

TASMAN DISTRICT COUNCIL
**SUMMARY
ANNUAL REPORT
2017**

making the right choices for Tasman's future



MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

We are proud to introduce the Tasman District Council's Annual Report for 2016/2017. Here are some of the significant events and highlights of the year.

Since our last annual report, we've had a significant change in the personnel around the Council table. As a result of the local body elections in October 2016, eight new councillors joined us and we have welcomed six new community board members. This degree of change is an opportunity to get some fresh eyes on what we do and helps establish fresh connections with our community.

Council's debt has been reduced and rate increase has been kept low. We ended the year with net external debt of \$122 million compared to the Annual Plan forecast of \$166 million. Our underlying operating surplus was \$12.9 million better than anticipated. These healthier than anticipated financial results have come about through operational savings, low inflation, low interest rates and not having any significant natural hazard events to respond to. Delays in our capital works programme have contributed to our lower borrowing.

Providing the necessary secure water supply to the communities in and around the Waimea Plain remains a significant issue for the District. We have made progress on the planning and partnerships required to make the Waimea Community Dam a realistic proposition. We realise this project is a controversial one for many residents, as well as for Council, but Council and its partners have worked to get the project to the point where delivering it is now a realistic possibility. Receiving confirmation of funding of \$7 million from the Fresh Water Improvement Fund and of an interest free loan from Crown Irrigation Investment Limited are significant contributions to making the project achievable. We will be consulting with our whole community once an equitable funding model and suitable governance arrangements have been developed.

The Kaikoura Earthquake in December 2016 was a timely reminder that natural hazards can strike at any place, any time. The Murchison and St Arnaud communities were affected by the additional traffic and we have worked with these communities to provide toilets, rubbish facilities, truck parking and lowering speed limits in response to this change.

It is great to see progress with some projects that have been gestating for a number of years such as the Golden Bay Shared Recreation Facility being built and the Nelson Tasman Regional Landfill Business Unit being formed. The renewal of Richmond's Queen Street is underway. This is a very large project for us to undertake and we particularly want to thank the businesses affected during the construction for their forbearance and patience.

As an organisation we have continued to be stretched by the increase in population and the effect that this has had on demand for land zoned for development and serviced with infrastructure. Building consents for dwellings rose by 26% in 2015/2016 and a further 3% in 2016/2017 to reach their highest level since 2004.

As this Annual Report shows, service performance across our core services has generally been maintained, although we are aware of some specific issues with infrastructure becoming unreliable, such as the water reticulation to Mapua.

The majority (75%) of the community are satisfied with the way rates are spent on services and facilities provided by Council. Whilst it is really encouraging to see this level of support, there are areas where we need to lift our performance



to meet the expectations of our residents such as Environmental planning and policy, water supply and stormwater services.

Looking forward to 2017/2018 we need to maintain our momentum and undertake the work necessary to develop the Long Term Plan (LTP) 2018-2028. There are a number of issues that we need to face up to in the next LTP and it provides an opportunity for our renewed team of councillors to put their mark on the organisation's priorities.

Finally, we would like to thank the community, councillors, community board members, staff, volunteers and contractors alike for your contributions throughout the year.

WHAT HAVE WE ACHIEVED FOR THE YEAR?

We plan for and look after a large network of facilities and infrastructure that service our communities. Some of the major achievements for the year include:

TRANSPORT

We have worked actively with the New Zealand Transport Agency to respond to the significant increase in traffic travelling through the District as a consequence of the Kaikoura/Hurunui Earthquake closing State Highway 1 in December 2016. Children's road safety has also continued to be a focus area with more 40km/hr zones being introduced around schools and a programme of stopping distance demonstrations has taken place.

The level of community satisfaction with Tasman's footpaths has increased slightly and the triennial footpath condition rating survey/assessment indicates that over 90% of our footpaths are maintained to an average or better condition. The general satisfaction with our roads, the proportion of travel undertaken on the sealed road network that meets the specified comfort levels, and the number of fatal and serious crashes, have remained about stable. Road safety remains an area where results are below our targets. Whilst the number of serious and fatal crashes on our road network reduced from 2015/2016, the overall trend over recent years is increasing.

