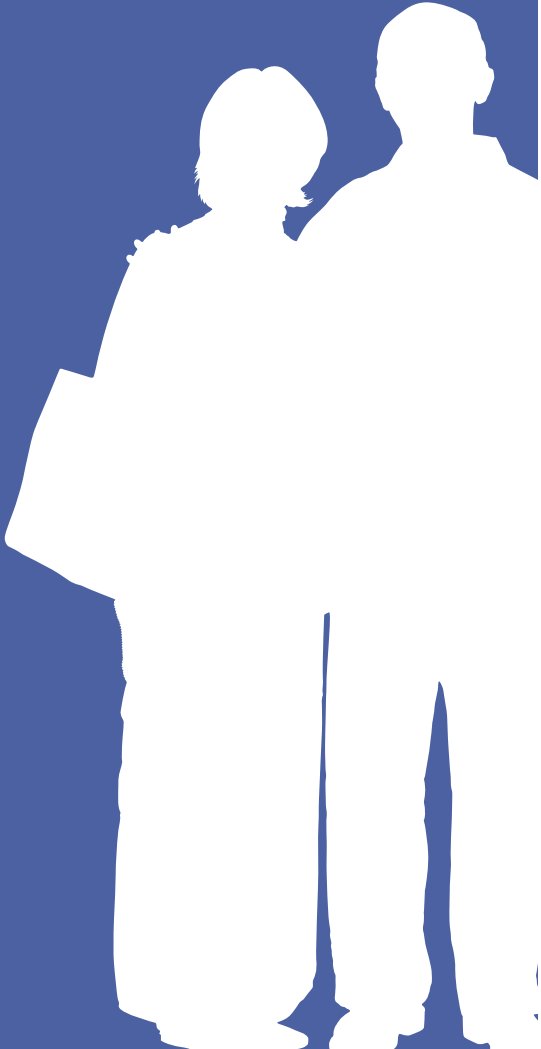
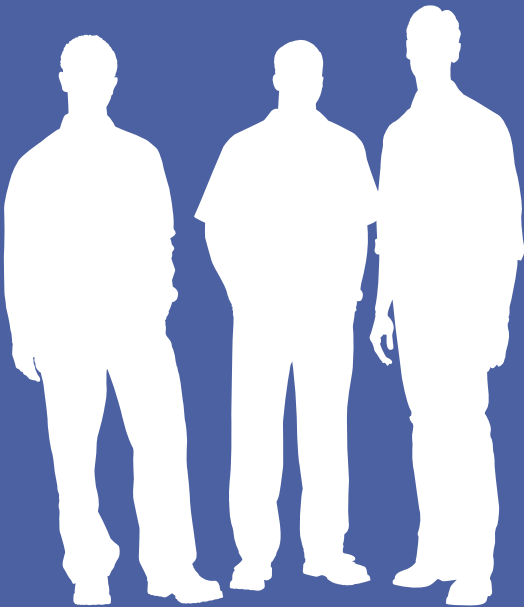
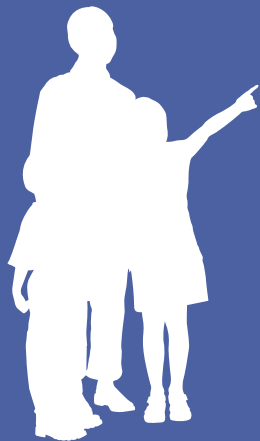


Clutha District Council

Pre-Election Report 2019



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CLUTHA DISTRICT COUNCIL

Clutha District Council (CDC) is a rural territorial local authority representing a population of 16,893 across an area of 6,362km². CDC is charged with planning for and managing over a billion dollars' worth of infrastructure. That infrastructure plays a crucial role in the delivery of key services to Clutha District residents and ratepayers.

The main centre of the district is Balclutha (population 4,060). With a further eight smaller towns in the district and a proportionately large rural population in comparison with the national average, we could be


described as 'heartland New Zealand'.

The Clutha District Council is represented by a Mayor, who is elected by all of the district's voters, and 14 Councillors. Councillors are elected from eight wards: Balclutha (4 members), Bruce (3 members), Catlins (1 member), Clinton (1 member), Clutha Valley (1 member), Kaitangata-Matau (1 member), Lawrence-Tuapeka (1 member) and West Otago (2 members). There are also community boards for Lawrence-Tuapeka and West Otago, each made up of 6 members.



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CLUTHA DISTRICT COUNCIL
2019 ELECTION - Wards



Clutha District Council

All care has been taken in creating this map but Clutha District Council accepts no responsibility for its accuracy or content

ELECTION TIMEFRAME & KEY DATES

ELECTION TIMEFRAME AND KEY DATES

Nomination day: nominations close at 12 noon	16 August 2019
Delivery of voting papers	20 September 2019
Election day: voting closes at 12 noon	12 October 2019
Declaration of results	17 October 2019
Inaugural Council meeting and swearing in	31 October 2019

FURTHER INFORMATION

Summary information in this report is sourced from several other publications. These include:

- Long Term Plan 2018/28
- Long Term Plan 2018/28 Consultation Document
- Annual Plan 2019/20
- Annual Plan 2019/20 Consultation Document
- Annual Report 2017/18
- Annual Report 2016/17

These are available online at www.cluthadc.govt.nz or upon request by contacting 0800 801 350.

