

SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT SUMMARY 2018/19

The Council adopted its Annual Report for the 2018/19 financial year on Wednesday 9 October 2019. The Annual Report, which reflects the period from 1 July 2018 – 30 June 2019, shows how well the District's assets are being looked after and how well the Council is performing as an organisation. Today's Southlink presents a brief overview of the 2018/19 Annual Report. For a more detailed Summary or the full Annual Report go to our website www.southtaranaki.com or phone us toll free 0800 111 323 to arrange for a copy to be sent out to you.

This year's
**Sporting
Hall of Fame
inductees**
were Graham Mourie
(Rugby) and Stan Lay
(Athletics - Javelin).

The second Hāwera
Town Centre
re-development
project, **Korimako
Lane**, and the
refurbishment of the
Grubi Building was
completed and opened
in early December
2018.

Council initiated a
Feasibility and Initial
Business Case Study
into the potential
development of an
**Industrial/Business
Park in the District**. The
study, was part funded
by the Government's
Provincial Growth Fund.

78%
of residents
were
satisfied
with the
**Animal
Control
service**



After careful consideration and a detailed feasibility study STDC, along with the Stratford and New Plymouth District councils, agreed to suspend further development of the Central Landfill near Eltham, bank the facility for future use and accept an offer from Midwest Disposals Ltd to send our waste to the **Bonny Glen landfill**, near Marton. The offer will save Taranaki ratepayers up to \$25 million over 35 years and enables us to focus on reducing waste going to landfill without raising the residential waste disposal costs. The 35-year agreement saves money, reduces risk, delivers long-term certainty and provides real incentive to minimise waste.

525
(91%) of the 577 noise
complaints received
were responded to
within 1 hour.

We continued to
prepare for the main
**Hāwera Town Centre
re-development
project, Te Ramanui
o Ruapūtahanga** –
South Taranaki's new
Library, Culture and
Arts Centre. Concept
designs were shared
with the community
and feedback integrated
into the preliminary
designs (completed in
May 2019). The project
received a huge boost
in the form of a \$2.8
million commitment
from the TSB Community
Trust in June 2019.
Construction is planned
to begin in early 2020
and to be completed by
July 2021.

Hāwera's King
Edward Park (KEP)
received international
recognition with as
recipient of a Green
Flag Award and was
also awarded a 5th star
by the New Zealand
Gardens Trust making
it a Garden of National
Significance.

Council decided to bring
its professional **roading
services in-house**. This
move will improve
asset management and
service delivery over
time, as well as reduce
costs and ultimately
represent better value
for money for our
ratepayers.

Council's energy
costs have fallen by
approximately
13%
compared to the
previous two years.

65%
of road users are
satisfied with the
condition of Council
roads.

An **electric vehicle (EV)
fast charger station** was
installed in Ōpunakē.

82%
of residents
satisfied
with the
water supply
overall.

TSB Hub had another
strong year with
158,677
visitors in total.

Upgrade of the Waihi Beach track was completed in October 2018. \$125,000 was secured from the Ministry of Business, Innovation and Employment's (MBIE) Tourism Infrastructure Fund to go towards purchasing four mobile, **fully-contained ablution pods and five solar powered rubbish compaction bins**, one of which will be placed at Waihi Beach Reserve. Council will pay for the other half of the cost of the new infrastructure. The Waihi Beach ablution pod will be installed in the 2019/20 financial year.

Kaponga LibraryPlus
was reopened in
December 2018 after
being **earthquake
strengthened** and
refurbished. Work
started on earthquake
strengthening Pātea's
Hunter Shaw Building
in April 2019.

93%
of residents surveyed were
satisfied with the solid waste
collection service.*
33.13%
of waste (including recycling
and green waste) was diverted
from the landfill





The \$300,000 Pātea LibraryPlus refurbishments were completed in March 2019.

Council began permanently treating the Pātea Water Supply with chlorine dioxide from December 2018.

All water plants and reticulated networks complied with Drinking Water Standards NZ for the year.

\$27.98m

was spent on the road network in 2018/19 which included 79km of roads resealed, 7km of roads reconstructed and \$489,000 spent on 743 metres of footpaths.

