

# Corporate and Operations Committee

## Open Agenda



Notice is hereby given that an ordinary meeting of the Corporate and Operations Committee will be held on:

**Date:** Wednesday 26 April 2017  
**Time:** 9:15am  
**Venue:** Council Chambers  
35 Kenrick Street  
TE AROHA

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### Membership

#### Mayor

Jan Barnes, JP

#### Councillors

Donna Arnold  
Teena Cornes  
Paul Cronin  
Neil Goodger  
Brian Hunter  
Peter Jager

James Sainsbury  
Ash Tanner  
Kevin Tappin  
James Thomas, JP  
Adrienne Wilcock

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**1 Meeting Opening**

**2 Present**

**3 Apologies**

At the close of the agenda no apologies had been received.

**4 Notification of Urgent Business**

Pursuant to clause 3.7.5 and 3.7.6 of the Standing Orders NZS 9202:2003 and Section 6A (7) of the Local Government Official Information and Meetings Act 1987, the Chairman to enquire from members whether there are any additional items for consideration which qualify as extraordinary or urgent additional business.

**5 Confirmation of minutes**

Minutes, as circulated, of the Ordinary Meeting of the Corporate and Operations Committee, held on 22 March 2017

## Youth Update

Trim No.: 1874443

Item 6.1

### Executive Summary

Following the successful application to Ministry of Youth Development a Matamata-Piako Youth Volunteer Ambassador Group has been set up.

The group held its first meeting in February when it became clear that there is a range of different priorities around the table. After further consultation with Ministry of Youth Development, the Ministry made it clear that the intent of this year's Local Government Youth Development Partnership fund is to establish a youth advisory group. The Ministry confirmed that this particular fund cannot be used for youth events, as has been the case in previous years.

Following this advice from the Ministry, it was agreed that it would be desirable to have a core group across the district and a town group in each of our three towns. The core group has been established and consists of equal representation from each town. A draft Terms of Reference is currently being developed along with a work programme for the first year.

Representatives from the Volunteer Youth Ambassadors will be in attendance to provide an update on progress.

### Recommendation

That:

1. **The report be received.**

### Attachments

There are no attachments for this report.

### Signatories

Author(s)	Ann-Jorun Hunter <b>Policy Planner</b>	
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Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
	Don McLeod <b>Chief Executive Officer</b>	

## Sport Waikato Six Monthly Update

Trim No.: 1874570

Item 6.2

### Executive Summary

9.30am Lou Beer, Matamata Piako District coordinator for Sport Waikato will be present to give a six monthly update on District activities.

### Recommendation

That:

1. The information be received.

### Attachments

There are no attachments for this report.

### Signatories

Author(s)	Caroline Hubbard <b>Committee Secretary</b>	
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Approved by	Don McLeod <b>Chief Executive Officer</b>	
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## Staff Retirement

Trim No.: 1874562

Item 6.3

### Executive Summary

10.15am Head Librarian Sue Lean has retired after being District Librarian of Matamata- Piako libraries and also for the last 3 years Manager of Hauraki District Council libraries as a Shared Project between the two councils.

### Recommendation

That:

1. **The information be received.**

### Attachments

There are no attachments for this report.

### Signatories

Author(s)	Caroline Hubbard <b>Committee Secretary</b>	
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Approved by	Don McLeod <b>Chief Executive Officer</b>	
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## Growth Assumptions - Long Term Plan 2018-28

Trim No.: 1869857

### Executive Summary

The purpose of this report is to formally present Council with work undertaken by Rationale Limited to develop growth projections for the District's resident population, dwellings and rating units, and seek guidance as to an appropriate set of growth projections (growth assumptions) to inform the Council's Long Term Plan 2018-28.

Walter Clarke, Operations Manager / Infrastructure Advisor from Rationale Consultants will be in attendance at 1pm to present the projections to Council.

Rationale has modelled low, medium and high growth scenarios for Councils consideration. Rationale recommends Council adopt a medium growth scenario, which would see annual average annual growth rates out to 2048 of 0.3% for resident population, and 0.6% for dwellings and 0.7% for rating units respectively.

The report from Rationale presenting the growth projections is circulated separately with supporting tables showing the low, medium and high projections.

### Recommendation

That:

1. **The information be received.**
2. **Council adopt the “medium” growth scenario as set out in the Matamata-Piako District Projections for Resident Population, Dwellings and Rating Units to 2048 prepared by Rationale Limited for the Long-Term Plan 2018-28 assumptions and planning.**

### Content

#### Background

##### Growth Projections

Up-to-date growth projections are required to assist Council in planning for its services and facilities (e.g. through updating activity plans and capital works programmes) and the funding of those services and facilities. Council undertakes a growth projections review every three years as part of the Long Term Plan process. Councils are required to use the most up-to-date and accurate data available to inform their planning, therefore it is appropriate to review the Council's current growth projections (last review being in 2014) to take account of new 2013 Census data and Statistics NZ updates made available since 2014. Amendments to the Local Government Act 2002 in 2014 include the requirement for councils to publish rating unit projections, and to develop a 30 year Infrastructure Strategy. This project contributes to Council meeting these legislative requirements.

The Growth Projections Review as part of the Long Term Plan 2018-28 has been undertaken as a collaborative project with Hauraki District Council and Thames-Coromandel District Council. This

was considered appropriate due to the strong history of collaboration between the Councils. In 2014 the three councils collaborated on the same project using Rationale Consultants.

A Project Brief was determined requiring similar deliverables across the three Councils, and a proposal was sought from one other organisation. Rationale Limited was engaged to undertake the work, being considered the most appropriate based on cost and the ability to deliver the required outputs.

Rationale report

The Rationale report provides population, dwelling and rating unit projections out to 2048, for the district and its three ward areas and 13 settlement areas. Further detail is provided on the population structure (age demographics and average household size), dwelling types (occupied, unoccupied and under construction) and for each of Council's six rating unit categories.

Projections have been developed for the district, wards and key settlements (which are based upon Statistics NZ Census Area Units) extending out to 2048. The settlements included in this review are as follows:

- Matamata North
- Matamata South
- Morrinsville East
- Morrinsville West
- Waitoa
- Te Aroha
- Waharoa
- Te Poi
- Hinuera
- Okauia
- Springdale
- Tahuroa
- Waihou-Walton

A customised analysis of various rural settlements within the district was also provided to inform asset management planning and District Plan reviews.

A growth model has been built to allow multiple scenarios to be considered. The three scenarios are developed from three baseline resident population growth rates considered appropriate for Matamata-Piako District - low growth (declining population), medium growth (slight increase in population), high growth (strong population growth). Rationale recommends the medium growth scenario be adopted. The medium growth scenario is considered to provide a sound basis for Council's long term planning. This would see annual average growth rates out to 2048 of 0.3% for resident population, and 0.6% for dwellings and 0.7% for rating units.

A summary of the key results are shown below for the recommended medium growth scenario:

Output	2013	2018	2028	2038	2048	Change (2013 - 2048)	Average annual change	Annual average growth rate
<b>Resident Population</b>	32,910	34,980	36,540	37,050	36,950	4,040	115	0.3%
<b>Total Dwellings</b>	13,231	14,312	15,327	15,905	16,489	3,258	93	0.6%
<b>Total Rating Units</b>	13,876	14,961	16,039	16,719	17,409	3,533	101	0.7%

Regarding the population structure, the district has a similar age profile to the rest of New Zealand. However in 2013 the proportion of people aged 65+ made up around 18% of the district's



total population, which is higher than the nationwide average of 14%. This ageing population trend is projected to continue, with the proportion of people in the district aged 65+ increasing to over 30% by 2048. The number of people aged between 15 and 64 years of age is projected to decrease. This may have a flow-on effect to the make-up of the work force in the district.

Factors such as the aging population contribute to a decline in the average household size, decreasing from around 2.5 residents per household in 2013 to around 2.3 in 2048.

In terms of geographic spread of growth, all three wards are projected to experience population and dwelling growth. The total population and dwellings increase is highest in the Matamata Ward, followed by the Morrinsville Ward and then the Te Aroha Ward. Nearly 80% of the population growth and 70% of the dwelling growth is forecast to occur in the three urban towns (Matamata, Morrinsville and Te Aroha). The population growth in the rural settlements is noticeably lower than the main towns, and in some areas a slight decline is forecast. However dwellings are projected to increase in all the outlying rural settlement areas.

Population and dwelling growth flows through to rating units. The district rating units are predominately Residential and Lifestyle, with around 75% of total rating units falling under these two categories. Therefore any rating unit growth is heavily dependent on dwelling growth. However the two business-related rating unit categories, Industrial and Commercial, are both projected to increase at a greater growth rate than the population and dwellings. As with the population and dwelling growth, around two-thirds of this business related rating unit growth is located in the three urban towns.

Taking an overall view of population, dwelling and rating unit growth, Morrinsville town is projected to be the fastest growing (annual percentage change), followed by Morrinsville and then Te Aroha. The annual percentage change accounts for the size of the towns. The Te Aroha town is less than two-thirds the size of Matamata and Morrinsville, respectively.

The low projections show Te Aroha's usually resident population (URP) in a sharp decline, Morrinsville and Matamata in a gentle decline while all three wards see an increase in dwellings and rating units. The medium series shows Te Aroha is projected to peak in 2033 and then decline, while total dwellings and rating units continue to grow to 2048. Across all low, medium and high series all wards have higher growth in dwellings and rating units than the URP which aligns with the district age profile.

## Issues

### Statistics NZ

In March 2017 Statistics NZ released three alternative projections (designated low, medium, and high) using different fertility, mortality, and migration assumptions at Census Area Unit level for Matamata-Piako.

The low and high projections allow users to assess the impact on population size and structure resulting from lower growth and higher growth scenarios, respectively. The low projection uses low fertility, high mortality, and low net migration for each area. The high projection uses high fertility, low mortality, and high net migration for each area.

At the time of release, the medium projection is considered the most suitable for assessing future population change and is consistent with the medium projection for territorial authorities in the Subnational Population Projections: 2013(base)-2043 update (released 22 February 2017). However Statistics NZ advises that users of the data can make their own judgement as to which projections are most suitable for their purposes.

The Statistics NZ projections are consistent with Rationale's projections. Rationale is recommending Council adopt a medium growth series which is consistent with Statistics NZ advice.

### NIDEA

The National Institute of Demographic and Economic Analysis (NIDEA) have produced demographic projections at the Census Area Unit (CAU) level for the Waikato Region. Projections prepared for each CAU include population, household and labour force projections for selected years (2021, 2031, 2041, 2051, and 2061).

At a regional scale, Waikato District, Hamilton City, and Waipa District provide the majority of population growth over the projection period. However, this population growth is especially concentrated in the peri-urban area immediately surrounding Hamilton City, and the area closest to Auckland, while rural and peripheral areas decline in population. The household and labour force projections closely follow the population projections.

The overall pattern of population change in the Waikato Region is one of growth followed by decline for the region as a whole, but is not followed uniformly by all territorial authorities. Four territorial authorities (Waikato District, Matamata-Piako District, Hamilton City, and Waipa District) are projected by NIDEA to experience population growth throughout the projection period, while most territorial authorities experience an initial increase in population (which is relatively modest for some) before experiencing later population decline.

NIDEA's methodology differs from that employed by Statistics New Zealand and Rationale. Rationale has undertaken a high-level comparison to NIDEA's projections which shows NIDEA are projecting an additional 1,448 residents by 2048.

### Growth Projections - need for growth projections

The Census is an important information source as it is literally the only source that presents information with any degree of accuracy for geographic areas smaller than a territorial authority.

Council uses the projections data:

- to develop its forecasts of growth and demand for our services – these assumptions underpin our financial strategy, all of our asset and activity planning, and through those plans, our Long Term Plan,
- The infrastructure strategy requires consideration of population levels, land-uses, and rating unit growth for 30 years (2018 to 2048). Statistics NZ and Councils previous growth projections did not project this far and did not provide this level of detail.
- As an information source in its monitoring of the achievement of council's community outcomes as required by the Local Government Act (there is a requirement to put any monitoring we do in the Annual Report).
- to develop its policy on development contributions – where significant errors in the available data could result in significant under-recovery of funds from the development community with flow on effects on Council rates
- to set the basis for developing our other strategies and policies
- Inform land-use planning - predominantly Councils District Plan
- Inform relevant policies and strategies, and asset management planning.

These projections are key assumptions that underpin our asset and activity planning, and through those plans, our LTP.

## Analysis

### Options considered

Council needs to approve a set of growth projections (population, dwellings and rating units) which will form the basis of growth assumptions to feed into the Council's Long Term Plan 2018-28 processes.

Rationale has developed multiple growth scenarios, and makes a recommendation on the most appropriate scenario for use to inform Council's 2018-28 Long Term Plan processes. This work (including methodology, scenarios options and recommended scenario) is set out in the Rationale report.

Staff seek a decision from Council on the growth scenario considered most appropriate to form the basis of growth assumptions. The approved growth assumptions will inform Council's 2018-28 Long Term Planning processes.

### Analysis of preferred option

If Council considers it most appropriate to develop an additional growth scenario, clear guidance is required from Council on the assumptions to be applied in order to build the modified scenario.

### Legal and statutory requirements

Councils are required by the Local Government Act 2002 to identify significant forecasting assumptions in the Long-Term Plan including the level of uncertainty with those assumptions, and must disclose the possible effect of uncertainties on the financial forecasts. These assumptions include demographic forecasts, which are significant in determining the expected future demand for services and, therefore, Councils spending.

### Impact on policy and bylaws

#### Caveats

Demographic projections are not predictions or forecasts and projections by nature are uncertain. The further out in time, and the smaller the spatial scale considered, the higher the level of uncertainty associated with the projections.

No model can predict the future. The projections represent only one possible, albeit plausible, future. Projections are an artefact of both method and data. Models are not reality but a representation of it based on input data, available knowledge and expert assumptions.