MESSAGE FROM THE CHIEF EXECUTIVE

WELCOME TO THE 2019 PRE-ELECTION REPORT

Thank you for taking the time to take a look at this Pre-Election Report ahead of the 2019 triennial local body elections. You may be considering standing for Clutha District Council, or perhaps you want to be more informed before casting your vote. The aim of this report is to help provide information that promotes public discussion about the issues facing the Clutha District Council, and to make it easier for people to vote for candidates whose priorities align with their own.

This report draws attention to the key issues and major projects currently on the books for the coming triennium. It reports on financial performance during the past triennium, looks at the coming three year's financial forecasts, and at the position of the incoming Council. Overall it is an update on how Council is performing financially, and what it expects to do in the coming three years.

It is important to remember this is not a stand-alone document. Potential candidates and residents interested in reading the basis for the information in this report should look at the Long Term Plan 2018/28, the Consultation Document for the proposed Long Term Plan 2018/28 and the Annual Plan 2019/20. Results in the Annual Report 2017/18 and 2018/19 also form the basis of the information in this report.

COUNCIL'S STRATEGIC DIRECTION

Council remains committed to the outcomes in the Long Term Plan 2018/28 that see us working towards:

- A well informed community where people have their say in decisions that affect them
- Roading infrastructure that sustainably supports the community and economy
- Water services that sustainably support the community and economy
- A sustainable environment that promotes a clean green image
- Community facilities that sustainably benefit users

and the wider community

- A safe and supportive community
- An economic environment that encourages growth in a way that sustainably supports the community.

An extension of the final point above, and a key platform in the Long Term Plan 2018/28, is to promote growth and investment in the Clutha District. The Economic Development and Living and Working in Clutha strategies continue to provide the strategic framework to guide us. In recent times Council has actioned projects that have the potential to facilitate industrial, commercial and residential growth, in particular the North Balclutha residential subdivision and the Rosebank Industrial Park development. These projects costing over \$8 million support Living and Working in Clutha by aiming to help address the acute shortage of residential and industrial sections within Balclutha. North Balclutha has 58% Lots sold or committed and is expected to make a small profit, and Rosebank has 60% of Lots sold or committed and it was consulted on in the 2019/20 Annual Plan that it is expected to make a \$350 thousand loss, paid for by sales of other Council property.

Another major area of focus to promoting growth is the development and implementation of community plans for our larger communities. We have completed Balclutha, Milton and Waiholā Community Plans, have finished consultation on the Catlins Community Plan, and are in the process of creating projects for the Catlins arising from the consultation before finalising that Community Plan.

Our other areas of focus relating to promoting growth include a full review of the District Plan, continued focus from our Economic Development Agency, Clutha Development Inc. on promoting business and investment growth, and to meet the demand from our employers for employees, and the publication and further development of a Housing Strategy.

It is our aim that these will have significant positive impacts on those communities and the wider district, and we will all see more progress towards achieving Council's goal to promote growth and living and working in Clutha.

MESSAGE FROM THE CHIEF EXECUTIVE

A new area of focus that has arisen over the last 3 years has been on sustainability, and Council's Strategic Direction reflects sustainability in 5 of the 7 outcomes. Financially, Council has reflected this through amalgamating separate water, wastewater and stormwater accounts into one for each of the 3 waters on the basis of same service same charge, changing the Community Services Rate area of benefit throughout the District to more fairly reflect who uses or has the potential to use our facilities, and by improving the budgeted rates return from our investments. From an infrastructure perspective the Long Term Plan took a 30 year view and from an affordability perspective the 10 year view indicated Council could meet its infrastructure requirements and keep within a rating cap of increases of no more than 4% each year.

LOOKING AHEAD

As we look ahead to the coming triennium the focus will be on the delivery of the major projects you see feature later in this report. Historically in the Clutha District and across the country the percentage of projects that have been programmed by local authorities and delivered in a given year have varied considerably. Council has increased its resources to achieve a much greater completion rate of capital projects, and our intention is to achieve 100% completion, or close to it.

We will continue to monitor our investments relative to the Market to maximise our returns whilst also protecting the investment.

You will also see our forecast of projects for the 2019/20 year is close to \$36 million which is the reason why our borrowings will increase by \$12 million.

In closing I can report that Council continues in a strong financial position and stands in good stead to continue to meet challenges and help the district to proactively move forward. I trust that this report supports informed discussion ahead of the 2019 elections and contributes to strategic planning for the coming triennium and 2021/31 Long Term Plan.



Steve Hill
Chief Executive

KEY ISSUES

The following were key issues during the development of the 2018/28 Long Term Plan that Council went on to make decisions about.

