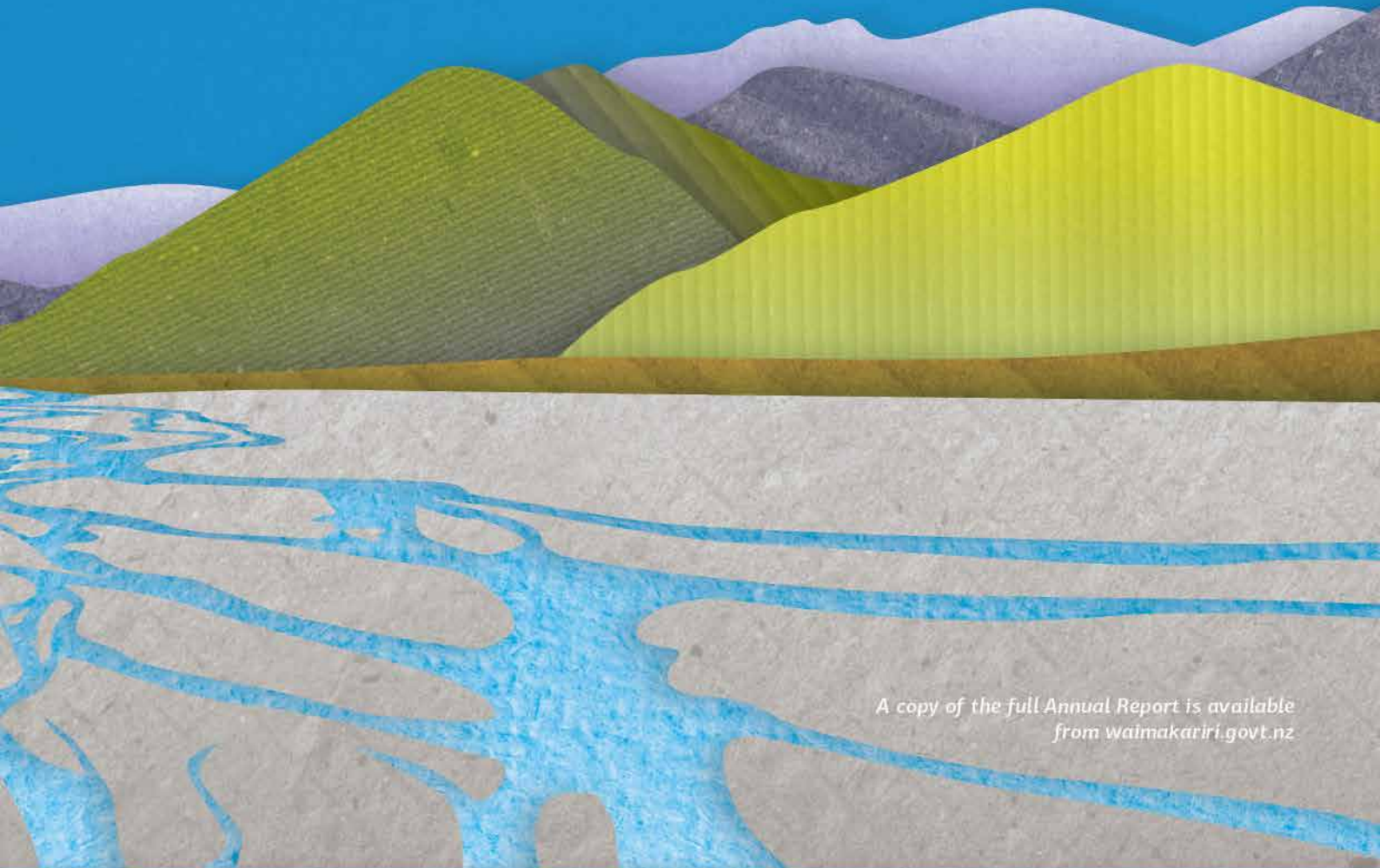




# WAIMAKARIRI *Our District*

**Annual Report Summary 2018-2019**  
A YEAR IN REVIEW

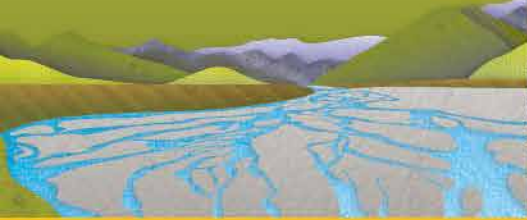


A copy of the full Annual Report is available  
from [waimakariri.govt.nz](http://waimakariri.govt.nz)



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# Message from the Mayor

## Kia ora koutou Waimakariri

### **I am pleased to present this year's Annual Report to you, my last as Mayor.**

Having decided to retire after nine years as the District's Mayor and over 30 years as either a councillor or mayor, I reflect, with a great sense of pride, on the progress we have made as a Council during the year, which is summarised in the Chief Executive's message.

Having come to the mayoralty one month after the September 2010 earthquake I feel incredibly privileged to have been in a position to help the Waimakariri community recover from these events. Together with a strong and united Council, along with capable staff and community board support, we have achieved a lot during this time.

While catering for the growth in the District's population has remained a constant, and will do so for many years to come, the District has made great progress in recovering from the earthquakes assisted and supported by the Council. This work has been the top priority for this Council since 2010.

In the past year we have seen many of the earthquake recovery and regeneration projects completed or well under way, building solidly on the progress that has been made in recent years. I believe the Council has delivered on its promise to build back better, something we have been passionate about.

I would like to thank all the District's community groups and businesses for the fantastic work they do to make Waimakariri a



great place to be. I would also like to acknowledge and thank my fellow council and community board colleagues over the last nine years for the commitment and leadership they have provided, as well as the outstanding support that Council staff have provided during my term.

I believe I leave the office of Mayor with our community in good heart and a Council that is well placed to meet the ongoing challenges and opportunities facing us all.

Ngā Mihi

A handwritten signature in dark ink that reads "David Ayers".

**David Ayers**  
Mayor



# Message from the Chief Executive



**Last year we spoke about the growth the District is facing and how we have been making good progress in our recovery from the Canterbury earthquakes. We're now in the second year of the 2018 - 2028 Long Term Plan (LTP).**

**We have made very good progress with our earthquake recovery works substantially complete, and most of the Regeneration projects in Kaiapoi, The Pines Beach and Kairaki either complete or well underway.**

Appropriately we have now turned our focus to catering for the growth of the District, with our current population of 61,200 increasing potentially to more than 90,000 over the next 30 years. Having a clear plan of how that growth will be accommodated is a major focus of the Council's review of its District Plan. It has started consulting the community about the key issues of the review, and intends notifying the draft District Plan in mid-2020.