The projections should be used as an indication of the overall trend (e.g. long-run averages), rather than as exact forecasts. The projections are updated by Council every three years in line with the Long-Term Plan cycle to maintain their relevance and usefulness, by incorporating new information about demographic trends and developments in methods.

#### Limitation

A limitation of the growth projections is that they are based upon the 2013 Census data. The next Census is due in 2018; following this the projections will be updated in 2020 to take account of findings from the 2018 Census, and the Rationale Model allows for this updated information to be incorporated.

In between census's Statistics NZ progressively release demographic information. Staff will undertake a 'check' of the Rationale growth projections against updated Statistics NZ information

as and when it is released. Whether it would be necessary and feasible to update the Model and resulting growth projections will be assessed considering indicated accuracy and implications for Long Term Plan 2018-28 timeframes.

#### Risks

Rationale has recommended a 'medium' growth scenario for the district. If the growth does not occur as forecast this will impact on the development contributions received for financing development. It will also impact on rates as there will be less than the forecast number of ratepayers over which to spread the rating burden.

The growth component of new capital projects is generally funded from development contributions. If development does not occur at the rate predicted, Council may have to borrow additional funds. Over projection of growth may also result in infrastructure investment being made before it is needed or that may not be required over the long-term.

Growth rates have been carefully researched but economic and other conditions can cause variations from year to year.

#### **Consistency with the Long Term Plan / Annual Plan**

The information will feed into the LTP process.

#### **Impact on significance policy**

Adoption of the LTP growth assumptions is not considered significant in terms of the Significance and Engagement Policy. The LTP is a significant issue and will be consulted upon in early 2018.

#### **Communication, consultation and decision making processes**

The consultation and communications will occur as part of the LTP process.

#### **Consent issues**

There are no consent issues.

#### **Timeframes**

If Council adopts the growth projections they will be incorporated into the LTP development.

#### **Contribution to Community Outcomes**

The LTP contributes to our all our community outcomes.

#### **Financial Impact**

##### **i. Cost**

The cost of this work is approximately \$15,000 plus GST.

##### **ii. Funding Source**

The cost is incorporated within the 'Strategies and Plans' budget which is general rate funded activity.

## Attachments

There are no attachments for this report.

## Signatories

Author(s)	Niall Baker <b>Policy Planner</b>	
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Approved by	Michelle Staines-Hawthorne <b>Corporate Strategy Manager</b>	
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	Don McLeod <b>Chief Executive Officer</b>	
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## Chief Executive Officers Report for March 2017

Trim No.: 1874974

Item 6.5

A copy of the Chief Executive Officer's report for March 2017 is attached.

### Recommendation

That the report be received.

### Attachments

- A. Chief Executive Officers Report for March 2017
- B. Resource Consents Received for March 2017

### Signatories

Author(s)	Don McLeod <b>Chief Executive Officer</b>	
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Approved by	Don McLeod <b>Chief Executive Officer</b>	
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# Chief Executive Report

## March 2017

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## 1. Finance and Business Services

### BACKGROUND

The monthly financial report provides Council with a snapshot of the financial performance of the organisation.

Management identifies budget variances to provide advice to Council on any action that should be taken. For example, management may recommend that works are deferred if it considers that budgets may be exceeded.

Management will make these recommendations after considering the overall financial situation. Budget variances in one activity may be able to be offset against another activity. Management may therefore consider that it is not necessary to take any action.

### 1. Financial Performance Summary

#### EXECUTIVE SUMMARY

Council's financial result to 31 March 2017 is a surplus of \$4.447 million compared to a budgeted surplus of \$852,000.

Total Income is \$36.898 million which is \$1.998 million higher than budget. Total expenses are \$32.201 million which is \$1.595 million lower than budget.

The main contributors to the higher income of \$1.998 million are:

- The council has gained \$1.1 million on interest rate swap
- T. A. Event center contribution \$442,000 received earlier in year.
- Metered water income is above budget by \$263,000 due to higher consumption
- T.A Spa income, Building consent and Resource consent revenue is higher by \$144,000, \$180,000 and \$75,000 due to increased activity.
- Housing income is higher \$88,000 mainly due to increased EPH income
- Investment income is above budget by \$73,000
- Dog Registration is \$61,000 higher than budget due to annual registration.
- Lim income is higher by \$36,000. Profit on sale of asset of \$64,000.
- Roading subsidy is lower than budget by \$503,000

Expenditure is under budget by \$1.595 million and the main reasons are listed below:

1. Finance costs are lower by \$316,000 due to lower opening loan balance at 01 July 2016 and the timing of Capital Project costs.
2. Roading maintenance budget is underspent by \$590,000
3. Depreciation cost is lower by \$133,000.
4. Staff cost is lower due to timing of payment by \$256,000 and asset management underspent to date \$213,000 - cost will come to charge later in year.
5. Economic development budget is underspent by \$77,000
6. District Plan, Audit fees and Regional policy expenditure is below budget was negated by higher expenditure resource consent, building consent and T.A. spa due to higher activity. MM sports center expenditure is higher due to upgrade.

The External Borrowing Chart 2 below depicts the Council Interest Rate Position as at March 2017. The chart shows noncompliance in the 1-3 year and the 5 years plus categories. However, our Liability Management Policy recognized that timing issues may occur due to maturity dates of Swaps will move categories throughout the term and therefore the Policy includes that *self-correction within 90 days is not a breach of this Policy*.

This is the appropriate extract from the Policy;

#### *Interest rate exposure*

##### *Objective*

*To manage and minimise our costs and risks arising out of interest rate movements associated with our borrowing activities.*

*A fixed rate maturity profile that is outside the above limits, however self corrects within 90-days is not in breach of this Policy. Maintaining a maturity profile beyond 90-days requires specific approval by Council.*

*“Fixed Rate” is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis*

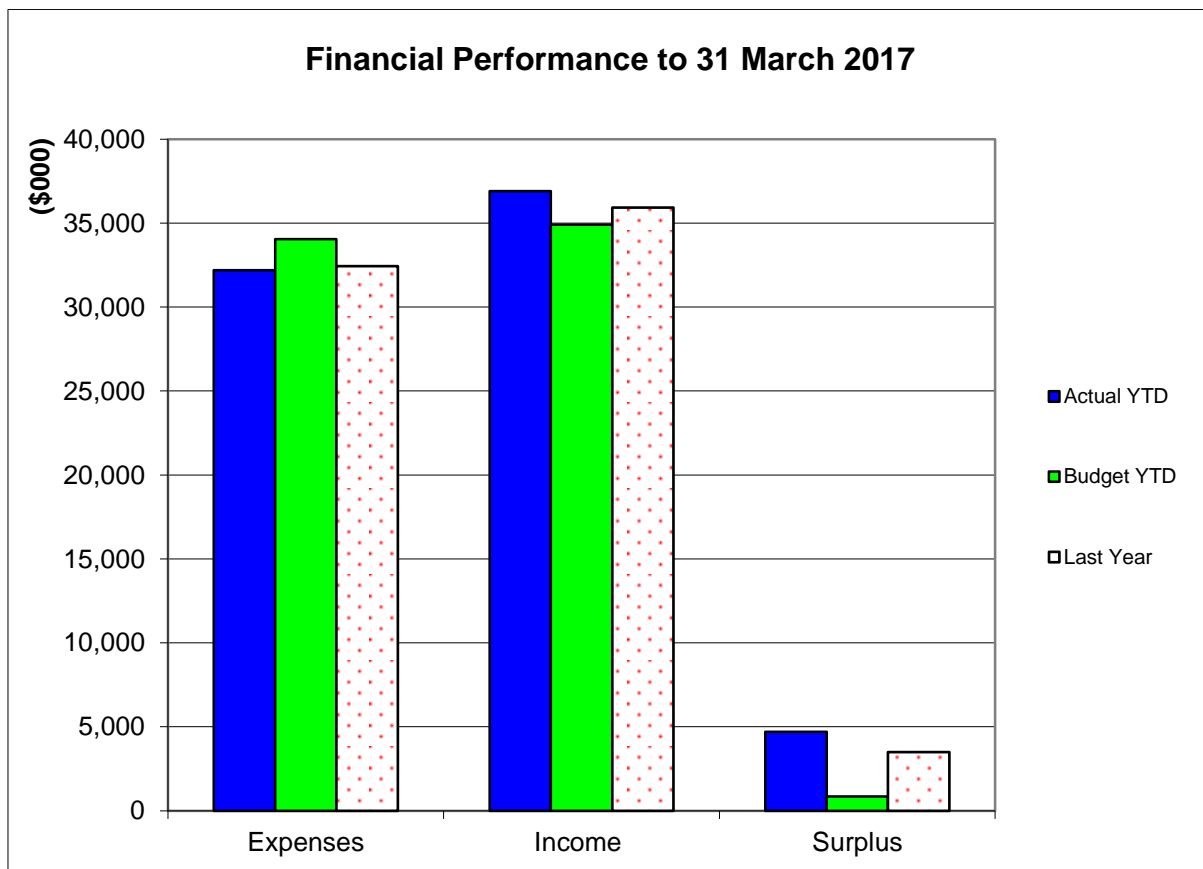
The situation as at 31 March 2017 is because a \$2.5 million Swap maturity date has moved into the 0-12 months (i.e. less than one year) category. A extend and blend swap has been transacted early in April to correct the situation.

#### **Projections to 30 June 2017**

This report includes Income and Expenditures Projections to 30 June 2017.

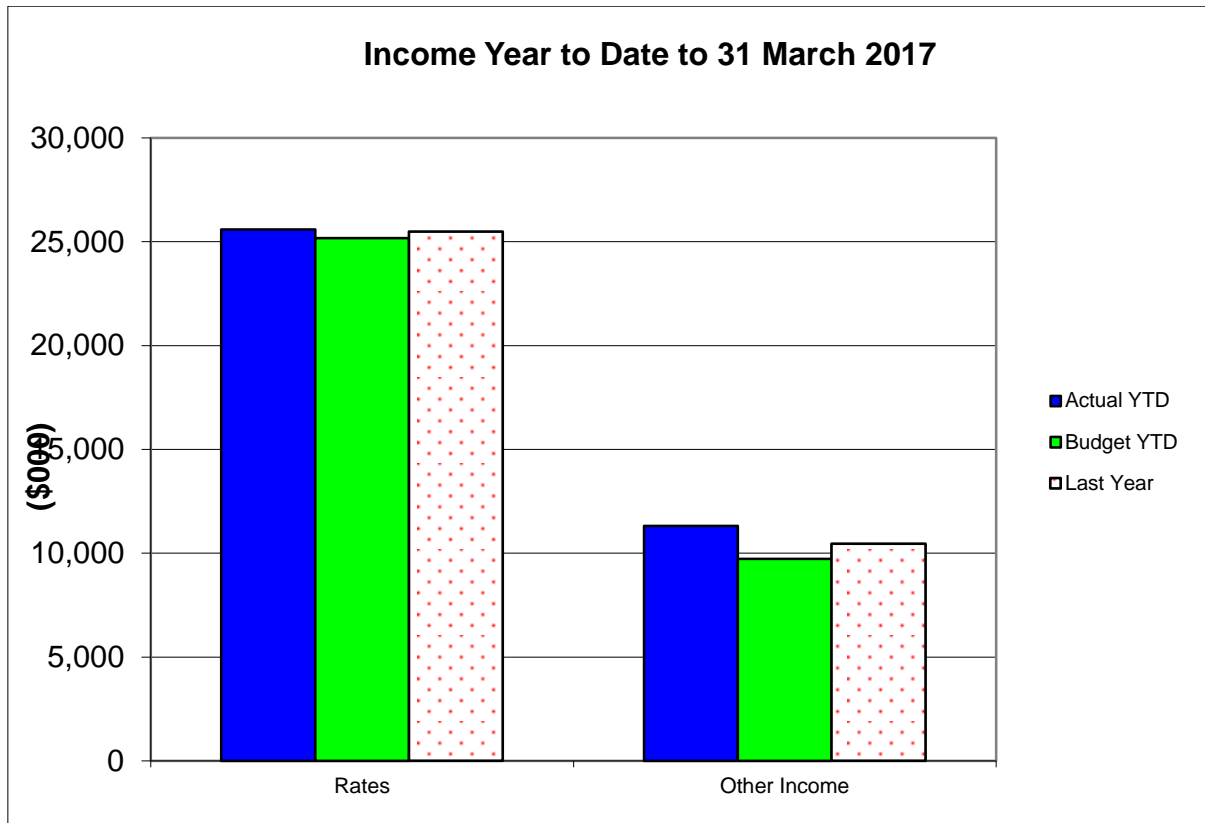
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Overall Financial Performance



Income is higher than budget and Expenses are below budget resulting in the \$4,447,000 surplus. The main variances are reported below

Income



Rates income is above budget by \$412,000 which includes \$263,000 metered water income due to higher consumption by industries.

