSHIP

These pages replace pp 51 – 55 of the 2018 – 28 LTP.



CCOS

Council Controlled Organisations

Changes since the last Long-Term Plan

At the end of last year, Council undertook a review of our Council Controlled Organisations (CCOs). The main initiative arising out of this review was a proposal to merge the Hokitika Airport Ltd and Westland District Property CCOs into one new company, Destination Westland. The purpose of this merger is to create one larger entity that will oversee the more commercial elements of the Council portfolio, including operating the Hokitika Airport and managing the Council's property portfolio. The intent of this merger is that it allows the Council to focus on its core function and providing key infrastructure projects.

A consultation period for the merging of these companies was completed in January 2018, and was granted on an unopposed basis.



What we do and why

We have chosen to deliver some services through Council Controlled Organisations. These services are ones where a more commercial focus is required. An outcome of the CCO review is that Council will focus on improving its relationship with its CCOs.

Where we want to be in the future

In the first year of this Plan, the Council will focus on clarifying our governance role, improving the Statements of Intent, implementing a more robust monitoring and reporting framework, and ensuring that communication with all CCOs is regular, open and respectful of the role the CCOs perform.

The Council Controlled Organisations

Westland Holdings Ltd

Westland Holdings Limited (WHL) is the governance link between Council and its trading entities. The company is responsible for ensuring the trading organisations meet their statutory, commercial and public obligations as defined in their Statements of Intent. These are reviewed annually by WHL on behalf of Council, with reference to the objectives determined in the Long-Term Plan, along with each company's individual strategy. The presence of a holding company is intended to facilitate objective governance, whilst enabling the trading organisations to operate on commercial principles. The Board currently has two directors appointed by Council.

Westroads Ltd

Westroads Limited main activity is that of a general contractor based in Hokitika and Greymouth (Westroads Greymouth Ltd) as well as depots and staff throughout South Westland. It also operates a crushed metal plant in Greymouth. In 2014 it purchased Trenching Dynamix Ltd, a specialist buried horizontal infrastructure installation company.

Destination Westland

From 30 June 2018, the merger of Council's current CCOs of Hokitika Airport Limited and Westland District

Property Limited will take effect. The new merged CCO will be known as Destination Westland and will have a commercial focus, continuing to manage the portfolios that were previously under Hokitika Airport Limited and Westland District Property Limited. Destination Westland will operate the Hokitika Airport which is the principal airport on the West Coast. Air New Zealand is the main carrier into the airport on a twice-daily basis from Christchurch. This acts as a gateway for tourists arriving to the West Coast and also as a hub for short-term business travellers from Christchurch. Destination Westland will also operate the heliport in Franz Josef.

In addition, Destination Westland will manage some of the Council's property portfolio, previously overseen by Westland District Property Limited. This will include the sale and leasing of property; managing the leasing and occupation of mining rights; management of Pensioner Housing, Hokitika Swimming Pool, Jacksons Bay Wharf. From 3 July 2018, Destination Westland will manage the Hokitika i-SITE, West Coast Wilderness Trail, Hokitika Museum and Council's events portfolio including the Hokitika Wildfoods Festival.

In mid-2020 management of Hokitika Museum was transferred back to Council. The building at 41 Weld Street was purchased with the intent to provide a museum, library and visitor information facility in a single, Council owned building.

Westland Wilderness Trust and Tourism West Coast

Both the Westland Wilderness Trust and Tourism West Coast are not classified as a CCO for reporting purposes due to their size. As such they are outside the scope of a Council plan. Nevertheless some financial contribution is made by Council and these entities have a valued interface with the Council vision. Westland Wilderness Trust has been the governance body for the construction and management of the West Coast Wilderness Trail. Tourism West Coast promotes the region as a tourist destination and provides regular reports to Council on trends and events in a sector that is viewed as vital to the West Coast's economic health. Council appoints one of five representatives to this organisation. At the time of writing, a proposal has been put forward to bring Tourism West Coast under the umbrella of Development West Coast. Westland District Council has opposed this move.

West Coast Rural Fire Authority

Since the establishment of Fire and Emergency New Zealand in July 2017, the West Coast Rural Fire Authority has been disestablished and Council no longer undertakes any rural fire responsibilities.

The benefits

Westland Holdings

There is a benefit to the community of the governance function of Westland Holdings which provides professional oversight and public accountability to the community.

Westroads Limited

There is a benefit to the District as a whole as distributions paid to Westland Holdings Limited from Westroads Limited are utilised by Council to offset rate requirements. Westroads Limited has a significant benefit to the region financially and is one of the key employers in Westland.

Destination Westland

There is a benefit is to all residents and ratepayers in having the West Coast's main airport located in Westland. It boosts tourists by facilitating accessible travel to the region for visitors, thus providing economic benefits for local businesses. The commercial property function of Destination Westland brings a number of benefits to the region. It provides safe and affordable housing for the elderly, access to a swimming pool in Hokitika and facilitates commercial fishing opportunities in South Westland through Jacksons Bay Wharf. In addition, recreational land users, residents and businesses benefit from the availability and downstream provision of amenities.

Other Council organisations

West Coast Wilderness Trust

The Trust brings significant numbers of tourists to the region through its promotion of the West Coast Wilderness Trail that benefits a number of local businesses. It also gives residents an outstanding outdoor recreation asset that can facilitate fun, enjoyment and healthy activity.

Tourism West Coast

Businesses in the tourism sector directly benefit from the marketing and promotional activities of this organisation. Benefit also accrues to residents as growth in this area provides employment opportunities and enhanced infrastructure. Effects of this activity There are no significant negative effects.

Key issues

- Council’s reliance on an annual dividend from Westland Holdings Limited. This is currently used to offset rates.
- Changes in the external environment that may affect the CCOs’ viability or ability to perform, such as if Air New Zealand withdrew its services from the Hokitika Airport Limited.

Target performance of the CCOs

Level of service	Performance measures	Current performance	Performance target: Years 1 – 3 (2018 – 2021)	Performance target: Years 4 – 10 (2022 – 2028)
Westroads Ltd: To comply with its Statement of Intent	The ratio of net profit before taxation and revaluations shall be at least 10% A return of an annual dividend to the shareholder of between 40-70% of the company’s net profit after tax. Compliance with statutory and regulatory requirements enabling Westroads Ltd and the relevant council’s to comply with the LGA.	70%	100%	100%
Westland Holdings Limited: To comply with its Statement of Intent	The target ration of shareholders’ funds to total assets shall not be less than 50% for the period covered by the Statement of Intent. Subsidiary companies shall return a minimum acceptable dividend. Ensure that the financial targets and strategic direction of WHL are in line with the WDC requirements.	70%	100%	100%
Destination Westland: To comply with its Statement of Intent. Westland Holdings Ltd will receive Destination Westland’s Statement on the 30 June 2018. This Statement of Intent will outline the activities that are currently being managed by the two CCO’s that were amalgamated to form Destination Westland. As outlined in this LTP, the management of a number other activities will be transferred to Destination Westland when this Plan is adopted on the 3 July. These activities will not appear in the Destination Westland’s Statement of Intent for 2018/19. It is possible that the Board of Management for Westland Holdings Ltd my request changes to the Destination Westland Statement of	Financial measures: The ratio of net profit before taxation and revaluations (before extraordinary items) to average shareholder funds within a range of 1% and 6%. The ratio of the net profit before taxation and revaluations to average total assets of 1%. Compliance with statutory and regulatory requirements enabling Destination Westland and the relevant council’s to comply with the LGA. Non-Financial measures: a. Aged care occupancy: Target: annual percentage occupancy to be no less than 95%. b. Swimming pool: Target: annual total admissions to be within 5% of those of the previous year. Note: 2017/2018 admissions = 16,849 (as at 15 June 2018). c. Baches on Road Reserve: Target: annual number of licenses to occupy to be greater than 70. d. Jacksons Bay Wharf: Target: annual percentage of commercial fishing vessels who use the wharf with licenses to occupy = 90% e. Leasehold properties:	There are no current Performance measures for Destination Westland as the CCO will be formed after this Plan is adopted	1 to 6%	1 to 6%
			> 95%	> 95%
			within 5% of previous year	within 5% of previous year
			> 70	> 70
			90%	90%
			80%	80%

Intent when it is received on the 30 June 2018.	Target: annual percentage of leasehold properties available for lease = 80%		
	f. Tenant satisfaction:	> 90%	> 90%
	Target: tenant satisfaction with the provision of the company's aged care rental housing greater than/ or equal to 90%.		
	g. Time loss through injury	Zero	Zero
	Target: loss time injuries will be 0.		
h. Annual CAA audit and findings	Nil	Nil	
Target: nil findings			
i. Aircraft movement statistics	within 5% of previous year	within 5% of previous year	
Target: within 5% of previous year Note: (2016/2017) = 3,929.			
j. Passenger numbers through terminal.	within 5% of previous year	within 5% of previous year	
Target: within 5% of previous year (2016/2017) 39,806 Pax			

Financial information

Council financial contributions to Hokitika Swimming Pool are contained in the budget for the respective activity.

The CCOs are expected to be self-funding and provide a return to Council. This income is included in the Corporate Services budget.

Prospective Leadership statement of service performance

For the years ended 30 June 2019 – 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	793,433	946,315	871,114	844,015	956,403	991,252	1,023,572	1,072,194	1,041,316	998,086
Rates penalties	163,000	166,260	169,751	173,316	177,129	181,203	185,371	189,820	194,375	199,429
Internal charges and overheads recovered	3,517,995	3,689,416	3,861,731	3,792,365	3,822,232	3,994,990	3,951,657	4,001,642	4,227,905	4,143,000
Fees and charges	25,035	30,636	26,072	26,619	32,625	27,831	28,471	34,924	29,854	30,630
Rental	61,850	55,546	56,292	56,742	55,229	64,966	83,956	84,907	85,881	86,961
Grants, subsidies and donations	950	969	989	1,010	1,032	1,056	1,080	1,106	1,133	1,162
Interest and dividends	690,000	612,000	624,852	637,974	652,009	667,006	682,347	698,723	715,492	734,095
Recoveries	69,840	76,516	73,008	74,588	81,553	77,688	79,225	86,542	82,246	83,755
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	5,322,104	5,577,658	5,683,809	5,606,630	5,778,213	6,005,990	6,035,680	6,169,858	6,378,202	6,277,119
Expenditure										
Democracy	1,045,853	1,127,190	1,058,887	1,045,199	1,117,104	1,102,957	1,091,585	1,173,498	1,164,736	1,148,457
Corporate Services	4,454,774	4,553,472	4,672,499	4,586,357	4,686,019	4,908,521	4,936,595	4,988,859	5,205,967	5,121,162
Total expenditure	5,500,627	5,680,662	5,731,386	5,631,556	5,803,123	6,011,479	6,028,180	6,162,358	6,370,702	6,269,619
Surplus/(Deficit)	(178,523)	(103,004)	(47,577)	(24,926)	(24,911)	(5,488)	7,500	7,500	7,500	7,500
Capital Expenditure										
Council HQ - Refurbishment	100,000	-	-	15,930	-	-	-	-	-	-
Information Tech - Replacement Councillors tablets	-	15,300	-	-	16,260	-	-	17,310	-	-
Information Management - DMS	50,000	153,000	-	-	-	-	-	-	-	-
IT Equipment renewals - Server Replacement	-	-	-	106,200	-	-	-	-	117,800	-
IT Equipment renewals - Annual Network	32,000	32,640	33,312	33,984	34,688	35,424	36,160	36,928	37,696	38,528
IT Equipment renewals - Upgrades to workstations	12,000	12,240	12,492	12,744	13,008	13,284	13,560	13,848	14,136	14,448
IT Equipment renewals - Chambers projection replacement	-	10,200	-	-	-	-	-	-	-	-
IT Equipment renewals - Webcam replacement	2,500	-	-	-	-	-	-	-	-	-
IT Equipment renewals - Disaster recovery servers	40,000	-	-	-	-	-	-	-	-	-
IT Equipment renewals - Website	-	-	-	37,170	-	-	-	-	41,230	-
IT Equipment renewals - Civil Defence Laptop	5,000	-	-	-	-	-	-	-	-	-
Pool vehicle	-	-	-	-	86,800	44,320	90,480	-	-	-
Total capital expenditure	241,500	223,380	45,804	206,028	150,756	93,028	140,200	68,086	210,862	52,976