WHAT A LOAD OF RUBBISH

Council agreed to a larger, purpose-built recovery centre and transfer station at Mt Cooee Landfill with a budget of \$700,000 (Option 2). They also approved a budget of \$200,000 over the next three years to extend the operational consent of the landfill. Council provides waste management activities to ensure the safe and hygienic disposal of household waste and to ensure that wastes are sustainably managed. Improvements to the Mount Cooee landfill are required, to direct more waste away from landfill, reduce waste levy and Export Emissions Trading Scheme costs, and provide a better level of service and safety for those who use the landfill. In addition, work is required now to future-proof our options by creating a transfer station, in case the resource consent to operate Mount Cooee cannot be extended beyond 2023. To this end Council also approved a budget of \$200,000 over the next three years to extend the operational consent of the landfill. Of the three options presented, the majority (63%) preferred Option 2 for a purpose-built recovery centre and transfer station at an estimated \$700,000 cost. A further 21% supported Option 3 that extended to including an education centre at an estimated cost of \$1M. The least favoured was Option 1 (16%) to create a basic recovery set up at an estimated cost of \$300,000. The waste management area is likely to be a significant focus for Council. The future of the Mount Cooee Landfill has been signalled as a key cost and resource issue for the district.

MILTON'S MAKEOVER

Council confirmed the Milton main street upgrade project as a multi-year project with a budget of \$2 million. Improving Milton's main street was one of the top priorities identified in the Our Place Milton community plan. Feedback received from the Our Place Milton community plan consultation showed that improving Milton's main street and upgrading the toilets were high priorities for the local community. Council has already included \$550,000 in the 2019/20 district-wide public toilet budget to complete a major

overhaul of Milton's main public toilets at Stewart Reserve. Of the feedback received on potential improvements to Milton's main street, there is a clear preference for at least some work to be undertaken. Some 80% favoured either Option 2 or Option 3, and this aligns well with the feedback received through the Our Place Milton Community Plan consultation process in 2017. Of the three options presented, the majority (49%) preferred Option 3 to spend \$2M. A further 31% supported Option 2 to spend \$1.5M. The least favoured was Option 1 (20%) to do and spend nothing.

GETTING IT RIGHT FOR ROADING

Council confirmed an urban sealing budget of just under \$2M over three years, this will be paid for via a fixed charge across all urban roading rating areas. This is a change of position by Council, as since 2009 the high cost of sealing means we have only sealed roads when they qualify for funding assistance from NZ Transport Agency. Council has since confirmed the initial list of roads to be sealed and as part of the tender process the tender prices came in significantly over budget. Council is now reassessing the designs which will then go out to tender for a revised work programme during the next two years. Of the three options presented, the majority (58%) preferred Option 2 to spend \$2 million. Some 21% supported Option 1 to do and spending nothing. The least favoured was Option 3 (18%) to spend \$3 million in towns and smaller settlements. Two options were presented for funding any additional sealing. Of these, the majority (70%) preferred Option A - a fixed charge across all urban local roading rating areas; while 13% preferred Option B which would have spread the cost across the whole district. In addition, following a number of public submissions about gravel roads, Council approved:

1. A programme for prioritising and sealing rural roads was considered and consulted on during the 2019/20 Annual Plan process.
2. A budget of \$1 million in 2018/19 to buy stockpiles of gravel. This was to allow the gravel to weather for longer before being applied to roads. The aim is for the gravel to better settle and compact and therefore be less susceptible

to corrugation and potholes. Having stockpiles will also enable Council to adjust its metalling programme at short notice and respond to adverse weather and rapid changes in road usage.

WHERE DO WE DRAW THE LINE

Council confirmed a change to the way we rate for communities facilities such as halls, parks, reserves, pools, sports grounds, and playgrounds. Option 1 was based on how much you pay for facilities depends on the value of your land and whether you live inside or outside the town boundary (status quo). Option 2 was based on how much you pay for facilities is the same for everyone within your local area. Option 2 was preferred by 82%, while 15% preferred Option 1. This will see a fixed charge for all ratepayers who live in the same defined “community of interest” area. Previously, the amount paid in rates for these facilities was dependent on the properties land value, and whether it was inside or outside the town boundary. The motivation behind the change is to make the rating system as fair as possible and is based on the idea that the same services and facilities are available to everyone in that area whether they live urban or rurally. Council also considered a suggestion to modify the Lower Clutha area to exclude the Rongahere Gorge. The update including final areas can be found in the Rating Policies section under the Revenue & Financing Policy in the 2018/28 Long Term Plan.

The following were key issues during the development of the 2019/20 Annual Plan that Council went on to make decisions about.

