



Rangitikei District Council

Telephone: 06 327-0099

Facsimile: 06 327-6970

Rangitikei
UNspoilt...

Finance/Performance Committee Meeting

Order Paper

**Thursday, 31 March 2016,
9.30 am**

**Council Chamber, Rangitikei District Council
46 High Street, Marton**

Website: www.rangitikei.govt.nz

Email: info@rangitikei.govt.nz

Chair

His Worship the Mayor, Andy Watson

Deputy Chair

Cr Nigel Belsham

Membership

Councillors Cath Ash, Tim Harris, Dean McManaway, Rebecca McNeil, Soraya Peke-Mason, Ruth Rainey and Lynne Sheridan

Please Note: Items in this agenda may be subject to amendments or withdrawal at the meeting. It is recommended therefore that items not be reported upon until after adoption by the Council. Reporters who do not attend the meeting are requested to seek confirmation of the agenda material or proceedings of the meeting from the Chief Executive prior to any media reports being filed.



Rangitikei District Council

Finance/Performance Committee Meeting

Order Paper – Thursday 31 March 2016 – 9:30 a.m.

Contents

1	Welcome	2	
2	Council Prayer	2	
3	Apologies/leave of absence	2	
4	Confirmation of minutes.....	2	Attachment 1, page(s) 5-11
5	Chair's report	2	To be tabled
6	Financial results, July 2015 to January 2016.....	2	Attachment 2, page(s) 12- 39
7	Parks and Reserves – costs/benefits of transferring this activity from an external contractor to an internal staff team	2	Attachment 3, page(s) 40-47
8	Potential Youth Awards Scheme 2016.....	3	Attachment 4, page(s) 48-53
9	Late items	3	
10	Future items on the Agenda	3	
11	Next meeting	3	
12	Meeting closed	3	

The quorum for the Finance/Performance Committee is 5.

At its meeting of 28 October 2010, Council resolved that “The quorum at any meeting of a standing committee or sub-committee of the Council (including Te Roopu Ahi Kaa, the Community Committees, the Reserve Management Committees and the Rural Water Supply Management Sub-committees) is that required for a meeting of the local authority in SO 2.4.3 and 3.4.3.

- 1 Welcome**
- 2 Council Prayer**
- 3 Apologies/leave of absence**
- 4 Confirmation of minutes**

Recommendation

That the Minutes of the Finance/Performance Committee meeting held on 29 February 2016 be taken as read and verified as an accurate and correct record of the meeting.

- 5 Chair's report**

A report is to be tabled

File: 3-CT-14-1

Recommendation

That the Chair's report to the Finance/Performance Committee meeting of 31 March 2016 be received.

- 6 Financial results, July 2015 to January 2016**

A memorandum is attached

File: 5-FR-4-1

Recommendation

That the memorandum 'Financial Highlights and Commentary to 31 January 2016' be received.

- 7 Parks and Reserves – costs/benefits of transferring this activity from an external contractor to an internal staff team**

A memorandum is attached

File: 6-RF-1-1

Recommendation

That the memorandum 'Parks and Reserves – costs/benefits of transferring this activity from an external contractor to an internal staff team' be received.

8 Potential Youth Awards Scheme 2016

A report is attached

File: 4-ED-1

Recommendations

- 1 That the report 'Potential Youth Awards Scheme 2016' be received.
- 2 That the Finance/Performance Committee approves the Rangitikei Youth Week Awards 2016 as outlined in the report 'Potential Youth Awards Scheme 2016'.

9 Late items

10 Future items on the Agenda

11 Next meeting

28 April 2016, 1.00 pm

12 Meeting closed

Attachment 1

Rangitikei District Council

Finance/Performance Committee Meeting

Minutes – Monday 29 February 2016 – 1:10 p.m.

Contents

1	Welcome	3
2	Apologies	3
3	Confirmation of order of business	3
4	Confirmation of minutes	3
5	Chair's report	3
6	Financial Highlights and Commentary to 31 December 2015	3
7	Half-year Statement of Service Performance, 2015/16	4
8	Progress in the Economic development and District Promotion Activity Management Plan 2015/16	4
9	Update from Accelerate25 – February 2016	5
10	Review of fees and charges for 2016/17	5
11	Small Project Funds allocated to Community Boards and Community Committees – treatment on carry-forwards	6
12	Late items	6
13	Future items for the agenda	6
14	Next Meeting	6
15	Meeting closed – 3.07 pm	6

Present:	His Worship the Mayor, Andy Watson Cr Nigel Belsham Cr Dean McManaway Cr Cath Ash Cr Tim Harris Cr Rebecca McNeil Cr Soraya Peke-Mason Cr Lynne Sheridan		
In attendance:	Mr Ross McNeil, Chief Executive Mr Michael Hodder, Community & Regulatory Services Group Manager Mr George McIrvine, Finance & Business Support Group Manager Ms Samantha Whitcombe, Governance Administrator		
Tabled documents:	Item 5	Chair's Report – Chair's Report	
	Item 10	Review of Fees and Charges for 2016/17 – Fees and charges for Halls	

1 Welcome

The Chair welcomed everyone to the meeting.

2 Apologies

That the apology for absence from Cr Rainey, and the apology for lateness from Cr Peke-Mason be received.

Cr McManaway / Cr Ash. Carried

3 Confirmation of order of business

The Chair informed the Committee that he would need to leave the meeting at 1.45pm and that at that point the Deputy Chair would take over for the remainder of the meeting, and that there would be no change to the order of business from that set out in the agenda.

4 Confirmation of minutes

Resolved minute number	16/FPE/001	File Ref
-------------------------------	-------------------	-----------------

That the Minutes of the Finance/Performance Committee meeting held on 26 November 2015 be taken as read and verified as an accurate and correct record of the meeting.

His Worship the Mayor / Cr Belsham. Carried

5 Chair's report

The Chair spoke briefly to his tabled report.

Resolved minute number	16/FPE/002	File Ref	3-CT-14-1
-------------------------------	-------------------	-----------------	------------------

That the Chair's report to the Finance/Performance Committee's meeting of 29 February 2016 be received.

His Worship the Mayor / Cr Belsham. Carried

6 Financial Highlights and Commentary to 31 December 2015

Mr McIrvine spoke briefly to the report providing a commentary on Council's overall financial positions and the major variances within the report.

The Committee requested information on the electricity consumption within the Waters Group of Activities and, given the recent spend on measures to make the electricity use within the group more efficient, when it could expect to see some return on this investment to be provided to the next meeting.

Resolved minute number **16/FPE/003** **File Ref** **5-FR-4-1**

That the memorandum 'Financial Highlights and Commentary to 31 December 2015' be received.

Cr Sheridan / Cr McManaway. Carried

His Worship the Mayor left the meeting 1.44pm. As Deputy Chair of the Committee, Cr Belsham took over as Chair for the remainder of the meeting.

7 Half-year Statement of Service Performance, 2015/16

Mr Hodder spoke briefly to the Half-Year Statement of Service Performance highlighting those measures that cannot yet be calculated.

Resolved minute number **16/FPE/004** **File Ref** **5-FR-1-2**

That the half-year Statement of Performance, 2015/16 be received

Cr Harris / Cr Sheridan. Carried

8 Progress in the Economic development and District Promotion Activity Management Plan 2015/16

Mr McNeil spoke to the report, highlighting the background to the recommendations. The Committee asked about progress with establishing free-WiFi within the Marton CBD. Mr McNeil explained that Council was still in discussion with InspireNet to find a solution. No bids had been made over the Rangitikei in the Government's Ultra-fast Broadband Initiative: alternatives were being investigated.

The commercial imperatives for KiwiRail were briefly discussed.

Resolved minute number **16/FPE/005** **File Ref** **4-ED-1**

That the report 'Progress in the economic development and District promotion activity management plan 2015/16' be received.

Cr McManaway / Cr Sheridan. Carried

Resolved minute number **16/FPE/006** **File Ref** **4-ED-1**

That the Finance/Performance Committee requests further information on the proposed Youth Awards Scheme including criteria and application processes for consideration at its meeting 31 March 2016.

Cr Sheridan / Cr McManaway. Carried

Resolved minute number **16/FPE/007** **File Ref** **4-ED-1**

That the Finance/Performance Committee requests that the Chief Executive undertakes an exploratory discussion with DryCrust to seek options for future Council branding and how this reinforces/complements the branding developed by Rangitikei.com.

Cr Sheridan / Cr McNeil. Carried

9 Update from Accelerate25 – February 2016

Mr McNeil spoke briefly to the report, noting that there would be stronger communication in future about workshops. The Committee accepted the importance of finding new growth opportunities (and new entrants) to complement the development of existing businesses.

Resolved minute number **16/FPE/008** **File Ref** **4-ED-1**

That the report 'Update from Accelerate25 – February 2016' be received.

Cr Ash / Cr McManaway. Carried

10 Review of fees and charges for 2016/17

Mr Hodder spoke briefly to the report. A final draft would be included on Council's agenda for its 31 March 2016 meeting.

The following points were raised by the Committee:

- the rationale for annual increases to most fees;
- the altered management arrangement for the Ratana cemetery
- remove the 's' from 'dogs' in the Dog Registration section to make it explicit that the fees are per dog;
- the format of the Dog Registration section needs to be reviewed so that it is easy for the general public to read;
- a procedure needs to be created and implemented around the free tanker load of water per-year.

Resolved minute number **16/FPE/009** **File Ref** **1-AS-2-1**

That the report 'Review of fees and charges for 2016/17' be received.

Cr McManaway / Cr Sheridan. Carried

11 Small Project Funds allocated to Community Boards and Community Committees – treatment on carry-forwards

The Committee briefly discussed the notion of allowing the Small Projects Grant Scheme allowance for Community Boards and Committees to be carried forward to the next financial year.

