

Notice of Meeting:

I hereby give notice that an ordinary meeting of the Finance and Council Controlled Organisations Committee will be held on:

Date: Monday 15 June 2020
Time: 1.00 pm
Venue: Edinburgh Room, Municipal Chambers, The Octagon, Dunedin

Sue Bidrose
Chief Executive Officer

Finance and Council Controlled Organisations Committee
PUBLIC AGENDA

MEMBERSHIP

Chairperson	Cr Mike Lord	
Deputy Chairperson	Cr Doug Hall	
Members	Cr Sophie Barker	Cr David Benson-Pope
	Cr Rachel Elder	Cr Christine Garey
	Mayor Aaron Hawkins	Cr Carmen Houlahan
	Cr Marie Laufiso	Cr Jim O'Malley
	Cr Jules Radich	Cr Chris Staynes
	Cr Lee Vandervis	Cr Steve Walker
	Cr Andrew Whiley	
Senior Officer	Dave Tombs, General Manager Finance and Commercial	
Governance Support Officer	Wendy Collard	

Wendy Collard
Governance Support Officer

Telephone: 03 477 4000
Wendy.Collard@dcc.govt.nz
www.dunedin.govt.nz

Note: Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

ITEM TABLE OF CONTENTS		PAGE
1	Public Forum	4
2	Apologies	4
3	Confirmation of Agenda	4
4	Declaration of Interest	5
PART A REPORTS (Committee has power to decide these matters)		
5	Waipori Fund - Quarter Ending March 2020	17
6	Financial Result - Period Ended 31 May 2020	24
7	Items for Consideration by the Chair	35

1 PUBLIC FORUM

At the close of the agenda no requests for public forum had been received.

2 APOLOGIES

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

3 CONFIRMATION OF AGENDA

Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

DECLARATION OF INTEREST

EXECUTIVE SUMMARY

1. Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.
2. Elected members are reminded to update their register of interests as soon as practicable, including amending the register at this meeting if necessary.

RECOMMENDATIONS

That the Committee:

- a) **Notes/Amends** if necessary the Elected Members' Interest Register attached as Attachment A; and
- b) **Confirms/Amends** the proposed management plan for Elected Members' Interests.

Attachments

	Title	Page
↓A	Elected Members' Register of Interest	7

Councillor Register of Interest - Current as at 9 June 2020				
Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Aaron Hawkins	Trustee	West Harbour Beautification Trust	Potential conflict WHBT work with Parks and Reserves to co-ordinate volunteer activities	Withdrawal from all West Harbour Beautification Trust/ DCC discussions involving this relationship.
	Trustee	St Paul's Cathedral Foundation	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property Owner - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Young Elected Members' Committee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Thank You Payroll	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	ICLEI Oceania Regional Executive	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Green Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Museum Trust Board (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Otago Theatre Trust (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Otago Polytech's Research Centre of Excellence	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	LGNZ National Council	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Alexander McMillan Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Cosy Homes Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Chair	LGNZ Policy Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.	
Member	Local Government New Zealand Zone 6 Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.	
Sophie Barker	Employee	Otago Peninsula Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Director	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Ocho Newco Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Property Owner	Residential Property Owner - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Beneficiary	Sans Peur Trust (Larnach Castle)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Trustee	Dunedin Midwinter Carnival	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Dunedin Gas Works Museum Trust (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
David Benson-Pope	Owner	Residential Property Ownership in Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee and Beneficiary	Blind Investment Trusts	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Yellow-eyed Penguin Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Heritage Fund Trust (Council appointment)	Duty to Trust may conflict with duties of Council Office	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Regional Transport Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Commissioner (Community Representative)	District Licensing Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Rachel Elder	Owner	Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Greater South Dunedin Action Group	Decisions may be considered on the future of South Dunedin.	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Host Parent	Otago Girls High School	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Advisor/Support Capacity	Kaffelagic	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tracks and Trails Interest Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Manufacturing Holdings	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Southern Urban Dunedin Community Response Group	Decisions about emergency response recovery may be conflicted	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep Dunedin Beautiful (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Okia Reserve Management Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Café Logic Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Christine Garey	Trustee	Garey Family Trust - Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Creative Dunedin Partnership (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Symphony Orchestra Foundation Board of Trustees (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Theomin Gallery Management Committee (Olveston) (Council appointment)	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Chair	Grants Subcommittee (Council Appointment)	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	External family member is a Principal Security Consultant Local Government New Zealand Zone 6 Committee (Council Appointment)	Major supplier to DCC No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises. Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Doug Hall	Director/Owner	Hall Brothers Transport Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Dunedin Crane Hire	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Wood Recyclers Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Dunedin Concrete Crushing Ltd	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Director/Owner	Anzide Properties Ltd - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	The Woodshed 2014 Limited	May contract and provide service to DCC	Withdraw from discussion and leave the table. If in confidential leave the room. Seek prior approval from Office of the Auditor General when required.
	Owner	Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Farmlands	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Ravensdown Fertiliser	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	PGG Wrightson	Currently no likely conflict	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Silver Fern Farms	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Valley View Development Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Geekfix Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Hall Family Trust, Invercargill	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Director	Milburn Processing Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.	