Prospective Leadership Funding Impact Statement

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UGAC, rates penalties	1,073,022	956,433	1,112,575	1,040,865	1,017,332	1,133,532	1,172,455	1,208,943	1,262,014	1,235,691	1,197,515
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	548,500	69,840	76,516	73,007	74,588	81,553	77,688	79,225	86,542	82,246	83,755
Internal charges and overheads recovered	-	3,543,030	3,720,052	3,887,802	3,818,984	3,854,857	4,022	3,980,128	4,036,566	4,257,759	4,173,630
Local authorities fuel tax, fines, infringement fees, and other receipts	-	752,800	668,515	682,133	695,726	708,271	733,027	767,383	784,736	802,506	822,218
Total operating funding	1,621,522	5,322,104	5,577,658	5,683,809	5,606,630	5,778,213	6,005,990	6,035,680	6,169,858	6,378,202	6,277,119
Applications of Operating Funding											
Payments to staff and suppliers	1,094,528	3,006,438	3,150,479	3,116,459	3,180,588	3,302,393	3,300,739	3,397,775	3,527,376	3,519,924	3,586,907
Finance Costs	525,620	556,831	479,020	423,467	397,556	446,659	484,664	527,279	514,885	502,491	490,096
Internal charges and overheads applied	-	1,754,380	1,849,712	1,973,754	1,832,141	1,854,457	2,057,894	1,932,410	1,962,097	2,195,802	2,033,394
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	1,620,148	5,317,649	5,479,211	5,513,671	5,410,285	5,603,509	5,843,297	5,857,464	6,004,358	6,218,217	6,110,398
Surplus/(deficit) of operating funding	1,374	4,455	98,447	170,138	196,345	174,703	162,694	178,216	165,499	159,984	166,721
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	(17,250)	(17,250)	(17,250)	(17,250)	(7500)	(7500)	(7500)	(7500)	(7500)	(7500)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding	-	(17,250)	(17,250)	(17,250)	(17,250)	(7500)	(7500)	(7500)	(7500)	(7500)	(7500)
Applications of Capital Funding											
Capital Expenditure - to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure - to improve Level of service	-	45,000	-	-	-	-	-	-	-	-	-
Capital Expenditure - to replace existing assets	-	196,500	223,380	45,804	206,028	63,956	48,708	49,720	68,086	210,862	52,976
Increase/(decrease) in reserves	1,374	(254,295)	(142,183)	107,084	(26,933)	103,248	106,486	120,997	89,913	(58,377)	106,245
Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	1,374	(12,795)	81,197	152,888	179,095	167,204	155,194	170,717	157,999	152,485	159,221

Surplus/(deficit) of capital funding	(1,374)	(4,455)	(98,447)	(170,138)	(196,345)	(174,704)	(162,694)	(178,217)	(165,499)	(159,985)	(166721)
Funding balance	-	-	-	-	-	-	-	-	-	-	-
*Depreciation not included in above table	131,688	290,922	310,203	326,529	333,431	308,795	272,869	277,995	263,024	249,728	253,173

LEISURE SERVICES AND FACILITIES

These pages replace pp 83 - 85 of the 2018 – 28 LTP.



Hokitika Museum

What we do and why

The Hokitika Museum is recognised as a place to discover Westland's tales and treasures. Its services are enjoyed by both residents and also tourists who wish to learn more about Westland's history.

Museum staff provide a wide range of services to the public including responding to research enquires from genealogists, historians, mining companies, tourism operators and filmmakers; liaising with tangata whenua, heritage groups and the Department of Conservation; and supplying copies of historic photographs and maps.

The Museum provides quality information, photographs and maps that assist local businesses, heritage groups and schools.

The Hokitika Museum also manages the Carnegie Gallery which is an important space for local artists to exhibit their work and for the museum to house touring shows or temporary exhibitions produced in-house. The Carnegie Gallery is undergoing earthquake strengthening and exhibitions are temporarily on hold.

The assets

Museum assets include collections, photography, archiving and digitisation equipment and audiovisual equipment for displays.

Effects of this activity

There are no significant effects from this activity.

The situation in 2018

In September 2016, an initial engineering report determined that the Carnegie Building was earthquake prone and in need of major seismic strengthening for it to be safe for full-time occupation as a museum and to host museum staff and visitors. The building was closed and collections were put into

storage. A subsequent peer review of this engineering report revealed that the building was above the 34% National Building Standards (NBS) rating and therefore occupation was acceptable, although lower than the recommended 67% for public buildings.

In 2017, the decision was made for research and curatorial staff to move into leased premises while strengthening options were assessed. Although the Carnegie Building (operated by Westland District Property Limited, now Destination Westland) is currently closed, and exhibitions by Museum staff in this space are temporarily put on hold, exhibitions may be installed until the commencement of the earthquake strengthening project. Meanwhile, the other functions of the museum including responding to research requests and upgrading of the digital catalogue have continued during this interim period.

In early 2018, construction drawing and engineering design work for the earthquake strengthening work were prepared, and tenders have been called for and assessed.

In addition, Council is continuing to look at future development options for the Museum complex Long-Term and in Years one - three of this Plan intends to work with the community on concepts and options for consideration.

All new donations are catalogued electronically. When time allows retrospective cataloguing is being undertaken. The Museum collection of over 67,000 items includes over 37,000 photos. Approximately 7,000 items donated since mid-2011 are still awaiting being catalogued.

Hokitika Museum is increasingly being offered and is generating its own digital material so a digital policy is being developed to ensure that the Museum's procedures meet industry best practice and to ensure the on-going availability, and access to, the content of items in the Museum's collections and other records, regardless of the physical media or digital file format on which they were originally created or acquired.

The management of the Museum was transferred to Destination Westland.

Key issues

- Seismic strengthening required to make the Carnegie Building safer for full-time occupation.
- The 1970s buildings which house the collection store and display areas are becoming unfit for purpose due to being low lying and well below the required seismic rating of 67%.
- Discussions and consultation regarding long-term future and concepts of entire Museum complex which could involve major redevelopment with an opportunity to include a Pounamu Centre.
- Fluctuating temperature and relative humidity can cause long-term damage to Museum collections, as can the lack of appropriate shelving and boxing.
- Lack of adequate storage facilities for the collection items.
- Collection items become inaccessible due to obsolete storage medium, e.g. material stored on diskettes, VHS video tapes, etc.
- Increased visitor expectations to be able to access the collection electronically.
- Limited public access to the collection due to a large proportion (approximately 85%) of the collection not being adequately catalogued.
- Digitising museum collections can involve issues of tikanga and tapu so ongoing discussion and learning from mana whenua is important.

Where we want to be in the future

The Museum needs to ensure that it can successfully care for its collection and loaned collections, and that it can share Westland's stories and heritage through high quality exhibitions and other public programmes.

In order to ensure that our collection items do not become inaccessible due to obsolete storage mediums, priority is given to developing a digital storage migration plan and ensuring that adequate resources are allocated to it.

As part of the long-term museum development plans, research facilities at the Museum will be upgraded to improve public access and reduce the amount of staff assistance required. A dedicated space for parties wanting to access museum material and/or undertake research will be set-up and fit-for-purpose shelving installed. These developments will enable researchers to work more independently, thereby freeing up existing museum staff from having to provide continual assistance to researchers. Research facilities are an important source of income for the Museum.

Following purchase of 41 Weld Street, Council will prepare to move Hokitika Museum to this building. This will allow the Museum to have space for the appropriate display of Taonga and European artefacts, including the hosting of national and international exhibitions; in conjunction with a Library and Visitor Information Hub, that enables the provision of research, learning, recreational reading, and information services that meet the needs of all users.

Key Capital Projects

Asset	\$	Timeframe	Funded by
Museum – New museum development	4,879,500	2022 – 2024 (Years 4 – 6)	100% Loan
Museum – Archival Scanner	7,140	2019/20 (Year 2)	100% Depreciation
Museum – Photo booth	2,400	2018/19 (Year 1)	100% Depreciation

How we want to perform

Level of service	Performance measures	Current performance	Performance target: Year 1 – 3 (2018 – 2021)	Performance target: Years 4 – 10 (2022 – 2028)
Collections developed and maintained with access provided	Collections continue to grow, in line with Hokitika Museum policies.	This is a new measure	Achieved	Achieved
	Deaccessions and disposals are aligned with Hokitika Museum policies.	This is a new measure	Achieved	Achieved
	Backlog of records and documentation reduced.	This is a new measure	Achieved	Achieved

Financial Information

Operating Expenditure	259,300
Other Expenditure	7,458
Paid for from	
General Rates	266,758
Targeted Rates	-
Other Revenue	-

For 2018/19 this activity will make up 1.2% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The predominant benefit from the Museum is to the District as a whole in ensuring that Westland's tales and treasures are preserved and made accessible.
Private benefits	The user/visitor benefits from the services and experience they receive.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.



Westland District Library

What we do and why

Westland District Library's physical collection consists of 30,000 items and an inter-library loan service is available to access books not held in our collection.

The library service caters for all age groups, encourages life-long learning, recreational reading and supports literacy. The vibrant, safe environment is a community hub which allows people to relax, interact and be inspired. The service extends to local communities in the form of the volunteer-run libraries in Kumara, Ross, Hari Hari, Whataroa, Ōkārīto, Franz Josef, Bruce Bay, Fox Glacier and Haast. These outreach facilities are regularly provided with books from the Westland District Library collection.

Access to information is offered in a variety of formats including books, audio, e-resources and online databases.

Free access to the internet is available using one of the five Aotearoa People's Network Kahaora (APNK) computers or via the 24/7 WiFi network using your own device.

EBooks and eAudiobooks can be downloaded free of charge using OverDrive, a library consortium. The library is currently in discussion with Marlborough and Tasman Districts to provide Borrow Box, an online eBook and eAudiobook database that offers New Zealand and Australian content. Borrow Box will supplement content available through OverDrive. As part of a West Coast library collaboration, library users will have access to PressReader from 1 April 2018. PressReader is a newspaper and magazine database offering over 7000 publications in 60 languages from 120 countries. This database will be available in the Library and to remote library members throughout the District.

An upgrade to the Aotearoa Public Network Kaharoa (APNK) public library computer service is scheduled for June 2018. Six Chromebooks will replace the

current PCs, colour printing will be available and an automated booking system will be introduced.

The library website www.westlib.co.nz provides access to electronic databases, library holdings and borrower accounts. The library website, originally launched in 2009, was refreshed in March 2018, in response to community feedback.

The library operates six days a week and trained library staff provide reference enquiry services during opening hours.

Library services contribute to the District's social, cultural and intellectual well-being by providing access to reading material, databases and internet services. The community benefits from higher knowledge and improved literacy outcomes.

There has been a steady increase in active members (used the library in last two years) since 2005. At present 46% of the Westland population are library members.

The assets

Library assets consist of collections, furniture, computer equipment and library management software. Council provides an annual budget for new resources funded through depreciation. The Council does not own the building that the library operates from and there is a concern that the terms and conditions of the lease may become unaffordable.

The physical book collections are depreciated over eight years; furniture over 10 years and computer equipment and library management software between three to 10 years.

Effects of this activity

There are no significant effects from this activity.

The situation in 2018

Council operates Westland District Library from a leased building at 20 Sewell St, Hokitika. Library membership is 46% of the Westland population. The network of nine voluntary-run community libraries enhances the library services offered by the Westland District Library. Each community library is supported by an annual Council grant.

Visitor numbers were 69,197 in 2016/17, a 7% decrease from 74,555 in 2015/16.

A reciprocal borrowing agreement signed on 1 July 2014 between Westland and Grey district libraries gives residents greater access to resources.

Key issues

- More shared services needed.
- Supporting digital learning within the community.
- Wide geographic area to service in Westland District.

Where we want to be in the future

To benefit West Coast communities, more shared library services will be investigated. At present there is a reasonable level of collaboration with the two other West Coast libraries. Collaborative projects include joint database subscriptions, staff training workshops, a joint large print purchasing plan and the circulation of large print collections. Additional shared services that could be possibly be considered include the circulation of other collections, more joint events and programmes and a mobile book bus service.

Reciprocal borrowing between Westland and Grey District began on 1 July 2014 and this has been well received. Following on from the success of this agreement the library is currently in discussion with Grey District Library to introduce a 'one card' system, where library members will be able to borrow resources from either library using the same card.

Shared services with other local organisations will also be considered. The digital divide has highlighted the need to work with other organisations, such as WestREAP and Greypower, to provide technology training workshops at the library for the community. Partnerships enhance library services by pooling resources and expertise.

Providing the resources for people to upskill in digital learning is one of the key focuses for the library moving into the future. At the beginning of 2018, the library purchased 10 Chromebooks to run the Stepping Up computer classes, the computer coding club for senior primary students and for the community to use within the library.

The Council is a partner agency involved in growing the digital economy on the West Coast, as identified

in the Tai Poutini West Coast Economic Development Action Plan 2017.

In collaboration with Tech Space from Greymouth, the library has started to offer additional digital learning opportunities such as an after-school Maker Club aimed at 10-15 year olds interested in 3D printing, electronics and virtual reality.

Due to the geographical spread of the District, the network of nine voluntary-run community libraries provides a valuable service. Each community library receives 100 books from the Westland District Library on a quarterly basis, as well as an annual grant from the Council, which covers expenses relating to running a community library.

As the majority of the Westland population live outside the Hokitika township, further improved services to the community libraries will be investigated.

The Council sees the Library as a digital hub that will need to adapt and evolve as technology and the needs of our community change in the future. This is why the Library's budget includes some modest capital expenditure to create a dedicated space for the delivery of all future digital services at the library.

