

AGENDA:

Meeting of the FINANCE & AUDIT COMMITTEE

Wednesday 13 September 2017
commencing at 5:00pm

at:

Upstairs Meeting Room,
Brougham House,
Brougham Street, Westport

Finance & Audit Committee Members:

- His Worship the Mayor Garry Howard
- Cr J Cleine
- Cr D Hawes
- Cr S Roche (Chair)
- Cr R Nahr
- Cr P Rutherford

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.
- 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 Rates and General Debt collection

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 (ie 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

Monthly dashboard report

Membership

Chair:

- Sharon Roche

Members:

- Garry Howard
- Robyn Nahr
- Phil Rutherford
- Dave Hawes
- Jamie Cleine

FINANCE & AUDIT COMMITTEE MEETING

13 SEPTEMBER 2017

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FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 1

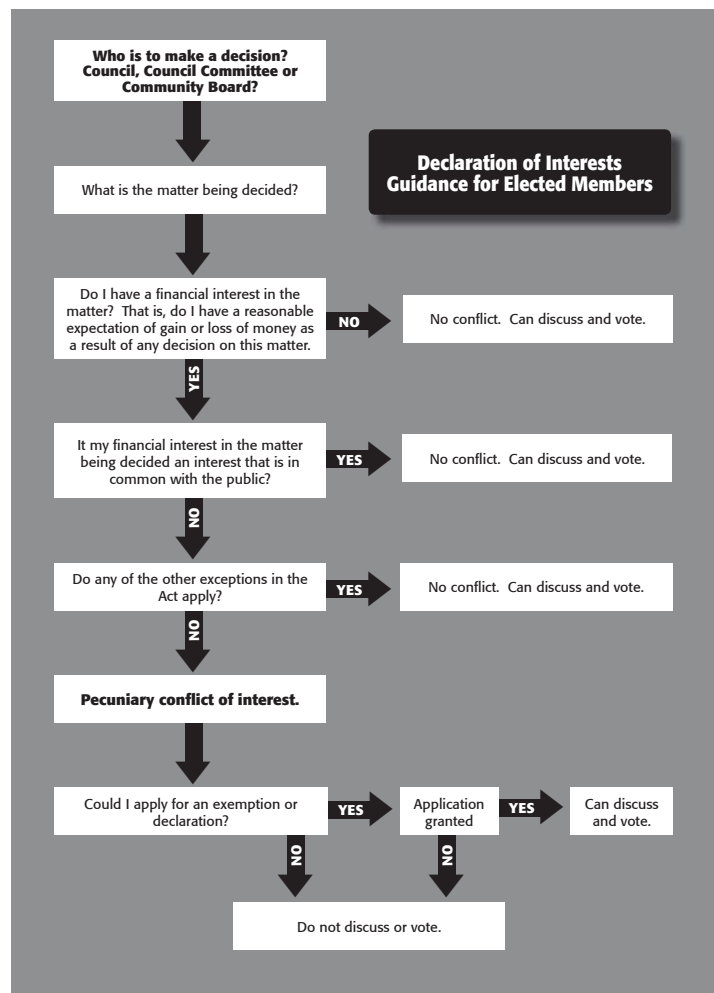
Prepared by - Dean Phibbs
- Manager Corporate Services

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.

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 2

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

CONFIRMATION OF MINUTES

Minutes of the meeting held 9 August 2017.

DRAFT RECOMMENDATION

That the minutes from the meeting held 9 August 2017 are confirmed.

MEETING OF THE BULLER DISTRICT COUNCIL FINANCE AND AUDIT COMMITTEE, COMMENCED AT 5:20pm 9 AUGUST 2017 AT CLOCKTOWER CHAMBERS, PALMERSTON STREET, WESTPORT

PRESENT:

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

IN ATTENDANCE:

Manager Corporate Services (D Phibbs), Management Accountant (L Brooks) and PA Corporate Services (M Wilson).

APOLOGIES:

An apology was received from Mayor G Howard.

**S Roche/J Cleine
CARRIED UNANIMOUSLY**

1. MEMBER'S INTEREST

Nil

2. MINUTES

RESOLVED that the minutes of the 12 July 2017 meeting be accepted.

**P Rutherford/J Cleine
CARRIED UNANIMOUSLY**

3. ACTION POINTS

111. Report will be available in September 2017.

117. Change date to October 2017.

138. Completed.

141. Completed.

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

4. INVESTMENTS AND BORROWINGS

RESOLVED that the report be received for information and discussion.

**J Cleine/P Rutherford
CARRIED UNANIMOUSLY**

5. SIGNIFICANT PROJECTS REPORT

AP: Management Accountant to remove 'poor weather' comment from Rooding and Urban Development.

RESOLVED that the report be received for information and discussion.

**S Roche/R Nahr
CARRIED UNANIMOUSLY**

6. DEBT RECOVERY REPORT

Social Media is proving a successful way of tracking down ratepayers, and communicating with them.

A few wins along the way, but a few others fall into the debt collection process.

Manager Corporate Services gave an update on leasehold agreements, and a potential freeholding.

RESOLVED that the report be received for information and discussion.

**P Rutherford/J Cleine
CARRIED UNANIMOUSLY**

7. AUDIT MANAGEMENT ACTION POINTS

RESOLVED that the report be received for information and discussion.

**J Cleine/P Rutherford
CARRIED UNANIMOUSLY**

FINANCE WORK PLAN

Reviewed.

-
- There being no further business the meeting concluded at 6:05pm
 - **Next meeting:** Wednesday 13 September 2017, 5pm, *Upstairs Meeting Room, Brougham House.*
-

Confirmed: **Date:**

Name:

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 3

Prepared by - Dean Phibbs
- Manager Corporate Services

ACTION POINT LIST

No.	Meeting of:	Action Point	Responsible?	Progress:	Date required by:	Completed
111	11 May 2016	Leases and Licences to Occupy: Update register and provide report.	Mike Duff	Sharon Roche to discuss with GM A&I.	September 2017	
117	15 June 2016	Debt Recovery: clarify the Resource Management debt with Team Leader Planning.	Lynn Brooks	Progressing.	August 2017	
137	17 May 2017	WestReef Services: work with WestReef Services to tidy-up how H&S KPI's are measured to provide consistency to the reporting.	Wendy Thompson		September 2017	
142	9 August 2017	Significant Projects Report: remove 'poor weather' comment from Rooding and Urban Development.	Lynn Brooks		September 2017	

DRAFT RECOMMENDATION

That the report be received for information.

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 4

Prepared by - Wendy Thompson
- Financial Accountant

Reviewed by - Dean Phibbs
- Manager Corporate Services

FINANCIAL PERFORMANCE: July 2017

REPORT SUMMARY

To provide the Council with an update on the operational performance to 31 July 2017.

RECOMMENDATION/DRAFT RESOLUTION

That the report be received for information and discussion.

OPERATIONAL FINANCIAL PERFORMANCE

1. Operational Performance Report - Summary of Results APRIL 2017

	Actual YTD	Budget YTD	Projected Full Year	Budget Full Year	Projected Variance Full Year
Income	\$517,000	\$626,800	\$21,818,500	\$1,818,500	0
Expenditure	\$1,632,100	\$1,724,600	\$22,598,983	\$21,818,500	0
					0

2. Dashboard – Operational Financial Performance Indicators

Activity	Revenue	Expenditure	Comment
Democracy	●	●	
Property Amenities & Reserves	●	●	
Economic Development, Tourism & Museum Support	●	●	
Community Services	●	●	
Regulatory	●	●	Timing variance dog control & food premise licencing
Roading	●	●	
Solid Waste	●	●	
Support	●	●	
Wastewater	●	●	
Water	●	●	Timing of water supply catchment risk analysis
Airport	●	●	

Operational Financial Report for the period ending 31 July 2017

	Year to Date										Note	Temporary or Permanent Variance	Explanation of Variances of \$50,000 or greater	
	Actual	Budget	Variance to July	U/F	Full Year Prediction	Annual Budget	Variance Full Year Prediction	U/F						
Income														
Community Services	62,245	66,270	(4,025)	U	676,940	676,940	0	U						
Democracy	0	0	0	U	0	0	0	U						
Tourism & Promotion	0	0	0	U	0	0	0	U						
Water Supply	0	16,978	(16,978)	U	3,033,130	3,033,130	0							
Airport	14,168	11,396	2,772	F	188,752	188,752	0							
Amenities & Reserves	64,475	65,433	(958)	U	785,200	785,200	0							
Roading & Urban Development	122,399	134,243	(11,844)	U	2,341,130	2,341,130	0							
Environmental Services	199,912	264,895	(64,983)	U	870,895	870,895	0						Temporary	Underbudget dog registrations \$35,000 and timing of food premise licences \$30,000
Solid Waste	25,317	10,467	14,850	F	779,620	779,620	0							
Support Services	5,367	6,166	(799)	U	73,992	73,992	0							
Council (General Rates & Investments)	37,235	48,222	(10,987)	U	10,622,491	10,622,491	0							
Wastewater	0	2,699	(2,699)	U	2,446,380	2,446,380	0							
Total Income	531,118	626,769	(95,651)	U	21,818,530	21,818,530	0							

