



**TO THE MAYOR AND COUNCILLORS OF THE
MACKENZIE DISTRICT COUNCIL**

Membership of the Finance Committee:

Cr Graham Smith (Chairman)
Claire Barlow (Mayor)
Cr Russell Armstrong
Cr Murray Cox
Cr Noel Jackson
Cr James Leslie
Cr Evan Williams

*Notice is given of a meeting of the Finance Committee to be
held on Tuesday, September 2, 2014, at 9.30am.*

VENUE: Council Chambers, Fairlie.

BUSINESS: As per agenda attached

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER



FINANCE COMMITTEE

Agenda for Tuesday, September 2, 2014, at 9.30am

APOLOGIES

DECLARATIONS OF INTEREST

VISITORS:

At **11.30am** Gail Smits, Luke van den Broek and Alex Wills from Quotable Value will visit to speak to councillors on the Mackenzie District Revaluation, and will stay for lunch.

WORKSHOP:

At the conclusion of the formal committee meetings, Finance and Administration Manager Paul Morris will conduct a workshop to continue the discussion on council's performance measures. This is a follow-up workshop to the one held on July 24.

MINUTES:

Confirm and adopt as the correct record the minutes of the Finance Meeting held on Thursday, July 24, 2014, including such parts as were taken with the public excluded.

REPORTS:

1. Financial Activity Report (attached).
2. Aoraki Development Business and Tourism Quarterly Report to June, 2014 (attached).

PUBLIC EXCLUDED:

Resolve that the public be excluded from the following part of the proceedings of this meeting namely:

1. Public excluded minutes of the Finance Committee meeting held on July 24, 2014, taken in public excluded session.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Previous minutes of the Finance Committee, July 24, 2014	Enable commercial negotiations	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Previous minutes of the Finance Committee under section 7(2)(i).*

RESOLUTION TO RESUME OPEN MEETING

ADJOURNMENTS:

10.30am: Morning Tea

12.00pm: Lunch

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON THURSDAY, JULY 24, 2014, AT 9.30AM

PRESENT:

Cr Graham Smith (Chairman)
 Claire Barlow (Mayor)
 Cr Russell Armstrong
 Cr James Leslie
 Cr Noel Jackson
 Cr Evan Williams

IN ATTENDANCE:

Wayne Barnett (Chief Executive Officer)
 Paul Morris (Finance and Administration Manager)
 Nathan Hole (Planning and Regulation Manager)
 Garth Nixon (Community Facilities Manager) from 9.49am
 Arlene Goss (Committee Clerk)
 Jason Gaskill (Alps2Ocean/Tourism Waitaki) from 11am
 Miles O'Connor (Bancorp) from 11.30am

APOLOGIES:

Resolved that an apology was received from Cr Murray Cox.

Claire Barlow/James Leslie

DECLARATIONS OF INTEREST:

Cr Russell Armstrong made a declaration of interest relating to the public excluded matter 'Land Sale Twizel'. He will not debate or vote on this issue.

MINUTES:

Resolved that the minutes of the meeting of the Finance Committee held on June 12, 2014, including such parts as were taken with the public excluded, be confirmed and adopted as the correct record of the meeting.

Claire Barlow/Russell Armstrong

MATTERS ARISING:

The chief executive updated the committee on two matters mentioned in the minutes. Regarding the Freedom Camping bylaw, he said a meeting has been arranged and a person engaged to write this bylaw. Regarding the workshop to be held on insurance and risk, this has not been scheduled at this stage, but will be acted on.

REPORTS:

FINANCIAL ACTIVITY REPORT TO MAY, 2014:

Resolved that the report be received.

Evan Williams/James Leslie

This report updated the committee as to the council's financial position to May 31, 2014.

Questions were asked regarding variances. Since the council building has installed heat pumps it has saved five thousand dollars in electricity costs.

The Fairlie supply has had a number of breakages and repairs that are unbudgeted. A report on this matter is on the agenda for the Asset and Services committee meeting on July 24.

There are a number of financial and reserve contributions showing in the budget for the planning area, mainly related to subdivisions in Twizel.

On page 33 of the agenda it shows council has received emergency reinstatement (\$653,000) for roading and are over spent in this area. Given the extraordinary events we've had this financial year the roads are in good condition and we have been able to do what we wanted to do this year. It's a good result for roading.

On page 35, footpath servicing is mentioned. The townships have used their reserves on footpaths and the overspend will be funded from the roading reserves.

Community facilities manager Garth Nixon joined the meeting at 9.49am.

There has been a change to animal control provision, which has given us a slight surplus. Councillors will need to look at levels of service in this area in future. We have one of the cheapest dog registration fees in the country but are not doing a lot of monitoring.

Solid waste costs are up due to more waste being produced and more waste going to landfill. We need to encourage holiday home owners to recycle more when they are staying in the district. At the moment we have a \$40,000 deficit coming through in waste. This needs to be noted going forward and we might need more education.

On page 43 there are legal fees. We are in negotiation with the Twizel Medical Trust which has resulted in these fees. This will be discussed further at the council meeting on August 5. On page 45, Twizel's public toilets have not been finished in this financial year so there will be a carry over of expenditure.

The chairman said next months figures will show the final results for the financial year. At the moment things are on track except for a small overspend in solid waste and roading.

PUBLIC EXCLUDED:

Resolve that the public be excluded from the following part of the proceedings of this meeting namely Land Sale Twizel.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Land Sale Twizel	Enable commercial negotiations	48(1)(a)(i)
This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: <i>Land Sale Twizel, under section 7(2)(i).</i>		

Evan Williams/Claire Barlow

The Finance Committee continued in open meeting.

The meeting adjourned for morning tea at 10.30am and reconvened at 11am. During morning tea the Mayor and councillors welcomed Japanese students from Mackenzie College who took photos with the Mayor and then left.

Jason Gaskill from Tourism Waitaki joined the meeting at 11am.

PRESENTATION FROM JASON GASKILL, ALPS2OCEAN:

Jason Gaskill handed out a report to councillors which is attached to these minutes. He said over winter there are still a number of people using the trail, including a group of 30-40 on one section.

The best month last season for operators was April. People in Tekapo are using the canal road on their bikes to join with the main route. It has been a very successful year. Estimated numbers are between 9,000 and 11,000 users. Numbers are far in excess of what was expected at this stage.

The booking engine is now functional and partners are receiving bookings through it. Need to fine tune how to handle tour groups. They are updating the hotel booking structure so all room types are represented. Have had limited negative feedback on the booking engine. A positive reaction from most partners towards the business model. They now have 151 business partners. Have planned meetings in Tekapo over the next couple of weeks to connect operators to Alps2Ocean.

They are currently developing an app and getting it to function on the trail so people can download it to their mobile and use it while they are on the trail. This also allows Alps2Ocean to follow users and determine where they are starting and ending their journey. This is being tested and will be ready to launch by September.

They hope to take over responsibility for signage. Working on a process to shift that responsibility to Tourism Waitaki.

Jason Gaskill said financially the organisation has done better than expected in a number of ways and he is reasonably comfortable with how things are going. There is a modest surplus of about \$11,000. This includes all capital work. That surplus has been allocated to capital expenses around the booking engine and the app.

The chairman asked regarding further funding from the government. Yes there has been some funding from NZTA and the Waitaki DC has tagged this to shift the trail off-road in the Waitaki district at Duntroom. Hayman Road has also been identified as a concern and applications are currently in for money to address this problem area.

The chief executive said the approach of the Alps2Ocean committee is that the most important place for improvement has been in the Waitaki area and getting the trail off the state highway there. There will be an agenda item to the council soon to cover the subject of Hayman Road in the Mackenzie District.

The main emphasis of the committee is to ensure safety first, and then the general experience of cyclists.

Cr Jackson asked about the canal road connection to Tekapo. Jason Gaskill said a few months ago Genesis announced that the canal road was allocated to cycling and walking. This will be promoted as an alternative experience for cyclists. A conversation is happening on how to get from Tekapo onto the canal road. Two cycling companies have indicated an interest in setting up in Tekapo to take cyclists on the canal road. Have also looked at the trail around Braemar and the opportunities are there for cycling but this is not a priority.

Jason Gaskill said regarding maintenance Whitestone are inspecting the track every six weeks and reporting any problems. The trail is holding up well, barring any significant weather events. He didn't expect people to be on the trail in June after major rain events and there were problems with mud.

Councillors asked how money can be extracted from cyclists to put back into the maintenance of the track. Jason Gaskill said they are considering selling voluntary passes to cyclists who want to support the track. More can also be earned from restructuring the partnership programme and use of the strategic brand.

The booking engine was always assumed to be the main revenue generator for the trail. He is hoping Alps2Ocean will be close to being financially self sufficient by 2017-18, thanks to the income generated by the booking engine.

The chief executive said the agreement between Mackenzie District Council and Tourism Waitaki is working exceedingly well with good reports coming back. Jason Gaskill's approach and service is fantastic. The chairman and chief executive thanked him for ensuring a good relationship with council. Jason Gaskill said he has appreciated the opportunity to be involved.

Jason Gaskill left the meeting at 11.35am.

Miles O'Connor from Bancorp joined the meeting at 11.35am

PRESENTATION FROM MILES O'CONNOR, BANCORP:

BANCORP QUARTERLY REPORT – JUNE 2014:

Paul Morris introduced Miles O'Connor from Bancorp, who spoke to his report on page 101 of the agenda. This report informed the committee of the performance of council's investment portfolio, which is managed by Bancorp.

