



Rangitikei District Council

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Rangitikei
UNSPOILT...

Finance/Performance Committee Meeting

Order Paper

**Thursday, 30 June 2016,
9.30 am**

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

Website: www.rangitikei.govt.nz

Email: info@rangitikei.govt.nz

Chair

Cr Nigel Belsham

Deputy Chair

His Worship the Mayor, Andy Watson

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 and Performance Committee Meeting

Order Paper – Thursday 30 June 2016 – 9:30 a.m.



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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 Roou 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 order of business**

That, taking into account the explanation provided why the item is not on the meeting agenda and why the discussion of the item cannot be delayed until a subsequent meeting, be dealt with as a late item at this meeting.

5 Confirmation of Minutes

Recommendation

That the Minutes of the Finance/Performance Committee meeting held on 26 May 2016 be taken as read and verified as an accurate and correct record of the meeting.

6 Chair's report

A report will be tabled at the meeting.

7 Financial Highlights and Commentary - July 2015 to May 2016

A memorandum is attached

File: 5-FR-4-1

Recommendation

That the memorandum 'Financial Highlights and Commentary' be received.

8 MarketView Reports – economic impact of high-profile events sponsored by Council

A report is attached. The Committee is requested to consider the analysis of event reports that have been commissioned from MarketView detailing the expenditure recorded by local retailers during event periods. The intention is to enable this analysis to provide useful guidance to the Committee when it considers requests for events sponsorship in the coming funding rounds. Following this discussion, Council staff will develop guidelines and criteria for consideration at the Committee's meeting on 28 July 2016.

File: 4-ED-1-2

Recommendation

That the report 'MarketView Reports – economic impact of high-profile events sponsored by Council' be received.

9 Overall results from survey 2016

A presentation will be provided at the meeting.

10 Late items

11 Future items on the Agenda

12 Next meeting

28 July 2016, 9.30 am

13 Meeting closed

Attachment 1

Rangitikei District Council

Finance/Performance Committee Meeting

Minutes – Thursday 26 May 2016 – 9:30 a.m.

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Present:

Cr Nigel Belsham (Chair)
His Worship the Mayor, Andy Watson
Cr Dean McManaway
Cr Cath Ash
Cr Tim Harris
Cr Soraya Peke-Mason
Cr Ruth Rainey
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 6** **Chair's Report – Chair's Report**

1 Welcome

The Chair welcomed everyone to the meeting.

2 Council Prayer

Cr Sheridan

3 Apologies/leave of absence

That the apology for absence from Cr McNeil, and the apology for lateness from Cr Harris be received.

Cr Peke-Mason / Cr Rainey. Carried

4 Confirmation of Order of business

The Chair informed the Committee that there would be no change from that set out in the agenda.

5 Confirmation of Minutes

Resolved minute number	16/FPE/026	File Ref
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That the Minutes of the Finance/Performance Committee meeting held on 28 April 2016 be taken as read and verified as an accurate and correct record of the meeting.

Cr Ash / Cr Rainey. Carried

6 Chair's report

The Committee requested clarification on how the work completed by the Parks and Reserves Team in other activities was being tracked and how it would be displayed in future financial years. Mr McIrvine informed the Committee that the Team are currently completing work outside of their main activity that was not anticipated when the Team was created. In future financial years the work done outside of their main activity will be budgeted for.

Resolved minute number	16/FPE/027	File Ref	3-CT-14-1
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That the Chair's report to the Finance/Performance Committee meeting of 16 May 2016 be received.

Cr Belsham / Cr Peke-Mason. Carried

7 Financial results, July 2015 to April 2016

Mr McIrvine spoke briefly to the report, highlighting the major variances within Council's budgets.

The Committee discussed various parts of the report, including:

- The length of time it was taking to process Council's insurance claims (other than Rooding) from the June 2015 flood event.
- Overdue rates and the processes being undertaken to recover these rates.
- The anomalies within the budgets for the Environment and Regulatory activity, and why Council budgets to make a profit within this area.
- The addition of an explanation on the variances within the Strategic Perspective.
- The various reasons behind the lack of progress with capital expenditure. Mr McNeil informed the Committee that a report would be brought to a future meeting on the reasoning behind the lack of progress with completing some of Council's capital projects.
- The variances within the Non-Current Assets.

The Committee noted that the current investments were outside the parameters defined in the Investment Policy but accepted the reason for this situation.

The Committee requested that a comparison of rates recovery in 2015/16 with 2014/15 be provided to the July 2016 meeting.

Resolved minute number	16/FPE/028	File Ref	5-FR-4-1
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That the memorandum 'Financial Highlights and Commentary to 30 April 2016' be received.

His Worship the Mayor / Cr McManaway. Carried

8 LGFA update

Mr McIrvine spoke briefly to the memorandum. He informed the Committee that there were no charges to Join LGFA and that there was no commitment to ever borrow while a member.

The process for joining LGFA would be for Council to make a formal resolution to join and then staff would make the approach to LGFA.

Resolved minute number	16/FPE/029	File Ref	5-FM-8-3
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That the memorandum 'LGFA Update' to Finance/Performance Committee's meeting of 26 May 2016 be received.

Cr Harris / Cr Ash. Carried

9 Standardising lease arrangements for sports club and other community facilities on Council land

Mr Hodder spoke briefly to the memorandum.

The Committee requested further work be done into how the original lease amounts were reached and on the potential for standardising the lease arrangements for all community facilities and sports clubs on Council land.

Resolved minute number 16/FPE/030 **File Ref** 6-CF-5-5

That the memorandum 'Standardising lease arrangements for sports club facilities on Council land' be received.

Cr Rainey / Cr Harris. Carried

Resolved minute number 16/FPE/031 **File Ref** 6-CF-5-5

That the Finance/Performance Committee agrees that the maximum rental charge for an organisation with facilities on Council and (or Council administered land) be \$1,500.00 (GST inclusive) with no additional charges being made for apportioned rates or Council services.

His Worship the Mayor / Cr McManaway. Carried

Resolved minute number 16/FPE/032 **File Ref** 6-CF-5-5

That a review be undertaken on charges for all property owned by sports clubs, and other community facilities, on Council land.

Cr Belsham / Cr Peke-Mason. Carried

10 Late items

Nil

11 Future items on the Agenda

Invite Quotable Value (QV) to a meeting to discuss the potential direction of the upcoming revaluation of properties within the Rangitikei District, prior to the start of their next revaluation process – The Chief Executive undertook to look at when the next scheduled revaluation process is to occur and negotiate an appropriate time for QV to address the Committee.

12 Next meeting

30 June 2016, 9.30 am

Apologies to this meeting were made by Cr Peke-Mason and Cr Rainey.

Unconfirmed

13 Meeting closed – 10.42 am

Confirmed/Chair: _____

Date: _____

Unconfirmed

Attachment 2

MEMORANDUM



Rangitikei
UNPOWLED...

TO: Ross McNeil

COPIES: Council

FROM: George McIrvine

DATE: 22 June 2016

SUBJECT: **Financial Highlights and Commentary**

FILE:

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

Operating Results

Revenue is up on budget by \$4.5M (27%) as previously noted from the Roothing revenues (\$4.8M) because of the June 2015 Flood as the work is completed for this financial year. Other smaller variances are noted below in the relevant section of the report. Rates revenues are running ahead by \$507K ahead of budget and \$209K ahead of last year's amount or 1.01%.

Expenditure

As Council is aware expenditure is well ahead of budget due to Flood repair work by a net amount of \$4.8M.

Most other activities are running behind on expenditure except, as last month, for Community Leadership (CCO investigation), Waters and Public refuse (see details below). As noted last month that while expenditure in Roothing, is over by \$4.9M, expenditure is under control with about \$768k under-spend YTD in other activities that has remained consistent over the last few months. These do not include the year-end accruals that will no doubt change this position.

The expenditure graph below emphasises this.

Statement of Financial Position

Council is maintaining a healthy working capital position with \$11.6M of cash or cash equivalents and \$4.45M of short-term assets.

Rates debtors as shown. Note we will do comparatives year on year ageing once the June figures are available.

Review of project spend.

In the attached project summary in Strategic Capital Expenditure (at end of the Strategic Review report), the total variance is \$11.767M. Comments made below are from the documentation available when these amounts are carried forward but the best forum for the discussion on why these amounts have not been spent is the Assets and Infrastructure committee. We will maintain the reporting on the financial

aspects of projects and where appropriate make comment. From a financial perspective with some of these projects it is perhaps better to wait get the project properly defined and spend the money once than spend it twice.

By major category of spend this variance can be further broken down into the main component parts.

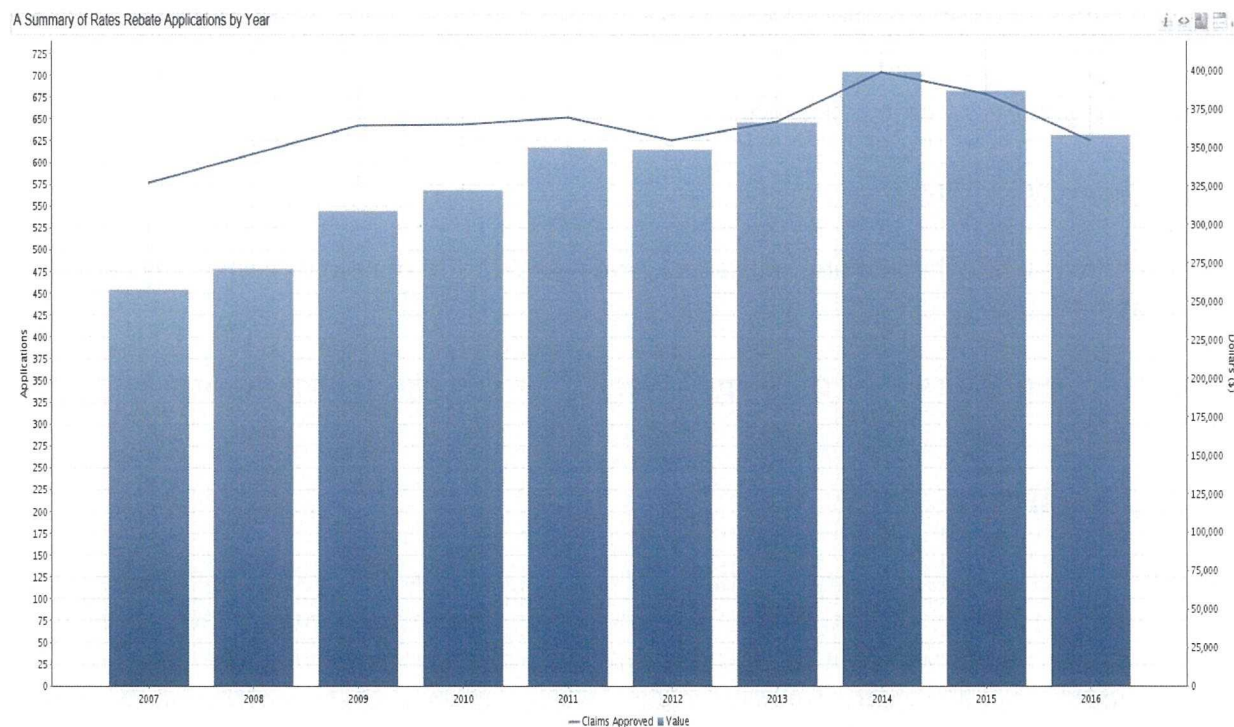
Activity	Variance	Reason for variance from C/F
Community and Leisure	\$1.2M	Largely Bulls Town Centre with some other smaller projects.

Activity	Variance	Reason for variance from C/F
Waters variance total		
Ratana WWTP C/F	\$1.419 M	Awaiting agreement discharge to land.
Marton WWTP C/F	\$1.338 M	Council is aware of this.
Bulls WWTP	\$1.1 M	Consents delays and uncertainty
Koitiata	\$0.11 M	Consultation underway.
Water	\$1.497 M	Various Contractor delays.
Wastewater	\$1.128 M	
Roading variance total	\$3.379 M	Focus on Emergency works
Total waters	\$9.971	

The total carry forwards of 11.2M means that almost all of the variance for the year less approximately \$0.5M has been carried forward into 2017.

Rates Rebates

Below is a graph showing the amount on the right axis received by council from rates rebates on behalf of ratepayers and on the left is the number of applicants. Interestingly the jump in numbers from 2014 is tailing off as less people qualify for this rebate as qualifying thresholds do not move and the rebate rate is held static for 2017. Cumulatively over this ten-year period Council has received approximately \$3.3M from this source.



Review of Environment and Regulatory Services activity and Business Unit.

A review of the Environment and Regulatory Services Activity showed that some external costs were coded to the activity for part of the year. Subsequently these charges were coded to the Business Unit for the remainder of the year. These should in my view be charged to the appropriate activity and can be split at the purchase order between activities if this is appropriate. These should be transferred by journal before year-end.

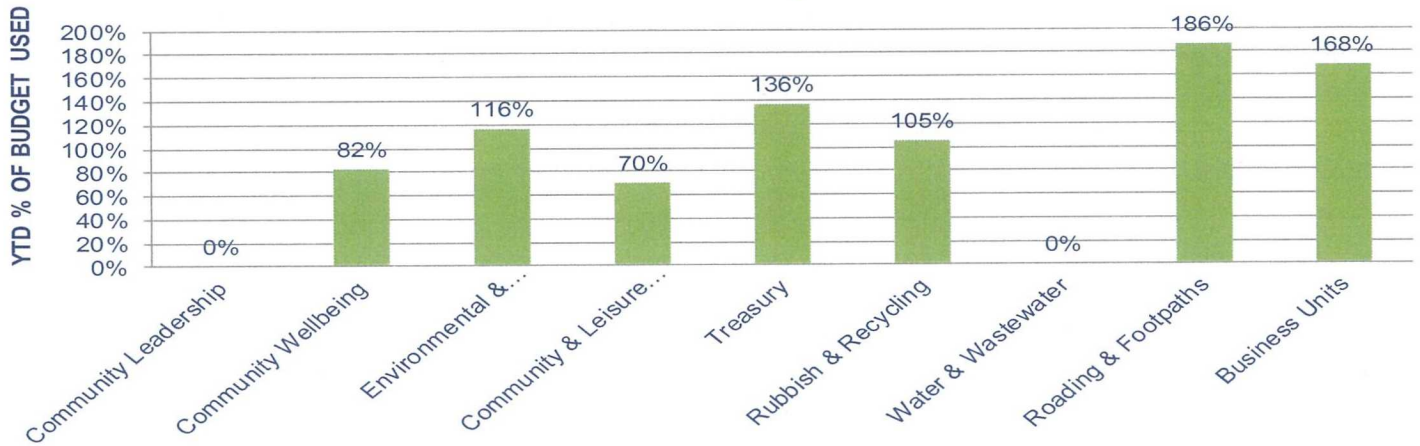
Regulatory business unit

Expenditure is up by \$131,637 largely due to the extra staffing for Manawatu, with the revenue offset reflected in the Activity. In addition, there is some miscoding of contractor expenses to the Business Units rather than the activity. Overall, as it currently stands the deficit of \$131,637 is more than offset by the surplus in the activity at a consolidated level.