In related work, the Council has adopted a rural residential growth strategy, revised its Kaiapoi Town Centre Plan and has started

reviewing Rangiora's Town Centre Strategy.

To cater for the anticipated growth we need to put in place infrastructure now to ensure that growth is managed appropriately and that funding this infrastructure is equitably spread across generations.

The 2018/19 year has very much focused on the building of infrastructure with accompanying work to further develop the value-add services the Council supplies on behalf of the community.

Key roading projects undertaken throughout the year included the opening of the West Belt extension to Townsend Road, the realignment of Feldwick Drive, reconstruction of Courtenay Drive and Jones Street in the Kaiapoi regeneration area and a number of walking and cycling pathways.

We've also been upgrading our three waters - drinking water,

wastewater and stormwater - infrastructure. This is vital infrastructure which enables people to live safe and healthy lives.

For drinking water last year we commissioned the Oxford Rural No.1 water supply, created a new ultra-violet water treatment plant in Waikuku Beach, joined the Woodend and Pegasus schemes to make them both more resilient, drilled a second well for West Eyreton and undertook work to make sure wells across the District remain secure from outside contamination.

We've also been working to improve the capacity of our waste water infrastructure. This includes a significant 10-year programme of upgrades. In practice this means we have improved the capacity of Rangiora's primary sewer main, increased the wastewater infrastructure in Tuahiwi to cater for cluster



housing, and upgraded treatment systems at the Oxford plant. We've also been looking at the Eastern District plant operations to reduce the likelihood of avian botulism and midges.

In terms of stormwater management in February 2018 we had a significant amount of rainfall which highlighted areas which could be improved. Since then we've looked at and made improvements to stormwater management for the Springbrook development as well as other low-lying areas around The Pines Beach, Waikuku Beach, Mandeville and Oxford.

In regards to the 'three waters' this is a significant work programme for one year – most of which goes unseen but is exceptionally important in the health and safety of our District.

In terms of services offered, this year we rolled out the new kerbside collection service. It's been great to see how many residents have taken up this service which we believe will result in a significant amount of waste being diverted from the landfill – one of the key measures in our Waste Management and Minimisation Plan.

However, it's not only bins that we've been working on in this space. We've also been upgrading our recycling/transfer stations and are undertaking a study into how and when we should further expand the Southbrook recycling park.

From a recreation perspective we've made great progress towards building the Multi-use Indoor Sports Facility. The site

is cleared, building and resource consents obtained and building work commenced in August 2019. We expect this \$28 million facility to be open in May 2021.

There have also been a number of recreation parks which we have redeveloped in the last year. Visitors to the Ohoka Farmers Market will have noticed the upgrade which has taken place there, and we've also given Gladstone Park a significant upgrade and have started looking at other locations, such as Kairaki, where further upgrades are scheduled.

As mentioned earlier, we have been making great progress in recovering from the Canterbury earthquakes. Our Regeneration team handle this programme of work and residents will have no doubt seen the significant changes happening in the area over the past year.


Of particular note is the completion of the Beswick Stormwater Area, realignment of Feldwick Drive, developing sports fields, building the BMX track, dog park and the first stage of planting for the Honda Forest which is also well underway. Design work is progressing for car parking, changing rooms and public toilets.

We've also been making upgrades to the Kaiapoi River and the new terraces and boardwalk adjacent to Williams Street bridge are already a hugely popular spot for walkers and visitors to Kaiapoi. This work, along with completing a new boat ramp, floating pontoon and accompanying

dredging, we hope will bring visitors and revitalise the area.

In terms of conducting our ongoing business we have been pleased to maintain the high level of services provided through our libraries and aquatic facilities. While the volumes of resource and building consents remain at a relatively high levels, over 99 percent of these consents have been processed with the statutory timeframes and pleasingly building consents have been issued, on average, within 11 working days.

I would like to acknowledge and thank Mayor David Ayers for his outstanding leadership during his term, and also thank all councillors, community board members and our staff of the contribution they have made during the past year. Their commitment and hard work helps make Waimakariri a great place to be.



**Jim Palmer**  
Chief Executive





# Where We Spent Your Rates

**We deliver a broad range of services to our community in return for payment of rates.**

This is a selection of the services we've provided over the year and the cost per day to you the ratepayer. These costs are based on average rates for properties where the service is provided.

## Governance



## Roads and Footpaths



## Libraries





## Planning

(Admin, District Development,  
Civil Defence)



## Economic Development

(Promotion CBA's)



## Stormwater Drainage

(Urban & Rural areas)



## Swimming Pools



## Sewage Disposal



## Water and Water ways



## Community Buildings



## Parks and Reserves



## Canterbury Museum



## Health and Safety

Cemeteries, Rural Fire, Health,  
Animal & Buildings control)



## Earthquake Recovery



## Waste Collection and Disposal





# Community Outcomes

**Community Outcomes describe how Waimakariri District Council aims to achieve meeting the current and future needs of our communities with good-quality local infrastructure, providing local public services and performance of regulatory functions.**

Community outcomes set the direction for our Long Term Plan (LTP) and all activities included in the 2018-2028 LTP that the Council undertakes contribute towards achieving these outcomes. The key groups of activities that contribute to each outcome are displayed.



*There is a safe environment for all.*

- Community Leadership, Property Management, Infrastructure Services and Community Services



*There are areas of significant indigenous vegetation and habitats for indigenous fauna.*

- Community Services, Council Controlled Organisations and Community Leadership



*There are wide ranging opportunities for people to contribute to the decision making that effects our District.*

- Community Leadership



*Our community's needs for health and social services are met.*

- Community Leadership



*Effect is given to the principles of the Treaty of Waitangi.*

- Community Leadership



*There is a healthy and sustainable environment for all.*

- Community Leadership and Infrastructure Services





*Public spaces and facilities are plentiful, accessible and high quality.*

- Community Services



*People have wide-ranging opportunities for learning and being informed.*

- Community Services



*Core utility services are provided in a timely and sustainable manner.*

- Infrastructure Services and Council Controlled Organisations



*The distinctive character of our takiwā - towns, villages and rural areas is maintained.*

- Community Leadership and Council Controlled Organisations



*The community's cultures, arts and heritage are conserved and celebrated.*

- Community Services and Council Controlled Organisations



*People are friendly and caring, creating a strong sense of community in our District.*

- Community Services and Community Leadership



*Transport is accessible, convenient, reliable and sustainable*

- Infrastructure Services



*Businesses in the District are diverse, adaptable and growing.*

- Community Leadership and Council Controlled Organisations







# Overall Service Performance Results

**In the Council's Long Term Plan 2018-2028 there are a total of 111 non-financial performance measures in place to gauge the service performance of Council's six groups of significant activities.**

**Non-financial performance measures have set targets to assess things like responsiveness, health and safety, timeliness and legislative compliance.**

They also link to and demonstrate how the activities the Council undertakes contribute to outcomes sought by the community.