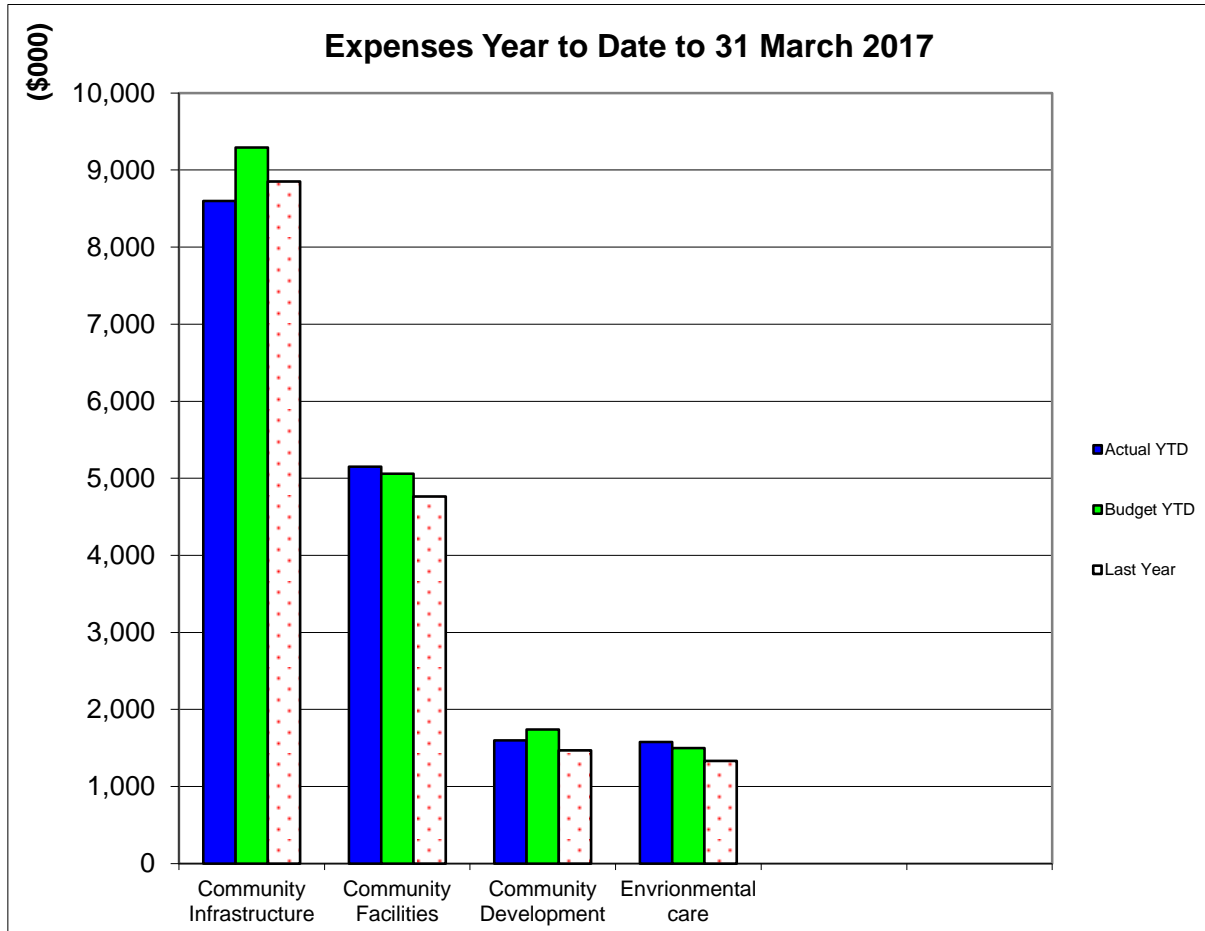
Other income above budget by \$1,586,000 includes:

- NZTA subsidy is below budget by \$503,000 due to lower expenditure on re-sealing contract costs which commenced late in January
- Vested asset income is below budget by \$150,000 as this will be transacted at the end of the year.

Income higher than budget includes:

- Gain on interest rate swap is \$1.1 million
- Contribution for T.A. Event centre received \$442,000
- Building control income is higher by \$180,000 due to high activity.
- T.A. Spa income is higher by \$144,000 due to more activity
- Dog registration received earlier in year \$61,000
- Gain of sale of plant is \$64,000 and Lim income is higher by \$36,000
- Housing income is higher by \$80,000 mainly due to higher EPH rental
- Resource consent income is higher by \$75,000 due to high activity

Expenses



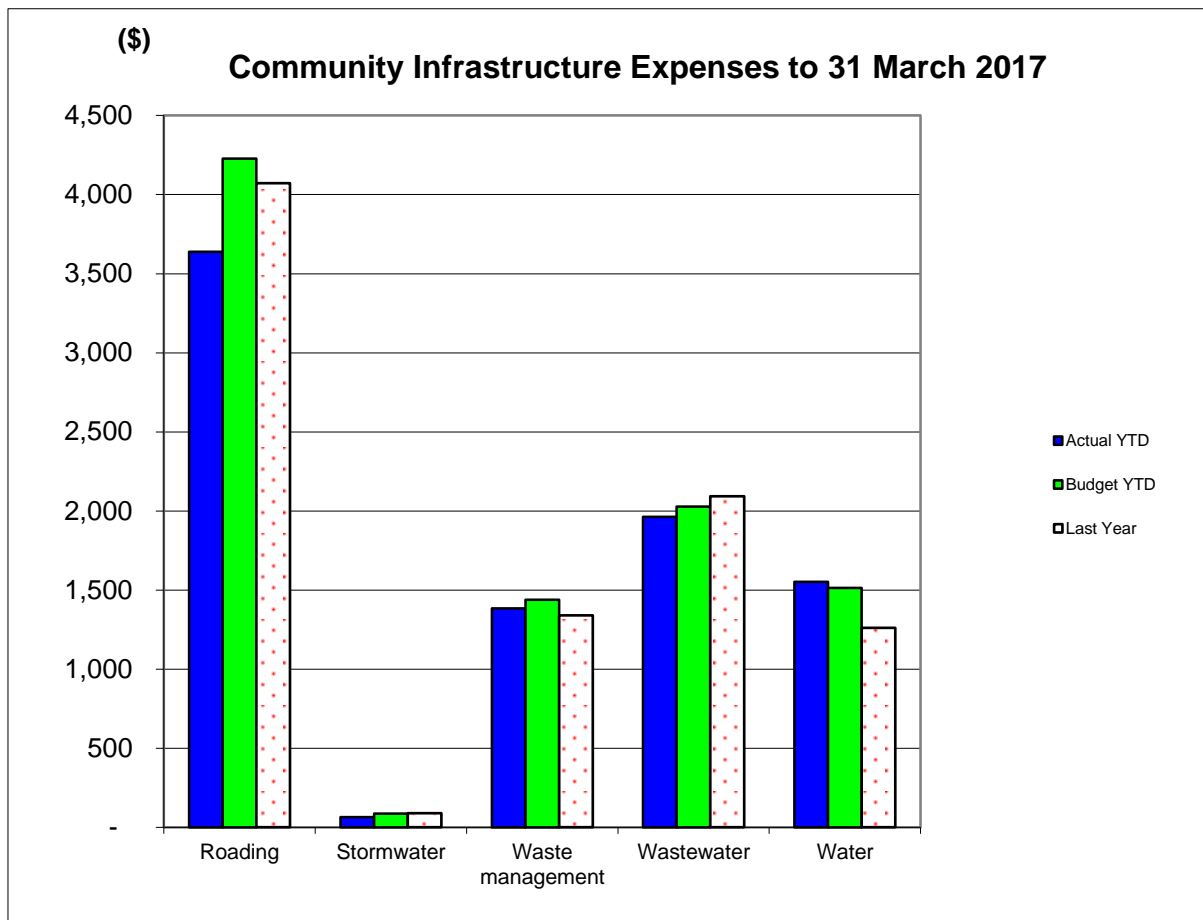
Overall expenditure is \$1,595,000 less than budget at this date.

This includes; depreciation is under budget by \$133,000 and finance cost is lower by \$316,000 as debt was lower at the beginning of the year due to delayed capital project last year.

Operating expenditure across all activities is \$1,147,000 below budget at this point; however this variance is expected to reduce by the end of the year. The significant reasons for this include:

- Roothing cost is lower by \$590,000 due to timing of the contracts.
- Asset management cost is below budget by \$213,000. Costs will come to charge later in year
- Staff cost is lower due to timing of payment by \$256,000
- Economic development is underspent by \$77,000
- District Plan, Audit fees and Regional policy expenditure is below budget.
- Expenditure on resource consents, building consents and T.A. spa is higher due to higher activity. MM sports center expenditure is higher due to upgrade.

Community Infrastructure



- Roothing expenditure is below budget which is related to timing of work as major contract for pavement and re-sealing commenced in late January.
- Storm water is below budget due to low amount of maintenance required to date.
- Waste Management is slightly lower due to lower activity
- Water cost is higher due to LTO cost and bio-remediation at T.A. which are negated by lower spending in Asset management cost

1. Rates

The total rates levied for the 2016/2017 year were \$36,927,034 (15/16 \$36,962,000) .The balance of current rates owing at 31 March 2017 is \$8,282,844 representing a collection rate of 77.57% (15/16 77.34%) The collection rate of arrears for the year is 66.48%. (15/16 65.13%)

<b>RATES STATUS REPORT</b>		
<b>As at 31 March 2017</b>		
Notes	March 2017 \$000	
<b>Rates for 2016/17</b>		
Total annual rates levied	36,927	
Balance of total current rates owing	8,283	
<b>Current year rates collected YTD</b>	<b>28,644</b>	
Percentage of current rates collected YTD	77.57%	
<b>Arrears from prior years</b>		
Opening balance	1,054	
Less statute barred arrears written-off	(11.5)	
Less arrears collected this year	(701)	
	353	
<b>Total owing from prior years</b>		
Percentage of arrears collected YTD	66.48%	
	<b>2017</b>	<b>2016</b>
Penalty applied for 1st installment	43	46
Penalty applied for 2nd installment	43	49
Penalty applied for 3rd installment	38	45
Penalty applied for 4th installment		44
<b>Rates collection</b>		
Number of rateable properties	14,488	14,367
Number of assessments paid by direct debit		
Weekly	383	288
Fortnightly	360	292
Monthly	942	906
Quarterly	2,351	2,260
Annually	15	17
<b>TOTAL</b>	<b>4,051</b>	<b>3,763</b>
Staff have processed 153 Change of Ownerships during Mar.2017 (154 Mar. 2016).		

## 2. External Borrowing

### Council Interest Rate Position as at 31 March 2017

<b>Matamata Piako DC Interest Rate Position</b>			
<b>12 Month Forecast Core Debt:</b>	<b>32.0</b>	<b>31-Mar-17</b>	
Policy Limits	55% - 90%		
Overall Fixed: Floating Mix	74%		
Policy Compliance	Y		
<b>Liquidity Ratio:</b>	110%		
Actual	<b>169%</b>		
Policy Compliance	Y		
<b>Fixed Rate Maturity Profile:</b>			
Years	<b>1 - 3 years</b>	<b>3 - 5 years</b>	<b>5 years plus</b>
Policy Limits	15% - 60%	15% - 60%	15% - 60%
Actual Position %	<b>13%</b>	<b>21%</b>	<b>65%</b>
Actual \$m	<b>3.08</b>	<b>4.97</b>	<b>15.38</b>
Policy Compliance	N	Y	N
<b>Funding Maturity Profile:</b>			
Years	<b>0 - 3 years</b>	<b>3 - 5 years</b>	<b>5 years plus</b>
Policy Limits	15% - 50%	15% - 60%	10% - 40%
Actual Position %	<b>40%</b>	<b>49%</b>	<b>11%</b>
Actual \$m	<b>13.87</b>	<b>17.00</b>	<b>4.00</b>
Policy Compliance	Y	Y	Y
<b>Weighted Average Duration:</b>			
Funding	<b>3 Years</b>		
Fixed Rate Portfolio (swaps and fixed rate loans)	<b>5.26 Years</b>		
<b>Weighted average fixed rate on current borrower swaps*:</b>			
Swap Portfolio	<b>4.10%</b>	* Note: non-active forward starts are not included.	
<b>Counterparty Credit Risk (Interest Rate Risk Mgmt Instruments and investments)</b>			
Policy Credit Limit (NZ\$) per NZ Registered Bank (Interest rate risk management)	\$	10,000,000	
Policy Credit Limit (NZ\$) per NZ Registered Bank (Investments)	\$	20,000,000	
Policy Credit Limit (NZ\$) per NZ Registered Bank (Total maximum per counterparty)	\$	30,000,000	
	<b>Credit Exposure</b>	<b>Credit Exposure</b>	<b>Compliance</b>
	<b>(Swaps)</b>	<b>(Investments)</b>	
	<b>(\$m)</b>	<b>(\$m)</b>	
WPC	2.75	0.00	Y
ANZ	0.00	5.40	Y
ASB	0.00	1.00	Y
BNZ	0.70	2.70	Y
Kiwibank	0.00	3.50	Y
CBA	0.00	0.00	Y



3. Funding Maturity as at 31 March 2017

31-Mar-17

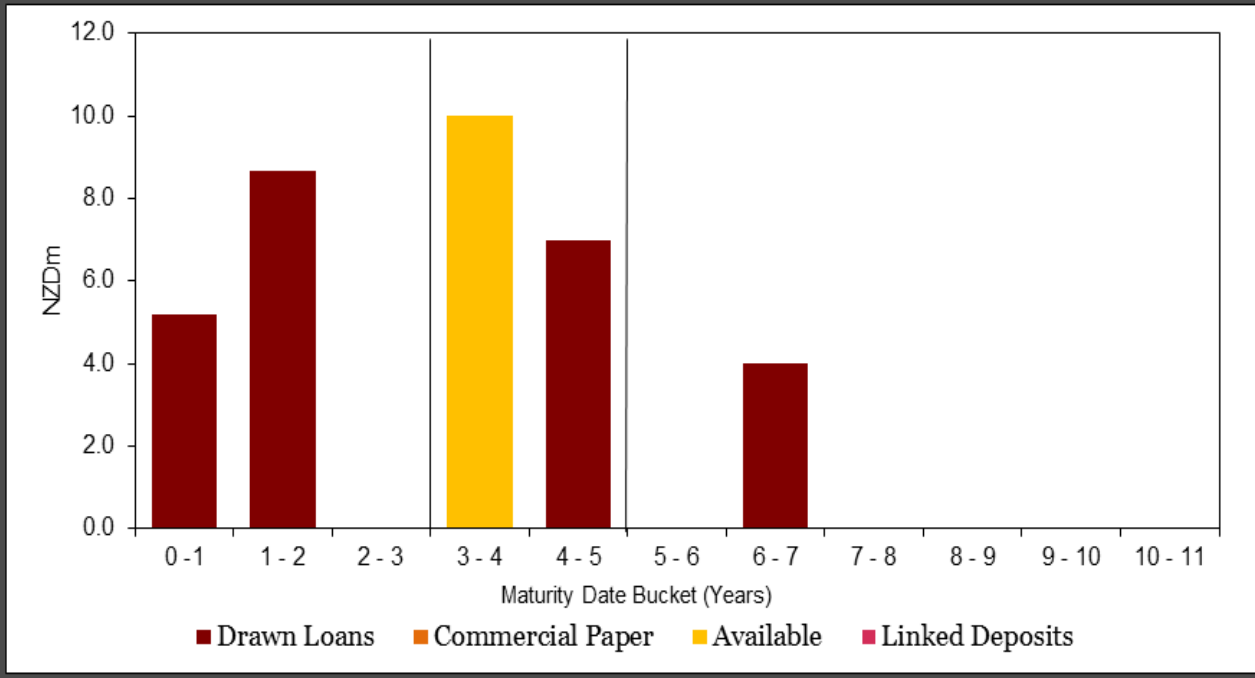
**Matamata Piako DC**

**Funding & Liquidity Risk Position**

Committed Loan/Stock/Facilities/Investments \$40.3m  
Current External Debt \$24.9m  
Current Net Debt \$19.5m