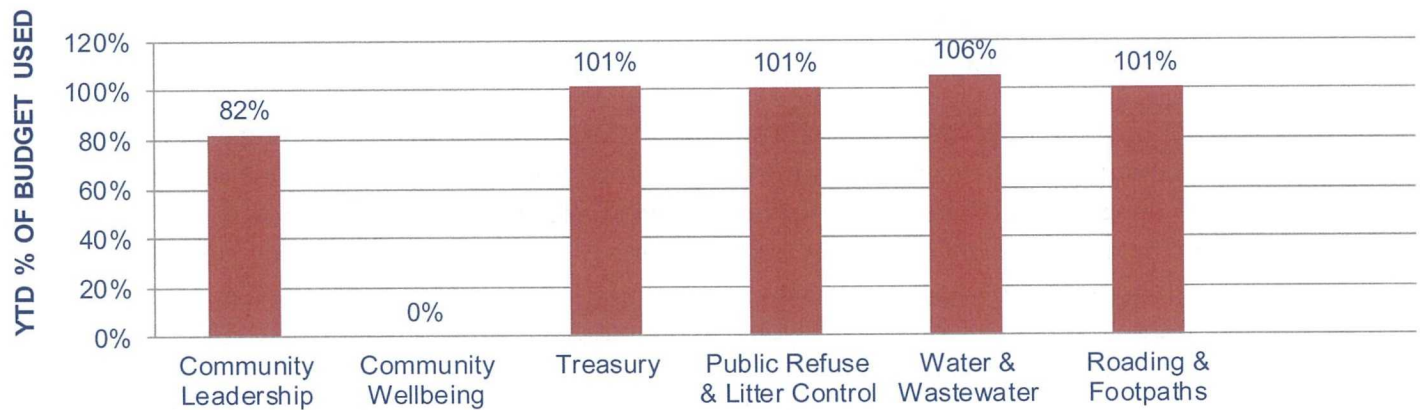
At an individual activity level, the Staffing costs for Dog Control when transferred to the activity will reduce these variances. It should be noted that we are making savings in the short term of staff costs in the dogs areas with the replacement for Matt Blythe due to start in early July.

In the Building Control area the lower expenditure, (MDC's reduced input and lower legal fees) appear to be function of the nature of the consents rather than a permanent reduction in the cost of this activity. At this point in time it would be prudent to leave budgets at existing levels but to monitor this trend as the revenue and finance policy does say that Rates revenue for Building Control is supposed to be between 45% and 65% of the total activity cost. It is currently outside that at about 69%. If we were at 55% (the mid-point in the range set by the revenue and financing policy) rates revenue would be around \$260,000, i.e. down by \$70,000. This may require a consent fee increase and/or review/acknowledgment of the level of consent fee waivers approved.

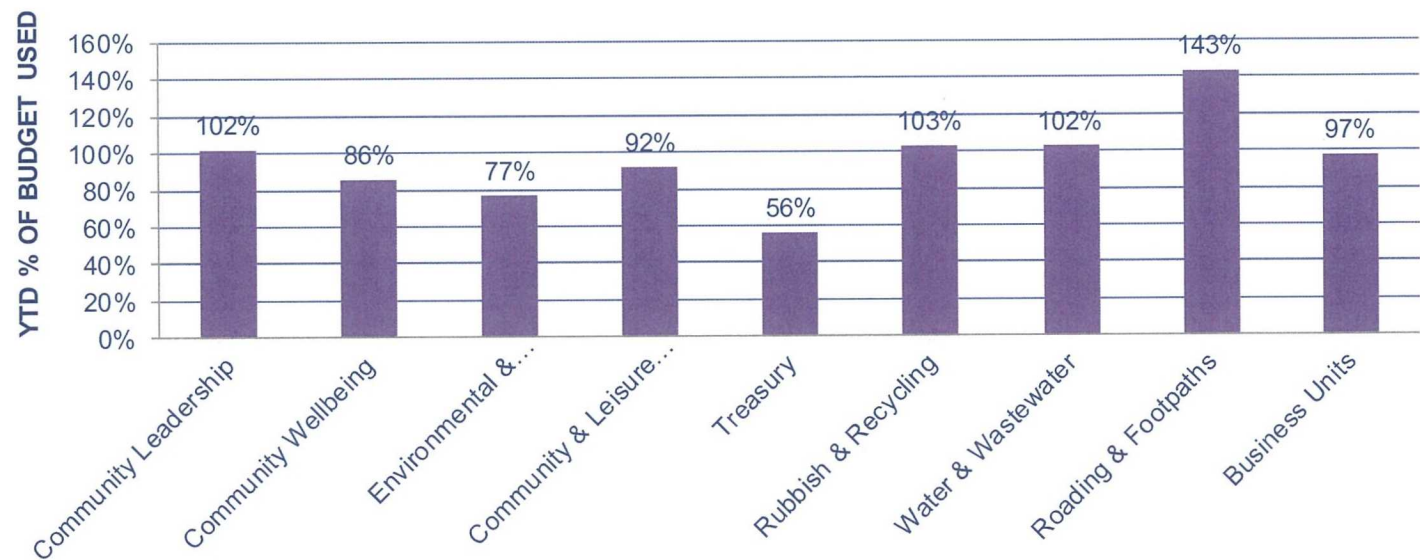
Revenue May YTD



Rates Revenue May YTD

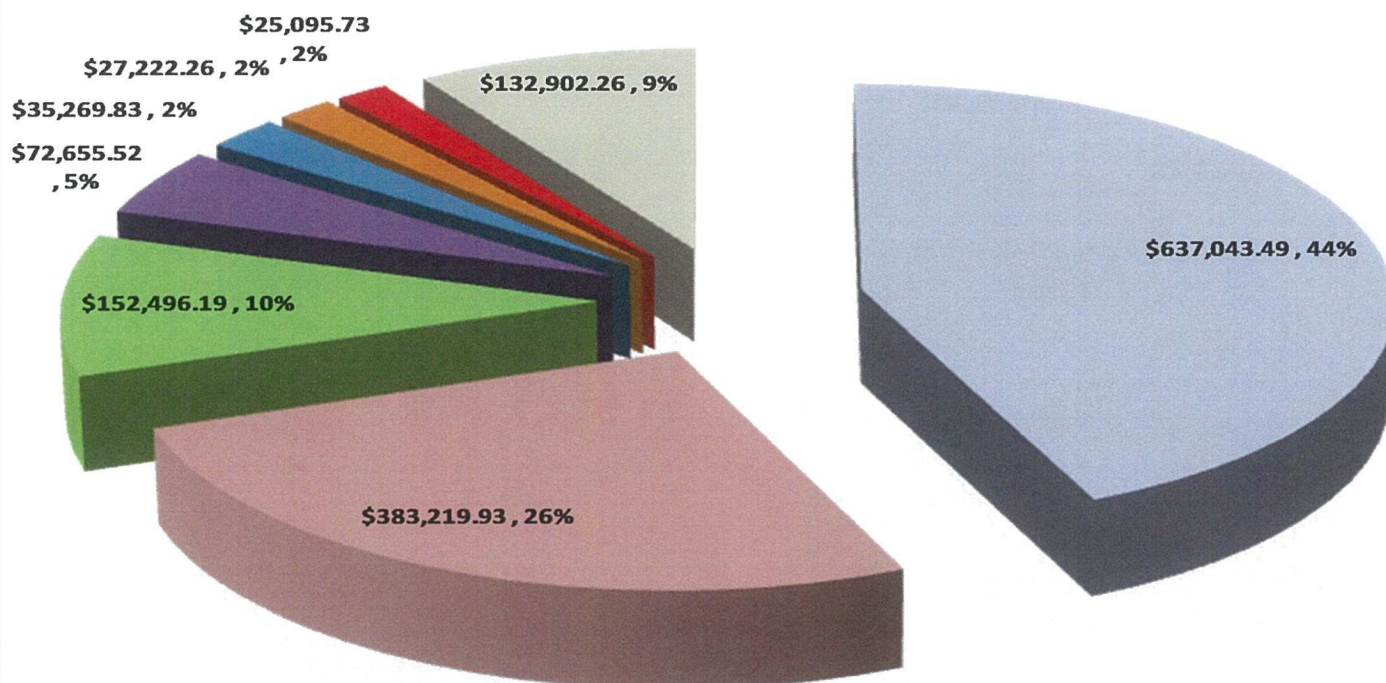


Expenditure May YTD



Analysis of Overdue Rates Rangitikei DC 31/05/2016

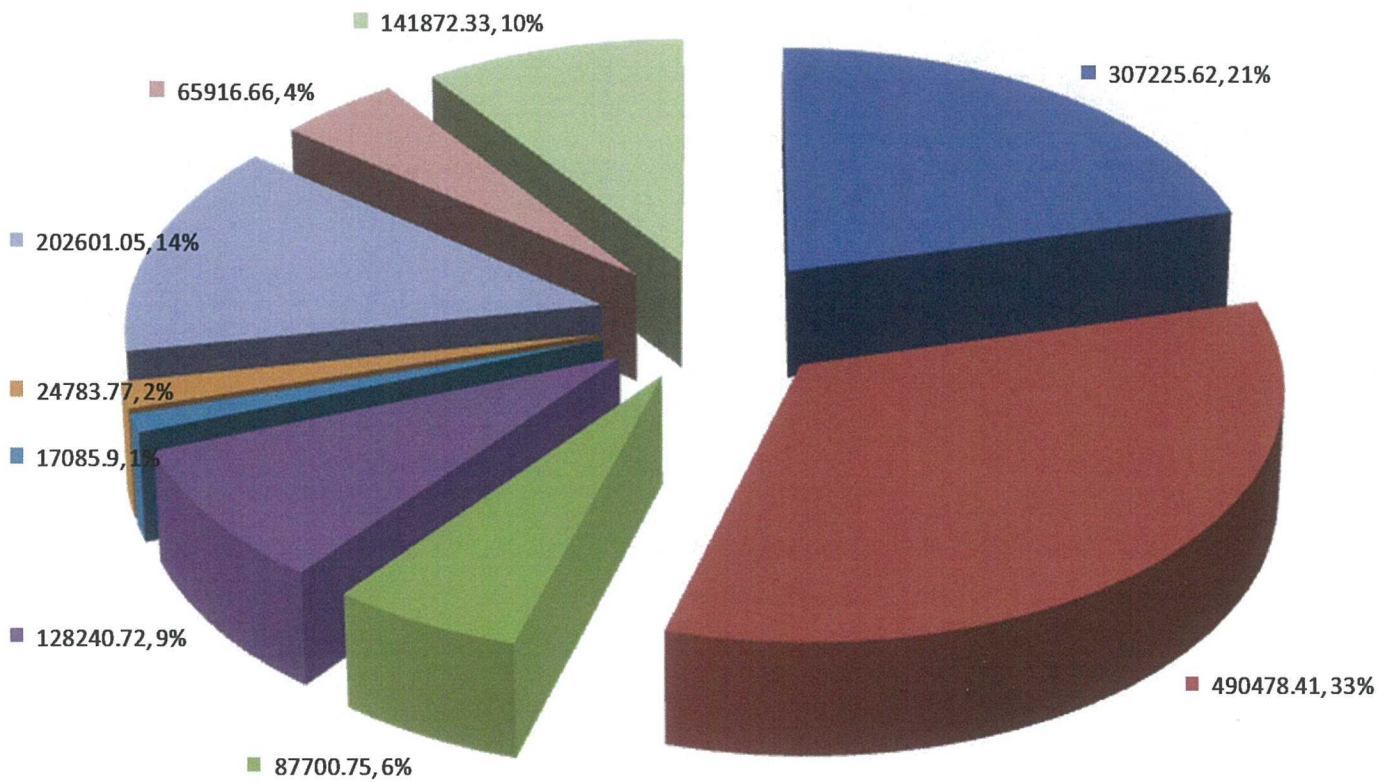
- Curr year Rates outstanding
- 1-2 years overdue
- 3-4 years overdue
- 5-6 years overdue
- Up to 1 year overdue
- 2-3 years overdue
- 4-5 years overdue
- Penalty



Total Overdue
\$1,465,905.21

Actions we are taking to collect Overdue Rates Rangitikei DC 31/05/16

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



**Total
Overdue
\$1,465,905.21**

Rural Fire

Revenue	22,409	0	22,409	
Apportioned Rates Revenue	174,933	174,933	0	174,933
Internal Charges	41,228	43,021	1,793	46,942
Expenditure	113,821	126,192	12,371	137,667
Net Surplus	42,292	5,720	36,573	-9,676

Rural Fire

Environment & Regulatory Services

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	963,746	827,343	136,403	884,849
Rates Revenue	850,682	850,682	0	847,089
Internal Charges	1,321,800	1,291,950	-29,850	1,409,377
Expenditure	128,496	167,638	39,142	181,843
Net Surplus	364,132	218,437	145,695	140,718

Building

Revenue	298,168	250,393	47,775	273,141
Rates Revenue	331,598	331,598	0	324,101
Internal Charges	410,350	395,263	-15,087	431,190
Expenditure	63,849	84,338	20,489	91,087
Net Surplus	155,566	102,390	53,177	74,965

Building

District Planning

Revenue	191	0	191	0
Rates Revenue	215,900	215,900	0	201,682
Internal Charges	79,862	86,130	6,268	93,960
Expenditure	34,451	11,869	-22,582	12,932
Net Surplus	101,778	117,901	-16,123	94,790

District Planning

Dog Control

Revenue	533,144	456,005	77,139	479,787
Rates Revenue	186,380	186,380	0	194,115
Internal Charges	644,292	615,659	-28,633	671,631
Expenditure	15,222	22,954	7,732	24,946
Net Surplus	60,009	3,772	56,238	-22,675

Dog Control

Health

Revenue	73,244	69,388	3,856	75,702
Rates Revenue	43,078	43,078	0	43,866
Internal Charges	98,399	104,588	6,189	114,081
Expenditure	16,752	9,845	-6,907	10,742
Net Surplus	1,172	-1,967	3,138	-5,255

Health

Resource Consents

Revenue	46,945	49,720	-2,775	54,219
Rates Revenue	34,984	34,984	0	44,141
Internal Charges	51,226	54,362	3,137	59,295
Expenditure	-1,801	35,816	37,617	39,066
Net Surplus	32,504	-5,474	37,979	-1

Resource Consents

Environment & Regulatory Services Ctd ...

For the 11 Months ended 31st May 2016

Stock Control

Stock Control

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	12,054	1,837	10,217	2,000
Rates Revenue	38,742	38,742	0	39,184
Internal Charges	37,672	35,948	-1,724	39,220
Expenditure	22	2,816	2,794	3,070

Net Surplus

	Actual YTD	Budget YTD	Var +/-	FY Budget
Net Surplus	13,102	1,815	11,287	-1,106

Community & Leisure Assets

For the 11 Months ended 31st May 2016

Consolidated

Revenue	516,531	737,363	-220,831	0
Rates Revenue	3,390,820	3,391,195	-375	801,584
Internal Charges	1,091,374	837,397	-253,978	3,374,428
Internal Recoveries	293,968	0	293,968	913,476
Expenditure	2,639,452	2,878,660	239,208	3,117,616
Net Surplus	470,493	412,501	57,992	144,920

Libraries

Libraries

Revenue	41,793	37,719	4,074	38,363
Rates Revenue	743,975	744,350	-375	744,350
Internal Charges	445,022	477,752	32,730	521,179
Expenditure	242,592	239,313	-3,279	260,651

Net Surplus

	Actual YTD	Budget YTD	Var +/-	FY Budget
Net Surplus	98,154	65,004	33,150	883

Domains

Domains

Revenue	106,854	71,896	34,958	78,426
Rates Revenue	770,805	770,805	0	895,137
Internal Charges	396,560	130,141	-266,419	141,977
Internal Recoveries	293,968	0	293,968	0
Expenditure	803,519	603,824	-199,695	654,328

Net Surplus

Net Surplus	-28,451	108,736	-137,188	177,258
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Cemeteries

Cemeteries

Revenue	73,990	50,765	23,225	55,380
Rates Revenue	146,691	146,691	0	146,195
Internal Charges	62,609	30,173	-32,436	32,909
Expenditure	33,336	107,388	74,052	117,140

Net Surplus

Net Surplus	124,735	59,895	64,841	51,526
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Real Estate

Real Estate

Revenue	25,219	30,327	-5,108	33,079
Rates Revenue	79,233	79,233	0	47,881
Internal Charges	15,069	16,797	1,728	18,310
Expenditure	50,525	48,084	-2,441	49,936

Net Surplus

Net Surplus	38,858	44,679	-5,821	12,714
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Community & Leisure Assets Cont ...