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Donor of the use of a building free of charge to the group	Fire Brigade Restoration Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Financial Donor	Dunedin North Community Patrol	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Donor of the use of a building free of charge to the group	North Dunedin Blokes Shed	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Loan of a four wheel drive truck free of charge to the group for cartage of gravel	Mountainbiking Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Partner	Highland Helicopters	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Supplier	Southweight Truck and Weights for testing Weighbridges Otago & Southland	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Craigieburn Reserve Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Chinese Garden Advisory Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Carmen Houlahan	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Rental Property - North Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Part Owner	Adobe Group Ltd, Wanaka	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Property Investors Association	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Company Owner/Sole Director	Shelf Company - RU There	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Toitu Otago Settlers Museum Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council appointment)	Possible grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Shareholder	Startup Business	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgjel Taieri Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
Marie Laufiso	Property Owner	Residential Property	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Community Building Trust - Trust Owner of Property 111 Moray Place	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Mental Health Trust	Potential grants applicant which would result in pecuniary interest. Duty to Trust may conflict with duties of Council Office	Do not participate in consideration of grants applications. If the meeting is in confidential, to leave the room.
	Trustee	Brockville Community Support Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Trustee	Corso Ōtepoti Dunedin Trust	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Dunedin Manufacturing Holdings Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	National Secretary	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Dunedin Branch Treasurer	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Dunedin Branch delegate to Arai Te Uru Marae Council	P.A.C.I.F.I.C.A Inc	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Green Party of Aotearoa New Zealand	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Age Concern (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Abrahamic Interfaith Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Refugee Steering Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Settlers Association (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Fair Trading Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Deputy Chair	Grants Subcommittee	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Member	Social Well Being Advisory Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.	
Committee Member	Dunedin Multi-Ethnic Council	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.	
Mike Lord	Trustee	ML Lord Family Trust - Owner of Residential Properties - Dunedin	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Otago Rural Support Trust	Duty to Trust may conflict with duties of Council Office	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Federated Farmers Charitable Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Fonterra	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Federated Farmers	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Mosgiel Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Mosgiel RSA	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	National Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Federated Farmers Charitable Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chairperson	Otago Rural Support Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Strath Taieri Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Hereweka Harbour Cone Trust (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	District Licensing Committee (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Jim O'Malley	Owner	Biocentrix Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Mosgiel Association Football Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Ocho Newco Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Residential Property Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Ayrmed Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ice Sports Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Manufacturing Holdings	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Ice Sports Dunedin Incorporated (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Okia Reserve Management Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Waikouaiti Coast Community Board (Council Appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Jules Radich	Shareholder	Izon Science Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Taurikura Drive Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Golden Block Developments Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Director	Cambridge Terrace Properties Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Southern Properties (2007) Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Golden Centre Holdings Ltd	The Auditor General has issued a declaration under section 6(4) of LAMIA allowing Cr Radich to participate on the grounds that it is in the interests of the electors and inhabitants of the area that he be allowed to do so. The declaration applies to the Council meeting on 25 May 2020 and to discussion and deliberations on the Annual Plan 2020/21 up to and including the adoption of the Annual Plan	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	IBMS Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Raft Holdings Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Otago Business Coaching Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Effectivise Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Athol Street Investments Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Allandale Trustee Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Aberdeen St No2 Ltd	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Acquisitions Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Road Safety Action Plan	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment - alternate)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Saddle Hill Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Chris Staynes	Chairman	Cargill Enterprises	Contractor and service provider to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room.