Resolved minute number

16/FPE/010

File Ref

That, regarding carry-forward requests from special project funds allocated to Community Boards and Community Committees, the Finance/Performance Committee amends the guidelines to allow a carry-forward of up to 100% of the annual allocation provided this is recorded in a Board or Committee resolution.

Cr Sheridan / Cr Peke-Mason. Carried

12 Late items

Nil

13 Future items for the agenda

Breakdown of the costs of the Parks & Reserves team

14 Next Meeting

31 March 2016, 9.30 am

15 Meeting closed – 3.07 pm

Confirmed/Chair: _____

Date: _____

Attachment 2

MEMORANDUM



Rangitikei
UNSPOILT...

TO: Ross McNeil

COPIES: Finance/Performance Committee

FROM: George McIrvine

DATE:

SUBJECT: **Financial Highlights and Commentary to 29 February 2016**

FILE:

Attachments: Statement of Financial Position and Financial Performance, Strategic Perspective Operating Results, Group Activities accounts.

Operating Results

Revenue is up on budget by \$1.818M largely from the Roding revenues as a result of the June Flood as the work gets done with good weather. Rates revenues are running ahead by \$208K with a number of smaller +/- variance in other activities detailed later in the report.

Expenditure

As noted last month Roding expenditure is well ahead of budget due to Flood repair work by \$2.995M. The gap between the revenue and expenditure for Roding continues to widen and the supplementary FAR if not received will mean this will need to be-funded from the Roding Reserve.

Most other activities are running behind on expenditure except, as last month, for Community Leadership (CCO investigation), Waters and Public refuse (see details below). It should be noted that while expenditure in roading is over by \$2.995M net expenditure is being well controlled with about \$530 under-spend YTD in other activities.

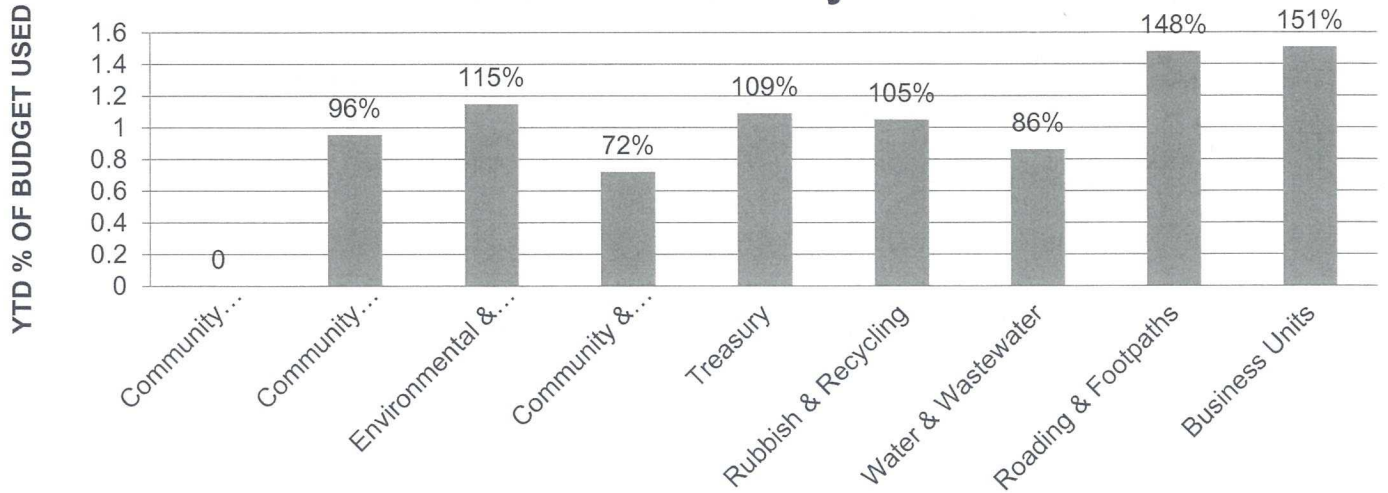
Statement of Financial Position

Council is maintaining a healthy working capital position with \$9+M of other financial assets and \$4.8M of short-term cash on hand. This is attributed to timing on the capital programme. I expect March to show roading is catching up but with the carry-forwards already, signalled Waters will not.

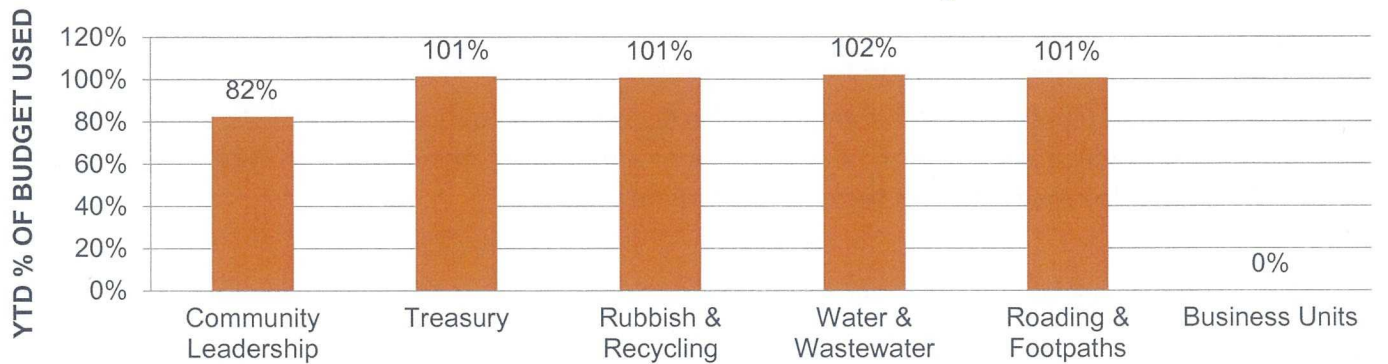
Rates Debtors

Approximately 350 rates debtors with an amount owing including GST of circa \$450K are being placed with Debt Management Central (DMC). This is partially due to Health and Safety work reducing the amount of time one staff member has on this activity but this will also place them in a consistent region wide process. To facilitate this we have given remote access to the two DMC staff to be able to check balances in our rates system to ensure payment commitments made are met or are followed up promptly.