Unsealed road maintenance has had some challenges particularly during prolonged wet weather, and the number of complaints we have received regarding the condition of unsealed roads has been growing since 2014. This in turn has created challenges in responsiveness and timeliness of repairs, as we have not had a corresponding increase in resources available for unsealed road maintenance. Ways we are addressing this challenge include the use of road metals that require less ongoing maintenance and targeting these to problem areas.

SOLID WASTE

Following an Amendment to the Long Term Plan 2015-2025 during 2016, preparations have been made for the transfer of landfill operations to the Nelson Tasman Regional Landfill Business Unit from 1 July 2017. This along with the formation of a joint committee were the final steps of a process started in the Joint Waste Management and Minimisation Plan in 2010 which was adopted by both Councils in April 2012.

In the meantime more waste was diverted from our landfills in 2016/2017 through recycling and greenwaste services. Greenwaste composting in Richmond has been provided as a private business, outside Council contracts, since February 2017. Whilst the amount of waste being redirected has increased, at the same time more waste per capita has been going to landfill. Receiving high quantities of contaminated soil from some specific development sites in the District was a significant contributing factor. Satisfaction of users is high for our kerbside rubbish and recycling collections, as well as our resource recycling centres.

WATER SUPPLY

In light of the Havelock North drinking water contamination issues, drinking water quality has been top of mind. 99.6% of our drinking water samples showed bacterial compliance with NZ Drinking Water Standards (Part 4) during the year. We treat water at Murchison, Tapawera, Upper Takaka and Richmond with UV for protozoal compliance. For some of Council's other supplies we still have work to do to make sure they reliably conform for all of the Drinking Water Standards with funding likely to be signalled in the Long Term Plan 2018-2028. 80% of residents who receive a reticulated water supply indicated that they were satisfied with the service in our annual survey.

We are still losing more water from some of our systems than our target however it is pleasing to see a reduction in the water loss in Richmond following a focus on leak detection and repair in that area. We are carrying out proactive leak detection in our various schemes, monitoring SCADA Zone flow information and weekly water readings to identify and resolve issues. The schemes are dynamic and there are always issues to be resolved.

Water quantity issues for communities in and around the Waimea Plain now and into the future have continued to require considerable focus. During 2016/2017 work related to the Waimea Community Dam has been focused on the funding and governance models, as well as obtaining land for the Dam and access to the construction site. We expect that we will be undertaking community consultation on the 'overall package' in late 2017/early 2018.

WASTEWATER

We've made significant progress on upgrading the Motueka wastewater treatment plant, spending a little over \$1.5 million in 2016/2017. There remains further work to be completed on wetland restoration, odour management and fine tuning treatment processes. Another important project that we've made head way on is replacing the Kaiteriteri to Motueka sewer main. The new, larger sewer is being laid over land rather than across Tapu Bay estuary to respond to cultural and environmental concerns.

SUMMARY ANNUAL REPORT 2017 – You can find a copy of the Annual Report on Council's website www.tasman.govt.nz

Satisfaction amongst residents who are connected to our wastewater systems remains at a high level (94%) and the level of complaints about odour, system faults, blockages and Council's response to them have been at a low level. There was a low level of wastewater overflows that did not occur as a result of a rain fall events, however, there were six wastewater overflows from our network into waterways where warning public health signs were erected.

COMMUNITY FACILITIES

We have completed the construction of the Golden Bay Community Recreation Facility in Takaka. This facility and its fit out were supported by \$1 million of funding raised by the Golden Bay Shared Recreation Committee. Its official opening was 4 March 2017. The facility's indoor sports court, squash court, toilets and changing rooms are receiving regular use from the local community, along with two new netball courts provided on the associated Golden Bay Recreation Park. Opening of the function room is awaiting resolution of the grandstand and car parking issues. The new facility is providing a much-needed venue for sport, recreation, community activities and events in Golden Bay.