He gave a presentation which is attached to these minutes.

The chairman asked Miles O'Connor for his opinion regarding the future of the NZ dollar. He replied that he can see it coming down but not dramatically.

The chairman thanked Miles O'Connor for his presentation and invited him for lunch.

Resolved that the report be received.

Claire Barlow/James Leslie

The meeting adjourned for lunch at 12.14pm and reconvened at 12.51pm

ALPINE ENERGY LTD ANNUAL REPORT 2014:

The purpose of this report was to brief councillors on the results for Alpine Energy in the past financial year. It was noted that representatives from Alpine Energy have been invited to the council meeting on August 5 and discussion on the performance of Alpine Energy would occur at that time.

Resolved that the report be received and the content noted.

Russell Armstrong/James Leslie

FRAUD EVENT, TWIZEL OFFICE:

The chief executive said this report outlines an official position in relation to a fraud that occurred in the Twizle office. The facts are set out in the report at page 98 of the agenda.

He said it was important to note that the fraud did come to light in our system and council should take confidence that it was uncovered, was managed appropriately and the investigation has been concluded.

He said council is confident that the person who pleaded guilty is the only person involved. No other staff members were involved. He is pursuing the recovery of the money.

Resolved that the report be received and the content noted.

Russell Armstrong/Noel Jackson

PUBLIC EXCLUDED:

Resolve that the public be excluded from the following part of the proceedings of this meeting namely:

1. Public excluded minutes of the Finance Committee meeting held on June 12, 2014, taken in public excluded session.
2. Land Sale Twizel (attached).
3. Website Credit Card Transaction Fees (attached).
4. Development Update (attached).
5. Tekapo Commercial Subdivision (attached).
6. Status of Land Sale (attached).
7. Development Proposal (attached).
8. Sale Contract Update (attached).
9. Development of Lakeside Drive land (attached).

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Previous minutes of the Finance Committee, June 12, 2014	Enable commercial negotiations	48(1)(a)(i)
Land Sale Twizel	Enable commercial negotiations	48(1)(a)(i)
Website Credit Card Transactions	Commercial sensitivity	48(1)(a)(i)
Development Update	Commercial sensitivity	48(1)(a)(i)
Tekapo Commercial Subdivision	Maintain legal professional privilege	48(1)(a)(i)
Status of Land Sale	Enable commercial negotiations	48(1)(a)(i)
Development Proposal	Commercial sensitivity	48(1)(a)(i)

Sale Contract Update	Enable commercial negotiations	48(1)(a)(i)
Development of Lakeside Drive Land	Enable commercial negotiations	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Previous minutes of the Finance Committee, Land Sale Twizel, Status of Land Sale, Sale Contract Update, Development of Lakeside Drive Land all under section 7(2)(i). Website Credit Card Transactions, Development Update and Development Proposal under section 7(2)(b)(ii), Tekapo Commercial Subdivision under section 7(2)(g).*

James Leslie/Noel Jackson

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.22pm

CHAIRMAN: _____

DATE: _____

Unconfirmed

MACKENZIE DISTRICT COUNCIL

REPORT TO: FINANCE COMMITTEE

SUBJECT: FINANCIAL REPORT – JUNE 2014

MEETING DATE: 2 SEPTEMBER 2014

REF: FIN 1/2/1

FROM: MANAGER – FINANCE AND ADMINISTRATION

ENDORSED BY: CHIEF EXECUTIVE OFFICER

PURPOSE OF REPORT:

Attached is the financial report for Council for the year ended 30 June 2014.

STAFF RECOMMENDATIONS:

1. That the report be received.

PAUL MORRIS
MANAGER – FINANCE AND ADMIN

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Governance							
Income							
General Rates	345,348	317,844	317,844	(0)	0.00% ✖		317,844
Targeted Rates	29,280	30,195	30,192	3	0.01% ⚠		30,192
Other Income	22,020	49,835	45,000	4,835	10.74% ✔	1	45,000
Total Income	396,648	397,873	393,036	4,837	1.23%		393,036
Expenses							
Employment Expenses	43,650	57,287	44,952	(12,335)	-27.44% ✖	2	44,952
Members Expenses	273,488	347,681	293,208	(54,473)	-18.58% ✖	3	293,208
Consultancy Expenses	5,142	10,581	-	(10,581)	-100.00% ✖	4	-
Administration Expenses	26,939	42,512	44,892	2,380	5.30% ⚠		44,892
Depreciation	292	-	-	-			-
Internal Charges	5,007	3,213	9,996	6,783	67.86% ✔	5	9,996
Total Expenses	354,519	461,275	393,048	(68,227)	-17.36%		393,048
Net Surplus/(Deficit)	42,129	(63,401)	(12)	(63,389)			(12)

Variance Analysis

- Higher than anticipated revenue from Water Zone committee oncharges offset somewhat by lower than anticipated oncharges for election costs has resulted in this favourable variance.
- Higher than anticipated costs due to overlap of Committee clerks due to Parental leave and amendment to salary levels due to extra duties.
- Water Zone committee costs are higher than budget by \$27,464 along with Election costs of \$33,486. These election costs include unbudgetd costs for two By-elections. Budget was allowed in 2011 and 2012 at \$10,000 each which means the overall increase in cost of the elections was \$13,486
- Unbudgeted costs associated with public meetings for Tekapo land development and Twizel water upgrades (\$6,274) as well as legal fees of \$2,360 for review of committee structure and \$1,875 for Purpose statement
- Lower than anticipated costs associated with Council motor vehicle usage has created this favourable variance.

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	183	-	-			-
Net Surplus/(Deficit)	42,129	(63,401)	(12)			(12)
Transfers between Reserves	(42,312)	-	-			-
Add back Non Cash Items	292	-	-			-
Transfer Funded Depreciation to Capital Reserve	(292)	-	-			-
Total Operating Reserves	(0)	(63,401)	(12)	-	0.00%	(12)
Capital Reserves						
Opening Balance	(5,131)	(4,839)	-			-
Transfer Funded Depreciation from Operating Reserves	292	-	-			-
Total Capital Reserves	(4,839)	(4,839)	-	-		-

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Corporate Services							
Income							
General Rates	1,578,228	1,873,165	1,873,164	1	0.00%		1,873,164
Other Income	124,839	121,872	105,516	16,356	15.50%	1	105,516
Internal Income	152,920	101,900	127,704	(25,804)	-20.21%	2	127,704
Internal Interest Income	480	(400)	(276)	(124)	44.79%		(276)
Gain on Sale - Assets	456	-	-	-			-
Total Income	1,856,923	2,096,537	2,106,108	(9,571)	-0.45%		2,106,108
Expenses							
Employment Expenses	1,107,509	1,133,392	1,166,640	33,248	2.85%	3	1,166,640
Consultancy Expenses	141,626	173,786	155,544	(18,242)	-11.73%	4	155,544
Administration Expenses	302,945	314,491	316,524	2,033	0.64%		316,524
Operational and Maintenance	268,860	239,365	284,172	44,807	15.77%	5	284,172
Internal interest Expense	1,603	7,570	19,212	11,642	60.60%	6	19,212
Depreciation	98,441	108,081	108,108	27	0.02%		108,108
Internal Charges	71,728	52,419	68,232	15,813	23.17%	7	68,232
Loss On Sale and Assets Written Off	4	-	-	-			-
Total Expenses	1,992,715	2,029,104	2,118,432	89,328	4.22%		2,118,432
Net Surplus/(Deficit)	(135,792)	67,432	(12,324)	79,756			(12,324)

Variance Analysis

- Higher than anticipated asset management recoverable services \$15,841 due to higher than anticipated subdivision activity has created this favourable variance
- Lower than anticipated internal motor vehicle charges has resulted in this unfavourable variance.
- Lower than anticipated Employment costs due to staff changes and timing of employment on replacement staff has created this favourable variance.
- Higher than budgeted costs associated with strategic pay (\$4,331) and LGNZ Water Endorsement (\$1,000) and Digital Strategy and Action plan (\$1,500) has contributed to this unfavourable variance
- Lower than anticipated electricity costs in the Fairlie Council building (\$5,577) due to use of efficient heat pump technology over underfloor heating along with lower than anticipated IT lease costs (\$21,899) and lower than anticipated vehicle running costs (\$21,280) have contributed to this favourable variance.
- Lower than anticipated capital reserve balances has contributed to this favourable variance.
- Lower than anticipated internal milage charges has contributed to this favourable variance.