Policy Liquidity Ratio  $\geq 110\%$   
Actual Liquidity Ratio 169%

	<b>0 - 3 years</b>	<b>3 - 5 years</b>	<b>5 years plus</b>
Policy Target Band	<b>15%-50%</b>	<b>15%-60%</b>	<b>10%-40%</b>
Actual	<b>40%</b>	<b>49%</b>	<b>11%</b>
Actual (NZD m)	<b>13.87</b>	<b>17.00</b>	<b>4.00</b>



Item 6.5

Attachment A

#### 4. Treasury Investments

TREASURY INVESTMENTS						
As at 31 March 2017						
Deal number	Investment type	Counter party	Maturity date	Term (days)	Interest rate	Amount invested
<b>Long-term Investments</b>						
	Capital Notes	Fonterra	10-Jul-16	365	4.38%	24,000
810	Perpetual Bond	Rabobank	08-Oct-17	3674	3.49%	300,000
946	Bonds	ANZ	18-Apr-18	1826	5.28%	110,000
943	Borrower Notes	LGFA	15-Dec-17	1754	2.39%	80,000
944	Borrower Notes	LGFA	15-Mar-19	2209	2.45%	96,000
951	Borrower Notes	LGFA	17-May-21	2639	2.44%	56,000
956	Borrower Notes	LGFA	15-Apr-23	3253	2.61%	64,000
957	Borrower Notes	LGFA	15-Mar-19	1726	2.24%	40,000
958	Borrower Notes	LGFA	17-May-21	2520	2.43%	56,000
Total Long-term Investments as at					31-Mar-17	826,000
<b>Short-term and call investments</b>						
1010	Term Deposit	ANZ	08-May-17	181	3.65%	5,400,000
1011	Term Deposit	BNZ	07-Aug-17	272	3.60%	2,700,000
1016	Term Deposit	ASB	20-Apr-17	55	2.58%	1,000,000
1017	Term Deposit	Kiwibank	23-Aug-17	180	3.75%	3,500,000
Call	23 account	BNZ			1.75%	3,064,447
Total short-term and call Investments as at					31-Mar-17	15,664,447
<b>Weighted Average Interest Rate</b>						
This month		3.13%				
YTD		3.10%				
<b>Investment Policy Compliance</b>						
Compliance maintained						

STATEMENT OF FINANCIAL PERFORMANCE TO 31 March 2017						
YTD 2016		Actual YTD	Budget YTD	Variance	Variance Fav(unfav)	Note
\$ 000		\$ 000	\$ 000	\$ 000	%	
	<b>INCOME</b>					
25,491	Rates	25,588	25,175	412	2%	1
4,029	Subsidies and grants	4,771	4,831	-60	-1%	2
5,210	Fees, charges	4,688	4,136	552	13%	3
335	Investments income	377	304	73	24%	4
744	Development and financial contribution	305	304	1	0%	
135	Other	1,170	150	1,020		5
<b>35,944</b>	<b>TOTAL INCOME</b>	<b>36,898</b>	<b>34,900</b>	<b>1,998</b>	<b>6%</b>	
	<b>EXPENSES</b>					
11,658	Payments to suppliers	11,202	12,092	890	7%	6
9,789	Payments to staff	10,184	10,441	256	2%	
938	Finance Costs	967	1,283	316	25%	7
10,040	Depreciation	10,097	10,230	133		
17	Other Expenditure		0	0		
<b>32,442</b>	<b>TOTAL EXPENSES</b>	<b>32,451</b>	<b>34,046</b>	<b>1,595</b>		
<b>3,502</b>	<b>PROFIT(LOSS) FROM OPERATIONS</b>	<b>4,447</b>	<b>852</b>	<b>3,595</b>		
	1 Rates income is higher than budget includes metered water income is higher by \$263,000					
	2 Roothing subsidy lower by \$503,000 as major subsidised roading work commenced in February. Waste minimisation subsidy received in January. T.A. event centre contribution received \$442,000 higher than budgeted due to timing and higher spending than budget					
	3 Animal control income is higher by \$61,000 than budget as we receive them at beginning of the year. Building consent and resource consent income is higher by \$180,000 and \$75,000 due to a greater number of consent than expected. Spa income is higher however it is partially negated by lower income in Swimming pool T.A. Overall income for Spa & Pools is \$131,000 higher than budgeted. Lim Income is higher by \$36,000 and EPH income is higher by \$92,000 which is partially negated by lower staff house income due to sale.					
	4 Investment income is higher than budgeted due to delayed capital project last year this year					
	5 \$1.1M gain on interest Swap during this period and \$150,000 vested asset will be recognised at the end of the year.					
	6 Lower spending on Roothing due to roading contract has started later in January and Asset management cost (Valuation & other) and reticulation cost will incur later in year. Election cost is higher as budget					
	7 was spread across three years. Other minor variances are explained in the activities.					
	Finance cost is lower than budgeted due to delayed capital project in last year and current year					

YTD 2016						
\$ 000		Actual YTD \$ 000	Budget YTD \$ 000	Variance \$ 000	Variance Fav(unfav ) %	Note
<b>2</b>	<b>DIRECT REVENUE ANALYSIS</b>					
	Community Development	15	2	14		8
1,299	<b>Community Facilities and Property</b>					
113	Housing and property management	913	832	80	10%	9
33	Libraries	114	123	-8	-7%	10
151	Parks and tracks	42	34	8		
858	Public Amenities	146	170	-24		
2,454	Recreation & Culture	1,644	1,071	573	54%	11
	<b>Total Community Facilities and Property</b>	<b>2,859</b>	<b>2,230</b>	<b>630</b>		
3699	<b>Roading Water and Waste</b>					
0	Roading	4,061	4,542	-481	-11%	12
375	Storm water	0	0	0		
500	Rubbish & recycling	425	388	37	10%	13
1,770	Wastewater	481	472	8	2%	
6,344	Water	1,844	1,580	264	17%	
	<b>Total Roading Water and Waste</b>	<b>6,810</b>	<b>6,982</b>	<b>-171</b>		
295	<b>Consents and Licensing</b>					
631	Animal Control	259	198	61	31%	14
5	Building consents and monitoring	751	570	180	32%	15
232	Civil defence	3	5	-2		
1,163	Resource consent processing	290	216	75	35%	16
	<b>Total Consents and Licensing</b>	<b>1,303</b>	<b>989</b>	<b>314</b>		
9,963						
	<b>Total Activity Operating Revenue</b>	<b>10,989</b>	<b>10,202</b>	<b>787</b>	<b>8%</b>	
8	<b>Notes:</b>					
	Income from Ticket sales, Monument fees and regional promotion for events not budgeted and this will be negated by higher cost in events.					
9	Higher EPH rent income than budgeted due to increase in rent which is partially negated by lower staff house income due to sale. budgeted					
10	Library Income is higher by \$8K just because library Manager Salary invoiced for the year. Book rental and fine fees are much lower than budgeted but similar to last year.					
11	T.A. spa income is higher by \$144,000 mainly due to increase in general admission and promotion / loyalty card . T.A. Mineral Spa higher income is negated by lower income in TA Swim pool by \$28,000 MM sports centre income is slightly higher than budget due to more admission Recreation income includes T.A. event centre contribution of \$442,000. Higher income on Firth Tower due to more income from camping income. MM memorial Hall income is lower than budget due to closure of Hall.					
12	Roading subsidy income is lower than budgeted as roading contract work commenced late in January Subsidy is lower by \$503,000. While other income is higher by \$20,000					
13	Higher waste management income due to increase in charges and more volume to all transfer stations.					
14	Majority of Annual Dog registrations received in July for the year.					
15	Building consent income is higher due to higher volume which is results in higher cost as well.					
16	Higher resource consent income due to more activity partially negated by higher cost.					

YTD 2016		Actual YTD	Budget	Variance	Variance	Note
\$ 000		\$ 000	\$ 000	\$ 000	%	
<b>DIRECT COST ANALYSIS</b>						
465	<b>Strategy and Engagement</b>					
1,004	Community leadership	589	407	-183	-45%	17
1,469	Community Development	1,010	1,332	322	24%	18
	<b>Total Strategy and Engagement</b>	<b>1,599</b>	<b>1,738</b>	<b>139</b>		
715	<b>Community Facilities and Property</b>					
611	Housing and property management	737	674	-63	-9%	19
923	Libraries	662	644	-17	-3%	20
649	Parks and tracks	1,030	966	-64	-7%	
1,866	Public Amenities	626	838	212	25%	21
4,764	Recreation & Culture	2,095	1,934	-160	-8%	22
	<b>Total Community Facilities and Property</b>	<b>5,150</b>	<b>5,057</b>	<b>-92</b>		
4,073	<b>Roading, Water and Waste</b>					
89	Roading	3,638	4,228	590	14%	23
1,340	Storm Water	63	86	23	26%	24
2,092	Rubbish & recycling	1,385	1,438	53	4%	
1,261	Wastewater	1,962	2,027	65	3%	
8,854	Water	1,552	1,513	-39	-3%	
	<b>Total Roothing Water and Waste</b>	<b>8,600</b>	<b>9,293</b>	<b>693</b>		
147	<b>Consents and Licensing</b>					
483	Animal Control	156	166	10	6%	
239	Building	593	549	-44	-8%	
463	Community Protection	260	332	71	22%	25
1,333	Resource consent processing	568	454	-114	-25%	26
	<b>Total Consents and Licensing</b>	<b>1,577</b>	<b>1,500</b>	<b>-76</b>		
16,420	<b>Total Operating Expenditure</b>	<b>16,926</b>	<b>17,589</b>	<b>663</b>		
17	Election cost has been budgeted over 3 years but expenditure falls in current year results in higher expenditure by \$136,000. Approximately \$96,000 is still to be recovered from DHB and Regional council. LGNZ Excellence programme has not budgeted in current year: expensed \$12,000. Councillors salary, meeting and training cost is higher than budget by \$38,000 which will be offset by lower spending in Democracy operating					
18	District Plan (\$85,000), Regional policy, Annual plan and Audit fees (\$110) cost will fall later in year. Community grants to (M.V. PRA, Community Support Service, Regional tourism grant, District museum grant and MV art gallery) all paid early in the year. LTP cost is budgeted to smooth costs over three years will not be spent this year (\$25,000). Economic development budgeted \$112,000 only \$35,000 has spent up to date					
19	Change in LTP classification property maintenance cost exceeded the budget e.g. Te Aroha Domain Bowling Pavilion, Headon stadium etc. EPH maintenance is higher but it is ring fenced. While staff Housing and O.Y.O. cost are under budget.					
20	Library cost is overspent due to subscription and software licences paid early in year and staff cost is higher due to job review					
21	Street furniture is underspent as berm moving cost moved to parks in LTP. Asset management cost will come to charge later in the year and building maintenance may come later in year as required.					
22	MM Sports centre operating cost has gone up by \$106,000 after upgrade this includes staff cost, power, chemical and maintenance cost. T.A. Swim pool cost is higher as maintenance occurred earlier and spa cost is higher due to more visitors and this reflected in income as well. MV pool cost is higher by \$46,000 due to staff cost and direct cost has been spent now and pool is closed will reduce the overspent at the end of the year. Sports Waikato contribution has been paid earlier.					
23	Roading is underspent as major maintenance contract has started late in January.					
24	Storm water maintenance not required results in underspent at this time.					
25	Community protection cost is lower as reduction in contribution for Rural fire and civil defence is being reviewed. Health operating cost is lower					
26	Resource consent costs is higher due to more consultants involved during this time, which is partially negated by higher income					





**Operating Variances to the Annual Plan budget at 31 March 2017, and Projected variances through to year end 30 June 2017**

In the table below we have identified significant areas where we are under budget, (shown as a negative) or over budget, in terms of our expenditure and revenue at the 9 month (3/4 year) point. There may be seasonal factors that mean that more of the budget is expensed or received earlier or later in the financial year. These and other reasons for variances are discussed below. We have then projected where we expect to be against budget at 30 June 2017, taking these seasonal and other factors into account. At 31 March, our income statement shows a surplus of \$4,447,000. By 30 June 2017, we have projected that our surplus will be approximately \$2,506,000 noting however that we have not projected for any non-cash or accounting type transactions that will affect the bottom line (eg, any provisions that may have to be recognised for vested assets, interest rate swap etc)

