

AGENDA:

Meeting of the
FINANCE & AUDIT COMMITTEE

Wednesday 13 July 2016
commencing at 5:00pm

at:

Upstairs Meeting Room
Brougham House, Westport

Finance & Audit Committee Members:

- His Worship the Mayor Garry Howard
- Cr S Roche (Chair)
- Cr R Nahr
- Cr P Rutherford
- Cr L Brooks

Terms of Reference

Finance & Audit Committee

PURPOSE:

The Finance and Audit Committee will monitor and assess the following:

- The correct level of service is being delivered within the approved financial parameters.
- Capital projects are progressing to the agreed timelines and to budget.
- External financial funding is on track to be received within the budgeted financial year.
- Council's level of borrowing is financially sustainable and intergenerational equity requirements are achieved.
- Council's investments are growing as predicted and invested as per Treasury Management policy and that all breaches of policy are reported and approved by Council.
- Rates are being collected and that debt recovery is under control.
- Monitoring of Council's fiscal prudence indicators.
- Both external and internal audit requirements are met.

DELEGATED POWERS:

The Finance and Audit Committee has authority to undertake the following functions and to make recommendations to Council as required:

Financial and Performance Monitoring

- Monitoring financial performance to budgets.
- Monitoring service level performance to key performance indicators.
- Monitoring of Council's CCTO through review of their Quarterly Reports, Annual Reports and Annual Statements of Intent.
- Annual Reports and Annual Statements of Intent
- Monitoring of Rates and General Debt collection.

Council Grants

- Monitoring of Tourism and Promotion Council grants greater than \$10,000 per annum.

External Reporting and Accountability

- Enquire of external auditors for any information that affects the quality and clarity of the Council's financial statements, and assess whether appropriate action has been taken by management.
- Satisfy itself that the financial statements are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal control (i.e. letters of representation), and recommend signing of the financial statements by the Chief Executive and Mayor and adoption by Council.

External Audit

- Confirm the terms of the appointment and engagement, including the nature and scope of the audit, timetable and fees, with the external auditor.
- Receive the external audit report(s) and review action to be taken by management on significant issues and audit recommendations raised
- Enquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risks. Internal Audit
- Review the internal audit coverage and annual work plans.

FREQUENCY OF MEETINGS:

Monthly

REPORTING TO:

Council

REPORTING TIMELINE:

Quarterly to Council, monthly dashboard report.

MEMBERSHIP: Chair: - Sharon Roche

Members: - Garry Howard
- Lynn Brooks
- Robyn Nahr
- Phil Rutherford

FINANCE & AUDIT COMMITTEE MEETING
FOR THE MEETING OF 13 JULY 2016
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**BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016**

Report for Agenda Item No 1

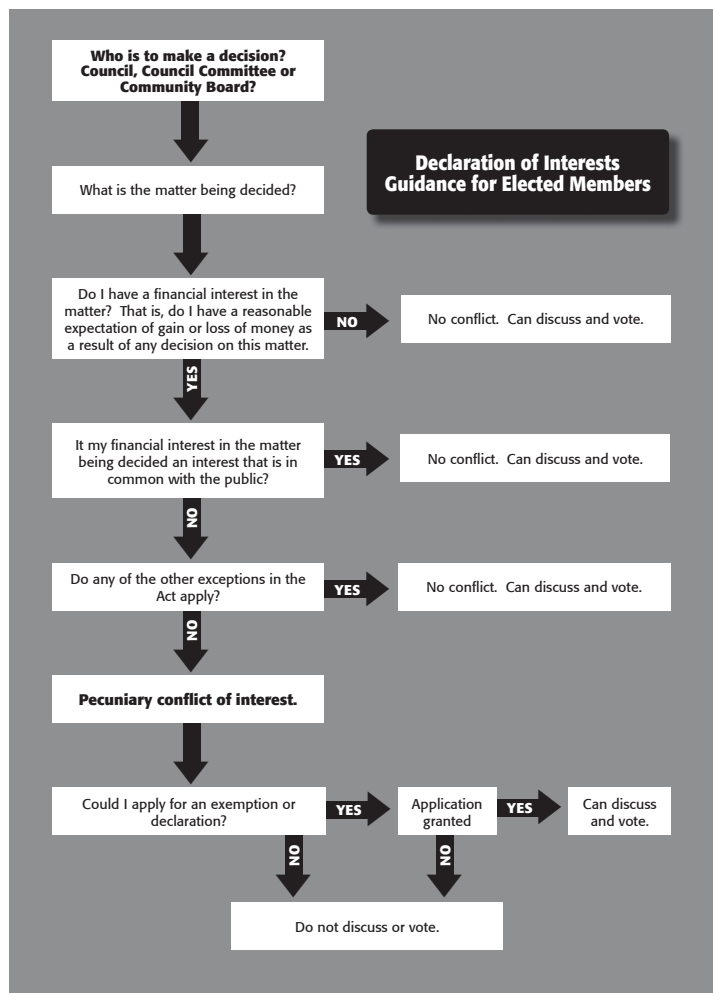
Prepared by - Dean Phibbs
- Manager Corporate Services

MEMBERS INTEREST

Councillors are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

Councillors are encouraged to advise the Personal Assistant, Corporate Services, of any changes required to their declared Members Interest Register.

The follow flowchart may assist Councillors in making that determination (Appendix A from Code of Conduct).



DRAFT RECOMMENDATION

That Councillors disclose any financial or non-financial interest in any of the agenda items.

**BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016**

Report for Agenda Item No 2

**Prepared by - Dean Phibbs
- Manager Corporate Services**

CONFIRMATION OF MINUTES

Minutes of the meeting held 15 June 2016.

DRAFT RECOMMENDATION

That the minutes from the meeting held 15 June 2016 are confirmed.

MEETING OF THE BULLER DISTRICT COUNCIL FINANCE AND AUDIT COMMITTEE, COMMENCED AT 7:00pm ON 15 JUNE 2016 AT THE CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT

PRESENT:

Councillor's S Roche (Chair), P Rutherford and R Nahr.

IN ATTENDANCE:

Operational Accountant (W Thompson) and PA Corporate Services (MS Wilson).

APOLOGIES:

Apologies were received from Mayor G Howard and Councillor L Brooks.

**P Rutherford/R Nahr
CARRIED UNANIMOUSLY**

1. MEMBER'S INTEREST

No members interests were declared.

2. MINUTES

RESOLVED that the minutes of the 11 May 2016 meeting be accepted.

**P Rutherford/R Nahr
CARRIED UNANIMOUSLY**

3. ACTION POINTS

- 96. Completed
- 105. Completed
- 110. Change date to July 2016
- 111. Change date to July 2016

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

4. FINANCIAL PERFORMANCE

AP: Clarify \$65,000 (LTSA) with Financial Accountant (Cr S Roche).

AP: Clarify \$32,000 (Kitson Construction) with Financial Accountant (Cr S Roche)

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

5. INVESTMENTS AND BORROWINGS

AP: Clarify \$1m further (other – source of funds) with Financial Accountant (Cr S Roche).

RESOLVED that the report be received for information and discussion.

**S Roche/P Rutherford
CARRIED UNANIMOUSLY**

6. COALTOWN RENTAL ACCOUNT

RESOLVED that the report be received for information and discussion.

**S Roche/P Rutherford
CARRIED UNANIMOUSLY**

The following options were discussed:

- (1) Write the debt off; or
- (2) Carry the debt over; or
- (3) Pursue the debt.

RESOLVED the Finance and Audit Committee recommend writing the debt off, to be brought before full Council for final decision.