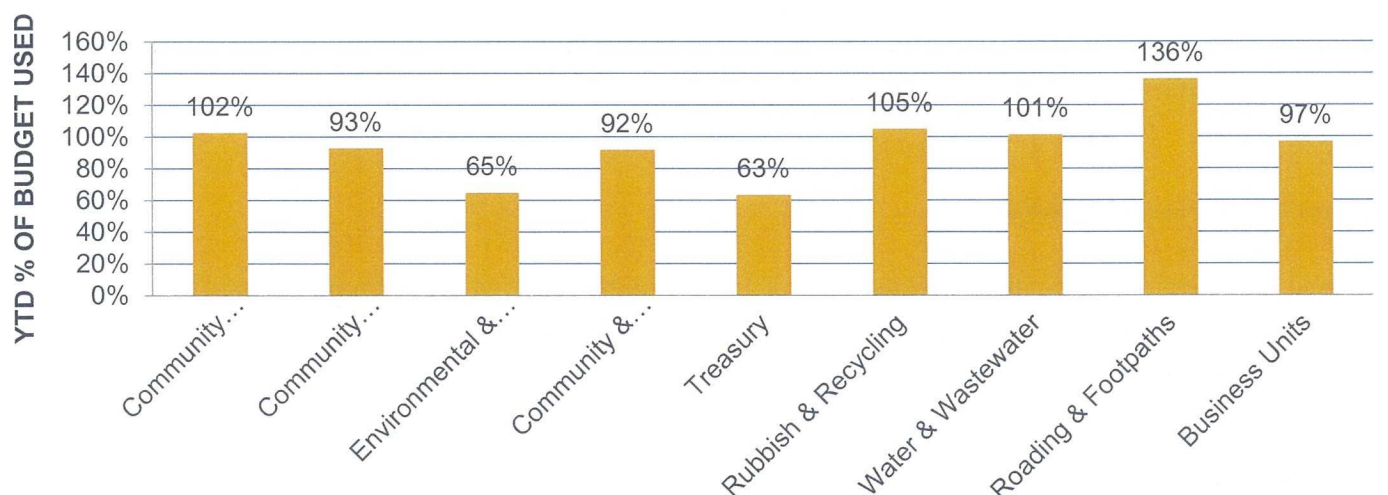
Revenue February YTD



Rates Revenue February YTD

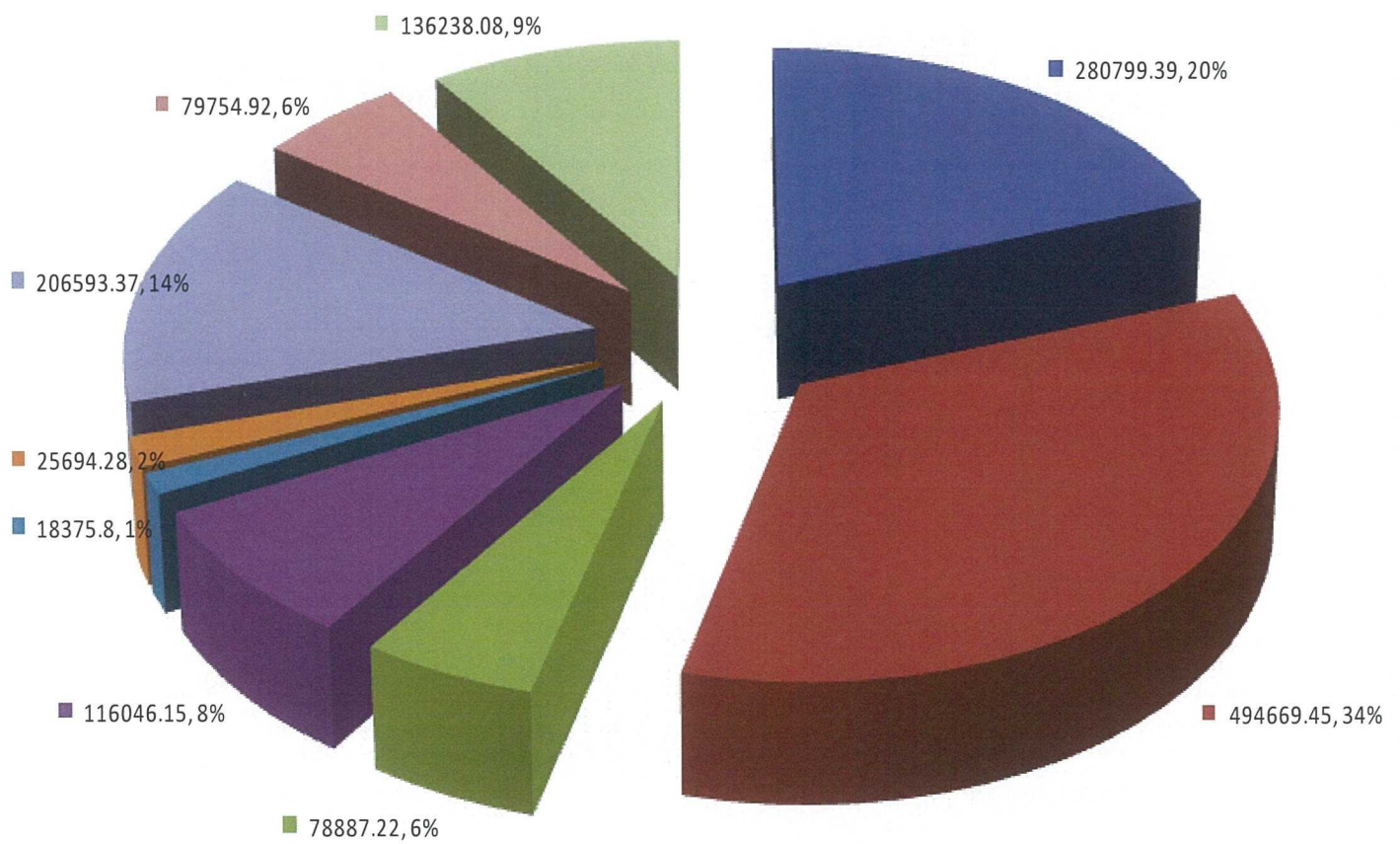


Expenditure February YTD



Analysis of Overdue Rates Rangitikei DC 29/02/2016

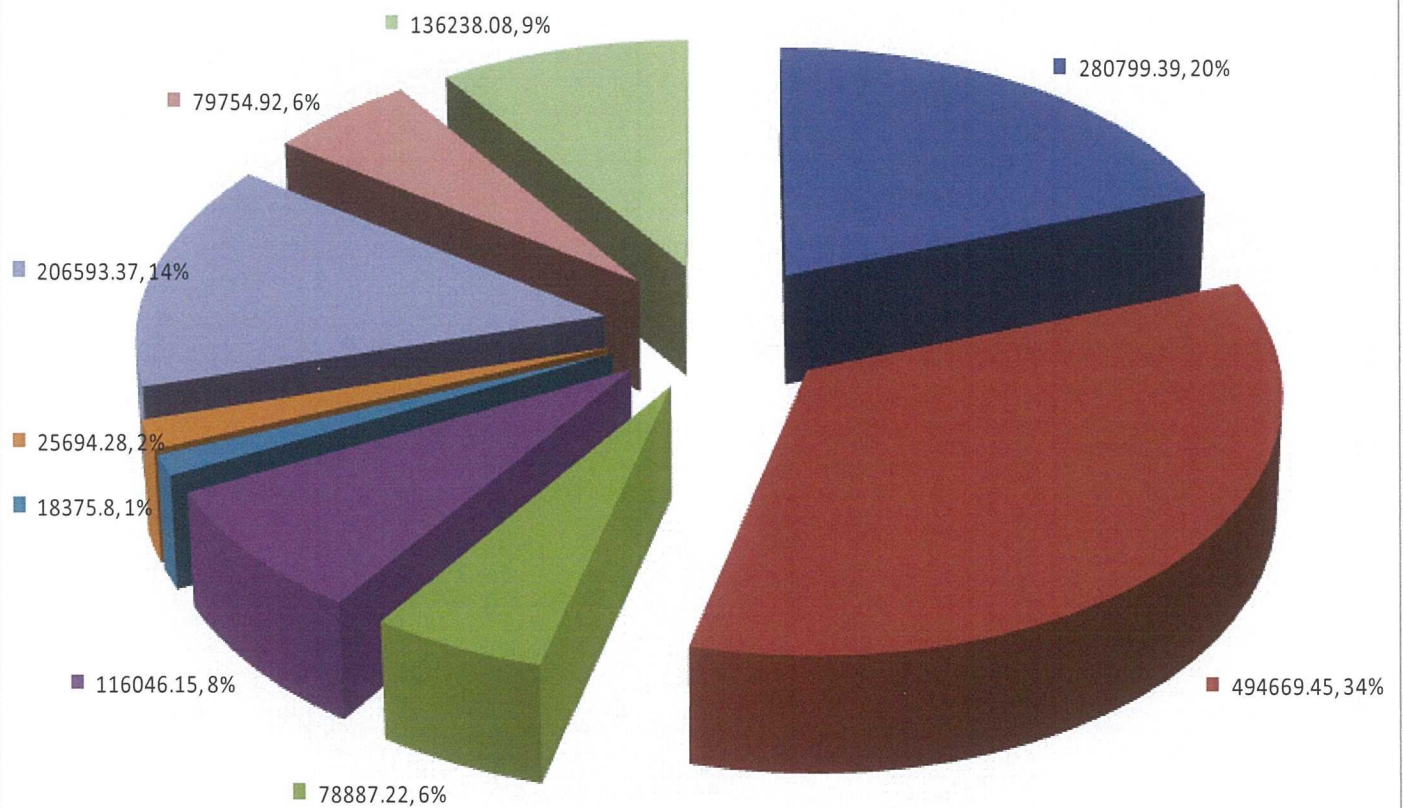
- Further work required
- Abandoned Land
- Receivables Mgmt
- Automatic Payment
- Mortgagee Demand
- Debt Mgmt Central
- Direct Debit
- Warning to Mortgagee
- Maori Land



Total
Overdue
\$1437,058.66

Actions we are taking to collect Overdue Rates Rangitikei DC 29/02/2016

- Further work required
- Abandoned Land
- Receivables Mgmt
- Automatic Payment
- Mortgagee Demand
- Debt Mgmt Central
- Direct Debit
- Warning to Mortgagee
- Maori Land



Total
Overdue
\$1437,058.66

Rangitikei District Council

Statement of Financial Performance

For the 8 Months ended 29th February 2016

	YTD Actual 2015/16	Ytd Budget 2015/16	FYR Budget 2015/16	FY Actual 2014/15
Income				
Community Leadership	1,463	0	0	2,150
Community Wellbeing	124,796	130,592	195,888	376,187
Environmental and Regulatory	753,305	654,714	884,849	1,033,009
Community & Leisure Assets	392,637	544,634	801,584	514,478
Investment	162,871	149,216	223,816	375,240
Public Refuse Collection - Litter Contro	296,369	282,074	417,230	372,966
Water and Wastewater	733,592	850,728	1,218,669	281,455
Subsidised Roothing	6,069,783	4,096,504	6,144,766	7,677,623
Business Units	36,968	24,483	30,064	99,114
Total Revenue	8,571,783	6,732,945	9,916,866	10,732,222
Rates				
Community Leadership	36,772	44,605	59,473	54,111
Community & Leisure Assets	0	0	0	714,471
Investment	5,131,823	5,063,396	6,681,775	6,143,648
Public Refuse Collection - Litter Contro	334,941	332,174	442,899	435,297
Water and Wastewater	5,420,239	5,302,085	7,231,031	6,973,346
Subsidised Roothing	4,610,415	4,583,767	6,114,822	6,339,118
Total Rates	15,534,190	15,326,027	20,530,000	20,659,990
Total Apportioned Rates Revenue	-10	-6	-529,159	-231,058
Total Internal Charges	4,725,233	4,949,672	7,424,411	7,007,629
Total Internal Recoveries	4,725,255	4,949,616	7,424,409	7,007,629
Expenditure				
Community Leadership	492,708	481,064	721526	710,170
Community Wellbeing	568,714	613,707	920422	1,201,721
Environmental and Regulatory	80,808	124,864	181843	283,144
Community & Leisure Assets	1,983,051	2,161,630	3117616	2,637,670
Investment	417,196	658,824	988236	718,200
Public Refuse Collection - Litter Contro	663,014	632,469	918070	791,297
Water and Wastewater	3,533,749	3,487,301	5106221	5,524,152
Subsidised Roothing	11,219,312	8,223,592	12333666	12,259,847
Business Units	3,403,841	3,513,477	5251006	5,379,303
Total Expenditure	22,362,395	19,896,928	29,538,606	29,505,503
Net Surplus	1,743,591	2,161,982	379,099	2,117,767

Rangitikei District Council

Statement of Financial Position

For the 8 Months ended 29th February 2016

	YTD Actual 2015/16	FY Actual 2014/15
Equity		
Revaluation Reserves	31,529,342	31,529,342
Equity	449,587,341	447,924,990
Net Surplus	1,743,591	1,655,651
Total Equity	482,860,149	481,109,982
Current Assets		
Total Current Assets	4,866,552	3,918,711
Current Liabilities		
Provisions	344,536	344,536
Current Liabilities	3,605,488	3,723,681
Agency Liabilities	414,237	467,014
Total Current Liabilities	4,364,261	4,535,230
Working Capital	502,291	-616,519
Non Current Assets		
Other Financial Assets	9,072,473	6,072,473
Forestry	252,465	252,465
Fixed Assets	14,231,980	20,816,930
Infrastructural Assets	454,758,517	454,776,888
Net Projects	4,234,677	0
Total Non Current Assets	482,550,112	481,918,756
Non Current Liabilities		
Loans External	192,254	192,254
Internal Loans		
Total Non Current Liabilities	192,254	192,254
Net Assets	482,860,149	481,109,982

