

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 2/13/2
DATE: 15 February 2007
REPORT TO: Finance and Corporate Services Committee
FROM: Corporate Services Manager
SUBJECT: 2007 Fluoridation Poll

5. 2007 FLUORIDATION POLL – PROCESSING OF VOTES

5.1 SUMMARY

The purpose of this report is to seek approval for the early processing of the returned voting documents.

5.2 RECOMMENDATION TO COUNCIL

“That the returned voting documents for the 2007 Fluoridation Poll be processed during the voting period, such early processing to be undertaken in accordance with Section 79 of the Local Electoral Act 2001 and the Local Electoral Regulations 2001.”

5.3 BACKGROUND

Section 79 of the Local Electoral Act 2001 provides that a local authority may process (but not count) returned voting documents over the voting period.

The Ashburton District Council has carried out early processing since 1998. The benefits of adopting early processing are that the extracting and checking of voting documents is able to be undertaken progressively over the three week voting period (under strict security and under the supervision of a Justice of the Peace). Being able to process the votes before the close of the poll almost guarantees a quick and accurate result being available.

5.4 OPTIONS

1. Processing commences after the close of the poll; or
2. Processing commences during the voting period.

Processing after the close of the poll will delay the result until such time as the voting documents have been processed and counted – which could be anything up to about 7 pm.

5.5 STATUTORY IMPLICATIONS

The option to allow early processing is provided by Section 79 of the Local Electoral Act 2001.

5.6 CONSULTATION

This is not a matter where Council is required to consult and no consultation is envisaged.

5.7 STRATEGIC LINKS

Not applicable.

5.8 FINANCIAL

There are no cost implications.

J G ROLLINSON
Corporate Services Manager

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 3/9/2
DATE: 7 December 2006
REPORT TO: Finance and Corporate Services Committee
FROM: Finance Manager
SUBJECT: Rakaia Wastewater Loan Repayment – Lump Sum Option

6. RAKAIA WASTEWATER LOAN REPAYMENT – LUMP SUM OPTION

6.1 SUMMARY

The Rakaia wastewater loan of \$1,008,000 is due for repayment and refinancing on 15 March 2007. There have been expressions of interest from some Rakaia ratepayers as to whether they can repay their liability by way of a lump sum contribution.

6.2 RECOMMENDATION

“That the Rakaia ratepayers currently liable for the Rakaia wastewater loan rate be offered the option of repaying the balance of their liability by way of a lump sum contribution.”

6.3 BACKGROUND

The original Rakaia wastewater loan in 1999 offered lump sum payments as an option. This loan is due for refinancing on 15 March 2007. There is currently a sinking fund of \$68,527 and together with the 2006/07 loan instalment, and interest, there will be \$88,000 available to repay the loan. Several ratepayers have in the recent past expressed interest in paying their liability off by way of a lump sum payment. The opportunity to do this is when the loan is up for renewal, but it is at the discretion of Council whether the lump sum repayment option is offered. In this case it would seem reasonable to offer Rakaia ratepayers this option at this time. The administration time and cost will not be significant in terms of processing this option.

There are currently 256 ratepayers paying the full rate for serviced properties and 44 paying a half rate for serviceable properties. The amount of lump sum required will be \$3,310 plus GST (\$3,723.75 GST inclusive) for serviced connections and \$1,655 (\$1,861.88 GST inclusive) for unserviced connections.

The option to repay the lump sum is at the discretion of the ratepayer. If the lump sum option is not taken up, the loan rate will continue to be applied.

All ratepayers liable for the wastewater loan will be written to before the end of February 2007 and will be given a month to advise their intention regarding the lump sum. Payment will be required by 30 April 2007.

6.4 OPTIONS

Council could decline the option to offer lump sum payments, and continue the annual loan rate to all ratepayers still liable for this rate.

6.5 STATUTORY IMPLICATIONS

The original loan and lump sum contributions were under the then Rating Powers Act 1988 (section 63). This is not a lump sum for new works as covered by the Local Government Act 2002 (Part 4A).

6.7 STRATEGIC LINKS

Not applicable.

6.8 FINANCIAL

Cost neutral.

P L BRAKE
Finance Manager

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 3/9/2
DATE: 7 December 2006
REPORT TO: Finance and Corporate Services Committee
FROM: Finance Manager
SUBJECT: Capital Works Loan

7. CAPITAL WORKS LOAN

7.1 SUMMARY

A number of projects were budgeted to be loan funded in 2006 / 07. A resolution is required before borrowings can take place. These were in the following activities:

Roading	\$310,400
Footpaths	\$410,484
Water	\$2,535,860
Wastewater	\$15,219,018
Stormwater	\$446,450
Parks & Recreation	\$18,776
Environmental	\$72,500
Commercial property	\$15,000,000