Operational Financial Report for the period ending 31 July 2017

	Year to Date										Note	Temporary or Permanent Variance	Explanation of Variances of \$50,000 or greater	
	Actual	Budget	Variance to July	U/F	Full Year Prediction	Annual Budget	Variance Full Year Prediction	U/F						
Expenditure														
Community Services	206,197	215,504	9,307	F	3,297,174	3,297,174	0							
Democracy	25,483	34,750	9,267	F	532,000	532,000	0							
Tourism & Promotion	50,961	95,815	44,854	F	451,648	451,648	0						Temporary	Timing of grant payments \$44,000 underbudget
Water Supply	198,612	147,099	(51,513)	U	2,282,008	2,282,008	0						Temporary	Timing of water supply plans/catchment risk analysis \$83,000
Airport	20,442	26,496	6,054	F	325,952	325,952	0							
Amenities & Reserves	128,445	141,191	12,746	F	2,088,356	2,088,356	0							
Roading & Urban Development	424,393	459,759	35,366	F	5,526,626	5,526,626	0							
Environmental Services	83,421	103,913	20,492	F	1,356,785	1,356,785	0							
Solid Waste	65,132	72,446	7,314	F	971,714	971,714	0							
Support Services	288,106	269,356	(18,750)	U	3,510,599	3,510,599	0							
Wastewater	140,875	158,221	17,346	F	2,256,121	2,256,121	0							
Total Expenditure	1,632,067	1,724,550	92,483	F	22,598,983	22,598,983	0							
Net Variance			(3,169)	U			0							

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 5

Prepared by - Wendy Thompson
- Financial Accountant

Reviewed by - Dean Phibbs
- Manager Corporate Services

INVESTMENTS AND BORROWINGS: August 2017

REPORT SUMMARY

This report summarises Councils cash investments and borrowings for the month ended August 2017, interest earned for the period from 1 July 2016 to 31 August 2017 and policy compliance.

RECOMMENDATION/DRAFT RESOLUTION

That the report be received for information.

ISSUES AND DISCUSSION

Investments

Investments have increased by \$1,494,000 in total from the last report circulated to the end of July 2017. This is mainly due to the effect of the rates billing cycle and monthly creditor payment obligations. The trading account closing balance is \$531,100.

Interest Revenue

Interest revenue to the end of August 2017 is \$96,500 compared to a budget of \$91,800. Council will continue to reinvest term investment funds at the most favourable interest rate when deposits are up for renewal. There are often opportunities to take advantage of bank pricing differences to maximise returns even in time of low interest rates.

Borrowings and Net Debt Position

Total borrowings are stable at \$23,500,000, down slightly from the end of the 2016/17 financial year as the EECA loan is paid down.

Net debt (borrowings less term investments) has decreased to \$5,292,000 from the \$6,811,000 balance in July due to the movement in investments.

CONSIDERATIONS

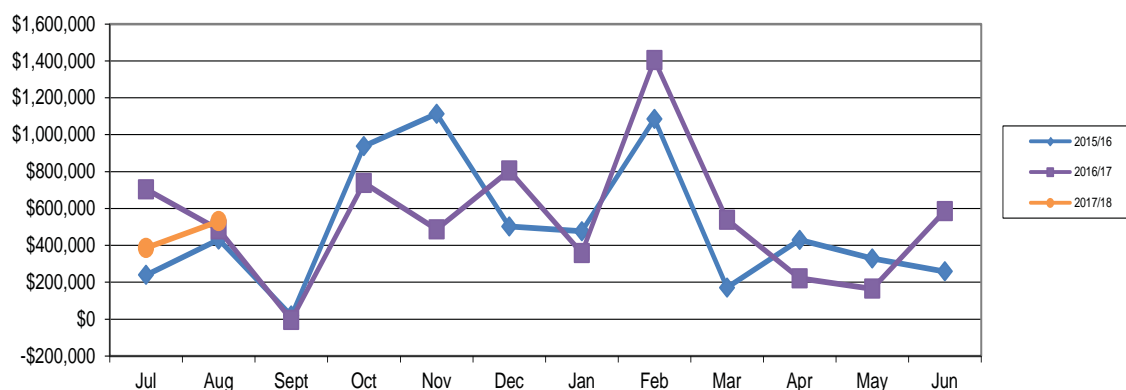
1. **Strategic impact**
 - It is important that Council retains suitable cash holdings and credit facilities to ensure its activities and capital projects are able to be funded in a timely and affordable manner.
2. **Significance assessment**
 - The significance policy sets out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant because the matters disclosed are of a routine nature, and not large in terms of total assets and total annual operations of council.
3. **Values assessment**
 - The Buller District Councils values are: One Team; Community Driven; We Care; Future Focussed; and Integrity.
 - Treasury management functions and reporting align most strongly with the values of Future Focussed and Integrity.
 - Consideration of current and future cash requirements and intergenerational equity are required when managing cash deposits and credit facilities.
 - Public reporting of investments and borrowings encourages open and honest discussion and decision making.
4. **Risk analysis**
 - Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.
 - Cash flow management is an integral part of ensuring Council is able to deliver the services and projects it has committed to in successive Long Term and Annual Plans.
 - This risk is mitigated by establishing policies and procedures, engaging staff to manage investment and borrowings and regular reporting to Council to ensure high level oversight.
5. **Policy / legal considerations**
 - The Local Government Act (2002) and associated regulations prescribe prudent financial management and nationwide benchmarks. The financial prudence benchmarks are now compulsory sections included in Council Long Term/ Annual Plans and Annual Reports.
 - Council's Investment Policy and Treasury Policy govern the management of cash assets and borrowings.
6. **Tangata whenua considerations**
 - None identified
7. **Views of those affected**
 - Council's financial strategies, investment levels and borrowing projections are included in the Long Term Plan and Annual Plan consultation processes.
8. **Costs**
 - There are no extraordinary costs relating to investments and borrowings.
9. **Benefits**
 - The benefits of structured Treasury management include risk minimisation, prudent cash management and long term financial stability.
10. **Media / publicity**
 - None identified

INVESTMENTS AND BORROWINGS REPORT

1. BANK BALANCE

	This Month 31 Aug-17	Last Month 31 Jul-17	Last Year 30 Jun-17
Council	\$531,147	\$385,856	\$585,661

2. MONTH END BANK BALANCE



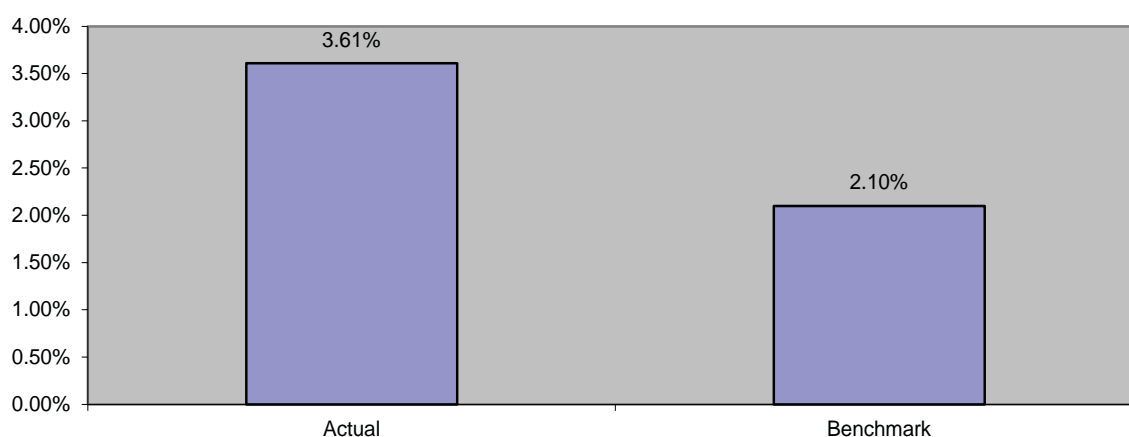
3. SUMMARY OF INVESTMENTS

	This Month 31 Aug-17	Last Month 31 Jul-17	Last Year 30 Jun-17
Term Deposits	18,198,148	16,698,148	17,098,148
Other Loans (includes loan to Holding Company)	2,539,492	2,545,637	2,537,348
Total Investments	\$20,737,640	\$19,243,785	\$19,635,496

4. SOURCE OF FUNDS

	This Month 31 Aug-17	Last Month 31 Jul-17	Last Year 30 Jun-17
Depreciation Funds	1,000,000	1,000,000	1,000,000
West Coast Package (Govt subsidy for halt to logging)	2,829,551	2,829,551	2,829,551
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	5,034,038
Reserves Contribution Funds	1,314,630	1,314,630	1,314,630
Short Term Funds (rates income plus tds held pending debt reduction)	3,200,000	1,700,000	2,100,000
	\$18,198,148	\$16,698,148	\$17,098,148

5. INVESTMENTS PORTFOLIO PERFORMANCE (12 Month Average)



6. INTEREST REVENUE

	Actual YTD	Budget YTD	Budget Full Year
Interest Revenue	\$96,489	\$91,786	\$1,220,715

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.