	Director	Wine Freedom	Supplier to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room.
	Patron	Otago Model Engineering Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Balmacewen Lions Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	Otago Southland Manufacturers Association Trust	Possible co-funder of ED project. Duties to the Trust may conflict with duties of Council	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Deputy Chair	Cancer Society of Otago/Southland	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Past President	Patearoa Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Trustee	CJ and CA Staynes Family Trust - Property Owner - Dunedin and Patearoa	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	George Street Wines Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director/Shareholder	Saddle Hill Investment Trust Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Association of Amateur Radio and Transmitters	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	Otago Museum Trust Board (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Trustee	Theomin Gallery Trust (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Chairman	Grow Dunedin Partnership (Council appointment)	Duties may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Dunedin Shanghai Association (Sister City Society) (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Social Well Being Advisory Group (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Local Government New Zealand Zone 6 Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Lee Vandervis	Director	Lee Vandervis, Antonie Alm-Lequeux and Cook Allan Gibson Trustee Company Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Bunchy Properties Ltd - Residential Property Ownership - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Owner	Vandervision Audio and Lighting - Hire, Sales and Service Business	May contract and provide service to DCC	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Member	Otago Museum Trust Board (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Member	District Licensing Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Chair	Dunedin Heritage Fund Trust (Council appointment)	Duties to Trust may conflict with duties of Council Office. Recipient of Council funding	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
Steve Walker	Chairperson	Dunedin Wildlife Hospital Trust	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Chairperson	West Harbour Beautification Trust	Potential conflict WHBT work with Parks and Reserves to co-ordinate volunteer activities	Withdrawal from all West Harbour Beautification Trust/ DCC discussions involving this relationship.
	Member	Orokonui Ecosanctuary	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Member	Port Chalmers Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep New Zealand Beautiful	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Member	Society of Beer Advocates	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	New Zealand Labour Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Port Chalmers Historical Society	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Owner	Residential Property - Dunedin	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Various publicly listed companies	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	NZ Sea Lion Trust	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Edinburgh Sister City Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Connecting Dunedin (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Te Ao Turoa Partnership (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Keep Dunedin Beautiful (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Tertiary Precinct Planning Group (Council appointment - alternate)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	West Harbour Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
Andrew Whiley	Owner/Operator	Whiley Golf Inc and New Zealand Golf Travel Ltd	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Director/Shareholder 22 May 2017	Estate of Grace Limited	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential leave the room. Seek advice prior to the meeting.
	Trustee	Japek (Family Trust) - Property Ownership - Dunedin	Duties to Trust may conflict with duties of Council Office.	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Otago Golf Club	No conflict identified	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Dunedin South Rotary Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	New Zealand Professional Golfers Assn	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Spokes Person	Pro Gas Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Institute of Directors	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	National Party	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	Chairman	Volunteering Otago	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Otaru Sister City Society (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Public Art Gallery Society (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Grow Dunedin Partnership (Council appointment - alternate)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	NZ Masters Games Trust Board (Council appointment)	Potential grants recipient	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	Member	Puketai Residential Centre Liaison Committee (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Otago Peninsula Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.