**S Roche/P Rutherford
CARRIED UNANIMOUSLY**

7. DRAFT 2015/2016 ANNUAL REPORT TIMETABLE

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

8. SIGNIFICANT PROJECTS REPORT

AP: Check Peel Street Depot Land (page 23) has been listed as an Action Point for full Council (Cr S Roche).

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

9. DRAFT STATEMENTS OF INTENT

RESOLVED that the:

- (a) Draft Statements of Intent be received for information and discussion.
- (b) Finance and Audit Committee recommends the Draft Statements of Intent are accepted by Council.

**S Roche/P Rutherford
CARRIED UNANIMOUSLY**

10. DEBT RECOVERY

AP: Clarify the Resource Management debt with Team Leader Planning (Operational Accountant).

AP: Clarify Efanjay funding with Coaltown/Mayor Howard (Cr S Roche).

RESOLVED that the report be received for information and discussion.

**S Roche/P Rutherford
CARRIED UNANIMOUSLY**

11. AUDIT MANAGEMENT REPORT: Action Points

RESOLVED that the report be received for information and discussion.

**P Rutherford/R Nahr
CARRIED UNANIMOUSLY**

FINANCE WORK PLAN

As reported.

There being no further business the meeting concluded at 8:06pm

NEXT MEETING: Wednesday 13 July 2016 at 5:00pm

Confirmed:**Date:**

Name:

**BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016**

Report for Agenda Item No 3

**Prepared by - Dean Phibbs
- Manager Corporate Services**

ACTION POINT LIST

DRAFT RECOMMENDATION

That the report be received for information.

FINANCE & AUDIT COMMITTEE: CURRENT ACTION POINTS

No.	Meeting of:	Action Point	Responsible?	Progress:	Date required by:	Completed
103	17 Feb 2016	Internal Audit - Shared Services: to be discussed with other West Coast Council's	Garry Howard Wendy Thompson	Continue working with other Council's. To be in place by 1 July 2017.	November 2016	
110	13 Apr 2016	Significant Projects Report: work with senior management team about continuing the work completed to-date by further populating the report.	Wendy Thompson	Progress to a dashboard-style report, which will be reported to full Council.	July 2016	
111	11 May 2016	Leases and Licences to Occupy: discuss workload and resources required to have this brought up to date.	Garry Howard Steve Griffin Rick Barry		July 2016	
112	15 June 2016	LTSA Income: clarify \$65,000 (Financial Report) with Financial Accountant.	Sharon Roche		July 2016	
113	15 June 2016	Kitson Construction: seek further clarification on explanation of \$32,000 expenditure with Financial Accountant.	Sharon Roche		July 2016	
114	15 June 2016	Investments & Borrowings: seek further clarification of \$1m (other – source of funds) with Financial Accountant.	Sharon Roche		July 2016	
115	15 June 2016	Significant Projects Report: ensure the Peel Street Depot (page 23 F&A Agenda) has been listed as an Action Point for full Council.	Sharon Roche		July 2016	
117	15 June 2016	Debt Recovery: clarify the Resource Management debt with Team Leader Planning.	Wendy Thompson		July 2016	
118	15 June 2016	Debt Recovery: clarify Efanjay funding with Coaltown/Mayor Howard.	Sharon Roche		July 2016	

BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016

Report for Agenda Item No 4

Prepared by - Dean Phibbs
- Manager Corporate Services

FINANCIAL PERFORMANCE - MAY 2016

1. PURPOSE OF THE REPORT

To provide the Council with a financial performance update on the operational results to 31 May 2016.

2. OPERATIONAL PERFORMANCE REPORT - Summary of Results May 2016

	Actual YTD	Budget YTD	Projected Full Year	Budget Full Year	Projected variance full year
Income	\$19,765,000	\$20,134,000	\$21,956,000	\$22,230,000	(\$274,000)
Expenditure	\$19,698,000	\$20,190,000	\$22,612,000	\$22,923,000	\$311,000
					\$37,000

3. DASHBOARD

Activity	Financial Operational Performance Indicators		Comment
	Revenue	Expenditure	
Democracy	●	●	Additional unbudgeted income \$28,000.
Property Amenities & Reserves	●	●	Savings in a range of expenses.
Community Services	●	●	Interest costs for SEC lower.
Regulatory	●	●	Lower income in building and planning to date – predicting year end \$228,000 income deficit offset by \$211,000 savings in expenses.
Roading	●	●	Delay in receipt of petrol tax proceeds.
Solid Waste	●	●	
Support	●	●	
Wastewater	●	●	
Water	●	●	
Airport	●	●	Emergency repairs to south end of seawall \$60,000.

DRAFT RECOMMENDATION

That this report be received for information and discussion.

Operational Financial Report for the period endin 31 May 2016

	Year to Date										Note	Temporary or Permanent Variance	Explanation of Variances of 10% or greater	
	Actual	Budget	Variance to May	U/F	Full Year Prediction	Annual Budget	Variance Full Year Prediction	U/F	Year to Date					
									U	F				
Income														
Community Services	427,640	429,975	(2,335)	U	465,700	479,700	(14,000)	U						
Democracy	217,720	188,837	28,883	F	234,004	206,004	28,000	F						\$28,000 unbudgeted share of Harbour lease.
Tourism & Promotion	0	0	0	0	0	0	0	0						
Water Supply	2,450,683	2,421,685	28,998	F	2,439,758	2,439,758	0							
Airport	209,316	178,786	30,530	F	210,312	190,312	20,000	F						More flights than budgeted.
Amenities & Reserves	641,225	657,063	(15,838)	U	716,796	716,796	0							
Roading & Urban Development	2,902,040	3,128,766	(226,726)	U	3,516,471	3,516,471	0							Delay in receiving petrol tax proceeds from government \$65,000 plus Roading programme temporary variations.
Environmental Services	743,777	965,746	(221,969)	U	811,628	1,039,628	(228,000)	U						Building & Planning activity low.
Solid Waste	796,259	786,881	9,378	F	796,952	796,952	0							
Support Services	1,970	1,375	595	F	1,500	1,500	0							
Council (General Rates & Investments)	8,989,640	8,970,284	19,356	F	10,356,267	10,436,267	(80,000)	U						Lower interest rates impacting on loans and investments.
Wastewater	2,384,789	2,404,277	(19,488)	U	2,406,844	2,406,844	0							
Total Income	19,765,059	20,133,675	(368,616)	U	21,956,232	22,230,232	(274,000)	U						
Expenditure														
Community Services	3,020,213	3,126,102	105,889	F	3,571,291	3,671,291	100,000	F						Interest savings LGFA, insurance and R&M savings.
Democracy	485,603	424,083	(61,520)	U	492,636	462,636	(30,000)	U						Mayor PA and legal costs.
Tourism & Promotion	379,519	405,348	25,829	F	413,328	413,328	0							
Water Supply	1,646,154	1,644,964	(1,190)	U	2,086,500	2,086,500	0							
Airport	340,595	270,671	(69,924)	U	353,332	293,332	(60,000)	U						unbudgeted \$60k repairs to seawall.
Amenities & Reserves	1,818,386	1,963,143	144,757	F	2,124,431	2,174,431	50,000	F						Savings to date in a range of costs including insurance \$21,000 and R&M to date.
Roading & Urban Development	4,930,228	4,963,899	33,671	F	5,467,153	5,467,153	0							Roading programme temporary variations
Environmental Services	1,206,042	1,408,450	202,408	F	1,251,970	1,462,970	211,000	F						Savings in building and planning costs including staffing.
Solid Waste	829,677	890,794	61,117	F	1,030,054	1,030,054	0							Savings to date in a range of costs.
Support Services	3,008,154	3,065,191	57,037	F	3,355,647	3,395,647	40,000	F						Savings in a large range of cost centres including \$46,000 salaries \$130,000 depreciation, offset by CEO retirement contract payment.
Wastewater	2,033,680	2,027,327	(6,353)	U	2,465,654	2,465,654	0							\$86,000 R&M Reefion sewer, \$36,000 (brick arch) Stormwater, \$50,000 (Cobden Street & drain cleaning) offset by insurance, power savings.
Total Expenditure	19,698,251	20,189,972	491,721	F	22,611,996	22,922,996	311,000	F						
Net Variance			123,105	F		37,000	F							

**BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016**

Report for Agenda Item No 5

**Prepared by - Dean Phibbs
- Manager Corporate Services**

INVESTMENTS AND BORROWINGS – JUNE 2016

1. PURPOSE OF REPORT

Attached is Councils summary borrowings and investment report for the month ended June 2016.