MOVING FORWARD FOR MILTON COMMUNITY FACILITIES

Community consultation in 2016 and 2017 for the Our Place Milton Community Plan identified ensuring future swimming pool services as a priority. Initial Our Place feedback indicated a preference to future-proof the existing pool at its current site, and that the facility continue to be Council-owned and operated. However, it was noted that to ensure the sustainability of pool operations, increased community input may be required. Possible options to look into initially included lining the existing pool, a new pool structure using the existing roof and changing rooms, or a completely new

pool complex. Council also highlighted this project would also run in conjunction with future-proofing the Milton Service Centre and Library facility, including a budget of \$930,000, initially in the 2021/22 financial year for a new facility. Following further information Council agreed to update the Our Place Milton Plan to include an option for a combined new service centre, library and swimming pool. As part of the Annual Plan 2019/20 consultation process, we took the opportunity to bring all of the options together, so that Council could receive views on them before deciding what direction to take. Council consulted on three options as outlined below. OPTION 1 Patch up the existing pool + a new service centre/library facility Estimated cost: \$1.2-\$1.5M. OPTION 2 Build a new pool + a new service centre/library facility Estimated cost: \$4.9-5.9M. OPTION 3 A combined pool & service centre Estimated cost: \$5.8M. After considering feedback Council resolved to include a budget of \$290,000 in the Annual Plan 2019/20 for further planning and development work for Option 3 (build a combined pool, service centre library facility). A new facility could only be achieved through rates funding and other funding such as external grants, sponsorship and community fundraising. To do this, and achieve external funding, it is expected that ownership of a new facility would rest with a community trust structure.

SUPPORT FOR CORNERSTONE OUR PLACE COMMUNITY PLAN PROJECTS

NAISH PARK COORDINATING GROUP. The group updated Council on progress towards implementing the Balclutha Community Plan Naish Park and Old Boys/Centennial Park project and requested approval of concept plans and underwriting of stages 1 (tree planting and site preparation), 2 (junior bike park) and 3 (dog park) to the value of \$250,000. This was approved.

BALCLUTHA MEMORIAL HALL REDEVELOPMENT PROJECT Council approved that \$500,000 of the Balclutha Memorial Hall capital budget for 2020/21 be brought forward to the 2019/20 year.

MAJOR PROJECTS

Council has several major projects planned during the term this report covers. The projects you see presented here have been identified as major projects because they either involve major changes in levels of service and/or major levels of cost.

Description	Reason for the Project	AP 2019/20 \$000	LTP 2020/21 \$000	LTP 2021/22 \$000	LTP 2022/23 \$000	4 Year Cost 2019- 2023
Roading Improvements						
Balclutha Streetscape (Stage 2)		160	240	-	-	400
Milton Main Street/ Streetscape Project		38	975	975	-	1,988
Urban Seal Extensions	Seal extensions for urban roads within the district.	1,219	659	-	-	1,878
Roading Renewals (> \$300,000)						
Unsealed road metalling		1,962	2,023	2,084	2,144	8,213
Sealed road resurfacing		2,762	2,937	2,821	2,931	11,451
Drainage renewals		473	488	502	517	1,980
Pavement rehabilitation		206	425	813	800	2,244
Structure component replacements	Capital works to maintain the roading network	1,017	738	760	782	3,297
Traffic Service Renewals		301	269	277	285	1,132
Bridge Renewals		3,220	2,157	1,071	1,206	7,654
Footpath upgrades (renewals)		402	415	427	440	1,684
Urban Water Improvements						
Commercial Meter Installation	Project to ensure all commercial properties are metered in accordance with our water bylaw.	300	211	-	-	511
Milton Water Treatment Plant	Improve access to the treatment plant components and find a lower cost long-term sludge disposal option.	317	-	-	-	317
Milton to Waihola Pipeline Extension	To improve the lack of capacity in both the North Bruce Water Supply and the Waihola Township.	-	107	1,639	1,793	3,539

MAJOR PROJECTS

Description	Reason for the Project	AP 2019/20 \$000	LTP 2020/21 \$000	LTP 2021/22 \$000	LTP 2022/23 \$000	4 Year Cost 2019- 2023
Rural Water Improvements						3,330
Treatment Upgrades						
Glenkenich	Upgrade of rural water supplies to help us 'take all practicable steps' towards meeting national drinking water standards.	1,800	-	-	-	1,800
Moa Flat		675	-	-	-	675
North Bruce		800	-	-	-	800
Richardson		1,650	-	-	-	1,650
Stirling		850	-	-	-	850
Tuapeka		900	-	-	-	900
Waitahuna		310	-	-	-	310
Sewerage Improvements						
Treatment Upgrades						
Balclutha	Upgrading the treatment of sewage so we meet increased conditions to secure renewals of resource consents.	150	1,474	1,662	-	3,286
Heriot/Kaitangata		700	-	-	-	700
Waiholā		739	1,063	-	-	1,082
Sewerage Renewals						
Wastewater Pond De-sludging	De-sludging programme for all oxidation ponds throughout the district.	1,200	795	502	-	2,497
Stormwater Improvements						
Tapanui Paterson's Creek lower catchment improvements		700	-	-	-	700
Pounawea Wratten Road Stormwater Improvement		125	132	-	-	257
Solid Waste Improvements						
Resource Recovery Park	Construct a resource recovery park and land transfer station on the Mt Cooee site.	20	338	356	-	714
Mount Cooee Landfill Stormwater	Realign the stormwater around the landfill and significantly improve the compliance for Mount Cooee Landfill.	675	-	-	-	675