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Capital Expenditure							
Administration							
0018001. Computers	2,776	-	-	-			-
0018925. Plant and Equipment	1,180	1,800	3,000	1,200	40.00% ✓		3,000
Total Administration	3,956	1,800	3,000	1,200			3,000
Fairlie Council Building							
0088916. Building Renovations	-	16,666	20,580	3,914	19.02% ✓		20,580
0088925. Plant and Equipment	1,273	-	-	-			-
0088935. Furniture & Fittings - Admin	16,155	19,707	24,996	5,289	21.16% ✓		24,996
0088940. Furniture & Fittings - Other	-	260	-	(260)	-100.00% ✗		-
Total Fairlie Council Building	17,428	36,632	45,576	8,944			45,576
Twizel Council Building							
0098916. Building Renovations	-	5,171	-	(5,171)	-100.00% ✗	1	-
0098925. Plant and Equipment	5,368	-	-	-			-
0098935. Carpets	8,791	-	-	-			-
0098940. Furniture & Fittings - Other	-	4,730	-	(4,730)	-100.00% ✗	1	-
Total Twizel Council Building	14,158	9,901	-	(9,901)			-
Information Technology							
0788002. PC Server	35,978	51,073	36,000	(15,073)	-41.87% ✗		36,000
0788005. Printers, Copiers & Scanners	4,000	-	-	-			-
0788006. GIS Aerials	-	28,741	-	(28,741)	-100.00% ✗	2	-
0788010. Network Infrastructure	-	4,766	3,000	(1,766)	-58.86% ✗		3,000
0788011. Communications Equipment	-	37,381	36,996	(385)	-1.04% ✗		36,996
0788012. Software	17,500	17,600	18,000	400	2.22% ✓		18,000
0788014. Web site development	3,500	155	3,996	3,841	96.12% ✓		3,996
0788925. Plant and Equipment	2,249	2,415	3,000	585	19.49% ✓		3,000
Total Information Technology	63,227	142,131	100,992	(41,139)			100,992
Plant							
2658930. Vehicles	97,547	-	32,004	32,004	100.00% ✓	3	32,004
Total Plant	97,547	-	32,004	32,004	0.00%		32,004
Total Capital Expenditure	196,316	190,465	181,572	(8,893)			181,572

Variance Analysis

1. Unbudgeted expenditure on Heatpump and office renovations
2. Council approved unbudgeted expenditure as part of the GIS Aerial consortium.
3. Budgeted replacement of old building inspector vehicle currently used by CCT. This will not occur.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	25,410	(1,083)	-			-
Net Surplus/(Deficit)	(135,792)	67,432	(12,324)			(12,324)
Transfer - Capital Expenditure	(196,316)	(190,465)	(181,572)			(181,572)
Transfers between Reserves	97,533	-	(10,500)			(10,500)
Transfer Capital Expenditure to Capital Reserve	196,316	190,465	181,572			181,572
Add back Non Cash Items	98,445	108,044	108,108			108,108
Transfer Funded Depreciation to Capital Reserve	(85,087)	(100,722)	(100,740)			(100,740)
Transfer - to/from Op Rsve	(508)	-	-			-
Appn Change in Reval Res to Accum Funds	(2,275,803)	-	-			-
Total Operating Reserves	(2,275,803)	73,671	(15,456)	-	0.00%	(15,456)
Capital Reserves						
Opening Balance	20,394	(64,231)	(296,275)			(296,275)
Transfers between Reserves	-	-	2,208			2,208
Transfer Capital Expenditure from Operating Reserve	(196,316)	(190,465)	(181,572)			(181,572)
Transfer Funded Depreciation from Operating Reserves	85,087	100,722	100,740			100,740
Transfer - to/from Op Rsve	508	-	-			-
Transfer from Operating Reserve	52,598	-	3,252			3,252
Transfer from Operating reserves	(1,083)	-	-			-
Total Capital Reserves	(38,812)	(153,974)	(371,647)	-	0.00%	(371,647)

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Water							
Income							
Targeted Rates	789,728	840,253	839,928	325	0.04%		839,928
Investment Income	4,085	892	-	892	100.00%		-
Other Income	161,560	122,760	66,104	56,656	85.71%	1	66,104
Financial Contributions	180,206	134,587	-	134,587	100.00%	2	-
Internal Income	3,000	3,000	3,000	-	0.00%		3,000
Internal Interest Income	43,652	52,763	38,028	14,735	38.75%	3	38,028
Vested Assets	40,400	-	118,224	(118,224)	-100.00%	4	118,224
Total Income	1,222,630	1,154,255	1,065,284	88,971	8.35%		1,065,284
Expenses							
Employment Expenses	13,152	10,350	-	(10,350)		5	-
Consultancy Expenses	2,345	13,823	30,397	16,574	54.52%	6	30,397
Administration Expenses	20,175	26,425	10,979	(15,446)	-140.69%	7	10,979
Operational and Maintenance	371,942	462,521	432,804	(29,717)	-6.87%	8	432,804
Internal interest Expense	55,246	67,853	75,192	7,339	9.76%	9	75,192
Asset Impairment	(5,454)	(51,424)	-	51,424	100.00%	10	-
Depreciation	380,451	383,237	383,244	7	0.00%		383,244
Internal Charges	3,000	3,000	3,000	-	0.00%		3,000
Total Expenses	840,857	915,785	935,616	19,831	2.12%		935,616
Net Surplus/(Deficit)	381,773	238,470	129,668	108,802			129,668

Variance Analysis

- Includes results for Albury Water Scheme income of \$63,737
- Unbudgeted Financial contributions received during the period has created this favourable variance. This is dependent on developer activity.
- Better than anticipated capital reserve balances has resulted in higher than anticipated interest income year to date.
- No vested assets for the financial year
- Costs associated with Albury water supply
- Unspent money on engineering services to date has resulted in this favourable variance.
- unbudgeted costs of \$18,046 associated with the Albury Water supply have created this unfavourable variance
- Higher than anticipated costs associated with repairs on the Allandale Scheme (\$17,140) along with higher than anticipated contractor costs for Fairlie (\$14,643) due to a higher number of breakages offset by lower repair costs in Tekapo (\$24,462) as well as unbudgetd costs of Albury scheme (\$35,083) has contributed to this favourable variance
- Lower than anticipated Capital reserve balances has resulted in this favourable variance
- Reversal of Albury water impairment of Aorangi Securities has created this favourable variance

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Capital Expenditure							
Fairlie Water							
0118201. Town Reticulation - Renewal	250,032	141,311	135,000	(6,311)	-4.67% ✗	1	135,000
0118206. Service Connections - Renewal	-	810	32,000	31,190	97.47% ✓	1	32,000
0118211. Treatment - New	10,536	26,020	70,000	43,980	62.83% ✓	2	70,000
0118215. Plant	1,900	3,518	5,195	1,677	32.28% ✓		5,195
0118807. Resource Consent Costs	13,043	-	-	-			-
0118982. Water Meters	-	-	2,076	2,076	100.00% ✓		2,076
Total Fairlie Water	275,511	171,660	244,271	72,611			244,271
Tekapo Water							
0128211. Treatment - New	-	18,709	-	(18,709)	-100.00% ✗	3	-
0128212. Service Connections - Renew	-	-	1,044	1,044	100.00% ✓		1,044
0128215. Plant	1,900	-	-	-			-
0128981. Water Meters	-	-	2,076	2,076	100.00% ✓		2,076
Total Tekapo Water	1,900	18,709	3,120	(15,589)			3,120
Twizel Water							
0138193. Vested Assets	-	-	49,776	49,776	100.00% ✓		49,776
0138201. Town Reticulation - Renewal	-	6,454	10,392	3,938	37.90% ✓		10,392
0138204. Headworks - Renewal	63,258	57,821	930,000	872,179	93.78% ✓	4	930,000
0138206. Service Connections - Renewal	60,724	42,488	39,996	(2,492)	-6.23% ✗		39,996
0138210. HeadWorks - New	3,205	-	-	-			-
0138211. Treatment - New	-	70,624	935,100	864,476	92.45% ✓	4	935,100
0138215. Plant	12,574	-	-	-			-
0138251. Fire Hydrant Markers	-	2,537	10,392	7,855	75.58% ✓		10,392
0138807. Resource Consent Costs	1,360	-	41,556	41,556	100.00% ✓		41,556
0138984. Water Meters	3,213	1,110	2,076	966	46.55% ✓		2,076
Total Twizel Water	144,334	181,034	2,019,288	1,838,254			2,019,288
Allandale Water							
0158202. Reticulation Extension	(450)	-	-	-			-
0158211. Treatment	1,907	-	2,076	2,076	100.00% ✓		2,076
Total Allandale Water	1,457	-	2,076	2,076			2,076
Ashwick/Opuha Water							
0168256. Headworks	423	-	-	-			-
Total Ashwick/Opuha Water	423	-	-	-			-
Burkes Pass Water							
0178211. Treatment Upgrade	485	6,362	5,004	(1,358)	-27.13% ✗		5,004
Total Burkes Pass Water	485	6,362	5,004	(1,358)			5,004

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Eversley/Puneroa Water						
0228807. Resource Consents	-	-	9,996	9,996	100.00% ✓	9,996
Total Eversley/Puneroa Water	-	-	9,996	9,996		9,996
Manuka Terrace Water						
0238210. Headworks	-	-	103,900	103,900	100.00% ✓	103,900
Total Manuka Terrace Water	-	-	103,900	103,900		103,900
Total Capital	146,699	187,396	2,140,264	1,952,868		2,140,264

Variance Analysis

1. Costs associated with town reticulation has exceeded budget. However this has been offset by a lower spend in service connections
2. Costs associated with a study on turbidity of possible alternate water source are below budget and have caused this favourable variance.
3. Finalisation of the Tekapo water treatment. Total budget was \$185,000 last year. Costs to complete the project are \$177,000
4. Works on Twizel water upgrades have been moved into the new financial year