PART A REPORTS

WAIPORI FUND - QUARTER ENDING MARCH 2020

Department: Finance

EXECUTIVE SUMMARY

- 1 The attached report from Dunedin City Treasury Limited provide information on the results of the Waipori Fund for the quarter ended 31 March 2020.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 31 March 2020.

BACKGROUND

- 2 Not applicable.

DISCUSSION

- 3 The attached report shows that the Waipori Fund suffered a 6.5% loss in the quarter ended March 2020, attributable to the COVID-19 virus.
- 4 The March finance report provided to Council on 25 May 2020 showed that the value of the Waipori Fund decreased by \$6.14m in the month of March.
- 5 The April finance report provided to Council on 25 May 2020 showed that \$3.87m of the Waipori Funds' March decrease was recovered in April.
- 6 The May finance report shows that a further \$1.95m of the Fund's March decrease was recovered in May.

OPTIONS

- 7 Not applicable.

NEXT STEPS

8 Not applicable.

Signatories

Author:	Richard Davey - Treasury Manager
Authoriser:	Dave Tombs - General Manager Finance and Commercial

Attachments

	Title	Page
↓A	Waipori Fund - March 2020 Quarter	20

SUMMARY OF CONSIDERATIONS
Fit with purpose of Local Government

This report relates to providing local infrastructure, public services and regulatory functions for the community.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other strategic projects/policies/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This report has no direct contribution to the Strategic Framework.

Māori Impact Statement

There are no know implications for tangata whenua.

Sustainability

There are no known implications for sustainability.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

This report fulfils the financial reporting requirements for Council.

Financial considerations

Not applicable – reporting only.

Significance

Not applicable – reporting only.

Engagement – external

This report has been prepared for and approved by the Board of Dunedin City Treasury Limited.

Engagement - internal

There has been no internal engagement.

Risks: Legal / Health and Safety etc.

There are no known risks.

Conflict of Interest

There are no known conflicts of interest.

Community Boards

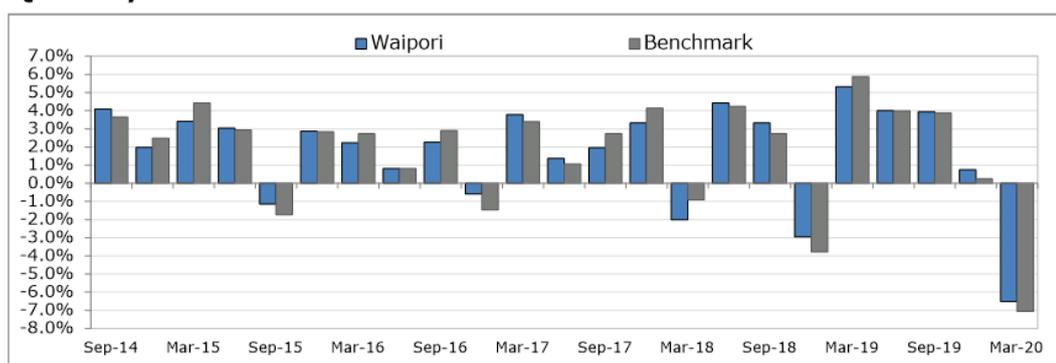
There are no known implications for Community Boards.

Dunedin City Treasury Ltd

50 The Octagon
PO Box 5045
Dunedin 9058
New Zealand
Telephone (03) 474 3696
Facsimile (03) 474 3594
Email dunedincitytreasury@dcc.govt.nz

TO: Chief Executive, Dunedin City Council
FROM: Dunedin City Treasury Ltd
DATE: 23 April 2020
SUBJECT: **WAIPORI FUND - MARCH 2020 QUARTER**

Quarterly Returns vs Benchmark



March 2020 Quarter

In line with global equity markets it was a volatile quarter for the Fund, with a 6.5% loss as equities experienced a strong reaction to the COVID-19 virus progressing through the world. New Zealand and Australian Equities were the strongest effected sectors, down 15.4% and 14.9%, respectively. The return of -6.5% overall compares slightly better than the -7.1% Benchmark return.

Fund Returns

Period ended 31 March 2020	Waipori		Benchmark	
	Quarter %	FY %	Quarter %	FY %
NZ Equities (NZ50 Gross)	-15.4	-7.2	-14.8	-6.7
Australian Equities (Australian All A)	-14.9	-4.0	-25.0	-22.6
Int'l Equities (MSCI World Gross)	-8.5	-6.6	-12.0	-4.1
Property Equities (NZ Real Estate)	-22.5	-21.8	-20.4	-14.1
Short Term Interest (NZ 90 day bb)	0.4	0.0	0.4	1.1
Fixed Interest (NZ Corp Bond index)	0.1	-0.6	1.2	2.3
TOTAL	-6.5	-2.1	-7.1	-3.2

Note: The Benchmarks used are the best available based on broad market indices and therefore their returns are not directly comparable with Waipori's returns. DCTL continues to review the appropriateness of the benchmark indices used and are comfortable that they are the best available at this time.