7.2 RECOMMENDATION TO COUNCIL

1. That the Finance Manager be authorised to borrow up to \$34,013,488 for the purpose of funding the capital works identified in the 2006 / 07 LTCCP; the loans will be for a term not exceeding twenty five years on such terms and conditions consistent with Council's Liability Management Policy, as may be negotiated by Finance Manager.
2. That Council has considered the risks and benefits to the local authority of the loan or incidental arrangement and the giving of security to be given in relation to the loan or incidental arrangement and Council believes the benefits of raising the loans outweigh the risks associated with the raising of the loan and the giving of security.
3. That the Finance Manager be delegated authority to negotiate and determine the amount, number and type of loan or facility, and the terms and conditions of the loan or loans, facility or facilities (and security), and to negotiate, agree enter into and execute any documentation which may be required, (including security documentation), and if required, to issue such debenture stock/bonds with a face value sufficient to yield up to the sum of \$34,013,488 and execute such; all arrangements entered into under this authority must be consistent with the Council's Liability Management Policy.
4. That the loans may be external or internal loans depending on the interest market at the time of raising the loan. Should external debt be raised, this external debt will be by way of a fixed rate bond issue."

7.3 BACKGROUND

The 2006 / 07 LTCCP included budgeted loan funding of \$34,013,488. Although the loan funding has been signalled in Council's LTCCP, this is primarily a statement of intention and policy, and a resolution is still required to undertake particular borrowing or delegate that decision.

Whether the loans are raised through external debt or internal debt will depend on the interest rates at the time of borrowing.

The amount in the resolution is the maximum amount to be raised. Should the capital works be less than budgeted, then the loans will be correspondingly less.

7.4 OPTIONS

The LTCCP outlines the intention to loan fund certain capital works. There is no reason to consider any other options at this stage.

7.5 STATUTORY IMPLICATIONS

The loan resolution is required to give effect to the intentions outlined in the LTCCP.

7.6 CONSULTATION

Consultation was undertaken as part of the LTCCP consultation. No further consultation is required.

7.7 STRATEGIC LINKS

As per the LTCCP.

7.8 FINANCIAL

The cost of this loan has been budgeted for in the LTCCP

P L BRAKE
Finance Manager

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 1/3/7
DATE: 7 December 2006
REPORT TO: Finance and Corporate Services Committee
FROM: Finance Manager
SUBJECT: Ashburton Trading Society Share Purchase

8. ASHBURTON TRADING SOCIETY SHARE PURCHASE

8.1 SUMMARY

To enable the Council to become a member of the Ashburton Trading Society Limited (ATS), a resolution is needed regarding the required uptake of 500 shares.

8.2 RECOMMENDATION TO COUNCIL

“That Council becomes a member of the Ashburton Trading Society and agrees to purchase 500 shares; and that any two of the Mayor, Chief Executive, or Finance Manager be the nominated shareholders.”

8.3 BACKGROUND

As part of managing the Council’s Ocean Farm, the farm manager has requested that Council becomes a member of the Ashburton Trading Society Limited (ATS). This will enable savings on regular day to day farm purchases. ATS requires Council to purchase 500 shares and these will be at \$1 each.

ATS is unable to issue the shares in the name of the Council and so Council will need to approve nominated shareholders. These shareholders will be any two of either the Mayor, Chief Executive, or Finance Manager.

8.4 OPTIONS

Not applicable.

8.5 STATUTORY IMPLICATIONS

Not applicable.

8.6 CONSULTATION

Not applicable.

8.7 STATUTORY LINKS

Council’s investment policy allows the purchase of shares for strategic or social reasons and these will be approved by Council on a case to case basis. (Part 1,2(a))

8.8 FINANCIAL

Becoming a member of ATS should result in cost savings the management of Council’s Ocean Farm operation.

PAUL BRAKE
Finance Manager

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 1/1/8
DATE: 7 December 2006
REPORT TO: Finance and Corporate Services Committee
FROM: Finance Manager
SUBJECT: Fraud Policy

9. FRAUD POLICY

9.1 SUMMARY

Council has a responsibility to provide confidence to the community that ratepayer funds are protected as far as possible. One area where these funds can be put at risk is when fraud occurs. Council currently does not have an explicit fraud policy. Such a policy is required to clearly set out Council's view that fraud is unacceptable and how instances of fraud will be dealt with.

9.2 RECOMMENDATION

"That the fraud policy, as included in this report, be adopted."
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9.3 BACKGROUND

Council management have the responsibility to ensure ratepayer funds are safeguarded as far as possible, and this is done by maintaining strong systems of internal control. Even with these internal controls, fraud could still occur. It is important to demonstrate that fraud is unacceptable and any allegations of fraud will be taken seriously and that formal steps are in place to deal with such allegations.

Council already has a policy in place that deals with serious wrongdoing (Human Resource Management Policy – Protected Disclosures) but the focus of that policy is to provide protection to those who make allegations of wrongdoing ("whistleblower").