Overall the results for the 2018/2019 financial year show 75 percent of all measures achieved, this is an increase of 18% on 2017/2018. The number of mandatory performance measures increased in 2018/2019

from 107 to 111 therefore the overall results vary slightly from last year.

## **Measures that were not met**

### **Water Supply and Quality**

The system for checking samples for Bacterial compliance needs to be improved. Protozoal compliance requires capital project which are planned. The majority of complaints about drinking water relate to clarity and continuity of supply.

### **Stockwater**

Number of water outages exceeding 24 hours in duration.

A review of the two outages is being undertaken.

### **Recreation**

The annual survey of the satisfaction of the sports grounds will be carried out with the Council's annual Customer Satisfaction Survey later in 2019.

### **Community Development**

Facilitation of local collaborative networks .

### **Red Zone Regeneration**

There have been delays in the process for establishing recreation and ecological links and developing co governance arrangements for Heritage and Mahinga Kai.



### Community Protection

The number of pools to be inspected has reduced due to a change in the Building Act.

### Stormwater Drainage

Improvements continue to be made to the processing of requests for Drainage enquiries.

### Measures that almost achieved target

#### Governance

The percentage of Council, Committee and Community Board meetings held per quarter (96.5% with a target of 100%)

#### District Development

The percentage of resource consents issued within statutory timeframes (99.7% with a target of 100%)

### Stockwater

Percentage of service requests responded to within 48 hours (97.2% with a target of 100%)

### Aquatic Facilities

Customer satisfaction with the Aquatic Facilities, as measured by a biannual survey of facility users (89% with a target of 90%)

### Property Management

The percentage of Pensioner and Community Housing occupancy per annum (95.5% with a target of 97%)

### Animal Control

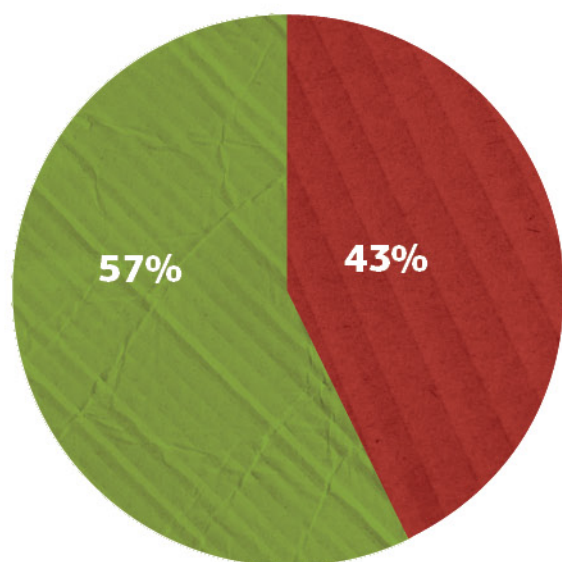
The percentage of calls for wandering stock on roads responded to within 1 hour (89% with a target of 90%)

### Building Services

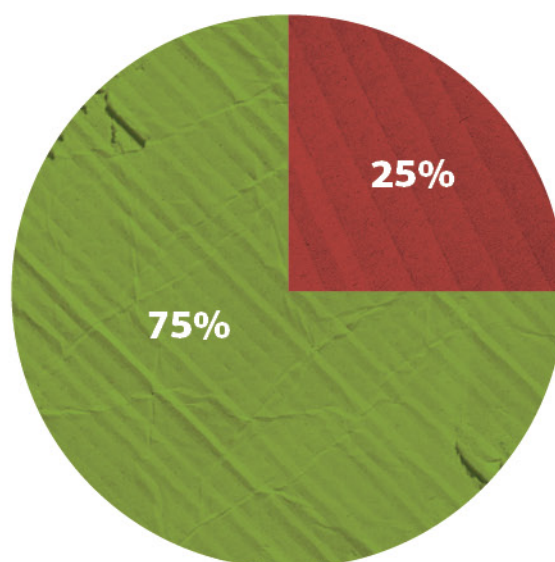
The percentage of Code Compliance Certificates issued within the Statutory 20 days. (99.7% with a target of 100%). The percentage of Project Information Memoranda (PIM) applications issued within the Statutory 20 days. (99.7% with a target of 100%).

## Performance results

2017/2018



2018/2019



 = Met or exceeded target

 = Not met target

Of the 111 measures, 75% (83) were completed or met, with 25% (28) not being met. Of the measures not met there were 8 (or 7% of the total measures) within 5% of the measure being met.







# HIGHLIGHTS FOR THE YEAR







*Core utility services are provided in a timely and sustainable manner.*



*Public spaces and facilities are plentiful, accessible and high quality.*



*Transport is accessible, convenient, reliable and sustainable.*

# Infrastructure Services

## Earthquake Recovery Road Works

The last of the earthquake recovery work is being carried out with the realignment of Feldwick Drive and the reconstruction of Courtenay Drive and Jones Street now complete.

There have also been a number of roads decommissioned.

## Walking and Cycling

A new shared user path has been constructed along Gladstone Road, linking Petries Road to Gladstone Park in Woodend. The 760m long gritted shared path was completed in June 2019.

A gritted path was also constructed in Ohoka between Whites Road and Bradleys Road.





## Refuse and Recycling

The Council adopted the Waste Management and Minimisation Plan in 2018, after the 2018-28 LTP was adopted. Council tendered and awarded the solid waste collection and facilities operation contracts.

The kerbside collection contract was based on providing an opt-in organics and rubbish bin collection service in addition to rubbish bag and recycling bin collections. Council sought bin orders from owners of all properties in the collection areas during August 2018 and confirmation of bin numbers in February 2019. Over 17,700 bins were ordered and deliveries commenced in mid-April 2019.