For the 11 Months ended 31st May 2016

Swim Centres

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	0	105,435	-105,435	115,021
Rates Revenue	880,137	880,137	0	783,500
Internal Charges	52,860	56,463	3,603	61,600
Expenditure	718,682	739,577	20,895	806,100

Swim Centres

Net Surplus	108,595	189,532	-80,937	30,821
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Community Housing

Revenue	255,691	229,229	26,462	250,065
Internal Charges	52,831	51,447	-1,384	56,115
Expenditure	412,764	412,581	-183	437,219

Community Housing

Net Surplus	-209,904	-234,799	24,895	-243,269
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Public Toilets

Rates Revenue	241,690	241,690	0	229,076
Internal Charges	26,745	29,524	2,779	32,203
Expenditure	149,287	189,241	39,954	206,073

Public Toilets

Net Surplus	65,658	22,925	42,733	-9,200
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Halls

Revenue	12,985	67,001	-54,016	73,084
Rates Revenue	528,289	528,289	0	528,289
Internal Charges	36,879	42,009	5,130	45,820
Expenditure	292,677	328,321	35,644	356,796

Halls

Net Surplus	211,718	224,960	-13,242	198,757
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Forestry Investments

Revenue	0	144,991	-144,991	158,166
Internal Charges	2,800	3,091	291	3,363
Expenditure	-63,930	210,331	274,261	229,373

Forestry Investments

Net Surplus	61,130	-68,431	129,561	-74,570
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Treasury

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	279,914	205,172	74,742	223,816
Rates Revenue	6,765,035	6,681,775	83,260	6,681,775
Apportioned Rates	-6,818,013	-6,817,516	-497	-5,917,354
Expenditure	509,181	905,883	396,702	988,236

Investment

Net Surplus	-282,245	-836,452	554,207	1
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Rubbish & Recycling

For the 11 Months ended 31st May 2016

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Actual YTD	Budget YTD	Var +/-	FY Budget
406,757	386,383	20,375	417,230
532,743	529,301	3,442	559,425
75,608	86,834	11,225	94,723
889,782	866,265	-23,517	918,070
-25,891	-37,415	11,525	-36,138

Public Refuse and Bin Collection

Rates Revenue
Internal Charges
Expenditure

86,402	86,402	0	93,353
10,823	12,342	1,519	13,467
100,127	85,074	-15,053	92,804

Public Refuse and Bin Collection

Net Surplus

-24,548	-11,014	-13,534	-12,918
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Landfills and Waste Transfer Stns

Revenue
Rates Revenue
Internal Charges
Expenditure

350,771	330,000	20,771	360,000
446,341	442,899	3,442	466,072
56,358	64,966	8,608	70,863
755,639	732,461	-23,178	772,108

Landfills and Waste Transfer Stns

Net Surplus

-14,886	-24,528	9,643	-16,899
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Waste Minimisation

Revenue
Rates Revenue
Internal Charges
Expenditure

55,987	56,383	-396	57,230
0	0	0	0
8,428	9,526	1,098	10,393
34,016	48,730	14,714	53,158

Waste Minimisation

Net Surplus

13,543	-1,873	15,416	-6,321
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Waters

For the 11 Months ended 31st May 2016

Consolidated

Revenue
Rates Revenue
Internal Charges
Expenditure

Actual YTD	Budget YTD	Var +/-	FY Budget
811,480	1,126,677	-315,197	1,218,669
7,557,321	7,160,967	396,354	6,565,407
1,010,714	1,122,451	111,737	1,224,493
4,813,944	4,701,500	-112,443	5,106,221
2,544,144	2,463,693	80,451	1,453,362

Net Surplus

Stormwater

Revenue
Rates
Internal Charges
Expenditure

12,715	2,024	10,691	2,209
730,731	728,588	2,143	745,209
74,955	84,359	9,404	92,030
329,718	526,658	196,940	570,049

Stormwater

Net Surplus

338,772	119,595	219,178	85,339
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Water

Revenue
Rates
Internal Charges
Expenditure

566,811	902,860	-336,049	974,500
3,683,698	3,598,821	84,877	3,063,156
604,521	668,657	64,136	729,442
2,215,668	2,211,039	-4,629	2,403,565

Water

Net Surplus

1,430,320	1,621,985	-191,665	904,649
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Wastewater

Revenue
Rates
Internal Charges
Expenditure

231,827	221,793	10,034	241,960
2,537,206	2,305,569	231,637	2,103,023
252,446	281,666	29,220	307,272
1,736,956	1,474,491	-262,465	1,602,021

Wastewater

Net Surplus

779,632	771,205	8,426	435,690
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Rural Water

Revenue
Rates
Internal Charges
Expenditure

127	0	127	0
605,686	527,989	77,697	654,019
78,792	87,769	8,977	95,749
531,601	489,312	-42,289	530,586

Rural Water

Net Surplus

-4,581	-49,092	44,512	27,684
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Roading & Footpaths

For the 11 Months ended 31st May 2016

Consolidated

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Actual YTD	Budget YTD	Var +/-	FY Budget
10,494,314	5,632,693	4,861,621	6,144,766
6,148,155	6,112,472	35,683	5,441,060
535,779	598,642	62,863	653,044
16,177,561	11,306,164	-4,871,397	12,333,666
-70,871	-159,641	88,770	-1,400,884

Roading

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Roading

10,493,572	5,632,693	4,860,879	6,144,766
5,170,546	5,109,013	61,533	4,495,167
469,482	523,974	54,492	571,597
15,690,253	10,537,263	-5,152,990	11,495,184
-495,617	-319,531	-176,086	-1,426,848

Non Subsidised Roothing

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Non Subsidised Roothing

742	0	742	0
977,609	1,003,459	-25,850	945,893
66,297	74,668	8,371	81,447
487,308	768,901	281,593	838,482
424,746	159,890	264,856	25,964

Business Units

For the 11 Months ended 31st May 2016

Consolidated

Revenue
Rates Revenue
Internal Charges
Internal Recoveries
Expenditure

Net Surplus

Business Units

Actual YTD	Budget YTD	Var +/-	FY Budget
48,316	28,677	19,639	30,064
69,246	69,246	0	66,332
1,626,259	1,963,907	337,648	2,142,447
6,203,594	6,805,722	-602,128	7,424,409
4,694,898	4,816,719	121,821	5,251,006
0.05	123,019	-123,020	127,225

CEO Business Unit

Revenue
Internal Charges
Internal Recoveries
Expenditure

Net Surplus

16,528	0	16,528	0
79,705	98,846	19,141	107,842
447,216	446,941	275	487,569
384,039	342,077	-41,962	372,830
0	6,018	-6,018	6,897

Human Resources Business Unit

Internal Charges
Internal Recoveries
Expenditure

Net Surplus

2,609	2,640	31	2,880
72,715	131,934	-59,219	143,925
70,106	129,196	59,090	140,900
0	98	-98	145

Policy & Governance Business Unit

Internal Charges	104,184	127,457	23,273	139,038
Internal Recoveries	464,497	508,772	-44,275	555,026
Expenditure	360,313	381,429	21,116	415,876
Net Surplus	0	-114	114	112

Finance Business Unit

Revenue	3,965	13,299	-9,334	13,299
Internal Charges	193,466	247,302	53,836	269,779
Internal Recoveries	985,000	1,058,662	-73,662	1,154,904
Expenditure	795,498	817,384	21,886	891,353
Net Surplus	0	7,275	-7,274	7,071

Statutory Planning & Reporting Business Unit

Internal Charges	234,232	252,967	18,735	275,973
Internal Recoveries	269,276	379,577	-110,301	414,078
Expenditure	35,044	126,599	91,555	138,105
Net Surplus	0	11	-11	0

Information Services Business Unit

Revenue	796	473	323	512
Internal Charges	37,996	45,639	7,643	49,782
Internal Recoveries	861,844	1,057,452	-195,608	1,153,583
Expenditure	824,644	1,012,343	187,699	1,104,223
Net Surplus	0	-57	57	90

Customer & Community Services Business Unit

Revenue	738	935	-197	1,023
Internal Charges	198,398	254,056	55,658	277,151
Internal Recoveries	712,607	762,135	-49,528	831,417
Expenditure	514,947	508,935	-6,012	554,996
Net Surplus	0	79	-79	293

Assets Business Unit

Revenue	7,997	9,383	-1,386	10,230
Internal Charges	522,448	619,718	97,270	676,052
Internal Recoveries	933,840	1,041,271	-107,431	1,135,935
Expenditure	419,389	414,376	-5,013	451,488
Net Surplus	0	16,560	-16,560	18,625

Property Management Business Unit

Revenue	7,382	4,587	2,795	5,000
Rates Revenue	0	0	0	-127
Internal Recoveries	169,425	171,402	-1,977	186,985
Expenditure	176,807	169,983	-6,824	184,668
Net Surplus	0	6,006	-6,006	7,190

Fleet Management Business Unit

Revenue	10,911	0	10,911	0
Rates Revenue	69,246	69,246	0	66,332
Internal Recoveries	280,400	303,424	-23,024	331,002
Expenditure	360,556	292,479	-68,077	318,780
Net Surplus	0	80,191	-80,190	78,554

Regulatory Business Unit

Revenue				
Internal Charges	253,222	315,282	62,060	343,950
Internal Recoveries	1,006,775	944,152	62,623	1,029,985
Expenditure	753,553	621,918	-131,635	677,787
Net Surplus	0	6,952	-6,952	8,248

Rangitikei District Council

Statement of Financial Performance

For the 11 Months ended 31st May 2016

	YTD Actual 2015/16	Ytd Budget 2015/16	FYR Budget 2015/16	FY Actual 2014/15
Income				
Community Leadership	2,273	0	0	2,150
Community Wellbeing	148,138	179,564	195,888	376,187
Environmental and Regulatory	963,746	827,343	884,849	1,033,009
Community & Leisure Assets	516,531	737,363	801,584	514,478
Investment	279,914	205,172	223,816	375,240
Public Refuse Collection - Litter Contro	406,757	386,383	417,230	372,966
Water and Wastewater	811,480	1,126,677	1,218,669	281,455
Subsidised Roding	10,494,314	5,632,693	6,144,766	7,677,623
Business Units	48,316	28,677	30,064	99,114
Total Revenue	13,671,470	9,123,872	9,916,866	10,732,222
Rates				
Community Leadership	48,937	59,473	59,473	54,111
Community & Leisure Assets	-375	0	0	714,471
Investment	6,765,035	6,681,775	6,681,775	6,143,648
Public Refuse Collection - Litter Contro	446,341	442,899	442,899	435,297
Water and Wastewater	7,461,076	7,065,218	7,231,031	6,973,346
Subsidised Roding	6,148,155	6,112,472	6,114,822	6,339,118
Total Rates	20,869,168	20,361,837	20,530,000	20,659,990
Total Apportioned Rates Revenue	-10	-6	-529,159	-231,058
Total Internal Charges	6,497,540	6,805,799	7,424,411	7,007,629
Total Internal Recoveries	6,497,563	6,805,722	7,424,409	7,007,629
Expenditure				
Community Leadership	674,569	661,454	721526	710,170
Community Wellbeing	722,954	843,783	920422	1,201,721
Environmental and Regulatory	128,496	167,638	181843	283,144
Community & Leisure Assets	2,639,452	2,878,660	3117616	2,637,670
Investment	509,181	905,883	988236	718,200
Public Refuse Collection - Litter Contro	889,782	866,265	918070	791,297
Water and Wastewater	4,813,944	4,701,500	5106221	5,524,152
Subsidised Roding	16,177,561	11,306,164	12333666	12,259,847
Business Units	4,694,898	4,816,719	5251006	5,379,303
Total Expenditure	31,250,836	27,148,066	29,538,606	29,505,503
Net Surplus	3,289,815	2,337,560	379,099	2,117,767

Rangitikei District Council

Statement of Financial Position

For the 11 Months ended 31st May 2016

	YTD Actual 2015/16	FY Actual 2014/15
Equity		
Revaluation Reserves	31,529,342	31,529,342
Equity	449,590,044	447,924,990
Net Surplus	3,289,815	1,655,651
Total Equity	484,409,075	481,109,982
Current Assets		
Total Current Assets	11,649,498	3,918,711
Current Liabilities		
Provisions	344,536	344,536
Current Liabilities	3,609,098	3,723,681
Agency Liabilities	497,274	467,014
Total Current Liabilities	4,450,908	4,535,230
Working Capital	7,198,590	-616,519
Non Current Assets		
Other Financial Assets	3,572,473	6,072,473
Forestry	252,465	252,465
Fixed Assets	12,266,785	20,816,930
Infrastructural Assets	454,758,344	454,776,888
Net Projects	6,552,672	0
Total Non Current Assets	477,402,740	481,918,756
Non Current Liabilities		
Loans External	192,254	192,254
Internal Loans		
Total Non Current Liabilities	192,254	192,254
Net Assets	484,409,075	481,109,982

Strategic Perspective				
For the 11 Months ended 31st May 2016				
Strategic Activities - Operating Results				
	Actual	Budget	Variance	Full Year
	YTD	YTD	YTD	Budget
Community Leadership				
Council	35,034	45,291	-10257.21	(33,166)
Council Committees	20,518	2,199	18,319	(10,841)
Taihape Community Board	(879)	441	(1,320)	(3,404)
Ratana Community Board	2,759	(225)	2,984	(1,735)
Elections	3,268	1,213	2,055	-
Net Surplus (Deficit) of activities	60,699	48,919	11,780	(49,146)
Community Wellbeing				
Community Awards	(1,194)	218	-1412.13	(1)
Information Centres	82,015	40,232	41783.29	9,539
District Promotions & Dev	197,499	55,912	141587.04	6,621
Civil Defence	(91,259)	2,419	-93678.19	(7,442)
Rural Fire	42,292	5,720	36572.27	(9,676)
Net Surplus (Deficit) of activities	229,353	104,501	124,852	(959)
Environment & Regulatory				
Building	155,566	102,390	53,176	74,965
District Planning	101,778	117,901	(16,123)	94,790
Dog Control	60,009	3,772	56,237	(22,675)
Health	1,172	(1,967)	3,139	(5,255)
Resource Consents	32,504	(5,474)	37,978	(1)
Stock Control	13,102	1,815	11,287	(1,106)
Net Surplus (Deficit) of activities	364,132	218,437	145,695	140,718
Community & Leisure Assets				
Libraries	98,154	65,004	33,150	883
Domains	(28,451)	108,736	(137,187)	177,258
Cemeteries	124,735	59,895	64,840	51,526
Real Estate	38,858	44,679	(5,821)	12,714
Swim Centres	108,595	189,532	(80,937)	30,821
Community Housing	(209,904)	(234,799)	24,895	(243,269)
Public Toilets	65,658	22,925	42,733	(9,200)
Halls	211,718	224,960	(13,242)	198,757
Forestry Investments	61,130	(68,431)	129,561	(74,570)
Net Surplus (Deficit) of activities	470,493	412,501	57,992	144,920