The Controller and Auditor General's publication 'Central Government: Results of the 2003-04 Audits' states:

'We therefore expect every public entity to have a policy on how to minimise fraud and how it will be dealt with if it occurs.'

Audit New Zealand's management report to the Ashburton District Council for the year ended 30 June 2006, restated the expectation that Council would have such a policy.

The policy puts in place clear guidelines on how Council will respond to allegations or discovery of fraud and the process that will be followed.

9.4 OPTIONS

The alternative is to continue business without a fraud policy.

9.5 STATUTORY IMPLICATIONS

S14 (g) of the Local Government Act 2002 requires a local authority to ensure prudent stewardship and efficient use of its resources. This policy demonstrates Council's resolve to safeguard its assets.

9.6 CONSULTATION

Consultation is not required.

9.7 STRATEGIC LINKS

Not applicable.

9.8 FINANCIAL

There are no financial implications in adopting the fraud policy.

FRAUD POLICY

This policy should be read in conjunction with Council's Human Resource Management Policy – Protected Disclosures.

Background

It is important that Ashburton District Council provides confidence to the community and staff regarding the administration of ratepayer's funds. Whilst the Human Resource Management Policy – Protected Disclosures covers serious wrongdoing (which may include fraud), it is important to expressly state Council's view that fraudulent behaviour is unacceptable, and to clearly set out how fraud will be dealt with.

The Human Resource Management Policy – Protected Disclosures details the protection to be given to the person(s) making a disclosure ("whistleblower").

Purpose

The purpose of this policy is to ensure that controls and systems are in place to deal with fraudulent behaviour by anyone employed by, elected to, contracted to, or is a service recipient of the Ashburton District Council.

The objectives of the policy are:

- To prevent fraudulent behaviour within the terms of this policy
- To instill responsibility and awareness amongst Ashburton District Council staff and elected members
- To establish an environment where fraud concerns can be identified and readily addressed
- To require responsibility on the part of executive officers to be aware of the type of fraud that may occur in their area of responsibility and be alert for any indication of fraud.
- To ensure compliance with internal control systems that are designed to minimise the opportunity for fraudulent behaviour.
- To provide guidance on how to effectively progress an allegation of fraud.

Definition

Fraud is deception or false representation by means of a statement or conduct, in order to gain a material advantage. "Fraud" is the misappropriation of what rightfully belongs to an individual or organisation and usually involves some form of intentional misrepresentation of financial information, such as falsifying, altering or neglecting to update records or documents.

Note: Corruption and other serious wrongdoing is covered directly by the Human Resource Management Policy – Protected Disclosures.

Fraud Minimisation

The primary means to prevent or minimise fraud is by implementation and continued operation of adequate systems of internal control, supported by written policies and procedures. These controls include, but are not limited to:

- Segregation of duties
- Appropriate delegations and authorisation levels
- Enforcement of mandatory holidays
- Active risk management through an effective internal control function
- Financial planning, reporting and monitoring

All staff have a responsibility to adhere to the Council's systems of internal control and Managers need to ensure staff are aware of the reasons for such controls and the expectation that they will be complied with.

Council's systems of internal control are evaluated each year by Council's auditors. Any weaknesses identified need to be addressed on an ongoing basis. Internal audit work should also be regularly undertaken to also provide assurance that the systems are sufficient and are being adhered to.

General Policy Guidelines

1. All reports or indications of fraud will be investigated appropriately. This investigation will be undertaken by the Chief Executive (or Mayor) or his/her nominee.
2. An attempt will be made to recover all losses.
3. Any staff member(s) found to have committed fraud may be dismissed. References will not be available if dismissal results.
4. In most instances of suspected fraudulent behaviour the Chief Executive Officer will refer the matter to the Police or other appropriate authority.
5. Protection of any "whistleblower" will be in accordance with the Human Resource Management Policy – Protected Disclosures
6. Any media liaison will be through the Chief Executive or his/her nominee.

Any Council employee who is subject to an investigation may be stood down on full pay for all or part of the duration of the investigation. The decision to stand down an employee must be approved by the Chief Executive or the Chief Executive's appointed representative.

Council will regard all correspondence and records of correspondence such as letters, emails and phone calls made during Council work hours or using Council property as belonging to Council and this may be examined as part of any investigation process.

Process

1. Allegations of fraud should be made in the first instance directly to a Senior Manager.
2. All allegations must be acknowledged in writing by the Senior Manager, including all relevant details of the allegation. Secrecy and confidentiality must be maintained where possible.
3. The Senior Manager must advise the Chief Executive Officer in writing (or the Mayor where the Chief Executive Officer is the subject of the allegation) of details of the allegations made.