## West Belt Extension to Townsend Road

Construction of the new road started in January 2018 and was completed in mid-2019. The road opened to traffic on 6th June.

## Oxford Rural No.1

A new deep well has been drilled, developed, tested, consented and connected to the scheme, and a new 5km pipeline installed. This has ensured that safe and compliant water is now being provided, and the boil water notice has been lifted.



## Central Rangiora Capacity

Construction work has progressed well on the new sewer main from the Rangiora waste water treatment plant into central Rangiora. Stage 1, Stage 2a and Stage 3 are complete, taking the works through to the intersection of Charles Street and King Street.

This is part of a 10-year programme of upgrades to reduce wastewater overflows and cater for further growth in the township



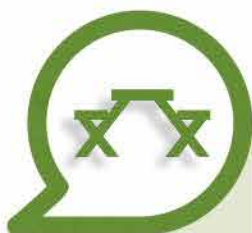
## Waikuku Beach

A new UV plant was constructed at the Kings Avenue headworks in the 2017/18 year.

During 2018/19 a second well for the scheme has been connected at this site which should allow for the full flow for the scheme to be provided through the Kings Avenue plant, and reduce reliance on the backup headworks at the Campground.







*Public spaces and facilities are plentiful, accessible and high quality.*



*There is a safe environment for all.*

# Recreation

## Multi-use Indoor Sports Facility

Significant progress has been made on the development of the sports facility with site clearance and preliminary earthworks completed. Building and Resource Consents have been obtained ready for construction.

## Victoria park toilets Pegasus Beach Toilet and Changing Rooms

The Victoria park toilets were redeveloped to improve functionality and amenity value. This included taking an architectural led approach to increase customer satisfaction with the cleanliness of the toilets.







### Ohoka park redevelopment

The Ohoka domain Advisory Group and Council staff worked together to improve the amenity and standard of the play space at the domain. This included new swings, timber climbing frame with slide and firepersons pole, pathways, gazebo, community notice board, bbq and planting.

### Community network BBQ's

A series of seven community barbecues were held across the parks network with the intention of bringing people into spaces to interact with both staff and elected members.

These also provided an opportunity for communities to come together and feedback directly on what people liked and wanted to see improved in the local reserve.

### Facilities booking system

The online booking system for the community facilities has gone live for users of the three facilities, Rangiora Town Hall, Oxford Town Hall and Woodend Community Centre.

Phase two of this project will see this rolled out to other community facilities across the district in the 2019/20 financial year.







*Public spaces and facilities are plentiful, accessible and high quality.*



*Core utility services are provided in a timely and sustainable manner.*

# Earthquake Recovery and Regeneration

## Wharf, Riverbanks and Marine Precinct

In the last year Council completed the construction of the upgrades to the Kaiapoi River Wall and the new Riverview Terraces and Boardwalk adjacent to the Williams Street bridge. The new boat ramp floating pontoon, and associated interim dredging works, were completed in time for the Kaiapoi River Carnival. Works are ongoing for the capital dredging of the Kaiapoi River, and the installation of the Riverview floating pontoon between the Williams Street bridge and the wharf. A new marine precinct management plan is in development, to manage the future berthing arrangements.





### **Sports field and BMX track**

Development of the sports fields playing surfaces is underway. Design of the artificial softball diamonds and the sports changing rooms and public toilet was completed.

The Community BMX track was completed and opens to the public in October 2019

### **Beswick Stormwater Area**

Construction was completed on the Enabling Works and Beswick Stormwater Management Area contract package, which includes the site clearances, bulk earthworks, drainage and roads and utilities removal in the Kaiapoi East Regeneration Area.







*There is a safe environment for all.*



*Our community's needs for health and social services are met.*

# Property Management

## Service Centres

Approval given for a refurbishment project for the Rangiora Service Centre resulted in the procurement of a design team lead by Athfield's architects in late 2018.

Several concept designs were presented in early 2019 with associated costings. One of these highlighted the opportunity to enhance the public spaces within the building and more appropriately respond to likely future developments on the site.

A comprehensive Business Case Review was implemented to test the rationale for the more substantial investment on the site and this confirmed it as being the long term home for the civic headquarters.

## Housing for the Elderly

Occupancy levels at 97.9%. Capital expenditure was within budget but re-focused on new ceiling insulation and roof replacements for 24 units at Tyler Courts in Rangiora, the renewal and upgrading of paths, roading, drainage, channel and curbs at Meyer Courts in Oxford and the replacement of faulty showers in a number of units.



## Forestry Management

The harvest of coastal forestry commenced in June 2018 and the contractors are close to completing the harvest with total revenue of \$3.5 million being generated, less direct costs associated with the harvest.







# OUR FINANCES





## Financial Statements

### Consolidated Statement of Comprehensive Revenue and Expense

For The Year Ended 30 June 2019

	Group 2019 Actual \$'000	Parent 2019 Actual \$'000	Parent 2019 Budget \$'000	Group 2018 Actual \$'000	Parent 2018 Actual \$'000
<b>Financial Performance</b>					
Total operating revenue	137,400	137,400	131,809	118,091	118,091
Finance costs	5,454	5,454	7,827	4,716	4,716
Other operating expenditure	104,622	104,622	84,617	93,827	93,827
Other gains	2,136	2,136	250	913	913
Plus Share of Associates	94	-	-	674	-
Net Surplus / (Deficit) before Taxation	29,554	29,460	39,615	21,135	20,461
Less Taxation expense	-	-	(180)	-	-
<b>NET SURPLUS / (DEFICIT)</b>	<b>29,554</b>	<b>29,460</b>	<b>39,435</b>	<b>21,135</b>	<b>20,461</b>
<b>Other comprehensive revenue and expense</b>					
Gain/(Loss) on asset revaluation	36,012	35,789	13,498	41,132	41,132
Increase/(decrease) in asset revaluation reserve due to impairment & impairment reversal	-	-	-	-	-
Financial assets at fair value through other comprehensive revenue and expense	(126)	(126)	-	(196)	(196)
<b>TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>35,886</b>	<b>35,663</b>	<b>13,498</b>	<b>40,936</b>	<b>40,936</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>65,440</b>	<b>65,123</b>	<b>52,933</b>	<b>62,071</b>	<b>61,397</b>