2. INVESTMENTS

Investments have decreased by \$0.7m in total from the May investment report. This is mainly due to the net effect of the monthly creditor payment obligations.

3. INTEREST REVENUE

Provisional interest revenue to the end of June 2016 is \$1.3m in interest revenue versus a budget of \$1.4m. Although there are a number of end of year entries to be actioned, it is likely that the budget will not be met due to less interest from BHL and WHL, which is calculated on the 90 day bill rate. The 90 day bill rate has fallen over 1% since 30 June 2015. In addition internal loan interest revenue is slightly down on budget due to deferral of some projects.

4. BORROWINGS AND NET DEBT POSITION

Total borrowings are stable at \$23.6m. As highlighted in previous reports, we completed transition of \$20m of our debt facility to LGFA in November lower interest expenses are now evident in some Council activities.

Net debt (borrowings less term investments) has increased to \$7.8m from \$7.1m in May due to the movement in investments commented on above.

DRAFT RECOMMENDATION

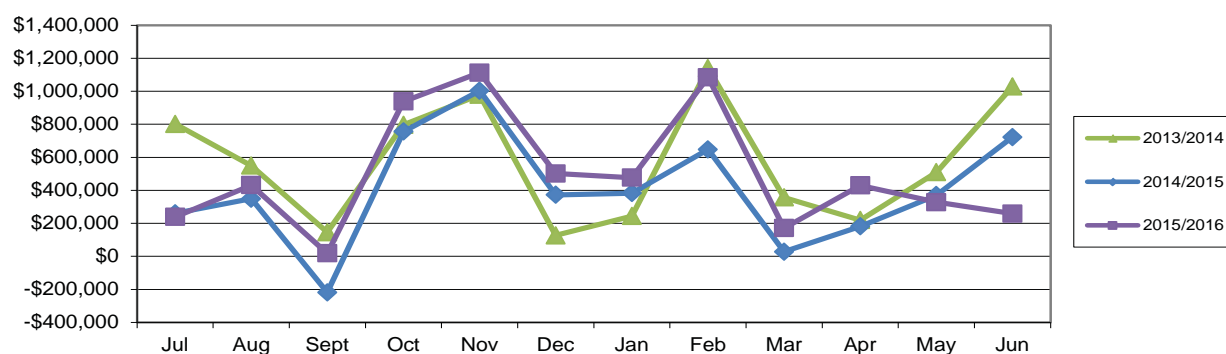
That the report be received for information and discussion purposes.

INVESTMENTS AND BORROWINGS REPORT

1. BANK BALANCE

	This Month 30 Jun-16	Last Month 31 May-16	Last Year 30 Jun-15
Council	\$258,418	\$328,321	\$1,028,090

2. MONTH END BANK BALANCE



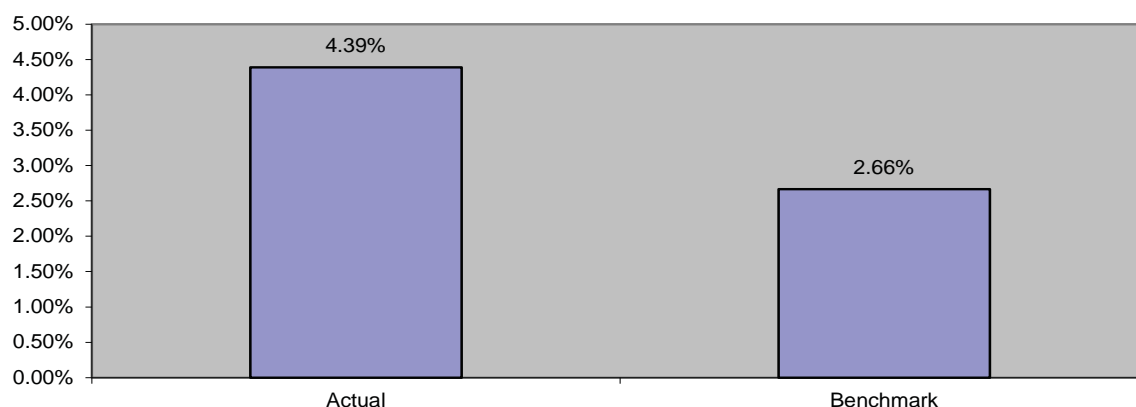
3. SUMMARY OF INVESTMENTS

	This Month 30 Jun-16	Last Month 31 May-16	Last Year 30 Jun-15
Term Deposits	15,783,518	16,483,518	13,283,518
Other Loans (includes loan to Holding Company)	2,494,843	2,494,843	2,574,425
Total Investments	\$18,278,361	\$18,978,361	\$15,857,943

4. SOURCE OF FUNDS

	This Month 30 Jun-16	Last Month 31 May-16	Last Year 30 Jun-15
Other	1,000,000	1,000,000	0
West Coast Package (Govt subsidy for halt to logging)	2,429,551	2,429,551	2,429,551
Harbour (profit from past harbour operations)	1,979,092	1,979,092	1,979,092
Freeholding Proceeds (sale of leasehold land)	2,840,838	2,840,838	2,840,838
Capital Sponsorship (deposits from V2010 sponsors)	5,034,038	5,034,038	4,034,038
Short Term Funds (rates income plus tds held pending debt reduction)	2,500,000	3,200,000	2,000,000
	\$15,783,518	\$16,483,519	\$13,283,518

5. INVESTMENTS PORTFOLIO PERFORMANCE (12 Month Average)



6. INTEREST REVENUE

	Actual YTD	Budget YTD	Budget Full Year
Interest Revenue	\$1,298,895	\$1,409,095	\$1,409,095

7. COMPLIANCE WITH INVESTMENT POLICY

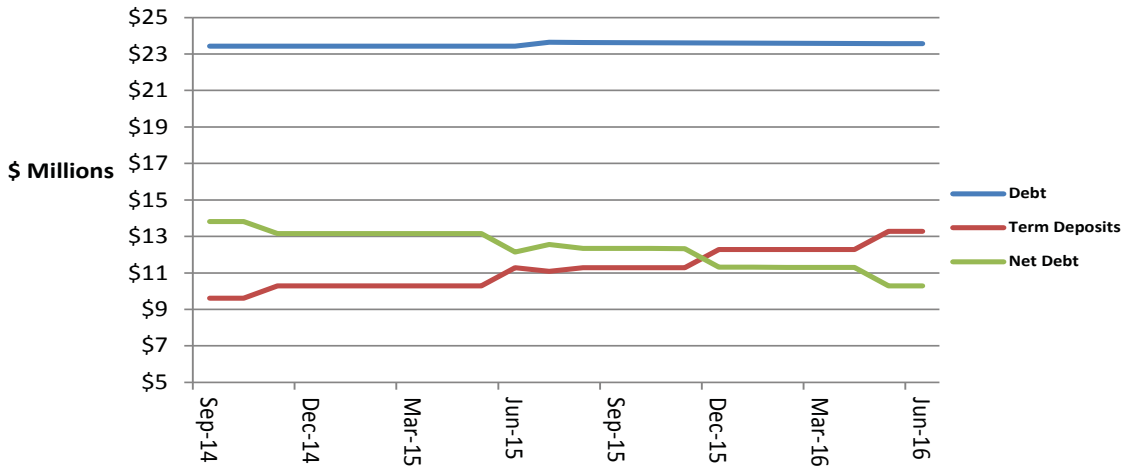
All term deposits are held with New Zealand Registered banks with no more than \$10 million with any one institution. The terms and maturity dates of investments are spread to minimise Council's exposure to interest rate fluctuations while still aiming to optimise interest earned.