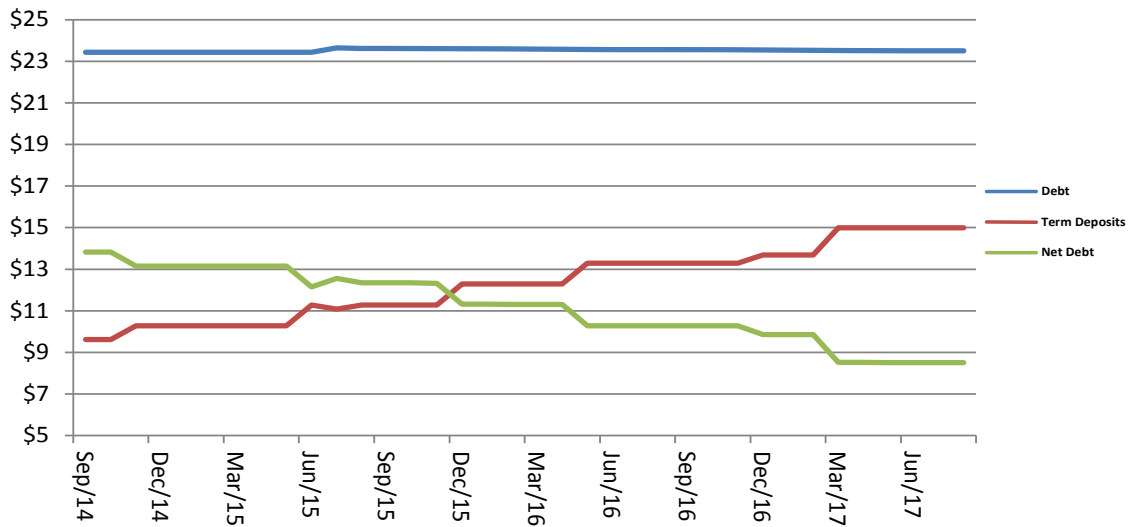
Council has approved the investment in NBS which sees us in breach of the Treasury Management Policy. This breach will continue as investments mature and are rolled over.

8. SUMMARY OF BORROWINGS

	This Month 31 Aug-17	Last Month 31 Jul-17	Last Year 30 Jun-17
External Debt:			
Westpac Loan Facility	3,433,860	3,433,860	3,433,860
LGFA Loan Facility	20,000,000	20,000,000	20,000,000
EECA Loan	55,885	75,780	66,241
	\$23,489,745	\$23,509,640	\$23,500,101
Weighted Average Interest Cost	4.00%	4.60%	4.60%
Net Debt:			
Total Borrowings	23,489,745	23,509,640	23,500,101
Less: Term Deposits	18,198,148	16,698,148	17,098,148
	\$5,291,596	\$6,811,492	\$6,401,953

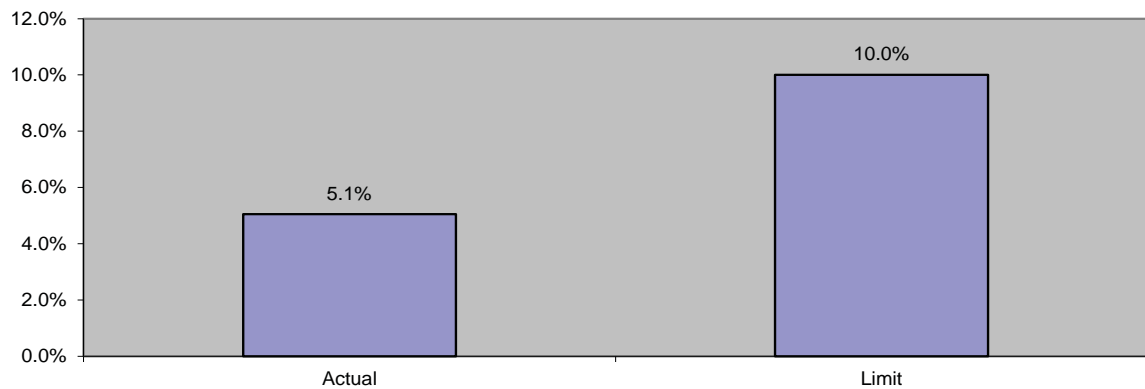
9. DEBT AND INVESTMENTS 3-YEAR TREND

\$ Millions

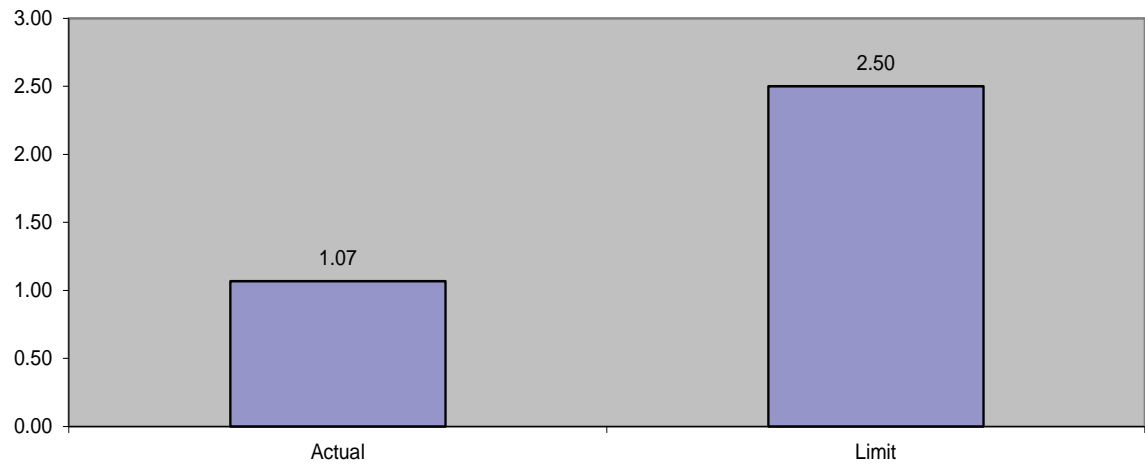


10. COMPLIANCE WITH TREASURY POLICY

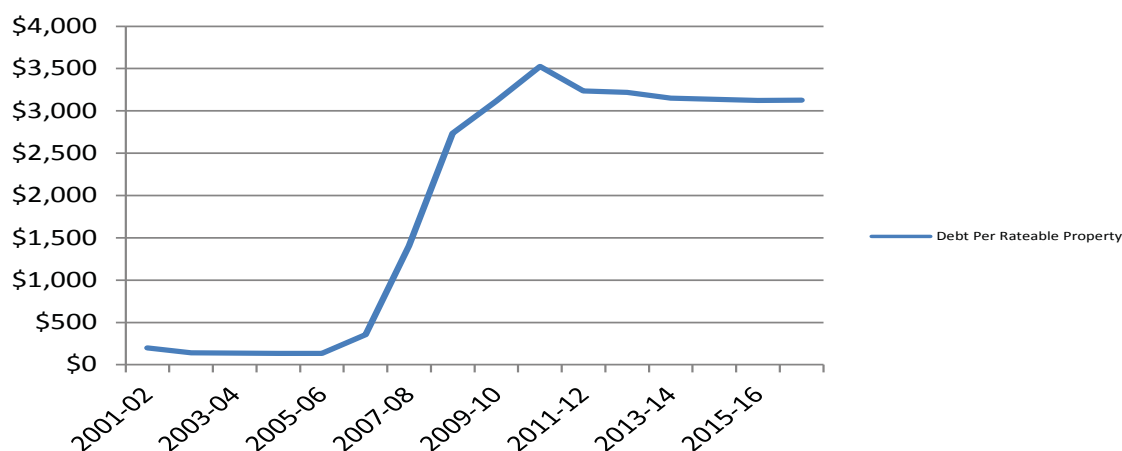
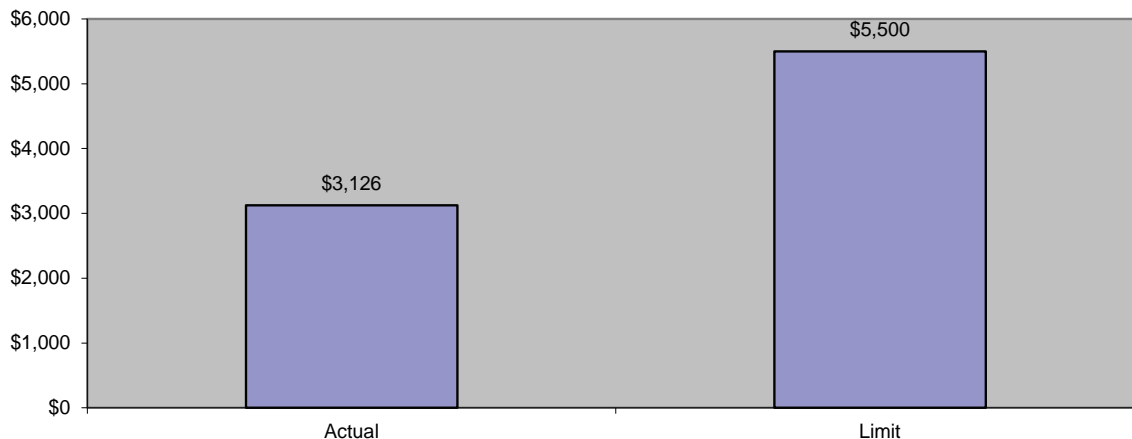
10.1 Interest Expense / Total Income