At present, there is a storage room at the back of the library which is under-utilised and could be converted into a dedicated space for the delivery of technology services with some minor work: including floor covering, blinds, paint and an electrical upgrade to allow for the increased lighting, network cabling, and power sockets demand. The Library intends to partner with other organisations including TechSpace in Greymouth for facilitating classes and this would reduce the financial expenditure required as it would mean Council does not need to provide the computer hardware or personnel resources.

With the purchase of 41 Weld Street Library staff will prepare to move to a space that can adapt and evolve to new information technology and work with Hokitika Museum staff to create programmes that tell the social, cultural and environmental stories of Westland in an engaging and collaborative way. By sharing research space with the Hokitika Museum, staff will be able to share knowledge and resources.

Key Capital Projects

Asset	\$	Timeframe	Funded by
Library –Refit of library back room for digital learning centre	29,300	2018/19 (Year 1)	100% Depreciation
Library – Books	617,219	2018-2028 (Years 1 – 10)	100% Depreciation

How we want to perform

Level of service	Performance measures	Current performance	Performance target: Years 1 – 3 (2018 – 2021)	Performance target: Years 4 – 10 (2022 – 2028)
Provide quality library services in the District.	% of residents satisfied with library services	99% (as per 2018 Resident Survey)	90%	95%
	% of residents who are library members	46%	44%	49%

Financial Information

Operating Expenditure	490,425
Other Expenditure	144,903
Paid for from	
General Rates	606,821
Targeted Rates	-
Other Revenue	28,507

For 2018/19 this activity will make up 2.9% of the Council's yearly expenditure



The rationale for financing this activity

Public benefits	The benefit of the library service to the District is providing resources to meet the community's evolving knowledge, information and recreational needs. The Library is a community hub for people to relax, interact and be inspired.
Private benefits	Fees paid by actual users.

Refer to the **Financial Policies section** (Revenue and Financing Policy) for more information about rationale for using different funding sources.

Refer to the **Financial Statements section** (Funding Impact Statement and Financial Summary) for more information about the activity groups.

Prospective Leisure Facilities statement of service performance

For the years ended 30 June 2019 – 2028

	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Revenue										
Rates	2,457,214	2,478,734	2,658,904	2,829,304	2,945,422	3,073,336	3,186,942	3,242,224	3,304,214	3,339,361
Grants, subsidies and donations	6,000	6,120	6,249	6,380	6,520	6,670	6,823	6,987	7,155	7,341
Fees and charges	56,827	57,964	59,181	60,424	61,753	63,173	64,626	66,177	67,765	69,527
Commissions	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	183,453	183,979	184,628	189,903	190,722	191,680	197,949	199,106	194,299	193,501
Rentals	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	169,656	173,049	176,683	180,393	184,362	188,602	192,940	197,571	202,313	207,573
Total revenue	2,873,150	2,899,845	3,085,644	3,266,403	3,388,779	3,523,461	3,649,281	3,712,065	3,775,747	3,817,303
Expenditure										
Parks and reserves	368,507	376,306	387,780	394,308	401,407	410,881	418,438	426,900	438,453	445,929
Cemeteries	181,830	186,003	193,652	195,707	198,783	203,850	206,190	209,944	216,658	218,027
Library	635,328	631,392	561,309	564,483	572,552	578,178	574,194	590,346	600,035	599,672
Museum	266,758	271,929	492,456	500,623	510,347	522,825	532,030	543,456	556,564	564,907
i-Site	186,973	188,581	189,331	188,405	186,156	184,749	185,184	184,599	184,603	185,315
Events	47,328	47,414	48,325	48,300	48,085	47,754	47,580	47,397	46,835	46,109
Cycle trail	186,570	194,377	196,015	196,179	204,051	203,374	202,273	210,733	210,731	211,155
Swimming pools	328,694	332,971	338,511	343,814	354,248	360,375	366,596	378,750	385,971	392,819
Public toilets	282,638	284,618	292,058	298,277	303,332	310,222	317,430	323,468	331,697	339,624
Elderly housing	69,962	69,962	69,962	74,440	74,440	74,440	79,576	79,576	79,576	85,544
Land and Buildings	390,384	394,868	430,010	503,620	506,674	515,056	528,007	535,117	541,462	549,756
Total expenditure	2,944,973	2,978,421	3,199,407	3,308,155	3,360,074	3,411,703	3,457,497	3,530,286	3,592,586	3,638,857
Surplus/(Deficit)	(71,823)	(78,575)	(113,763)	(41,752)	28,705	111,758	191,784	181,780	183,161	178,446
Capital Expenditure										
Reserves - Cass Square - Demolish Grandstand	15,000	-	-	-	-	-	-	-	-	-
Reserves - Cass Square - Building improvements Pavillion	20,000	-	-	-	-	-	-	-	-	-
Reserves - Cass Square - Turf improvements	-	-	15,615	-	-	16,605	-	-	17,670	-

Reserves - Cass Square - Rubber matting	20,000	20,400	20,820	21,240	-	-	-	-	-	-
Reserves - Cass Square - Playground equipment upgrade	-	-	-	-	216,800	-	-	-	-	-
Reserves - Cass Square - New toilets South East Cnr	-	76,500	-	-	-	-	-	-	-	-
Reserves - Lazar Park - Woodchip replacement	-	-	-	-	-	-	-	-	-	-
Reserves - Haast	10,000	-	-	-	-	-	-	-	-	-
Reserves - Hokitika dog park	-	10,200	-	-	-	-	-	-	-	-
Reserves - Waterfront development	50,000	102,000	-	-	-	-	-	-	-	-
Cemetery - Hokitika Tractor Shed	-	-	62,460	-	-	-	-	-	-	-
Cemetery - Hokitika Improvements Ashes Berm	-	10,200	-	10,620	-	11,070	-	11,540	-	12,040
Cemetery - Hokitika Improvements reseal roads	-	-	26,025	-	-	-	-	-	-	-
Cemetery - Ross Berm development	-	10,200	-	-	-	-	-	-	-	-
West Coast Wilderness Trail - Enhancment	70,000	-	-	-	75,880	-	-	-	-	-
Buildings - Greypower windows	8,000	-	-	-	-	-	-	-	-	-
Buildings - Band rooms	-	10,200	-	31,860	-	-	-	-	-	-
Buildings - Hari Hari house	-	15,300	-	-	-	-	-	-	-	-
Buildings - Fox house	-	-	26,025	-	-	-	-	-	-	-
Buildings - Pakiwaitara	-	-	1,500,000	-	-	-	-	-	-	-
Elderly Housing - Roof repairs	-	-	-	-	-	-	-	-	-	-
Elderly Housing - Glazing and insulation	20,000	20,400	20,820	21,240	-	-	-	-	-	-
Swimming Pool Hokitika - New spa pool	-	25,500	-	-	-	-	-	-	-	-
Swimming Pool Hokitika - Ventilation/Extraction in pool area	-	20,400	-	-	-	-	-	-	-	-
Swimming Pool Ross - EQ strengthening	10,000	-	-	-	-	-	-	-	-	-
Swimming Pool Ross - Electric heat pump system	-	61,200	-	-	-	-	-	-	-	-
Museum - Feasibility studies/ new museum	-	-	-	1,593,000	1,626,000	1,660,500	-	-	-	-
Museum - Archival Scanner	-	7,140	-	-	-	-	-	-	-	-
Museum - Photobooth	2,400	-	-	-	-	-	-	-	-	-
i-Site - Booking Computers	7,500	-	-	-	-	-	-	-	-	-
i-Site - Interactive mapping	11,780	-	-	-	-	-	-	-	-	-
i-Site - Self service computers	4,900	-	-	-	-	-	-	-	-	-
i-Site - Website development	10,000	1,020	1,041	1,062	1,084	1,107	1,130	1,154	1,178	1,204
i-Site - Replacements of equipment	3,000	3,060	3,123	3,186	3,252	3,321	3,390	3,462	3,534	3,612
Library - Refit for tech	-	-	-	-	-	-	-	-	-	-
Library - Building maintenance	-	-	-	-	-	-	-	-	-	-

Library - Electrical upgrade	29,300	-	-	-	-	-	-	-	-	-
Library - Audio/Visual Resource	4,324	4,410	4,501	4,592	4,687	4,787	4,886	4,990	5,094	5,206
Library - Free Adult Books	14,053	14,334	14,629	14,924	15,233	15,557	15,880	16,217	16,554	16,920
Library - Adult Non Fiction	18,918	19,296	19,694	20,091	20,507	20,942	21,377	21,831	22,285	22,777
Library - Junior Publications	12,432	12,681	12,942	13,203	13,476	13,762	14,048	14,347	14,645	14,968
Library - Large Print Books	6,486	6,616	6,752	6,888	7,031	7,180	7,329	7,485	7,641	7,809
Total capital expenditure	348,093	451,057	1,734,447	1,741,906	1,983,951	1,754,831	68,041	81,026	88,601	84,536

Prospective Leisure Facilities Funding impact statement

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Sources of Operating Funding											
General rates, UAGC, rates penalties	1,438,610	1,484,328	1,492,855	1,651,607	1,811,505	1,835,223	1,868,289	1,885,388	1,923,691	1,967,497	1,988,196
Targeted Rates	1,082,648	972,886	985,879	1,007,297	1,017,799	1,110,199	1,205,047	1,301,554	1,318,533	1,336,717	1,351,165
Grants, subsidies and donations	488,703	6,000	6,120	6,249	6,380	6,520	6,670	6,823	6,987	7,155	7,341
Fees and charges	569,529	56,827	57,964	59,181	60,424	61,753	63,173	64,626	66,177	67,765	69,527
Internal charges and overheads recovered	328,155	76,320	78,113	80,033	81,994	84,091	86,332	88,624	104,224	106,730	109,510
Local authorities fuel tax, fines, infringement fees, and other receipts	120,066	183,453	183,979	224,002	229,435	231,045	232,809	239,901	241,897	237,946	238,020
Total operating funding	4,027,711	2,779,814	2,804,909	3,028,369	3,207,536	3,328,831	3,462,320	3,586,916	3,661,508	3,723,809	3,763,760
Applications of Operating Funding											
Payments to staff and suppliers	2,603,829	2,081,870	2,099,299	2,228,723	2,264,503	2,307,481	2,352,370	2,398,177	2,445,738	2,493,985	2,545,281
Finance Costs	-4,692	-	-	-	51,000	49,875	51,300	51,000	52,800	56,250	59,850
Internal charges and overheads applied	418,333	324,489	331,577	416,723	414,589	415,217	430,697	428,257	430,252	451,688	442,993
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	3,026,854	2,406,358	2,430,876	2,645,445	2,730,091	2,772,573	2,834,367	2,877,434	2,928,790	3,001,922	3,048,124
Surplus/(deficit) of operating funding	1,000,857	373,455	374,033	382,923	477,445	556,258	627,952	709,483	732,718	721,887	715,635
Sources of Capital Funding											
Grants, subsidies and donations	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	93,336	94,936	96,650	98,399	100,271	102,270	104,316	93,347	95,583	98,063
Increase/ (decrease) in debt	-	(41,500)	14,000	1,433,675	1,451,675	1,405,025	1,358,225	(385,300)	(385,300)	(385,300)	(385,300)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding	-	51,836	108,936	1,530,325	1,550,074	1,505,296	1,460,495	(280,984)	(291,953)	(289,717)	(287,237)
Applications of Capital Funding											
Capital Expenditure - meet additional demand	45,300	29,300	20,400	-	10,620	-	11,070	-	11,540	-	12,040
Capital Expenditure - improve Level of service	6,800	173,880	389,720	1,501,041	1,594,062	1,702,964	1,661,607	1,130	1,154	1,178	1,204
Capital Expenditure - replace existing assets	231,475	149,713	240,937	233,406	137,224	280,987	82,154	66,911	68,332	87,423	71,292

Increase/ (decrease) in reserves	717,282	72,398	(168,088)	178,800	285,583	77,603	333,617	360,459	359,740	343,567	343,864
Increase /(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total application of capital funding	1,000,857	425,291	482,969	1,913,247	2,027,489	2,061,554	2,088,448	428,500	440,766	432,168	428,400
Surplus/(deficit) of capital funding	(1,000,857)	(373,455)	(374,033)	(382,922)	(477,415)	(556,258)	(627,953)	(709,485)	(732,719)	(721,886)	(715,636)
Funding balance	-	-	-	1	30	-	(1)	(2)	(1)	1	(1)
*Depreciation not included in above table	832,502	441,652	451,786	459,407	480,127	490,768	481,804	480,475	503,113	499,5053	503,054

FINANCIAL STATEMENTS

These pages replace pp 234 – 245 of the 2018 – 28 LTP.