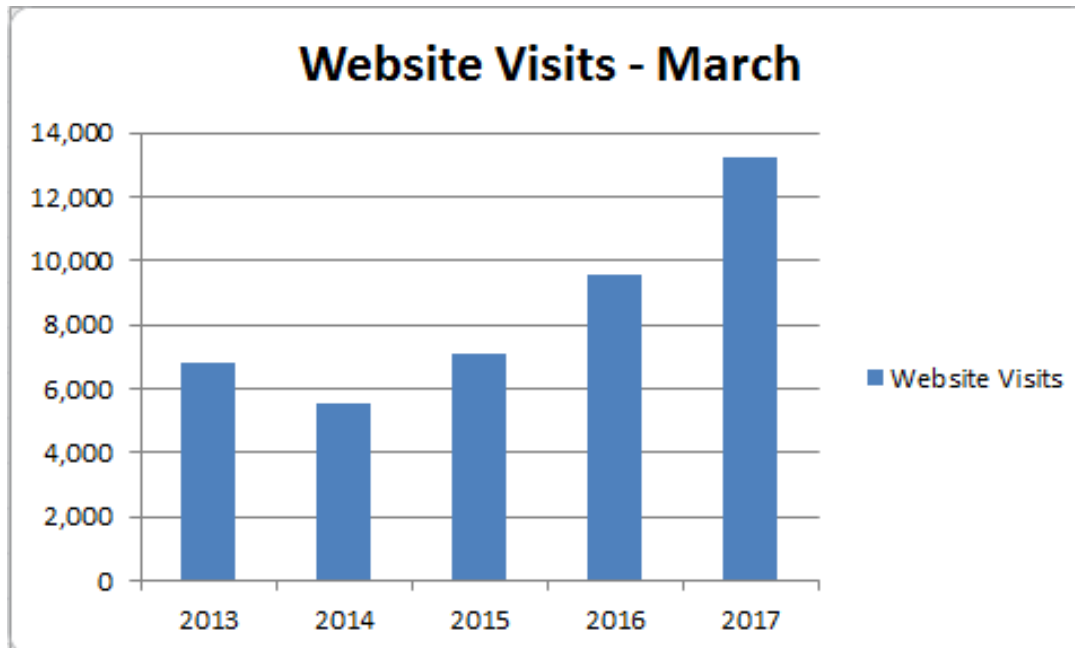
EXPENDITURE	31-Mar-17	30-Jun-17
<b>Budgeted expenditure per Annual Plan 2016-2017</b>	<b>34,046,250</b>	<b>45,395,000</b>
<b>Variances</b>	<b>Variances to budget at 31/3/2017</b>	<b>Projected variances to budget at year end</b>
TA Waste water Bio-remediation work and LTO cost was not budgeted this year. Bio-remediation as funded this year \$200,000. Tahuna waste water budgeted \$40,000 higher than budget based on actual spending as operating cost is higher. District water is underspent by \$70,000 which will be spent later in year. T.A. waste water expected to overspent by \$222,000	-65,000	274,000
Parks and Tracks cost is higher due to change in classification in LTP	64,000	256,000
Community Leadership - Election cost has been budgeted over 3 years, but total expenditure come to charge in the current year resulting in higher expenditure by \$136,000. Approximately \$96,000 expenditure will be recovered from DHB and Regional council. Councillors meeting and training expenditure is higher than budgeted negated by underspent in democracy services operating	183,000	37,000
Housing and Property Management - \$63,000 more maintenance work required to date. Property cost increased as classification in LTP change and maintenance on properties. We also provided \$15,000 Waihou depot operating cost due to problem in filter water	63,000	166,000
Resource consent and Monitoring - Resource consent cost is higher due to more consultant work and high activity. Budget for Appeal activity has not been required.	164,000	133,000
Water - Expenditure is higher due to LTO and this will go up during next 3 months	39,000	107,000
Pools and Spa cost is higher mainly due to upgrade in Matamata results in higher power, chemical cost and Safety repair cost. T.A. Spa cost is higher due to more admission negated by higher income. MV cost is higher by \$19,000 at this point but won't be much higher at the end of year as pool has been closed now.	75,000	80,000
Building consent and monitoring fees are higher due to substantial increase in activity	40,000	73,000
Recreation & culture :- Aerodrome and Firth Tower cost are higher due to one off cost of Hedge trim and tree work, aerodrome house maintenance etc which was partially negated by budget not spending on MM memorial Hall. Cost for MM Hall not reduced for operating as it will be used to fund some operating cost from new capital project.	7,000	13,000
Strategies & Plans - Underspent in Economic development which is budgeted \$150,000 only \$12,500 excepted to be paid while LTP cost is budgeted \$70,000 to smooth the budget which will fall in next year.	-322,000	-276,000
Public Amenity - Berm moving has been moved to Parks under new LTP classification results in underspent of \$212,000. Some maintenance expenditure is planned for next six months.	-212,000	-184,000
Civil Defence - contribution for Rural fire and Civil defence has been reduced under new calculation results in saving.	-80,000	-31,000
Roading - Subsidised expenditure is underspent at the time due to timing of the contract, will be overspent by \$10K for community programme	-590,000	10,000
Rubbish and Recycling - waste minimisation expenditure will be spent later in year. Some more expenditure for the variation to contract still to come	-53,000	-1,000
Storm water maintenance is below budget to date.	-23,000	0
Salary cost - is underspent due to timing of 1/2 the week salary. Due to re-sizing job cost for library, Pool and asset management will go up. Asset management salary cost will be recovered from Asset Management cost (\$110,000)	-256,000	272,000
Asset management cost - Up to date, the cost is underspent but will be spent later in year. Some has been spent will be accounted for next month. Re-valuation of assets will come later in year.	-213,000	0
Finance costs are lower due to less debt held than budgeted and lower interest rates being achieved.	-316,000	-400,000
Depreciation is currently lower than budget. This is projected to change with the revaluation of Roothing and Utilities.	-133,000	0
Other minor ups and downs	33,000	26,000
<b>Actual expenditure at 31 March</b>	<b>32,451,250</b>	
<b>Projected expenditure to 30 June</b>		<b>45,950,000</b>

INCOME	31-Mar-17	30-Jun-17
<b>Budgeted Income per Annual Plan 2016-2017</b>	<b>34,899,750</b>	<b>46,533,000</b>
<b>Variances</b>	<b>Variances to budget at 31/3/2017</b>	<b>Projected variances to budget at year end</b>
Roading – NZTA subsidy income is lower than budgeted due to lower spending in seal pavement and other contract work which commenced late in January. More expenditure approved by NZTA will result in higher subsidy	-503,000	133,000
The council has gained \$1.1 million on interest rate swap and Investment income is higher due to delayed capital projects.	1,179,000	80,000
Vested Asset is lower at this point as generally we account at the end of the year ( non-cash )	-150,000	0
Recreation and Heritage - T.A. Event centre donation is higher by \$442,000 at 31 March and income from the Aerodrome and Firth Tower is higher than budget due to high activity. MM memorial Hall recoveries would be lower due to upgrade	445,000	379,000
Annual dog registration income is received at the start of the year. Most of annual health licence received at start of year .	69,000	7,000
General rate income is higher than budgeted due to penalty income for rates and metered water income of \$263,000 which is higher due to higher consumption by industries.	412,000	490,000
Lim income is higher due to high activity \$36,000 and profit on sale of plant is \$64,000	100,000	130,000
Housing and Property Management - EPH income is higher than budget due to increase in rent and corporate property income is higher due to increase in lease rent	88,000	114,000
Pools and Spa -T.A. spa income is higher by \$128,000 mainly due to increase in general admission and promotion / loyalty card. T.A. Mineral Spa higher income is negated by lower income in TA Swim pool. MV pool income is higher than budgeted.	128,000	129,000
Building consent and Resource consent income is higher than budgeted due to high activity	247,000	301,000
Business unit external works income are less than budgeted at this point .	-44,000	0
Asset management recovery will be higher	11,000	110,000
Other minor ups and downs across all activities	17,000	50,000
<b>Actual Income at 31 March</b>	<b>36,898,750</b>	
<b>Projected Income to 30 June</b>		<b>48,456,000</b>
<b>Actual Surplus at 31 March</b>	<b>4,447,500</b>	
<b>Projected Surplus to 30 June</b>		<b>2,506,000</b>
Note :- L.G. Excellence programme \$12,000 not budgeted, Election cost expenses higher by \$35,000 to \$40,000 and Hauraki Rail Trail maintenace cost \$25,000 are spent but not forecasted. All of these costs will be funded from reserve.		



## 2. Corporate Overview

### 2.1 Communications



We are still seeing good referral traffic from LGNZ, Hamilton Waikato Tourism and Build Waikato. There is also a notable increase in traffic from Facebook (more information below). More often than not, the increase of bouncing traffic (viewing one page and then leaving the website) is higher than the increase of captive traffic. This might mean we have an increase in unsolicited traffic (unintentional visits). We may filter some of this in future. This could lead to an apparent decline in statistics, but would reflect more accurate levels.

#### Facilities Marketing

- Mother's Day advertising is underway for Te Aroha Mineral Spas
- New contract for radio advertising for all facilities

#### Communications

- Designing new livery for the Hamilton/Morrinsville/Te Aroha/Paeroa bus service ("Go Kaimai")
- Matamata Civic Centre – project updates and associated issues.
- Media enquiries on the recent E.Coli audit and Tui Mine rehabilitation, Hamilton/Morrinsville/Te Aroha/Paeroa bus service, the Morrinsville Reservoir, Earthquake-prone buildings among others, LGOIMA enquiries on the Silver Fern Farms Events Centre, Urban Fires, Product Stewardship Schemes and the Annual Plan.
- Organising ANZAC Day services and advertising for registrations for Industry Training Graduation Event.

## 2.2 Corporate and Legal Services

### Annual Plan

- The Annual Plan project for 2017/18 is currently underway, draft budgets and fees and charges have been approved by Council. Council has determined there is no significant or material change from Year 3 of the Long Term Plan and in light of this has decided not to conduct formal consultation. Council has approved a communications plan and newspaper advertisement to inform the community of the 2017/2018 rates and major projects. Mayor Jan will and Councillors have attended community stakeholder meetings to further engage with our community. Staff will bring the final Annual Plan to Council prior to 30 June 2017 for adoption.

### Policies and Bylaws

Staff are undertaking a rolling review of the bylaws. The following updates work on these bylaws:

- Fires in open spaces - this work was put on hold pending new legislation - one organisation is going to be created, staff will review the bylaw following the passing of legislation to assess whether it needs to be revoked.
- Solid Waste bylaw - a draft regional bylaw was approved for consultation at Councils 8 March meeting, consultation commenced in March and finishes on 26 April.
- Land Transport, Stormwater, Water and Wastewater Bylaws - draft bylaws were approved for consultation at Councils 8 March meeting, consultation commenced in March and finishes on 26 April.
- Easter Trading Policy – legislation was passed in August 2016 to allow councils the ability to create a policy if they wish, this possibility was discussed with Council in a workshop in November. A formal report was presented to Council in December and the draft Easter Trading Policy was approved for consultation. Consultation will occur alongside the bylaws and fees and charges, starting in March 2017 and finishes on 26 April.
- Local Alcohol Policy (LAP) – the provisional policy was approved in 2014 and Council received three appeals on this. The majority of these appeals were resolved through mediation other than the issue of issuing further off-licences. Following the approval of Hauraki District Councils policy, Council adopted similar wording late July 2016 and the revised LAP has been sent to all original submitters to check they have no objections to the revised policy. One original submitter joined the appeal process as a Section 205 party however have since indicated that they are in agreement with the Policy as it stands. A consent order has been drafted and signed by all relevant parties and submitted to the Alcohol Regulatory and Licensing Authority (ARLA) for approval along with the revised LAP. On 24 January 2017 ARLA approved the changes made in the revised policy, which means the LAP is now adopted. A report to Council at its meeting in April has brought the Policy into effect.

### Annual Report

- Planning for the 2016/17 Annual Report is underway and a timeline was presented to Council in December. The six month report was presented to the Corporate and Operations Committee on 22 February. The interim Audit will take place in May 2017.

### Performance Indicators

- In our Long Term Plan each of our service activities have a series of performance indicators. Results for the full year were included in the Annual Report which was presented to Council on 5 October. The six month results were presented to Council in February. The third quarter results will be presented to Council in April/May.

**Waikato Plan**

- The Waikato Plan is the first time all the councils and agencies in the Waikato have worked together to create one plan that gives us one collective voice about issues that affect all current and future residents. The Waikato Plan, when it is complete, will provide a higher level of certainty for funding major infrastructure and facilities – particularly those requiring partnership with central government. We are participating in the Waikato Plan to establish a collective for the Waikato when needed, enable future planning decisions based on agreed evidence and align separate but similar documents and regulations.
- The Waikato Plan has been consulted on with submissions closing on 10 April. Council has submitted a submission to the plan.