4. The Chief Executive Officer will appoint an Investigation Officer (or the Mayor where the Chief Executive Officer is the subject of the allegation) to undertake or oversee an agreed investigation process.
5. The Investigation Officer will carry out a preliminary investigation and report their findings and recommendations to the Chief Executive Officer (or the Mayor where the Chief Executive Officer is the subject of the allegation). All documentary evidence relevant to the investigation should be obtained and secured as early as possible.
6. If the preliminary investigation finds no substance to the allegation then the process is terminated and this outcome is advised in writing to the person making the original allegation.
7. If the preliminary investigation finds there is substance to the allegation, further investigation should take place. This may include involving the police or other outside agencies, taking legal advice, and advising Council's insurers.
8. If surveillance is going to be undertaken as part of any investigation then there must be accurate recording of surveillance and immediate signing and dating of records.
9. Council may require the person who is the subject of the investigation to be stood down on full pay during the term of the investigation.
10. Upon confirming evidence of fraud, the Investigation Officer will report in writing to the Chief Executive Officer (or the Mayor where the Chief Executive Officer is the subject of the allegation) the findings of the investigation and any recommendations.
11. The Chief Executive Officer (or the Mayor where the Chief Executive Officer is the subject of the allegation) will take appropriate action. This will include disciplinary action or dismissal, and may include the involvement of the police or other outside agencies (i.e. the Serious Fraud Office). Restitution for any losses will be sought. Any media comment and report to Council's standing committees will need to be considered.
12. All investigation records are to be retained in a separate file and a post investigation assessment carried out. Any identified control system weaknesses are to be addressed.
13. A formal acknowledgment of the outcome of the investigation must be forwarded to the person making the original allegation.

P L BRAKE
Finance Manager

ASHBURTON DISTRICT COUNCIL REPORT

FILE NO: 10/8/10
DATE: 15 February 2007
REPORT TO: Finance & Corporate Services
FROM: Property Manager
SUBJECT: Methven Mall Car Park

10. METHVEN MALL CAR PARK

10.1 SUMMARY

To consider declaring a 755m² portion of land adjoining the Mall at Methven to be road to vest in Ashburton District Council.

10.2 RECOMMENDATION TO COUNCIL

“That the land contained in Certificate of Title CB9F/1019, being Pt Lot 3 and Lot 32 DP428 having an area of 755m² (subject to survey) more or less, be declared road pursuant to Section 114 of the Public Works Act 1981.”

10.3 BACKGROUND

The subject land forms a strip separating the road and buildings on the western side of the Methven Mall – see aerial photo attached. The land is not physically separated from the formed roadway and is in fact used as a car park. *Photo attached*

The owner of the adjoining building (Construction Nominees Ltd, Robt Smallbone) is undertaking a major refurbishment of the building and has approached Council seeking permission to provide windows and an entranceway in the wall on the car park boundary. He intends also to provide a veranda on the building which will protrude over the car park area by about two metres.

The present land status prohibits both the provision of fenestration and a veranda as any wall on the present boundary is required to have a fire rating.

It is proposed that if the land is changed to “road” the area beneath the veranda will be formed as a footpath.

Long term the alterations to the building will facilitate it being used for retail purposes (currently it is tenanted by the New Life Church) as the provision of fenestration and an entrance onto the Mall will enhance its suitability for such purposes.

10.4 OPTIONS

1. Maintain the status quo which will prevent an attractive upgrade.
2. Change the legal status of the land as recommended.

10.5 STATUTORY IMPLICATIONS

In respect of the land there are no restrictions on Council’s ability to alter the status. In fact it will formalise the present physical situation.

In respect of the adjoining building, a status change will make it permissible to provide a veranda, entranceway, and fenestration into an otherwise blank wall.

10.6 CONSULTATION

The proposal is supported by the Roading Department.

10.7 STRATEGIC LINKS

Any enhancement of the visual impact of the building on the western side of the Mall will improve the overall aesthetics of the whole Mall.

10.8 FINANCIAL

The land is currently used as public car parking and this will continue. There is a potential benefit in respect of maintenance as if the land is in fact road it will attract a maintenance subsidy.

J M ROONEY
Property Manager

Activity Reports

11. Finance

11.1 Financial Reports

Attached

11.2 New Zealand International Financial Reporting Standards (NZ IFRS)

Council is required to comply with New Zealand International Financial Reporting Standards (NZ IFRS), and the changes that result from this will impact both the 2007/08 Annual Plan and the 2007 Annual Report.

Information is set out below detailing the impact of these changes and the ongoing work required to fully address IFRS issues to ensure that the Council's accounting systems and reports and financial statements fully comply with these new standards.

The impact on Council is significant both in terms of the reporting methodology and Council resources in meeting Council's reporting obligations under IFRS.