Comprehensive Funding Impact Statement

Prospective Funding Impact Statement

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
OPERATING FUNDING											
Sources of operating funding											
General rates, UAGC, rates penalties	7,006,077	6,925,827	7,261,393	7,694,249	7,962,212	8,115,936	8,298,516	8,345,169	8,576,082	8,680,447	8,672,620
Targeted Rates	8,198,621	8,780,280	9,029,836	8,854,122	8,678,633	9,016,340	9,272,242	9,428,385	9,600,751	9,760,937	9,824,379
Grants, subsidies and donations	2,235,269	1,942,569	1,994,656	2,035,214	2,006,078	2,057,067	2,110,391	2,168,316	2,231,259	2,299,554	2,373,741
Fees and charges	2,409,414	1,840,137	1,885,101	1,929,434	1,970,489	2,018,822	2,059,212	2,107,106	2,162,943	2,209,527	2,265,399
Internal charges and overheads recovered	622,314	698,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Local authorities fuel tax, fines, infringement fees, and other receipts	4,673,019	510,157	513,396	563,362	574,117	584,094	605,825	637,183	651,193	665,591	681,024
Total operating funding	25,144,714	20,697,484	21,303,860	21,707,601	21,834,679	22,448,168	23,015,723	23,369,572	23,921,043	24,331,618	24,551,303
Applications of operating funding											
Payments to staff and suppliers	18,684,923	15,083,378	15,117,403	15,559,310	15,754,574	16,012,476	16,440,456	16,665,601	17,085,163	17,545,475	17,786,421
Finance Costs	777,592	756,669	797,398	831,090	931,314	1,031,772	1,082,940	1,100,027	1,051,204	1,004,019	956,972
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	19,462,515	15,840,047	15,914,801	16,390,400	16,685,888	17,044,248	17,523,396	17,765,628	18,136,367	18,549,494	18,743,393
Surplus/(deficit) of operating funding	5,682,199	4,857,437	5,389,059	5,317,201	5,148,791	5,403,920	5,492,327	5,603,944	5,784,676	5,782,124	5,807,910
CAPITAL FUNDING											
Sources of capital funding											
Grants, subsidies and donations	2,391,040	3,753,695	1,798,153	1,840,984	1,959,167	2,003,234	2,047,302	2,093,205	2,140,945	2,190,521	2,241,933
Development and financial contributions	93,795	93,336	94,936	96,650	98,399	100,271	102,270	104,316	93,347	95,583	98,063
Increase /(decrease) in debt	2,760,196	1,044,324	863,899	2,762,148	2,529,706	1,200,454	370,812	(1,373,013)	(1,373,327)	(1,373,643)	(1,373,963)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-

Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total of capital funding	5,245,031	4,891,356	2,756,988	4,699,782	4,587,272	3,303,959	2,520,384	824,507	860,965	912,460	966,033
Applications of capital funding											
Capital Expenditure - meet additional demand	60,300	39,300	30,650	10,480	21,340	10,960	22,280	11,470	23,270	12,000	24,320
Capital Expenditure - improve Level of service	588,800	4,828,880	2,731,845	4,021,481	3,545,102	2,459,204	1,672,817	12,600	12,884	13,178	13,484
Capital Expenditure - replace existing assets	6,721,475	4,173,713	4,405,048	3,328,543	3,807,697	4,134,084	4,598,429	4,097,291	4,514,038	4,457,928	4,494,355
Increase/ (decrease) in reserves	3,556,654	706,900	978,504	2,656,477	2,361,925	2,103,631	1,719,186	2,307,091	2,095,450	2,211,478	2,241,784
Increase /(decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding	10,927,229	9,748,793	8,146,047	10,016,981	9,736,064	8,707,879	8,012,711	6,428,452	6,645,642	6,694,584	6,773,943
Surplus/(deficit) of capital funding	(5,682,198)	(4,857,437)	(5,389,059)	(5,317,199)	(5,148,792)	(5,403,920)	(5,492,328)	(5,603,945)	(5,784,677)	(5,782,123)	(5,807,910)
Funding balance	-	-	-	-	-	-	-	-	-	-	-

Prospective Statement of Financial Performance

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
OPERATING INCOME											
Rates	15,036,433	15,543,106	16,124,969	16,379,827	16,467,529	16,955,147	17,389,555	17,588,184	17,987,014	18,247,009	18,297,570
Rates penalties	168,264	163,000	166,260	169,751	173,316	177,129	181,203	185,371	189,820	194,375	199,429
Finance income	622,314	698,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Fees and charges	2,409,414	1,840,137	1,885,101	1,929,434	1,970,489	2,018,822	2,059,212	2,107,106	2,162,943	2,209,527	2,265,399
Recoveries	140,682	181,897	185,816	189,810	193,843	198,012	202,370	206,775	211,383	215,991	220,857
Commissions	62,154	1,800	1,838	1,876	1,916	1,958	2,003	2,049	2,098	2,149	2,202
NZTA subsidy	4,13,630	3,660,000	3,740,520	3,822,811	3,910,736	4,004,594	4,100,704	4,203,222	4,312,505	4,428,943	4,552,953
Petrol tax	120,000	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Grants and subsidies	512,679	2,036,264	52,289	53,387	54,508	55,708	56,989	58,300	59,699	61,132	62,721
Rentals	29,750	161,849	157,545	160,433	163,070	163,896	176,132	197,679	201,360	205,129	209,309
Contributions	93,795	93,336	94,936	96,650	98,399	100,271	102,270	104,316	93,347	95,583	98,063
Forestry harvest	-	-	-	-	-	-	-	-	-	-	-
Assets vested in Council	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Share revaluation	-	-	-	-	-	-	-	-	-	-	-
Revaluation gains	175,517	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	278,016	34,611	35,337	67,568	68,334	69,780	71,294	72,844	74,465	76,124	77,875
Internal charges	-	-	-	-	-	-	-	-	-	-	-
Total Operating income	23,668,853	24,544,516	23,196,948	23,638,551	23,884,197	24,543,464	25,156,922	25,558,552	26,146,624	26,608,836	26,888,236
OPERATING EXPENDITURE											
Leadership	1,231,099	1,992,543	1,996,255	1,942,570	1,911,313	2,048,450	2,092,472	2,151,715	2,231,269	2,222,671	2,205,278
Transportation	5,845,505	5,818,240	6,035,219	6,130,831	6,192,307	6,447,904	6,532,214	6,602,144	6,898,368	7,005,862	7,081,123
Water Supply	3,066,326	3,123,647	3,207,115	3,258,772	3,277,474	3,409,599	3,490,362	3,507,776	3,611,145	3,682,598	3,687,152
Wastewater	1,123,632	1,575,622	1,656,485	1,744,936	1,854,869	1,889,076	1,897,355	1,898,980	1,892,488	1,906,466	1,905,917
Stormwater	494,236	562,254	666,434	760,948	806,477	841,061	842,123	837,525	862,362	866,701	859,613
Solid Waste	2,217,036	2,315,658	2,373,252	2,444,188	2,482,587	2,527,486	2,580,350	2,623,267	2,678,082	2,741,817	2,781,198

Community Services	1,217,687	1,353,441	1,173,209	1,211,835	1,220,398	1,237,859	1,261,996	1,278,891	1,301,802	1,330,173	1,355,792
Leisure Services & Facilities	3,758,818	2,761,520	2,794,442	2,945,505	3,048,621	3,098,935	3,146,684	3,187,087	3,257,688	3,321,346	3,369,762
Planning & Regulatory	2,179,881	2,265,931	2,362,157	2,417,692	2,471,193	2,422,896	2,507,634	2,511,014	2,578,735	2,625,546	2,664,401
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Revaluation losses	-	-	-	-	-	-	-	-	-	-	-
Total operating expenditure	25,270,432	21,768,855	22,264,568	22,857,277	23,265,239	23,923,266	24,351,191	24,598,398	25,311,940	25,703,179	25,910,235
Surplus/(deficit) before tax	2,534,633	2,775,661	932,380	781,274	618,958	620,198	805,731	960,155	834,684	905,657	972,000
Taxation expenses/(benefit)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax	2,534,633	2,775,661	932,380	781,274	618,958	620,198	805,731	960,155	834,684	905,657	972,000
Note: Total expenditure includes:											
Depreciation	5,807,916	5,928,807	6,349,768	6,473,558	6,587,400	6,887,227	6,836,168	6,838,728	7,181,703	7,159,987	7,171,673
Finance expenditure	777,592	756,669	797,398	831,090	931,314	1,031,772	1,082,940	1,100,027	1,051,204	1,004,019	956,972

Comprehensive Revenue

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Surplus/(deficit) after tax	2,534,634	2,775,661	932,380	781,274	618,958	620,198	805,731	960,155	834,684	905,657	972,000
Increase/(decrease) in restricted reserves	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in revaluation reserves	16,976,700	17,700,410	-	2,717,063	22,601,877	-	3,215,272	24,815,511	-	3,596,330	27,943,740
Financial assets at fair value through other comprehensive revenue	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive revenue	16,976,700	17,700,410		2,717,063	22,607,877	-	3,215,511	24,815,511	-	3,596,330	27,943,740
Total comprehensive revenue	19,511,334	20,476,071	932,380	3,498,338	23,220,835	620,198	4,021,003	25,775,666	834,684	4,501,987	28,915,741

Prospective Statement of Changes in Net Assets/Equity

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Equity at start of year	425,746,369	430,607,727	451,083,798	452,016,178	455,514,515	478,735,350	479,355,548	483,376,551	509,152,217	509,986,901	514,488,888
Total comprehensive revenue	19,511,334	20,476,071	932,380	3,498,338	23,220,835	620,198	4,021,003	25,775,666	834,684	4,501,987	28,915,741
Equity at end of year	445,258,703	451,083,798	452,016,178	455,514,515	478,735,350	479,355,548	483,376,551	509,152,217	509,986,901	514,488,888	543,404,629
Components of Equity											
Retained earnings at start of year	153,029,000	149,636,527	151,581,474	151,411,845	149,411,370	147,528,369	145,888,970	144,788,461	143,226,507	141,702,464	140,060,679
Surplus/(deficit) after tax	2,534,634	2,775,661	932,380	781,274	618,958	620,198	805,731	960,155	834,683	905,657	972,001
Transfers (to)/from restricted/Council created reserves	(3,876,665)	(830,714)	(1,102,009)	(2,781,749)	(2,501,959)	(2,259,598)	(1,906,240)	(2,522,109)	(2,358,726)	(2,547,442)	(2,670,220)
Retained earnings at end of year	151,686,969	151,581,474	151,411,845	149,411,370	147,528,369	145,888,970	144,788,461	143,226,507	141,702,464	140,060,679	138,362,460
Revaluation reserves at start of year	267,817,440	274,390,750	292,091,160	292,091,160	294,808,223	317,410,100	317,410,100	320,625,372	345,440,883	345,440,883	349,037,213
Revaluation gains	16,976,700	17,700,410	-	2,717,063	22,601,877	-	3,215,272	24,815,511	-	3,596,330	27,943,740
Revaluation reserves at end of year	284,794,140	292,091,160	292,091,160	294,808,223	317,410,100	317,410,100	320,625,372	345,440,883	345,440,883	349,037,213	376,980,953
Restrict/Council create reserves at start of year	4,899,929	6,580,450	7,411,164	8,513,173	11,294,922	13,796,881	16,056,478	17,962,718	20,484,827	22,843,553	25,390,995
Transfers (to)/from reserves	3,876,665	830,714	1,102,009	2,781,749	2,501,959	2,259,598	1,906,240	2,522,109	2,358,726	2,547,442	2,670,220
Financial asset revaluation gains	-	-	-	-	-	-	-	-	-	-	-
Restrict/Council created reserves at end of year	8,776,594	7,411,164	8,513,173	11,294,922	13,796,881	16,056,478	17,962,718	20,484,827	22,843,553	25,390,995	28,061,216
Equity at end of year	445,257,703	451,083,798	452,016,178	455,514,515	478,735,350	479,355,548	483,376,551	509,152,217	509,986,901	514,488,887	543,404,629

Prospective Statement of Financial Position

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
ASSETS											
Current Assets											
Cash & cash equivalents	6,763,316	5,569,740	6,737,825	9,421,697	11,819,352	13,936,088	15,651,181	17,957,235	20,078,987	22,297,780	24,547,849
Debtors & other receivables	2,666,239	2,353,584	2,224,365	2,258,073	2,267,466	2,329,898	2,388,443	2,425,778	2,481,045	2,524,040	2,548,789
Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Total current assets	9,429,555	7,923,324	8,962,190	11,679,769	14,086,819	16,265,985	18,039,624	20,383,013	22,560,032	24,821,820	27,096,637
Non-current assets											
Property, Plant and Equipment	452,668,212	459,715,811	460,533,586	464,137,595	487,526,210	487,243,231	489,915,859	512,011,422	509,377,329	510,294,194	535,594,189
Forestry assets	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investment Property	-	-	-	-	-	-	-	-	-	-	-
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	39,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Council Controlled Organisation	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000	8,695,000
Intangible assets	71,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000
Investments	1,359,000	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188	371,188
Total non-current assets	462,834,212	468,892,999	469,710,774	473,314,783	496,703,398	496,420,419	499,093,047	521,188,610	518,554,517	519,471,382	544,771,377
Total assets	472,263,767	476,816,322	478,672,964	484,994,552	510,790,217	512,686,404	517,132,671	541,571,623	541,114,549	544,293,202	571,868,014