We have made significant progress with the new cycle velodrome at Saxton Field. Earthworks for Stage 1 of the construction of the Saxton Field Velodrome track were completed in April 2017 with the underpass and fully accessible ramps that will provide access and entry to the facility and the centre of the track, also complete. Settlement of the embankment has taken place and the seal on the track is due to be undertaken in late 2017.

Satisfaction amongst the community for our recreation facilities has been consistently high for a number of years and 2016/2017 was no exception with 87% indicating their satisfaction. Whilst 76% of users were satisfied with public toilets, this is below the target we have set ourselves. A number of upgrades to public toilets were carried out in 2016/2017 with more planned for the forthcoming year.

STORMWATER

Work has commenced on the replacement of the ageing, cement based stormwater main along Queen Street in Richmond. At the same time the road is being lowered to better control flood waters. Extreme weather events, a rapid increase in population and evolving dynamics within the town have all increased the demands on this trunk stormwater pipe. Stage 1 (the area between Gladstone Road and Noel Leeming) reached the final road construction phase in June 2017 with street-top touches and planting being carried out in July 2017. Stage 2 (Noel Leeming to Cambridge Street) was well underway by the end of the 2016/2017 year.

There were no flood events during the year that resulted in habitable floors being flooded. 79% of customers were satisfied with the stormwater service through our annual survey, which is about the same as in 2015/2016 (80%). As noted on page 5 our programme of developing Catchment Management Plans for the Urban Drainage Areas has been delayed due to a focus on other priorities and the loss of skilled staff resources.

LIBRARIES

To allow for faster, more accurate and efficient processing of books and other items we introduced the Radio Frequency Identification Technology (RFID) at Richmond, Motueka and Takaka libraries. The installation of self-check kiosks in Richmond and Motueka libraries has provided users with the choice of issuing their own items. This option is proving popular for many with approximately 50% of items at these libraries being issued through the kiosks as at 30 June 2017.

During the past year our libraries delivered a total of 834 events and programmes with attendances totalling almost 16,000. Of significance Motueka Library celebrated 160 years of public library services in the town. Across the libraries network approximately 476,000 people visited our libraries and approximately 600,000 items were borrowed during the year - that's the equivalent of each Tasman District resident visiting the library 10 times and borrowing 12 items. Satisfaction with our libraries remain high, with 88% of users surveyed indicating they were satisfied or very satisfied.

HOW WE'RE TRACKING ON THE KEY ISSUES

1. ADDRESSING RATES AFFORDABILITY



In 2016/2017 rates income rose by 1% after growth, which was below the Financial Strategy limit of 3%. The Annual Plan 2017/2018 delivered a 0.63% rates income rise, well below the 2.16% forecast in the Long Term Plan (LTP) 2015 – 2025 for the 2017/2018 year.

We continued to work within the fiscal envelope set in the LTP 2015 – 2025, which imposed a limit on general rates of \$51 million per annum and targeted rates of \$46 million per annum. In 2016/2017 general rates were \$36 million and targeted rates were \$34 million.

2. MANAGING COUNCIL'S DEBT

Our net external debt for 2016/2017 was significantly lower than the \$200 million limit set in the Financial Strategy at \$122 million, and \$44 million less than forecast in the Annual Plan 2016/2017. Debt has been reduced by directing savings from operational budgets, favourable interest and borrowing conditions, a lower opening debt position than budgeted, delays to some large capital works, and higher than anticipated income due to things like higher population growth than forecast, and greater forestry income than planned. We've also received increased dividends which have been used to pay down debt.

As part of meeting our financial goals, we are progressively moving to funding depreciation i.e. fully funding the wearing out of assets over their lifetime.

A blue downward-pointing arrow icon. Inside the arrow, the text reads "\$44M LESS DEBT THAN FORECAST".