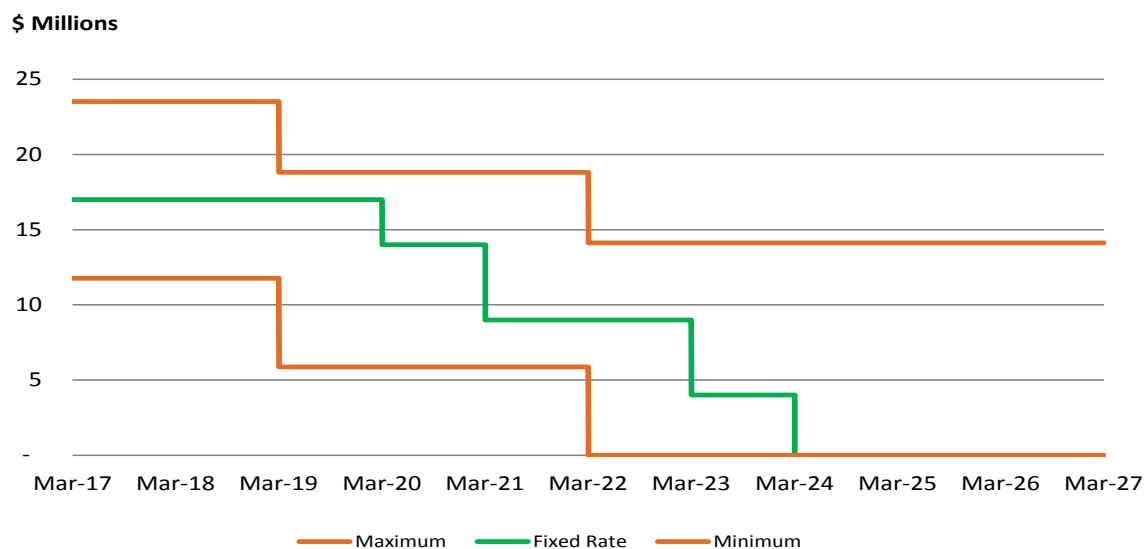
10.2 Gross Debt / Total Income



10.3 Gross Debt per Rateable Property



10.4 Fixed Rate Debt - Compliance with Treasury Policy



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.

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 6

Prepared by - Lynn Brooks
- Management Accountant

Reviewed by - Dean Phibbs
- Manager Corporate Services

SIGNIFICANT PROJECTS REPORT

Report Summary

This report summarises significant projects and priorities of Council at 31 July 2017. It records both current and future work streams, and is for discussion and monitoring purposes. It should be read in conjunction with the attached detailed report.

Draft Recommendation

That the report be received for information.

Issues and Discussion

The report provides a high summary of some projects and priorities of Council by each of the following sectors:

- 1 Mayor, Councillors and Chief Executive
- 2 Community and Environment
- 3 Corporate Services
- 4 Operations
- 5 Significant Projects

This report does not include every task undertaken, such as low value routine roading contract work or other regular services provided by Council. Instead it highlights the high value projects at an aggregated level, and/or the non-routine projects.

Chief Executive and Council are to advise if there are other projects or priorities to be included in the next monthly report to Council.

The following table shows each section of the report as a high level overview. This is similar to other “traffic light” indicators used in Council documents such as the Annual Plan, Long Term Plan and other reports and is included for consistency with those formats.

Activity	Indicator	Comment
Mayor, Councillors and Chief Executive	●	Progress continues with the Little Wanganui/Tapawera/Wangapeka Road and a business case began in April 2017. Advocacy for the IFHC has been stepped up on behalf of the community. Shared services and review projects are progressing as planned.
	●	Advocacy for the West Coast Regional Council projects (Westport Flood Protection, Carters Beach & Granity/Ngakawau sea erosion) continues. The future of Westport Port was considered in the August 2017 full Council agenda.
Community and Environment	●	The current tasks are on plan and budget. Attention must be paid to the resources required to complete all bylaw reviews which are required in 2017/2018. Freedom Camping is a topical issue and all West Coast Councils are working on a joint solution toward this issue.
Corporate Services	●	The Long Term Plan is in the planning phase. The Annual Report is progressing as planned.
Significant Projects	●	The District Plan Review and Rates Overhaul are progressing as planned. Work continues on the Information Management system which is a key project.
Assets and Infrastructure	●	Roading and Urban Development: District Signage has progressed and billboards have been installed. Roothing contracts are being completed as planned. Advocacy for the Karamea Highway Special Purpose Road designation continues.
	●	Water Supplies: The Westport water project is progressing with external advice being prepared for presentation to Council. Investigations into the Waimangaroa Water treatment system continues.
	●	Wastewater: Projects progressing as planned.
	●	Stormwater: Projects progressing as planned.
	●	Solid Waste: New litter bins purchased but cost is greater than budget.
	●	Properties and Amenities: Peel Street Yard, site testing, analysis and risk assessment in progress.
	●	Properties and Amenities: Earthquake report on Carnegie Library to be completed.

Project on time and budget	●
Project delays or budget overruns	●

Considerations

1. Strategic impact

The report helps to monitor the outcomes provided for the community against the strategic direction of Council. In particular, it reports on the effectiveness of the “consolidate and hold” position taken in the last Long Term Plan where it was agreed to minimise rates increases and limit new services or capital spending to those things that could be used as a springboard for district economic growth.

2. Significance Assessment

The Significance and Engagement Policy sets out the criteria and framework for a matter or a transaction to be deemed significant. The Significance and Engagement Policy is written in accordance with The Local Government Act 2002 (LGA 2002) section 76AA. This part of the Act sets the general approach to determine if a proposal or decision is significant requiring the Council to make judgements about the likely impact of that proposal or decision on:

The district;

- a) The persons who are likely to be particularly affected by, or interested in, the proposal or decision;
- b) The financial impact of the proposal or decision on the Council's overall resources; and
- c) The capacity of the Council to perform its role and carry out its activities, now and in the future.

The content included in this report has been consulted on with the community through the Long Term Plan and Annual Plan process.

3. Values assessment

The Buller District Council values are: One Team; Community Driven; We Care; Integrity; and Future Focussed. This report presents the significant projects which are important for the community and the future of the district. Reporting on the significant projects provides an opportunity to review if the areas of focus align with our values. .

4. Risk Analysis

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

Significant projects are perceived to have some greater than usual potential to place Council at risk as the costs involved can be significant, or the project may have greater technical and legal issues. This risk is mitigated by engaging suitably qualified staff to monitor and regularly report on the projects therefore acting on any issues that arise early on, and to ensure the project progress is well understood by staff and governance.

5. Policy/Legal Considerations

The Local Government Act 2002 governs the activities of Council and sets out the requirement for consultation on the Annual Plan and Long Term Plan to agree the budgets and activities to be funded.

This report assists with two key purposes of that Act (refer to section 3) stating the purpose of the Act is to promote the accountability of local authorities to their communities; and provide for local authorities to play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

6. Tangata Whenua Consultation Considerations

The contents of the report are not a matter requiring consultation with tangata whenua or community groups.

7. Views of those affected

There is no need to consult with the public or affected parties due to the information being previously consulted upon through Annual Plan processes.