Strategic Perspective				
For the 8 Months ended 29th February 2016				
Strategic Activities - Operating Results				
	Actual	Budget	Variance	Full Year
	YTD	YTD	YTD	Budget
Community Leadership				
Council	42,239	53,583	-11344.37	(33,166)
Council Committees	15,171	4,907	10,264	(10,841)
Taihape Community Board	1,003	1,297	(294)	(3,404)
Ratana Community Board	2,618	212	2,406	(1,735)
Elections	3,611	1,215	2,396	-
Net Surplus (Deficit) of activities	64,641	61,214	3,427	(49,146)
Community Wellbeing				
Community Awards	15,200	222	14978.18	(1)
Information Centres	69,972	37,841	32131.1	9,539
District Promotions & Dev	130,929	54,255	76674.48	6,621
Civil Defence	(79,732)	4,031	-83762.64	(7,442)
Rural Fire	34,767	8,136	26631.43	(9,676)
Net Surplus (Deficit) of activities	171,138	104,485	66,653	(959)
Environment & Regulatory				
Building	109,149	79,274	29,875	74,965
District Planning	86,100	90,653	(4,553)	94,790
Dog Control	122,478	59,770	62,708	(22,675)
Health	2,013	(452)	2,465	(5,255)
Resource Consents	23,063	(3,186)	26,249	(1)
Stock Control	14,060	2,201	11,859	(1,106)
Net Surplus (Deficit) of activities	356,864	228,260	128,604	140,718
Community & Leisure Assets				
Libraries	117,548	71,432	46,116	883
Domains	57,989	83,452	(25,463)	177,258
Cemeteries	79,903	46,893	33,010	51,526
Real Estate	20,876	26,725	(5,849)	12,714
Swim Centres	48,052	155,684	(107,632)	30,821
Community Housing	(199,348)	(209,371)	10,023	(243,269)
Public Toilets	47,363	21,047	26,316	(9,200)
Halls	150,713	171,497	(20,784)	198,757
Forestry Investments	61,943	(49,975)	111,918	(74,570)
Net Surplus (Deficit) of activities	385,037	317,384	67,653	144,920

Investment	(236,136)	(559,348)	323,212	1
Rubbish & Recycling				
Public Refuse and Bin Collection	(18,937)	(6,047)	(12,890)	(12,918)
Landfills and Waste Transfer Stns	(11,512)	(10,231)	(1,281)	(16,899)
Waste Minimisation	10,257	(294)	10,551	(6,321)
Net Surplus (Deficit) of activities	(20,192)	(16,572)	(3,620)	(36,138)
Waters				
Stormwater	251,820	90,099	161,721	85,339
Water	1,155,863	1,255,825	(99,962)	904,649
Wastewater	688,397	593,708	94,689	435,690
Rural Water	(144,475)	(18,637)	(125,838)	27,684
Net Surplus (Deficit) of activities	1,951,604	1,920,995	30,609	1,453,362
Roading				
Roading	(1,277,776)	(116,272)	(1,161,504)	(1,426,848)
Non Subsidised Roothing	348,413	137,575	210,838	25,964
Net Surplus (Deficit) of activities	(929,363)	21,303	(950,666)	(1,400,884)
Business Units	0	84,261	(84,261)	127,225
TOTAL OPERATING SURPLUS (DEFICIT) ACTIV	1,743,591	2,161,982	(418,390)	379,099
Tsf to Flood Reserves				
Variance	-			
Per Balance Sheet	1,743,591			
Strategic Activities - Capital Expenditure	Actual YTD	Full Yr Budge	Variance	
Community Wellbeing	83616.97	69,500	(14,117)	
Community & Leisure Assets	389135.84	1,672,290	1,283,154	
Environment & Reg Services	0	-	-	
Rubbish & Recycling	6789.59	2,000	(4,790)	
Waters	1947424.53	12,300,548	10,353,123	
Roothing	1549718.77	4,671,914	3,122,195	
TOTAL CAPITAL EXPENDITURE & RENEWALS	3,976,685.70	18,716,252	14,739,566	

Community Leadership

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	1,463	0	1,463	
Rates Revenue	838,396	846,238	-7,842	1,128,318
Internal Charges	282,510	303,960	21,450	455,938
Expenditure	492,708	481,064	-11,644	721,526
Net Surplus	64,641	61,214	3,427	-49,146

Council

	Revenue	420.0	0	420	
	Rates Revenue	681,477.7	681,487	-9	908,650
	Internal Charges	203,268.6	219,016	15,747	328,529
	Expenditure	436,390.4	408,888	-27,502	613,287
Council	Net Surplus	42,239	53,583	-11,344	-33,166

Council Committees

	Rates Revenue	109,163	109,163	0	145,551
	Internal Charges	63,091	67,120	4,029	100,685
	Expenditure	30,901	37,136	6,235	55,707
Council Committees	Net Surplus	15,171	4,907	10,264	-10,841

Taihape Community Board

	Revenue	1,043	0	1,043	
	Rates Revenue	24,388	32,225	-7,837	42,967
	Internal Charges	10,989	12,040	1,051	18,064
	Expenditure	13,440	18,888	5,448	28,307
Taihape Commur	Net Surplus	1,003	1,297	-295	-3,404

Ratana Community Board

	Rates Revenue	12,384	12,380	4	16,506
	Internal Charges	3,227	3,648	421	5,459
	Expenditure	6,538	8,520	1,982	12,782
Ratana Commun	Net Surplus	2,618	212	2,407	-1,735

Elections

	Revenue	0	0	0	0
	Rates Revenue	10,983	10,983	0	14,644
	Internal Charges	1,933	2,136	203	3,201
	Expenditure	5,439	7,632	2,193	11,443
Elections	Net Surplus	3,611	1,215	2,396	0

Community Wellbeing

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	124,796	130,592	-5,796	195,888
Rates Revenue	941,548	941,544	4	1,254,488
Internal Charges	326,492	353,944	27,452	530,913
Expenditure	568,714	613,707	44,993	920,422
Net Surplus	171,138	104,485	66,653	-959

Community Awards

	Revenue	26,288	19,776	6,512	29,668
	Rates Revenue	2,094	2,094	0	2,792
	Internal Charges	3,329	3,744	415	5,613
	Expenditure	9,853	17,904	8,051	26,848
Community Awards	Net Surplus	15,200	222	14,978	-1

Information Centres

	Revenue	15,974	15,336	638	23,000
	Rates Revenue	283,644	283,644	0	378,192
	Internal Charges	179,930	196,152	16,222	294,223
	Expenditure	49,716	64,987	15,271	97,430
Information Centres	Net Surplus	69,972	37,841	32,131	9,539

District Promotions & Dev

	Revenue	75,125	95,480	-20,355	143,220
	Rates Revenue	448,844	448,840	4	598,454
	Internal Charges	103,229	111,816	8,587	167,715
	Expenditure	289,810	378,249	88,439	567,338
District Promotions & Dev	Net Surplus	130,929	54,255	76,675	6,621

Civil Defence

	Rates Revenue	75,767	75,766	1	100,117
	Internal Charges	10,115	10,944	829	16,420
	Expenditure	145,383	60,791	-84,592	91,139
Civil Defence	Net Surplus	-79,732	4,031	-83,762	-7,442

Rural Fire

	Revenue	7,409	0	7,409	
	Apportioned Rates Re	131,200	131,200	0	174,933
	Internal Charges	29,889	31,288	1,399	46,942
	Expenditure	73,952	91,776	17,824	137,667
Rural Fire	Net Surplus	34,767	8,136	26,632	-9,676

Environment & Regulatory Services

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	753,305	654,714	98,591	884,849
Rates Revenue	638,012	638,010	2	847,089
Internal Charges	953,645	939,600	-14,045	1,409,377
Expenditure	80,808	124,864	44,056	181,843
Net Surplus	356,864	228,260	128,604	140,718

Building

	Revenue	196,261	182,104	14,157	273,141
	Rates Revenue	248,699	248,698	1	324,101
	Internal Charges	295,885	287,464	-8,421	431,190
	Expenditure	39,925	64,064	24,139	91,087
Building	Net Surplus	109,149	79,274	29,876	74,965

District Planning

	Revenue	191	0	191	
	Rates Revenue	161,925	161,925	0	201,682
	Internal Charges	59,096	62,640	3,544	93,960
	Expenditure	16,920	8,632	-8,288	12,932
District Planning	Net Surplus	86,100	90,653	-4,553	94,790

Dog Control

	Revenue	457,909	384,650	73,259	479,787
	Rates Revenue	139,785	139,784	1	194,115
	Internal Charges	463,720	447,752	-15,968	671,631
	Expenditure	11,496	16,912	5,416	24,946
Dog Control	Net Surplus	122,478	59,770	62,708	-22,675

Health

	Revenue	55,343	50,464	4,879	75,702
	Rates Revenue	32,309	32,308	1	43,866
	Internal Charges	70,258	76,064	5,806	114,081
	Expenditure	15,381	7,160	-8,221	10,742
Health	Net Surplus	2,013	-452	2,465	-5,255

Resource Consents

	Revenue	31,502	36,160	-4,658	54,219
	Rates Revenue	26,238	26,238	0	44,141
	Internal Charges	37,591	39,536	1,945	59,295
	Expenditure	-2,914	26,048	28,962	39,066
Resource Consents	Net Surplus	23,063	-3,186	26,249	-1

Environment & Regulatory Services Ctd ...