### Consolidated Statement of Changes in Net Assets/Equity

For The Year Ended 30 June 2019

	Group 2019 Actual \$'000	Parent 2019 Actual \$'000	Parent 2019 Budget \$'000	Group 2018 Actual \$'000	Parent 2018 Actual \$'000
<b>EQUITY AT BEGINNING OF THE YEAR</b>	<b>1,623,721</b>	<b>1,620,314</b>	<b>1,576,286</b>	<b>1,561,650</b>	<b>1,558,917</b>
Net Surplus / (Deficit) for the year	29,554	29,460	39,435	21,135	20,461
Other comprehensive revenue and expense	35,886	35,663	13,498	40,936	40,936
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR</b>	<b>65,440</b>	<b>65,123</b>	<b>52,933</b>	<b>62,071</b>	<b>61,397</b>
<b>EQUITY AT END OF THE YEAR</b>	<b>1,689,161</b>	<b>1,685,437</b>	<b>1,629,219</b>	<b>1,623,721</b>	<b>1,620,314</b>

### Consolidated Statement of Financial Position

As at 30 June 2019

	Group 2019 Actual \$'000	Parent 2019 Actual \$'000	Parent 2019 Budget \$'000	Group 2018 Actual \$'000	Parent 2018 Actual \$'000
<b>Current Assets</b>	<b>37,606</b>	<b>37,606</b>	<b>27,832</b>	<b>35,509</b>	<b>35,509</b>
<b>Non-current Assets</b>	<b>1,833,623</b>	<b>1,829,900</b>	<b>1,800,395</b>	<b>1,746,567</b>	<b>1,743,161</b>
<b>TOTAL ASSETS</b>	<b>1,871,230</b>	<b>1,867,507</b>	<b>1,828,227</b>	<b>1,782,075</b>	<b>1,778,669</b>
<b>Current Liabilities</b>	<b>49,261</b>	<b>49,261</b>	<b>27,404</b>	<b>48,169</b>	<b>48,169</b>
<b>Non-current Liabilities</b>	<b>132,808</b>	<b>132,808</b>	<b>171,604</b>	<b>110,186</b>	<b>110,186</b>
<b>TOTAL LIABILITIES</b>	<b>182,069</b>	<b>182,069</b>	<b>199,007</b>	<b>158,355</b>	<b>158,355</b>
<b>Accumulated general equity</b>	<b>865,924</b>	<b>862,881</b>	<b>863,400</b>	<b>833,866</b>	<b>830,917</b>
<b>Other reserves</b>	<b>5,889</b>	<b>5,889</b>	<b>6,771</b>	<b>6,701</b>	<b>6,701</b>
<b>Revaluation reserve</b>	<b>817,349</b>	<b>816,667</b>	<b>759,048</b>	<b>783,155</b>	<b>782,696</b>
<b>TOTAL EQUITY</b>	<b>1,689,161</b>	<b>1,685,437</b>	<b>1,629,219</b>	<b>1,623,721</b>	<b>1,620,314</b>



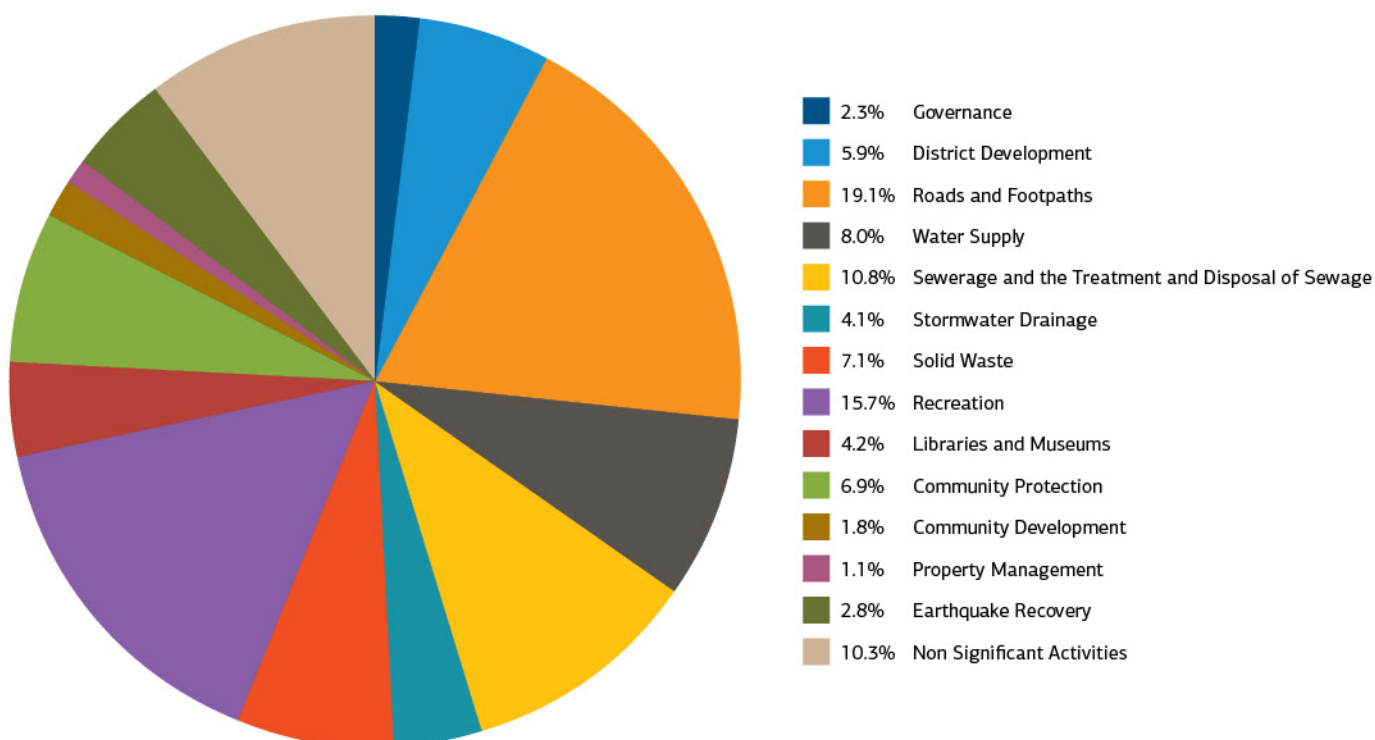
## Consolidated Statement of Cash Flows

For The Year Ended 30 June 2019

	Group 2019 Actual \$'000	Parent 2019 Actual \$'000	Parent 2019 Budget \$'000	Group 2018 Actual \$'000	Parent 2018 Actual \$'000
Cashflows from operating activities	23,151	23,151	31,064	27,510	27,510
Cashflows from investing activities	(37,540)	(37,540)	(71,102)	(54,323)	(54,323)
Cashflows from financing activities	15,000	15,000	33,062	30,000	30,000
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>611</b>	<b>611</b>	<b>(6,976)</b>	<b>3,187</b>	<b>3,187</b>
Plus opening cash balance	19,330	19,330	23,121	16,143	16,143
<b>CLOSING BALANCE</b>	<b>19,941</b>	<b>19,941</b>	<b>16,145</b>	<b>19,330</b>	<b>19,330</b>

## Expenditure Summary

The chart below shows how expenditure was spread among Council's activities. Council's total operating expenditure for 2018/19 was \$110.1m.