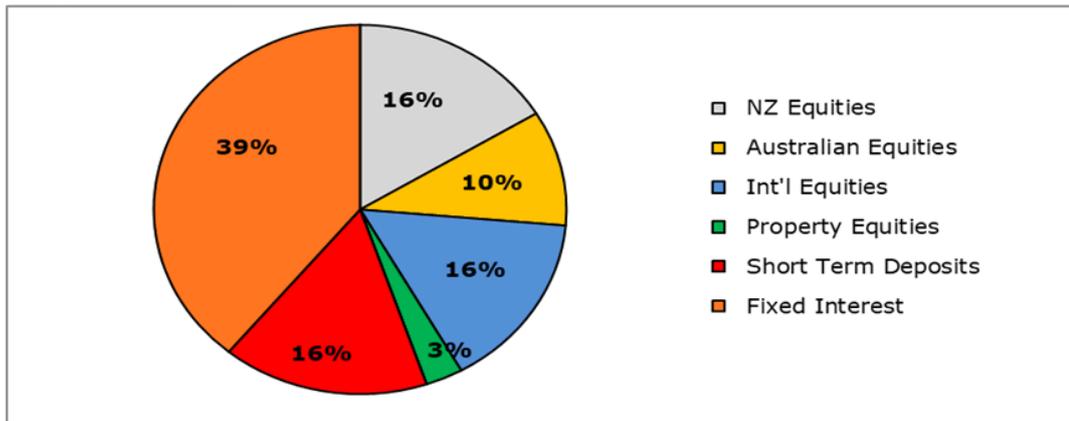
Investment Profile

Waipori is diversified across asset classes with 44.8% invested in growth assets (equities and property) and 55.2% invested in income assets (fixed interest investments and short term deposits/cash). The market value of the investment portfolio as at 31 March 2020 was \$90.4 million.

Summary of Investments

As at 31 March 2020	Market Value	Percentage of Portfolio Exposure	Benchmark/Range*
NZ Equities	14,735,392	16.3	16.0
Australian Equities	9,131,719	10.1	11.0
Int'l Equities	13,985,814	15.5	15.0
Equities	37,852,925	41.9	20.0 - 60.0
Property Equities	2,645,105	2.9	3.0
Property	2,645,105	2.9	0.0 - 10.0
Short Term Deposits	14,661,811	16.2	10.0
Fixed Interest	35,283,685	39.0	45.0
Fixed Interest	49,945,497	55.2	40.0 - 70.0
TOTAL	90,443,527	100.0	100.0

Asset Allocation



Outlook

The Reserve Bank of New Zealand cut rates by 75bp on 16 March to just 0.25%. Expectations are for the RBNZ to keep the Official Cash Rate at this level for at least next 12 months. This has contributed to significantly lower New Zealand Fixed Interest yields recently and likely in the foreseeable future .

The significant fiscal package from the government is expected to cushion effects of COVID-19 on the New Zealand Economy. However the markets will be preparing for challenging times ahead.

The equity market has taken a large hit for the quarter and it is unknown what equities will do in the near future. The market may well see an uplift when NZ moves to Covid-19 Level 3 and business start to pick up again.

Global: Data out Mid April showed US Retail Sales slumping 8.7% in March, the biggest single month slide since the data series began in 1992 while at the same time, US manufacturing output dropped 6.3% in March, the most since 1946.

In summary we are in uncharted territory and at the mercy of market reactions to the variety of outcomes from Covid -19 pandemic. The fund is diversified and has been a long term investor, accordingly we continue to maintain a long term view versus reacting to current market values, however we will be seeking a review of the equity portfolio to assess any long term implications on specific investments. Equally, at present the fund has cash on hand and we will be seeking advice as to investment opportunities.