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
LIABILITIES											
Current liabilities											
Creditors and other payables	2,423,192	2,087,424	2,134,959	2,183,156	2,215,306	2,277,618	2,318,372	2,340,900	2,408,198	2,444,388	2,462,775
Borrowings	6,343,000	1,701,426	1,310,692	939,334	1,106,786	1,225,898	1,309,483	1,310,057	1,310,643	1,311,243	1,311,243
Employee entitlements	296,000	182,000	186,368	190,654	194,849	198,746	202,522	206,167	209,672	212,817	215,797
Provisions	-	-	-	-	-	-	-	-	-	-	-
Tax payable	3,000	3,000	3,063	3,127	3,193	3,263	3,338	3,415	3,497	3,581	3,670
Other current liabilities	193,000	377,000	384,917	393,000	401,253	410,081	419,513	429,161	439,461	450,008	461,259
Total current liabilities	9,258,192	4,350,850	4,019,999	3,709,272	3,921,387	4,115,606	4,253,229	4,289,701	4,371,472	4,422,038	4,454,744
Non-current liabilities											
Provisions	1,000,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000	2,089,000
Borrowings	16,304,452	18,744,675	19,999,308	23,132,814	25,495,068	26,576,410	26,863,636	25,490,049	24,116,136	22,741,892	21,367,929
Employee entitlements	29,000	20,000	20,480	20,951	21,412	21,840	22,255	22,656	23,041	23,387	23,714
Derivative financial instruments	384,420	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Deferred Tax	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Other non-current liabilities	30,000	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	17,747,872	21,381,675	22,636,788	25,770,765	28,133,480	29,215,250	29,502,891	28,129,705	26,756,177	25,382,279	24,008,643
Equity											
Public equity	151,686,969	151,581,474	151,411,845	149,411,370	147,528,369	145,888,970	144,788,461	143,226,508	141,702,465	140,060,680	138,362,461
Restricted Reserves	8,76,5947	7,347,164	8,449,173	11,230,922	13,733,881	15,992,478	17,898,718	20,420,826	22,779,551	25,326,992	27,997,212
Asset revaluation reserves	284,794,140	292,091,160	292,091,160	294,808,223	317,410,100	317,410,100	320,625,372	345,440,883	345,440,883	349,037,213	376,980,953
Other reserves	-	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
Total Equity	445,257,703	451,083,798	452,016,178	455,514,515	478,735,350	479,355,548	483,376,551	509,152,217	509,986,899	514,488,885	543,404,626
Total liabilities and equity	472,263,767	476,816,322	478,672,964	484,994,552	510,790,217	512,686,404	517,132,672	541,571,623	541,114,549	544,293,202	571,868,013

Prospective Statement of Cashflows

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
CASH FLOWS FROM OPERATING ACTIVITIES											
Cash was received from:											
Receipts from rates revenue	15,204,697	15,706,106	16,291,229	16,548,371	16,640,845	17,132,276	17,570,758	17,773,554	18,176,833	18,441,385	18,496,999
Grants, subsidies and donations	4,626,309	5,696,264	3,792,809	3,876,199	3,965,245	4,060,301	4,157,693	4,261,521	4,372,204	4,490,075	4,615,675
Petrol tax	120,000	130,000	132,860	135,783	138,906	142,240	145,653	149,295	153,176	157,312	161,717
Finance revenue	622,314	698,515	619,478	631,219	643,150	655,908	669,537	683,412	698,815	715,561	734,139
Regional council rates											
Receipts from other revenue	6,189,698	2,924,046	2,489,791	2,419,954	2,494,706	2,498,516	2,563,109	2,661,975	2,699,040	2,770,394	2,858,021
	26,763,018	25,154,932	23,326,167	23,611,525	23,882,851	24,489,242	25,106,750	25,529,757	26,100,069	26,574,727	26,866,551
Cash was applied to:											
Payments to suppliers & employees	17,761,731	14,951,954	15,057,040	15,498,207	15,709,450	15,936,894	16,385,965	16,629,301	17,003,594	17,495,164	17,753,745
Regional council rates	-	-	-	-	-	-	-	-	-	-	-
Finance expenditure	777,592	756,669	797,398	831,090	931,314	1,031,772	1,082,940	1,100,027	1,051,204	1,004,019	956,972
	18,539,323	15,708,623	15,854,438	16,329,297	16,640,763	16,968,666	17,468,905	17,729,328	18,054,798	18,499,183	18,710,718
Net cash flow from operating activities	8,223,695	9,446,309	7,471,730	7,282,229	7,242,088	7,520,575	7,637,845	7,800,429	8,045,271	8,075,544	8,155,833
CASH FLOWS FROM INVESTING ACTIVITIES											
Cash was received from:											
Sale of property, plant & equipment	-	-	-	-	-	-	-	-	-	-	-
Term investments, shares and advances	450	-	-	-	-	-	-	-	-	-	-
Forestry investment	-	-	-	-	-	-	-	-	-	-	-
	450	-	-	-	-	-	-	-	-	-	-

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Cash was applied to:											
Purchase of property, plant and equipment	7,370,575	9,041,893	7,167,543	7,360,504	7,374,139	6,604,248	-	4,121,361	4,550,192	4,483,106	4,532,159
Term investments, shares and advances	-	-	-	-	-	-	-	-	-	-	-
Forestry capital expenditure	-	-	-	-	-	-	-	-	-	-	-
	7,370,575	9,041,893	7,167,543	7,360,504	7,374,139	6,604,248	-	4,121,361	4,550,192	4,483,106	4,532,159
Net cash flow from investing activities	(6,920,575)	(9,041,893)	(7,167,543)	(7,360,504)	(7,374,139)	(6,604,248)	-	(4,121,361)	(4,550,192)	(4,483,106)	(4,532,159)
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash was received from:											
Proceeds from borrowings	4,552,000	2,615,000	2,565,325	4,072,840	3,544,040	2,382,240	1,671,710	11,470	11,730	12,000	12,280
	4,552,000	2,615,000	2,565,325	4,072,840	3,544,040	2,382,240	1,671,710	11,470	11,730	12,000	12,280
Cash was applied to:											
Repayment of borrowings	1,791,804	1,570,676	1,701,426	1,310,692	1,014,334	1,181,786	1,300,898	1,384,483	1,385,057	1,385,643	1,386,243
	1,791,804	1,570,676	1,701,426	1,310,692	1,014,334	1,181,786	1,300,898	1,384,483	1,385,057	1,385,643	1,386,243
Net cash flow from financing activities	2,760,196	1,044,324	863,899	2,762,148	2,529,706	1,200,454	370,812	(1,373,013)	(1,373,327)	(1,373,643)	(1,373,963)
Net increase/(decrease) in cash held	4,063,316	1,448,740	1,168,086	2,683,873	2,397,656	2,116,736	1,715,091	2,306,055	2,121,752	2,218,795	2,250,071
Add cash at start of year (1 July)	2,700,000	4,121,000	5,569,740	6,737,826	9,421,699	11,819,355	13,936,091	15,651,182	17,957,237	20,078,989	22,297,784
Balance at end of year (30 June)	6,763,316	5,569,740	6,737,826	9,421,699	11,819,355	13,936,091	15,651,182	17,957,237	20,078,989	22,297,784	24,547,855
REPRESENTED BY											
Cash, cash equivalents and bank overdrafts	6,763,316	5,569,740	6,737,826	9,421,699	11,819,355	13,936,091	15,651,182	17,957,237	20,078,989	22,297,784	24,547,855
	6,763,316	5,569,740	6,737,826	9,421,699	11,819,355	13,936,091	15,651,182	17,957,237	20,078,989	22,297,784	24,547,855

Prospective Reconciliation of Net Surplus to Operating Activities

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Surplus/deficit after tax	2,534,634	2,775,661	932,380	781,274	618,958	620,198	805,731	960,155	834,683	905,657	972,001
Add/(Less non-cash expenses											
Revaluation (gains)/losses	(175,517)	-	-	-	-	-	-	-	-	-	-
Depreciation & amortisation	5,807,916	5,928,809	6,349,768	6,473,558	6,587,400	6,887,227	6,836,168	6,841,311	7,184,286	7,162,570	7,175,905
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Assets vesting in council	-	-	-	-	-	-	-	-	-	-	-
	5,632,399	5,928,809	6,349,768	6,473,558	6,587,400	6,887,227	6,836,168	6,841,311	7,184,286	7,162,570	7,175,905
Add/(Less) items classified as investing or financial activities											
(Gains)/losses on sale of property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of forestry assets	-	-	-	-	-	-	-	-	-	-	-
(Gains)/losses in fair value of investment properties	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Plus/(Less) movements in working capital											
(Increase)/decrease in inventories	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in debtors and other receivables	(866,530)	244,768	111,995	(63,960)	10,423	(66,124)	(89,699)	(19,211)	(60,946)	(79,605)	(978)
Increase/(decrease) in creditors and other payables	923,192	497,073	64,758	78,449	12,334	66,005	71,908	4,403	72,978	72,799	(5,384)
Increase/(decrease) in employee entitlements	-	-	4,848	4,758	4,655	4,325	4,191	4,046	3,890	3,491	3,307
Increase/(decrease) in provisions	-	-	7,980	8,148	8,319	8,898	9,507	9,726	10,382	10,631	11,340
	56,662	741,841	189,581	27,395	35,730	13,104	(4,093)	(1,036)	26,303	7,316	8,285
Net cashflow from operating activities	8,223,695	9,446,309	7,471,730	7,282,228	7,242,088	7,520,530	7,637,805	7,800,429	8,045,271	8,075,543	8,156,193

Prospective Reconciliation of Net Surplus/(Deficit) to Council Funding Impact Statement

For the years ended 30 June 2019 – 2028

	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating surplus/(deficit) from cost of service statements											
Leadership	445,517	(178,523)	(103,004)	(47,577)	(24,926)	(24,911)	(5,488)	7,500	7,500	7,500	7,500
Transportation	724,358	54,192	(8,629)	34,203	152,385	75,450	119,517	165,421	74,399	123,975	175,387
Water Supply	1,060,134	1,059,683	1,088,874	580,221	165,834	169,689	193,802	195,820	190,918	192,993	195,027
Wastewater	10,000	2,001,252	22,445	30,226	47,557	57,361	65,806	73,914	68,434	76,437	84,119
Stormwater	57,474	13,612	26,552	51,854	71,236	73,511	78,386	83,122	78,635	83,408	88,047
Solid Waste	68,566	3,194	(8,962)	3,154	5,510	(3,052)	(2,304)	(2,481)	(12,406)	(8,097)	(3,680)
Community Services	-	(105,926)	(6,321)	(6,418)	(6,418)	(6,876)	(6,876)	(6,876)	(7,365)	(7,365)	(7,365)
Leisure Services and Facilities	168,585	(71,823)	(78,575)	(74,389)	(2,220)	69,028	152,889	233,737	224,568	226,806	222,966
Planning and Regulatory	-	-	-	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000
Administration and support services	-	-	-	-	-	-	-	-	-	-	-
add Vested assets	-	-	-	-	-	-	-	-	-	-	-
add Interest on internal borrowing	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax per Statement of Financial Performance	2,534,634	2,775,661	932,380	781,274	618,958	620,199	805,731	960,155	834,683	905,657	972,001
Gains and Losses on Derivatives	(175,517)	-	-	-	-	-	-	-	-	-	-
less Vested assets and interest on internal borrowing not included in the FIS	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) before vested assets and internal interest	2,359,117	2,775,661	932,380	781,274	618,958	620,199	805,731	960,155	834,683	905,657	972,001
less Capital grants, subsidies and donations	(2,391,040)	(3,753,695)	(1,798,153)	(1,840,984)	(1,959,167)	(2,003,234)	(2,047,302)	(2,093,205)	(2,140,945)	(2,190,521)	(2,241,933)
less Development and financial contributions	(93,795)	(93,336)	(94,936)	(96,650)	(98,399)	(100,271)	(102,270)	(104,316)	(93,347)	(95,583)	(98,063)
less Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
add Depreciation not included in the FIS	5,807,916	5,928,807	6,349,768	6,473,558	6,587,400	6,887,227	6,836,168	6,841,311	7,184,286	7,162,570	7,175,905
Surplus/(deficit) of operating funding	3,323,081	4,857,437	5,389,059	5,317,199	5,148,792	5,403,921	5,492,328	5,603,945	5,784,677	5,782,123	5,807,910
Balance as per Council FIS surplus/(deficit) of funding	5,682,198	4,857,437	5,389,059	5,317,199	5,148,791	5,403,920	5,492,327	5,603,944	5,784,676	5,782,124	5,807,910

These sections replace the respective reserve funding information on p249 (Council Created Reserve Funds) and p 252 (Restricted Reserve Funds) of the 2018 – 28 LTP.