Council has approved the investment in NBS which sees us in breach of the Treasury Management Policy. This breach will continue as investments mature and are rolled over.

8. SUMMARY OF BORROWINGS

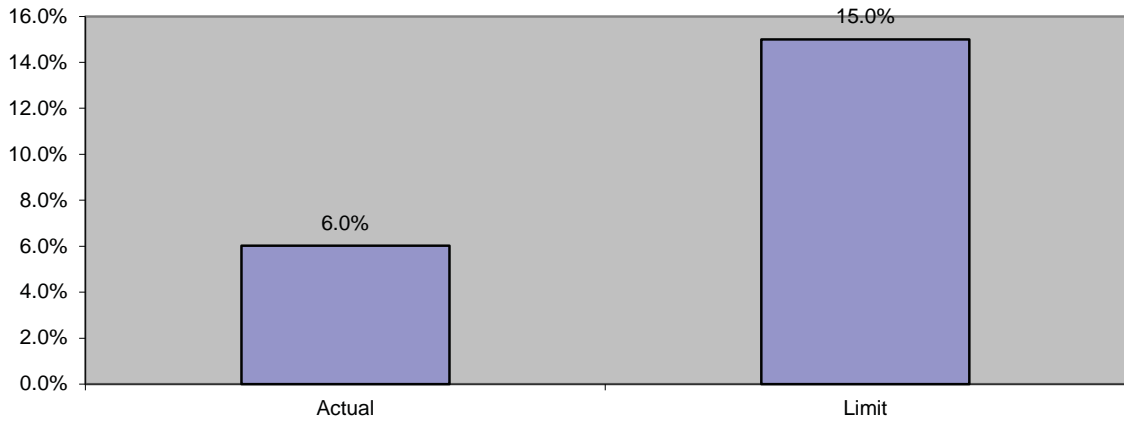
	This Month 30 Jun-16	Last Month 31 May-16	Last Year 30 Jun-15
External Debt:			
Westpac Loan Facility	3,433,860	3,433,860	23,433,860
LGFA Loan Facility	20,000,000	20,000,000	0
EECA Loan	130,983	130,983	210,565
	\$23,564,843	\$23,564,843	\$23,644,425
Weighted Average Interest Cost	5.72%	5.72%	5.72%
Net Debt:			
Total Borrowings	23,564,843	23,564,843	23,644,425
Less: Term Deposits	15,783,518	16,483,518	13,283,518
	\$7,781,325	\$7,081,325	\$10,150,342

9. DEBT AND INVESTMENTS 3-YEAR TREND

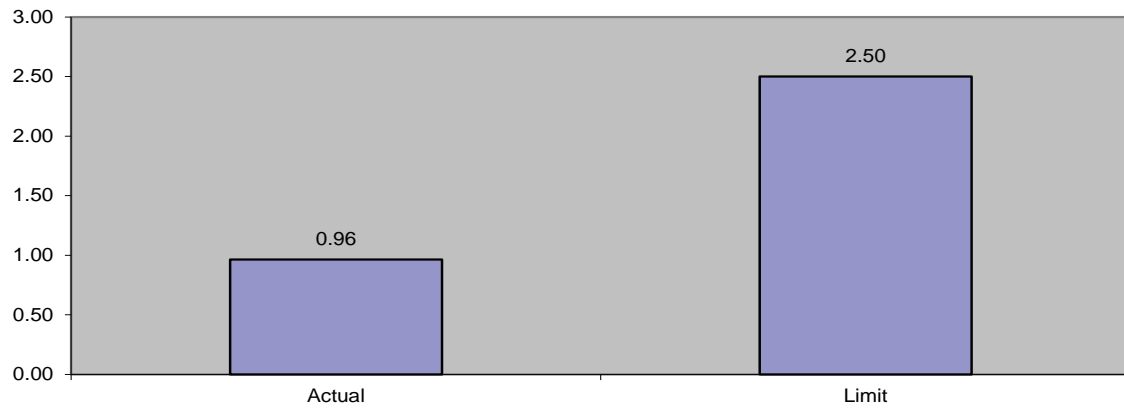


10. COMPLIANCE WITH TREASURY POLICY

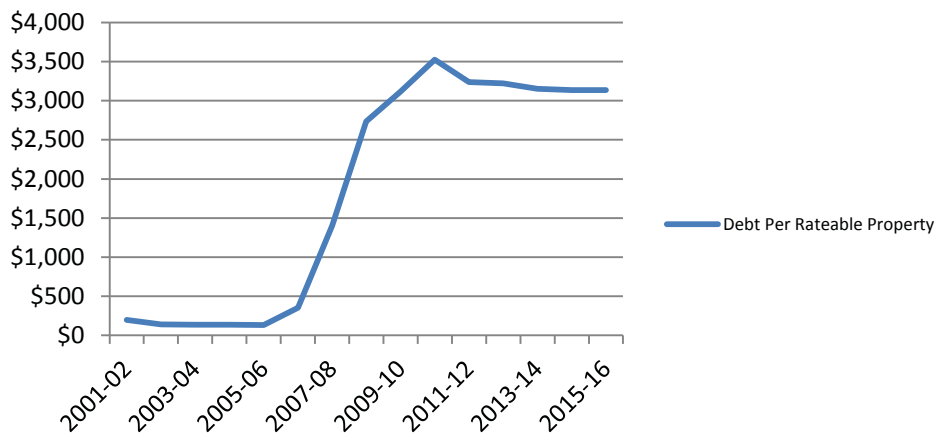
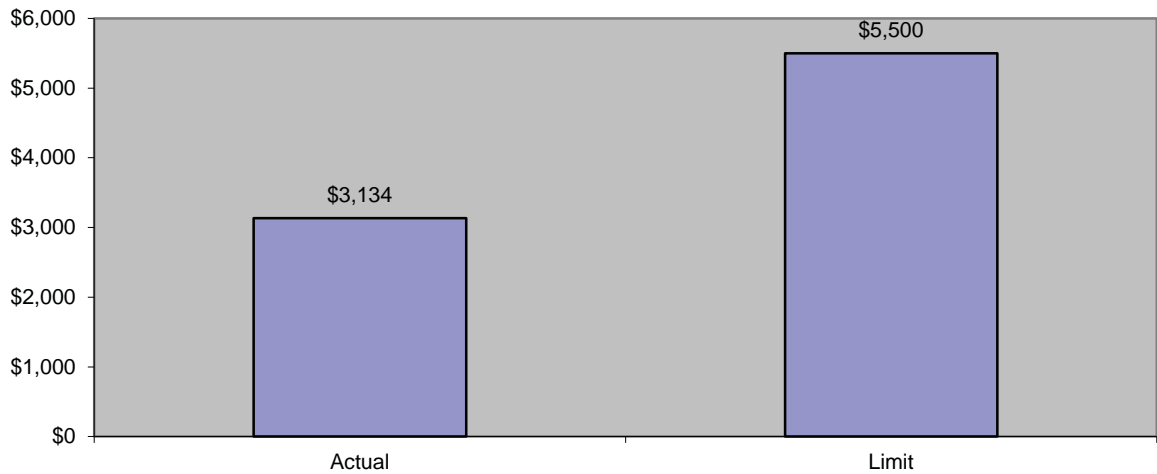
10.1 Interest Expense / Total Income



10.2 Gross Debt / Total Income



10.3 Gross Debt per Rateable Property



Current borrowings are in compliance with the limits specified in Council's Treasury Policy.