Keith Cooper
CHAIR

Olivia White
ASSISTANT TREASURER

Richard Davey
TREASURY MANAGER

**WAIPORI FUND
PERFORMANCE VERSUS INVESTMENT OBJECTIVES**

31 March 2020

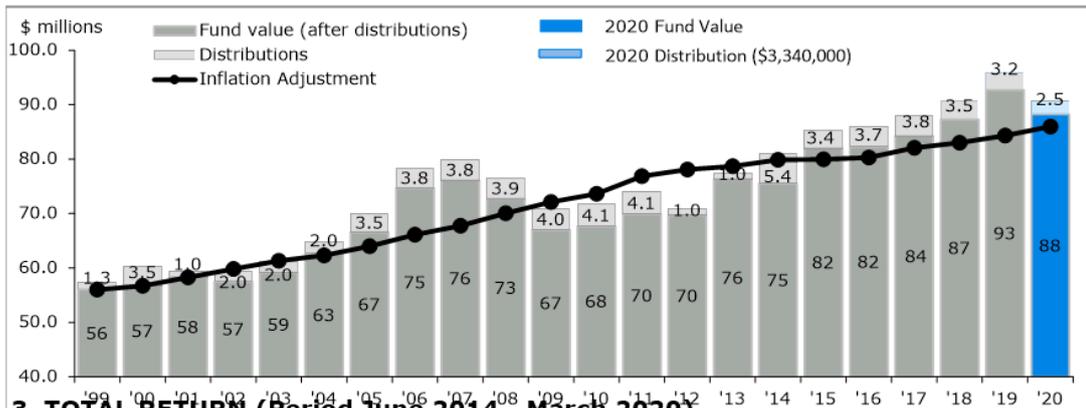
1. INCOME

Objective	2020 Est. Income	2020 Est. Yield	Average Yield	Period Years
The primary objective of the Fund will be to maximise its income, subject always to a proper consideration of investment risk.	\$3,126,418	3.4%	4.6%	20 3/4

2. CAPITAL GROWTH

Objective	Fund Value 31 Mar 2020	Revised Capital Base	Achieved
Subject to the income distribution needs of the Council and the provisions for capital protection, a key objective will be to grow the Fund's capital. Each calendar quarter, the Fund's capital base is to be adjusted by the movement in the CPI as follows: Revised capital base = previous capital base x (1 + quarterly CPI movement)	\$88,211,557	\$85,980,721	✓

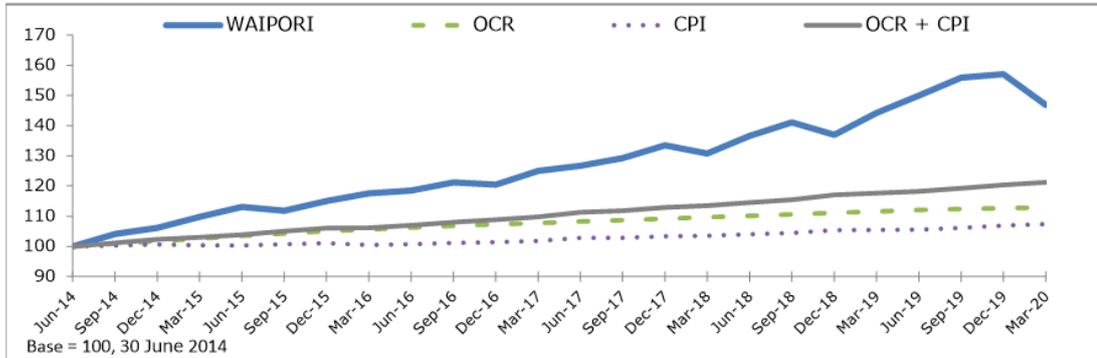
Fund value less accrued distribution (\$2,505,000)



3. TOTAL RETURN (Period June 2014 - March 2020)

Objective	Waipori Return*	OCR*	CPI*	OCR + CPI	Achieved	Period Years
The Council envisages a minimum return over the medium to long-term, net of all fees and charges attributable to the Fund, equivalent to the weighted average Official Cash Rate (OCR) plus the movement in the "all groups" Consumer Price Index (CPI).	6.9%	2.1%	1.3%	3.4%	✓	5.75