Investment	(282,245)	(836,452)	554,207	1
Rubbish & Recycling				
Public Refuse and Bin Collection	(24,548)	(11,014)	(13,534)	(12,918)
Landfills and Waste Transfer Stns	(14,886)	(24,528)	9,642	(16,899)
Waste Minimisation	13,543	(1,873)	15,416	(6,321)
Net Surplus (Deficit) of activities	(25,891)	(37,415)	11,524	(36,138)
Waters				
Stormwater	338,772	119,595	219,177	85,339
Water	1,430,320	1,621,985	(191,665)	904,649
Wastewater	779,632	771,205	8,427	435,690
Rural Water	(4,581)	(49,092)	44,511	27,684
Net Surplus (Deficit) of activities	2,544,144	2,463,693	80,451	1,453,362
Roading				
Roading	(495,617)	(319,531)	(176,086)	(1,426,848)
Non Subsidised Roding	424,747	159,890	264,857	25,964
Net Surplus (Deficit) of activities	(70,870)	(159,641)	88,771	(1,400,884)
Business Units	0	123,019	(123,019)	127,225
TOTAL OPERATING SURPLUS (DEFICIT) ACTIV	3,289,815	2,337,562	952,254	379,099
Tsf to Flood Reserves				
Variance	-			
Per Balance Sheet	3,289,815			
Strategic Activities - Capital Expenditure	Actual YTD	Full Yr Budge	Variance	
Community Wellbeing	81861.21	69,500	(12,361)	
Community & Leisure Assets	510172	1,672,290	1,162,118	
Environment & Reg Services	0	-	-	
Rubbish & Recycling	6789.59	2,000	(4,790)	
Waters	3336628.9	12,300,548	8,963,919	
Roading	3013424.2	4,671,914	1,658,490	
TOTAL CAPITAL EXPENDITURE & RENEWALS	6,948,875.78	18,716,252	11,767,376	

Community Leadership

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	2,273	0	2,273	0
Rates Revenue	1,117,772	1,128,318	-10,546	1,128,318
Internal Charges	384,777	417,945	33,168	455,938
Expenditure	674,569	661,454	-13,114	721,526
Net Surplus	60,699	48,919	11,781	-49,146

Council

Revenue	1,230.0	0	1,230	
Rates Revenue	908,640.2	908,650	-10	908,650
Internal Charges	277,490.2	301,147	23,657	328,529
Expenditure	597,346.1	562,212	-35,134	613,287
Net Surplus	35,034	45,291	-10,257	-33,166

Council

Council Committees

Rates Revenue	145,551	145,551	0	145,551
Internal Charges	84,847	92,290	7,443	100,685
Expenditure	40,186	51,062	10,876	55,707
Net Surplus	20,518	2,199	18,319	-10,841

Council Committees

Taihape Community Board

Revenue	1,043	0	1,043	
Rates Revenue	32,424	42,967	-10,543	42,967
Internal Charges	15,196	16,555	1,359	18,064
Expenditure	19,151	25,971	6,820	28,307
Net Surplus	-879	441	-1,321	-3,404

Taihape Community Board

Ratana Community Board

Rates Revenue	16,513	16,506	7	16,506
Internal Charges	4,523	5,016	493	5,459
Expenditure	9,230	11,715	2,485	12,782
Net Surplus	2,759	-225	2,985	-1,735

Ratana Community Board

Elections

Revenue	0	0	0	0
Rates Revenue	14,644	14,644	0	14,644
Internal Charges	2,721	2,937	216	3,201
Expenditure	8,655	10,494	1,839	11,443
Net Surplus	3,268	1,213	2,055	0

Community Wellbeing

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	148,138	179,564	-31,426	195,888
Rates Revenue	1,255,397	1,255,393	4	1,254,488
Internal Charges	451,228	486,673	35,445	530,913
Expenditure	722,954	843,783	120,829	920,422
Net Surplus	229,353	104,501	124,852	-959

Community Awards

Revenue	26,288	27,192	-904	29,668
Rates Revenue	2,792	2,792	0	2,792
Internal Charges	4,605	5,148	543	5,613
Expenditure	25,669	24,618	-1,051	26,848
Net Surplus	-1,194	218	-1,412	-1

Information Centres

Revenue	21,527	21,087	440	23,000
Rates Revenue	378,192	378,192	0	378,192
Internal Charges	251,050	269,709	18,659	294,223
Expenditure	66,653	89,338	22,685	97,430
Net Surplus	82,015	40,232	41,784	9,539

District Promotions & Dev

Revenue	77,915	131,285	-53,370	143,220
Rates Revenue	598,458	598,454	4	598,454
Internal Charges	140,019	153,747	13,728	167,715
Expenditure	338,855	520,080	181,225	567,338
Net Surplus	197,499	55,912	141,587	6,621

Civil Defence

Rates Revenue	101,022	101,022	0	100,117
Internal Charges	14,326	15,048	722	16,420
Expenditure	177,955	83,555	-94,400	91,139
Net Surplus	-91,259	2,419	-93,678	-7,442

Rural Fire

Revenue	22,409	0	22,409	
Apportioned Rates Revenue	174,933	174,933	0	174,933
Internal Charges	41,228	43,021	1,793	46,942
Expenditure	113,821	126,192	12,371	137,667
Net Surplus	42,292	5,720	36,573	-9,676

Rural Fire

Environment & Regulatory Services

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	963,746	827,343	136,403	884,849
Rates Revenue	850,682	850,682	0	847,089
Internal Charges	1,321,800	1,291,950	-29,850	1,409,377
Expenditure	128,496	167,638	39,142	181,843
Net Surplus	364,132	218,437	145,695	140,718

Building

Revenue	298,168	250,393	47,775	273,141
Rates Revenue	331,598	331,598	0	324,101
Internal Charges	410,350	395,263	-15,087	431,190
Expenditure	63,849	84,338	20,489	91,087
Net Surplus	155,566	102,390	53,177	74,965

Building

District Planning

Revenue	191	0	191	0
Rates Revenue	215,900	215,900	0	201,682
Internal Charges	79,862	86,130	6,268	93,960
Expenditure	34,451	11,869	-22,582	12,932
Net Surplus	101,778	117,901	-16,123	94,790

District Planning

Dog Control

Revenue	533,144	456,005	77,139	479,787
Rates Revenue	186,380	186,380	0	194,115
Internal Charges	644,292	615,659	-28,633	671,631
Expenditure	15,222	22,954	7,732	24,946
Net Surplus	60,009	3,772	56,238	-22,675

Dog Control

Health

Revenue	73,244	69,388	3,856	75,702
Rates Revenue	43,078	43,078	0	43,866
Internal Charges	98,399	104,588	6,189	114,081
Expenditure	16,752	9,845	-6,907	10,742
Net Surplus	1,172	-1,967	3,138	-5,255

Health

Resource Consents

Revenue	46,945	49,720	-2,775	54,219
Rates Revenue	34,984	34,984	0	44,141
Internal Charges	51,226	54,362	3,137	59,295
Expenditure	-1,801	35,816	37,617	39,066
Net Surplus	32,504	-5,474	37,979	-1

Resource Consents

Environment & Regulatory Services Ctd ...

For the 11 Months ended 31st May 2016

Stock Control

Stock Control

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	12,054	1,837	10,217	2,000
Rates Revenue	38,742	38,742	0	39,184
Internal Charges	37,672	35,948	-1,724	39,220
Expenditure	22	2,816	2,794	3,070

Net Surplus

	Actual YTD	Budget YTD	Var +/-	FY Budget
Net Surplus	13,102	1,815	11,287	-1,106

Community & Leisure Assets

For the 11 Months ended 31st May 2016

Consolidated

Revenue	516,531	737,363	-220,831	0
Rates Revenue	3,390,820	3,391,195	-375	801,584
Internal Charges	1,091,374	837,397	-253,978	3,374,428
Internal Recoveries	293,968	0	293,968	913,476
Expenditure	2,639,452	2,878,660	239,208	3,117,616
Net Surplus	470,493	412,501	57,992	144,920

Libraries

Libraries

Revenue	41,793	37,719	4,074	38,363
Rates Revenue	743,975	744,350	-375	744,350
Internal Charges	445,022	477,752	32,730	521,179
Expenditure	242,592	239,313	-3,279	260,651

Net Surplus

	Actual YTD	Budget YTD	Var +/-	FY Budget
Net Surplus	98,154	65,004	33,150	883

Domains

Domains

Revenue	106,854	71,896	34,958	78,426
Rates Revenue	770,805	770,805	0	895,137
Internal Charges	396,560	130,141	-266,419	141,977
Internal Recoveries	293,968	0	293,968	0
Expenditure	803,519	603,824	-199,695	654,328

Net Surplus

Net Surplus	-28,451	108,736	-137,188	177,258
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Cemeteries

Cemeteries

Revenue	73,990	50,765	23,225	55,380
Rates Revenue	146,691	146,691	0	146,195
Internal Charges	62,609	30,173	-32,436	32,909
Expenditure	33,336	107,388	74,052	117,140

Net Surplus

Net Surplus	124,735	59,895	64,841	51,526
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Real Estate

Real Estate

Revenue	25,219	30,327	-5,108	33,079
Rates Revenue	79,233	79,233	0	47,881
Internal Charges	15,069	16,797	1,728	18,310
Expenditure	50,525	48,084	-2,441	49,936

Net Surplus

Net Surplus	38,858	44,679	-5,821	12,714
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Community & Leisure Assets Cont ...

For the 11 Months ended 31st May 2016

Swim Centres

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	0	105,435	-105,435	115,021
Rates Revenue	880,137	880,137	0	783,500
Internal Charges	52,860	56,463	3,603	61,600
Expenditure	718,682	739,577	20,895	806,100

Swim Centres

Net Surplus	108,595	189,532	-80,937	30,821
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Community Housing

Revenue	255,691	229,229	26,462	250,065
Internal Charges	52,831	51,447	-1,384	56,115
Expenditure	412,764	412,581	-183	437,219

Community Housing

Net Surplus	-209,904	-234,799	24,895	-243,269
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Public Toilets

Rates Revenue	241,690	241,690	0	229,076
Internal Charges	26,745	29,524	2,779	32,203
Expenditure	149,287	189,241	39,954	206,073

Public Toilets

Net Surplus	65,658	22,925	42,733	-9,200
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Halls

Revenue	12,985	67,001	-54,016	73,084
Rates Revenue	528,289	528,289	0	528,289
Internal Charges	36,879	42,009	5,130	45,820
Expenditure	292,677	328,321	35,644	356,796

Halls

Net Surplus	211,718	224,960	-13,242	198,757
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Forestry Investments

Revenue	0	144,991	-144,991	158,166
Internal Charges	2,800	3,091	291	3,363
Expenditure	-63,930	210,331	274,261	229,373

Forestry Investments

Net Surplus	61,130	-68,431	129,561	-74,570
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Treasury

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	279,914	205,172	74,742	223,816
Rates Revenue	6,765,035	6,681,775	83,260	6,681,775
Apportioned Rates	-6,818,013	-6,817,516	-497	-5,917,354
Expenditure	509,181	905,883	396,702	988,236

Investment

Net Surplus	-282,245	-836,452	554,207	1
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Rubbish & Recycling

For the 11 Months ended 31st May 2016

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	406,757	386,383	20,375	417,230
Rates Revenue	532,743	529,301	3,442	559,425
Internal Charges	75,608	86,834	11,225	94,723
Expenditure	889,782	866,265	-23,517	918,070
Net Surplus	-25,891	-37,415	11,525	-36,138

Public Refuse and Bin Collection

Rates Revenue	86,402	86,402	0	93,353
Internal Charges	10,823	12,342	1,519	13,467
Expenditure	100,127	85,074	-15,053	92,804

Public Refuse and Bin Collection	Net Surplus	-24,548	-11,014	-13,534	-12,918
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Landfills and Waste Transfer Stns

Revenue	350,771	330,000	20,771	360,000
Rates Revenue	446,341	442,899	3,442	466,072
Internal Charges	56,358	64,966	8,608	70,863
Expenditure	755,639	732,461	-23,178	772,108

Landfills and Waste Transfer Stns	Net Surplus	-14,886	-24,528	9,643	-16,899
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Waste Minimisation

Revenue	55,987	56,383	-396	57,230
Rates Revenue	0	0	0	0
Internal Charges	8,428	9,526	1,098	10,393
Expenditure	34,016	48,730	14,714	53,158

Waste Minimisation	Net Surplus	13,543	-1,873	15,416	-6,321
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Waters

For the 11 Months ended 31st May 2016

Consolidated

	Actual YTD	Budget YTD	Var +/-	FY Budget
Revenue	811,480	1,126,677	-315,197	1,218,669
Rates Revenue	7,557,321	7,160,967	396,354	6,565,407
Internal Charges	1,010,714	1,122,451	111,737	1,224,493
Expenditure	4,813,944	4,701,500	-112,443	5,106,221
Net Surplus	2,544,144	2,463,693	80,451	1,453,362

Stormwater

Revenue	12,715	2,024	10,691	2,209
Rates	730,731	728,588	2,143	745,209
Internal Charges	74,955	84,359	9,404	92,030
Expenditure	329,718	526,658	196,940	570,049

Stormwater	Net Surplus	338,772	119,595	219,178	85,339
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Water

Revenue	566,811	902,860	-336,049	974,500
Rates	3,683,698	3,598,821	84,877	3,063,156
Internal Charges	604,521	668,657	64,136	729,442
Expenditure	2,215,668	2,211,039	-4,629	2,403,565

Water	Net Surplus	1,430,320	1,621,985	-191,665	904,649
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Wastewater

Revenue	231,827	221,793	10,034	241,960
Rates	2,537,206	2,305,569	231,637	2,103,023
Internal Charges	252,446	281,666	29,220	307,272
Expenditure	1,736,956	1,474,491	-262,465	1,602,021

Wastewater	Net Surplus	779,632	771,205	8,426	435,690
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Rural Water

Revenue	127	0	127	0
Rates	605,686	527,989	77,697	654,019
Internal Charges	78,792	87,769	8,977	95,749
Expenditure	531,601	489,312	-42,289	530,586

Rural Water	Net Surplus	-4,581	-49,092	44,512	27,684
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Roading & Footpaths

For the 11 Months ended 31st May 2016

Consolidated

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Actual YTD	Budget YTD	Var +/-	FY Budget
10,494,314	5,632,693	4,861,621	6,144,766
6,148,155	6,112,472	35,683	5,441,060
535,779	598,642	62,863	653,044
16,177,561	11,306,164	-4,871,397	12,333,666
-70,871	-159,641	88,770	-1,400,884

Roading

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Roading

10,493,572	5,632,693	4,860,879	6,144,766
5,170,546	5,109,013	61,533	4,495,167
469,482	523,974	54,492	571,597
15,690,253	10,537,263	-5,152,990	11,495,184
-495,617	-319,531	-176,086	-1,426,848

Non Subsidised Roothing

Revenue
Rates Revenue
Internal Charges
Expenditure

Net Surplus

Non Subsidised Roothing

742	0	742	0
977,609	1,003,459	-25,850	945,893
66,297	74,668	8,371	81,447
487,308	768,901	281,593	838,482
424,746	159,890	264,856	25,964