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	56,845	48,747	(39,732)			(39,732)
Net Surplus/(Deficit)	381,773	238,470	129,668			129,668
Transfer - Capital Expenditure	(146,699)	(187,396)	(2,140,264)			(2,140,264)
Transfers between Reserves	(168,057)	-	(42,720)			(42,720)
Transfer Capital Expenditure to Capital Reserve	146,699	187,396	2,140,264			2,140,264
Add back Non Cash Items	362,095	383,237	383,244			383,244
Transfer Funded Depreciation to Capital Reserve	(333,095)	(352,086)	(352,092)			(352,092)
Transfer Vested Assets to Capital	(40,400)	-	(118,224)			(118,224)
Transfer to Capital Financial Contributions	(180,206)	(134,587)	-			-
Total Operating Reserves	78,956	183,782	(39,856)	-	0.00%	(39,856)
Capital Reserves						
Opening Balance	650,533	788,802	306,872			306,872
Transfer Capital Expenditure from Operating Reserve	(146,699)	(187,396)	(2,140,264)			(2,140,264)
Transfer - Vested Assets	40,400	-	118,224			118,224
Transfer - Financial Contributions	180,206	134,587	-			-
Transfer - Op Surplus from Op Reserve	27,906	-	4,728			4,728
Transfer Funded Depreciation from Operating Reserves	333,095	352,086	352,092			352,092
Transfer - from Operating Reserve	130,479	-	42,096			42,096
Transfer - to/from Op Rsve	-	-	(996)			(996)
Transfer from Operating reserves	9,672	-	(3,108)			(3,108)
Total Capital Reserves	1,225,592	1,088,078	(1,320,356)	-	0.00%	(1,320,356)

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Sewer							
Income							
General Rates	-	-	-	-			-
Targeted Rates	402,963	423,605	423,504	101	0.02%		423,504
Other Income	5,917	6,103	-	6,103	100.00%	1	-
Financial Contributions	116,537	160,457	-	160,457	100.00%	2	-
Upgrade Contributions	129,115	-	-	-			-
Internal Interest Income	23,938	31,972	38,904	(6,932)	-17.82%	3	38,904
Vested Assets	52,942	-	183,072	(183,072)	-100.00%	4	183,072
Total Income	731,411	622,137	645,480	(23,343)	-3.62%		645,480
Expenses							
Consultancy Expenses	-	9,388	11,351	1,963	17.30%	5	11,351
Administration Expenses	7,300	7,086	9,264	2,178	23.51%		9,264
Operational and Maintenance	114,553	133,503	155,703	22,200	14.26%	6	155,703
Internal interest Expense	23,115	5,846	23,388	17,542	75.00%	7	23,388
Depreciation	248,901	253,034	253,032	(2)	0.00%		253,032
Total Expenses	393,869	408,857	452,738	43,881	9.69%		452,738
Net Surplus/(Deficit)	337,543	213,280	192,742	20,538			192,742

Variance Analysis

1. Unbudgeted effluent disposal charges has generated this favourable variance
2. Unbudgeted Financial contributions received during the period has created this favourable variance. This is dependent on developer activity.
3. Lower than anticipated capital reserve balances has resulted in lower than anticipated interest income year to date.
4. Unspent money on engineering services to date has resulted in this favourable variance.
5. No vested assets for this financial year.
6. Lower than anticipated consent monitoring costs in Tekapo (\$4,296) coupled with lower contractor costs (\$9,854) and Electricity costs (\$6,404) also in Tekapo have contributed to this favourable variance
7. Better than anticipated capital reserve balances has resulted in lower than anticipated interest charges year to date.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Capital Expenditure						
Fairlie Sewer						
0278410. New Reticulation - Eversley	-	-	1,700	1,700	100.00% ✓	1,700
Total Fairlie Sewer	-	-	1,700	1,700		1,700
Twizel Sewer						
0298193. Vested Assets	-	-	77,088	77,088	100.00% ✓	77,088
0298411. Sewer Treatment - New	24,558	32,735	50,004	17,269	34.54% ✓	50,004
Total Twizel Sewer	24,558	32,735	127,092	94,357		127,092
Total Capital Expenditure	24,558	32,735	128,792	96,057	0.00%	128,792
Operating Reserves						
Opening Balance	5,880	(52,942)	-			-
Net Surplus/(Deficit)	337,543	213,280	192,742			192,742
Transfer - Capital Expenditure	(24,558)	(32,735)	(128,792)			(128,792)
Transfers between Reserves	(35,446)	-	-			-
Transfer Capital Expenditure to Capital Reserve	24,558	32,735	128,792			128,792
Add back Non Cash Items	248,901	253,034	253,032			253,032
Transfer Funded Depreciation to Capital Reserve	(248,901)	(253,034)	(253,032)			(253,032)
Transfer Vested Assets to Capital	(52,942)	-	(183,072)			(183,072)
Transfer to Loan Account	(9,383)	-	(9,696)			(9,696)
Transfer Interest to Capital Reserve	-	-	-			-
Transfer to Capital Financial Contributions	(116,537)	(160,457)	-			-
Transfer Upgrade Contributions to Capital	(129,115)	-	-			-
Total Operating Reserves	-	(119)	(26)	-	0.00%	(26)
Capital Reserves						
Opening Balance	419,188	977,571	583,440			583,440
Transfer Capital Expenditure from Operating Reserve	(24,558)	(32,735)	(128,792)			(128,792)
Transfer - Vested Assets	52,942	-	183,072			183,072
Transfer - Financial Contributions	116,537	160,457	-			-
Transfer Funded Depreciation from Operating Reserves	248,901	253,034	253,032			253,032
Transfer - from Operating Reserve	35,446	-	-			-
Transfer - Upgrade Contributions	129,115	-	-			-
Total Capital Reserves	977,571	1,358,328	890,752	-	0.00%	890,752

MACKENZIE DISTRICT COUNCIL
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FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Stormwater						
Income						
Targeted Rates	80,352	72,493	72,492	1	0.00%	72,492
Financial Contributions	15,837	3,860	-	3,860	100.00%	-
Internal Interest Income	8,712	9,171	16,380	(7,209)	-44.01%	16,380
Vested Assets	25,836	-	-	-		-
Total Income	130,737	85,524	88,872	(3,348)	-3.77%	88,872
Expenses						
Consultancy Expenses	-	5,726	6,336	610	9.62%	6,336
Administration Expenses	325	307	3,132	2,825	90.20%	3,132
Operational and Maintenance	16,741	20,631	19,512	(1,119)	-5.73%	19,512
Internal interest Expense	649	-	-	-		-
Depreciation	58,414	60,868	59,916	(952)	-1.59%	59,916
Total Expenses	76,130	87,531	88,896	1,365	1.54%	88,896
Net Surplus/(Deficit)	54,607	(2,008)	(24)	(1,984)		(24)

Variance Analysis

No significant variances from budget

MACKENZIE DISTRICT COUNCIL
 ACTIVITY REPORT
 FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	-	-	-			-
Net Surplus/(Deficit)	54,607	(2,008)	(24)			(24)
Transfers between Reserves	(12,934)	-	-			-
Add back Non Cash Items	58,414	60,868	59,916			59,916
Transfer Funded Depreciation to Capital Reserve	(58,414)	(60,868)	(59,916)			(59,916)
Transfer Vested Assets to Capital	(25,836)	-	-			-
Transfer to Capital Financial Contributions	(15,837)	(3,860)	-			-
Total Operating Reserves	-	(5,867)	(24)	-	0.00%	(24)
Capital Reserves						
Opening Balance	328,573	338,349	346,824			346,824
Transfer - Vested Assets	25,836	-	-			-
Transfer - Financial Contributions	15,837	3,860	-			-
Transfer Funded Depreciation from Operating Reserves	58,414	60,868	59,916			59,916
Transfer - from Tkp W&S Operat Rsv	41	-	-			-
Transfer - from Twl W&S Operat Rsv	(91,197)	-	-			-
Transfer - from Flie W&S Operat Rsve	844	-	-			-
Total Capital Reserves	338,349	403,077	406,740	-	0.00%	406,740
Capex						
Capital Expenditure	-	-	-			-
Total Capex	-	-	-	-		-

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Roading							
Income							
General Rates	1,294,464	1,298,773	1,298,616	157	0.01%		1,298,616
Targeted Rates	11,280	10,848	10,848	0	0.00%		10,848
Subsidies and Grants	2,576,164	1,912,509	1,540,704	371,805	24.13%	✓ 1	1,540,704
Other Income	61,361	68,663	29,004	39,659	136.74%	✓ 2	29,004
Upgrade Contributions	11,717	-	-	-			-
Internal Interest Income	836	7,513	9,684	(2,171)	-22.42%	✗	9,684
Vested Assets	-	-	114,516	(114,516)	-100.00%	✗ 3	114,516
Total Income	3,955,822	3,298,306	3,003,372	294,934	9.82%		3,003,372
Expenses							
Internal income	-	-	87,789	(87,789)	-100.00%	✗	87,789
Employment Expenses	125,865	84,141	88,716	4,575	5.16%	✗	88,716
Consultancy Expenses	13,884	96,096	94,500	(1,596)	-1.69%	✗	94,500
Administration Expenses	5,567	2,528	5,328	2,800	52.54%	✓	5,328
Internal interest Expense	329	10,782	-	(10,782)			-
Roothing	2,241,825	1,667,828	1,142,652	(525,176)	-45.96%	✗ 4	1,142,652
Depreciation	1,799,536	1,641,528	1,641,528	-	0.00%	✗	1,641,528
Internal Charges	25,151	10,630	100,680	90,050	89.44%	✓	100,680
Total Expenses	4,212,157	3,513,534	3,161,193	(527,919)	-16.70%		3,161,193
Net Surplus/(Deficit)	(256,335)	(215,228)	(157,821)	(232,985)			(157,821)