The community will have interest in the progress of the projects and priorities included in the report because new spending affects annual rates charges, and the effectiveness of advocacy has the potential to improve community wellbeing.

8. Costs

There are no extraordinary costs for the items included in this report, as these projects have been budgeted for in the annual plan. Some of the significant projects have no monetary cost to council as they are for advocacy.

9. Benefits

The benefits of reporting on reviewing the significant projects and priorities are understanding the timelines, budgets, resourcing and opportunities that exist for Council.

Reporting on the significant projects and priorities allows Council to compare the activities of Council against the core strategy of Council.

10. Media/Publicity

There are many media or publicity opportunities with the content of this report.

Indicator	Project Description	Project Manager	Carry Over (over)/under	2017/18 Budget	Total Budget	Actual Cost to July 2017	Project status	Scope, Design, etc	Quote, Tender, etc	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	MAYOR, COUNCILLORS & CEO												
●	Little Wanganui/ Tapawera/ Wangapeka Road Advocacy	GH + CEO	0	0	0		In progress			Nov-15			August Council resolution - ongoing.
●	Ultra Fast Broadband Advocacy	GH + CEO + IT	0	0	0		In progress			Nov-15			Government Announcement with WC Projects 2019. Delivery by Chorus. Progressing with MDC, Creative Developments and BEL.
●	Integrated Family Health Centre Advocacy	GH + CEO	0	0	0					Nov-16	Nov-17		Advocacy stepped up on behalf of community.
●	Housing for Elderly - Advocacy	GH	0	0	0					Jun-16	Jun-18		Housing stock & ownership structure i.e. Trust to be investigated.
●	Carters Beach Sea Erosion Advocacy	GH + CEO	0	0	0					Aug-17			Community Meetings Held. Advocacy role only. Responsibility is with WCRC.
●	Ngakawau/Granity Sea Erosion Advocacy	GH + LB	0	0	0					Aug-17			Community Meetings Held. Advocacy role only. Responsibility is with WCRC.
●	Westport Flood Mitigation Advocacy	GH	0	0	0		ongoing						WCRC project. BDC role is advocacy. WCRC Submissions on this issue closed 17 February 2017.
●	Future of Westport Port	CEO, DP & SL	0	0	0		under continual review			Dec-15	Jun-18		AP, LTP Strategy, CCTO Committee and BHL as per August 2017 resolution.
●	Holdim Exit	GH	0	0	0		ongoing			Apr-17			Exit Plan.
●	17A Review - Local Government Act 2002	CEO	0	0	0		ongoing						Required to review cost effectiveness of current arrangements for meeting community needs.
●	Representation Review	CEO	0	0	0		ongoing						Work underway.
●	Shared Services Projects with Other Coast Councils	CEO	0	0	0		ongoing						Ongoing - Roading, Various IT Projects, Internal Audits, Civil Defence & Local Govt Commission, Economic Development, One (District) Plan, Policy Development.
●	Charleston/Cape Foulwind Cycleway	GH	0	0	0								MOU completed. Continue advocacy.
●	Kawatiri Sculpture Symposium	GH + PH	0	0	0		near complete			May-16	Dec-17		Sculptures installed and near completed.
●	Reefton Historic Power Generation Project	GH	0	0	0					Dec-17			Advocacy with Greg Topp. Active discussions continuing.
●	Westport Gateway Sign	GH	0	0	0	0	in progress			Nov-15	Dec-17		Lighting to be completed.
●	Other Mayor, Councillors and CEO Projects	GH	0	0	0								
			0	0	0	0							
	COMMUNITY & ENVIRONMENT												
●	Local Alcohol Policy	CS + RT	0	0	0		in progress						Awaiting evidence from stakeholder groups to feed into policy development & legal outcomes Recommended this be put in the priority list for the Risk and Policy committee.
●	By-Law Reviews (all require review)	RT	0	0	0								Planned this year: Livestock, Liquor, Water. Remainder due to be completed in 2018. NOTE this will be a large workload.
●	Freedom Camping	CEO	0	0	0		in progress			Feb-17	Oct-17		Joint compliance and monitoring between all West Coast Councils. This must be completed by 30/08/19 or the bylaw will lapse.
●	Other Community & Environment Projects	CS	0	0	0								
			0	0	0	0							

Indicator	Project Description	Project Manager	Carry Over (over)/under	2017/18 Budget	Total Budget	Actual Cost to July 2017	Project status	Scope, Design, etc Quote, Tender, etc	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	CORPORATE SERVICES											
●	Review of Costings for Water Schemes	CEO + Finance Team	0	0	0	0						To be completed as further information provided from Assets & Infrastructure Team
●	Annual Report	DP	0	0	0	0			Sep-17			Progressing as planned.
●	Fire & Emergency NZ Transition	DP	0	0	0	0	In progress		Apr-16	Dec-17		Information sharing with NZ Fire Service underway and decisions for rural fire asset transfers to be completed.
●	Long Term Plan 2018-2028	DP	0	0	0	0	Planning Stage		May-17	Jun-18		Strategic Workshops planned for September.
●	Other Corporate Services Projects	DP	0	0	0	0						
			0	0	0	0						
	SIGNIFICANT PROJECTS											
●	District Plan Review	RT	0	20,000	20,000	0	In progress		Nov-14	TBA		Hearings Committee has heard submissions. Are deliberating on those and will report to Council, who may accept or reject the proposed plan changes.
●	Rates Review Project Phase II	DP	38,788	0	38,788	0	In progress		Apr-16	Jun-18		Consultation material is currently being prepared.
●	IT/Information Technology Projects (inhouse)	HS	274,636	201,460	476,096	74,613	In progress			Jun-17		IM Project at implementation stage. Telephony upgrade in progress will be completed by December 2017. Hardware updates continuing.
●	Other Significant Projects		313,424	221,460	534,884	74,613						

Indicator	Project Description	Project Manager	Carry Over (over)/under	2017/18 Budget	Total Budget	Actual Cost to July 2017	Project status	Scope, Design, etc	Quote, Tender, etc	Planned Start Date	Planned Completion	Date of completion	Comments / Issues
	ASSETS & INFRASTRUCTURE												
	Three Waters												
●	Punakaiki Water Intake Easement	MD	0	0	0	10,313	In Progress						Situation under further review. Progressing.
●	South Granity Tank Supply Water Administration	CEO	0	0	0		In Progress						Situation under further review.
●	Westport Tunnel Piping/Bracing	MD	621,199	2,350,000	2,971,199	97,620	In Progress						Feasibility Study in progress to determine methodology, cost, and schedule continues. Water restrictions apply.
●	Replacement of Westport Water Mains from Treatment Plant to Town	MD	0	0	0	0	In Progress						The mains replacement continues in line with annual budget and work plan to replace a certain number of lengths per annum.
●	Waimangaroa Water Treatment System	MD	0	473,692	473,692	25,841	In Progress						Bore site has been identified, preparations for test drilling underway. Communications update provided.
●	Ngakawau Hector Water Treatment System	MD	0	0	0	0	In Progress						Situation under further review.
●	Costing Water Schemes (Depreciation Funding)	MD	0	0	0	0							
●	Little Wanganui Water and Sewerage Easements	MD	0	0	0	0	In Progress				Jun-17		Work underway to resolve this
	Roading												
●	Rural Wards Maintenance Programme - to be Communicated	MD	0	0	0	0				Jul-17			Communication on road and stormwater maintenance for rural wards requested as part of 2017/18 Annual Plan.
●	Karamea Highway Special Purpose Road Advocacy	MD, GH	0	0	0	0	In Progress						Business case being prepared in conjunction with NZTA. Progressing.
●	Roading - Local Roads Capital Works	TM	248,672	1,246,367	1,495,039	30,108	ongoing				Jun-18		Works program set out for the year ahead.
●	Roading - Special Purpose Road Capital Works	TR	70,668	369,821	440,489	1,199	ongoing				Jun-18		All works underway.
●	Earthquake Strengthening of Buildings	RB	50,000	0	50,000	0					Jun-18		Carnegie Library engineer assessment required.
●	Footpaths- Urban Development	TR	84,791	202,080	286,871	88,061	ongoing				Jun-18		Footpath work plan for 2017/18 FY established.
	Amenities and Urban Design												
●	Punakaiki Dickson Parade Status and Freedom Camping Issues	MDG	0	0	0	0	In Progress						Temporary Road Closure following WCRC completion of new seawall. Detailed risk assessment before reopening.
●	Peel Street Yard	MD	0	60,000	60,000	1,679	In Progress						Site testing analysis and risk assessment currently in progress. Concept study for options to follow in 2017/18 FY.
●	Riverside Development and Waterfront Project		0	60,000	60,000	0							
●	District Signage (Seal Loop)	MD + GH	125,000	0	125,000	88,960	In Progress						Resource Consent application approved. Installation in progress.
●	Punakaiki Building Project		100,000	0	100,000	4,777	On Hold						Draft Community Needs Assessment report received by BDC. Copy referred to DOC for consideration in the Dolomite Point spatial planning. On hold until DOC confirm whether Community Facility will be incorporated in their planning work.
	Other												
●	Other Assets & Infrastructure Projects	MD	0	0	0	0							

1,300,330 4,761,960 6,062,290 348,558

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 7

Prepared by - Lynn Brooks
- Management Accountant

Reviewed by - Dean Phibbs
- Manager Corporate Services

DEBT RECOVERY REPORT

Report Summary

This report presents and classifies the outstanding balances of rates and sundry debtors as at 31 July 2017 for information purposes.