## Financial overview

Under the provisions of the Local Government Act (LGA) 2002 (s.101) Council is required to manage its revenues, expenses, assets, liabilities, investments and general dealings prudently and in a manner that promotes the current and future interests of its community.

The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (breakeven).

The Annual Report shows that Council recorded a net surplus before taxation for the year ended 30 June 2019 of \$29.5 million, which was \$10.2 million less than budget. The surplus was \$20.5 million for the 2017/18 financial year.

## Revenue and other gains were \$7.5 million over budget

Other revenue was \$1.4m over budget due to increased rates penalties, recoveries of private works, more than budgeted connection fees/lump sum contributions to connect to Council's infrastructural facilities and increased liquor licensing/food premises revenue.

Vested assets were \$5.8m over budget mainly due to Crown vested land in red zone.

Other gains of \$2.1m contains valuation of Council's forestry assets, which was not budgeted. More trees were harvested this year resulting in more gains on sale of forestry assets.

Earthquake recoveries from Government agencies were \$2.3m under budget due to delays in the EQ recovery programme and change in Government funding.

## Operating expenses were \$7.6 million over budget

Capital expensed of \$4.1m are costs incurred which do not form part of the final assets and was not budgeted.

Loss on disposal of fixed and other infrastructural assets was \$2.6m more than budget mainly due to unbudgeted write-offs of old asset values that were subsequently replaced.

Loss on revaluation of interest rate swaps was \$7.8m and was not budgeted.

## Other comprehensive revenue and expense

The Council recorded a \$35.8m gain on asset revaluation (budget \$13.5m). As at 30 June 2019, Council revalued its roading assets, greenspace assets and land/building assets.

## Financial Position

Assets were \$39.3m over budget mainly due to asset revaluations and new vested assets.

Borrowings (current and non-current) were \$27.9m under budget mainly due to delays in Council's capital programme.

## Financial Benchmarking

There are no major variances in the Council's financial performance in relation to various benchmarks which enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

## Specific disclosures

The specific disclosures in the summary financial statements have been extracted from the full financial statements. The full financial statements were

authorised for issue by Council on 8 October 2019.

The full financial statements of the Council and group have been prepared in accordance with the requirements of the LGA 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The full financial statements have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

An unmodified audit opinion was given on the full Annual Report by Audit New Zealand.

You can find a copy of the full Annual Report on the Council's website: [waimakariri.govt.nz](http://waimakariri.govt.nz).

## Contingent asset

The Council engaged an external contractor to construct the Ocean Outfall, where corrosion damage was identified and required replacement. Parties are seeking to achieve a negotiated settlement outside of Court for damages. For the year to 30 June 2019, the Council's lawyers advise that it is probable that the Council will receive compensation for costs incurred remedying the corrosion damage.



## Financial Benchmarking

Annual Report disclosure statement for year ending 30 June 2019

### What is the purpose of this statement?

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

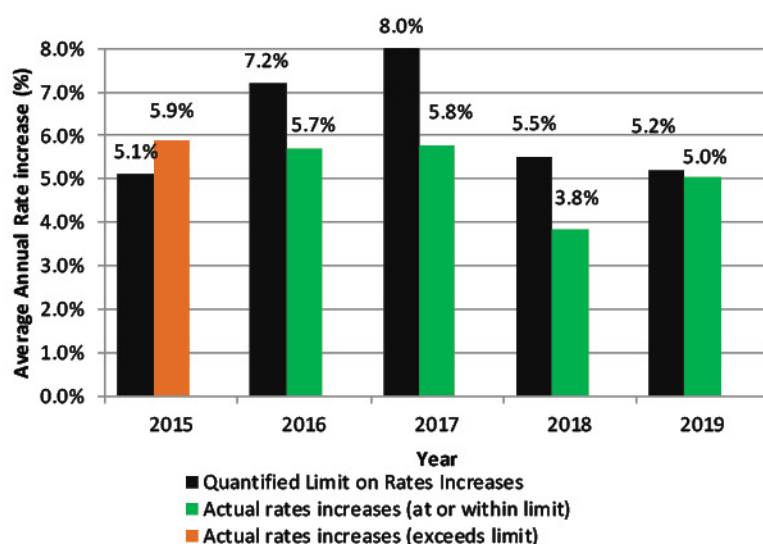
The Council is required to include this statement in its Annual Report in accordance with the Local Government (Financial Reporting Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### Rates (increases) affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's Long Term Plan. The quantified limit is the average rates increase per property and the limit for each year shown is sourced from the 2012-2022, 2015-2025 and 2018-2028 ten year plans.

#### 2015

The average increase was more than budgeted in 2015 as the actual rating units were less than what was forecasted.

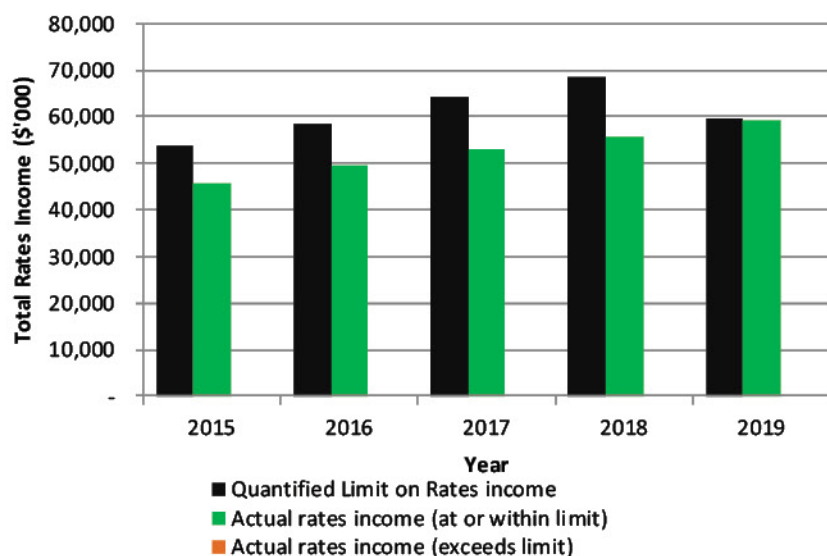




## Rates (income) affordability

The following graph compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy included in the Council's Long Term Plan. The quantified limit is the total rates income for the Council and the limit for each year shown is sourced from the 2012-2022, 2015-2025 and 2018-28 ten year plans.