Prospective Statement of Special Funds Reserves

For the years ended 30 June 2019 – 2028

	Purpose of each reserve fund	Annual plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Council Created Reserve Funds												
Buildings Renewal	For renewal of all Council operational buildings											
Opening Balance		264,180	576,0004	586,944	598,096	609,460	641,049	673,504	708,137	748,018	789,006	835,715
Deposits		9,510	10,944	11,152	11,364	31,589	32,455	34,633	38,881	41,988	46,709	54,229
Withdrawals		-	-	-	-	-	-	-	-	-	-	-
Closing Balance		273,690	586,944	598,096	609,460	641,049	673,504	708,137	747,018	789,006	835,715	889,944
Restricted Reserve Funds												
Depreciations Reserves Fund Summary												
Opening Balance		977,807	-	846,901	1,856,008	4,229,171	6,286,632	8,159,809	9,570,621	11,564,789	13,345,092	15,239,188
Deposits		11,106,046	9,888,794	8,176,650	8,233,667	9,431,600	8,477,425	7,704,378	6,115,489	6,330,495	6,377,202	6,475,432
Withdrawals		(7,370,575)	(9,041,893)	(7,167,543)	(5,860,504)	(7,374,139)	(6,604,248)	(6,293,526)	(4,121,361)	(4,550,192)	(4,483,106)	(4,532)
Closing Balance		4,713,278	846,901	1,856,008	4,229,171	6,286,632	8,159,809	9,570,661	11,564,789	13,345,092	15,239,188	17,307
Special Funds Reserve Summary												
Opening Balance		4,899,929	6,516,450	7,347,164	8,449,173	11,230,922	13,732,881	15,992,478	17,898,718	20,420,828	22,779,554	25,326,996
Deposits		11,512,960	10,092,663	8,381,810	8,642,311	9,876,161	8,939,793	8,199,884	6,643,556	6,909,021	7,030,675	7,202,536
Withdrawals		(7,636,295)	(9,261,949)	(7,280,801)	(5,860,562)	(7,374,202)	(6,680,195)	(6,293,604)	(4,121,447)	(4,550,295)	(4,483,233)	(4,532,316)
Closing Balance		8,776,594	7,347,164	8,449,173	11,230,922	13,732,881	15,992,478	17,898,718	20,420,828	22,779,554	25,326,996	27,997,217

FINANCIAL REPORTING AND PRUDENCE DISCLOSURES

These pages replace pp 253 - 255 of the 2018 – 28 LTP.

Purpose

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

The limits for these benchmarks are contained in the Financial Strategy and the Liability Management Policy.

Council is required to include this statement in its Long Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates (income affordability)

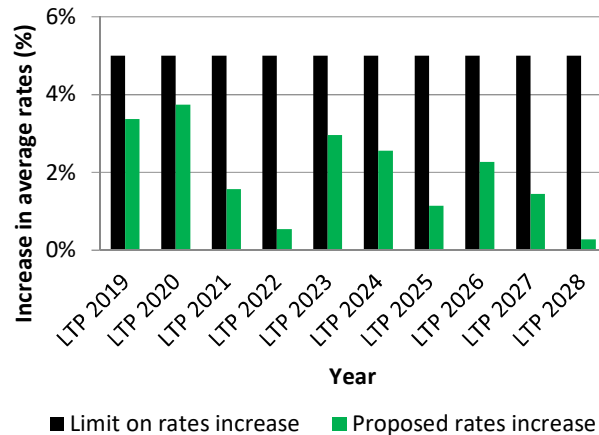


The Council meets the rates (income) affordability benchmark if planned revenue from rates is equal to or less than the quantified limit. The overall limit for rates revenue is the aggregate of the maximum Council has prescribed for each of its activities (as outlined in the Revenue and Financing Policy). This means the limit for each year is individually set but the range is narrow. The lowest being 78% and the highest being 85% of total income.

The graph below compares the expected rates revenue as a proportion of total revenue against this benchmark.

Council meets this benchmark in all years of the LTP.

Rates (increases) affordability

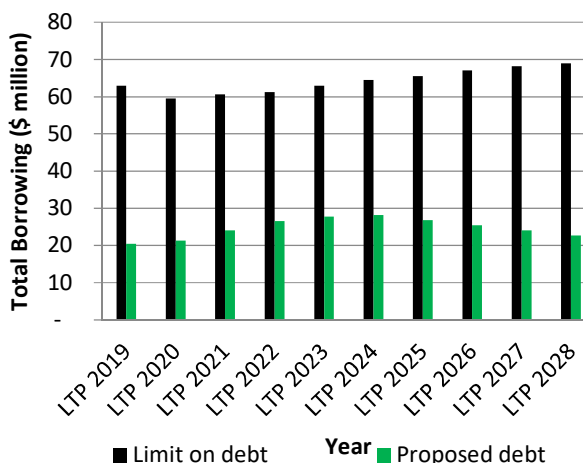


The Council meets the rates (increases) affordability benchmark if the planned increase in revenue from rates as a percentage of the same for the previous year is equal to or less than the quantified limit. It has determined that total rates increases in any one year should not exceed 5%.

The graph above compares the expected rates increases in the financial forecasts against this benchmark.

Council meets this benchmark in all years of the LTP.

Debt affordability benchmark

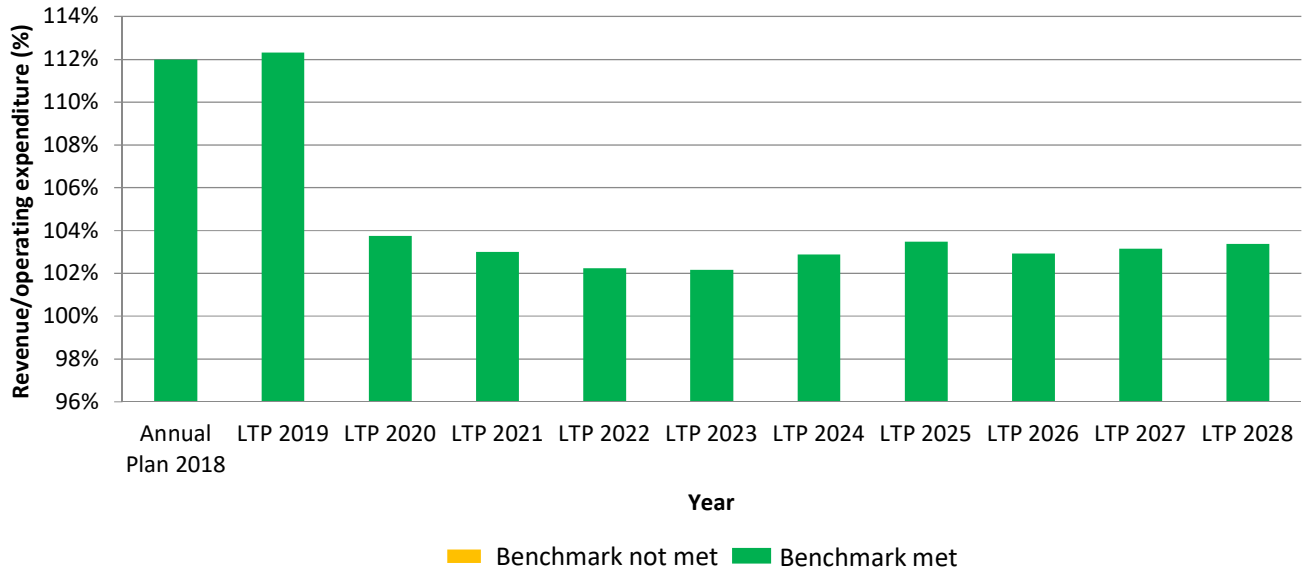


Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. Council's limit for debt is linked to debt serviceability and is therefore set so that finance costs will not exceed 10% of revenue.

The above graph compares Council's forecast borrowing with the quantified limit stated in Council's liability management policy.

Council meets this benchmark in all years of the LTP.

Balanced budget benchmark



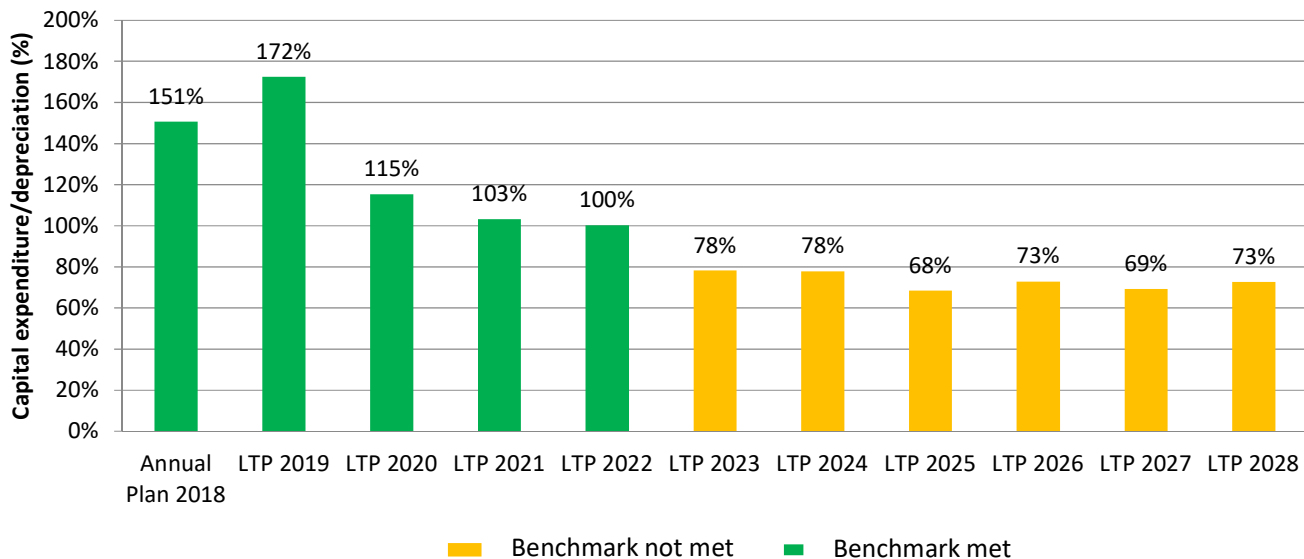
Council meets this benchmark if its revenue equals or is greater than its operating expenses.

property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The above graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of

Council meets this benchmark in all years of the LTP.

Essential services benchmark

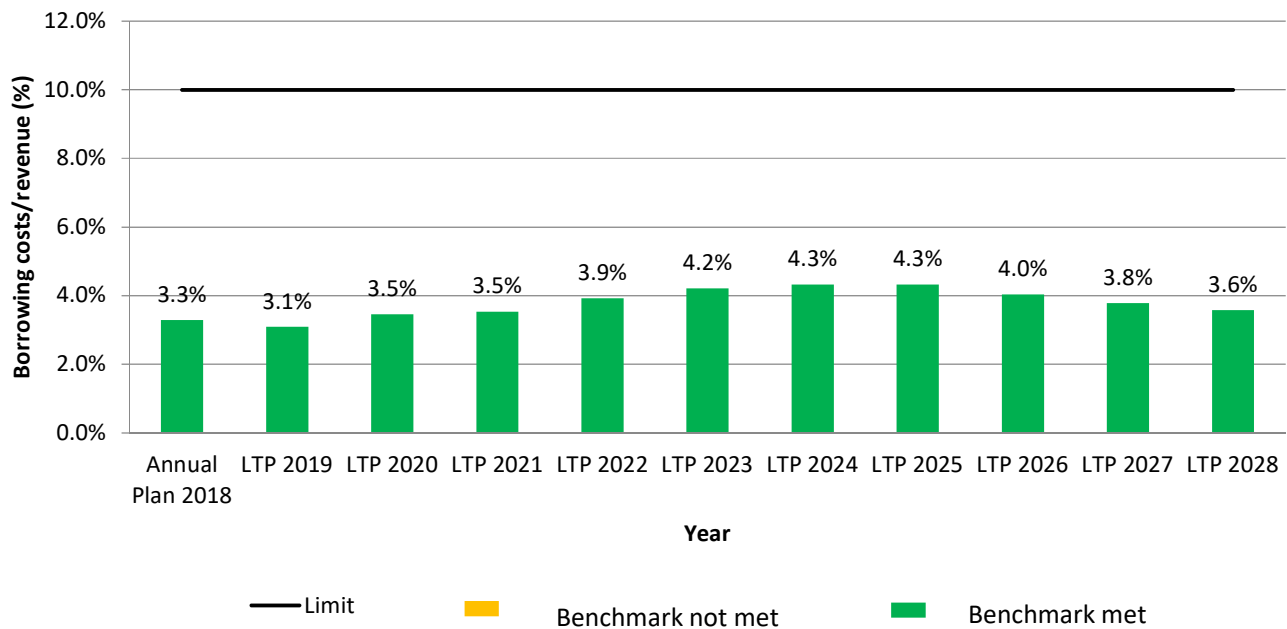


Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

The above graph displays Council’s forecast capital expenditure on network services as a proportion of depreciation on network services.

Council does not meet this benchmark for the final six years of the plan. Council have reprioritised the capital renewals programme for assets at the end of life, and have instead made the decision to upgrade existing assets, this is in order to meet the increasing demand from Tourism and to address the impact of new drinking water standards. These changes are further explained in Council’s infrastructure and financial strategies.

Debt servicing benchmark



The regulations prescribe this benchmark. Based on the assumption that Westland will not be a high growth district, Council meets this benchmark if borrowing costs equal or are less than 10% of its revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) for the year.