Business Units

For the 11 Months ended 31st May 2016

Consolidated

Revenue
Rates Revenue
Internal Charges
Internal Recoveries
Expenditure

Net Surplus

Business Units

Actual YTD	Budget YTD	Var +/-	FY Budget
48,316	28,677	19,639	30,064
69,246	69,246	0	66,332
1,626,259	1,963,907	337,648	2,142,447
6,203,594	6,805,722	-602,128	7,424,409
4,694,898	4,816,719	121,821	5,251,006
0.05	123,019	-123,020	127,225

CEO Business Unit

Revenue
Internal Charges
Internal Recoveries
Expenditure

Net Surplus

16,528	0	16,528	0
79,705	98,846	19,141	107,842
447,216	446,941	275	487,569
384,039	342,077	-41,962	372,830
0	6,018	-6,018	6,897

Human Resources Business Unit

Internal Charges
Internal Recoveries
Expenditure

Net Surplus

2,609	2,640	31	2,880
72,715	131,934	-59,219	143,925
70,106	129,196	59,090	140,900
0	98	-98	145

Policy & Governance Business Unit

Internal Charges	104,184	127,457	23,273	139,038
Internal Recoveries	464,497	508,772	-44,275	555,026
Expenditure	360,313	381,429	21,116	415,876
Net Surplus	0	-114	114	112

Finance Business Unit

Revenue	3,965	13,299	-9,334	13,299
Internal Charges	193,466	247,302	53,836	269,779
Internal Recoveries	985,000	1,058,662	-73,662	1,154,904
Expenditure	795,498	817,384	21,886	891,353
Net Surplus	0	7,275	-7,274	7,071

Statutory Planning & Reporting Business Unit

Internal Charges	234,232	252,967	18,735	275,973
Internal Recoveries	269,276	379,577	-110,301	414,078
Expenditure	35,044	126,599	91,555	138,105
Net Surplus	0	11	-11	0

Information Services Business Unit

Revenue	796	473	323	512
Internal Charges	37,996	45,639	7,643	49,782
Internal Recoveries	861,844	1,057,452	-195,608	1,153,583
Expenditure	824,644	1,012,343	187,699	1,104,223
Net Surplus	0	-57	57	90

Customer & Community Services Business Unit

Revenue	738	935	-197	1,023
Internal Charges	198,398	254,056	55,658	277,151
Internal Recoveries	712,607	762,135	-49,528	831,417
Expenditure	514,947	508,935	-6,012	554,996
Net Surplus	0	79	-79	293

Assets Business Unit

Revenue	7,997	9,383	-1,386	10,230
Internal Charges	522,448	619,718	97,270	676,052
Internal Recoveries	933,840	1,041,271	-107,431	1,135,935
Expenditure	419,389	414,376	-5,013	451,488
Net Surplus	0	16,560	-16,560	18,625

Property Management Business Unit

Revenue	7,382	4,587	2,795	5,000
Rates Revenue	0	0	0	-127
Internal Recoveries	169,425	171,402	-1,977	186,985
Expenditure	176,807	169,983	-6,824	184,668
Net Surplus	0	6,006	-6,006	7,190

Fleet Management Business Unit

Revenue	10,911	0	10,911	0
Rates Revenue	69,246	69,246	0	66,332
Internal Recoveries	280,400	303,424	-23,024	331,002
Expenditure	360,556	292,479	-68,077	318,780
Net Surplus	0	80,191	-80,190	78,554

Regulatory Business Unit

Revenue				
Internal Charges	253,222	315,282	62,060	343,950
Internal Recoveries	1,006,775	944,152	62,623	1,029,985
Expenditure	753,553	621,918	-131,635	677,787
Net Surplus	0	6,952	-6,952	8,248

TREASURY REPORT 31/05/16

Investments

Bank Deposits	Maturity Date	Int Rate	Term	% of Portfolio	Amount	Comment
Westpac Current Account	Call	0.0300	Call	0%	-15911.99	Immediate Needs
Westpac Call Account	Call	0.0325	Call	5%	472241	Immediate Needs
Westpac Term Deposit -03.0683.0195600.081 - 0021	15/06/2016	0.0233	15 Days	31%	3000000	Immediate Needs
ASB Term Deposit 12-3211-00010480-0075	22/07/2016	0.0312	59 Days	10%	1000000	Immediate Needs
Westpac Term Deposit -03.0683.0195600.081 - 0020	1/07/2016	0.0253	35 Days	5%	500000	Immediate Needs
Westpac Term Deposit -03.0683.0195600.081 - 0018	24/06/2016	0.0254	35 Days	10%	1000000	Immediate Needs
Westpac Term Deposit -03.0683.0195600.081 - 0019	24/06/2016	0.0254	35 Days	10%	1000000	

6956329.01

71% 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
		<u>23338</u>	<u>39039</u>	

0.4% Of total pool Investment
policy allow s up to 10%

Corporate Bonds

Date of Purchase

S &P
Rating

		Effective	Coupon Rate	Face value	Fair Value 2015			
Purchased 16/02/06								
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%	Matured		22450	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					2,529,741.25	2,532,434.36		25.95% Of total pool Investment policy allow s up to 50%
Forestry					222,141.00			2.28% Of total pool Investment policy allow s up to 20%
Total Investments and Cash					9,749,943.37			

Finance/Performance Committee 31st May 2016

Significant Variances in the Financial Highlights and Commentary to 31st May 2016

10% and greater than \$2,500.

Community Leadership

Council	Council Committees	Taihape Community Board	Ratana Community Board
Expenditure up by \$35,135	Expenditure down \$10,875	Expenditure down by \$6820; Rating Revenue is down by \$10,543	Expenditure down \$2485
This mainly reflects unbudgeted costs for CCO Investigation \$114566, which is offset by the lower expenditure in Elected Members Annual Allowances \$44291, Conferences & Seminars \$7905 under budget, & project expenditure for Website Development \$5309 & External Contractors \$8433 under budget YTD.	This mainly reflects the timing for using the small project funds allocated to each Community Committee.	Reduction in expenditure of \$6820; 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 \$10,543, \$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.	This relates to Elected Members Honorarium being \$2023 less than budgeted and the \$462 budget for Conferences and Seminars which hasn't been used.

Elections

No significant variance

Community & Leisure Assets			
Libraries	Domains	Cemeteries	Real Estate
Revenue up \$4,074 Expenditure up \$3277	Revenue up \$34,958 Expenditure is down \$94,273	Revenue up \$23,224 Expenditure down \$74,053	Revenue is down \$5,108 Expenditure is up \$2,440
Revenue is up mainly due to user charges & contributions, which includes book sales & printing. Expenditure is up \$3,277 against YTD budget which is a timing difference.	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 Pavilion (Centennial Park). There is a decreased spend in Principal Contractor. The budget included \$50,000 to find a water source for Taihape Memorial Park. Tenders have been delayed for the tanks as the user group determines the spec for the irrigation system to be used on the grounds.	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 is mainly depreciation and insurance 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 \$105,435 Expenditure is down \$20895	Revenue is up \$26,462	Expenditure is down \$39,955	Revenue is down \$54,016 Expenditure is down \$35644
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. Insurance is higher than the budgeted figure YTD. Marton Pool is due to close on the 1st May for the season & Taihape closed for the season at the end of March.	There has been a slightly higher occupancy rate in Marton than projected & an insurance claim paid \$1,737 .	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) is receipted in June for \$51337. Principal Contractor costs are lower than projected although about the same as this time last year.
Forestry Investments			
Revenue Down \$131,810 Expenditure Down \$255,219	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.		

Community & Leisure Assets			
Libraries	Domains	Cemeteries	Real Estate
Revenue up \$4,074 Expenditure up \$3277	Revenue up \$34,958 Expenditure is down \$94,273	Revenue up \$23,224 Expenditure down \$74,053	Revenue is down \$5,108 Expenditure is up \$2,440
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Forestry Investments			
Revenue Down \$131,810 Expenditure Down \$255,219	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.		

Environmental & Regulatory Services			
Building Revenue is up by \$47,774; Expenditure is down by \$20,488	District Planning Expenditure is up \$22,582 against budget	Dog Control Revenue is up by \$77,139; expenditure is down by \$7,733	Health Revenue is up \$3,856 Expenditure is up \$6,907
Earnings from building consents is up \$22,619 against projection, and miscellaneous fees (e.g. building warrants of fitness) are \$23,067 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.	This can mainly be attributed to advice received on policy options against programme and review of documentation for the District plan change process.	Dog registration fees are \$ 48,404 over budget YTD, in the same period last year we were \$47,339 over budget. A slight increase in fees may account for the variance to last year. There has been a significant increase in Infringement income with budget having been exceeded by \$16636. The lower expenditure is a reflection of reduction in purchases to date of Pound Food, Dog Collars and Tags, Protective clothing and legal fees, coupled with one-off salary savings from vacant team leader role.	Liquor Licence Fees are up a\$2,805 & Reg Premises Fees are up \$1,149 Expenditure is up \$6,907 against budget due to Environmental Services charges from Whanganui District Council.
Resource Consents Expenditure is down by \$37,617 Revenue is down \$2,775	Stock Control Revenue is up \$10,217 Expenditure is down \$2,794		
There was an accrual from last year which gave a credit of \$4837 to External Contractors, other reductions are due to reduced spending on Professional Services, External Consultants and Legal Fees YTD.	Income is higher than budgeted due to the receipt of funds from NZTA for Stock Call Outs on State Highways. Total expenditure YTD is only \$22.		

Community & Leisure Assets			
Libraries	Domains	Cemeteries	Real Estate
Revenue up \$4,074 Expenditure up \$3277	Revenue up \$34,958 Expenditure is down \$94,273	Revenue up \$23,224 Expenditure down \$74,053	Revenue is down \$5,108 Expenditure is up \$2,440
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Forestry Investments			
Revenue Down \$131,810 Expenditure Down \$255,219	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 \$15,053	Income is up \$20,771 Expenditure is up \$23178	Expenditure is down by \$14,713	
The additional spend is for the Contractor costs for the Ratana Community Contract.	Income is up in User charges & contributions. Principal Contractor expenses, Resource Consents & Solid Waste Disposals are down against budget YTD.	Reduction in expenditure is due to Contractors costs and Project Expenditure to date being less than forecast.	
Water			
Storm water	Water	Wastewater	Rural Water
Revenue is up by \$10,690; expenditure is down by \$196,938.	Revenue is down \$336049; expenditure is up \$10,741	Revenue is up by \$10,034 Expenditure is up \$262,465.	Expenditure is up \$42,289
The increased revenue is due to invoices for connections near the Kiwi Rail 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. Professional Services MDC are less than budgeted to date and External Contractors are less than budgeted.	The reduction of revenue is a timing difference after claiming a Milestone payment from Ministry of Health for pipeline works at Ratana. Utility expenditure & Insurance are higher pro-rata than projected.	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 (\$269,494). The amount is not budgeted for, as the NCS system is set up to automatically calculate this and to include it in the budget would count it twice and increase the rates levied.	The increase in expenditure is mainly due to property expenses being higher than budgeted YTD.

Roading & footpaths			
Roading	Non-Subsidised Roading		
Revenue is up by \$4,860,879 Expenditure is up by \$5,152,990	Expenditure is down by \$281,592		
The increased revenue and expenditure is due to the June 2015 rainfall event and the emergency repairs required.	Decreased expenditure is due to fewer projects (particularly footpaths) being progressed while staff focus on flood repairs. Some tree maintenance & spraying has been taken care of by the Parks and Reserves team reducing maintenance costs.		
Business Units			
CEO	Human Resources	Policy & Governance	Finance
Revenue is up by \$16,528; Expenditure is up \$41,960.	Expenditure is down by \$59,091	Expenditure is down by \$21,118.	Revenue is down \$9334, Expenditure is down by \$21,883
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 Personnel expenditure YTD.	External Contractors & Staff Training & Staff Recruitment expenses are lower than budgeted YTD. Legal Fees and Personnel Conference & Seminars & Travel Costs have no expenditure to date.	Wages & Salaries and Staff Training & Travel Costs account for most of this variance.	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 collection fees, Printing & Stationery, Wages & Legal fees YTD.

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Strategic Planning and Reporting	Information Services	Customer & Community	Property Management
Expenditure is down by \$91,554	Expenditure is down by \$187,699	Expenditure is up by \$6,012	Expenditure is up by \$6824
This drop in expenditure is the result of timing difference on 2015/16 Audit Fees down \$72,324 YTD, expenditure to date for External Contractors & Consultants are \$7092 under budget & Outcomes Monitoring \$12,479 down against budget YTD.	Software maintenance costs are down by \$39,338 & Hardware maintenance costs are down \$13,139 on a pro rata basis. Staff costs are down by \$64,898, photocopier lease down \$64,332, Internet costs are down \$16701 & External Contractors \$10,476.	The majority of this is in wages & salaries.	A Structural Engineering Assessment of both 31 & 46 High St \$9110.05, increased the external contractors cost significantly higher than budgeted.
Assets	Fleet Management	Regulatory	
Expenditure is up by \$5012	Revenue \$10,910 Expenditure is up by \$68,077	Expenditure is up by \$131,637	
Small capital purchases are over budget \$5104 after investigating this I found that \$7,905 needs to be transferred to fixed assets & capitalised.	Revenue is made up of user charges \$4615 and \$6295 profit on sale of a vehicle. The expenditure increase is due to Road User licences, Depreciation, Repairs & Maintenance, Fleet Management Costs & Insurance all being higher than budgtd with the parks and reserves vehicles.	Higher expenditure is caused by additional animal control staffing related to shared services arrangements with Manawatu (not reflected in the budget) \$60,298 up, Revenue from this arrangement is shown under the activity budget.) External Contractor Costs are \$50207 higher than budgeted, Depreciation & Insurance are \$17,558 higher and animal control \$5,000. Employer Super is \$6,765 over budget.	

Attachment 3

ANALYSIS OF MARKETVIEW EVENT REPORTS FOR HIGH PROFILE AND HIGH PROFILE COMMUNITY EVENTS SPONSORED BY RANGITIKEI DISTRICT COUNCIL IN THE RANGITIKEI DISTRICT

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EVENTS PROFILE

The Council sponsored 13 events; 8 high profile community events (HP/Com) - including 4 organised through the MOU arrangements - and 5 high profile events (HP). The total sponsorship was \$26,707.

Event	Date of event	Type of event	Amount of Council sponsorship
Mudder	19/09/2015	HP	\$643
Shepherds Shemozzle	31/10/2015	HP/Com	\$3,000
Marton Market Day	28/11/2015	HP/Com	\$2,500 (nominal) ¹
Taihape Dressage Championships	19/12/2015 - 20/12/2015	HP	\$1,400
Marton Country Music Festival	15/01/2016 - 17/01/2016	HP	\$2,250
Taihape Shearing Sports	23/01/2016	HP/Com	\$1,688
Taihape A and P Show	30/01/2016 - 31/01/2016	HP/Com	\$1,600
Caledonian Games	30/01/2016	HP	\$2,563
Rangitikei Shearing Sports	6/02/2016	HP/Com	\$2,063
Taihape Show Jumping	12/02/2016 - 14/02/2016	HP	\$1,500
Rhythm in Bulls	12/03/2016	HP/Com	\$2,500 (nominal)
Gumboot Day	12/03/2016	HP/Com	\$2,500 (nominal)
Marton Harvest Party	3/04/2016	HP/Com	\$2,500 (nominal)

There are several points to note in interpreting the Events Reports:

- 2 events took place over a weekend (Taihape Dressage Championships and Taihape A and P Show)
- 2 events took place over three days (Marton Country Music Festival and Taihape Show Jumping)
- 2 sets of events took place on the same day (Rhythm in Bulls and Gumboot Day on 12 March 2016 and Caledonian Games and the Taihape A and P Show on 30 January 2016). These clashes did not take place during the previous year.
- All events are recurring events and comparisons could be made with the previous year. The exceptions are the Mudder which was a new event for Council sponsorship (although it has been held before) and Taihape Shearing Sports (which was held as part of the Taihape A and P Show last year)
- All events except the Mudder, the Shepherds Shemozzle and the Caledonian Games were held in Marton, Bulls or Taihape. A "local" designation was required as part of the MarketView analysis so for these three events, Marton was used as the designated "local" for both retailers and spenders.