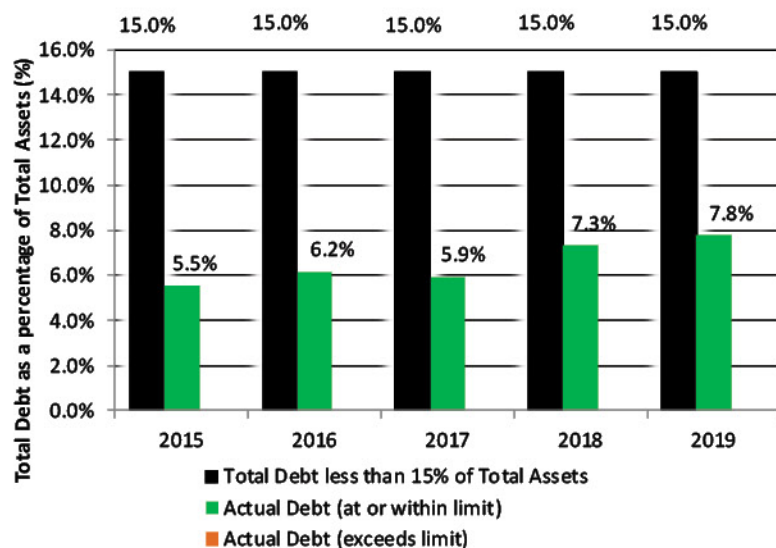
The rates income below excludes GST.



## Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long Term Plan.

The quantified limit for the following graph is total debt as a percentage of total assets will not exceed 15%. The limit shown was sourced from the 2012-2022, 2015-2025 and 2018-28 ten year plans.

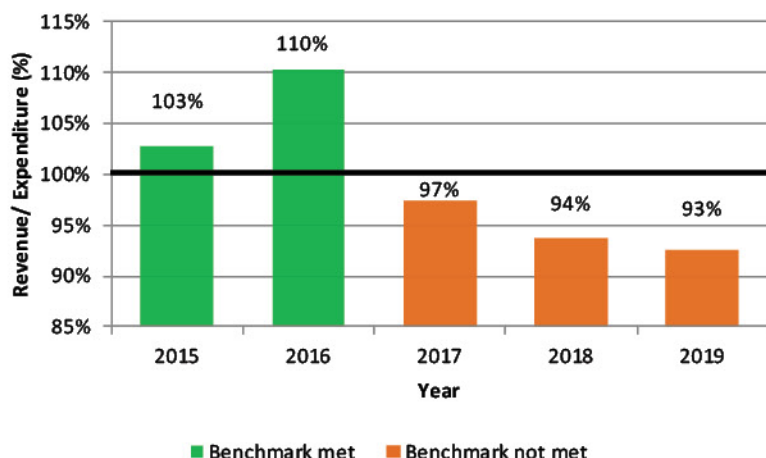




## Balanced budget benchmark

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

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



### 2016

Council's revenue exceeded its operating expenses in 2016 by 10% mainly due to insurance recoveries for earthquake works.

### 2017-2019

Council's operating expenses exceeded its revenue in 2017, 2018 and 2019. Council considered rate affordability by smoothing the rates increase caused by the earthquake events to outer years.

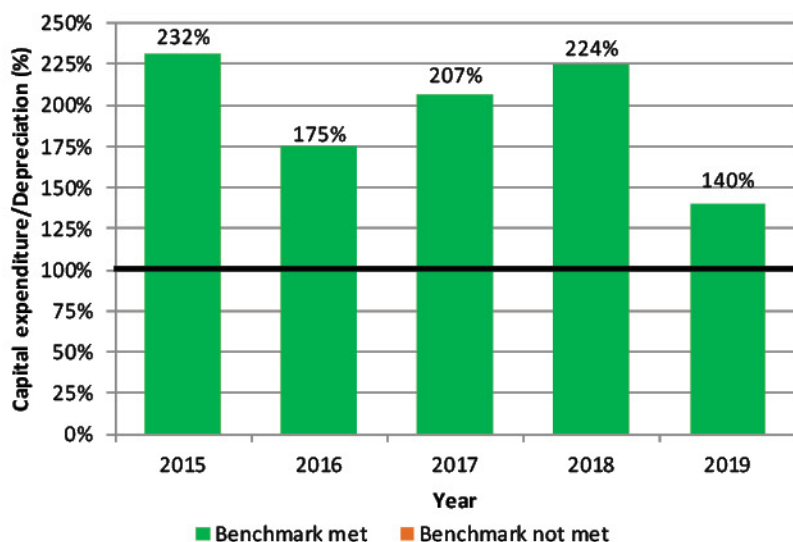
Also depreciation is not fully funded due to the depreciation fund able to be invested at a higher rate than inflation over the useful life of assets.

## Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

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

The Council expenditure on network services excludes earthquake repairs/replacements but includes new/growth works.