**2.3 Human Resources**

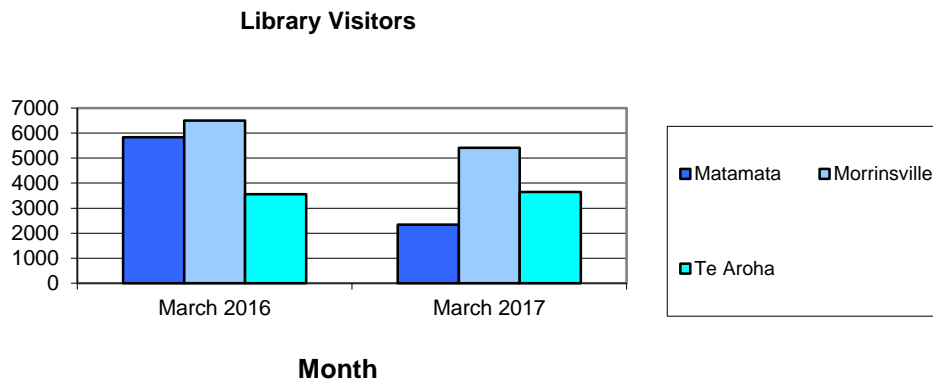
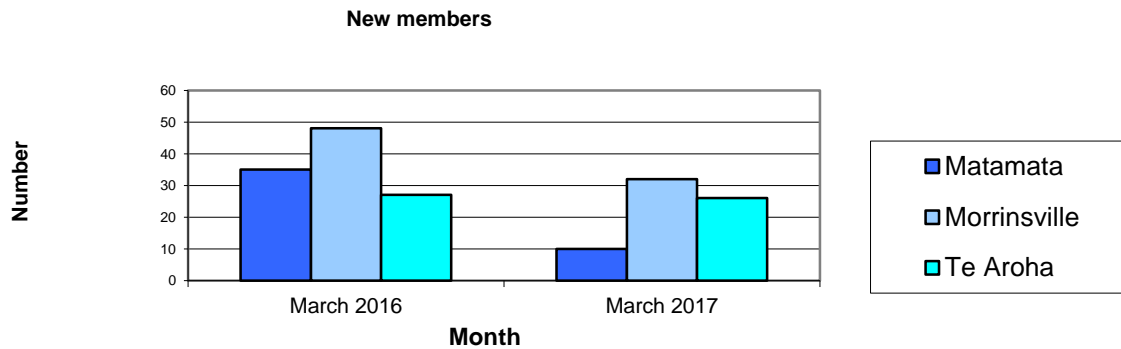
Staff turnover figures for year to date from 1 July 2016 to 28 February 2017 are:

Year to date at	Office	KVS	Libraries	Facilities	Total	Total Number of staff resigned
	%	%	%	%	%	
July 2016	0	0	0	2.5	.04	1
August	1.9	5.1	0	2.5	2.7	6
September	1.9	7	0	2.5	3.1	7
October	1.9	7	0	4.2	3.6	8
November	1.9	13	0	4.2	4.9	11
December	4.7	13	0	4.2	6.3	14
January 2017	6.7	13	6	11	9	20
February	6.7	13	6	11	9	20
March	6.5	12.1	6	17.1	9.9	22

Total turnover for all staff as at 31 March 2017 – 9.9%

### 3. Community Development Overview

#### 3.1 Libraries

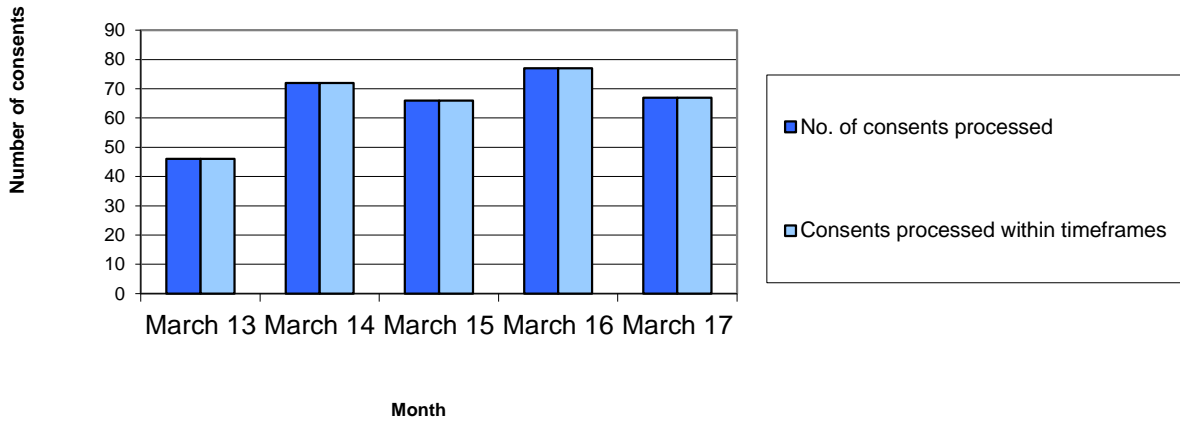


#### Libraries comments

- Matamata Library is up and running in its temporary location, with some good anecdotal reactions from customers. Other patrons have chosen to travel further afield and try out one of the other libraries, and there have also been some positive comments received from new visitors to Morrinsville. Te Aroha and Morrinsville Libraries have done a great job in accommodating the overflow collection from Matamata without making their own shelves look cluttered.
- The parameters have recently been set for us to purchase more material in a “shelf ready” state from our supplier James Bennett. MPDC and Hauraki libraries have agreed on a labelling standard that is consistent across both districts, and sets us up well for working together in the future with one collection standard. We will be working on updating the Collection Development policies in both districts in the coming months to document this consistency. This also frees up staff who can use extra time to interact in a more meaningful way with patrons, rather than in a purely transactional way. A report on potential library directions will be provided to Council in due course.
- Recruitment is underway to cover one of our staff leaving for maternity leave. We are also working on succession planning in terms of spreading specific knowledge more widely across staff. We are looking to develop a new and less complicated roster for staff that should be more straightforward to follow.

### 3.2 Building

Building consents processed

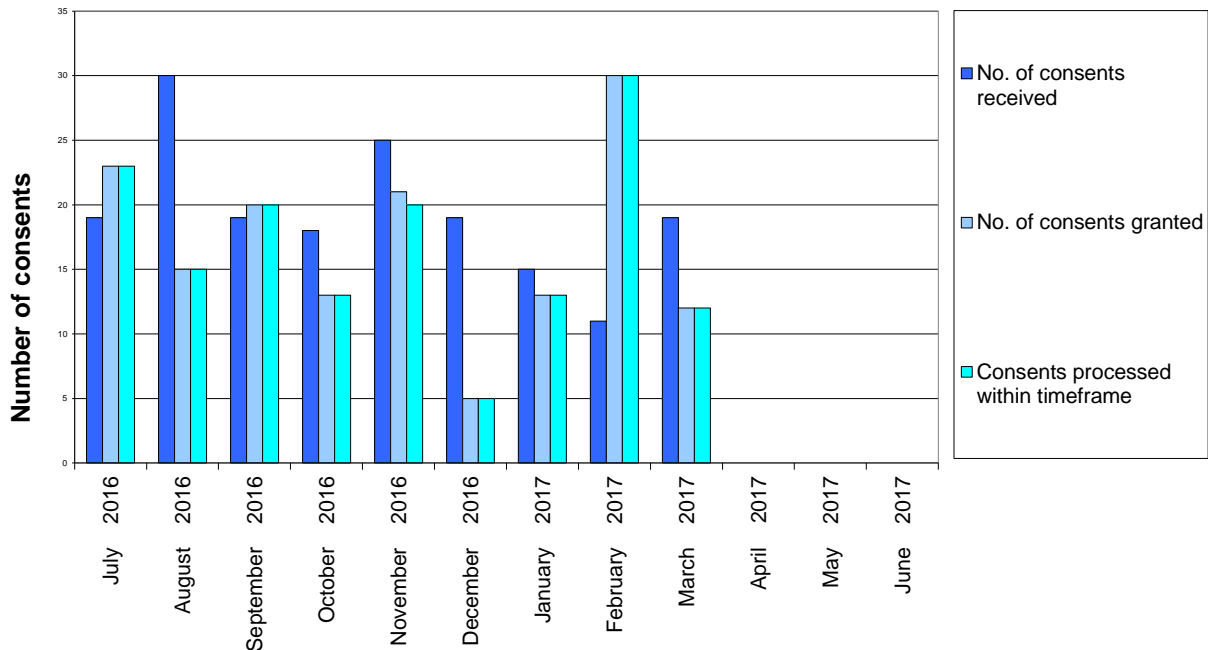


**Building highlights:**

- All building consents were processed within legislative 20 day timeframe.
- Passed the Building Consent Authority accreditation with only one corrective action. This will be addressed over the next few months. The full audit will be provided to the Audit and Risk Committee for review.

### 3.3 Planning

Resource Consents – March 2017  
Resource consents processed



**A report on resource consents received for March 2017 is included as Appendix B to this report.**

In March Council received 19 resource consents and granted 12 consents all of which were processed within the statutory timeframe.

**Limited or Publicly Notified Resource Consents:**

There were three consents that were either limited notified or notification closed in the month of March. The details of these consents are detailed below:

- 101.2016.11254 – David Locke, 937 Tahuroa Road, Morrinsville. This application seeks to subdivide creating two rural life style lots and one rural balance. Limited notice was given on 17 February with the submission period closing on 17 March. No submissions were received.
- 102.2016.11211 – Shari Property Limited, 432 Thames Street, Morrinsville. This application seeks to establish and operate a dairy. Limited notice was given to affected parties on 13 February with the submission period closing on 13 March. 10 submissions were received and a hearing in relation to this application is schedule to be held on 12 May 2017.
- 101.2016.11298 – Dennis Hopping, 361 Tauhei Road, Morrinsville. This application seeks to subdivide creating one rural life style lot and a rural balance. Limited notification was given on 3 March with the submission period closing on 31 March. No submissions were received.

**3.3.1 Policy**

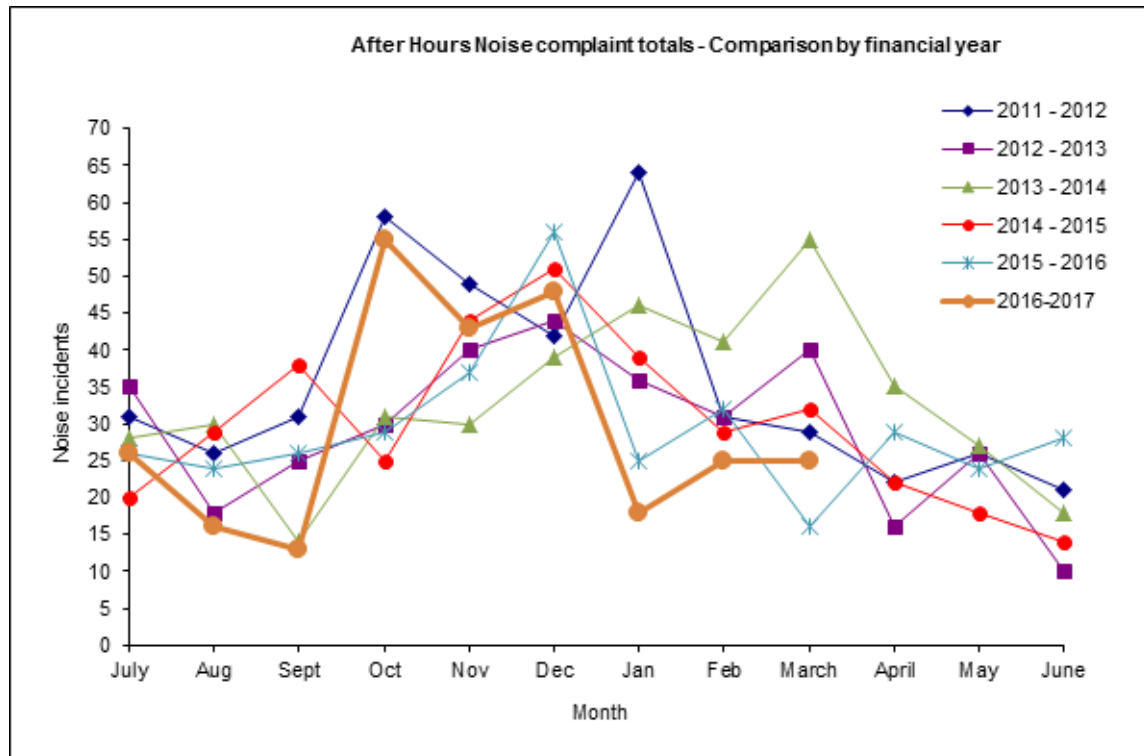
- Plan Your Town (PC 47) – We are currently working through a couple of matters that were raised through submissions in regards this plan change and are working to a tentative date in June to hold the hearing.
- Protected Trees (PC 48) – A consent order has been issued by the courts resolving the appeal in regards to this plan change. As a result in May we will be asking Council to adopt the plan change and set an operative date.

**3.3.2 Health**

- We received registration from the majority of food premises in our district that needed to register by the 31 March 2017 in accordance with the Food Act 2014. This is a great result when we have compared ourselves to our peers.
- We are currently heading into the busy time for health licences as all health premises need to be licenced by 30 June and all funeral directors by the 31 May. It is noted that this excludes premises that have already transitioned to the Food Act 2014.

**Noise Stats - March 2017**

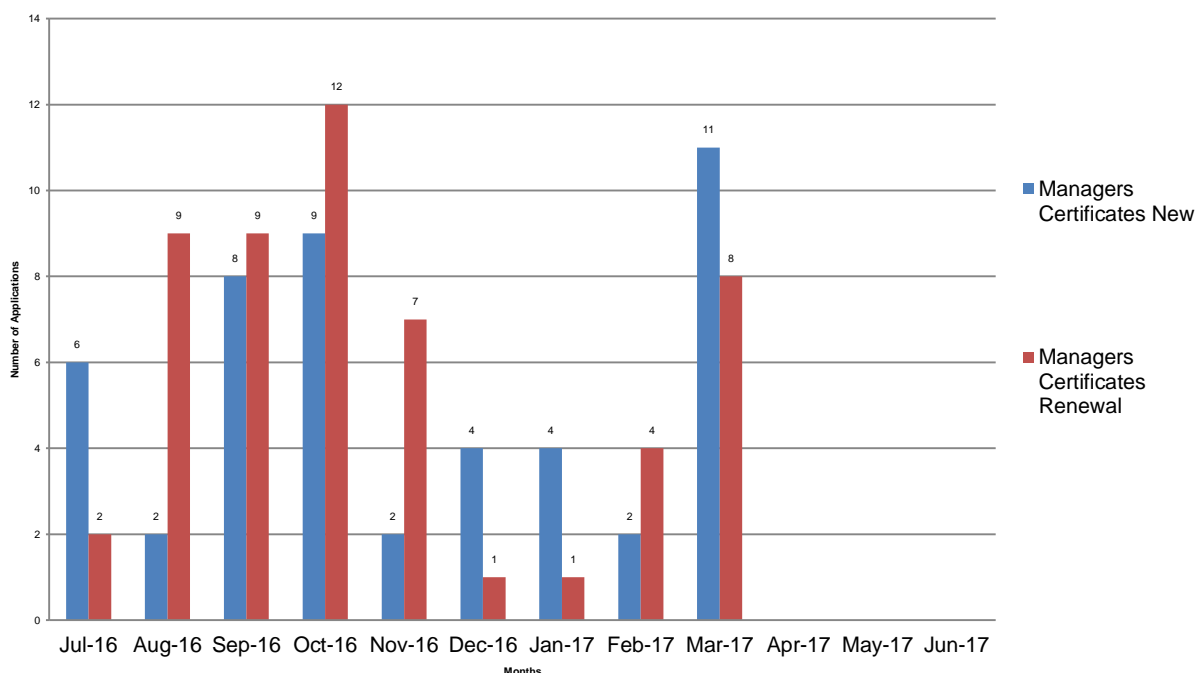
Ward	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17
Matamata	15	24	19	5	11
Morrinsville	20	21	10	10	8
Te Aroha	5	10	3	1	6
All wards	40	55	32	16	25



### 3.3.3 Alcohol

- Council received an application from NZ Liquor Limited, trading as Noys Liquor Centre on 24 January 2017 for a New Off-licence 162.2017.1200.1 at 148 Thames Street, Morrinsville. This application received an objection from the police and following publically advertised on 1 and 8 February 2017 a total of 14 public objections and one signed petition signed by 200+ people was received. As a result, a hearing has been scheduled for Thursday June 1 and Friday June 2 in the Te Aroha Boardroom for the District Licencing Committee to hear this application.