¹ Marton Market Day, Rhythm in Bulls, Gumboot Day and Marton Harvest Party are delivered through the MOU arrangement: under this arrangement a nominal Council sponsorship has been attributed.

ANALYSIS

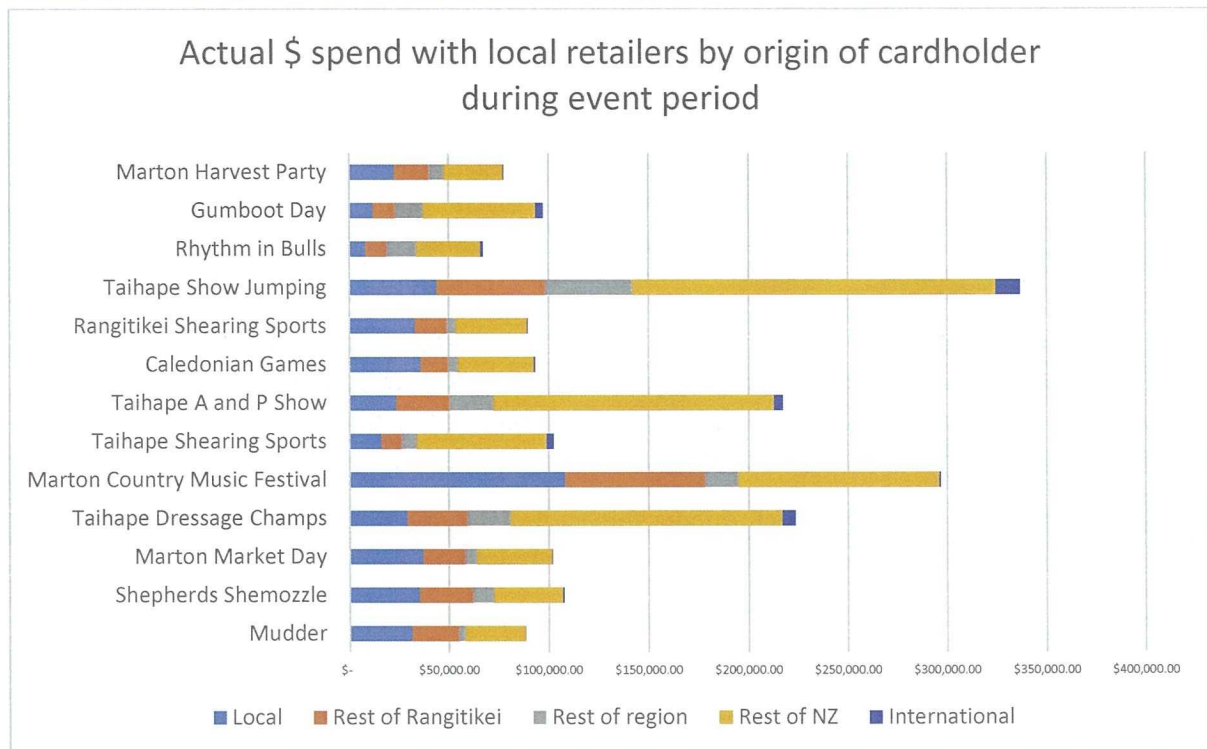
The Events Reports provided the following data which has been analysed:

- Total amount spent with local retailers during the event period, broken down by origin of spender
- Change in the amount spent with local retailers during the event period compared to a non-event period
- Change in the amount spent with local retailers during the event period for the past year and 5 years

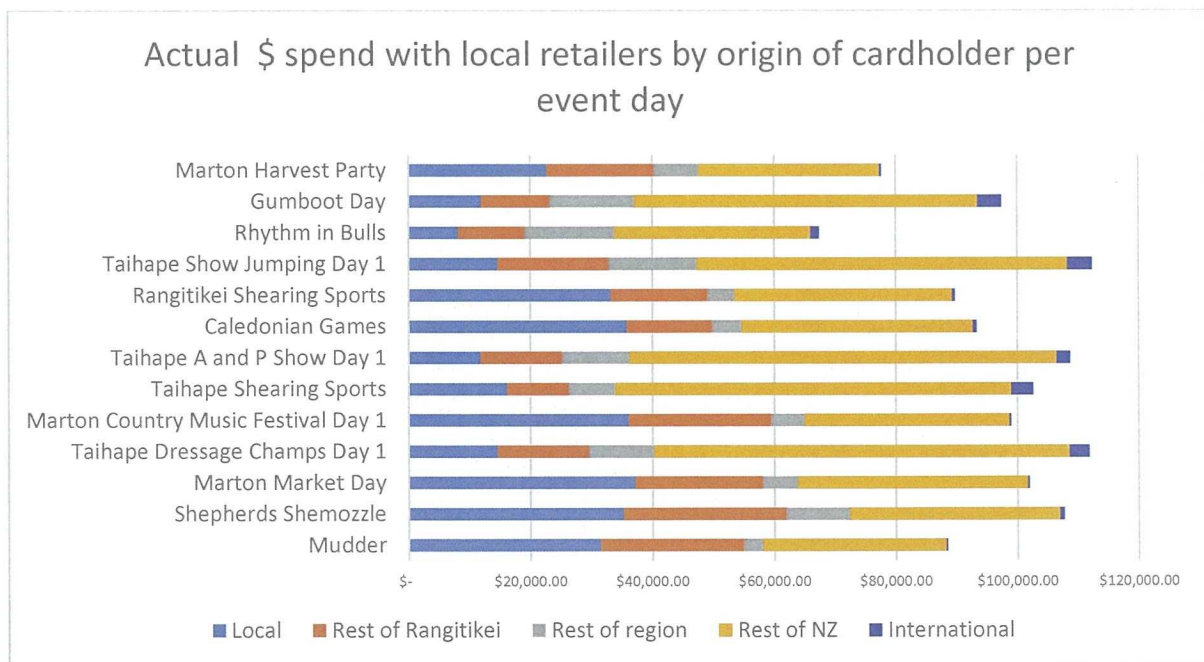
Events organisers were asked to provide an estimate of the number of participants at their events broken down into Local (Rangitikei residents), Rest of Horizons Region, Rest of New Zealand and International. An analysis was undertaken to test how this aligns to the breakdown of origin of spender figures provided in the MarketView reports.

Finally, the figures were input into an Economic Impact tool to provide estimates of the impact on the local economy of these events and a Return on Investment measure.

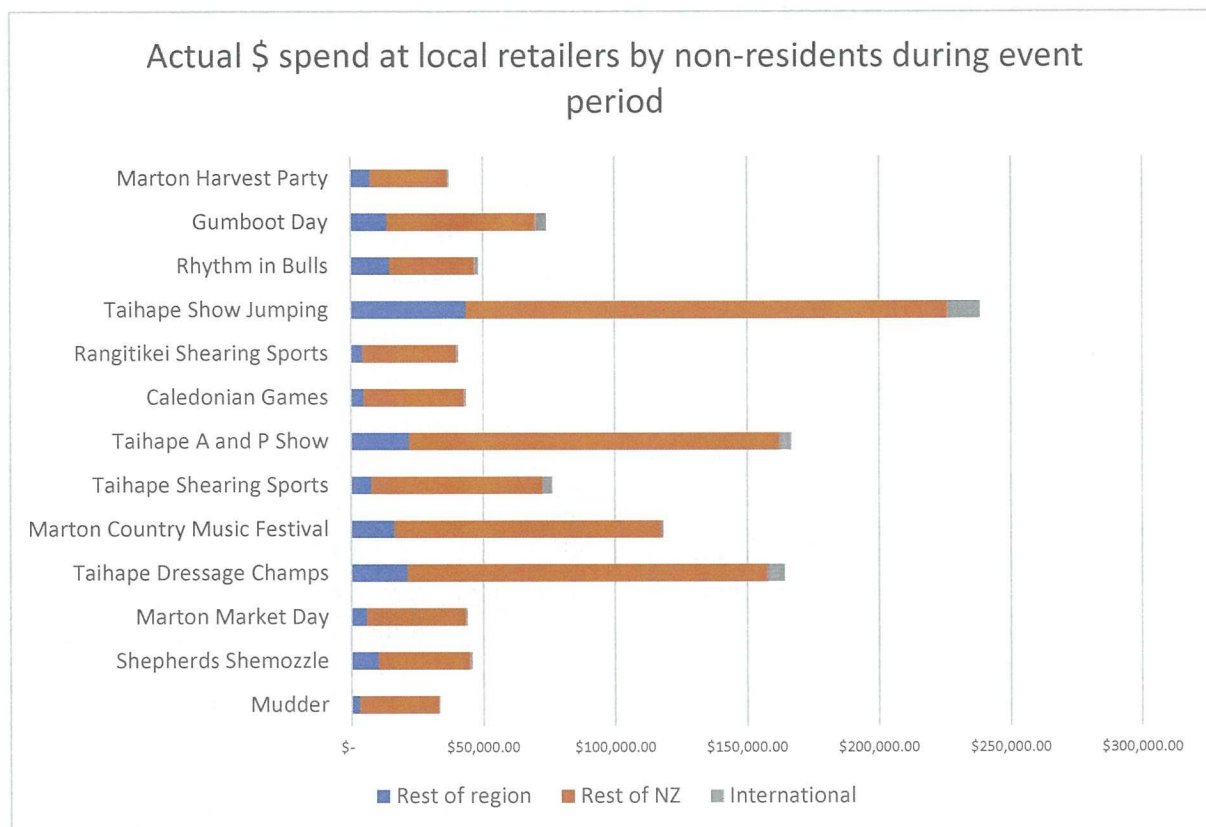
AMOUNT SPENT WITH LOCAL RETAILERS



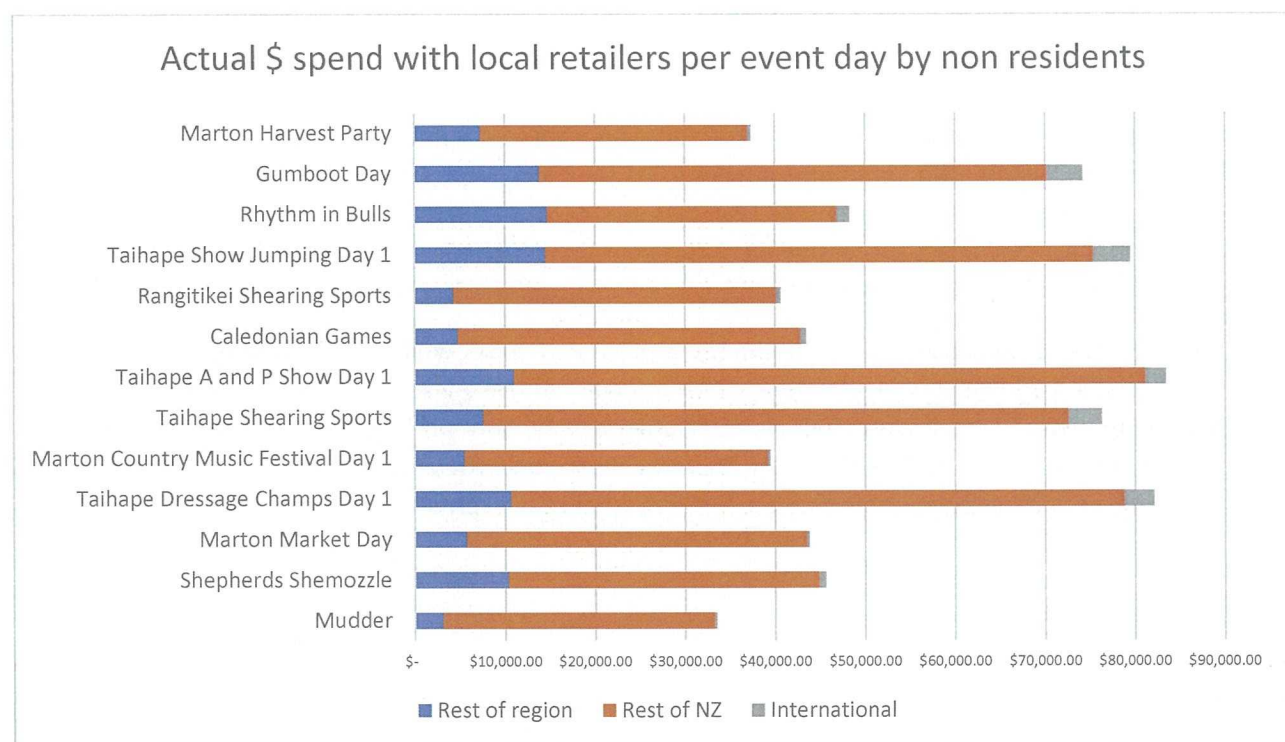
Those events which were over 2 or 3 days clearly provide a greater actual \$ spend with local retailers. If it is assumed that for these events each day provides an equal spend (this assumption has been tested through an Event Report for a single day of the Taihape Show Jumping Event, during which approximately 1/3 of the total spend was recorded), then there is less variation in the actual \$ spend between events. Nonetheless, the value of multi-day events is evident.



Many economic impact analyses discount spend by local people in assessing the economic impact of an event because it is argued that this spend would be made whether or not an event takes place.

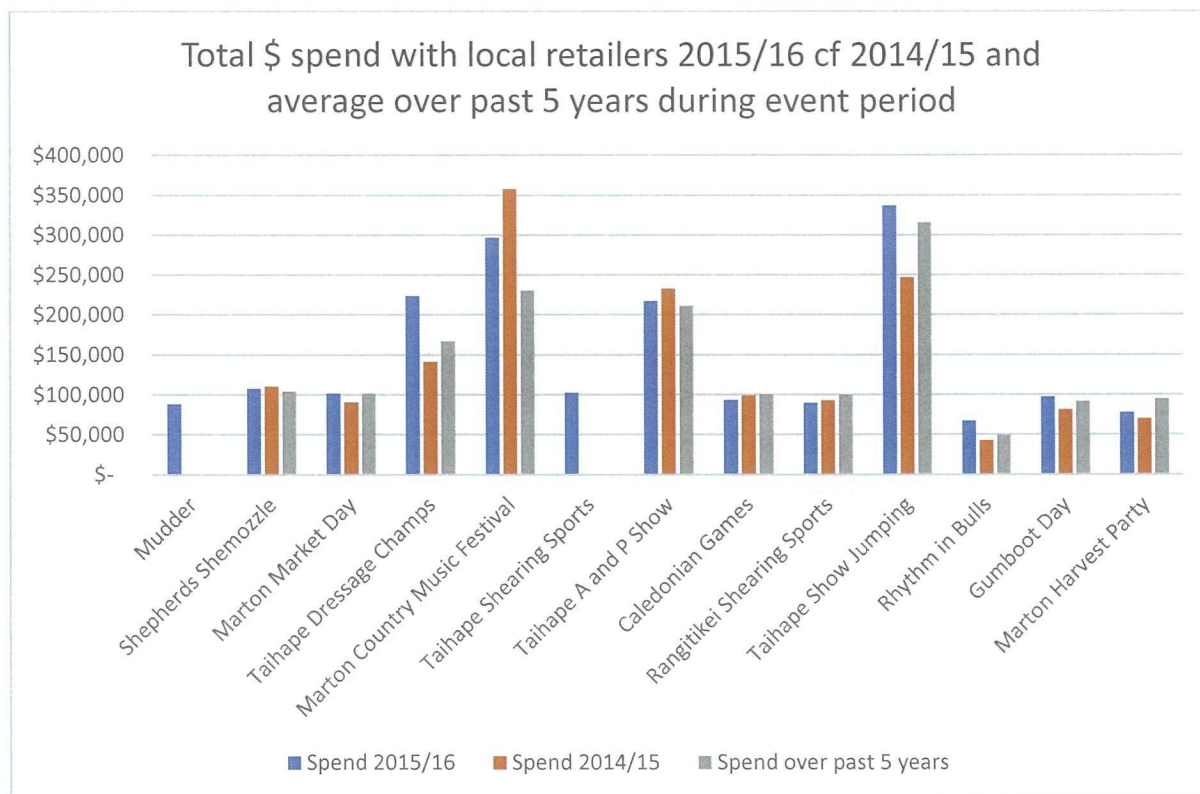


Once again, a comparison can be made for multi-day events by assuming expenditure is equal across all event days.