Investments are in breach of Council's Treasury Management Policy in respect that there is more than 10% of the portfolio invested in a Building Society. Council ratified this breach via resolution to obtain ongoing sponsorship proceeds for the NBS Theatre.

BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016

Report for Agenda Item No 6

Prepared by – Wendy Thompson
– Operational Accountant

SIGNIFICANT PROJECTS REPORT

1. PURPOSE OF THE REPORT

To provide the Finance and Audit Committee with an update on the status of Council's significant projects.

2. SIGNIFICANT PROJECTS

Council projects are categorised into three tables:

1. Council's Annual Plan Workshop Priorities List
2. Operations Departments Capital Work Schedule
3. Other Significant Projects

Where an item on the priorities list is shown elsewhere it has been removed from the priorities list table.

DRAFT RECOMMENDATION

That this report be received for information and discussion.

COUNCIL PRIORITIES LIST 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
MAYOR, COUNCILLORS & CEO											
	Little Wanganui / Tapawera/ Wangapaka Road Advocacy	GH + CEO					In progress	Nov-15			With Regional Growth Study. Alternative KarameBabinham route to consider.
	Integrated Family Health Unit Advocacy	GH + CEO						2017			Awaiting further progress from WCDHB
	Future of Westport Port	CCTO					Completed	Dec-15	2017	May-16	LTP Strategy, CCTO Committee and BHL
	Reefton Historic Power Generation Project	GH					In progress	Jan-16	Feb-17		Advocacy
	Ultra Fast Broadband Advocacy	GH + CEO					In progress	Nov-15			With MBE & Crown Fibre Holdings
	Shared Services Projects	CEO					In progress				Ongoing - Roading, District Plan, Internal Audits
	Housing for Elderly - Advocacy	GH						Jun-16	Feb-17		Housing stock & ownership structure i.e. Trust
27005540	Westport Gateway Sign	GH	12,950	25,000	37,950	47,311		Nov-15	May-16		Lighting to complete (BEL)
	Carters Beach Sea Erosion	GH + CEO						Aug-17			To commence with a community meeting.
	Ngakawau/Hector Sea Erosion	GH + LB						Aug-17			Correspondence with WCRRC.
	Charleston/Cape Foulwind Cycleway	GH									Awaiting information
	Youth Council	Greg + RN					Ongoing				Monthly meetings at highschool
	Extension Reefton Pool Hours	ICB					Completed	Dec-15	Jun-16		Funding from Blackadder Trust declined
	Paparua Plan Review	GH + RT					In progress			5/08/2016	Submission in progress
	Holcim Quarry Rock	GH + SG						Jul-16			Not progressing

COMMUNITY & ENVIRONMENT												
	Building IANZ Accreditation	CS + RK +					Completed			Dec-15		Awaiting evidence from stakeholder groups to feed into policy development
	Alcohol Policy	CS + RT					In progress					Registered interest
	Holcim Exit Plan	GH + CEO					In progress			Dec-16		Council report in April 2016
	Stevenson's Te Kuha Mine	CEO + RT					In progress					Annual Plan process
	Advance West Coast	GH + CS					Completed					

CORPORATE SERVICES												
	2016/17 Annual Plan	DP					Completed	Nov-15	Jun-16	30/06/2016		Annual Plan adopted 30 June 2016
	Impact of Westport Water Issues on Targeted Water Rate for Westport	SG + DP					Completed		Jun-16	30/06/2016		Annual Plan adopted 30 June 2016
	Free Wifi Proposal for Palmerston Street and Other Possible Locations	GH + RW		4,000			In progress			carry over		Received prices back from tender. Considering locations and providers.
	Pre-Election Report	DP + WT					Completed		Jul-16	1/07/2016		Published 1 July 2016
	Local Government Elections	JR					In Progress	Mar-16	Oct-16			Election day 8 October 2016
	2015/16 Annual Report	DP + WT						Jul-16	Oct-16			
	Review of Costings for Water Schemes	CEO + DP + WT										Need to scope and prioritise

COUNCIL PRIORITIES LIST 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
OPERATIONS											
73715500	Punakaiki Water Intake Easement	SG			10,000	3,982	In Progress				Documents initiated under Public Works Act
	South Granity Water Admin (Tank Supply)	SG					In Progress				To formally finalise
	Little Wanganui Water and Sewerage Easements	SG							Jun-17		To address during next financial year
	Footpaths Strategy	SG					Ongoing				As resources available
	Karamea Highway Special Purpose Road Advocacy	SG					Discussions Ongoing				Business case being prepared in conjunction with NZTA, BDC & Community
	BEL Supply Contracts	SG					Completed			Mar-16	
	District Signage (Seal Loop)	SG + GH					In Progress				Awaiting external contractor
	Possible Street Closure at Port/Talley's	SG					In Progress				Erosion WCRC
	Punakaiki Camp Lease & Erosion Protection	RT + RB					Advocacy				Legal options to assess
	Punakaiki Dickson Parade Status and Freedom Camping Issues	SG + RT									

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
PROPERTY (Buildings and Other Property)											
64025533-36	Other Property	WT			0	71,515	Complete			Oct-15	Unbudgeted property purchase
64025533-36	West Coast Brewery	WT	0	180,000	180,000	105,000	In progress	May-15			Purchase in May 2016, deferred R&M to perform
	Total Other Property			180,000	180,000	176,515					
64035535	Reefion Service Centre - Generator Wiring	RB	5,000	31,500	5,000	62,233	Complete	Aug-15	Oct-15		
64035535	Reefion Service Centre - Eq Strengthening	RB	5,000	31,500	36,500	62,233	Complete				
	Total Reefion Service Centre										
64075535	WestReef Depots - Eq Strengthening	RB	0	60,000	60,000	9,123	to tender	Feb-16		carry over	out to tender
	Total Westreef Depots										
64085536	Reefion Community Centre Eq Strengthening	RB		130,000	130,000	90,704	Contract awarded	Jun-16			Contract awarded
8620550912	Vision 2010 Reefion Community Centre	RB		124,379	124,379	0					
	Total Community Centre			254,379	254,379	90,704					
64095533	Old Westport Library - Earthquake Assessment	RB	0	50,000	50,000	0				carry over	
	Total Old Westport Library										
64135500	Other Land	TR	0	0	0	55,000	Complete		May-16		Westport Wastewater Treatment Plant, Stage 1 settlement May 2016
	Total Other Land										
64175509	Victoria Square - Generator		45,000	50,000	45,000	31,621	Complete				Generator purchased
64175536	Victoria Square - Eq Strengthening	RB	45,000	50,000	50,000	7,575	Contract awarded	2016/17	2016/17	carry over	Tender price \$64,900 (including contingencies)
	Total Victoria Square Complex				95,000	7,575					
64225509-16	Brougham House - Minor plant		34,000	80,000	0	4,253					unbudgeted replacements
64225509	Brougham House - Generator		5,000	42,277	34,000	26,570	In progress			Jun-16	Generator installed but some site work to complete
64225533	Brougham House - Eq Strengthening		84,000	42,277	92,277	42,770	Complete			Sep-15	
	Total Brougham House				126,277	73,593					
64265500	Peel Street Depot Land	RB	0	80,000	80,000	58,660				carry over	
	Total Peel Street Depot				80,000	58,660					
64295516-36	Westport Library - toilet refurbishment	CW	0	0	0	5,465					unbudgeted refurbishment of public toilet facilities
	Total Westport Library					5,465					
TOTAL	PROPERTY		134,000	748,156	882,156	570,489					