The graph above compares Council’s forecast interest costs as a proportion of revenue against this benchmark.

Council meets this benchmark in all years of the LTP.

Report



DATE: 21 August 2020
TO: Mayor and Councillors
FROM: Chief Executive

Draft Consultation Document Westland Discovery Centre Pakiwaitara

1 SUMMARY

- 1.1 The purpose of this report is to approve the draft Consultation Document: Westland Discovery Centre Pakiwaitara.
- 1.2 This issue arises from the requirement to conduct a special consultative procedure under sections 93A, 97 and 93E of the Local Government Act 2002 due to Council's proposal to return the Hokitika Museum services to Council control, and purchase 41 Weld Street, Hokitika, to develop a combined service centre for that could consist of the Hokitika Museum, Westland District Library and Visitor Information Services.
- 1.3 Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in May 2018, which are set out in the Long Term Plan 2018-28. These are stated on Page 2 of this agenda.
- 1.4 This report concludes by recommending that Council approves the draft Consultation Document: Westland Discovery Centre Pakiwaitara, and directs staff to conduct public consultation under ss 93A, 97 and 93E of the Local Government Act.

1 BACKGROUND

- 2.1 A number of commercially focused services, including the Hokitika Museum were taken over by Destination Westland in 2018 following public consultation on the Long Term Plan 2018 – 28. Hokitika Museum services are provided for a management fee of approximately \$265,000 per year.

- 2.2 Westland Holdings Limited (WHL), Destination Westland's (DW) parent company, has identified that the anticipated benefit of DW management of the Hokitika Museum has not been achieved.
- 2.3 The Carnegie Building, which houses the Hokitika Museum, has been closed for earthquake strengthening since 2018 and the building is not considered fit to maintain collections to an international standard of climate control and preservation. The Museum's collection is in storage and no exhibitions are being held.

3 CURRENT SITUATION

- 3.1 With the drop in tourism in Westland due to the Covid-19 pandemic and measures taken by the Government to prevent the spread in New Zealand, DW's revenue has dropped severely. The Hokitika Museum is not operating at its intended level of service as it remains closed for full exhibitions and displays Hokitika Museum remains closed.
- 3.2 WHL has advised Council that their preferred option is to return Hokitika Museum management to Council, in order that Council can improve the level of service this activity achieves.
- 3.3 At the Public Excluded Meeting on 30 June 2020, Council received a business case outlining the opportunity to purchase 41 Weld Street, Hokitika for \$1.5 million, in order to develop 'Westland Discovery Centre', comprising of the Hokitika Museum, Westland District Library and possibly Visitor Information Services.
- 3.4 The return of the Hokitika Museum activity, purchase of 41 Weld Street and consolidation of activities into the Westland Discovery Centre requires an amendment to the Long Term Plan 2018-28 (LTP). Council must conduct a special consultative procedure under sections 93A, 97 and 93E of the LGA to understand the opinion of the Community.
- 3.5 Council resolved to conduct the special consultative procedure. The draft Consultation Document: Westland Discovery Centre Pakiwaitara and Summary of Amendments to the LTP 2018-28 have been audited as required by s 93D LGA.

4 OPTIONS

- 4.1 Council has the following options:

4.1.1 Do not approve the draft Consultation Document: Westland Discovery Centre Pakiwaitara.

4.1.2 Approve the draft Consultation Document: Westland Discovery Centre Pakiwaitara

5 SIGNIFICANCE AND ENGAGEMENT

5.1 This is a matter of high significance as the actions taken could result in an amendment to Council's LTP. Under Part 2, clause 2.2 of Council's Significance and Engagement Policy, Hokitika Museum / Carnegie Building and Westland District Library are defined as strategic assets.

5.2 Sections 97 and 93A of the LGA requires Council to undertake a special consultative process in accordance with s 93E where the Council is making a decision to significantly alter the level of service provision for any significant activity or transfer ownership or control of a strategic asset to or from the local authority.

6 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

6.1 Council can decide not to approve the draft Consultation Document: Westland Discovery Centre Pakiwaitara. If Council choses this option, Council will not be able to fulfil its obligations under the LGA and cannot proceed with the proposals outlined in the Consultation Document. The financial implications of this option are the cost of auditing the Consultation Document and supporting information prior to presenting this report to Council, as required by s 94 LGA. This was carried out by Audit NZ.

6.2 Council can decide to approve the draft Consultation Document: Westland Discovery Centre Pakiwaitara and undertake public consultation. This will allow Council to make decisions on the proposals outlined in the Consultation Document. The financial implications are audit of the Consultation Document and supporting information as required by s 94 LGA, amending the financial information for the supporting information with the assistance of our financial software provider and any costs associated with conducting the consultation.

7 PREFERRED OPTION(S) AND REASONS

7.1 The preferred option is option 2. Approving the draft Consultation Document: Westland Discovery Centre Pakiwaitara and conducting public consultation will give the community the opportunity to comment on the proposed amendment to the Long Term Plan and fulfil Council's obligations under ss 93A, 97 and 93E LGA.

8 RECOMMENDATION(S)

- A) **THAT** Council approves the draft Consultation Document: Westland Discovery Centre Pakiwaitara

- B) **THAT** Council directs staff to conduct public consultation under ss 93A, 97 and 93E of the Local Government Act 2002.

Simon Bastion
Chief Executive

Appendix 1: Draft Consultation Document: Westland Discovery Centre Pakiwaitara



Westland Discovery Centre 'Pakiwaitara'

Summary of Proposal

Draft Consultation Document

Table of Contents

Reasons for the Proposal	2
Returning Museum activity to Council.....	2
Developing the Westland Discovery Centre ‘Pakiwaitara’	2
Hokitika Museum	3
Westland District Library.....	3
Westland Visitor Information Services	3
What Council Proposes to Do	4
Return of Hokitika Museum and purchase of 41 Weld Street.....	4
Option 1	4
Option 2	4
Financial implications.....	6
Impact on Rates	7
Preferred Option	8
Significance and Engagement Policy.....	9
Financial Strategy & Revenue and Financing Policy.....	9
INDEPENDENT AUDITOR’S REPORT	10
KEY DATES	11

DRAFT

Reasons for the Proposal

The Covid-19 pandemic has had a significant negative effect on the tourism industry in New Zealand and Westland. In 2019 Tourism represented 32.3% of Westland's GDP, with 2146 people employed in the industry. For the year 1 June 2019 – 31 May 2020 there has been a drop in tourism spending of \$82 million in the Westland district, along with visitor arrivals to New Zealand dropping by 6% between 1 January 2020 – 31 March 2020.

Council sees this as an opportunity to review how certain services are delivered, in particular, the Hokitika Museum, Westland District Library, and Westland Visitor Information Services.

Returning Museum activity to Council

In 2018, following consultation on the 2018 – 2028 Long Term Plan, Council amalgamated Westland Property Limited and Hokitika Airport and renamed the Council Controlled Organisation Destination Westland (DW). Council entered into a management agreement with DW for the management of the Museum with the expectation that DW's commercial focus would benefit the running and profitability of this activity and reduce the cost to ratepayers. The revenue of DW has been severely impacted by the loss of commercial aviation revenue during the Covid-19 lockdown period and subsequent reduction in Air New Zealand flights to Hokitika.

Until its closure for earthquake strengthening, the Hokitika Museum was a star attraction in the district. Due to the ongoing issues with the Carnegie Building, and Covid-19, the Museum and associated services have not been run to their full capacity and the expected benefits of the transfer of activity have not been achieved.

The Museum is operating with reduced staff and reduced services as a cost-saving measure in response to the downturn in tourism spending. This means it is operating at a lower level of service than Council planned for in the 2018 – 28 LTP. Council also recognises that the Museum is an important community service and operating it with a commercial focus has not achieved the intended outcome.

Developing the Westland Discovery Centre 'Pakiwaitara'

In order to operate efficiently and offer ratepayers value for money, Council is committed to investigating opportunities to minimise or eliminate costs in future years. Consolidating the Museum, Library and Visitor Information Services in a single facility is one way that Council could minimise costs and at the same time maintain or improve the level of service. While each service is distinct, there is the potential to provide a centralised facility and 'one-stop shop' for residents and visitors, which offers ratepayers and visitors a higher quality of service and achieves the full potential of each service.

The name 'Pakiwaitara' has been put forward and endorsed by iwi representatives of Makaawhio and Ngati Waewae. This word means 'stories' and fits well with the Museum where the Pakiwaitara Taonga (artefacts stories) and the Library where the Pakiwaitara pukapuka (book stories) are told. Pakiwaitara will also be shared with people using Visitor Information Services as Pakiwaitara Manuhiri (Visitor Stories). Pakiwaitara would provide a Museum space for the appropriate display of Taonga and European artefacts, including the hosting of national and international exhibitions; in conjunction with a Library and Visitor Information Hub, that enables the provision of research, learning, recreational reading, and information services that meet the needs of all users. The ability to incorporate an alternative Emergency Operations Centre within this facility would also be advantageous.

With the three services spread throughout Hokitika, it is not always obvious to a visitor where they can go to visit the services. The proposed Westland Discovery Centre Pakiwaitara could bring the three services together at the gateway to Hokitika and provide a starting off point for tourists to then carry on and explore the wider Westland District. The location is ideally suited to make the most of the Hokitika Hub for the Pounamu Pathway, which will be built opposite at 39 Weld Street. There will be opportunities for the two facilities to work together to offer services and exhibitions that benefit each other.

The building also provides a space for an alternative Council Emergency Operations Centre (EOC) that can be activated more efficiently in the event of an emergency. Council currently operates the EOC out of the Council Chamber during a Civil Defence emergency. An alternative EOC would improve Council's ability to respond and reduce any effects on business as usual at Council headquarters. It would also improve staff and volunteer safety as the EOC could be set up in an appropriate area away from staff offices and public areas.

Hokitika Museum

The current level of delivery of Museum activities does not reflect the level of service that Council wants to provide. The Carnegie Building / Museum, is closed for earthquake strengthening and the majority of the collection is in storage. Earthquake strengthening of the Carnegie building will continue, but greater investment is required to bring the Carnegie building up to international standards for collection display, storage and research areas. It is important that Council can appropriately preserve and display the Museum collection in a manner that meets current, and future, requirements. Continuing to use the Carnegie Building as a Museum, Art Gallery, Archive Repository, Research Centre, and collection storage facility is not financially feasible in the long-term.

Funding forecast for the development of the display area could be used in the new building at no additional cost to ratepayers. Upgrading the Carnegie Building to be fit-for-purpose will considerably increase costs to ratepayers where applications to external funding bodies are unsuccessful. Council will retain the Carnegie campus, and continue to utilise this site as an art gallery for existing collection items, and, the display of local / regional art exhibitions that will provide the local community with further cultural experiences.

Westland District Library

Westland District Library is located in a leased building, which costs Council \$49,016 plus GST per year to lease. Council is also responsible for ongoing interior and exterior maintenance on a building that is not under Council ownership. Moving the Library to a Council owned building would reduce costs and allow Council to create a modern library space that can adapt and evolve to new technology. Sharing space with the Hokitika Museum will allow staff to create exhibitions that tell the social, cultural and environmental stories of Westland in an engaging and collaborative way. A shared research space is also proposed; allowing Library and Museum staff to share knowledge and resources.

Westland Visitor Information Services

Visitor Services could be provided in the shared facility allowing Visitor Services to benefit from the centralised hub.

Many visitors now seek out a local library to use the free wi-fi that is available to research and book accommodation and activities. Visitor Information Services that share the Library space would create cost-savings through shared computer terminals and increased levels of service in Visitor Information Services with the potential for longer opening hours.

What Council Proposes to Do

There are two parts to this proposal:

1. Return of the Museum function to Council from Destination Westland management.
2. The purchase of 41 Weld Street (formerly Mountain Jade) to develop 'Pakiwaitara' that could consist of Hokitika Museum, Westland District Library and Westland Visitor Information Services, and provide a location for an alternative Westland Civil Defence Emergency Operations Centre.

Return of Hokitika Museum and purchase of 41 Weld Street

Parts one and two of this proposal are interconnected. Council has two options:

1. To continue to operate the Hokitika Museum through Destination Westland in the current facilities.
2. To undertake parts one and two of this proposal.

Option 1

If the Community does not consider that the Hokitika Museum function should return to Council, and that Council should not include Westland District Library and possibly Visitor Services in the combined service centre then Council does not have a reason to purchase 41 Weld Street and develop Pakiwaitara.

This means that Council will maintain the current structure of management of the Hokitika Museum and continue to investigate ways to fund improvements to the Carnegie building to bring it up to standard for conservation and presentation of the collection. Council would work with Destination Westland to ensure the Hokitika Museum and Visitor Information Services meet an acceptable level of service. Westland District Library would remain in the current building and continue to provide the current level of service.

There will be no financial implications for option 1. Relevant financial forecasting can be found in the Long Term Plan 2018 – 28 at pp 54 – 55, 103 – 105 and 234 – 255.