General Impact of NZ IFRS:

- The Local Government Act 2002 requires councils to report their financial results using generally accepted accounting practices (GAAP). GAAP now incorporates NZ IFRS.
- The Ashburton District Council is required to implement NZ IFRS no later than financial periods beginning on or after 1 January 2007 i.e. by 30 June 2007.
- First-time adopters of NZ IFRS will be required to comply with NZ IFRS-1: *First-time Adoption of International Financial Reporting Standards*. NZ IFRS 1 stipulates some specific disclosures in the financial statements of a first time adopter. These include:
 - Reconciliations of the equity reported under previous GAAP to equity under IFRS both
 - at the date of the opening balance sheet (1 July 2005), and
 - the end of the last annual period reported under the previous GAAP (30 June 2006).
 - Reconciliations of profit or loss for the last annual period reported under GAAP to profit or loss under NZ IFRS for the same period (30 June 2006);
 - Explanation of material adjustments that were made, in adopting NZ IFRS for the first time, to the balance sheet, profit or loss and cash flow statement;
 - If errors in previous GAAP financial statements were discovered in the course of transition to NZ IFRS, those must be separately disclosed in the above statements

This means reworking the 30 June 2006 financial year's opening and closing Financial Position Statements and reworking the 2006 Statement of Financial performance.

- The reworked statements and reconciliations will be audited during March by Audit New Zealand. The cost for this has not been budgeted for.
- Apart from increased disclosure requirements, many NZ IFRS are similar if not identical to New Zealand's current standards. This is not surprising as New Zealand's accounting framework has been working towards convergence and harmonization with international standards for some years.
- Areas of noticeable difference include accounting for intangibles, income tax, property plant and equipment, investment properties, biological assets (ie forestry, stock etc) and, most significantly, financial instruments. There are NZ IFRS which have no New Zealand equivalent (ie in relation to employee benefits, impairment testing and biological assets) that may be of significance.

- Other Impacts - as a generalisation, adopting NZ IFRS is likely to result in:
 - More disclosures in financial statements
 - More volatility in financial performance as a result of greater use of fair value measurement
 - Reclassifications
 - De-recognition of some existing assets and liabilities
 - Recognition of new assets and liabilities
 - New accounting policies
 - Previously off-balance sheet items being brought onto the balance sheet

In addition to the changed measurement and recognition requirements, NZ IFRS requires extensive note disclosures. For example, the definition of a related party is potentially wider than that currently followed in local government and now includes 'key management personnel' and close family members.

The new standard also requires subsidiaries to disclose transactions with the 'key management personnel' and their 'close family members' of not only their own entity but also their parent entities.

- A complete rewrite of the Council's accounting policies and notes to the financial accounts is required, to show all additional disclosures.

The effect of complying with the 2002 Local Government Act and the subsequent changes to GAAP will result in –

1. Increased compliance costs.

As a result of moving to NZ IFRS the ADC has and will continue to incur additional costs. To date these costs cover –

- Advice received from Deloitte during the 2006 financial year of \$24,000.
- Unbudgeted for Audit fees required to cover the Audit of the transition reconciliations and reworked balance sheets and profit and loss statements.
- Staff training costs – to bring staff up to speed with the changes required.
- Increased staff time required to work on the changes.

2. Changes in the format of statements in the annual report, annual plan and LTCCP.

3. Because work hadn't commenced on NZ IFRS when the LTCCP was completed only minor alterations were taken into account when the LTCCP was prepared. Any additional changes will be included within the Annual Plan when prepared. These will impact on the balance sheet in most cases.

4. Ongoing training of staff involved in implementing and maintaining NZ IFRS is critical as will be the quality control over monitoring the changes made on an ongoing basis. Once the issues in implementing NZ IFRS are more fully identified, it is likely that the ramifications for computer systems, management information, budgeting, valuations, legal and actuarial input will be clearly identified.

5. Requirements of Council representatives and the Executive Management Team to complete a Related Party Questionnaire every year to allow full disclosures to be met.

This project is still on going and it is anticipated that more changes are forthcoming. Areas believed to have changes not yet investigated are in the financial asset and financial liability categories, the format of the financial statements and notes to be published. It is anticipated that the presentation of the profit and loss statement will change from the functional presentation currently used to one showing the input costs of the Council, with a functional presentation displayed in the notes to the accounts which would allow compliance with IAS-1. Work is ongoing in this area.

Example of functional vs input

Input presentation	Functional presentation
Income	Income
Rates revenue	Rates revenue
Other revenue	Other revenue
Other gains/losses	Other gains/losses
Total income	Total income
Expenditure	Expenditure
Employee benefits expenses	Essential Services
Depreciation and amortisation	Community Facilities
Other Expenses	Economic Development
Finance costs	Parks and Open Spaces
Total Operating expenditure	Environmental Services
	Miscellaneous
	Total Operating Expenditure
Surplus	Surplus

12. Forestry

The District Forester reports:

12.1 Sales and Harvesting

Sales from Council plantations since October 2006 have been limited to the clean up from the Frasers Road job and the harvesting of a small plantation at Alford Forest that was causing problems with power lines. Since November the harvesting crew that has been working for Ashburton District Council has been working at the Rakaia Domain Board plantation. Below are summaries for sales from ADC plantations and the Domain Board.