There are not any customers with arrears that require a decision of this committee to progress the debt recovery processes which are underway and continuous.

Draft Recommendation

That the report be received for information.

Issues and Discussion

This report is presented to the Finance & Audit Committee to monitor debt trends for Council.

The Finance and Audit Committee require a high level overview of the debt owed to Buller District Council. This information, when taken in conjunction with all other aspects of the financial results provides a full view of the financial performance and financial position of Buller District Council at 31 July 2017.

Rates debt follows an expected pattern whereby every third month, when the rates are accrued the rate debt remains high, then it decreases for the following two months. The total rates debt at July 2017 is lower compared to both July 2016 and July 2015. Rates debt has decreased over the total timeframe reported in the graph.

Looking into the detail further, the "long term serious monitored" (which is the red category in the graph) is showing some downward movement in the past three months however as a total of the arrears this category is growing slightly over time. We are closely monitoring the debt trends as well as applying many different approaches to combat current debt so that it does not reach the long term and at external debt collection stage. The use of Facebook and text messaging has provided some positive results.

Sundry Debtors has decreased over the last three months. The serious default category has reduced as a percentage of total debt over the timeframe reported on, due to non-payment of leasehold property. Arrears overall is lesser during the eight month period to July 2017 compared to the prior year. This can be attributed to one significant sponsorship debtor being transferred to Councils' CCO as direct sponsorship.

Considerations

1. Strategic impact

The debt recovery report provides a degree of feedback on the effectiveness of the strategic direction of Council. In particular, the effectiveness of the "consolidate and hold" position taken in the last long term plan where it was agreed to minimise rates increases and limit new services or assets to those that could be used as a springboard for District economic growth.

The change in debt levels and their classification provide a measure against this core strategic priority and its impact on our community.

This report also assists with understanding the current local economic climate along with the impacts of Council charges, and the community ability and willingness to meet those charges.

2. Significance assessment

The Significance and Engagement Policy is written in accordance with The Local Government Act 2002 (LGA 2002) section 76AA. This part of the Act sets the general approach to determine if a proposal or decision is significant requiring the Council to make judgements about the likely impact of that proposal or decision on:

- a) The District;
- b) The persons who are likely to be particularly affected by, or interested in, the proposal or decision;
- c) The financial impact of the proposal or decision on the Council's overall resources; and
- d) The capacity of, the Council to perform its role and carry out its activities, now and in the future.

The Significance and Engagement Policy sets out the criteria and framework for a matter or transaction to be deemed significant. The content included in this report is not considered significant because the matters disclosed are of a routine nature, and not large in terms of total assets and total annual operations of Council.

3. Risk analysis

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

When credit is extended by Council a risk arises that the amounts owing are not recovered when due, or that over time total debt owing grows to an unsustainable level and puts pressure on cash flow.

This risk is mitigated by engaging staff to monitor and recover debt therefore acting on indebtedness early on which yields better results, and regular reporting to Council to ensure oversight.

- 4. Values**
The Buller District Values are: Integrity, Future Focussed, Community Driven, One Team and We Care. Monitoring debt and undertaking debt collection processes most closely aligns to the values of integrity and future focussed.
- 5. Policy / legal considerations**
The collection of rates debt is enforceable under the Local Government (Rating) Act 2002. Other legislation dealing with credit extended by Council and debt recovery include the Property Law Act 2007, Residential Tenancies Act 1986 and the Resource Management Act 1991. The Financial Delegations Policy, Treasury Management Policy and Rates Remission Policies also apply to the collection of Council debt.
- 6. Tangata whenua consultation considerations**
The contents of the report are not a matter requiring consultation with Tangata whenua.
- 7. Views of those affected**
It is equitable for all our ratepayers, the public and individual debtors that all amounts outstanding should be collected through consistent processes.
- 8. Costs**
There are no extraordinary costs for debt recovery and the costs for continuing debt recovery are included in the annual plan budget.
- 9. Benefits**
The benefits to collection of debt is the cash flow of Council is maintained. There is also fairness and equity for all ratepayers and service consumers in that everyone is paying their portion of the cost.
- 10. Media / publicity**
There are no media or publicity opportunities with the content of this report.

Rates Accounts - Debt Recovery Report

31 July 2017
 Report cutoff date
 28 May 2017
 Last rates instalment due date
 28 August 2017
 Next rates instalment due date

Internal Debt Recovery Analysis

Status Flag	Category	No. of Ratepayers	Total Arrears Balance YTD	Current Year Arrears	Previous Year Arrears \$	Previous Year Arrears %	Leasehold Arrears No.	Leasehold Arrears \$	Further Action to Commence				Comment
									Formal Review	To Debt Agency	Title Search	Monitor Progress	
🔴	Placed with External Debt Collection	40	209,277	0	209,277	21%				✓			Arrears placed with Credit Recoveries. Refer to the analysis below.
🔴	No current mailing address	5	955	0	955	0%							Sent to debt collection for trading, also tracing some through bank deposits & social media.
🔴	Approach Mortgagee	15	33,868	0	33,868	3%							Ratepayers with mortgages are pursued for payment under the Rating Act, collecting prior year arrears.
🔴	Awaiting Decision	31	97,222	0	97,222	10%	3	27,540					More complicated cases, ie house uninhabitable / property on market etc require close monitoring.
🟡	Missed more than two instalments	35	118,077	0	118,077	12%					✓		Reviewing for possibility of Mortgagee Action.
🟡	Under Action - Short Term Monitored	29	43,167	0	43,167	4%					✓		Reviewed systematically with each ratepayer.
🟡	Payments Insufficient	36	38,220	0	38,220	4%				✓			Reviewed systematically. Work through options to increase payments/ resolve debt.
🟡	Long Term Monitored	48	69,194	0	69,194	7%	1	22,315					Financial hardship, paying minimum amounts. Reviewed 6 monthly (Aug/Feb), more frequently if in decline.
🟡	No Payments - Property on Market	4	8,484	0	8,484	1%							Annual Review.
🟡	Missed Feb 2017 & May 2017 instalments	54	48,754	0	48,754	5%					✓		Letters sent - monitoring.
🟡	Missed one instalment only	140	43,100	0	43,100	4%					✓		Letters sent - monitoring.
🟢	Payment plans	204	52,006	0	52,006	5%	2	4,468			✓		Reviewed annually and updated as required.
🔵	Abandoned Land Tender Project	68	222,937	0	222,937	23%							Abandoned Land tender process.
	Totals	709	985,261	0	985,261	100%	6	54,322				✓	

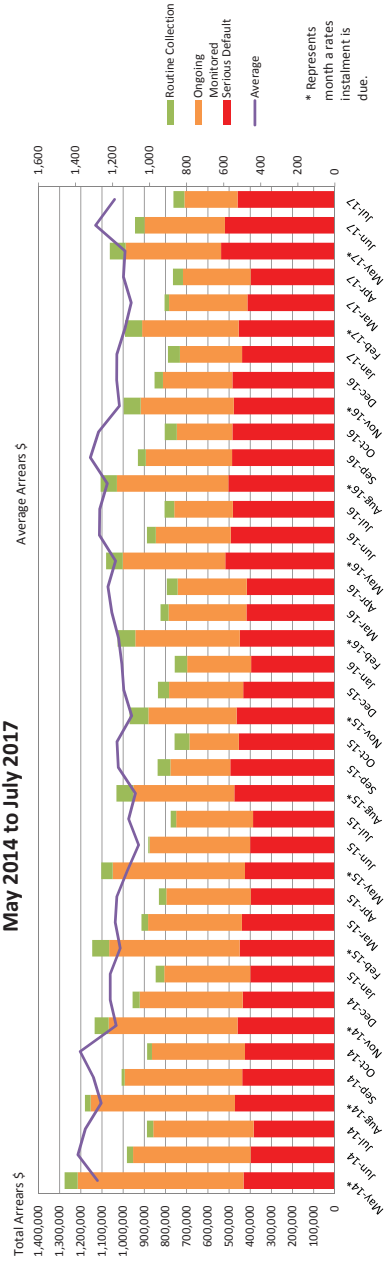
External Debt Recovery Analysis (refer Note 1 & Note 2)

Status Flag	Category	No of Ratepayers	Balance
🔴	Legal	10	103,302
🔴	Unable to trace ratepayer (No known address)	8	46,524
🔴	Active - no arrangement	4	13,832
🟢	Payment Plans	7	32,893
🔵	Abandoned Land	1	3,655
	Totals	30	200,206

Note 1
 BDC reporting includes all arrears including current rate instalments and penalties; however Credit Recoveries balances only include remaining balance of a historical debt.