Option 2

Council has been presented with an opportunity to purchase 41 Weld Street (formerly Mountain Jade) as the property is available for purchase on the open market. If Council were to purchase the building it would be used to create a vibrant facility and a key cultural and educational centre for Hokitika and wider the Westland District, consisting of the Hokitika Museum, Westland District Library, and potentially a Visitor Information Hub.

While each service is distinct, they have the potential to provide a centralised facility and 'one-stop shop' for residents and visitors. There is a successful café onsite; this provides income through the tenancy and is a higher level of service for any activity that shares the space.

Three tenants currently share the space. Some of Council's operating costs would be offset by rental income from these tenants and consolidated utility services. Moving the Westland District Library to the shared space would also have the benefit of saving on external rent and building maintenance of a leased building. The loan to purchase the building will be funded through the general rate.

Purchasing the building will require Council to refit the building to suit the proposed activities. Council will also have to negotiate the early exit of the lease of the Library building and observe any constraints.

Council would purchase the building for no more than \$1.5 million. The table overleaf sets out the financial impacts of the purchase over the life of the LTP.

In the immediate future there will not be any change to the level of service for Westland District Library as they will remain in their present location and their performance measures will not change. In the longer-term the level of service and performance measures for these activities will be reviewed, taking into account how the new facility

provides for shared services and better value for the community with the potential for cross-working and provision of skilled and knowledgeable staff.

If Council takes over the operation of the Hokitika Museum from Destination Westland the proposed level of service will be:

Level of service	Performance measures	Current performance	Performance target: Year 1 – 3 (2018 – 2021)	Performance target: Years 4 – 10 (2022 – 2028)
Collections developed and maintained with access provided	Collections continue to grow, in line with Hokitika Museum policies.	This is a new measure	Achieved	Achieved
	Deaccessions and disposals are aligned with Hokitika Museum policies.	This is a new measure	Achieved	Achieved
	Backlog of records and documentation reduced.	This is a new measure	Achieved	Achieved

Performance measures for customer satisfaction and visitor numbers will be consulted on for the next Long Term Plan, when museum services are being offered and Council can report on these measures.

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Financial implications

Year	Annual Plan 30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Debt balance current LTP	22,647,452	20,446,101	21,310,000	22,572,148	25,176,854	26,452,308	26,898,119	25,600,106	24,301,779	23,003,135	21,704,172
Capital costs	-	-	-	1,500,00	-	-	-	-	-	-	-
Debt balance including purchase	22,647,452	20,446,101	21,310,000	24,072,148	26,601,854	27,802,308	28,173,119	26,800,106	25,426,779	24,053,135	22,679,172
Additional debt	-	-	-	1,500,000	1,425,000	1,350,000	1,275,000	1,200,000	1,125,000	1,050,000	975,000
Loan Repayment	-	-	-	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Operational impacts											
Surplus/Deficit current LTP	-	-	-	781,274	543,958	545,198	730,731	885,155	759,683	830,657	897,001
Museum operational impacts	-	-	-	212,508	221,300	231,698	244,466	253,936	265,301	279,562	288,830
Library operational impact	-	-	-	(88,674)	(88,674)	(89,560)	(98,524)	(99,511)	(100,579)	(101,678)	(102,929)
Building operational impact	-	-	-	(2,646)	9,236	9,043	8,845	11,237	11,054	10,867	12,337
Interest costs	-	-	-	-	51,000	49,875	51,300	51,000	52,800	56,250	59,850
Overheads – reallocated to museum operational impacts	-	-	-	(62,593)	(61,584)	(62,209)	(64,965)	(63,921)	(64,782)	(68,055)	(66,532)
P&L impact of proposal on operating costs	-	-	-	58,595	131,278	138,846	141,122	152,742	163,794	176,946	191,556
Increase in rates	-	-	-	58,595	206,278	213,846	216,122	227,742	238,794	251,946	266,556
Surplus/Deficit LTP amendment	-	-	-	781,274	618,961	620,201	805,734	960,158	834,686	905,660	972,004

Notes to the Financial implications

- In the 2018 LTP, \$4.88m was included for a new museum development (see p 104). If the new project went forth, a portion of this total would be utilised for the fit-out of the new building with the remaining funds being used on the current museum building as required. Currently there is no estimate of the breakdown of how the total amount of funding allocated in the LTP would be used.

- The museum operation line includes costs for running the museum. Current costs paid to DW are being offset within this line item.
- Interest costs are calculated on the basis of interest in the LTP 2018-28, which are higher than current interest rates. Interest rates are expected to remain low for some time.

Impact on Rates

The average impact on rates would be **0.44%** in Year 3 (30 June 2021) and **1.59%** in year 4 (30 June 2022).

Sector	Community	Capital Value	30 June 2021 Original Budget	30 June 2021 LTP Amended Budget	Value Change \$	Percentage Change %	30 June 2022 Original Budget	30 June 2022 LTP Amended Budget	Value Change \$	Percentage Change %
Commercial	Fox Glacier	720,000.00	\$5,264.32	\$5,293.57	\$29.25	0.56%	\$5,344	\$5,449	\$105.12	1.97%
Commercial	Franz Josef	1,100,000.00	\$16,863.05	\$16,906.40	\$43.35	0.26%	\$17,780	\$17,935	\$155.83	0.88%
Commercial	Haast	1,290,000.00	\$5,942.62	\$5,993.03	\$50.41	0.85%	\$6,067	\$6,249	\$181.19	2.99%
Commercial	Hari Hari	225,000.00	\$2,995.32	\$3,006.19	\$10.87	0.36%	\$2,739	\$2,778	\$39.07	1.43%
Commercial	Hokitika	480,000.00	\$5,835.71	\$5,856.05	\$20.34	0.35%	\$5,866	\$5,939	\$73.10	1.25%
Commercial	Kumara	165,000.00	\$2,543.26	\$2,551.90	\$8.64	0.34%	\$2,441	\$2,472	\$31.06	1.27%
Commercial	Ross	119,000.00	\$2,150.54	\$2,154.96	\$4.42	0.21%	\$1,889	\$1,905	\$15.88	0.84%
Commercial	Whataroa	240,000.00	\$2,133.52	\$2,144.95	\$11.43	0.54%	\$2,183	\$2,225	\$41.07	1.88%
Residential	Fox Glacier	140,000.00	\$1,858.10	\$1,863.21	\$5.11	0.28%	\$1,764	\$1,783	\$18.38	1.04%
Residential	Franz Josef	375,000.00	\$2,745.41	\$2,754.89	\$9.48	0.35%	\$2,622	\$2,656	\$34.06	1.30%
Residential	Haast	240,000.00	\$2,292.19	\$2,299.16	\$6.97	0.30%	\$2,167	\$2,192	\$25.05	1.16%
Residential	Hari Hari	108,000.00	\$1,423.11	\$1,427.63	\$4.52	0.32%	\$1,317	\$1,333	\$16.25	1.23%
Residential	Hokitika	350,000.00	\$3,298.83	\$3,307.85	\$9.01	0.27%	\$3,222	\$3,255	\$32.39	1.01%
Residential	Kumara	132,000.00	\$1,767.47	\$1,772.44	\$4.97	0.28%	\$1,656	\$1,674	\$17.85	1.08%
Residential	Ross	180,000.00	\$2,356.67	\$2,362.53	\$5.86	0.25%	\$2,215	\$2,236	\$21.05	0.95%
Residential	Whataroa	94,000.00	\$1,615.78	\$1,620.04	\$4.26	0.26%	\$1,480	\$1,495	\$15.31	1.03%
Rural Residential	Fox Glacier	86,000.00	\$1,110.78	\$1,114.50	\$3.71	0.33%	\$1,086	\$1,099	\$13.34	1.23%
Rural Residential	Franz Josef	300,000.00	\$1,353.02	\$1,359.72	\$6.69	0.49%	\$1,354	\$1,378	\$24.05	1.78%
Rural Residential	Haast	250,000.00	\$1,146.51	\$1,152.51	\$6.00	0.52%	\$1,147	\$1,169	\$21.55	1.88%
Rural Residential	Hari Hari	94,000.00	\$940.12	\$943.94	\$3.82	0.41%	\$957	\$971	\$13.75	1.44%
Rural Residential	Hokitika	445,000.00	\$2,047.71	\$2,056.42	\$8.71	0.43%	\$2,092	\$2,123	\$31.31	1.50%
Rural Residential	Kumara	160,000.00	\$1,325.83	\$1,330.57	\$4.74	0.36%	\$1,339	\$1,356	\$17.05	1.27%
Rural Residential	Ross	580,000.00	\$2,207.27	\$2,217.86	\$10.59	0.48%	\$2,245	\$2,284	\$38.07	1.70%

Rural Residential	Whataroa	265,000.00	\$1,222.74	\$1,228.94	\$6.20	0.51%	\$1,259	\$1,281	\$22.30	1.77%
Rural	Fox Glacier	130,000.00	\$1,217.00	\$1,221.93	\$4.93	0.40%	\$1,196	\$1,213	\$17.72	1.48%
Rural	Franz Josef	65,000.00	\$1,093.57	\$1,097.29	\$3.72	0.34%	\$1,086	\$1,099	\$13.38	1.23%
Rural	Haast	65,000.00	\$947.86	\$951.58	\$3.72	0.39%	\$942	\$955	\$13.38	1.42%
Rural	Hari Hari	2,100,000.00	\$4,615.81	\$4,657.30	\$41.50	0.90%	\$4,735	\$4,885	\$149.16	3.15%
Rural	Hokitika	430,000.00	\$2,014.27	\$2,024.76	\$10.50	0.52%	\$2,060	\$2,098	\$37.73	1.83%
Rural	Kumara	9,500.00	\$855.20	\$857.89	\$2.69	0.31%	\$855	\$865	\$9.68	1.13%
Rural	Ross	555,000.00	\$2,110.42	\$2,123.24	\$12.82	0.61%	\$2,148	\$2,194	\$46.07	2.14%
Rural	Whataroa	1,050,000.00	\$2,528.48	\$2,550.49	\$22.01	0.87%	\$2,597	\$2,676	\$79.10	3.05%

Summary of main reasons for rates changes

- The rates funding for the Hokitika Museum was reduced by 20% in 2018 when Destination Westland took over the management. This was to encourage the activity to become more self-funding with a lower rates impact. As this activity is not commercial the rate funding will need to be increased.
- There will be increased staffing costs for the Museum as a Museum Director will be appointed.

Preferred Option

Council's preferred option is option 2. This option meets many of Council's investment objectives:

- Consolidate Council activities / services in a way that produces the greatest efficiencies for the Council, at an affordable cost, with the greatest sharing of resources with the community.
- Facilitates the development of the Hokitika Museum, Westland District Library and Visitor Information Services in a way that links with future development of the Hokitika CBD Master Plan.
- Enables reinvigoration of the Hokitika Museum to showcase the rich natural, cultural and social history of Westland to residents and visitors.

Do you support returning the Hokitika Museum activity to Council?

Should Council purchase 41 Weld Street and consolidate services into Westland Discovery Centre Pakiwaitara?

Significance and Engagement Policy

If Council purchases the building at 41 Weld Street to develop Pakiwaitara, the Significance and Engagement Policy would be updated to include the building as a significant asset once the building is utilized in the proposed manner. Council will consult on any amendments to the Significance and Engagement Policy at that time.

Council's Significance and Engagement Policy is available on Council's [website](#).

Financial Strategy & Revenue and Financing Policy

The proposed changes to the Long Term Plan 2018-28 do not have any impact on Council's Financial Strategy or Revenue and Financing Policy. These documents can be viewed at pp 140 – 149 (Financial Strategy) and pp 196 – 205 (Revenue and Financing Policy) of the [Long Term Plan 2018 – 28](#).

INDEPENDENT AUDITOR'S REPORT
[PLACEHOLDER]

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KEY DATES

SUBMISSIONS OPEN: TUESDAY 25 AUGUST 2020

SUBMISSIONS CLOSE: THURSDAY 24 SEPTEMBER 2020

HEARING AND DELIBERATION: MONDAY 28 SEPTEMBER 2020

Our Long Term Plan 2018-28 and Annual Plan 2020/2021 can be found here:

<https://www.westlanddc.govt.nz/annual-plans-and-reports>

SHARE YOUR FEEDBACK

IN PERSON If you make a submission in writing, online, or over the phone, you also have the option to speak to Council during the hearing on 25 September 2020. Tick the box on the submission form, or advise that you would like to speak at the hearing, and we will get in touch with you.

ONLINE You can make your submission online. Go to <https://www.westlanddc.govt.nz/draft-ltp-2018-28-amendment-submission-form>

IN WRITING You can make a written submission by post or by sending us an email, or complete, scan and email the printable submission form.

POST: Westland District Council, 36 Weld Street, Hokitika 7811

EMAIL: consult@westlanddc.govt.nz

OVER THE PHONE: If using the online submission form or sending an email is not an option, you can make a submission by calling Council on the number below.

PHONE: 03 756 9010

FREEPHONE: 0800 474 834

Please note, submissions will be publicly available on the council's website, through inclusion in council agendas, and/or retrievable by request under the Local Government Official Information and Meetings Act 1987. Private and personal details can be redacted on request.