For the 8 Months ended 29th February 2016

Stock Control

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	12,098	1,336	10,762	2,000
Rates Revenue	29,057	29,057	-1	39,184
Internal Charges	27,095	26,144	-951	39,220
Expenditure	0	2,048	2,048	3,070
Stock Control Net Surplus	14,060	2,201	11,858	-1,106

Community & Leisure Assets

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	392,637	544,634	-151,997	801,584
Rates Revenue	2,543,396	2,543,396	0	3,374,428
Internal Charges	767,419	609,016	-158,403	913,476
Internal Recoveries	199,474	0	199,474	0
Expenditure	1,983,051	2,161,630	178,579	3,117,616
Net Surplus	385,037	317,384	67,653	144,920

Libraries

Revenue	38,874	35,802	3,072	38,363
Rates Revenue	558,263	558,262	1	744,350
Internal Charges	319,067	347,456	28,389	521,179
Expenditure	160,522	175,176	14,654	260,651
Libraries Net Surplus	117,548	71,432	46,116	883

Domains

Revenue	102,058	52,288	49,770	78,426
Rates Revenue	578,104	578,103	1	895,137
Internal Charges	274,109	94,648	-179,461	141,977
Internal Recoveries	199,474	0	199,474	
Expenditure	547,539	452,291	-95,248	654,328
Domains Net Surplus	57,989	83,452	-25,464	177,258

Cemeteries

Revenue	42,066	36,920	5,146	55,380
Rates Revenue	110,018	110,019	-1	146,195
Internal Charges	43,093	21,944	-21,149	32,909
Expenditure	29,088	78,102	49,014	117,140
Cemeteries Net Surplus	79,903	46,893	33,010	51,526

Real Estate

Revenue	18,508	22,056	-3,548	33,079
Rates Revenue	59,425	59,425	0	47,881
Internal Charges	10,736	12,216	1,480	18,310
Expenditure	46,322	42,540	-3,782	49,936
Real Estate Net Surplus	20,876	26,725	-5,850	12,714

Community & Leisure Assets Cont ...

For the 8 Months ended 29th February 2016

Swim Centres

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	0	76,680	-76,680	115,021
Rates Revenue	660,103	660,103	0	783,500
Internal Charges	36,938	41,064	4,126	61,600
Expenditure	575,113	540,035	-35,078	806,100
Swim Centres Net Surplus	48,052	155,684	-107,632	30,821

Community Housing

Revenue	184,115	166,712	17,403	250,065
Internal Charges	37,088	37,416	328	56,115
Expenditure	346,376	338,667	-7,709	437,219
Community Housing Net Surplus	-199,348	-209,371	10,022	-243,269

Public Toilets

Rates Revenue	181,268	181,267	1	229,076
Internal Charges	18,713	21,472	2,759	32,203
Expenditure	115,192	138,748	23,556	206,073
Public Toilets Net Surplus	47,363	21,047	26,316	-9,200

Halls

Revenue	7,016	48,728	-41,712	73,084
Rates Revenue	396,217	396,217	0	528,289
Internal Charges	25,659	30,552	4,893	45,820
Expenditure	226,861	242,896	16,035	356,796
Halls Net Surplus	150,713	171,497	-20,784	198,757

Forestry Investments

Revenue	0	105,448	-105,448	158,166
Internal Charges	2,017	2,248	231	3,363
Expenditure	-63,960	153,175	217,135	229,373
Forestry Investments Net Surplus	61,943	-49,975	111,918	-74,570

Treasury

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	162,871	149,216	13,655	223,816
Rates Revenue	5,131,823	5,063,396	68,427	6,681,775
Apportioned Rates	-5,113,634	-5,113,136	-498	-5,917,354
Expenditure	417,196	658,824	241,628	988,236
Investment	-236,136	-559,348	323,212	1
Net Surplus				

Rubbish & Recycling

For the 8 Months ended 29th February 2016

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	296,369	282,074	14,295	417,230
Rates Revenue	399,743	396,975	2,768	559,425
Internal Charges	53,290	63,152	9,862	94,723
Expenditure	663,014	632,469	-30,545	918,070
Net Surplus	-20,192	-16,572	-3,620	-36,138

Public Refuse and Bin Collection

Rates Revenue	64,802	64,801	1	93,353
Internal Charges	7,548	8,976	1,428	13,467
Expenditure	76,190	61,872	-14,318	92,804
Public Refuse an Net Surplus	-18,937	-6,047	-12,889	-12,918

Landfills and Waste Transfer Stns

Revenue	255,586	240,000	15,586	360,000
Rates Revenue	334,941	332,174	2,767	465,072
Internal Charges	39,761	47,248	7,487	70,863
Expenditure	562,279	535,157	-27,122	772,108
Landfills and Wa: Net Surplus	-11,512	-10,231	-1,282	-16,899

Waste Minimisation

Revenue	40,782	42,074	-1,292	57,230
Rates Revenue			0	0
Internal Charges	5,980	6,928	948	10,393
Expenditure	24,545	35,440	10,895	53,158
Waste Minimisa Net Surplus	10,257	-294	10,551	-6,321

Waters

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	733,592	850,728	-117,136	1,218,669
Rates Revenue	5,492,548	5,373,896	118,651	6,565,407
Internal Charges	740,786	816,328	75,542	1,224,493
Expenditure	3,533,749	3,487,301	-46,448	5,106,221
Net Surplus	1,951,604	1,920,995	30,609	1,453,362

Stormwater

	Revenue	12,236	1,472	10,764	2,209
	Rates	548,058	546,440	1,618	745,209
	Internal Charges	53,852	61,352	7,500	92,030
	Expenditure	254,623	396,461	141,838	570,049
Stormwater	Net Surplus	251,820	90,099	161,720	85,339

Water

	Revenue	556,151	687,952	-131,801	974,500
	Rates	2,717,190	2,687,645	29,545	3,063,156
	Internal Charges	446,170	486,296	40,126	729,442
	Expenditure	1,671,308	1,633,476	-37,832	2,403,565
Water	Net Surplus	1,155,863	1,255,825	-99,962	904,649

Wastewater

	Revenue	165,077	161,304	3,773	241,960
	Rates	1,904,679	1,729,177	175,502	2,103,023
	Internal Charges	183,964	204,848	20,884	307,272
	Expenditure	1,197,395	1,091,925	-105,470	1,602,021
Wastewater	Net Surplus	688,397	593,708	94,689	435,690

Rural Water

	Revenue	127	0	127	0
	Rates	322,621	410,634	-88,013	654,019
	Internal Charges	56,800	63,832	7,032	95,749
	Expenditure	410,423	365,439	-44,984	530,586
Rural Water	Net Surplus	-144,475	-18,637	-125,838	27,684

Roading & Footpaths

For the 8 Months ended 29th February 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	6,069,783	4,096,504	1,973,279	6,144,766
Rates Revenue	4,610,415	4,583,767	26,648	5,441,060
Internal Charges	390,250	435,376	45,126	653,044
Expenditure	11,219,312	8,223,592	-2,995,720	12,333,666
Net Surplus	-929,364	21,303	-950,667	-1,400,884

Roading

	Revenue	6,069,273	4,096,504	1,972,769	6,144,766
	Rates Revenue	3,877,208	3,831,760	45,448	4,495,167
	Internal Charges	343,083	381,072	37,989	571,597
	Expenditure	10,881,174	7,663,464	-3,217,710	11,495,184
Roading	Net Surplus	-1,277,776	-116,272	-1,161,504	-1,426,848

Non Subsidised Roothing

	Revenue	511	0	511	
	Rates Revenue	733,207	752,007	-18,800	945,893
	Internal Charges	47,167	54,304	7,137	81,447
	Expenditure	338,139	560,128	221,989	838,482
Non Subsidised I	Net Surplus	348,412	137,575	210,837	25,964

Business Units

For the 8 Months ended 29th February 2016

Consolidated

Business ended 25th February 2016

		Actual	Budget	Var +/-	FY Budget
		YTD	YTD		
	Revenue	36,968	24,483	12,485	30,064
	Rates Revenue	51,935	51,935	-1	66,205
	Internal Charges	1,210,842	1,428,296	217,454	2,142,447
	Internal Recoveries	4,525,781	4,949,616	-423,835	7,424,409
	Expenditure	3,403,841	3,513,477	109,636	5,251,006
Business Units	Net Surplus	0	84,261	-84,261	127,225

CEO Business Unit

Revenue	16,528	0	16,528	0
Internal Charges	59,621	71,888	12,267	107,842
Internal Recoveries	317,719	325,048	-7,329	487,569
Expenditure	274,626	249,779	-24,847	372,830
Net Surplus	0	3,381	-3,381	6,897

Human Resources Business Unit

Internal Charges	1,920	1,920	0	2,880
Internal Recoveries	49,631	95,952	-46,321	143,925
Expenditure	47,711	94,111	46,400	140,900
Net Surplus	0	-79	79	145

Policy & Governance Business Unit

Internal Charges	77,427	92,696	15,269	139,038
Internal Recoveries	349,052	370,016	-20,964	555,026
Expenditure	271,625	278,103	6,478	415,876
Net Surplus	0	-783	783	112

Finance Business Unit

Revenue	3,930	13,299	-9,369	13,299
Internal Charges	145,981	179,856	33,875	269,779
Internal Recoveries	702,189	769,936	-67,747	1,154,904
Expenditure	560,139	595,435	35,296	891,353
Net Surplus	0	7,944	-7,945	7,071

Statutory Planning & Reporting Business Unit

Internal Charges	169,249	183,976	14,727	275,973
Internal Recoveries	175,428	276,056	-100,628	414,078
Expenditure	6,179	92,072	85,893	138,105
Net Surplus	0	8	-8	0

Information Services Business Unit

Revenue	472	344	128	512
Internal Charges	27,572	33,192	5,620	49,782
Internal Recoveries	657,328	769,056	-111,728	1,153,583
Expenditure	630,227	736,544	106,317	1,104,223
Net Surplus	0	-336	337	90