Note 2
 Timing differences exist between account totals as payments received by Credit Recoveries are updated and processed by Council monthly.

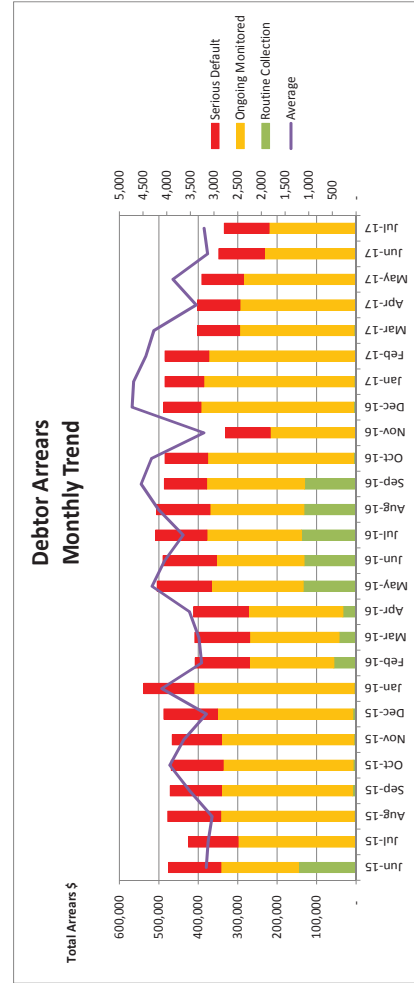
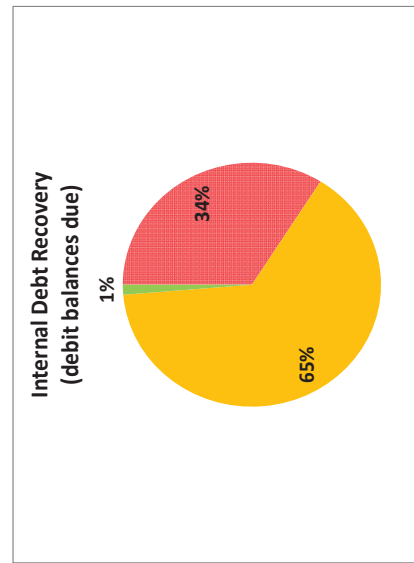
Rate Arrears Monthly Trend from May 2014 to July 2017



Sundry Debtors - Debt Recovery Report

Report cutoff date 31 July 2017
Ageing cycle - current due 20 August 2017

Status Flag	Debtor Type	Age of Debt		No. of Account Holders per Debt Thresholds			Action to Date				Further Action to Commence				Comments
		No. of Debtors	Overdue	Less than \$2,000	\$2,001 to \$10,000	Over \$10,001	At Debt Agency/ Mortgagee	Letter Sent	Payment Plan	In Dispute	Formal Review	To Debt Agency / Mortgagee	Monitor Progress	Further Letter/ Meeting	
●	Leasehold Properties	22	113,293	9	9	4	1		11				✓	✓	Rents invoiced 6 monthly in advance. Some long standing arrears receiving increased collection measures. Two overdue accounts remain lodged with Credit Recoveries.
●	Orowaiti Connection	6	11,690	3	3				2						
●	Libraries	5	531	5			2	3							
●	Water	23	19,318	20	3		1	3	1				✓		Debts lodged with Credit Recoveries. Payment plans promoted for those with long standing debt.
●	Resource Management	13	72,616	8	1	4	3	2	4	2		✓			Disputed accounts \$27k, payment programs \$12k. Lodged with Credit Recoveries \$18k.
●	Rentals	13	109,886	8	3	2	0	2	2	1					One very large amount under legal action. Others under agreed payment plans and ongoing monitored.
●	Regulatory Licences e.g. Food Premises	3	591	3			1								Timing of Annual Licences billing, most of group are aged two months only.
●	Sundry	14	1,498	14			3	1	1	1		✓			Instalment arrangements entered into for those with long standing debt.
●	Trade Waate	3	1,339	3			1								Annual invoicing cycle in June.
●	Building Consents														Where overdue, this represents inspections not yet completed due to timing of building process.
●	Cemetery	1	115	1											Instalment arrangements entered into for those with long standing debt.
●	LIMs	0													Short term debtor.
●	Totals	103	330,876	74	19	10									



FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 8

Prepared by - Lynn Brooks
- Management Accountant

Reviewed by - Dean Phibbs
- Manager Corporate Services

CAPITAL BUDGET CARRY OVERS

Report Summary

All Council budgets for annual operating and capital expenditure are prepared and approved during the Annual Plan or Long Term Plan process. At the end of each financial year, capital budgets planned for scheduled projects may not be spent in full as forecast.

Some projects may be re-budgeted in the following year Annual Plan or Long Term Plan process if they are not started by the end of the financial year. Capital budgets that are not re-budgeted but are still required to be completed may be carried over to subsequent years.

This report provides Council with details of the Capital Budgets required to carry over from the 2016/2017 Financial Year to 2017/2018.

Draft Recommendation

That Council approve the carry over budgets attached to this report.

Issues and Discussion

The schedule attached to this report (marked as Appendix A) details the capital budget carry overs required from the 2017/18 financial year.

Capital budget carry overs are defined as the unspent portion of a prior year budget which is still required to be spent to complete a capital project.

Capital budget carry overs may be required due to:

- Capacity constraints, re-prioritising or other unexpected workload reducing the resources available to continue on with planned capital programs;
- Changes to staff appointments;
- Engagement in shared services with other West Coast Councils extending project planning and decision making stages; and
- Projects contingent on strategic review or reconfiguration of initial concepts.

The total capital budget carry over proposed for 2017/2018 is \$2,199,510 (2016/2017 \$3,250,930).

The total is comprised of:

- IT Support Services software and hardware (\$284,636);
- Amenities and Reserves including seal loop signs, Carnegie Library, Punakaiki Community Building (\$320,960);
- Community Services cinema and theatre equipment (\$15,000);
- Vision 2010 Funding Inangahua and Seddon Ward projects (\$128,294);
- Westport Water Supply (\$702,970);
- Waste Water services for Westport, Reefton and Little Wanganui (\$343,519); and
- Roothing & Urban Development for local roads and the Karamea Highway of (\$404,131).

(In the 2016/2017 year \$2,044,205 of the total \$3,250,930 carry over was comprised of Reefton Community Centre Renovation (\$253,200), Westport Waterfront, Picnic Area and Seal Loop Signage (\$325,000), Drinking Water Treatment Upgrades (\$1,249,155) and Reefton Sewerage Reticulation (\$216,850)).

The 2017/2018 capital budget carry overs includes footpaths and roading projects that were planned in conjunction with the NZTA but not completed during the year totalling \$404,131. This category was not included in the prior year capital budget carry overs. It should be noted that 63% of the funding for local roads is contributed by NZTA and 100% of the special purpose roads (Karamea Highway) is funded by NZTA. The NZTA budget is set every three years and the next three years programme is at the time of writing being agreed.

The Westport water supply carries over \$702,970, of which \$621,199 relates to tunnel bracing. This carry over is necessary due to ongoing investigations that are underway at the end of the financial year.

Amenities and Reserves includes \$50,000 allocated for an engineers report on the Carnegie Library, \$100,000 for the Punakaiki Community Building which requires community input and fundraising to proceed and \$125,000 for the District Signage project which is nearly completed with signs being erected during August and September 2017.

The Information Technology Support category includes \$151,876 carry over for a document and information management system required to meet legislative requirements under the Public Records Act. This project is well advanced and is at implementation stage at end of year.

Council plans to spend \$7.225M throughout the year ended 30 June 2018. Including carry forwards of \$2.199M this would equate to a total capital budget of \$9.424M for 2017/2018.

Considerations

1. Strategic impact

The delivery of Capital Projects is important to meet the expectations of our community and complete the commitments made in our Long Term and Annual Plans.

Carrying over budgets to subsequent financial years enables the work on capital projects to continue seamlessly across balance dates for all departments of Council.