### Manager Certificate Applications



### New/ Renewal Licences – March 2017

Agency Application Number	Applicant Name	Type of Licence
162.1998.59.8	Morrinsville Golf Club	Renewal CLUB Licence
162.2007.48.5	Blackbull Liquor Morrinsville	Renewal OFF Licence
162.2010.12.4	Horse & Jockey Inn	Renewal OFF Licence
162.2015.1047.2	Redberry Supermarket	Renewal OFF Licence
162.2002.5.6	Countdown Matamata	Renewal OFF Licence

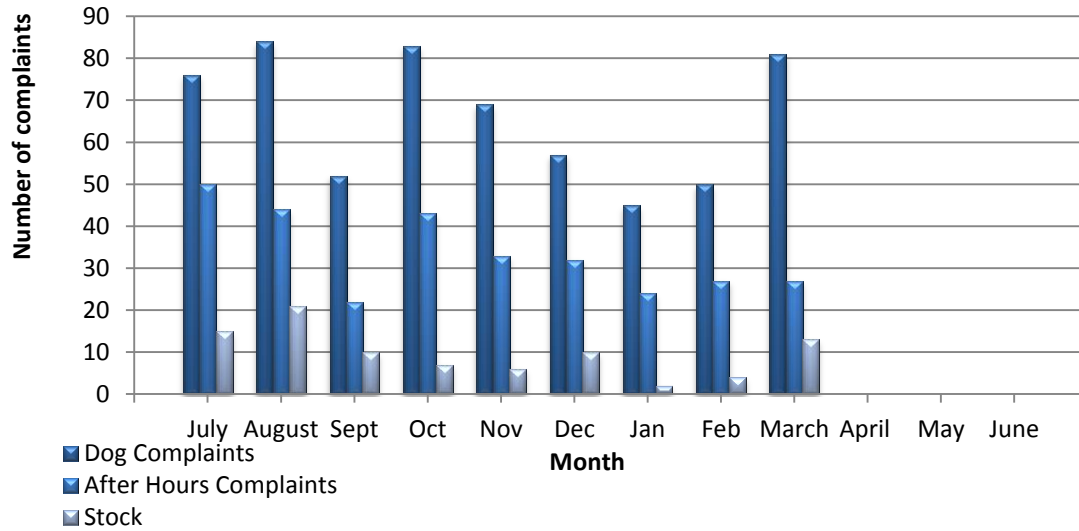
### Special Licences – March 2017

Agency Application Number	Applicant Name	Event
162.2016.1211	Matamata Club	Open Day & Wedding
162.2017.1213	Matamata Dramatic Society	Calendar Girls
162.2017.1214	RA Edwards & Jacob Henderson	Police Blue Light Charity
162.2017.1217	Morrinsville Little Theatre	Alice In Wonderland
162.2017.1218	Troughton Family	Troughton Family Auction
162.2017.1219	Hinuera School	Hinuera School Reunion
162.2017.1220	Matamata Dramatic Society	Short & Sweet
162.2017.1221	Matamata Dramatic Society	Arsenic & Old Lace



### 3.4 Animal Control

#### Animal Control Complaints 2016-2017



#### March Statistics

94 calls in total were received 19 Matamata, 39 Morrinsville 36 Te Aroha

- 81 of these calls received were regarding dog complaints
- 13 of these calls were wandering stock calls
- 27 calls were received after hours
- 22 dogs were impounded during the month

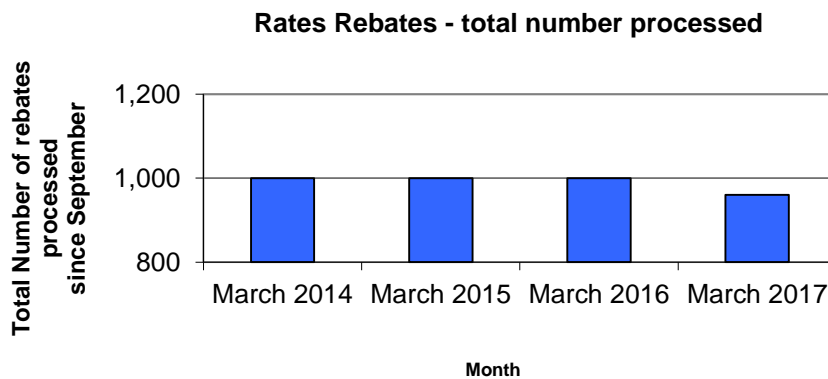
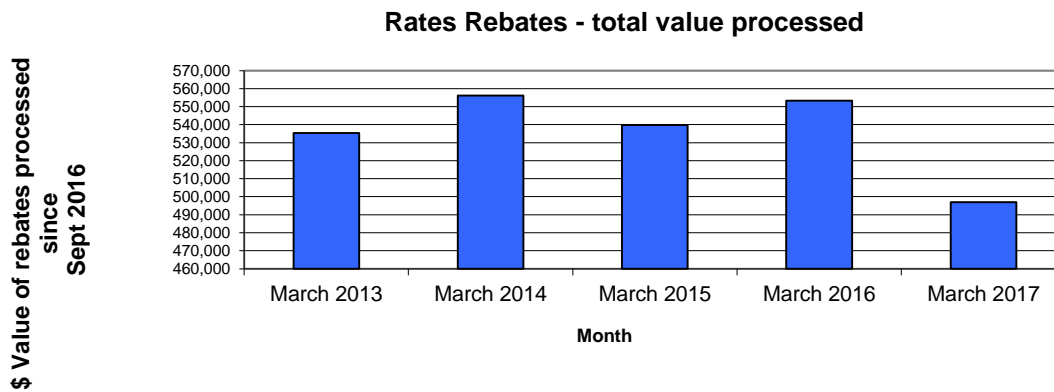
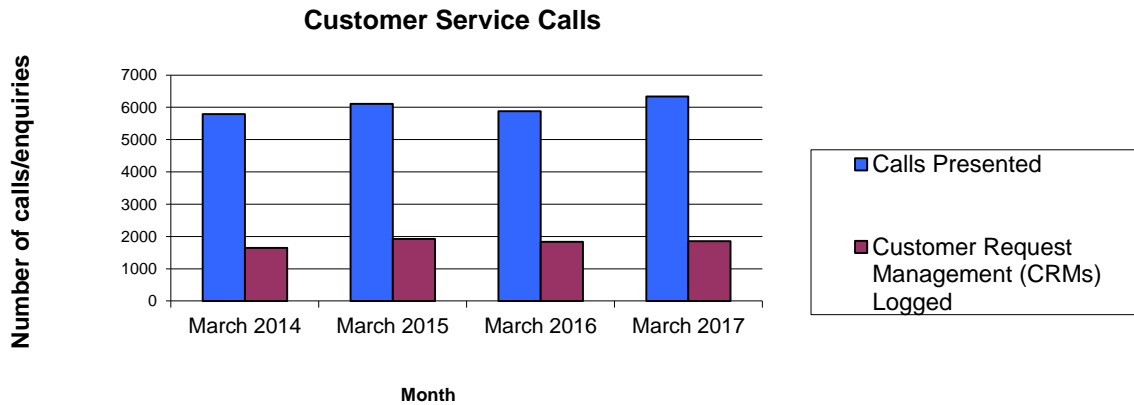
#### Complaints per Ward



■ Matamata ■ Morrinsville ■ Te Aroha

## 4. Service Delivery Overview

### 4.1 Customer Services



**Rate Rebates** – we have processed 960 applications since applications opened on 12 September 2016. Ratepayers have until 30 June 2017 to apply for a rates rebate for the 2016/17 year.

**LIM (Land Information Memorandum)** – 60 applications were received in March, 25 of these were urgent requests.

## 4.2 Kaimai Consultants

### 4.2.1 Community Operations and Projects

#### Te Aroha BMX Track

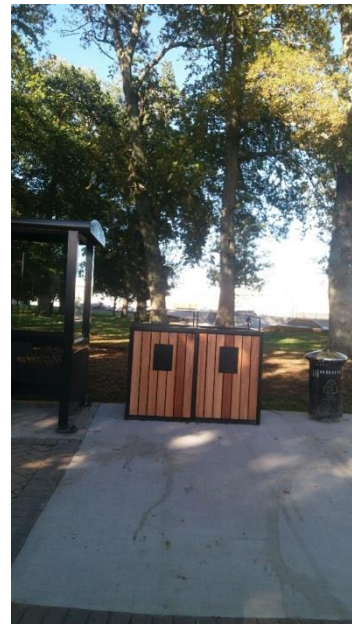
- Starting Gates that were bought for the Matamata BMX track are to be used in Te Aroha.

#### Matamata BMX track

- Quotes have been received to concrete the starting ramp and the contractor has been awarded. Conversation has been held with ex-councillor Bob McGrail who has been very involved with the BMX track. He was happy to see the starting gates being put to good use at the Te Aroha Track.

#### Matamata I-site bus shelter

- New 240lt capacity rubbish bins have been installed at the bush shelter (two bins) as well as one on Hetana Street by the toilets and Waharoa toilets.
- The bins will be emptied on Mondays, Wednesdays and Fridays as a trial period and adjusted if needed



#### Te Aroha Rotary Project

- No change since last month - Rotary are looking at cleaning and painting the grandstand at Herries Park

#### Te Aroha Lions

- Lions have undertaken the lawn mowing around the Kahikatea trees in the Howarth Memorial Wet Lands.

#### Morrinsville Rotary

- No change since last month - Morrinsville Rotary Have reported back that they are keen to undertake the Morrinsville walkway extension project. It will suit them best to carry out the work during the summer months utilising daylight saving. Council staff will work with Rotary to complete this project carried forward to the next financial year.

#### **Morrinsville Lions**

- No change since last month - Talks have been held with representatives from Morrinsville Lions on how they can be involved with the Morrinsville river walkway extension as well as any other council projects that they can be involved in
- Lions keen to work on the walkway in Avenue Road South to the river walkway
- Staff to undertake more investigating and report back to Lions on track design.

#### **Keep Te Aroha Beautiful**

- Keep Te Aroha Beautiful is working with the Te Aroha Police and working on a graffiti eradication process as there has been a sharp increase of graffiti lately.

#### **Kiwanis Matamata**

- No change since last month - Working with Kiwanis on the restoration of the Old Waharoa cemetery. The fence is to be cleaned and painted and the area to be sprayed of weeds, new section of fencing and pedestrian gate to go in, seating and tree planting also to be undertaken along with new signage.
- Site visit has taken place with Kiwanis
- Kiwanis to get back to council on starting dates and costing

#### **Waharoa East Rd Project**

- Kiwirail has given consent for work to be done on tree removal which was completed in March. Trees have been removed and wood chipping has been left on site for future use.
- Stumps area to be removed and areas clean up before planting.
- MPDC Staff will contact Jane Ewing to find out what part her community group can play in this roll.

#### **Centennial Drive Committee Matamata**

- The committee have been given the go ahead to use any plants that they may wish to remove from the Matamata office prior to demolition that they can use in the drive. Some plants have been removed. MPDC Staff will talk with the on-site contractors to see if they can assist with the removal of some of the larger plants for the drive.

### **4.2.2 Roothing**

#### Maintenance Contract – Fulton Hogan March 2017 activities – Contract 1985

- The cyclic crews continued with routine maintenance during March. In addition to this, there have been a number of weather events which have kept them busy along with test pits, traffic control and culvert cleaning.
- The stabilising crew have completed an Area Wide Treatment at Wardville Road, along with maintenance patches towards the end of the month.
- The hotmix crew are working through pre reseal repairs.
- The sealing crew have done a number of second coat seals and will continue into April.

#### Other Contracts and Activities

- Reseals – Contract 2098 – Fulton Hogan. This is a 2+1+1 Contract. We have now completed the first year of this contract. This now leaves one more year with two x one year additional roll-overs by mutual agreement. Reseals are now well under way and we are now approximately 85% through the programme with works proceeding well.
- Road Marking – Contract 2083 - Roadmarkers New Zealand. New 2016-17 urban road marking completed. Awaiting rural reseals completion before proceeding with rural remarking.
- Signs – Contract 2119. New 3+1+1 contract awarded to Directions. Works ongoing
- Corridor Access Requests – Twenty One (21) CAR's were processed in March.

- High Productivity Motor Vehicle (HPMV) Permits – No (0) HPMV permits were processed in March.
- Overweight Permits – Thirty One (31) overweight permits applications were processed in March.