Customer & Community Services Business Unit

Revenue	544	680	-136	1,023
Internal Charges	148,329	184,768	36,439	277,151
Internal Recoveries	512,085	554,280	-42,195	831,417
Expenditure	364,300	370,785	6,485	554,996
Net Surplus	0	-593	593	293

Assets Business Unit

Revenue	5,497	6,824	-1,327	10230
Internal Charges	392,396	450,704	58,308	676,052
Internal Recoveries	703,885	757,288	-53,403	1,135,935
Expenditure	316,986	303,058	-13,928	451,488
Net Surplus	0	10,350	-10,350	18,625

Property Management Business Unit

Revenue	5,382	3,336	2,046	5,000
Rates Revenue	0	0	0	-127
Internal Recoveries	124,650	124,656	-6	186,985
Expenditure	130,032	125,805	-4,227	184,668
Net Surplus	0	2,187	-2,187	7,190

Fleet Management Business Unit

Revenue	4,615	0	4,615	0
Rates Revenue	51,935	51,935	-1	66,332
Internal Recoveries	207,566	220,672	-13,106	331,002
Expenditure	264,116	213,558	-50,558	318,780
Net Surplus	0	59,050	-59,050	78,554

Regulatory Business Unit

Revenue				
Internal Charges	188,347	229,296	40,949	343,950
Internal Recoveries	726,247	686,656	39,591	1,029,985
Expenditure	537,900	454,227	-83,673	677,787
Net Surplus	0	3,133	-3,133	8,248

**Rangitikei District Council
Treasury Report
For the 8 Months ended 29th February 2016**

Investments

Bank Deposits	Maturity Date	Int Rate	Term	% of Portfolio	Amount	Comment
Westpac Current Account	Call	0.0300	Call	1%	104675.45	Immediate Needs
Westpac Call Account	Call	0.0325	Call	15%	1666130.9	Immediate Needs
ASB Term Deposit 12-3211-00010480-0077	13/03/2016	0.297	60 Days	9%	1000000	Immediate Needs
ASB Term Deposit 12-3211-00010480-0075	26/03/2016	0.3090	49 Days	9%	1000000	Immediate Needs
ASB Term Deposit 12-3211-00010480-0076	21/04/2016	0.2840	60 Days		1000000	Immediate Needs
ASB Term Deposit 12-3211-00010480-0072	13/03/2016	0.297	60 Days	9%	1000000	Immediate Needs
Westpac Term Deposit 03-0683-0195600-081	23/03/2016	0.257	30 Days		1000000	Immediate Needs
ASB Term Deposit 12-3211-00010480-0074	21/04/2016	0.312	90 Days		1000000	
					<u>7770806</u>	70% Of total pool Investment policy allow s up to 100%

The Investment Policy requires that maximum any one bank of \$5m
And maturity mix as follow s

	Actual	Policy
0-3 months	100%	15%-40%
3-6 months		10%-60%
6 month to 2 years		10%-60%

Equity Investments

	Number	Cost	Value 2015	@
Local Government Insurance Corporation	23338	23338	39039	1
		23338	39039	0.003528337 Of total pool Investment policy allow s up to 10%

Corporate Bonds

							S &P Rating
Date of Purchase							
Purchased 16/02/06		Effective	Coupon Rate	Face value	Fair Value 2015		
Fonterra Perpetual Cap Note	none	5.73%	8.74%	191,963.00	201,735.76		
Purchased 21/02/06							
Fonterra Perpetual Cap Note	none	5.73%	8.74%	280,000.00	294,072.88		
Notes Redeemed 10/07/06				-443,645.00	-465,086.38		
loss on Redemption					-981.01		
Balance as at 30 June 2014		5.44%		28,318.00	29,741.25	28884.36	A
Purchased 24/03/06							
Spark 10 Year Bonds	24/03/2016	7.04%	7.04%	500,000.00	522450		A-
Purchased 20/09/07							
RABOBANK Bonds Perpetual		3.708%	3.708%	1,000,000.00	1,000,000.00	940000	A+
Purchased 11/03/09							
Fonterra Bonds 2015	10/03/2015	7.60%	7.75%	500,000.00	0.00	0	AA MATURED
Purchased 22/09/10							
Manukau City Council Bonds	29/09/2017	6.52%	6.52%	1,500,000.00	1,500,000.00	1541100	AA
Total					3,029,741.25	3,032,434.36	27.38% Of total pool Investment policy allows up to 50%
Forestry					222,141.00		2.01% Of total pool Investment policy allows up to 20%
Total Investments and Cash					11,064,420.71		

Finance/Performance Committee 29 February 2016

Significant Variances in the Financial Highlights and Commentary to 29 February 2016

10% and greater than \$2,500.

Community Leadership			
Council	Council Committees	Taihape Community Board	Ratana Community Board
Expenditure up by \$27502	Expenditure down \$6235	Expenditure down by \$5,448; Rating Revenue is down by \$7,837	No significant variance
No significant change from prior months the of this figure is the result of unbudgeted costs for the CCO investigation.	This mainly reflects the timing for using the small project funds allocated to each Community Committee.	Reduction in expenditure of \$5,448 mainly reflects the small use (to date) made of the Small Project Fund and of the training budget. Community Bd Rate Rates Revenue is down against budget by \$7,837, \$2500 of this can be attributed to including Taihape Community Service Rate in the budget on all property rather than on properties that include UAGC only, per rating period.	
Elections			
No significant variance			

Community Wellbeing			
Community Awards	Information Centres	District Promotions & Development	Civil Defence
Expenditure is down \$8051	Expenditure is down \$15,271	Revenue is down \$20354; expenditure is down \$88,440	Expenditure is up \$84592
This is a timing issue for the Rural Travel Fund grants. The funds are paid to Council at the start of the financial year; the allocation of the grant wasn't made until May last year.	This is mainly due to lower costs incurred with cleaning and maintenance contractors, there is also a significant reduction in materials purchased to date.	Reduced expenditure is a reflection of reduction in spend to date in Rangitikei Pathway Theme Group, Town Planning & Rangitikei Heritage. Reduction in Revenue is due to Timing difference in Grants.	The main reason for this is the reinstatement of four community housing units in Marton \$74,430 for which an insurance claim has been made and the repair to the surface of Centennial Park Netball Court due to flood damage \$6901 of Equipment Repairs are up due to repairs to the Repeater CD Network \$6107, and reinstate power supply at the Hunterville Domain \$5180.
Rural Fire Expenditure is down \$17824 & Revenue is up \$7409 Expenditure decrease is due to the timing of Horizon Invoicing for Contracted Rural Fire Management. Revenue increase is due to the recovery of Fire Fighting Services, Equipment and Vehicle provided to Juken Ltd at the Whareama Fire in Masterton.			

Environmental & Regulatory Services			
Building	District Planning	Dog Control	Health
<p>Revenue is up by \$14,158; Expenditure is down by \$28,962</p> <p>Earnings from building consents is down \$1,907 down against projection, and miscellaneous fees (e.g. building warrants of fitness) are \$13,577 ahead of the projected earnings for this period. The lower expenditure is a reflection on lower costs from Manawatu's input into the consenting process and not requiring legal advice during this time.</p>	<p>Expenditure is up \$8288</p> <p>This can mainly be attributed to advice received on policy options against programme and review of documentation for the District plan change process.</p>	<p>Revenue is up by \$73,259; expenditure is down by \$5,416</p> <p>Increased revenue reflects the timing for receiving dog registration fees and a significant increase in Infringement income. The lower expenditure is a reflection of reduction in purchases to date of Pound Food, Dog Collars and Tags and Protective clothing</p>	<p>Revenue is up \$4,879 Expenditure up \$8,221</p> <p>Higher than budgeted revenue from liquor licences (higher fees set by statute) and from food premises registration (100% coverage). Expenditure is up \$8,221, against budget due to Environmental Services charges from Wanganui District Council.</p>
<p>Resource Consents</p> <p>Expenditure is down by \$28,962</p> <p>There was an accrual from last year which gave a credit to this budget line other reductions are due to timing differences and reduced spending on Professional Services, External Consultants and Legal Fees YTD.</p> <p>Revenue is down against forecast in Sundry Infringements \$7854, Lim Fees are ahead of Budget by \$2022 & Consent Fees are ahead of Budget by \$2178.</p>	<p>Stock Control</p> <p>Revenue is up \$10,762</p> <p>Income is higher than budgeted due to the receipt of funds from NZTA for Stock Call Outs on State Highways.</p>		

Community & Leisure Assets			
Libraries	Domains	Cemeteries	Real Estate
Revenue up \$ 3,071 Expenditure down \$14,657	Revenue up \$43,992 Expenditure is down \$152765	Revenue up \$5145 Expenditure down \$49,014	Revenue is down \$3548 Expenditure is up \$3781
Revenue is up Mainly due to user charges & contributions, which includes book sales & printing. Expenditure is down in professional subscriptions \$9,049 and library magazines \$6,337 against YTD budget.	Revenue is Higher than Budget due to the Carry Forward of the unexpended portion of the Lotteries Grant from last year for the refurbishment of Shelton Pavillion (Centennial Park). There is a decreased spend in Principal Contractor. The budget included \$50,000 to find a water source for Taihape Memorial Park.	Revenue up due to larger than budgeted Plot Sales YTD. Contractor expenditure is reduced due to mowing done by the Council's Parks Team.	YTD Land Rental is responsible for the shortfall in income against budget. The expenditure increase involves, Property Expenses & Works expenditure which are up against the budgeted YTD figure & a small advertising expense which has no budget.
Swim Centre	Community Housing	Public Toilets	Halls
Revenue is down by \$76,680 Expenditure is up (35076)	Revenue is up \$16,997 Expenditure is up \$7,701.	Expenditure is down \$20,168	Revenue is down \$35980, Expenditure is down \$30288.
No revenue shows. While the Marton Swim centre opened in September, the sharing of revenue is associated with monthly invoicing: revenue is issued as a credit note and deducted from the invoice. The increased expendiure is due to crack repairs at the Taihape pool & fixing the pool sump plus external contractor costs. Electricity & Insurance are higher than the budgeted figure YTD.	There has been a slightly higher occupancy rate in Marton than projected. Increased Expenditure reflects the early full payment of rates for all Units.	Contractor costs are less than projected less vandalism, new cleaning contract, and less cost for maintaining the Wallace Development Toilets compared to the closed High St toilets.	The projected grant from the Duddings Trust (for Rural Halls) has yet to be received. Contractor costs are lower than projected.
Forestry Investments			
Revenue Down \$105448 Expenditure Down \$217135	No logging has been done this year and no costs incurred with the forestry contractor. There is a credit balance of \$65220 for deforestation liabilities not needed.		