3. DEVELOPING RESILIENT COMMUNITIES

PART A: PROVIDING A SECURE WATER SUPPLY



Through the LTP 2015 – 2025, we committed to continue working on developing the Waimea Community Dam project to create a secure water supply for urban and rural users in and around the Waimea Plain. The LTP allocated \$25 million over the 10 years towards it. During the past financial year we spent approximately \$840,000 on progressing this project. During 2016/2017 the initial stages of procurement, involving early contractor engagement was carried out and processes to obtain land for the Dam were commenced. Significant progress has been made on funding especially with Crown Irrigation Investments Limited's (CIIL) proposed \$25 million loan to Waimea Irrigation Limited (WIL) and non-binding expressions of interest from irrigators to subscribe \$15 million of capital being obtained by WIL. An application was successfully made to the Government's

Fresh Water Improvement Fund (\$7m) and Nelson City Council discussed a \$5 million grant. Further work on funding, commercial terms and governance arrangements is ongoing ahead of community consultation on important parts of the package in late 2017/early 2018.

During 2016/2017 we have been considering the best options to improve water conservation. Our modelling for Richmond and Mapua show that losses from the water supply reticulation system are a significant factor. We have undertaken leak detection and repairs on about 130 leaky pipes in Richmond and another 35 in Mapua.

PART B: HAZARD PLANNING AND PROVISIONS TO RECOVER FROM DISASTER EVENTS

Progress on the Richmond Catchment Management Plan was slower than anticipated during 2016/2017 with work on improving the service and quality of stormwater discharges taking precedence. This was compounded by the required modelling taking longer than anticipated and the loss of key staff in this area. A new staff resource experienced in catchment management planning has been recruited and we aim to complete the Richmond and Motueka Stormwater Catchment Management Plans in 2017/2018.

In 2016/2017 we allocated \$600,000 towards our Disaster Recovery Fund. This fund was not used during the year due to favourable weather. Our target is to build the Disaster Recovery Fund up to \$6.5 million plus an adjustment for inflation.



MORE FOR
DISASTER
RECOVERY

4. RESPONDING TO POPULATION GROWTH

PART A: PROVIDING SUFFICIENT LAND AND SERVICES

Statistics NZ estimated Tasman District to have a normally resident population of 50,200 in 2016, and projects this to rise to 51,300 in 2018 under a 'medium growth' scenario or 52,400 under a 'high growth' scenario.



381
CONSENTS FOR DWELLINGS
403 NEW HOUSES

Growth is not occurring evenly across the District. The areas in and around Richmond, Brightwater, Wakefield, Mapua and Motueka are experiencing the highest levels of growth. Building consents for dwellings rose by 26% in 2015/2016 and a further 3% in 2016/2017 to reach their highest level since 2004. 381 building consents for new dwellings were issued in the year enabling 403 new houses to be built in the District (i.e. some building consents were issued for multiple dwellings). This level of growth impacts how we provide services, where they are provided and how we plan for the future. A review of Council's Growth Strategy has been carried out to inform the LTP 2018-2028. We have initiated a zone plan change in Wakefield to enable future growth to be accommodated and a further zoning plan change in Brightwater is nearing completion. We also progressed another change to the Tasman Resource Management

Plan aimed to increase the flexibility of use of rural land to better cater for co-operative and modern family living arrangements.

In May 2017 Council signed a new Housing Accord with the Minister of Building and Construction. Since then we have approved the creation of eight Special Housing Areas designed to speed up the supply of housing by providing fast track consenting. These Special Housing Areas are expected to provide 1200 new homes in the next 3-5 years.

We spent approximately \$32 million on capital works over the last year including local road improvements, the Queen Street Upgrade, Motueka Wastewater Treatment Plant upgrade, commencing the replacement of the Kaiteriteri sewer main, completing the Golden Bay Community Recreation Facility and stormwater improvements at Champion Road and in Richmond West. Further extensions of infrastructure are planned for Richmond South, Richmond West, Motueka and consolidation of development around the existing settlements of Mapua and Wakefield.



\$32m
SPENT ON NEW INFRASTRUCTURE AND FACILITIES

PART B: DEVELOPMENT CONTRIBUTIONS POLICY CHANGES

The Development Contributions Policy was amended through the LTP 2015 – 2025 to incorporate legislative changes and increase charges by 18% overall. Development contributions and reserve financial contributions for 2016/2017 provided \$5.1 million in income to Council. The list of projects that are funded by Development Contributions is included in the LTP 2015 – 2025. We have begun a process to review the Development Contributions Policy focusing on a multiple catchments approach for charging. The revised Development Contributions Policy will be consulted on as part of our next LTP 2018 – 2028.