SALES INFORMATION REPORT - FOREST SUMMARY

Forest: Ashburton District Council

Period: 1/11/2006 to 31/12/2006

Products	Quantity	Net Value
KA EXPORT	77.702 JAS	\$1,468.83
KI EXPORT	293.423 JAS	\$2,402.68
KS EXPORT	69.921 JAS	\$1,047.05
<i>Unit Total</i>	<i>441.046 JAS</i>	<i>\$4,918.56</i>
OTHER firewood	27.040 tonnes	\$313.66
PRAD firewood	169.569 tonnes	\$542.79
PRAD sawlogs S-grade	33.570 tonnes	\$1,550.60
S20 RADIATA SAWLOG	52.940 tonnes	\$2,109.76
S30 RADIATA SAWLOG	123.060 tonnes	\$6,570.85
SMALLWOOD	12.720 tonnes	\$119.57
<i>Unit Total</i>	<i>418.899 tonnes</i>	<i>\$11,207.23</i>
Forest Total		\$16,125.79

SALES INFORMATION REPORT - FOREST SUMMARY*Forest: Rakaia Domain Board – Normanby Road**Period: 1/11/2006 to 31/12/2006*

Products	Quantity	Net Value
KA EXPORT	368.365 JAS	\$9,798.12
KI EXPORT	492.374 JAS	\$8,271.00
KS EXPORT	998.666 JAS	\$19,479.25
<i>Unit Total</i>	<i>1859.405 JAS</i>	<i>\$37,548.37</i>
PRAD chip (LED<55cm)	1034.540 tonnes	\$2,949.01
PRAD firewood	97.560 tonnes	\$570.16
PRAD M18 SRS	173.500 tonnes	\$4,072.49
S20 RADIATA SAWLOG	278.160 tonnes	\$10,182.33
S30 RADIATA SAWLOG	200.120 tonnes	\$10,737.14
Unit Total	1783.880 tonnes	\$28,511.13
Forest Total		\$66,059.50

It is expected that the harvesting should be completed at the Rakaia Domain Board plantation during March and the harvesting crew will then continue logging the Ashburton District Council plantations that are scheduled for logging.

Both export and domestic log markets have seen increases in prices. Gains in the export market have been the most spectacular although the strength of the NZ\$ and high freight rates have limited these gains to some extent. With the log sales being on an agency basis the gains made from export price increases will be returned to the Council in wash up payments following confirmation of the price for the shipped logs.

12.2 Pre-harvest Inventory

University students have now finished the pre-harvest inventory programme for the five year harvesting plan. The field work was completed ahead of schedule. The students undertook tree pruning and boundary clearing work to complete the period specified on their contract.

13. Library

The District Librarian reports:

13.1 Issues and Membership

A good result in Library usage was recorded for all three months covered in this report. There was a busy Christmas / New Year period, and January's statistics make a promising start to 2007, with 109 new members as well as a high issue figure. The year to date issue figure as of January of 188168 shows a clear lead on last year's total of 177790 for this period.

In January our users preferred Sunday to Saturday for weekend hours, as indicated by both foot traffic and issues. However, the resumption of organized sport should change this, as families often combine a library visit with attendance at children's sports.

13.2 Public Internet Usage

The new system for pay Internet which was installed for us by Council's Information Services Department last year is proving very stable and easy to use. As a result the public are able to rely on it, with many people being repeat customers. Presumably these users do not have access to the Internet in their homes, so the Library is able to fill an important role for them.

The income from the public internet and word processing terminals is much improved, being 44% up on the 2005/2006 year, and 41% higher than the 2004/2005 year.

13.3 Children's Library

Towards the end of the school year we had visits from Ashburton Borough and Mayfield School classes.

On Thursday 21 December, we held a Christmas craft morning. This drew an enthusiastic crowd and left a layer of glitter over much of the Children's Library. Our holiday competition this year was the Summer Challenge. Children were issued with a booklet that listed 12 different challenges. Some of these were library based – read a book by a different author, draw a character from your favourite book etc, and others were more general – go on a bike ride or organize a picnic. Children had to complete three challenges from the list, then hand the form back in at the Library. They were given a Garfield bookmark and will go in a prize draw at the end of the holidays.

Our competition for young adults was 'Summer in Ash-Vegas'. They were asked to show us how they see Mid Canterbury in summertime using photography, painting, drawing or any other medium. This wasn't well supported although we did get a very good winning entry.