Rubbish and recycling			
Public Refuse & Bin Collection	Landfills & Waste Transfer Stations	Waste Minimisation	
Expenditure is up \$14318	Income is up 15586 Expenditure is up \$26,786	Expenditure is down by \$10,895	
The additional spend is for the Contractor costs for the Ratana Community Contract.	Income is up in User charges & contributions. There was \$9200 spent on flood recovery after the June rainfall event. From October the impact of the increased solid waste disposal at the Bonny Glen Landfill will cause a greater than budgeted expenditure. Property expenses are up \$17342 which includes Depreciation which is higher than budgeted YTD.	Reduction in expenditure is due to Contractors costs and Project Expenditure to date being less than forecast.	
Waters			
Stormwater	Water	Wastewater	Rural Water
Revenue is up by \$10,764; expenditure is down by \$141,837	Revenue is down \$131801; expenditure is up \$62291	Revenue is up by \$20,275; expenditure is down \$99559.	Revenue is down by \$88013, Expenditure up \$44,984.
The increased revenue is due to invoices for connections near the KiwiRail yard. The lower than budgeted expenditure is due to the much lower amount of repairs to the network than expected and minimal expenditure related to the investigations associated with Council's Water-related Services Bylaw. Recovery costs after the June 2015 rainfall event totalled \$1,760.	The reduction of revenue is a timing difference after claiming a Milestone payment from Ministry of Health for pipeline works at Ratana. Utility expenditure is \$20091 higher pro rata than projected, property exp up \$45869 (Insurance & Rates) , works up \$65503 (mainly in Chemicals & Consumables), special project expenses water down \$80,582 and professional services down \$11722.	Revenue includes charges for accepting leachate from the Bonny Glen landfill at the Marton WWTP. These charges were increased from 1 July 2015. Expenditure includes the rates remissions for pan charges (\$203,317). The amount is not budgeted for, as it would increase the rates levied. Property expenses up (Insurance & Electricity) \$68,672, Utilities Expenditure down (Reticulation & Treatment External Contractors)\$98,733, Works Expenditure down (Chemicals & Consumables plus Resource Consents) \$21,151, Professional Services down \$52,283.	Revenue is lower due to timing of Water readings which are 6mthly or Annually for Omatane. Erewhon expenditure is up \$19466 & mainly in External Contractors. Hunterville is \$29829 up in Electricity expenses. Puortorino is down \$2,610 in expenditure and Omatane is down \$1701.

Roading & footpaths		
Roading	Non-Subsidised Roading	
Revenue is up by \$1,972,769 ; expenditure is up by \$3,217,710	Expenditure is down by \$221,989	
The increased revenue and expenditure is due to the June 2015 rainfall event.	Decreased expenditure is due to fewer projects (particularly footpaths) being progressed while staff focus on flood repairs.	

Business Units			
CEO	Human Resources	Policy & Governance	Finance
Revenue is up by \$16,528; expenditure is up by \$24,847	Expenditure is down by \$46,400	Expenditure is down by \$6480	Revenue is down \$9369 Expenditure is down by \$35,296
Note: Revenue in the CEO business unit is Work and Income subsidy for short-term placements. Expenditure is affected by the full-year industry good contribution to SOLGM, the one-off cost for participating in the NSW benchmarking project, consultancy charges for training sessions for staff on the Continuous Improvement programme and a higher contribution to insurance than budgeted.	This is due to a decrease in HR staffing, consultancy and less expenditure to date in this cost centre on corporate training than projected	This is due to a decrease in Personnel Expenses.	Reduced Revenue is due to the timing difference for 2015/16 share of QV fees to be invoiced to Horizons which will be invoiced at year end. The reduced expenditure is due to the reduction in General Expenses, Office Expenses and staff expenses pro rata YTD

Strategic Planning and Reporting	Information Services	Customer & Community	Property Management
Expenditure is down by \$85,893	Expenditure is down by \$106,317	Expenditure is down by \$6485	Expenditure is up by \$4228
This drop in expenditure is the result of timing difference on 2015/16 Audit Fees & no expenditure to date for External Contractors.	Software maintenance costs are down by \$75,399 on a pro rata basis. Staff costs are down by \$67,007 on a pro rata basis. Consumables and off-site services are less than budgeted.	External contractors are down \$2190, Communication expenses are down \$2622 & Hardware maintenance is down \$1992 against YTD Budget.	Timing affects year-to-date expenditure: full payment of rates and renovation of the storage area in the Assets building for the new internal Parks team.
Assets	Fleet Management	Regulatory	
Expenditure is up \$13,928	Expenditure is up by \$50,557	Expenditure is up by \$83,673	
Professional Services MDC is \$8,158 up against budget, Insurance is up \$1,543 & software maintenance is \$5,398 up against budget YTD.	Higher expenditure is due to the purchase of distance licences for the vehicles added to the fleet for the new internal parks team and fuel for these additional vehicles plus installation of EHUBO unit into vehicles. Insurance higher than budgeted.	Higher expenditure is caused by additional animal control staffing related to shared services arrangements with Manawatu (not reflected in the budget), Revenue from this arrangement is shown under the activity budget.) Insurance is higher than budgeted and External Contractor Costs are \$21,657 higher than budgeted.	

Attachment 3



MEMORANDUM

TO: Finance/Performance Committee

FROM: George McIrvine and Michael Hodder

DATE: 4 March 2016

SUBJECT: **Parks and Reserves – cost/benefits of transferring this activity from an external contractor to an internal staff team**

FILE: 6-RF-1-1

1. Background

- 1.1. At its meeting on 26 March 2015, Council resolved that from 1 August 2015 parks and town maintenance would be provided through a mixed delivery arrangement (i.e. internal delivery of mowing, gardens, playgrounds, litter bins and minor maintenance) with contracting out for burials, berm mowing and CBD cleaning, trees and turf renovation. This decision was taken in the context of a review of the services under section 17A of the Local Government Act 2002. It meant the end of the contract with Fulton Hogan.
- 1.2. This memorandum reviews the costs and benefits of this arrangement.

2. Capital budget

- 2.1 The capital budget (summarised in [Appendix 1](#)) has come in very close to budget with the machinery and set up costs being \$14,116 under budget. This is despite being a number of things that changed from the original model
- Larger mowers than those envisaged for the amount of grass to be cut
 - A truck for the local collections and work rather than 4 Utes
 - Transporter for safe main state highway transporting
- 2.2 One item classified as operating in the original case, space to accommodate staff, became capital effectively when the area adjacent to the dog control office was refurbished rather than leasing other space. We had budgeted for a total lease and operating cost of \$21,432 annually based on the estimated space required with power and other operating costs. The cost to refurbish was \$15,698 and made use of existing power and telephony supply infrastructure and included a heat pump. Ongoing running costs for power and other costs with this arrangement will be

significantly less than that contemplated from a leasing space model. This cost has been included to ensure transparency as it was a consequential cost of the establishment of the parks and reserves team. These are the reasons for the capital being over by \$1,582.

- 2.3 One area of potential risk has been the purchase of a second hand John Deere “Parks” tractor. This machine was initially hired (cost offset against purchase price) as Athol Sanson and the team worked to determine what was required and also to see if the machine was reliable. After some initial issues which were due to lack of recent maintenance this machine was purchased at \$10,000 and has proved to be good value but as with any second hand tractor there is a risk that it may require unscheduled maintenance to repair or even become uneconomic to repair. In addition, should other clients for these services such as local schools materialise, consideration might have to be given to a larger, faster tractor to enable enough mowing capacity to be delivered.
- 2.4 There have been a number of one off transition costs to cover for vehicle arrival and equipment being built but these have been absorbed in operating budgets and would have been incurred in another form had the equipment or vehicles been here.

3. Staffing budget

- 3.1 The total staffing budget was \$309,062.15 and the actual staffing salaries are \$282,600. Projected actual salaries for the year of \$308,820 include a 10% allowance for overtime of \$22,620 within that total \$308,820. Overtime at the end of January was \$11,091 or 402.75 hours at an average rate of \$27.53.
- 3.2 With the seasonal work load and additional work required of the newly formed Parks and Reserves team around Hunterville Cemetery, etc., this budget may have to be increased in future with the use of part time or local contract staff.

4. Operating budgets

- 4.1 The analysis of the operating costs based on end of January figures estimated to year end (attached as [Appendix 2](#)), indicates that across the internal team plus supporting contracts that replaced Fulton Hogan we are currently estimating a saving of close to \$60,000. This is unlikely to be realised with the parks and reserves team undertaking more and more tasks across the district and picking up the berm mowing contract, which has been with Andrew Morriss for the last six months. Care needs to be given to expectations on the team and what it can achieve in such a short period.
- 4.2 From this analysis some additional points noted;
 - a. Berm mowing; we understand that Fulton Hogan costed this service at \$40,000 when an external quote and internal costing exercise indicated that this would around \$90,000 annually from an external contractor. This activity may require

additional staff resources but may also reduce machine maintenance costs, which have been higher on this machine than the other Kubota.