MAJOR PROJECTS

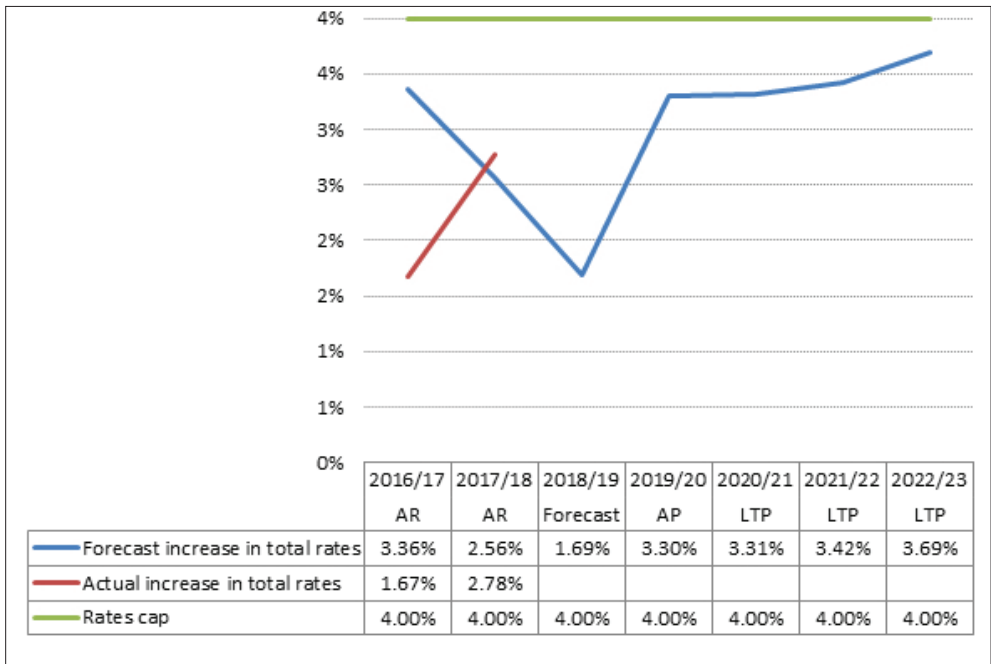
Description	Reason for the Project	AP 2019/20 \$000	LTP 2020/21 \$000	LTP 2021/22 \$000	LTP 2022/23 \$000	4 Year Cost 2019- 2023
Community Services Improvements						1,493
Milton Service Centre Library Pool Community Facility - Service Centre/ Library Component	Option to build a new Milton combined service centre and pool facility on the site of the existing Service Centre between Union and Ajax streets.	93	-	272	-	365
Balclutha & Milton Destination Toilets	Upgrading of Balclutha and Milton public toilets to 'destination' toilets.	1,045	-	-	-	1,045
Community Services Renewals						
Balclutha Memorial Hall Project	A Community Committee has formed to look at options to develop a community hub.	500	1,500	-	-	2,000
Administration Office	Extension to office space, foyer upgrade and regulatory reconfiguration.	665	52	63	28	808
Resource Management Planning						
District Plan Review	A whole of plan review.	500	-	-	-	500

FINANCIAL STRATEGY – RATES

The following section provides information about Council's compliance with the limits within the financial strategy contained with the 2018/28 long term plan.

RATES

Rates are an important source of funding which Council uses to provide services. As reported in Graph 1 below Council has stayed within its 4% rates cap. Overall rates are expected to increase 3.39% on average during the forecast four years covered by this report.



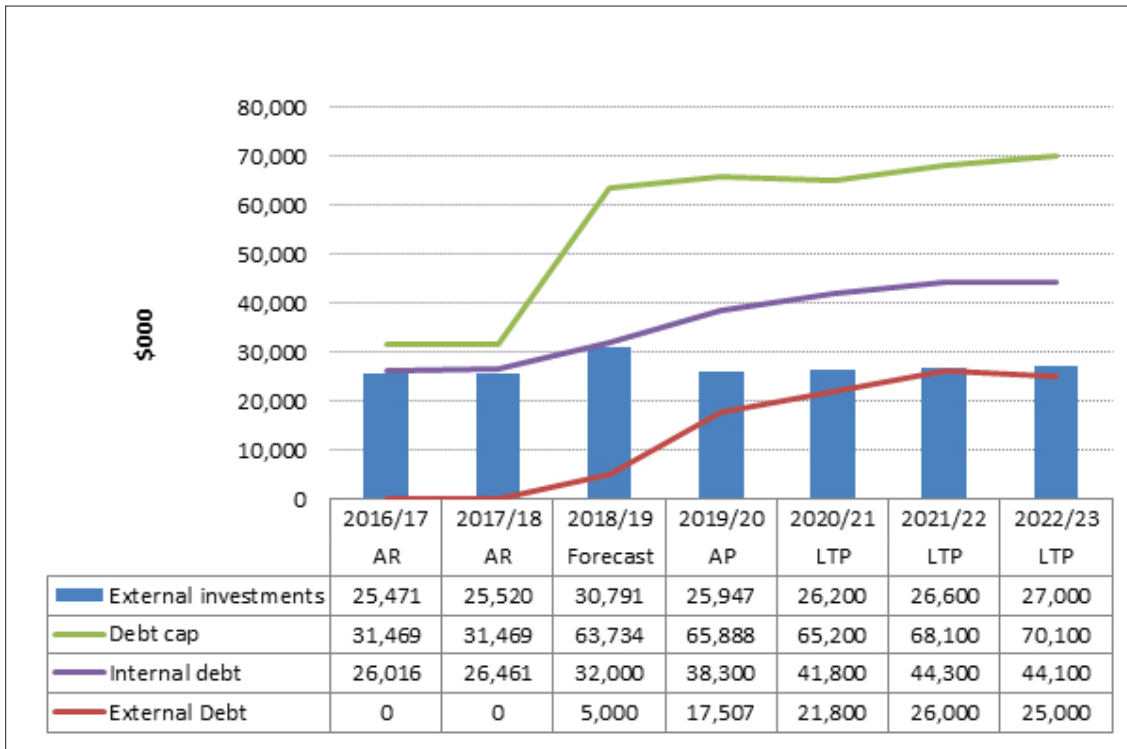
Graph 1: Actual And Forecast Changes To Rates 2017 To 2023