5. MAXIMISING REGIONAL OPPORTUNITIES



JOINT LANDFILL OPERATIONS WITH NELSON CITY COUNCIL

Council is seeking to maximise regional opportunities and benefits from its investments to ensure efficient delivery of services through collaboration with Nelson City Council.

This year we agreed with Nelson City Council to form a joint committee to govern the two landfills in the Region (Eves Valley and York Valley landfills) together through the Nelson Tasman Regional Landfill Business Unit.

With Nelson City Council we have formed a new joint committee to oversee the development and management of Saxton Field. Both Councils own land that forms Saxton Field and have invested in facilities over a number of years. The Joint Committee has the delegated power to decide matters that are within the respective Councils' allocated budgets and will govern the marketing of the complex.

We have sought feedback from the public and industry stakeholders on a shared Land Development Manual with Nelson City Council that will set the same standards for development across both councils.

The work we have carried out with Nelson City Council and Marlborough District Council in developing a Digital Enablement Strategy was a significant contributing factor in the Government allocating funding to rollout ultrafast broadband to Takaka, Kaiteriteri, Motueka, Ruby Bay, Brightwater, Wakefield and Murchison between 2018 and 2023.

We remain committed to developing a strategic relationship framework and memorandums of understanding with each or all iwi in Te Tau Ihu (Top of the South). We have been in discussions with iwi including the Te Waka a Maui Chairs. In the

coming year we will be looking to progress the relationship with our iwi partners and in combination with Nelson City Council and Marlborough District Council to develop an aligned approach across Te Tau Ihu.

The National Policy Statement on Urban Development Capacity identified Nelson/Richmond as an urban area experiencing medium growth and requires that we plan to increase the supply of serviced land for development in this area. We have been working closely with Nelson City Council to accommodate the growth in demand for land for development to meet the new requirements. This recognises that Nelson, Stoke and Richmond is one contiguous property market.

While we haven't undertaken any specific review of existing funding of 'out of Tasman District' activities, we continue to ensure that any out of District funding spent does deliver outcomes for Tasman residents. No new out of District funding activities have been entered into during the year.

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TASMAN'S ENVIRONMENT

Looking after the environment is an important part of Council's role. We gather data and monitor the information collected to understand what is happening, as a foundation for our role in managing the environment. Just some of our activities aimed at ensuring our natural taonga is managed sustainably are listed below.

WORKING FOR SWIMMABLE WATER

Our work to implement the National Policy Statement for Freshwater has continued with projects and programmes across the District focused on maintaining and improving water quality and water management. Swimmability has continued to be a key topic for communities with beaches and rivers monitored for bathing having been shown to meet swimmability standards 98% of the time at sampling sites in dry weather throughout the bathing season. Our rivers and lakes are generally highly swimmable compared with most other regions in New Zealand. The improvement in swimmability at Tukurua Stream is particularly pleasing after several years of trying to find the sources of faecal contamination.

PUBLIC INPUT TO MANAGE TAKAKA'S PRECIOUS FRESHWATER RESOURCES

During the 2016/2017 year we have continued to work with and support the Takaka Freshwater and Land Advisory Group (Takaka FLAG). This group is made up of representatives from the Takaka community including iwi, who have been working for the past three years to come up with ways to manage and protect Takaka's precious freshwater resources. We sought feedback on the eight key values and management objectives identified by the Takaka FLAG during the year and the public feedback is being assessed. Recommendations from the Takaka FLAG to the Council are expected in late 2017.

IMPROVING THE PROTECTION OF OUTSTANDING NATURAL LANDSCAPES IN GOLDEN BAY.

We want to make sure Golden Bay's outstanding natural features and landscapes are preserved and protected for future generations. With the community's help, we have spent several years identifying the Bay's most precious places and reviewing the rules that govern the way they are managed and protected. During 2016/2017 we consulted on a draft set of locations in need of particular care, as well as rule changes for the Tasman Resource Management Plan to ensure their protection.