Variance Analysis

- Higher than anticipated Subsidy income is due to adverse weather events that occurred at the beginning of the year. \$620,347 has been transferred to capital to fund capital works
- This favourable variance has been created by the receipt of unbudgeted upgrade contributions (\$17,576) for Manuka terrace roading
- No Vested Assets for the financial year.
- Higher costs in relation to than anticipated roading infrastructure revaluation fees (\$12,861) and RAMM fees (\$16,486) has created this favourable variance. Costs associated with weather events at the beginning of the year (\$600,000) has contributed to this unfavourable variance. Details of Roothing expenditure is highlighted on the following page.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
2546111. Sealed Pavement Mtce	168,700	166,083	170,004	3,921	2.31%	170,004
2546112. Unsealed Pavement Mtce	348,008	362,809	360,000	(2,809)	-0.78%	360,000
2546113. Routine Drainage Mtce	70,813	75,249	60,000	(15,249)	-25.41%	60,000
25461131. Drainage Mtce - St Cleaning	24,441	24,800	24,312	(488)	-2.01%	24,312
2546114. Structures Maintenance Bridges	34,505	52,269	60,000	7,731	12.89%	60,000
25461141. Structures Maintenance Cattlestops	25,440	4,670	24,000	19,330	80.54%	24,000
2546121. Environmental Mtce	147,780	197,115	141,744	(55,371)	-39.06%	141,744
2546122. Traffic Services Mtce	57,377	31,582	69,996	38,414	54.88%	69,996
25461221. Street Lighting - Maintenanc	45,318	35,491	45,000	9,509	21.13%	45,000
25461222. Street Lighting - Electricit	52,563	50,237	70,944	20,707	29.19%	70,944
2546288. Emergency Reinstatement	1,181,992	600,000	-	(600,000)	-100.00%	-
2546301. Street Lights - Mtce - Trans	6,066	5,699	17,004	11,305	66.49%	17,004
2546302. Street Lights-Elect - Transi	11,638	9,755	12,000	2,245	18.70%	12,000
2546303. Drainage Mtce - St Cleaning Transit	23,903	23,007	22,644	(363)	-1.60%	22,644
2546304. Footpaths	30,604	28,620	35,004	6,384	18.24%	35,004
2546306. Alps2ocean	12,678	441	30,000	29,559	98.53%	30,000
Total Roothing	2,241,825	1,667,828	1,142,652	(525,176)	-45.96%	1,142,652

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ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Capital Expenditure						
0868001. Computers	8,517	8,669	10,308	1,639	15.90% ✓	10,308
2548193. Vested Assets	-	-	114,516	114,516	100.00% ✓	114,516
2548211. Unsealed Road Metalling	492,285	447,199	425,000	(22,199)	-5.22% ✗	425,000
2548212. Sealed Road Resurfacing	668,099	589,528	520,000	(69,528)	-13.37% ✗	520,000
2548213. Drainage Renewal	44,471	140,323	43,188	(97,135)	-224.91% ✗	43,188
2548214. Sealed Road Pavement Rehabilitation	-	-	120,929	120,929	100.00% ✓	120,929
2548215. Structures Component replacements bridges	7,781	4,239	15,684	11,445	72.97% ✓	15,684
25482151. Structures Component replacements cattelstops	6,660	3,369	9,996	6,627	66.29% ✓	9,996
2548222. Traffic Services Renewals	70,333	54,793	74,196	19,403	26.15% ✓	74,196
2548231. Associated Improvements	-	-	5,004	5,004	100.00% ✓	5,004
2548310. Footpaths - Surfacing	68,261	228,645	60,000	(168,645)	-281.07% ✗	60,000
2548341. Minor Improvements	175,021	80,838	290,000	209,162	72.12% ✓	290,000
2548390. Streetscape Improvements	62,644	-	-	-		-
2548394. Cemetery carpark overflow	8,529	-	-	-		-
2548395. Sealing Past Houses	-	-	10,000	10,000	100.00% ✓	10,000
2548396. Manuka Terrace	23,798	343,450	350,000	6,550	1.87% ✓	350,000
Total Capital Expenditure	1,636,399	1,901,053	2,048,821	147,768	0.00%	2,048,821

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	(9,578)	(26,773)	28,344			28,344
Net Surplus/(Deficit)	(256,335)	(215,228)	(157,821)			(157,821)
Transfer - Capital Expenditure	(1,636,399)	(1,901,053)	(2,048,821)			(2,048,821)
Transfers between Reserves	80,738	-	(136,176)			(136,176)
Transfer Capital Expenditure to Capital Reserve	1,636,399	1,901,053	2,048,821			2,048,821
Add back Non Cash Items	1,799,536	1,641,528	1,641,528			1,641,528
Transfer Funded Depreciation to Capital Reserve	(845,655)	(772,371)	(772,368)			(772,368)
Transfer Vested Assets to Capital	-	-	(114,516)			(114,516)
Transfer NZTA Capital Subsidy	(793,767)	(707,837)	(826,116)			(826,116)
Total Operating Reserves	(25,061)	(80,680)	(337,125)	-	0.00%	(337,125)
Capital Reserves						
Opening Balance	968,757	1,031,049	(576,954)			(576,954)
Transfers between Reserves	62,644	-	-			-
Transfer Capital Expenditure from Operating Reserve	(1,636,399)	(1,901,053)	(2,048,821)			(2,048,821)
Transfer Funded Depreciation from Operating Reserves	845,655	772,371	772,368			772,368
Transfer - to/from Op Rsve	-	-	577,416			577,416
Transfer NZTA Capital Subsidy	793,767	707,837	826,116			826,116
Transfer Vested Assest from Op reserve	-	-	114,516			114,516
Transfer - Fund for Capex from Operat Rsv	-	-	15,756			15,756
Total Capital Reserves	1,034,424	610,204	(319,603)	-	0.00%	(319,603)

**MACKENZIE DISTRICT COUNCIL
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FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Planning							
Income							
General Rates	237,288	157,163	157,164	(1)	0.00% ✖		157,164
Other Income	92,351	97,192	94,680	2,512	2.65% !		94,680
Reserve Contributions	211,407	187,241	39,996	147,245	368.15% ✔	1	39,996
Internal Interest Income	9	14	24	(10)	-42.17% ✖		24
Total Income	541,055	441,609	291,864	149,745	51.31%		291,864
Expenses							
Employment Expenses	216,874	294,107	300,912	6,805	2.26% !		300,912
Consultancy Expenses	184,090	222,879	286,116	63,237	22.10% ✔	2	286,116
Administration Expenses	22,324	20,736	23,604	2,868	12.15% ✔		23,604
Operational and Maintenance	588	2,273	8,616	6,343	73.62% ✔		8,616
Depreciation	158	165	168	3	1.98% !		168
Internal Charges	6,315	7,942	4,884	(3,058)	-62.60% ✖		4,884
Total Expenses	430,349	548,101	624,300	76,199	12.21%		624,300
Net Surplus/(Deficit)	110,706	(106,492)	(332,436)	225,944			(332,436)

Variance Analysis

1. Higher than anticipated developer activity has created this favourable variance.
2. Lower than anticipated consultancy costs associated with PC13. Decisions have been released and it is expected that this cost will ramp up now to the end of the year.

MACKENZIE DISTRICT COUNCIL
 ACTIVITY REPORT
 FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	(842,037)	(942,738)	(943,744)			(943,744)
Net Surplus/(Deficit)	110,706	(106,492)	(332,436)			(332,436)
Add back Non Cash Items	158	165	156			156
Transfer Funded Depreciation to Capital Reserve	(158)	(165)	(156)			(156)
Transfer to/from Land Subdivision Reserve	(211,407)	(187,241)	(39,996)			(39,996)
Total Operating Reserves	(942,738)	(1,236,471)	(1,316,176)	-	0.00%	(1,316,176)
Capital Reserves						
Opening Balance	316	473	474			474
Transfer Funded Depreciation from Operating Reserves	158	165	156			156
Total Capital Reserves	473	638	630	-	0.00%	630

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Regulatory							
Income							
General Rates	72,036	94,173	94,176	(3)	0.00% ✗		94,176
Targeted Rates	135,504	147,658	147,660	(2)	0.00% ✗		147,660
Subsidies and Grants	4,000	-	-	-			-
Other Income	343,125	419,387	324,192	95,195	29.36% ✓	1	324,192
Internal Interest Income	723	833	240	593	247.18% ✓		240
Gain on Sale - Assets	-	20,986	-	20,986		2	-
Total Income	555,388	683,037	566,268	116,769	20.62%		566,268
Expenses							
Employment Expenses	165,479	238,014	218,760	(19,254)	-8.80% ✗	3	218,760
Consultancy Expenses	46,653	18,124	36,012	17,888	49.67% ✓	4	36,012
Administration Expenses	74,426	46,181	86,944	40,763	46.88% ✓	5	86,944
Operational and Maintenance	112,192	127,072	148,088	21,016	14.19% ✓	6	148,088
Internal interest Expense	3,359	6,272	5,124	(1,148)	-22.40% ✗		5,124
Depreciation	39,299	38,612	38,616	4	0.01% ?		38,616
Internal Charges	38,324	22,821	32,748	9,927	30.31% ✓	7	32,748
Total Expenses	479,733	497,096	566,292	69,196	12.22%		566,292
Net Surplus/(Deficit)	75,655	185,941	(24)	185,965			(24)

Variance Analysis

- Higher than anticipated revenue from building Inspectorate (\$106,137) has contributed to this favourable variance
- Sale of old fire appliance has generated this favourable variance
- Higher than anticipated costs associated with Inspectorate due to employing an additional building inspector.
- BCA Consultancy expenses are below budget by \$13,689 due to timing of spend compared to budget which has contributed to this variance.
- Lower than anticipated insurance costs for the building activity (\$33,260) and Rural fires (\$5,306) which is due mainly to budgeting for an additional call from Riskpool that has not yet eventuated.
- Lower than anticipated contractor costs for Dog Control (\$20,984) is the main contributor to this favourable variance due to tapering of services provided by contractor in Twizel and renewal at a lower rate for replacement contractor
- Lower than anticipated milage chargeouts for the period.