Graph 2: Actual and Forecast Total Rating Requirement 2017-2023

FINANCIAL STRATEGY – DEBT

DEBT



Graph 3: Actual and Forecast Changes to Investments and Debt 2017-2023

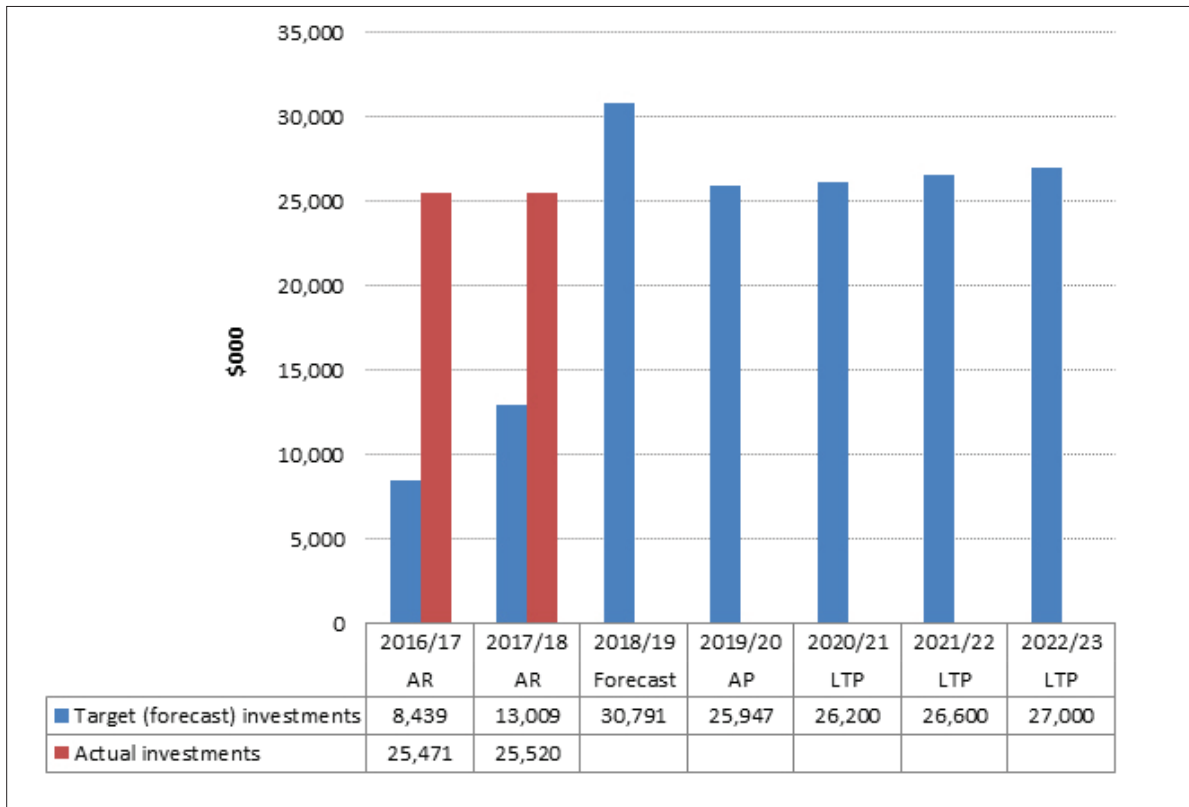
Our Nikko investments are forecast to earn a return of 5% and of this 3.27% will be used to offset rates. This means that over the next four years our investments will grow from \$26m to \$27m.

Internal debt is where we use reserves of one activity created out of depreciation funding to fund asset builds in another activity. This is dependent on cash being available to permit this. Internal debt is expected to grow from \$32m to \$44m mainly due to the accelerated capital programme in the 2020 year.

To help support the capital programme, whilst maintaining our investments, we will be borrowing from the LGFA at favourable interest rates around 2.37%. Our debt will therefore grow from \$5m up to \$25m and down to \$24m after four years. We have a limit on external debt (debt cap) equal to 150% of annual revenue. We will not exceed our debt cap.