A total of

1,354

Animal Control related complaints were received during the 2018/19 year.

382

(99%) of the 387 reported serious dog or wandering stock incidents were responded to within 4 hours.

1,261

(98%) of the 1,288 general dog incidents reported were responded to within 1 working day.



For the 2018/19 year STDC issued:

609

building consents

139

health premises registrations,

120

alcohol licences

157

resource consents, 101 for land uses and 56 for Subdivision

77%

of residents thought that decisions made by the Council represent the **best interests** of the District.*

90%

of residents feel that the Council is **moving in the right direction**.

93%

of residents are **happy overall** with the service the Council provides.

42,844

visitors used our free rural pools and

100,798

visitors used the Hawera Aquatic Centre

100%

of residents were satisfied with the facilities and customer service of **LibraryPlus Centres**.

In May 2019, Council embarked on a consultation process to develop town centre masterplans for Eltham, Ōpunakē, Manaia, Pātea and Waverley. The aim of this exercise is to develop a suite of actions for each town's CBD which can be included in our 2021 Long Term Plan.



New Playgrounds were installed at Ōpunakē Beach, Queen Elizabeth Park in Hāwera and Waverley Beach

97%

of residents were satisfied with the level of maintenance in Council parks and reserves, and 78% were satisfied with the maintenance and cleanliness of our toilets.*

*Survey conducted by Research First using a sample of 400 residents 18 years + and representative of the population in terms of ward and gender.

FINANCIAL OVERVIEW

	Council
Net surplus/(deficit)	(\$3,208,000)
Total assets	\$989 million
Total liabilities	\$139 million
Total equity	\$850 million

STATEMENT OF FINANCIAL PERFORMANCE

The Council finished the year with a \$5,816,000 operational surplus before unbudgeted accounting adjustments (loss on derivative contracts \$5,121,000 and disposal of assets \$3,903,000) against a budgeted surplus of \$2,123,000. After taking these unrealised losses into account the Council finished the year with a deficit of \$3,208,000 against a budgeted surplus of \$2,123,000. The main reasons for the variance are as follows:

REVENUE

The total revenue was \$2.6 million more than budgeted. This included an additional \$1.0 million from the Long Term Investment Fund (LTIF) due to strong market conditions and \$1.4 million in additional subsidies and grants income from the NZTA and New Plymouth District Council (NPDC) in accordance with the Central Landfill Joint Committee Agreement for the Rotokare Road and SH3 upgrade.'

EXPENDITURE

- An unbudgeted adjustment for the \$1.7 million loss on infrastructure asset disposals.
- An unbudgeted adjustment for the \$2.2 million write off as Council's share due to the Central Landfill Joint Committee's decision to suspend further development of the Central Landfill.
- \$5.1 million unbudgeted adjustment for the loss on derivative contract (Swaps).
- \$1.5 million of savings on actual versus budgeted amounts for interest paid and depreciation due to delays in the Capital Works Programmes.

LTIF

The Council's Long Term Investment Fund returned \$10.09 million against a budgeted return of \$8.75 million. After allowing for withdrawal of the annual \$5.78 million rates subsidy and interest repayments for specific community projects, the value of the Fund at 30 June 2019 was \$147.09 million (\$143.21 million in 2018) including internal borrowings.

DEBT

Council's total borrowing increased from \$128.18 million in 2018 to \$128.51 million.

OPERATING EXPENDITURE



- Democracy and Leadership 4.24%
- Arts and Culture 4.52%
- Community Facilities 14.10%
- District Economy 2.15%
- Community Development 1.56%
- Regulatory Services 3.59%
- Water Supply 15.94%
- Roading and Footpaths 23.1%
- Stormwater 1.44%
- Wastewater 7.64%
- Solid Waste 5.64%
- Coastal Structures 0.43%
- Environmental Sustainability 1.5%
- Reallocated Activity 14.16%

For a more detailed Summary or the Full Annual Report go to our website www.southtaranaki.com or call us toll free 0800 111 323 to arrange for a copy to be sent to you.