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
PARKS, RESERVES, CEMETERIES											
<i>Reserves</i>											
5101550901	Town Beautification (Gardens)	RB		30,000	30,000	0				carry over	
5101550902	Tree Replacement	RB		5,000	5,000	80		2016/17	2016/17	carry over	
5101550903	Playground safety	RB		25,000	25,000	10,824				carry over	safety audit required
51015530	Reefion Skatepark	RB	7,000	7,000	7,000	2,931				carry over	Drinking Fountain purchased
51015530	Punakaiki building	RB		50,000	50,000					carry over	needs assessment commissioned \$10,000
	TOTAL Reserves		7,000	110,000	117,000	13,835					
<i>Cemeteries</i>											
52015500	Land Purchase Karamea	RB		20,000	20,000	0				carry over	
52015509	Cemetery Berms	RB		8,000	8,000	3,229	In progress		Jun-16		
52015509	Buildings Special	RB		5,000	5,000	0	in progress	Apr-16	Jun-16		Fencing and headstone protection
	TOTAL Cemeteries		0	33,000	33,000	3,229					
<i>Pensioner Housing</i>											
57025509-37	Minor Plant Reefion	RB		1,250	1,250	10,178					
57035509-37	Minor Plant Westport	RB		1,250	1,250	11,725					
	TOTAL Pensioner Housing		0	2,500	2,500	21,903					Cyclical replacements exceeding budget. Deferred maintenance to address, report pending.
<i>Public Toilets</i>											
51315509	Tauranga Bay Toilets	RB	20,000		20,000	0	Complete				Refer Urban Development
51315509	Exeloo	RB		3,456	3,456	0	Not progressing				Budget no longer required.
	TOTAL Public Toilets		20,000	3,456	23,456	0					
TOTAL	PARKS, RESERVES, CEMETERIES		27,000	148,956	175,956	38,967					
SOLID WASTE											
<i>RECYCLING</i>											
72065538	Sealing & site development	TR	15,000		15,000	25,974	Complete	Dec-15	Feb-16	Mar-16	Hardstand Area
72065538	Sealing & site development	TR			0	5,993	Complete			Aug-15	Canopy over skips
72065509	Litter Bins	TR	10,000	7,500	17,500				Jun-16		Waiting for e-cube 3 month trial
TOTAL	SOLID WASTE		25,000	7,500	32,500	31,967					

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
ROADING											
	Unsealed Road Metalling LR										
43205566	Local Roads	TM		92,025	92,025	57,416		Jul-15	Jun-16		under maintenance contract
	Maintenance Chipseals (Reseals) LR										
43215566	Local Roads	TM		562,375	562,375	403,720	In progress	Dec-15	Mar-16		Commenced
	Drainage Control LR										
43225566	The Strand dish channel	TR/SM		23,080	23,080	7,300	Completed	Jan-16	Mar-16		
43225566	Wakefield Street K&C	TR/SM		17,000	17,000	17,500	Completed	May-16	Jun-16		
43225566	Cobden / Donnett K&C	TR/SM		8,478	8,478			May-16	Jun-16		under construction
43225566	The Esplanade K&C	TR/SM		7,500	7,500			May-16	Jun-16		under construction
43225566	Victory Street K&C	TR/SM		20,000	20,000	22,336	Completed	Apr-16	Jun-16		
43225566	PSBU			9,500	9,500	6,945					
43225566	Culverts - Roading Contract	TR/SM		76,688	76,688	73,433		Jul-15	Jun-16		under maintenance contract
43225566	Program overbudget 5%			(8,871)	(8,871)						
	Pavement Rehabilitation LR										
43235566	Derby Street-Pavement Rehabilitation	TR/SM		209,613	209,613	165,728	In progress	Jan-15	May-16		under construction
	Traffic Services Renewals LR										
43255566	Local Roads	TM/TR		79,755	79,755	44,254		Jul-15	Jun-16		under maintenance contract
	Minor Improvements LR										
43275566	Derby Street	TR/SM		91,000	91,000	88,258	Completed	Jan-16	May-16		
43275566	Victory Street widening	TR/SM		35,000	35,000	44,362	Completed				
43275566	Derby Street Seal widening	TR/SM		5,000	5,000	4,650	Completed	Feb-16	Mar-16		
43275566	The Strand Seal widening	TR/SM		18,000	18,000	20,214	Completed				
43275566	Coates Street traffic calming	TR/SM		10,000	10,000	9,438	Completed				
43275566	Rintoul Street Dump Station	TR/SM		10,000	10,000		In progress				Subsidised M/HANZ
43275566	Shellswell St turnaround	TR/SM		0	0	16,646	Completed			Jun-15	2014/15 budget item not accrued
43275566	PSBU	SG		15,300	15,300	5,400					
43275566	Program overbudget 2%			(3,660)	(3,660)						
	Other Roading LR										
43245566	Structures Component Replacements	TM/TR		46,013	46,013	1,277					under maintenance contract
43295566	Emergency works	TM/TR		0	0	48,630					Denniston Road
	Special Purpose Roads										
43405566	Unsealed Road Metalling	TR/TM		2,147	2,147	60		Jul-15	Jun-16		under maintenance contract
43415566	Sealed Road Resurfacing	TR/TM		143,150	143,150	157,418	Completed	Dec-15	Mar-16		
43425566	Drainage Improvements	TR/TM		51,125	51,125	13,174					
43435566	Pavement Rehabilitation	TR/TM		81,800	81,800	73,415					
43445566	Structures Component Replacements	TR/TM		15,338	15,338	1,588		Jul-15	Jun-16		under maintenance contract
43455566	Traffic Services Renewals	TR/TM		30,675	30,675	21,140		Jul-15	Jun-16		under maintenance contract
43465566	Minor Improvements	TR/TM		36,156	36,156	16,335					
4338&4349	Emergency works major slip	TM/TR		0	0	255,550	In progress				Unbudgeted remediation, 100% NZTA funded
TOTAL	ROADING		0	1,684,187	1,684,187	1,576,187					