KEEPING AN EYE ON NITRATES IN WAIMEA

We completed a survey of the Waimea plain groundwater (131 sites) between mid-November and mid-December 2016 to monitor nitrate levels. The results show the historic higher levels are continuing to decline for much of the area. However, the findings indicate that nitrate levels appear to be increasing in some specific areas, especially in winter. We anticipate this increase may be due to the intensive land use in the area and further work is being undertaken to focus on the source of the nitrates and ways to reduce these levels.

ENGAGING OUR COMMUNITY ON WATERWAYS HEALTH

After a year in the making and with a huge volunteer effort, the first screening of our video 'Our Waters in Common' took place on 4 August 2016 in Richmond. The documentary video examines the benefits that our local rivers provide, the issues faced, and how we are working together with our communities and other agencies to improve them. The beauty and diversity of the District's rivers are shown as well as the stories of the many great people working to improve the health of our waterways. A road show screening the video and presenting information to increase awareness and engage with our communities on the key issues for local waterways was successfully carried out between August and November 2016. Over the past year we have been liaising with interested people about how to improve the freshwater in their catchments.

CONNECTING WITH YOU

Engaging with our communities is a core responsibility within our decision-making.

Discussing the issues the District is managing and facing, now and in the future, and the various responses open to the Council is an integral part of our planning. How we communicate and involve our residents in these discussions is a constant challenge with the ever-increasing number of digital and traditional channels open to everyone.

We utilise multiple approaches in an attempt to make current information available to as many people in our District as possible. Our website traffic has increased significantly (11%) in the last year and when asked 64% of our residents indicated that they mainly get their information about Council from our Newsline publication.

For some matters one on one communication is important. The primary methods we use for this type of interaction are telephone, email, mail and face to face contact through our customer service staff. 90% of residents that contacted us, either by phone, in person, in writing, or online were very or fairly satisfied. In most cases (82%) customer phone calls are resolved at the first point of contact. Increasingly we are spending more time in the community especially when opportunities arise through specific projects or initiatives.

Recent surveys indicate we are achieving some level of success with 80% of residents saying they are receiving enough or more than enough information from Council.

DO MORE ONLINE. FIND OUR RANGE OF ONLINE SERVICES AT WWW.TASMAN.GOVT.NZ

LEGAL STATEMENT

This Summary Annual Report has been extracted from the full Annual Report dated 30 June 2017 and covers the year from 1 July 2016 to 30 June 2017.

This Summary Annual Report and the full Annual Report were authorised for issue on **insert date** by the Corporate Services Manager, Chief Executive Officer and Mayor of the Council. **The Council's full Annual Report has been audited by Audit New Zealand and an unmodified opinion was issued on insert date.** This Summary report cannot be expected to provide as complete an understanding (of the financial and service performance, financial position and cashflows of the Council) as provided by the full Annual Report. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

The full and summary financial statements have been prepared in accordance with Tier 1 PBE accounting standards. The Summary Annual Report has been prepared with PBE FRS-43 Summary Financial Statements.

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

THE FULL ANNUAL REPORT CAN BE OBTAINED FROM THE COUNCIL'S WEBSITE, WWW.TASMAN.GOVT.NZ

OUR NON-FINANCIAL PERFORMANCE AT A GLANCE

We measure our non-financial performance each year using a core set of indicators that are set out in the Long Term Plan. The results present a high level view of our performance. More results on other aspects of performance, such as environmental and regulatory monitoring can be found in the public reports held on our website or by contacting Council.

We have 129 measures that we report on through the Annual Report and within these measures there are 141 targets. We've either achieved or substantially achieved (i.e. within 5 percent) a high proportion of our targets. Full details on all the performance indicators are included in Part 4 of the Annual Report.