MACKENZIE DISTRICT COUNCIL
 ACTIVITY REPORT
 FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Capital Expenditure						
0108925. Plant and Equipment	-	10,963	23,004	12,042	52.35% ✓	23,004
	-	10,963	23,004	12,042		23,004
0698925. Plant and Equipment	8,000	409	5,004	4,595	91.83% ✓	5,004
	8,000	409	5,004	4,595		5,004
0838925. Plant and Equipment	-	8,000	7,752	(248)	-3.20% ✗	7,752
0838930. Vehicles	12,000	67,500	50,004	(17,496)	-34.99% ✗	50,004
	12,000	75,500	57,756	(17,744)		57,756
Total Capital Expenditure	20,000	86,871	85,764	(1,107)	0.00%	85,764

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	-	-	-			-
Net Surplus/(Deficit)	75,655	185,941	(24)			(24)
Transfer - Capital Expenditure	(20,000)	(86,871)	(85,764)			(85,764)
Transfer Capital Expenditure from Operating Reserve	(8,000)	-	(5,004)			(5,004)
Transfer Capital Expenditure to Capital Reserve	20,000	86,871	85,764			85,764
Add back Non Cash Items	39,299	38,612	38,616			38,616
Transfer Funded Depreciation to Capital Reserve	(39,299)	(38,612)	(38,616)			(38,616)
Transfer Operating Surplus	(75,655)	-	-			-
Total Operating Reserves	(8,000)	185,941	(5,028)	-	0.00%	(5,028)
Capital Reserves						
Opening Balance	(72,579)	(49,280)	(50,349)			(50,349)
Transfer Capital Expenditure from Operating Reserve	(8,000)	(55,500)	(80,760)			(80,760)
Transfer Funded Depreciation from Operating Reserves	39,299	38,612	38,616			38,616
Total Capital Reserves	(41,280)	(66,168)	(92,493)	-	0.00%	(92,493)

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Solid Waste							
Income							
General Rates	-	183,288	183,288	0	0.00%		183,288
Targeted Rates	559,813	431,972	431,760	212	0.05%		431,760
Other Income	127,633	142,263	103,108	39,155	37.98%	✓ 1	103,108
Internal Interest Income	85	-	(1,392)	1,392	-100.00%	✗	(1,392)
Gain on Sale - Assets	5,712	-	-	-			-
Total Income	693,244	757,524	716,764	40,760	5.69%		716,764
Expenses							
Employment Expenses	32,465	21,736	18,768	(2,968)	-15.81%	✗ 2	18,768
Consultancy Expenses	4,379	12,483	18,756	6,273	33.45%	✓	18,756
Administration Expenses	10,696	8,757	5,852	(2,905)	-49.64%	✗	5,852
Operational and Maintenance	626,975	682,698	644,717	(37,981)	-5.89%	✗ 3	644,717
Internal interest Expense	-	17,204	-	(17,204)		✗ 4	-
Depreciation	20,475	20,090	20,088	(2)	-0.01%	✗	20,088
Internal Charges	4,140	3,441	10,572	7,131	67.46%	✓ 5	10,572
Loss On Sale and Assets Written Off	1,287	-	-	-			-
Total Expenses	700,418	766,407	718,753	(47,654)	-6.63%		718,753
Net Surplus/(Deficit)	(7,174)	(8,883)	(1,989)	(6,894)			(1,989)

Variance Analysis

1. Higher than anticipated gate fees has created this favourable variance.
2. Higher than anticipated costs associated with waste management due to change in cost allocations to reflect work undertaken
3. Operational and Maintenance costs are higher than budget due to higher than anticipated costs associated with solid waste disposal. These costs have been offset somewhat by the increase in gate fees mentioned above.
4. Error in budget for interest costs for the solid waste activity for the RRP and debt associated with organic waste treatment
5. Lower than anticipated milage charges

MACKENZIE DISTRICT COUNCIL
 ACTIVITY REPORT
 FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	(388,647)	(393,312)	(331,056)			(331,056)
Net Surplus/(Deficit)	(7,174)	(8,883)	(1,989)			(1,989)
Transfers between Reserves	3,409	-	-			-
Add back Non Cash Items	20,475	20,090	20,088			20,088
Transfer Funded Depreciation to Capital Reserve	(20,475)	(20,090)	(20,088)			(20,088)
Total Operating Reserves	(392,412)	(402,195)	(333,045)	-	0.00%	(333,045)
Capital Reserves						
Opening Balance	(481,932)	(464,156)	(6,899)			(6,899)
Transfer Funded Depreciation from Operating Reserves	20,475	20,090	20,088			20,088
Total Capital Reserves	(461,457)	(444,065)	13,189	-	0.00%	13,189

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Community Facilities							
Income							
General Rates	271,560	281,550	281,340	210	0.07%	🏆	281,340
Subsidies and Grants	757	435	660	(225)	-34.12%	✖	660
Other Income	99,409	115,586	114,360	1,226	1.07%	🏆	114,360
Internal Interest Income	2,187	2,551	4,296	(1,745)	-40.62%	✖	4,296
Total Income	373,913	400,122	400,656	(534)	-0.13%		400,656
Expenses							
Consultancy Expenses	-	5,079	-	(5,079)	-100.00%	✖	-
Administration Expenses	25,265	26,648	29,184	2,536	8.69%	🏆	29,184
Operational and Maintenance	305,866	336,476	349,488	13,012	3.72%	🏆	349,488
Internal interest Expense	-	1,168	9,264	8,096	87.39%	🏆	9,264
Depreciation	43,476	50,180	50,184	4	0.01%	🏆	50,184
Total Expenses	374,607	419,550	438,120	18,570	4.24%		438,120
Net Surplus/(Deficit)	(694)	(19,428)	(37,464)	18,036			(37,464)

Variance Analysis

1. Unbudgeted Legal fees associated with the Twizel medical facilities and The Mackenzie Medical Trust has created this unfavourable variance
2. Lower than anticipated costs associated with cemeteries (\$5,918), medical facilities (\$4,757) and pensioner housing (\$5,385) has contributed to this favourable variance
3. Lower than anticipated capital reserve balances has resulted in lower than anticipated interest costs.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Capital Expenditure						
1518916. Buildings	4,062	119,820	300,576	180,756	60.14% ✓	300,576
Total Capital Expenditure	<u>4,062</u>	<u>119,820</u>	<u>300,576</u>	<u>180,756</u>	0.00%	<u>300,576</u>
Operating Reserves						
Opening Balance	61	-	-			-
Net Surplus/(Deficit)	(694)	(19,428)	(37,464)			(37,464)
Transfer - Capital Expenditure	(4,062)	(119,820)	(300,576)			(300,576)
Transfers between Reserves	(31,166)	-	-			-
Transfer Capital Expenditure to Capital Reserve	4,062	119,820	300,576			300,576
Add back Non Cash Items	43,476	50,180	50,184			50,184
Transfer Funded Depreciation to Capital Reserve	(11,677)	(16,712)	(16,716)			(16,716)
Total Operating Reserves	<u>(0)</u>	<u>14,040</u>	<u>(3,996)</u>	-	0.00%	<u>(3,996)</u>
Capital Reserves						
Opening Balance	90,813	102,491	85,886			85,886
Transfer Capital Expenditure from Operating Reserve	(4,062)	(119,820)	(300,576)			(300,576)
Transfer Funded Depreciation from Operating Reserves	11,677	16,712	16,716			16,716
Total Capital Reserves	<u>98,429</u>	<u>(618)</u>	<u>(197,974)</u>	-	0.00%	<u>(197,974)</u>

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Recreational Facilities							
Income							
General Rates	117,146	118,444	119,640	(1,196)	-1.00%		119,640
Targeted Rates	1,186,467	1,096,615	1,096,380	235	0.02%		1,096,380
Subsidies and Grants	17,291	17,048	20,736	(3,688)	-17.79%		20,736
Other Income	100,606	205,411	187,536	17,875	9.53%	1	187,536
Internal Interest Income	10,237	2,565	11,808	(9,243)	-78.28%	2	11,808
Total Income	1,431,747	1,440,083	1,436,100	3,983	0.28%		1,436,100
Expenses							
Employment Expenses	110,171	82,681	78,228	(4,453)	-5.69%	3	78,228
Administration Expenses	236,117	244,073	256,272	12,199	4.76%	4	256,272
Operational and Maintenance	728,720	806,141	895,044	88,903	9.93%	5	895,044
Internal interest Expense	36,455	33,269	37,440	4,171	11.14%	6	37,440
Depreciation	227,174	225,582	225,588	6	0.00%		225,588
Internal Charges	2,258	1,463	-	(1,463)		7	-
Total Expenses	1,340,895	1,393,209	1,492,572	99,363	6.66%		1,492,572
Net Surplus/(Deficit)	90,852	46,874	(56,472)	103,346			(56,472)