#### Works Programme 2016/2017

- Contract 2143 is the first package for 2016/17. Contract awarded to Schick Civil Construction. The work sites are;
  - Buckland Rd – (RAMM 1900-2950). Completed.
  - Buckland Rd – (RAMM 8518-9038). Completed.
  - Old Te Aroha Rd Culvert Replacement - (RAMM 1651). Completed.
- Contract 2154 is the second package for 2016/17. Contract awarded to Schick Civil Construction. The work sites are;
  - Matai Rd – (RAMM 1800-2800). Approx 80% complete
  - Alexandra Rd – (RAMM 10600-11600). Complete
- Fulton Hogan has completed a 1.2km rehabilitation (stabilisation) job on Wardville Road between Waghorn Rd and Tower/Manawaru Rd.
- Contract 2163 is the third works programme contract. There is only one work site in this contract. The tender has been evaluated and awarded to J Swap Contractors. The site is a section of Matuku Rd between Hangawera Rd and Reay and Watson Rd. This work requires a road closure so we did a letter drop to affected residents and contacted Fonterra and Greenline Buses and after a lot of feedback we decided to defer the works until later in the year taking it through to the 2017 / 2018 financial year where J Swaps will undertake the works during school holidays to avoid disruption to buses and cropping. J Swap Contractors have agreed to defer it until later this year without applying any cost fluctuations.
- Contract 2167. Once the decision was made to defer Matuku Rd we put another contract out to tender for a 600m stretch of Morrinsville-Walton Rd (approx. 830m east of Chepmell Rd). This is currently going through the tender process. The tender evaluation has been completed and the tender will be awarded once all tender documentation has been completed and approved.
- Contract 2170 – Puketutu Rd / Hinuera Rd intersection upgrade. This is a relatively small minor safety improvement job to improve the Puketutu Rd / Hinuera Rd intersection. This contract is currently out to tender. The tender closes on Friday 21 April.
- Waterworks Road – A safety assessment and report was undertaken on Waterworks Rd to identify safety issues and possible solutions. We are currently undertaking some survey work on Waterworks Rd to establish property boundaries. Once boundaries and services have been established we will go through and undertake earthworks to improve sightlines for motorists and cyclists.

#### Events and Road Closures

- ANZAC Day (25 April) event road closures are planned for Te Aroha and Matamata
- Hamilton Motorcycle Club has applied to close Quine Rd on 30 April (8.30am – 4.30pm) for a motorcycle hillclimb event.

## 4.3 Kaimai Valley Services

### 4.3.1 Parks and Reserves Team.

#### Gardens

- The structure and the responsibilities of the teams have been changed. There will now be three teams of two people working together. The Assistant Team Leader will be looking after all the central business districts, rose gardens, Te Aroha domain and council offices. The other two teams will be working from the depot with the Team Leader scheduling them on a rotational basis to cover all areas.
- All the summer annuals have been removed and the winter annuals have been planted.
- Winter replanting of the central business districts and other reserve gardens that need replacement plants are in the process of being ordered.

#### Mowing

- The recent rain and warm weather has seen an increase in the grass growth. Combined with the short weeks it has also caused problems with achieving levels of service. It will be a challenge for the mowing crews to catch up but the teams are ensuring the high profile areas and sports fields are kept tidy.
- Sports fields renovations have also experienced delays for the contractor to complete but is expected to be finished by the end of April.

#### Other

- Quotes have been received for the replacement of the junior playground at Herries Park, with work due to start in May.
- Tree work for the Parks and Reserves is in the process of being prioritised for the final few months of this financial year.
- Four new bins have been installed in Matamata and one in Waharoa. These are the larger Style bins.

#### Water and Sewer Repairs

- The Reticulation Team has had a very busy month with water and sewer repairs and maintenance.

	February		March	
	Hours	CRM's Completed	Hours	CRM's Completed
Water Repairs	619	112	401	56
Sewer Repairs	90	13	42	9
Private Works	97	5	8	3



#### 4.3.2 Waste Water

##### **Morrinsville Waste Water Plant**

- Currently in compliance with all discharge limits.
- Morrinsville WWTP inflows are still high from the Cyclone cook but no issues on the treatment capacities. There have been no issues with overflows
- The plant is experiencing no major issues.

##### **Te Aroha Waste Water Plant**

- Currently in compliance with all except Coliforms in the discharge limits. Coliforms are over the resource consent limit for 90 percentile. WRC was notified and the investigations are under way to identify the cause. It is expected that a breach in the filtration membranes has occurred.
- Te Aroha WWTP inflows are still high and we are overflowing from the pond in to Waihou River. The discharge is being tested, but there are no issues regarding the quality of the water.

##### **Matamata Waste Water Plant**

- Currently in compliance with all discharge limits.
- Inflows are still high and the plant is overflowing from the pond. The level is coming down and is expected to cease soon. The discharge is being tested daily, and within national guidelines for contaminants in waterways.

##### **Tahuna Waste Water Plant**

- Currently in compliance with all discharge limits.
- Currently experiencing no major issues.

#### 4.3.3 Water

##### **Morrinsville Water Treatment Plant**

*Online DWS compliance*

Morrinsville WTP Protozoa – Passed

Morrinsville WTP Bacterial – Passed with evidence – An instrumentation fault caused two false readings for a short time period. The instrument was replaced with no further occurring incidents.

##### **Tahuna Water Treatment Plant**

No issues at Tahuna Water treatment Plant.

##### **Te Aroha Water Treatment Plant**

*On Line DWS compliance*

*Protozoa* - Passed with evidence. A three minute period occurred where a filter turbidity exceeded standards due to an electrical fault on a valve. This was rectified immediately with overall compliance not effected.

### **Te Aroha West Water Treatment Plant**

The heavy rain events caused the Pohomihi dam turbidity to increase, but operational staff carried out additional filter cleaning and increased disinfection to compensate for this. No complaints were received and compliance was not affected.

### **Matamata (Tills Rd) Water Treatment Plant**

*On Line DWS compliance*

#### **Matamata WTP**

*Protozoa – Passed with Evidence* - Heavy rain events on the 11th and 12<sup>th</sup> caused filter turbidity exceedances. A further issue with the ultraviolet disinfection unit occurred 24 March which resulted in a lower dose than normal. Staff are currently looking into the processes around these.

Matamata WTP Bacterial – Passed

### **Matamata (Tawari Street) Water Treatment Plant**

No issues on this site

### **Matamata (Burwood Road) Water Treatment Plant.**

There is suspected to be a tear in the raw water storage liner that will be investigated once the water supply reduces in the Matamata town.

### **Te Poi Water Treatment Plant.**

No major issues reported.

### **Hinuera Water Treatment Plant.**

No issues on this site.

### **Raungaiti Water Supply.**

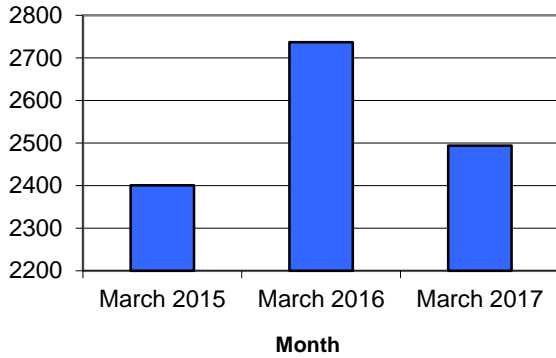
No issues on this site.



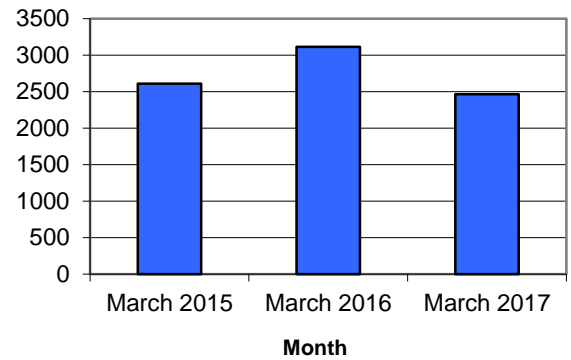
## 5. Business Support Overview

### 5.1 Community Facilities Operations

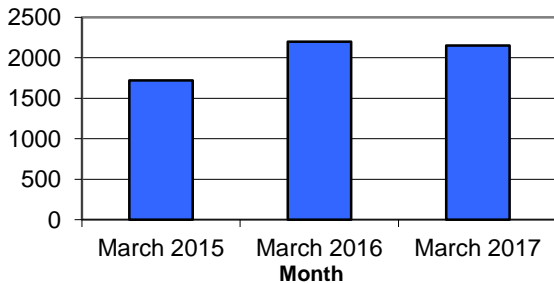
**Te Aroha i-SITE**  
Number of visitors  
Door counter



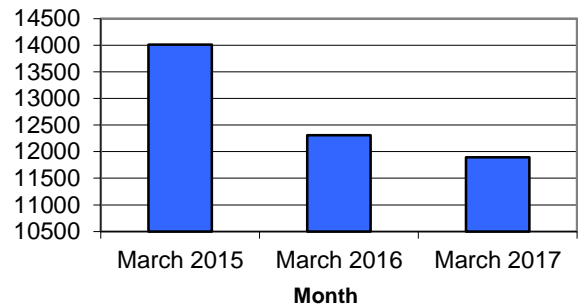
**Swim Zone Te Aroha**  
Cash Register Reports  
Number of visitors



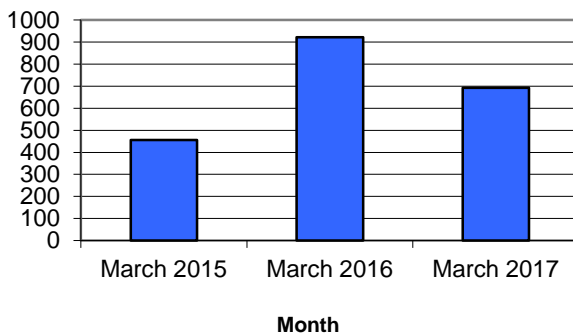
**Te Aroha Mineral Spas**  
Cash Register Reports  
Number of visitors



**Matamata Sport Centre**  
Cash Register reports  
Number of visitors



**Firth Tower Visitor Numbers (manual count)**



### Te Aroha Mineral Spas

- Replacement liner has been ordered for a hot water storage tank. No 8 Spa renovations have been completed and are back in operation.

### Firth Tower Museum

- Motor home visitor numbers continue to be above last year.
- Tree maintenance schedule has been prepared.
- Three schools visited the museum this month.
- One wedding was held this month.

### Swim Zone Matamata

- Work to start on outdoor 25 metre pool upgrade on 27 April.
- Paint repairs in the indoor pool are scheduled in April.

### Swim Zone Te Aroha

- Water line leaks have been repaired. Domain foot pool is operational again after repairs.

### Matamata Aerodrome.

- Repairs have been completed on the caretakers house.
- New hangar development plan proposals are underway
- Tree maintenance work has been completed

### Morrinsville Events Centre

- Floral festival was held in March and a model train exhibition is scheduled in April.

### Te Aroha i-SITE

- Fewer visitors than this time last year possibly due to ECHO Walking Festival in April this year rather than March. Visitor mix – Domestic 39%; International 61%. Accommodation, activity and travel bookings down on this time last year. This is a trend across the network as more people book directly. I-SITE NZ investigating online booking platform to have a presence in that space.
- Te Aroha i-SITE investigating options for upgrading visual displays.

### Silver Fern Farms Event Centre user numbers

- |                             |             |
|-----------------------------|-------------|
| • Courts                    | 2818        |
| • Function rooms            | 97          |
| • Function rooms and courts | 0           |
| • <b>Total users</b>        | <b>2915</b> |

### Domain Pavilion

- 50 people for family gathering.

### Domain House

- Long term lessee

## 5.2 Strategy and Policy

### Utilities

- Working is progressing on the 2018 Asset Management Plan's and the Water compliance assessment update.
- Beca's have been organised to undertake further work on Waharoa/Matamata water supply and wastewater disposal proposals. Their draft report has arrived and will be presented to Council in the near future.
- Bylaws have been updated and approved by Council for public consultation.
- A report on the timing of the Waharoa Airdrome WTP has been circulated to the e-team .
- Significant time has been spent on stormwater aspects of proposed subdivisions.
- A proposed letter to the WRC has been drafted setting out concerns relating to Council's Discharge consents at Te Aroha and Matamata in the light of the recent Silver Fern Farms decision.
- The disposal of bore water from the Matamata Swimming Pool is causing issues with flooding of the SS at the Broadway/Meura St intersection. Alternative method of disposing this water and removing it from the stormwater system are being investigated.
- There is a significant problem with the ingress of stormwater into the Aroha View Ave sewer pump station which is causing issues at a house in Mountain View Road. Investigations are being given priority.
- The recent wet weather has given rise to a number of stormwater/sewer issues in Morrinsville and Te Aroha in particular
- Some concern has been expressed over the lack of soakage on some sites in the Young Street subdivision and this could become a significant issue.

### Roading

- Staff met with Waugh consultants to further refine Rooding AMP and summarise the strategic case.
- Staff attended the East Waikato Road Safety Action Plan meeting at Hauraki D.C. one comment from the Police informed us that the Commercial Vehicle Investigation Unit (CVIU) unit was downsizing and a submission was drafted to the CVIU expressing concerns.
- Staff attended RATA asset Managers Forum at Waipa DC
- Staff attended Road Efficiency Group (REG) meeting, R8 Workshop. This was to assist RCA's in meeting the requirements of presenting a Business Case to NZTA.
- Planning and Engineering staff met to progress the Engineering Plan Approval process. There is greater clarification of what Engineering data is required and
- how the request for this data can be conditioned into the subdivision application response letter.
- Staff met with Waikato Regional Council regarding the Passenger Transport contract tender. The new contract comes into play as of 17th April. There are several issues currently being worked through, i.e. appropriate bus sizing (due to the size of the company that won the tender they have the ability to manipulate to suit), the removal of Department of Education funding for schools of special character and the impacts on our passenger service.

- 
- NZTA are progressing the safety improvement at the SH27 Mangawhero Stream bridge. This potentially will result in a realignment of SH27 and maybe a new bridge. Currently feedback is sought on the issues.

#### Parks and Facilities

- MPDC participated in Parks Week 2017 by signing up three of our lesser known parks to become 'Magical Parks' during Parks Week
- Building consent was granted for the replacement bridge at Te Miro
- Workshops were with staff from various departments as part of the review of the activity management plans in preparation for the Long Term Plan.