13.4 Statistics for November

Issues	November 2006	November 2005
Non-fiction	4442	4405
Fiction	4103	3926
Large Print	1973	1987
English Resources	19	13
Rentals	66	64
Young Adult Fiction	724	849
Young Adult Non-Fiction	187	197
Young Adult Magazines	55	47
Paperbacks	410	459
Magazines	461	494
Adult Audio	118	145
Adult Video	184	168
Junior Fiction	7763	7151
Junior Non-Fiction	2031	1972
Junior Magazines	237	176
Junior Audio	348	474
Junior Video	905	927

Requests	21	11
Stack	105	111
Undefined	17	53
TOTAL	24169	23629
Issue - Year To Date	136253	129309

Memberships	Total at end November 2006	November 2005	Added during November 2006
Adults	8061	8316	44
Young Adults	1078	1168	5
Junior	3005	3037	25
Non-resident	80	85	0
Other	406	386	5
TOTAL	12630	12992	79

Foot Traffic		November 2006	November 2005
		10867	10959

Reference Enquiries		November 2006	November 2005
	Adult	520	612
	Children	139	146
	Total	659	758

13.5 Statistics for December

Issues	December 2006	December 2005
Non-fiction	3994	3939
Fiction	4603	4429
Large Print	2211	2131
English Resources	17	8
Rentals	84	94
Young Adult Fiction	796	919
Young Adult Non-Fiction	112	149
Young Adult Magazines	77	47
Paperbacks	493	551
Magazines	404	480
Adult Audio	124	128
Adult Video	167	252
Junior Fiction	7116	6102
Junior Non-Fiction	1440	1292
Junior Magazines	233	201
Junior Audio	306	350
Junior Video	857	785

Requests	12	6
Stack	82	100
Undefined	143	4
TOTAL	23271	21967
Issue - Year To Date	159524	151276

Memberships	Total at end December 2006	December 2005	Added during December 2006
Adults	8049	8252	44
Young Adults	1079	1155	3
Junior	2995	3033	10
Non-resident	82	89	0
Other	405	383	0
TOTAL	12610	12912	57

Foot Traffic		December 2006	December 2005
		10307	10312

Reference Enquiries		December 2006	December 2005
	Adult	358	460
	Children	113	96
	Total	471	556

13.6 Statistics for January 2007

Issues	January 2007	January 2006
Non-fiction	5032	4730
Fiction	5029	4633
Large Print	2341	2252
English Resources	17	7
Rentals	93	109
Young Adult Fiction	1175	1185
Young Adult Non-Fiction	167	189
Young Adult Magazines	147	119
Paperbacks	484	602
Magazines	539	525
Adult Audio	134	131
Adult Video	244	186
Junior Fiction	9195	8459
Junior Non-Fiction	1985	1567
Junior Magazines	304	270
Junior Audio	418	345

Junior Video	1074	1082
Requests	9	22
Stack	123	99
Undefined	134	2
TOTAL	28644	26514
Issue - Year To Date	188168	177790

Memberships	Total at end January 2007	January 2006	Added during January 2007
Adults	8097	8286	63
Young Adults	1098	1148	8
Junior	2974	3020	33
Non-resident	85	90	4
Other	407	387	1
TOTAL	12661	12931	109

Foot Traffic	January 2007	January 2006
	12645	11953

Reference Enquiries	January 2007	January 2006
Adult	618	467
Children	129	131
Total	747	598

14. Property

The Property Manager reports:

14.1 ACL Addition

Work has commenced and is progressing. The new floor has been poured and work is underway on the pit construction.

ACL has requested an alteration to the pit which may result in a variation. This is being evaluated.

14.2 Airport

An on-site meeting with Airways Corporation and the Canterbury Aero Club flight instructor was held on 30 January. The purpose of the meeting was to consider an alternative site for the NDB aerials. The proposal is that the present aerials will be replaced with a single pole type which will require a 45m diameter earth mat.

This facility can be located in the area between the present access at the car track and the eastern boundary of the land holding immediately adjoining Seafield Road. This location will enable the re-use of the present equipment but will not impact on the future development proposals and will maintain access to the Kittyhawk hangar.

It may be necessary to underground the present power feed to the car track and pump house. Should this be necessary it will be at the cost of the aerial owners.

The site has been the subject of discussion with our consultant who supports the location. Final detailed plans are awaited.

14.3 *Elderly Persons Housing*

Two new showers have been installed at the Rakaia flats, replacing the baths.

14.4 *Lake Clearwater*

We are experiencing some water ponding around some baches. This issue arose between Christmas and New Year and I visited the settlement on Thursday 28 December. A substantial amount of groundwater was ponding around four baches. The drain through the playground was flowing but there seemed to be a problem with a drain further back.

The problem relates to the fact that Lake Camp is higher than it has been for a number of years and is flowing underground to Lake Clearwater.

I have been monitoring the situation and the water has receded to some degree but we still have ponding in one area in particular.

Some preliminary investigations have been undertaken and it appears that an earlier drain installation was not completed.

As the water level drops we will be able to determine what is needed in respect of drainage. The affected bach owner is aware of the situation and we are in contact on a regular basis. He is happy with the approach being taken.