Variance Analysis

1. Makenzie Community Hall revenue is up \$3,164 along with the tekapo community hall (\$6,412). Twizel Community centre is down on budget by \$2,603. Pool revenue is up \$5,285 contributing to the favourable variance.
2. Lower than anticipated capital reserve balances due to timing of capital spend have contributed to this unfavourable variance
3. Employment costs for the 2 pools is above budget due to the timing of the budget. There will be a cost overrun of \$3,074 for the year due to under-budgeting the pool labour costs
4. Includes the Grant from the Twizel CB that relates to the provision of the information centre
5. Lower than anticipated expenditure on township projects has created this favourable variance.
6. Lower than anticipated capital reserve balances has resulted in lower than anticipated interest costs.
7. Unbudgeted Milage costs for the year

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Capital Expenditure						
Fairlie Township						
0528965. Comm Asset - Public Amenities	-	600	30,000	29,400	98.00% ✓	30,000
0528977. Playground Upgrade	5,256	-	-	-		-
Total Fairlie Township	<u>5,256</u>	<u>600</u>	<u>30,000</u>	<u>29,400</u>		<u>30,000</u>
Tekapo Township						
0548961. Development Plan Projects	-	94,548	-	(94,548)		-
Total Tekapo Township	<u>-</u>	<u>94,548</u>	<u>-</u>	<u>(94,548)</u>		<u>-</u>
Twizel Township						
0558516. Implement of Development Plan	71,468	-	-	-		-
Total Twizel Township	<u>71,468</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Twizel Reserves						
1068192. Other Projects	-	11,294	39,996	28,702	71.76% ✓	39,996
Total Twizel Reserves	<u>-</u>	<u>11,294</u>	<u>39,996</u>	<u>28,702</u>		<u>39,996</u>
Tekapo Community Hall						
1248917. Aorangi Cres Upgrade	556,475	5,066	-	(5,066)		-
1248940. Furniture & Fittings - Other	-	20,444	15,000	(5,444)	-36.29% ✗	15,000
1248950. Community Assets - Buildings	(0)	4,587	-	(4,587)		-
1248978. Resurfacing Tennis Court	-	15,076	-	(15,076)		-
Total Tekapo Community Hall	<u>556,475</u>	<u>45,173</u>	<u>15,000</u>	<u>(30,173)</u>		<u>15,000</u>
Twizel Events Centre						
1268940. Furniture & Fittings - Other	16,607	-	-	-		-
Total Twizel Events Centre	<u>16,607</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Fairlie Swimming Pool						
1408215. Plant	-	4,753	3,000	(1,753)	-58.42% ✗	3,000
1408925. Plant and Equipment	15,989	-	-	-		-
Total Fairlie Swimming Pool	<u>15,989</u>	<u>4,753</u>	<u>3,000</u>	<u>(1,753)</u>		<u>3,000</u>
Twizel Swimming Pool						
1428215. Plant	-	4,753	3,000	(1,753)	-58.42% ✗	3,000
1428925. Plant and Equipment	7,760	-	-	-		-
Total Twizel Swimming Pool	<u>7,760</u>	<u>4,753</u>	<u>3,000</u>	<u>(1,753)</u>		<u>3,000</u>
Total Capital Expenditure	<u><u>673,554</u></u>	<u><u>161,120</u></u>	<u><u>90,996</u></u>	<u><u>(70,124)</u></u>	<u>0.00%</u>	<u><u>90,996</u></u>

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	580,929	668,683	78,721			78,721
Net Surplus/(Deficit)	90,852	46,874	(56,472)			(56,472)
Transfer - Capital Expenditure	(673,554)	(161,120)	(90,996)			(90,996)
Transfers between Reserves	(106,752)	-	(93,000)			(93,000)
Transfer Capital Expenditure to Capital Reserve	673,554	161,120	90,996			90,996
Add back Non Cash Items	227,068	225,583	68,616			68,616
Transfer Funded Depreciation to Capital Reserve	(40,300)	(64,418)	(52,776)			(52,776)
Transfers Building Maint Fund	(90,317)	-	-			-
Total Operating Reserves	661,480	876,722	(54,911)	-	0.00%	(54,911)
Capital Reserves						
Opening Balance	(352,484)	(690,943)	(1,015,251)			(1,015,251)
Transfer Capital Expenditure from Operating Reserve	(673,554)	(161,120)	(90,996)		0.00%	(90,996)
Transfer Funded Depreciation from Operating Reserves	40,300	70,083	15,132			15,132
Transfer - from Operating Reserve	(1,461)	-	-			-
Transfer - to/from Op Rsve	161,970	-	91,092			91,092
Transfer from Operating Reserve	-	-	300			300
Transfer - from Tekapo W&S Operat Rsv	111,137	-	-			-
Transfer - from Flie W&S Operat Rsve	12,859	-	-			-
Transfer - from Hall Operating Rsve	887	-	-			-
Total Capital Reserves	(700,347)	(781,979)	(999,723)	-	0.00%	(999,723)

**MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014**

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE		FY BUD JUNE 2014
Commercial Activities							
Income							
General Rates	(1,083,264)	155,100	155,100	-	0.00%		155,100
Targeted Rates	106,530	114,399	119,892	(5,493)	-4.58%		119,892
Investment Income	929,278	968,654	965,004	3,650	0.38%		965,004
Other Income	540,759	389,464	87,000	302,464	347.66%	1	87,000
Financial Contributions	569	-	-	-			-
Other Gains and Losses	391,388	(208,508)	994,000	(1,202,508)	-120.98%	2	994,000
Internal Income	-	-	-	-			(1,003,428)
Internal Interest Income	118,897	169,784	178,308	(8,524)	-4.78%		178,308
Vested Assets	641,698	-	-	-			-
Total Income	1,645,854	1,588,894	2,499,304	(910,410)	-36.43%		1,495,876
Expenses							
Employment Expenses	1,262	70,124	-	(70,124)		3	-
Members Expenses	21,016	20,077	26,004	5,927	22.79%		26,004
Consultancy Expenses	150,813	103,894	151,742	47,848	31.53%	4	151,742
Administration Expenses	74,229	67,732	110,844	43,112	38.89%	5	110,844
Operational and Maintenance	299,889	386,860	360,348	(26,512)	-7.36%	6	360,348
Internal interest Expense	89,000	126,803	137,160	10,357	7.55%		137,160
Asset Impairment	50,839	(144,865)	-	144,865	100.00%	7	-
Depreciation	61,687	50,458	51,828	1,370	2.64%		51,828
Total Expenses	748,736	681,083	837,926	156,843	18.72%		837,926
Net Surplus/(Deficit)	897,118	907,811	1,661,378	(1,067,254)			657,950

Variance Analysis

1. Includes \$255,000 unbudgeted forestry sales due to storm damage as well as higher than anticipated rental receipts for the Pukaki information centre has contributed to this favourable variance
2. Anticipated land sales mainly in Tekapo has not yet eventuated. These have been budgeted in the 2014/15 year. Also included in this unfavourable variance is the writedown of forestry assets (\$388,623)
3. Unbudgeted employment costs associated with Information service provision taken on this financial year.
4. Lower than anticipated costs associated with forestry consultancy (\$13,162) as well as lower than anticipated costs associated with Real Estate transactions (\$35,6160 has contributed to this favourable variance
5. Lower than anticipated costs associated with the Pukaki airport operation (\$32,915) along with lower than anticipated costs associated with Forestry (\$13,492) has contributed to this favourable variance.
6. Higher than anticipated costs associated with Forestry due to additional replanting costs associated with storm damage milling.
7. Unbudgeted increase in carbon unit prices at year end.

MACKENZIE DISTRICT COUNCIL
ACTIVITY REPORT
FOR THE PERIOD ENDED JUNE 2014

	LYTD ACT. JUNE 2013	YTD ACT. JUNE 2014	YTD BUD JUNE 2014	VARIANCE	% VARIANCE	FY BUD JUNE 2014
Operating Reserves						
Opening Balance	(589,237)	(221,186)	(9,900)			(9,900)
Net Surplus/(Deficit)	897,118	907,811	1,661,378			657,950
Transfer - Capital Expenditure	(691,036)	(115,986)	-			-
Transfers between Reserves	(421,714)	22,921	(732,912)			(732,912)
Appropriation Interest	(10,917)	(4,623)	(9,492)			(9,492)
Transfer Capital Expenditure to Capital Reserve	49,338	-	-			-
Add back Non Cash Items	61,687	50,458	51,828			51,828
Transfer Vested Assets to Capital	641,698	-	-			-
GST on Land Sale	-	(22,921)	-			-
Total Operating Reserves	(63,063)	616,474	960,902	-	0.00%	(42,526)
Capital Reserves						
Opening Balance	(292,946)	151,233	63,217			63,217
Transfer Capital Expenditure from Operating Reserve	(49,338)	-	-			-
Transfer Vested Assets to Capital	(641,698)	-	-			-
Transfer - from Operating Reserve	444,179	-	(88,200)			(88,200)
Transfer - from Operating Reserve	641,698	-	-			-
Transfer from Operating reserves	(148,123)	(22,921)	(36,072)			(36,072)
Total Capital Reserves	(46,228)	128,312	(61,055)	-	0.00%	(61,055)
Capex						
Capital Expenditure	-	249,063	-	(249,063)	-100.00% ✖	-
Total Capex	-	249,063	-	(249,063)		-

Aoraki Development Business and Tourism (ADBT)
Economic Development Services to the Mackenzie District
Quarterly Report - Confidential
1st April – 30th June 2014

Introduction

The quarterly report presented to Mackenzie District Council is based on the Activity Output Schedule for Economic Development as per the Memorandum of Understanding between ADBT and the Mackenzie District Council.