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
URBAN DEVELOPMENT											
Footpaths - Capital											
42065566	Rehabilitation & Reseals - District	HS/TR		50,000	50,000	50,088	Completed	Jan-16	May-16		
42065566	Wakefield Street			25,000	25,000	6,565	In progress	My 16	Jun-16		
42065566	Derby Street	TR/SM		90,000	90,000		In progress	Jan-16	May-16		Part of 2015/16 Derby St upgrade
42065566	Cobden Street			17,500	17,500			Jun-16	Jun-16		Price accepted
42065566	Brougham Street	TR/SM		12,500	12,500	12,649	Completed	Jan-16	May-16		
	TOTAL Footpaths		0	195,000	195,000	69,302					carry over
42115509	Cameras & colour lights	LH		18,000	18,000	4,400				May-16	Community Services Managed Project
42125566	Burkes Creek Bridge	TM/TR		110,000	110,000	113,107	In progress			May-16	Practical completion
42155537	Tauranga Bay Toilets	SM	40,000	40,000	40,000	37,918	Completed	Sep-15	Dec-15	Mar-16	Completed
TOTAL	URBAN DEVELOPMENT		40,000	323,000	363,000	224,727					

WATER SUPPLIES											
Westport Supply											
7301556004	Derby Street (Rintoul-Mill)	IF/SM		94,360	94,360	110,756	Completed	Jan-16	May-16		
7301556004	Romilly Street West (Bright-Gladstone)	IF/SM		26,550	26,550			Jan-16	May-16	Jun-16	Tender accepted
7301556004	Romilly Street West (Cobden-Bright)	IF/SM		26,550	26,550			Jan-16	May-16		Tender accepted
7301556004	Romilly Street West (Lyndhurst - Henley)	IF/SM		19,050	19,050	16,781	Completed			Jun-16	
7301556004	Riley Place (FH-Cul-de-sac)	IF/SM		10,650	10,650					Jun-16	Tender accepted
7301556004	Cobden Street (East Hospital Ent-No50)	IF/SM		29,140	29,140	29,008	Completed	Dec-15	Feb-16		
7301556004	Riley Place (Rintoul-FH)	IF/SM		7,800	7,800					Jun-16	Tender accepted
7301556004	Alderley Street	IF/SM				6,368					
	Subtotal 7301556004		0	214,100	214,100	162,913					
7301556007	Trunkmain	IF/SM	12,930	100,000	112,930	12,100					Replacements only as required
7301556008	Valves	IF/SM	11,350	35,000	46,350	41,139		Jul-15	Jun-16		ongoing
7301556009	Tunnel piping	IF/SM		1,550,000	1,550,000	64,400	Consultation			Rebudget	\$650K rebudgeted per 2016/17 Draft Annual Plan
7301556010	Back flow Prevention	IF/SM		15,000	15,000					carry over	Deferred due to other project commitments
7301556001	Minor Capital (Maintenance contract)	IF/SM		120,000	120,000	96,458	As required				under maintenance contract
	TOTAL Westport		24,280	2,034,100	2,058,380	377,010					
Reefton Supply											
7311556008	Reticulation valves	IF/SM	10,000	20,000	20,000	347			Jun-16		works schedule completed
7311556002	WTP Genset & shed	IF/SM	60,000	60,000	60,000	24,266	Shed design			Jun-16	Generator purchased, site work to complete
7311556002	Plaskett St (Conlon - Chattokville)	IF/SM		18,850	18,850				Jun-16		Price received \$18,846
7311556002	Chattokville St (Plaskett - end)	IF/SM		12,300	12,300				Jun-16		Price received \$12,265
7311556002	Main Street (No 46 - Lucas)	IF/SM		7,600	7,600	14,552			Jun-16		Original budget \$14,700
7311556002	Racecourse Road (Shiel - Broadway)	IF/SM		35,500	35,500				Jun-16		Price received \$35,475
7311556002	To be determined	IF/SM	10,000	19,350	29,350				Jun-16		
7311556001	Minor Capital (Maintenance contract)	IF/SM		15,500	15,500	13,067	As required				under maintenance contract
	TOTAL Reefton		80,000	119,100	199,100	52,231					

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	MINOR WATER SUPPLIES										
	<i>Little Wanganui</i>										
7321556001	Minor Capital (Maintenance contract)	IF/SM		1,000	1,000		As required				under maintenance contract
	<i>Mokihinui</i>										
7331556001	Minor Capital (Maintenance contract)	SM		200	200		As required				under maintenance contract
	<i>Ngakawau-Hector</i>										
7341556001	Minor Capital (Maintenance contract)	IF/SM		1,000	1,000	1,507	As required				under maintenance contract
7341556005	Drinking water standards	SM		552,725	552,725	4,652	Not progressing				Not progressing 2015/16
	<i>Waimangaroa</i>										
7351556001	Minor Capital (Maintenance contract)	IF/SM		1,000	1,000						under maintenance contract
7351556004	Mains renewals	IF/SM	38,000	26,960	64,960		As required				
7351556005	Drinking water standards	SM		473,692	473,692	6,189	Design			carry over	Project reconfiguration required
	<i>Cape Foulwind</i>										
7361556001	Minor Capital (Maintenance contract)	IF/SM		2,500	2,500		As required				under maintenance contract
	<i>Punakaiki Supply</i>										
737155000	Land	IF/SM		0	0	3,982					Intake site
7371556001	Minor Capital (Maintenance contract)	IF/SM		1,000	1,000	18,927	As required				Intake, reservoir outflow and main replacements
	<i>Inangahua Junction</i>										
7381556001	Minor Capital (Maintenance contract)	IF/SM		500	500		As required				under maintenance contract
7381556005	Drinking water standards	SM		222,740	222,740	905	As required	May-16			to commence this financial year
	<i>South Granity</i>										
7391556005	Drinking water standards	SM		358,605	358,605		Not progressing				Not progressing
	<i>Karearea Supply</i>										
733856005	Upgrade Investigation	SM		0	0	2,258	Not progressing				Small balance to write off
	TOTAL MINOR SUPPLIES		38,000	1,641,922	1,679,922	38,420					
TOTAL	WATER SUPPLIES	0	142,280	3,795,122	3,937,402	467,661					

WASTEWATER											
SEWERAGE											
Westport Sewer											
7101556302	WWTP Pump & Computers	IF/SM	40,000		40,000					Jun-16	
7101556302	Replace Stepscreen	IF/SM		30,000	30,000	23,600	Completed			Jul-15	
	Subtotal 710155302		40,000	30,000	70,000	23,600					
7101556305	Derby Street (Rintou-Mill)	IF/SM	14,200	113,960	128,160	128,499	Completed	Jan-16	May-16		completed
7101556305	Roebuck Street (Wenzies -ES)	IF/SM	146,000	146,000	134,632	134,632	Completed	Oct-15	Dec-15	27/11/2015	practical completion
7101556305	Queen Street(Balfour-Gladstone)	IF/SM		16,900	16,900	14,220	Completed	Aug-15	Oct-15	31/10/2015	practical completion
7101556305	Gladstone (5 Gladstone-Russell)	IF/SM		24,375	24,375	26,200	In progress	Jan-16	Jun-16		tendered price \$22,954.80
7101556305	Gladstone (7 Gladstone-Queen)	IF/SM		17,225	17,225	68	In progress	Jan-16	Jun-16		tendered price \$16,221.40
7101556305	Gladstone (7a Gladstone-Peel)	IF/SM		21,450	21,450	84	In progress	Jan-16	Jun-16		tendered price \$20,200.25
7101556305	Russell Street (Gladstone-Chamberlain)	IF/SM		26,975	26,975	28,995	In progress	Jan-16	Jun-16		tendered price \$25,403.30
7101556305	Russell Street (Chamberlain-Bright)	IF/SM		21,450	21,450	84	In progress	Jan-16	Jun-16		tendered price \$20,200.25
7101556305	Unallocated	IF/SM		7,152	7,152						
	Subtotal 7101556305		160,200	749,487	409,687	332,783					
7101556303	Pumpstations Upgrades	IF/SM	40,230	42,500	82,730	44,282	In progress				\$31,939.49 spend 2014/2015
7101556306	Sewer Modelling & Separation	IF/SM		55,758	909	909	Planning				Negotiation with consultants
7101556301	Minor Capital (Maintenance contract)	IF/SM		64,000	64,000	33,630	As required				under maintenance contract
	TOTAL Westport		240,430	441,745	682,175	435,204					