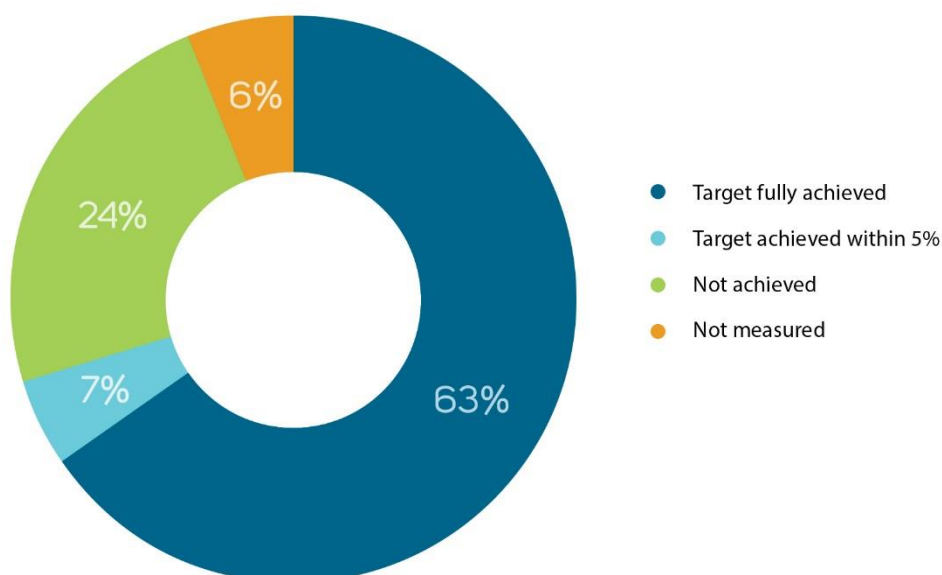
We achieved 85 of our targets fully, 9 were achieved within 5% of the target, 33 were not achieved, and there were 14 that we either did not have the full information available to report on or they were not measured this year.

As this is the second year of the Long Term Plan 2015-2025 we are able to provide meaningful comparisons with last year's results. The comparable results for 2015/2016 were 92 targets fully achieved, 18 targets achieved within 5% of the target, 17 not achieved, and there were 14 that we either did not have the full information available to report on or they were not measured

It should be noted that although we did not achieve all of our targets, we have purposely set some of these at a high level to ensure we continue to improve our performance. 14 of these targets can be considered to be 'stretch targets' for us to aim for in the future. It is difficult to identify a central contributing factor that affected our performance against the targets we failed to achieve this year. These areas of activity are widely dispersed across the organisation with specific causal factors in each case, rather than a common theme. The lack of staff resources in our Property Team, some examples of deferred maintenance and growth related infrastructure capacity pressures have contributed to our lower achievement level. In other cases significant infrastructure upgrades (which are in our forward programme) are required before the targets can be achieved.

Details of our performance against all our targets is provided in the Annual Report section 4: Financial and Non- Financial Performance of this report.

Performance measure target achievement for Council activities 2016/2017



Note: Targets that were not due to be measured in 2016/2017 have been excluded from the percentages in this chart.

FINANCIAL POSITION AND STATEMENTS

COUNCIL RAN AND CONTINUES TO RUN A BALANCED BUDGET.

- Council has \$1.55 billion worth of assets. This is an increase of \$76.5 million from last year.
- Council holds \$126 million of net external public debt, down from the \$133 million reported in 2015/2016.

SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2017

June 16 Actual \$(000's)	Summary Statement of Comprehensive Revenue and Expense For the Year ended 30 June 2017	June 17 Actual \$(000's)	June 17 Budget \$(000's)	% of Budget
118,176	Total Operating Income	122,475	111,602	110%
2,239	Share of Associates	7,520	-	-
(267)	Share of Joint Ventures (net)	(363)	1,166	-31%
(95,473)	Total Expenditure (excluding finance expense)	(89,706)	(96,534)	93%
(7,941)	Finance Expense	(7,060)	(9,409)	75%
16,734	Surplus before Taxation	32,866	6,825	482%
(860)	Tax expense	-	-	-
15,874	Net Surplus	32,866	6,825	482%
	Other comprehensive Income			
33,630	Gain/(loss) on asset revaluations	45,211	-	-
860	Deferred tax on asset revaluations	-	-	-
-	Reversal of Asset Impairment	340	-	-
1,055	Movement in NZLG shares value	820	-	-
-	Other OCI adjustments	(215)	-	-
(276)	Other Comprehensive Income - Associates	9,468	-	-
35,269	Total other comprehensive Income	55,624	0	-
51,143	Total comprehensive Income	88,490	6,825	1297%