Monthly Visits - Business Services

Meeting face to face with businesses is the best way to connect with and support them. The following table shows the industries we have supported. All business support meetings through this period were at no charge due to the Mackenzie District Council funding.

Mackenzie Business Support by Industry: Apr - June 2014				
Industry (in order of contribution to GDP in the Mackenzie District)	Informed	Supported	Managed	
Agriculture, Forestry, Fishing	1	1	3	Informed: Supported by providing business information & referrals as requested
Electricity, Gas, Water	0	0	0	
Accommodation & Food	2	4	0	
Art, Recreations Services	1	4	0	Supported: Met with business and provided ongoing support as requested
Retail Trade	1	0	0	
Construction	0	0	1	
Rental, Hiring, Real Estate	0	1	0	Managed: Proactively provided ongoing support and business growth opportunities
All others	0	1	0	
Total Businesses Supported	5	11	4	

At our last report, Mackenzie District Councillors asked for testimonials from businesses ADBT is working with. Here are three:

Aquaculture Business

"We have appreciated the support and training provided by ADBT. We have sent several of our employees to courses in Tekapo and Timaru and have received great feedback from all attendees. The 50% discount NZTE vouchers are greatly appreciated and we will certainly continue to attend training sessions, particularly those held in the Mackenzie area. We have also valued the support we received whilst entering the Business Excellence Awards."

Construction Business

"It has been absolutely fantastic having access to ADBT's experience and knowledge. Long may the service continue. The one-on-one advice is invaluable, our staff attend training seminars based in the Mackenzie, and we have been a part of the Business Excellence Awards. Having their staff coming to us is a huge help, as is the Mackenzie based training seminars. Without them it would be very hard to stay up to date!"

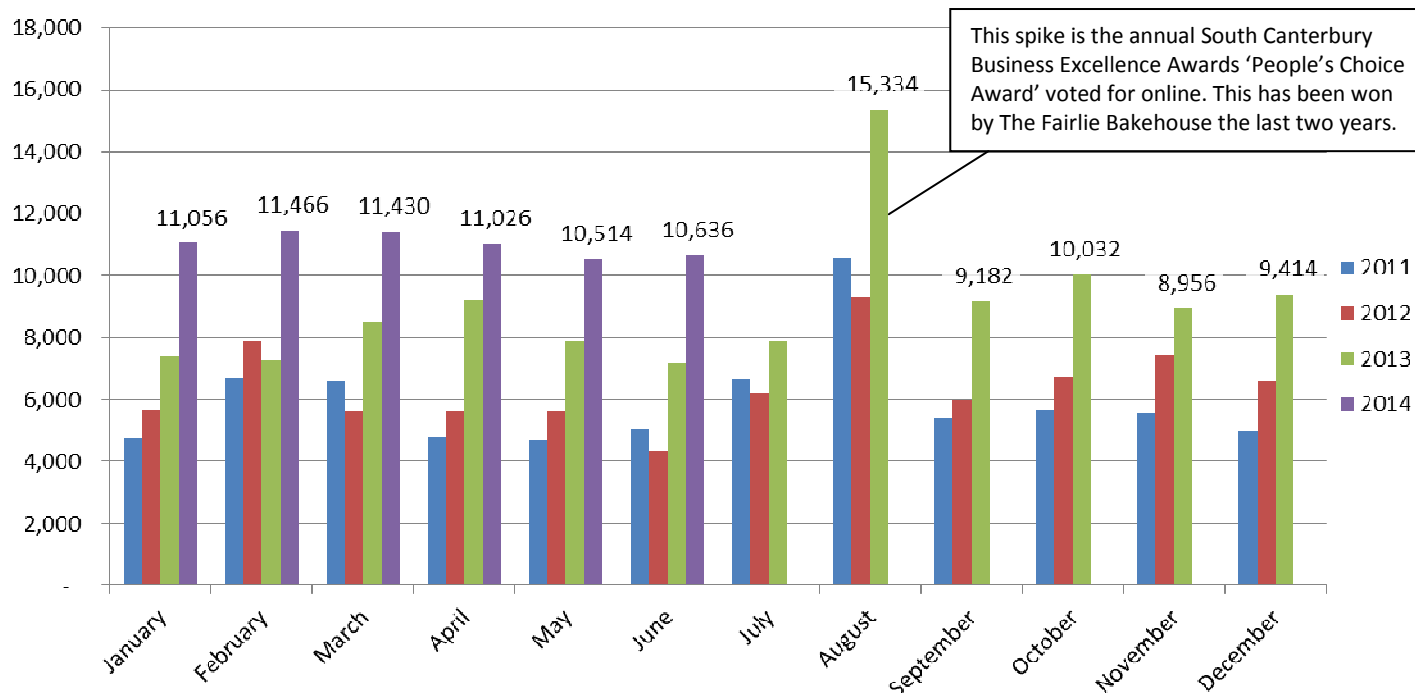
Farming Business

"As a Mackenzie area farmer looking to develop an innovative crop for both forage and arable production, ADBT have understood the value of this and instigated personal meetings and on-going relationships. Including Callaghan Innovation, NZ Food Innovation and local strategic business contacts to help guide our processes and decision making in regards to how and where our product can be viable in the market place. Being able to contact ADBT about this and other business aspects, is appreciated and extremely valuable. We look forward to further contact as the project develops over the next few years."

Website Marketing Partner of South Canterbury

ADBT is in the final build stage of upgrading www.southcanterbury.org.nz. The new version will have a fantastic new look (see appendix), improved navigation and be fully mobile optimised. These improvements will insure website users find the information they need, on which ever device they are using, all while being inspired to visit, live and do business in our fantastic region.

Visits to www.southcanterbury.org.nz per Month



2014 has seen an increase in visit numbers to www.southcanterbury.org.nz with 11,000 visits each month. From April to June 2014 there were over 32,000 visits to the site and 75,000 page views; web visitors spent an average of two minutes each on the site.

The South Canterbury website features Mackenzie District specific content including content pages about Mackenzie District, Aoraki/Mount Cook, Tekapo, Fairlie and Twizel. 20 Mackenzie business partners (3 new in this period) are showcased on the site and receive excellent value for their annual investment. As well as this, Mackenzie based events can be listed for free on the site, ADBT is working with community groups and businesses to make sure they make the most of this opportunity.

Cluster Support and Inclusion

- Export and Import cluster
 - Planned 'Export Experience' events

- Primary Produce Innovation Cluster

Activities in the period:

April

 - Mackenzie Working Tour with NZ Food Innovation Network – 16th April, visited three food businesses in Mackenzie

June

 - Launch of South Canterbury logo type and brand mark to support consistent marketing and identity
 - Logo type available for businesses

Planned activities:

July

 - Presentation of MBIE reports on NZ Food & Beverage industry to cluster members
 - Hosting meeting of food producers to explore options for collaborative marketing

August/September

 - Careers Advisors, Principals & Head Students Field Day – visits to farming and manufacturing operations to inspire tomorrow's work force on job opportunities in these fields as there are skill shortages affecting business growth.

- Education South Canterbury International Education
 - Mackenzie College contributed a letter of support towards the Government funded Education South Canterbury strategy, which is now with Education New Zealand for approval.

Official Visitor Guide

- Continued distribution to Mackenzie businesses, due for a new, 2015/16 edition in December.

Sponsor of the Annual Business Excellence Awards

Supported by a separate MDC investment of \$2k, the South Canterbury Business Excellence Awards provide businesses the opportunity to perform a WOF on their business, benchmark performance in their industry sector and gain significant promotion and media coverage. Finalists are announced in late July followed by the People's Choice award voting process. Voting for this award is online at www.southcanterbury.org.nz and in South Canterbury ANZ branches including Twizel. The Gala Awards evening is held on 29th August.

- 2014 entries were received from Mackenzie businesses in the following categories
 - Manufacturing and Primary Produce
 - Construction Industry
 - Service Industry
 - Hospitality Industry
 - Tourism Industry

"ABDT played a key role in the development of our new processing facility in Washdyke, Timaru including the support of the location for development of the facility. Further our successes in the Annual Business Excellence Awards were humbling. Being recognised locally for the work we are doing, particularly in the field of sustainability, gives our staff and our customers a lot of confidence."

Mt Cook Alpine Salmon

Training and Events


Two training workshops were held in the Mackenzie District. Tekapo was chosen as a venue as it is a central point for Fairlie and Twizel businesses


- 7th- 8th May: Essential Training for Health and Safety Representatives (Stage 1)
 - Oversubscribed despite 2 day event
 - Attendees from Fairlie, Mt Cook, Twizel and Tekapo
 - Industries in attendance included; agriculture, construction and tourism
- 11th June: Disciplinary Process
 - Industries in attendance included; manufacturing & processing, education, and tourism.


Feedback / Matters of Interest

The ABDT business support funded by the Mackenzie District Council has been very well received. The clear and constant message is that there has been a lack of business support available. 100% of businesses engaged are positive about MDC investment in economic development. Businesses are pleased business support is available across all sectors, not just marketing the tourism industry.

There is general acceptance across businesses that there is a shortage of residential accommodation across the district, creating a challenge to secure and retain staff.


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