Any substantial works to alleviate the situation will require a resource consent as the water flow is in fact a natural event.

14.5 *Methven Creche*

I have accepted a quote to remove the roots of the large Redwood tree which have lifted the adjoining driveway. The work will involve digging a trench, cutting and removing the roots, treating the cut end and resealing the affected driveway.

14.6 *Argyle Park Toilets*

Prices have been requested for the repainting of this block. The intention is to paint to match the adjacent water treatment building.

14.7 *Rangitata Camping Ground*

We experienced some difficulty with a broken tree limb. I arranged to make the limb safe on 30 December, and will, when the camping ground empties out, remove three damaged (snow) trees. These will be replaced with alternative species to provide some shade and shelter in the long term. The new trees will be planted in more appropriate locations in an effort to minimise root intrusion into plumbing lines.

15. Miscellaneous Matters

15.1 Mail Management

Mail management report as at 9 February 2007.

Group	Total Received	Total Completed	Completed within Time	Completed Overdue	Total Uncomplete	Pending	Overdue
Mail Management	1720	1665	1083 (65.0%)	582 (35.0%)	55	28 (50.9%)	27 (49.1%)

15.2 Land Transport Act Road Closures and Delegated Authority Closures

The following events are provisionally approved subject to the usual conditions.

Applicant: Ashburton Athletic
Event: Annual 10 Mile Easter Hop Race
Date & Time: 10.00 am, Saturday 07 April 2007
Event Route: In the area of Racecourse Road, Farm Road, Walnut Ave and West Street (Please note no roads will be closed)

Applicant: Bloody Good Events Ltd
Event: Mt Cook Bloody Good Race – multisport event from Mt Cook to New Brighton Beach, Christchurch
Date & Time: Saturday 24 February 2007
Event Route: ADC Sections of the Arundel Rakaia Gorge Road, SH72, McLennans Bush Road

15.3 Council Seal

Under authority, since last meeting —

- **Lease Documents**
 - Deed of Lease – Hut Site 38(A) Lake Clearwater – Izard Family Trust
 - Deed of Lease – Aoraki Polytechnic Deed of Renewal
 - Deed of Lease – Pioneer Hall – NZ Historic Places Trust
- **Transfer Instruments**
 - Mortgage Caveat – Grallagh Farms Ltd
 - 7 Hakatere Drive – J & VA Williamson
 - Subdivision of Wayne Place, Methven – Kelway Developments Ltd
 - Easement of right to drain sewage – DJ & JL Muir
 - 5 Kermode Street Lease – JK Hayde to Park Street Properties
- **Land Exchange**
 - Stonylea Road - Survey Plan
 - Tanks Road & Maronan Valetta Road Plan – David Smith Surveying Ltd
- **Road Legalisation**
 - Maronan Ealing Road & McDougalls Road – Survey Plan
- **Easements**
 - Electricity Ashburton – Harrison Street
 - River Terrace – Electricity Ashburton Ltd
 - Eton Street – Pearce – ADC
 - Ashburton Aquatic Park Charitable Trust – Stage 4 Subdivision Lake Hood

- **Licence to Occupy**
 - Reserve 4733 – JL & JA Murdoch
 - Reserve 1030 – ND & NA McGeady
- **Contracts**
 - 514 – Resealing & Pre-Seal Repairs – ADC / ACL
- **Sale & Purchase Agreements**
 - 132 Taits Road – RM & RM Bruce to ADC
 - 7 Hakatere Drive – J & VA Williamson
 - 59 Wills Street – CD & CM Stewart

15.4 Minor Applications

- Arthritis N Z – Annual Street Appeal – 28 September 2007
- Heart Foundation – Street Appeal on East Street – 1 December 2007
- Heart Children Awareness – Street Appeal – 20-26 May 2007
- Royal N Z Foundation – Street Appeal – Guide Dog Appeal – 30-31 March 2007
- Royal N Z Foundation for Blind – Street Appeal – Blind Week Appeal – 26-27 October 2007
- N Z Breast Cancer Foundation – Pink Ribbon Day – Street Appeal – 12 October 2007
- Mid Canterbury Children’s Theatre – Banner advertising – Disco Inferno
- Save the Children – Street Appeal – 10-12 October 2007

15.5 Letters of Thanks

- Rakaia Reserves Board - for grant towards upgrade of courts in the Domain
- Rita Wright – for gift and invitation to afternoon tea on her retirement from the Museum
- Mt Somers District Citizens Association – for Council grants
- Rakaia Community Association Inc – for Council grant
- Mt Hutt College – for Council donation to annual Prizegiving Ceremony
- Murray & Annette Anderson – for Council’s acknowledgement of family bereavement.

15.6 Methven Community Board

A meeting of the Methven Community Board was held on Monday 29 January 2007, and no matters were referred to this Committee for consideration.