CHANGE IN THE AMOUNT SPENT DURING THE EVENT PERIOD COMPARED TO A PREVIOUS EVENT PERIOD

The change in \$ spend with local retailers during the current event period can be compared with the previous year and the average of the previous 5 years.

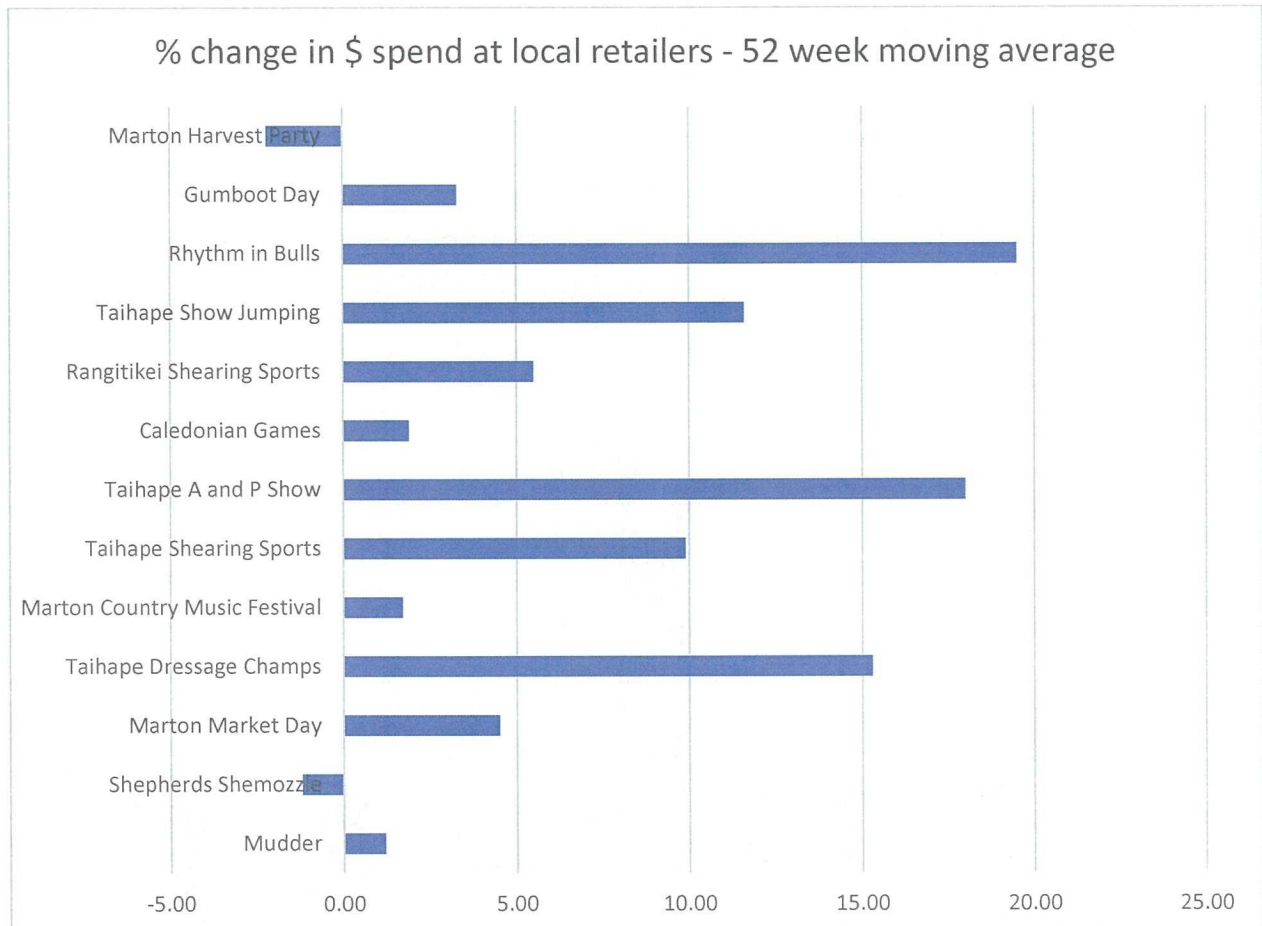


Generally, it appears that the events that Council sponsored are growing compared to the average of the previous 5 years. The exceptions appear to be the Caledonian Games, the Rangitikei Shearing Sports and Marton Harvest Party. The Marton Country Music Festival and Taihape A and P Show appear to have had a less successful event this year than last year. The Taihape A and P Show included the Taihape Shearing Sports last year which may have boosted local spend.

The impact of events taking place on the same day is equivocal; whilst the Caledonian Games and the Taihape A and P Show on 30 January 2016 appear to have a less successful event in 2015/16 than in previous years, Rhythm in Bulls and Gumboot Day, both on 12 March 2016, had a more successful event than in previous years. This may be because the emphasis of the latter two events is on participation by local people as High Profile/Community events.

CHANGE IN THE AMOUNT SPENT DURING THE EVENT PERIOD COMPARED TO A NON-EVENT PERIOD

The MarketView reports provide a comparison with the \$ spend at local retailers during the event period with the rolling average of the previous 52 weeks. This indicates whether the events attract more spending in the local area than an average day.

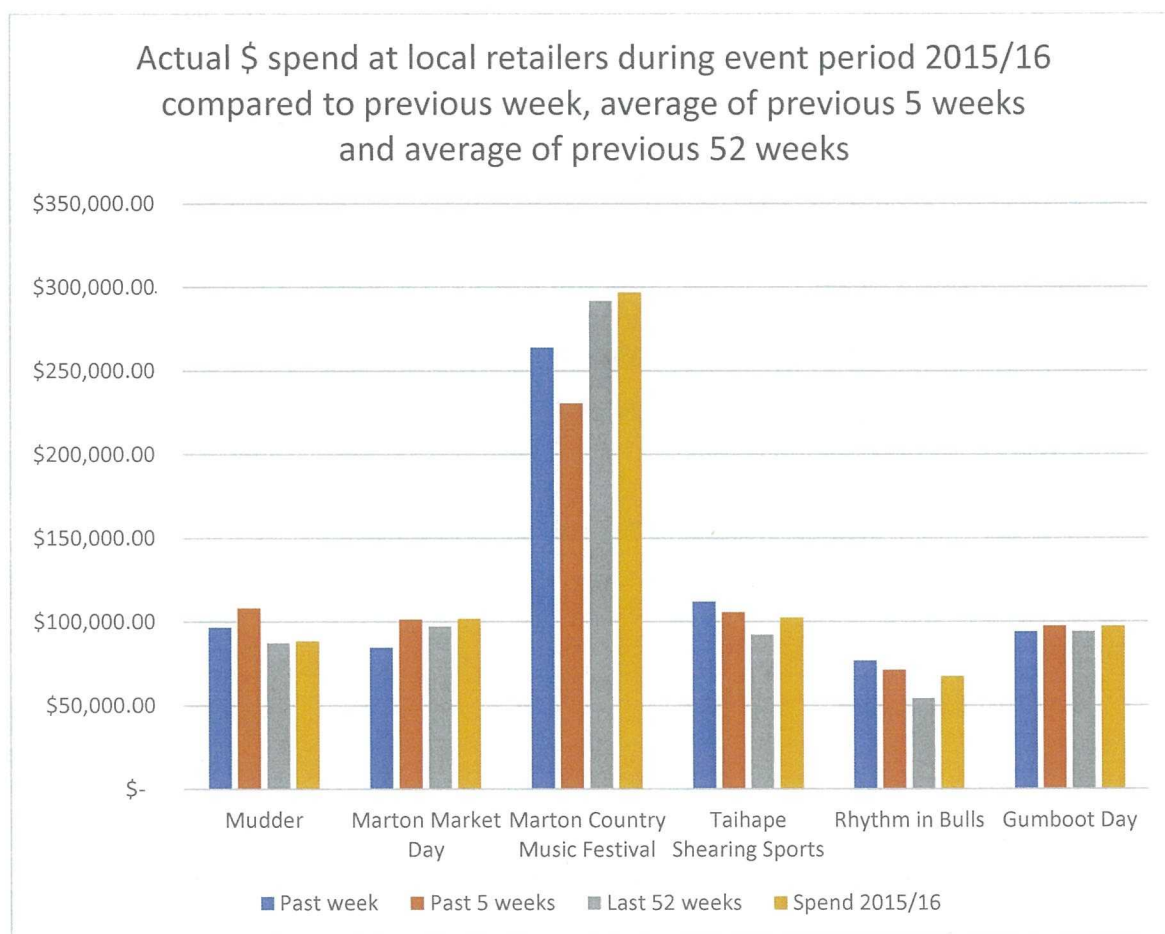


Generally, the events appear to attract additional \$ spend at local retailers compared to an average day. This appears to be particularly the case for the events in Taihape and the one event in Bulls.

Two events do not appear to attract additional expenditure for local retailers: the Marton Harvest Party and the Shepherds Shemozzle. For those three events which take place outside of Marton, Bulls or Taihape (The Shepherds Shemozzle, the Caledonian Games and the Mudder), the area designated as “local” is Marton. This does not appear to have an impact on the two High Profile events (the Caledonian Games and the Mudder) which generally do not attract significant numbers of local people, since the impact of these events can be seen in increased spending in the closest town of Marton. However, the Shepherds Shemozzle attracts significant people from the local towns and so is likely to pull spending away from the main towns. The inability of MarketView to isolate “within Rangitikei but outside the main population centres” as the “local” area is likely to disadvantage the Shepherd’s Shemozzle more than any other event. In addition, the rolling average of the past 52 weeks varies significantly, and the Shepherd’s Shemozzle is being compared to the highest rolling average of any event at almost \$109,000 compared to an average for Marton of \$93,500.

The opposite is true of the Marton Harvest Party which recorded an actual \$ spend during the event of \$77,662 compared to the rolling average over the previous 52 weeks of \$79,000. It is likely that expenditure with stall holders whose business address is not registered in the District will impact on expenditure recorded at local retailers. This is also the case for Marton Market Day and Gumboot Day which demonstrate lower levels of increased expenditure in the District than other events but still record an increase in local expenditure which may be attributed to the event.

The impact of seasonal spending can be illustrated by the selective comparison of some events with the previous week and rolling average previous 5 weeks as well as the rolling average of the previous 52 weeks².

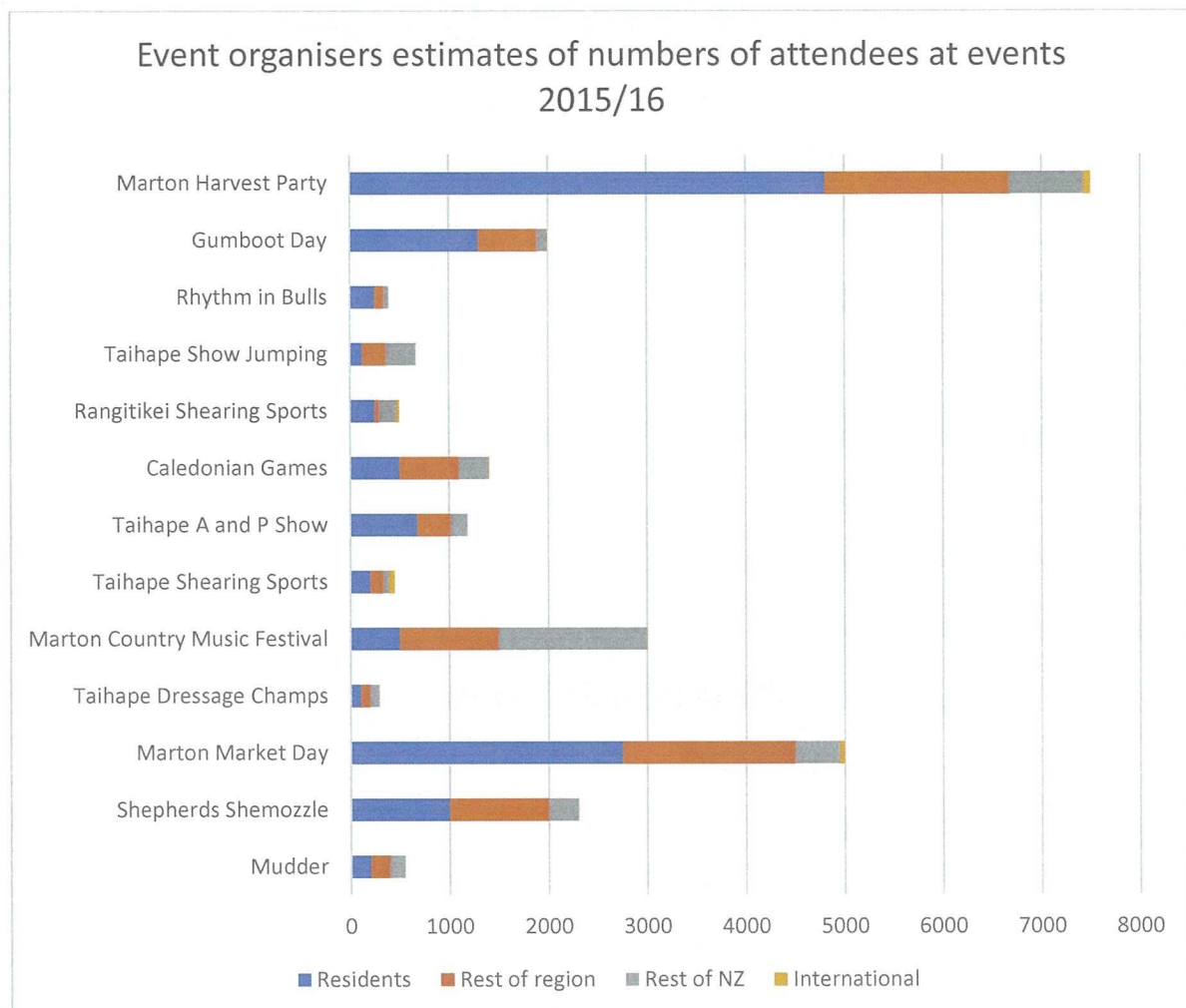


The Mudder and Marton Market Day took place at the beginning of summer (September and November), Marton Country Music Festival and Taihape Shearing Sports take place during summer (January) and Rhythm in Bulls and Gumboot Day take place at the end of summer (March). Though all events attract more spending for local retailers than a rolling average over 52 weeks, only the Marton Country Music Festival attracts more spending with local retailers compared to the previous week and rolling average of the previous 5 weeks. This is likely to be indicative of Marton's position off the state highway network: Bulls and Taihape appear to experience significant increased spending during the summer period than for the rolling 52 week average.