FINANCIAL STRATEGY – INVESTMENTS

INVESTMENTS



Graph 4: Actual and Forecast Changes to Investments and Debt 2017-2023

Council maintains investments on behalf of ratepayers for the benefit of various Council activities.

This graph outlines target (forecast) and actual investments during the period of this report. Actual investments in 2016/17 and 2017/18 were higher than forecast. The large increase in 2018/19 was caused by forestry profits made when council opted out of our forestry assets. This large increase was not factored into our budgeting at the time. Investments will grow gradually in the forecast years as the estimated 5% return is offset by rates subsidies of 3.27%.

FUNDING IMPACT STATEMENT

The Funding Impact Statement is a picture of how Council intends to fund its activities, both operational and capital. Operating expenditure is day to day expenses used to run the activities and services Council provides. Capital funding is spending on assets that last a long period of time, e.g. roads, water and sewerage treatment plants.

Although it appears that the Council is making a considerable surplus in each year, this statement does not show depreciation expenditure, which is in effect the level of renewal expenditure that is funded from rates. The bottom line indicates that the surplus is actually spent on the funding of capital expenditure, and a combination of repayment of debt and movement in reserves.

(\$000)	Actual		Forecast				
	AR 2016/17	AR 2017/18	LTP 2018/19	AP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23
Sources of operating funding							
General rates, UAGCs, rates penalties	4,969	4,900	5,322	2,877	5,095	5,190	5,404
Targeted rates	19,967	20,427	21,462	24,075	22,635	23,485	24,325
Subsidies and grants for operating purposes	3,591	4,350	3,922	4,024	4,020	4,112	4,074
Fees and charges	3,552	3,909	3,890	3,187	3,180	3,802	3,924
Interest and dividends from investments	225	556	1,524	1,275	1,286	1,308	1,331
Fuel tax, fines, infringement fees and other receipts	0	203	194	1,637	1,776	1,813	1,852
Total operating funding	32,304	34,345	36,314	37,075	37,992	39,710	40,910
Applications of operating funding							
Payments to staff and suppliers	-25,833	-28,106	-29,366	-28,343	-27,480	-28,440	-29,286
Finance costs	-5	-6	0	-608	-697	-839	-807
Other operating funding applications	0	0	0	0	0	0	0
Total applications of operating funding	-25,838	-28,112	-29,366	-28,951	-28,177	-29,279	-30,093
Surplus (deficit) of operating funding	6,466	6,233	6,948	8,124	9,815	10,431	10,817
Sources of capital funding							
Subsidies and grants for capital expenditure	5,584	5,051	4,298	6,850	5,452	5,709	5,827
Development and financial contributions	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	5,000	17,946	6,780	4,274	-1,057
Gross proceeds from sale of assets	7,573	574	3,728	1,500	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0
Total sources of capital funding	13,157	5,625	13,026	26,296	12,232	9,983	4,770

FUNDING IMPACT STATEMENT

(\$000)	Actual		Forecast				
	AR 2016/17	AR 2017/18	LTP 2018/19	AP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23
Applications of capital funding							
Capital expenditure to meet additional demand	0	-1,473	-37	-592	-75	-1,147	-1,477
Capital expenditure to improve level of service	-5,477	-4,803	-7,010	-15,966	-6,716	-3,750	-486
Capital expenditure to replace existing assets	-7,993	-10,883	-9,625	-19,877	-15,074	-15,093	-12,687
(Increase) decrease in reserves	-7,532	7,801	3,812	2,312	264	29	-476
(Increase) decrease in investments	1,379	-2,500	-7,114	-297	-446	-453	-461
Total applications of capital funding	-19,623	-11,858	-19,974	-34,420	-22,047	-20,414	-15,587
Surplus (deficit) of capital funding	-6,466	-6,233	-6,948	-8,124	-9,815	-10,431	-10,817

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

This statement reflects council's revenue and expenditure and every three years the movement in property, plant and equipment caused by a revaluation to current replacement costs. From a balanced budget perspective, it is important to have a surplus each year.