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

June 16 Actual \$(000's)	Summary Statement of Changes in Equity For the Year ended 30 June 2017	June 17 Actual \$(000's)	June 17 Budget \$(000's)
1,256,372	Equity at the start of the year	1,307,515	1,305,832
51,143	Total comprehensive income	88,490	6,825
1,307,515	Equity at the end of the year	1,396,005	1,312,657

	Accumulated Equity \$(000's)	Restricted Reserves \$(000's)	Revaluation Reserve \$(000's)	Total \$(000's)
Opening Balance	554,438	17,447	735,630	1,307,515
Surplus	32,866	-	-	32,866
Gain on asset revaluations	-	-	55,529	55,529
All other comprehensive income	95	-	-	95
Net Transfers between reserves	(653)	653	-	-
Closing Balance	586,746	18,100	791,159	1,396,005

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

June 16 Actual \$(000's)	Summary Statement of Financial Position As at 30 June 2017	June 17 Actual \$(000's)	June 17 Budget \$(000's)
18,787	CURRENT ASSETS	18,619	24,578
(14,065)	CURRENT LIABILITIES	(31,980)	(35,459)
4,722	WORKING CAPITAL	(13,361)	(10,881)
1,455,937	NON CURRENT ASSETS	1,532,270	1,492,502
(153,144)	NON CURRENT LIABILITIES	(122,904)	(168,964)
1,307,515	TOTAL NET ASSETS	1,396,005	1,312,657
1,307,515	TOTAL EQUITY	1,396,005	1,312,657

SUMMARY STATEMENT OF CASHFLOW FOR THE YEAR ENDING 30 JUNE 2017

June 16 Actual \$(000's)	Summary Statement of Cashflows For the Year ended 30 June 2017	June 17 Actual \$(000's)	June 17 Budget \$(000's)
38,201	Net Cashflow From Operating	37,880	27,809
(26,180)	Net Cashflow From Investing	(32,080)	(35,799)
(12,002)	Net Cashflow From Financing	(6,778)	6,189
19	Total Net Cashflows	(978)	(1,801)
3,202	Opening Cash Held	3,221	9,165
3,221	Closing Cash Balance	2,243	7,364

Note: In the Annual Plan 2016/17 Council consulted on and adopted a proposal for a joint venture landfill model with Nelson City Council (NCC), with each council having a 50% share and TDC paying NCC \$4.2 million on 1 July 2017 reflecting the higher value of the York Valley landfill compared to Eves Valley. The regional landfill will be managed based on the Terms of Reference for the Nelson Tasman Regional Landfill Business Unit as a Joint Committee of Tasman District and Nelson City Councils.

INCOME AND EXPENDITURE

INCOME \$132.6 million

KEY INCOME FROM:

- Rates
- Development contributions
- Subsidies and grants
- Vested assets
- Other fees and charges
- Gains on revaluation of assets
- Dividends



INCOME

EXPENDITURE \$99.7 million

KEY EXPENSES WERE:

- Operating costs
- Finance costs (interest on loans)
- Depreciation
- Staff costs



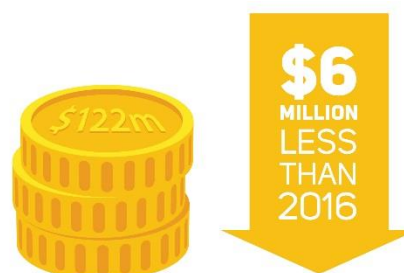
EXPENDITURE

Council's total accounting surplus was \$32.9 million, which included capital income, revaluations and non-cash items.

NET ASSETS AND NET DEBT



TOTAL NET ASSETS



NET EXTERNAL DEBT

Net assets and net external debt have varied from the Annual Plan 2016/2017 due to such things as forestry income and forestry revaluations \$4 million higher than anticipated; finance costs being down \$2 million; share of associates' surpluses \$7.5 million due to better results than expected and depreciation costs down \$2 million.

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Insert audit report.

DRAFT