² The previous week was used as a comparator for the events where there was no comparator for last year (the Mudder and Taihape Shearing Sports) or where a MarketView Event report was run for last year (Marton Market Day and Marton Country Music Festival) and for the High Profile/Community Events run through the MOU agencies in Bulls and Taihape (Rhythm in Bulls and Gumboot Day).

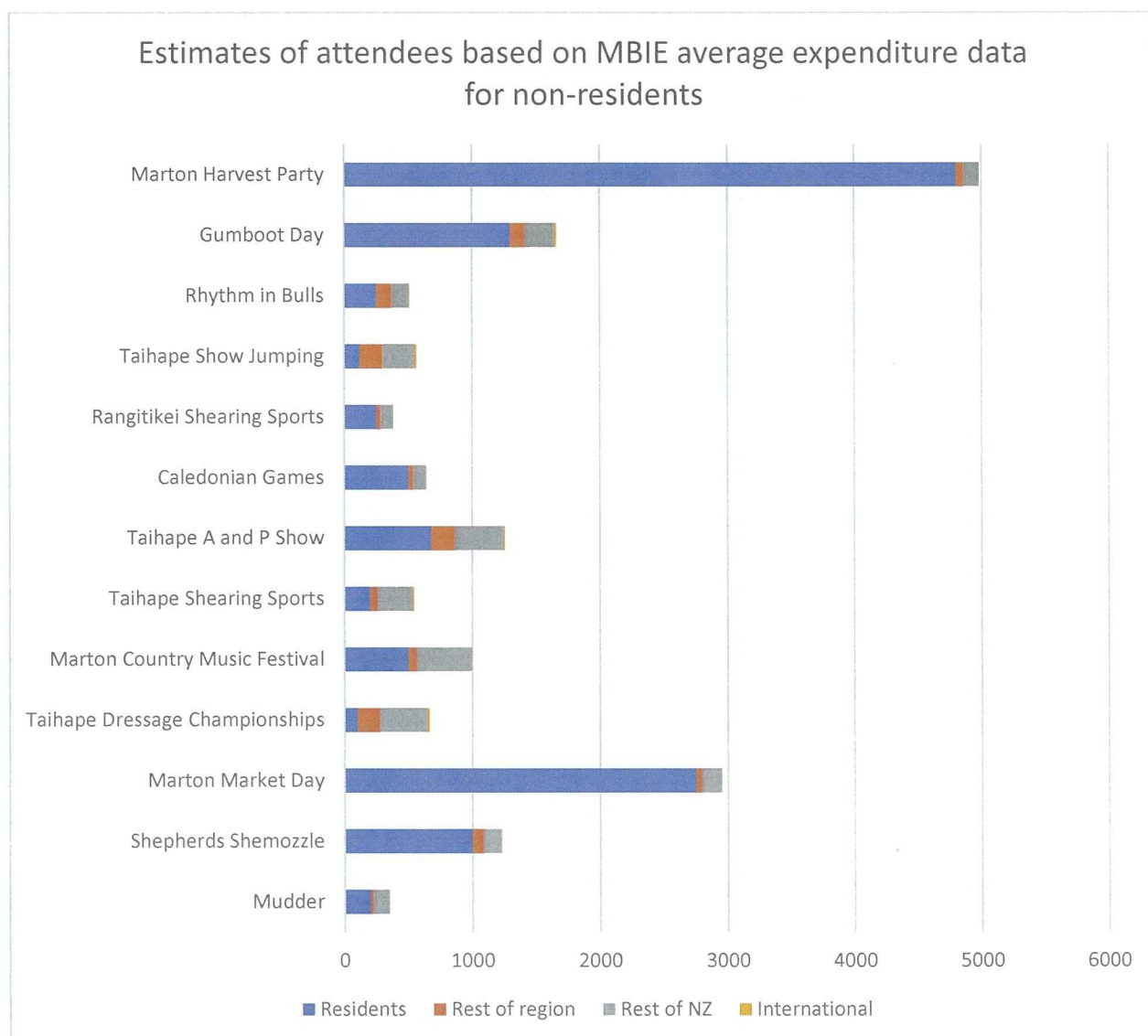
ATTENDANCE AT EVENTS

Events organisers were asked to provide an estimate of how many people attended their events and to break this down into Residents, Rest of Region, Rest of New Zealand and International.



MBIE estimates that average expenditure for is \$118 per day trip and \$372 per overnight trip (*MBIE Key Tourism Statistics, Feb 2014*). Using the MarketView actual \$ spend by origin of cardholder, an alternative figure for non-resident attendees can be estimated.

Using average expenditure from MBIE and MarketView spending data tends to deflate the estimates of non-residents attending the large street events (Marton Market Day, Marton Harvest Party, Shepherds Shemozzle and Gumboot Day) and ticketed events such as Marton Country Music Festival, Rangitikei Shearing Sports, the Caledonian Games and the Mudder. It may be that for the former instances, the loss of retail spend to stall holders will account for a lower per capita spend, and in the latter instances, the cost of the ticket to the event is not captured by the MarketView data. In addition, for the Marton Country Music Festival, many of the non-residents come in camper vans and may be reasonably self-contained – the same may be the case for the other events, or attendees may stay with local friends.



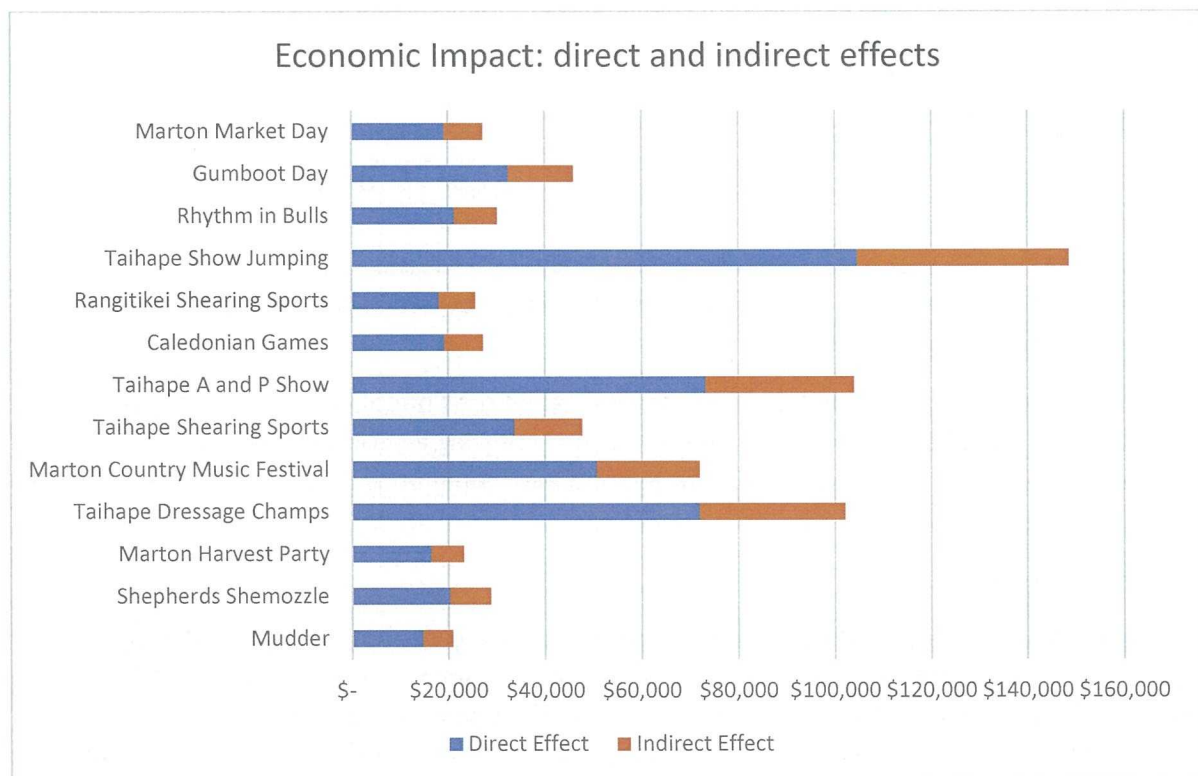
However, this same analysis appears to inflate attendance estimates by non-residents at the events in Taihape (with the exception of Gumboot Day as outlined above) and Bulls. This could be because of passing traffic on the state highways, encouraging people to stop and have a look at what is happening without necessarily planning to attend. However, it is equally likely to be because in Bulls and Taihape, attendance numbers by non-residents is boosted by visitors from respectively, Manawatu/Palmerston North and Ruapehu/Hawke's Bay

ECONOMIC IMPACT

Economic Impact tools generally look for the impact of additional spending in a local economy. For this reason, they tend to not count spending from local people and focus on the additional income brought in from outside. There is an Events Calculator tool as part of the subscription to the Infometrics service. This looks at the direct spend at the event and calculates a multiplier effect on the local economy based on increased money circulating in the local economy. This injection of new cash produces an indirect effect.

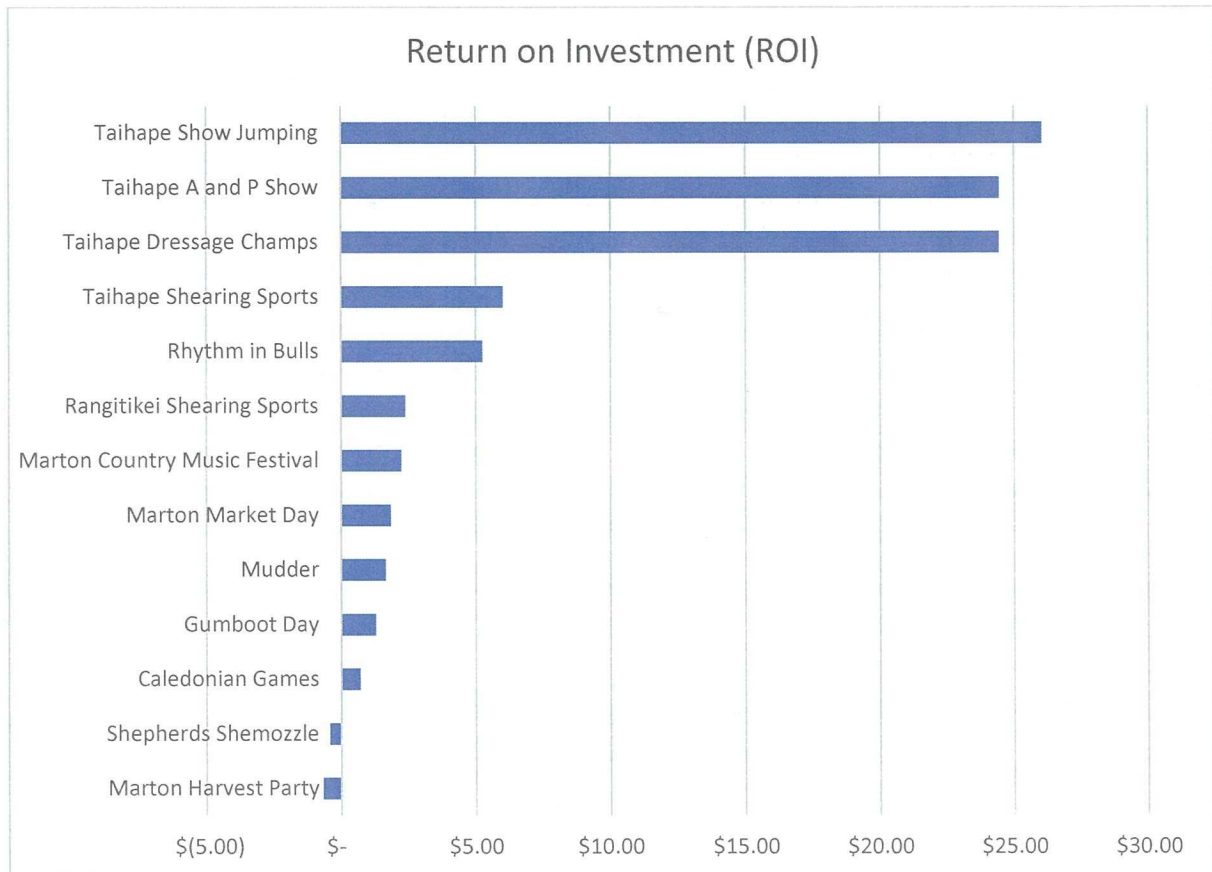
Generally, these tools take counts of the number of visitors and multiply by the MBIE figures for average spend to assess the additional income to a local economy. This requires that accurate figures for attendance are available. The figures provided by the Event Organisers may not meet this criteria. However, the Council does have access to accurate spend figures from the MarketView event reports – although the category of spending doesn't entirely match (for example, there are different multiplier effects depending on whether the expenditure is on fuel or accommodation).

Nonetheless, assuming default allocation of spending within categories, a picture emerges of the direct and indirect economic impact of these events.



RETURN ON INVESTMENT

Further, the MarketView figures do enable a measure of the income that non-residents are spending at local stores and accommodation business on event days compared to an average day. These figures were calculated using the rolling average of actual \$ spend in the previous 52 weeks for each of Bulls, Marton and Taihape to isolate the actual additional impact on the local economy of the event and divided by Council's sponsorship of the event to give the Return on Investment (ROI).



The danger with this is that it looks like a league table showing success and failure. However, ROI assessments are usually only valid if the total cost of an event is used as the denominator rather than a single sponsorship amount.

In addition, it needs to be remembered that to some extent the Council is looking for different outcomes from the different events. Generally, Council is seeking an economic impact from its High Profile events but would balance the economic impact with community outcomes for its High Profile, Community events.

High Profile Events

The Taihape Show Jumping and Taihape Dressage Championships events are High Profile events that appear to have delivered a gold star return on investment, whereas the return from the Mudder, the Caledonian Games and the Marton Country Music Festival appears to be more marginal. That said, as previously discussed, the events which take place outside of the main towns - the Caledonian Games and the Mudder – are being assessed by their ability to increase actual \$ retail spend in Marton which is unlikely to be a fair assessment although they both appear to achieve this. In contrast, the Marton Country Music Festival appears to provide an increase in local retail activity in Marton during the summer months when business traditionally appears to be less brisk. These events are all ticketed and Council may wish to set its sponsorship of these High Profile, ticketed events for next year on the basis of the ROI that it would expect from the economic impact achieved. Alternatively, it may like to re-classify these events as High Profile Community events based on attendance by residents.

High Profile, Community Events

The street events of Gumboot Day, Marton Harvest Party, Marton Market Day and the Shepherd's Shemozzle all attract large numbers of locals, with the Taihape A and P Show not far behind. Generally a smaller economic impact is noted with the marvellous exception of Taihape A and P Show! The Shepherd's Shemozzle is disadvantaged by the MarketView reporting tool requiring that local spend is viewed as occurring in Marton and, as stated previously, it is likely that the event draws people away from Marton on that day.

The Marton Harvest Party does not appear to provide a positive economic impact. Rather it appears to reduce spending in local retail outlets, probably to the benefit of stall holders from outside the District. The benefits of this event appear to be entirely based on community outcomes.

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