(\$000)	Actual		Forecast				
	AR 2016/17	AR 2017/18	LTP 2018/19	AP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23
Revenue							
General Rates	4,737	5,028	5,169	5,320	5,095	5,190	5,404
Targeted Rates	19,985	20,426	21,637	21,837	22,774	23,629	24,474
Rates penalties	301	268	72	214	293	303	315
Internal rates	(340)	(395)	(406)	(419)	(432)	(447)	(464)
Total rates	24,683	25,327	26,472	26,952	27,730	28,675	29,729
Grants and subsidies	9,175	9,603	8,413	10,873	9,670	10,023	10,107
Fees and user charges	666	729	807	1,035	1,117	1,599	1,656
Permits and licenses	564	639	811	699	621	634	647
Other fees	1,011	1,049	1,252	1,309	1,335	1,460	1,507
Rental revenue	943	967	1,017	930	948	968	989
Interest revenue	225	556	493	1,275	1,286	1,308	1,331
Other revenue	621	525	953	852	737	753	770
Other gains	3,815	3,191	2,271	0	0	0	0
Total revenue	41,703	42,586	42,489	43,925	43,444	45,420	46,736
Expenditure							
Grants, contributions and sponsorship	616	618	1,221	2,230	1,432	1,462	1,494
Other operating expenditure	11,897	13,046	12,671	12,592	12,596	13,201	13,558
Roading repairs and maintenance	7,403	7,747	6,794	6,665	6,540	6,736	7,029
Personnel costs	5,342	5,653	6,362	7,266	6,879	7,008	7,169
Depreciation and amortisation	13,752	12,948	12,841	13,320	14,285	14,735	15,131
Finance costs	5	6	0	608	697	839	807
Operating lease payments	4	11	10	0	0	0	0
Total expenditure	39,019	40,029	39,899	42,681	42,429	43,981	45,188
Surplus for the year	2,684	2,557	2,590	1,244	1,015	1,439	1,548
Other Comprehensive Revenue & Expense items that may be reclassified to surplus or deficit							
Gain on Sale of Forestry	0	0	0	0	0	0	0
Available-for-sale financial assets valuation gain	5	0	0	0	0	0	0
PP&E revaluation	(3,391)	0	0	81,711	0	0	97,716
Total Comprehensive Revenue and Expense for the year	(702)	2,557	2,590	82,955	1,015	1,439	99,264

STATEMENT OF FINANCIAL POSITION

This statement, also known as the balance sheet, demonstrates Council has a sound financial position. It shows what assets Council owns and the value of these assets, in Clutha's case, just over \$1.1 billion. It also shows how Council has funded the acquisition of those assets. Council's main assets are its property, plant and equipment, for example roads, water and sewerage assets. Also evident in Council's balance sheet is the fact we have minimal liabilities, giving a strong net position.

(\$000)	Actual		Forecast				
	AR 2016/17	AR 2017/18	LTP 2018/19	AP 2019/20	LTP 2020/21	LTP 2021/22	LTP 2022/23
Current assets							
Cash and cash equivalents	1,314	1,217	595	63	279	250	726
Trade and other receivables	3,732	6,389	2,677	4,480	3,891	3,975	4,066
Inventory	0	0	0	3,940	1,040	1,062	1,085
Assets held for sale	317	420	40	60	317	317	317
Development property	5,223	3,700	3,864	500	0	0	0
Other financial assets	25,471	25,520	30,791	25,947	26,163	26,615	27,077
Total current assets	36,057	37,246	37,967	34,990	31,690	32,219	33,271
Non-current assets							
Trade & other receivables	0	0	0	0	0	0	0
Other Financial Assets	52	52	55	52	52	52	52
Property, plant & equipment	989,930	992,995	997,956	1,109,693	1,117,718	1,122,972	1,220,207
Intangible assets	0	1,117	860	0	0	0	0
Forestry	0	0	0	0	0	0	0
Total non-current assets	989,982	994,164	998,871	1,109,745	1,109,745	1,123,024	1,220,259
Total assets	1,026,039	1,031,410	1,036,838	1,144,735	1,149,460	1,155,243	1,253,530
Current Liabilities							
Trade & other payables	4,337	7,029	4,891	5,091	4,470	4,543	4,621
Employee entitlements	482	626	627	551	482	482	482
Borrowings	0	0	0	1,043	897	1,180	1,180
Total current liabilities	4,819	7,655	5,518	6,685	5,849	6,205	6,283
Non-current liabilities							
Borrowings	0	0	5,000	17,507	20,873	24,864	23,807
Provisions	750	731	705	750	750	750	750
Other liabilities	61	58	58	58	60	60	59
Total non-current liabilities	811	789	5,763	18,315	21,683	25,674	24,616
Total liabilities	5,630	8,444	11,281	25,000	27,532	31,879	30,899
Net assets	1,020,409	1,022,966	1,025,557	1,119,735	1,121,928	1,123,364	1,222,631
Accumulated Comprehensive Revenue & Expense							
Revaluation reserves	744,208	744,208	744,186	825,919	827,930	827,930	925,646
Reserves	39,550	51,547	61,840	39,770	38,874	39,042	42,298
Trust funds	396	408	383	408	396	396	396
Total Equity	1,020,409	1,022,966	1,025,557	1,119,735	1,121,928	1,123,364	1,222,631

BASIS OF PREPARATION

This Pre-Election Report brings together information published in Council's Long Term Plan, Annual Plans, Annual Reports, and associated summaries. It reflects the policies and strategies contained in the 2018/28 Long Term Plan and service level decisions of the current Council at that time.

The financial information contained in this Pre-Election Report has been compiled from the following sources:

- Years 2016/17 and 2017/18 has been extracted from the 2016/17 and 2017/18 Annual Reports, which have been audited by the Auditor General.
- The 2018/19 year is an estimate made by us and is yet unaudited.

- The 2019/20 year has been extracted from the 2019/20 Annual Plan.
- Information from 2020/21 onwards has been extracted from the 2018/28 Long Term Plan which has been audited by the Auditor General.

There is no requirement for the Pre-Election Report to be separately audited. However, the majority of the information in this report has already been audited as disclosed above.

Changes that Council decides in the next Long Term Plan 2021/31 will alter the forecasts in this report.