2. **Significance assessment**

The Significance and Engagement Policy sets out the criteria and framework for a matter or a transaction to be deemed significant. The Significance and Engagement Policy is written in accordance with The Local Government Act 2002 (LGA 2002) section 76AA. This part of the Act sets the general approach to determine if a proposal or decision is significant requiring the Council to make judgements about the likely impact of that proposal or decision on:

- a. The district;
- b. The persons who are likely to be particularly affected by, or interested in, the proposal or decision;
- c. The financial impact of the proposal or decision on the Council's overall resources; and
- d. The capacity of the Council to perform its role and carry out its activities, now and in the future.

The content included in this report has been consulted on with the community through prior Long Term Plan and Annual Plan processes.

The capital projects detailed in the carry over schedule have been included in previous Long Term or Annual Plan processes including public consultation. Some projects the Punakaiki Community Building and the Vision 2010 Funding have included targeted consultation with the affected communities.

3. **Risk analysis**

Risk is assessed by taking into account the likelihood of an event occurring and the result of that event.

Capital projects are perceived to have some greater than usual potential to place Council at risk as the costs involved can be significant, or the project may have greater technical and legal issues. This risk is mitigated by engaging suitably qualified staff to monitor and regularly report on the projects therefore acting on any issues that arise early on, and to ensure the project progress is well understood by staff and governance.

Approving the capital budget carryovers extends project timelines to enable projects to be completed. Alternatively, capital projects would need to be re-budgeted during the next annual plan creating a twelve month delay before work could commence or continue.

4. **Values assessment**

The Buller District Council values are: One Team; Community Driven; We Care; Integrity; and Future Focussed. This report sets out the ongoing capital projects which are important for the community and the future of the district. Reporting on the capital carry overs provides an opportunity to review if the ongoing capital projects align with our values.

5. **Policy / legal considerations**

The Local Government (2002) Act regulates the Long Term and Annual Plan process.

6. **Tangata whenua considerations**

Consultation not required.

7. **Views of those affected**

Consultation on the scheduled capital projects has occurred during prior Long Term and Annual Plan processes.

8. Costs

Capital expenditure is funded from depreciation reserves, loans, or external grants/subsidies and has been included in Council's Long Term or Annual Plan budgets.

Deferring completion will reduce costs in the short term for example depreciation, interest payments and associated operating costs such as electricity.

9. Benefits

Approving the carry over schedule by Council authorises the continuation of the capital expenditure program within Council in a transparent manner.

10. Media / publicity

There are no media and or publicity opportunities with this report.

Buller District Council

Capital Budget Carry Overs from 2016/17 to 2017/18

Account Name	Asset Category	Carry Over \$	Comment
IT Support Services Software			
Website	Information Technology/Software	10,000	CEO and Coms Team website work to be completed 2017/18
Document & Info Management	Information Technology/Software	151,876	Work progresses well, near purchase at Aug 17
GIS Intranet Viewer	Information Technology/Software	11,880	Required to ensure a link between Magiq and GIS
Magiq Software Upgrade	Information Technology/Software	9,341	Timesheets & payment portal to be completed 17/18
Mobile Device Management	Information Technology/Software	1,750	Trialled and ready for purchase in 17/18
On-line Web Portal	Information Technology/Software	10,000	These funds will be required to provision the server. Cost of software is in Magiq Software Upgrade
		<u>194,847</u>	
IT Support Services Hardware			
Public WiFi	Information Technology/Hardware	4,000	Project in progress
Network Upgrades	Information Technology/Hardware	15,789	In progress, may be required for part of shared services
Telephone System (replace PABX)	Information Technology/Hardware	70,000	Shared service Replacement in progress implemented in Aug 17
		<u>89,789</u>	
Amenities & Reserves			
Playground Land Work	Parks and Reserves	25,620	Playground work not underway at year end, but still required
Carnegie Library (old Westport Library)	Building	50,000	Engineers report required. Invoice yet to be received
VICTORIA SQ SPORTS COMPLEX : Buildings - Other	Building	20,340	Heat pumps costs required to be completed
Punakaiki Community Building	Amenities Project	100,000	WIP at end of year, community input required
Urban Streetscape District Signage/Seal Loop Signs	Amenities Project	125,000	WIP as at year end, signs put up during Aug 2017
		<u>320,960</u>	
Community Services			
NBS Theatre Plant & Equipment	Community Facilities	10,000	Cinema Equipment underway at year end
NBS Theatre Furniture & Fittings	Community Facilities	5,000	Curting for theatre measured and seeking quotes at year end
		<u>15,000</u>	
Vision 2010 Funding			
Reefton Broadway	Vision 2010 Inangahua Project	26,559	Council resolution 25-05-2016.
To reallocate after 30 June 2017	Vision 2010 Inangahua Project	8,430	Council resolution 23-07-2014
Karamea Urban Development	Vision 2010 Seddon Project	93,305	Spend to 30-06-2016 \$6,695 design costs
		<u>128,294</u>	
Water Supplies			
Westport Water Reticulation	Water	47,271	Work required, constrained by staffing, prices obtained from Westreef
Westport Water Tunnel Piping	Water	621,199	Greater than expected work required. WIP to 30-06-2017
Westport Water Backflow Prevention	Water	34,500	Required because of new bylaw being adopted
		<u>702,970</u>	
Waste Water			
Westport Sewer Treatment Plant	Waste Water	40,000	Blower purchase required urgently
Westport Sewer Modelling & Separation	Waste Water	54,836	Consultant engaged. Work is required.
Reefton Sewer Reticulation & Manholes	Waste Water	192,583	Large volume work required on long main including behind community centre
Little Wanganui Sewer Reticulation & Manholes	Waste Water	56,100	Deferred to achieve economies of scale, still required
		<u>343,519</u>	
Roading & Urban Development			
Footpath Upgrade (includes Derby St)	Footpaths	84,791	Program delayed due capacity & weather constraints
Cameras, Flags & Coloured Lights	Urban Development	31,930	Underway at August 2017
Drainage Renewals - Bridges and Roads	Roading	57,729	Program delayed due capacity & weather constraints
Pavement Rehabilitation	Roading	52,728	Program delayed due capacity & weather constraints
Structures Replacement	Roading	43,872	Program delayed due capacity & weather constraints
Traffic Renewals	Roading	21,036	Program delayed due capacity & weather constraints
Minor Safety	Roading	41,377	Program delayed due capacity & weather constraints
SPR Payment Rehab	Roading	35,779	Program delayed due capacity & weather constraints
SPR Minor Safety	Roading	34,889	Program delayed due capacity & weather constraints
		<u>404,131</u>	
TOTAL		<u><u>2,199,510</u></u>	
Buller District Council			

FINANCE AND AUDIT COMMITTEE

13 SEPTEMBER 2017

Agenda Item No 9

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

AUDIT MANAGEMENT ACTION POINTS

RECOMMENDATION/DRAFT RESOLUTION:

That the report be received for information and discussion.

OUTSTANDING AUDIT MANAGEMENT ACTION 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.	Management 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 2017
2	Transfer of asset revaluation reserve for assets disposed of, be transferred to accumulated funds.	No transfer is made.	Management Accountant	In progress	Methodology to enable this to occur will be finalized and reserve adjustments processed in the 2015/16 financial year. Will be completed during an revaluation year which is scheduled June	June 2017
4	Internal audit.	No formal internal audit reviews were performed in 2014/2015.	Manager Corporate Services	1 internal audit carried out.	Internal Audits have been carried out. Shared services project.	June 2017
6	Rates review.	Complete a review of Council's rates. Wholesale changes are needed in rates as there are antiquated differentials and many fixed amount targeted rates.	Manager Corporate Services	In progress	Confirmed this is still in progress. The new system will not be implemented until 2018/2019 at the earliest.	February 2018

FINANCE WORK PLAN

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Internal Reporting												
F&A Reports												
- BDC Quarterly Financials					Quarterly			Half yearly			Three quarterly	
- BDC Operational												
- BDC Treasury												
- BDC Debtors												
- BDC Capital												
- BDC Significant Projects												
- BHL Quarterly Financials												
Council Reports												
- Budget Carry Overs			2017 Carryovers									
Rates Overhaul Project												
- Rates Overhaul	Database integrity checks	Stmt of Proposal + Consultation Doc	Community meetings + Advertising	Consultation	Consultation	Consultation	Deliberations	Amendments to rating model	Finalise & adopt for inclusion in LTP			
2018-2028 Long Term Plan												
- Long Term Plan	Community & strategic workshops + engagement	Adopt draft vision					Workshop	Workshop	Workshop + Adopt Draft LTP	Consultation	Roadshows + Hearings	Adopt Final Plan
2016/17 Annual Report												
- BDC Annual Report			Audit	Adopt					Systems Audit			
- BHL Annual Report		Audit	Group Figures	Annual Report								
Other Operational Projects												
- Insurance											Negotiations	Finalise