OPERATIONS - WORKS SCHEDULE 2015/2016

GL Code	Project Description	Project Manager	Carry Over	2015/16 Budget	Total Budget	Actual Cost May 2016	Project status	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	Reefton Sewer										
7131556303	Caples Street (Main - Dick)	IF/SM	29,750		29,750		Planning	Mar-16	Jun-16		Delays due to engineering design and investigation. To tender in May 2016.
7131556303	Caples Street (Dick - Davis)	IF/SM	30,000		30,000		Planning	Mar-16	Jun-16		Price Accepted \$52,250.00
7131556303	Potter - Rainf (SL Main-Buller)	IF/SM	53,000		53,000		Planning	Mar-16	Jun-16		Price Accepted \$22,411.00
7131556303	Deernac (Bayfield-no.36)	IF/SM	14,025		14,025		Planning	Mar-16	Jun-16		Price Accepted \$39,867.00
7131556303	Munson (Bridge-18 Munson)	IF/SM	49,225		49,225		Planning	Mar-16	Jun-16		Price Accepted \$27,688.000
7131556303	Davis Street (Brennan - Lucas)	IF/SM	29,700		29,700		Planning	Mar-16	Jun-16		
7131556303	CCTV Survey & Water blasting	IF/SM	20,000		20,000	7,905			Jun-16		On going
7131556303	New Manholes	IF/SM	11,152		37,152	26,814	In progress	Jul-15	Jun-16		under maintenance contract
7131556301	Minor Capital (Maintenance contract)	IF/SM	24,750		24,750		As required				
	TOTAL Reefton		138,750	148,852	287,602	34,719					
	Little Wanganui Sewer										
7141556301	Minor Capital (Maintenance contract)	IF/SM		1,338	1,338		As required				under maintenance contract
7141556303	Horncastle Crescent (MH4-MH5)	IF/SM	19,250	0	19,250		Planning			carry over	To tender in May 2016.
7141556303	MH13 - MH14A	IF/SM	0	36,850	36,850		Planning			carry over	To tender in May 2016.
	TOTAL Little Wanganui		19,250	36,850	57,438	0					
	TOTAL Sewerage		398,430	628,785	1,027,215	469,923					
	STORMWATER										
	Westport										
7180556402	Brougham Street Pump Station	SM/TR		0	0	13,821					
7180556402	Derby Street (Brougham - Rintoul)	SM/TR		133,000	133,000	118,233	In progress	Jan-16	May-16	Apr-16	Completed in April 2016
7180556402	Westport Manholes	SM/TR	14,000	13,000	27,000	8,172	As required		Jun-16		
7180556402	Bentham Street	SM/TR		11,000	11,000	10,705	Completed			Mar-16	completed
7180556402	Adderley Street	SM/TR	35,603		35,603	37,944	Completed	Aug-15	Oct-15	Sep-15	completed
7180556401	Minor Capital (Maintenance contract)	IF/TR		38,000	38,000	26,516	As required				under maintenance contract
	TOTAL Stormwater		49,603	195,000	244,603	215,391					
	TOTAL WASTEWATER		448,033	823,785	1,271,818	685,315					

**BULLER DISTRICT COUNCIL
FOR THE MEETING OF 13 JULY 2016**

Report for Agenda Item No 7

**Prepared by - Dean Phibbs
- Manager Corporate Services**

AUDIT MANAGEMENT REPORT: ACTION POINTS

DRAFT RECOMMENDATION

That this report be received for information and discussion.

AUDIT MANAGEMENT ACTION POINTS: 2016

No.	Subject	Detail	Responsible	Status	Comments	Planned Completion Date
1	Valuation of Investment Properties	Council confirm list of investment properties provided to the valuer.	Financial Accountant	In progress	Return from an asset as opposed to ownership and identification from Council records complicates recognition. Work with valuer to identify.	May 2016
2	Capitalised Costs	Council included capital work in progress for earthquake assessments and land remediation costs as assets.	Operational Accountant	In progress	Noted.	June 2016
7	Non-financial performance reporting	Key non-financial performance measures should be reported to management and Council throughout the year.	Management	In progress	Key non-financial information to be agreed with the management team and reported to Finance and Audit committee commencing January 2016	March 2016

PREVIOUS AUDIT MANAGEMENT POINTS: 2015

No.	Subject	Detail	Responsible	Status	Comments	Planned Completion Date
1	Infrastructure asset valuations	Improve quality of Roading data in RAMM use for next valuation. Recommendations in GHD report used.	Operational Accountant	In progress	Asset data condition and performance processes were identified in the AMP as an improvement plan item. Council will assess options to effect an appropriate regime during 2015/16. This process will strengthen lifecycle management and asset valuations.	June 2016
2	Transfer of asset revaluation reserve for assets disposed of, be transferred to accumulated funds	No transfer is made.	Operational Accountant	In progress	Methodology to enable this to occur will be finalized and reserve adjustments processed in the 2015/16 financial year	June 2016
3	Capitalisation and depreciation of assets	Assets be capitalised once completed and operational and depreciated from that date.	Operational Accountant	In progress	Review the roading asset register during 2015/16 year to improve record keeping.	June 2016
4	Internal audit	No formal internal audit reviews were performed in 2014/15	Manager Corporate Services	In progress	Resources have been fully deployed on the Rates Overhaul and LTP this year. An internal assessment of the QV use codes was carried out after year end and in 2015/16 a full internet audit of rates processes will be undertaken with a formal audit report produced. To be incorporated with Shared Services Project.	November 2016
5	Accounting for Westreef Depot Land	The Westreef Services Limited depot property is accounted for correctly in the Councils parent and group financial statements.	Financial Accountant	In progress	Transfer building to investment property. This will be completed in 2015/16 Financial Report.	June 2016.

FINANCE WORK PLAN

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Internal Reporting												
F&A Reports												
- BDC Quarterly Financials		Three quarterly						Quarterly			Half Yearly	
- BDC Operational												
- BDC Treasury												
- BDC Debtors												
- BDC Capital												
- BDC Significant Projects												
- BHL Quarterly Financials												
Council Reports												
- Interim Accounts Airport		Final SOI									Draft SOI	
- Budget Carry Overs						2016 Carryovers						
- BHL SOIs			Final SOI's								Draft	
- Grant Quarterly Reports												
Rates Overhaul Project												
- Rates Overhaul				Posponed 2016/2017								
2016-17 Annual Plan												
- Annual Plan	Consult	Roadshows/Hearings	Adopt Final							2017/2018 Annual Plan Workshops	2017/2018 Annual Plan Workshops	2017/2018 Annual Plan Workshops
2016-17 Annual Report												
- BDC Annual Report	Systems Audit					Audit	Adopt	Publish Summary & report				
- BHL Annual Report						Audit	Group Figures	Annual Report				
2016-17 Pre-Election Report												
- BDC Pre-election report		Preparation	Proofing	Release 1 July								
Elections												
- Tri-annual Election				Nominations open 15/7	12 Aug Nominations close; Election date & candidates publicised; Roll Finalised	Voting documents delivered	Election, appointment & induction					
Other Operational Projects												
- Insurance			Negotiations	Finalise							Valuations (2-3 yearly)	