- b. Looking at the costings shown and assuming that these contract costs and margins are in line with Fulton Hogan, the likely cost of their parks and reserves operation to the Council was around \$403,000. This would have provided to them a net profit on the contract of approximately \$108,000 when we compare to our estimate of the costs at year-end.

5. Qualitative analysis

- 5.1 While the above financial analysis is positive for the team the real test has been community reaction to this change. There have been many positive comments made to staff, councillors and others in the community about their activities.
- 5.2 The early results from the annual residents' survey are that 13% of respondents consider that parks and reserves are better than last year, whereas in the survey conducted in March 2015 only 5% considered it better than the previous year.

6. Recommendation

- 6.1 That the memorandum 'Parks and Reserves – cost/benefits of transferring this activity from an external contractor to an internal staff team' be received

George McIrvine
Group Manager, Finance & Business Support

Michael Hodder
Community & Regulatory Services Group
Manager

Appendix 1

Appendix 1

Capital budget	Original	as of today	Variance	
Original Equipment budget	\$433,312	\$395,502	\$37,810	
Mowers	\$74,300	\$123,139	(\$48,839)	Size of mowers required is larger.
Vehicles tractor etc	\$299,000	\$242,096	\$56,904	Second hand tractor and new Trimax and transporter
Small equipment and Safety	\$15,620	\$8,108	\$7,513	
Hand tools	\$5,000	\$6,461	(\$1,461)	
	\$393,920	\$379,804	\$14,116	
Office space		\$15,698	(\$15,698)	Estimate and was not included as case contemplated a lease arrangement
Total costs	\$393,920	\$395,502		
Contingency	\$39,392	(\$1,582)		
Capital budget	\$433,312	\$395,502		

'as of today' means "as at 4 March 2016'

Appendix 2

Appendix 2

Current contracts	Contract	January actual	Estimated June 2016	
Keith Gray		\$ 3,628	\$ 8,895	\$ 8,895 GST excl
Ratana	991	\$ 2,011	\$ 4,784	\$ 4,784 Estimate
Rang Enterprises	995	\$ 32,945	\$ 56,477	\$ 51,221 Contract Price
O Connor	994	\$ 30,474	\$ 52,242	\$ 57,938 Contract Price
Bulls Cleaninf	996	\$ 32,863	\$ 56,336	\$ 47,380 Contract Price
Sexton		\$ 8,893	\$ 15,246	\$ 17,000 Budget is \$19,949 for 2016 with actual last year at \$17,148.
Berm Mowing		\$ 39,000	\$ 66,857	\$ 40,000 Old Fulton Hogan Contract was 40,000 annually costs are likely to be more
Parks and Reserves		\$ 172,550	\$ 295,799	
Extra plants and materials used.		\$ 8,526	\$ 14,616	Using extra materials, mulch etc.
Totals		\$ 330,890	\$ 571,252	Estimated year end position for Street Cleaning, CBD and Parks.
Fulton Hogan actual 2015			\$ 631,044	
Net saving estimated based on January figures			\$ 59,792	

Attachment 4

REPORT

SUBJECT: **Potential Youth Awards Scheme 2016**

TO: Finance/Performance Committee

FROM: Denise Servante, Strategy & Community Planning Manager

DATE: 15 March 2016

FILE: 4-ED-1-1

1 Background

- 1.1 Council's Economic Development and District Promotion Activity Management Plan was developed during the preparation of the 2015-25 Long-Term Plan. One of the three key indicators to increase the proportion of young people living in the District being schooled locally.
- 1.2 The activity management plan identified five Key Result Areas (KRA), particularly:
 - KRA2: Growth and development of the identified sectors, specifically primary production, education and Maori economic development
- 1.3 Five areas of focus were identified which contributed to one or more of the KRAs. In the specific area of "Sector development focussing on the education sector", Council included its existing activity to provide scholarships to the local state high schools and suggested that two further youth scholarships be considered.
- 1.4 The original purpose of these scholarships was to support the Board of Trustees to promote Rangitikei College as the school of first choice for the southern Rangitikei. This was later extended to provide the same scholarships for the Taihape Area School. This approach was confirmed by Council in October 2015¹.
- 1.5 There was discussion over extending the scheme further to provide one scholarship to each of Nga Tawa and Turakina Maori Girls College for students who also live in the District, but a resolution to this effect was not passed at Council's meeting in October. Instead, Council requested a report on options for rewarding excellence by the District's young people. At its meeting in February 2016, the Finance/Performance Committee considered that an alignment with the national Youth Awards criteria and processes may be advantageous, although details of the scheme for 2016 were not available at that time.
- 1.6 However, the Committee requested further information on the proposed Youth Awards Scheme including criteria and application processes for consideration at its meeting 31 March 2016.

¹ 15/RDC/273

- 1.7 The Ministry of Youth Development has now released information on the national Youth Week Awards 2016. This report provides further information on the national scheme and suggests criteria and processes for a Rangitikei Youth Week Awards for 2016.

2 Youth Week Awards 2016

- 2.1 The press release from Minister Kaye and associated information and application form are attached as [Appendix 1](#).
- 2.2 The theme for Youth Week nationally is “Aroha Mai, Aroha Atu - Giving Back is Giving Forward”. It aims to:
- encourage young people to take on challenges
 - raise awareness of the positive aspects of being young
 - empower young people to feel they have the tools and confidence to support each other
 - support youth participation in community planning
- 2.3 The categories for the national Youth Awards are:
- Change Maker Award (LGBTI, Cultural and Community Safety)
 - Leadership Award
 - Giving Back Award
 - Working for Youth Award
 - Youth with Disability Award
 - Youth Group Award
 - Youth Champion Award
- 2.4 Nominees must meet the following eligibility criteria:
- Be currently living, and have lived in New Zealand for the past 12 months or more
 - Have participated in the activities they have been nominated for within the past 12 months
 - For Change Maker (LGBTI and/or Cultural and/or Community Safety), Leadership, Giving Back, Working for Youth, Youth with Disability and Youth Group awards: have participated in activities they were nominated for outside of their regular study or work commitments
 - For Change Maker (LGBTI and/or Cultural and/or Community Safety), Leadership, Giving Back, Working for Youth, Youth with Disability and Youth Group awards: be aged between 12 and 24 at the beginning of Youth Week on 21st May 2016
- 2.5 The nominations will be assessed against the following criteria:
- Contributed significantly to their community
 - Taken action to address an identified need in their community
 - Demonstrated the ability to motivate, engage and positively influence others
 - Demonstrated initiative to provide solutions
 - Demonstrated commitment and perseverance
 - Demonstrated leadership skills

3 Rangitikei Youth Week Awards 2016

- 3.1 Council's youth strategy currently focuses on engaging young people in town makeovers (particularly Marton) and to extending engagement with youth (aged 12-25). This latter is leading to a third youth forum, organised by Bulls and District Community Trust, to be held during Youth Week in May 2016. It will bring together young people and agencies delivering services for young people as the 2015/16 Path to Well-Being conference². Its focus will be to develop youth services in a way that reflects the voice of young people in the District.
- 3.2 The aims of national Youth Week align very well with those of the local strategy. Council may wish to focus on awards for young people which implies that the first seven categories of the national award scheme would be appropriate as categories for Council to consider, whereas the last one, "Youth Champion" is less relevant.
- 3.3 The criteria for nominees would also appear to align well with Council's intent in its youth strategy (with the replacement of "New Zealand" by "Rangitikei"). Similarly the assessment criteria appear to provide a good basis for assessing nominations.
- 3.4 Table 1 provides a summary of the proposed Rangitikei Youth Week Awards 2016.

Categories of Award	Change Maker Award (LGBTI, Cultural and Community Safety) Leadership Award Giving Back Award Working for Youth Award Youth with Disability Award Youth Group
Eligibility	Be currently living, and have lived in Rangitikei for the past 12 months or more Have participated in the activities they have been nominated for within the past 12 months Have participated in activities they were nominated for outside of their regular study or work commitments Be aged between 12 and 24 at the beginning of Youth Week on 21st May 2016

² 15/RDC/340

Assessment Criteria	Significance of community contribution Need in the community Ability to motivate, engage and positively influence others Initiative to provide solutions Commitment and perseverance Leadership skills
---------------------	---

4 Process for Awards

- 4.1 Council has \$2,000 available. There are potentially 7 categories of award but Council may want to limit the awards that it makes to, for example, four of \$500 each. For example, Council may want to have a top award and then several (smaller) runner-up awards. This decision could be made once the applications have been received.
- 4.2 The applications could be reviewed by the Mayor and Deputy Mayor, with an invited panel of 4, including a representative from the school principals, one iwi representative and two members of Youth Voices³.
- 4.3 Nominations can be made by anyone. Nominations may be made through the national awards scheme paperwork or on a local form that mirrors the national Awards scheme. This may help to reinforce both schemes and ensure good local input.
- 4.4 The scheme would be promoted locally through the schools, youth groups and local media (including social media).
- 4.5 The national scheme closes on 18 April but the local scheme could run through until the end of April. The Award ceremony should take place during Youth Week, possibly as part of the Council meeting to be held on Thursday 26 May 2016.
- 4.6 Local stakeholders were invited to comment on a potential Rangitikei Youth Award Scheme, aligned to the national scheme. The responses were very supportive of a local Youth Awards Scheme and this report reflects some of the comments received, including
 - Support for an “overall winner”
 - Support for a Group Award as well as awards for individuals
 - Support for a specific category for a contribution from a cultural perspective
Acknowledging that the national scheme was probably not well known locally and that local publicity would be required

5 Recommendations

- 5.1 That the report “Potential Youth Awards Scheme 2016” be received.

³ The Youth Voices Group represents local agencies working District-wide with young people that has been developing the Youth One Stop Shop proposal for MSD.

- 5.2 That the Finance/Performance Committee approves the Rangitikei Youth Week Awards 2016 as outlined in the report “Potential Youth Awards Scheme 2016”.

Denise Servante
Strategy & Community Planning Manager