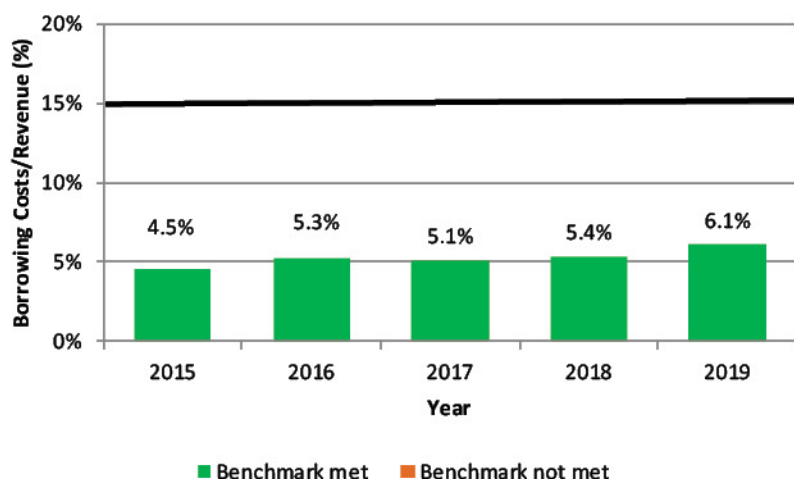




## Debt servicing benchmark A

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

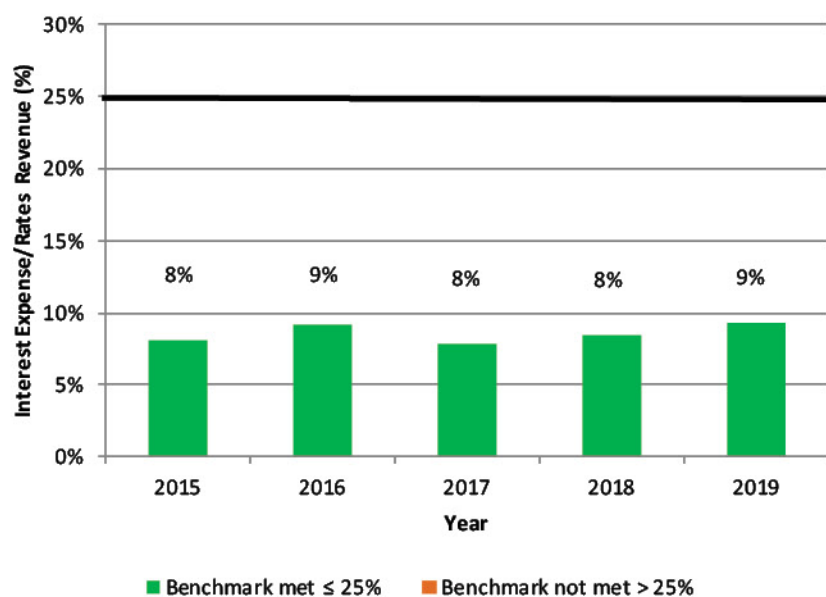
Because Statistics New Zealand projects the Council's population will grow as fast as, or faster than, the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



## Debt servicing benchmark B

The following graph compares Council's interest expense with the rates revenue and the limit was sourced from the 2012-2022, 2015-2025 and 2018-2028 ten year plans.

The Council meets this benchmark if interest expense as a proportion of rates revenue does not exceed 25%.

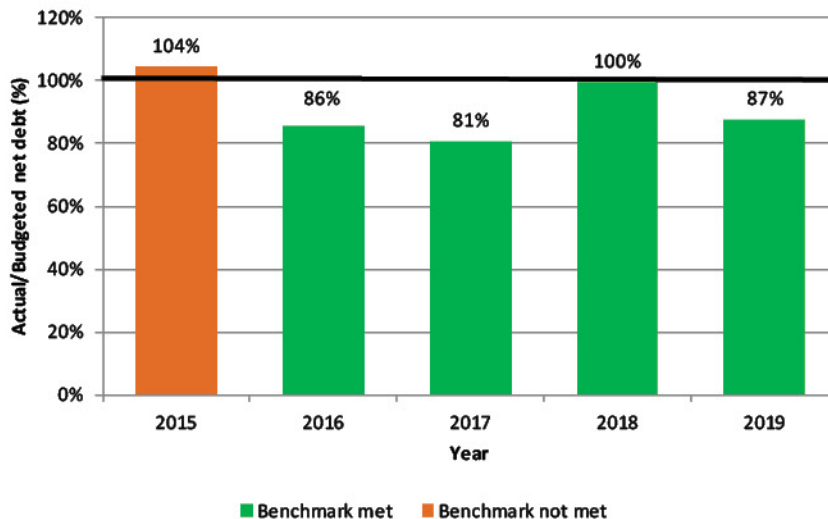




## Debt control benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

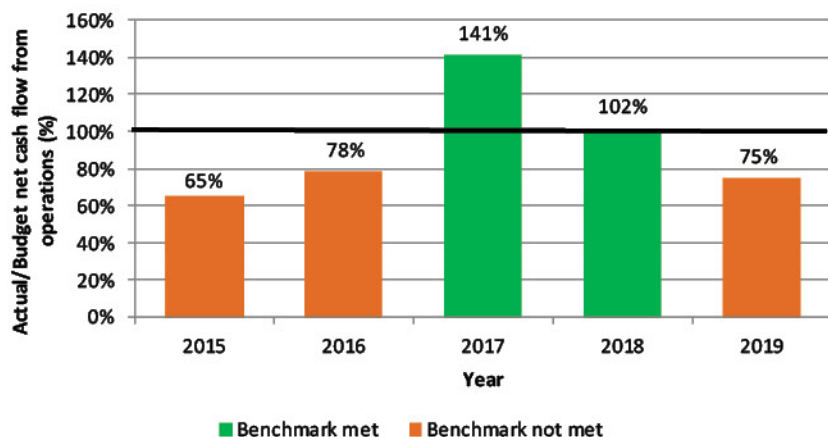
The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



## Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



### 2015

The benchmark was not met as delays in the Earthquake recovery programme reduced the cash received from Canterbury Earthquake Recovery Authority (CERA).

### 2016

Council received less NZTA subsidies compared to the budget due to delay of roading capital programme.

### 2017

Council received more development and other contributions compared to the budget due to subdivisions completed in Rangiora, Kaiapoi and Woodend.

### 2019

Council received less Earthquake recovery subsidies due to a change in Crown funding. Also contributing are Business Improvement projects which are being loan funded.



## Independent Auditor's Report

To the readers of Waimakariri District Council and group's summary of the annual report for the year ended 30 June 2019.

The summary of the annual report was derived from the annual report of the Waimakariri District Council (the District Council) and group for the year ended 30 June 2019.

The summary of the annual report comprises the following summary statements on pages 8 to 27:

- the summary statement of financial position as at 30 June 2019;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance.

### Opinion

#### In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS 43: Summary Financial Statements.

### Summary of the annual report

The summary of the annual report does not contain all the

disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

### The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2019 in our auditor's report dated 8 October 2019.

### Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43: Summary Financial Statements.

### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based

on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have performed a limited assurance engagement related to the District Council's debenture trust deed. This engagement is compatible with those independence requirements. Other than our audit, our report on the disclosure requirements and this engagement, we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.



**Dereck Ollsson,**  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
7 November 2019



MAKING  
**Waimakariri**  
A GREAT PLACE TO BE...