*Returns annualised



WAIPORI FUND

Statement of Financial Performance for quarter ended 31 March 2020

Quarter 31-Mar-19	Actual YTD 31-Mar-19		Actual	Quarter Target	Variance	Actual	Year to Date Target	Variance	Target Full Year
216,208	1,029,201	Income	226,541	229,987	(3,446)	969,777	1,020,244	(4,468)	1,451,085
453,798	1,409,990	Dividends	378,166	331,233	46,933	1,253,439	1,193,525	(21,908)	1,675,333
(295,074)	(315,673)	Interest	-	-	-	102,620	-	(20,599)	-
		Surplus on sale of Equities							
4,057,734	2,847,527	Unrealised Gains/(Losses)	(7,851,956)	n.a.	n.a.	(4,923,176)	n.a.	n.a.	n.a.
(151,079)	(540,496)	Equities	1,255,683	n.a.	n.a.	1,270,626	n.a.	n.a.	n.a.
3,906,655	2,307,031	Exchange Movements	(6,596,273)	283,802	(6,880,075)	(3,652,550)	851,406	(2,035,820)	1,135,208
418,820	611,878	Revaluation of Equities	(269,073)	-	(269,073)	(426,413)	-	193,058	-
2,580	-	Revaluation of Bonds	(5,484)	-	(5,484)	(9,163)	-	(2,580)	-
4,702,987	5,042,428	Revaluation of \$AUD Bank A/C							
		Total Income	(6,266,123)	845,022	(7,111,145)	(1,762,290)	3,065,175	(1,892,317)	4,261,626
		less Expenses							
9,803	109,193	Management Fees	-	49,016	(49,016)	-	147,048	14,212	196,064
36,094	45,836	Equity Management Advice	59,503	11,212	48,291	181,825	33,637	(9,742)	44,850
21	111	Bank Fees	31	30	1	96	90	71	120
45,918	155,140	Total Expenses	59,534	60,258	(724)	181,921	180,775	4,541	241,034
4,657,069	4,887,288	Net Surplus/(Deficit)	(6,325,657)	784,764	(7,110,421)	(1,944,211)	2,884,400	(1,896,858)	4,020,592

Targets are calculated based on assumptions of returns for each asset class by Craigs' Investment Partners and current yields.
Targets do not split out contribution from market and exchange movements.

WAIPORI FUND

Statement of Movement in Principal of Fund
For Period to 31 March 2020

30-Jun-19		31-Mar-20
56,000,000	Principal	56,000,000
	Inflation Adjustment Reserve	
27,007,797	Opening Balance	28,302,895
1,295,098	Transfer from Retained Earnings	1,677,827
28,302,895	Closing Balance	29,980,722
	Retained Earnings	
4,281,796	Opening Balance	8,357,804
8,571,106	Net Surplus/(Deficit)	(1,944,211)
(1,295,098)	Transfer to Inflation Adjustment Reserve	(1,677,827)
(3,200,000)	Distribution to Council	-
8,357,804	Closing Balance	4,735,766
92,660,699	Total Fund at End of the Period	90,716,488
92,660,699		

Statement of Financial Position
As at 31 March 2020

30-Jun-19		31-Mar-20
	Current Assets	
387,272	Bank Account	808,546
306,821	Debtors	333,192
12,072,818	Short Term Investments	13,853,265
12,766,911	Total Current Assets	14,995,003
	Investments	
44,143,582	Equities	40,498,030
35,848,678	Term Financial Instruments	35,283,685
79,992,260	Total Investments	75,781,715
92,759,171	Total Assets	90,776,718
	less	
	Current Liabilities	
98,469	Accruals	60,230
98,472	Total Current Liabilities	60,230
92,660,699	Total Value of Fund	90,716,488

FINANCIAL RESULT - PERIOD ENDED 31 MAY 2020

Department: Finance

EXECUTIVE SUMMARY

- 1 This report provides the financial results for the period ended 31 May 2020 and the financial position as at that date.

\$ Million	Actual	Budget	Variance		Last Year
Revenue	277.298	287.659	(10.361)	U	279.315
Expenditure	282.129	286.806	4.677	F	272.513
Net Surplus/(Deficit) excluding Waipori	(4.831)	0.853	(5.684)	U	6.802
Waipori Fund Net	3.873	4.623	(0.750)	U	6.688
Net Surplus/(Deficit) including Waipori	(0.958)	5.476	(6.434)	U	13.490
Capital Expenditure	82.135	111.426	29.291		89.958
Debt					
Short Term Borrowings	25.000	43.000	18.000	F	5.500
Term Loans	218.973	225.473	6.500	F	210.473
Total Debt	243.973	268.473	24.500	F	215.973

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Financial Performance for the period ended 31 May 2020 and the Financial Position as at that date.

BACKGROUND

- 2 This report provides the financial statements for the period ended 31 May 2020. It includes reports on: financial performance, financial position, cashflows and capital expenditure. The operating result is also shown by group, including analysis by revenue and expenditure type.
- 3 Please note that the supporting narrative (Financial Review) for May 2020 had not been completed at the time of publication of this agenda.

DISCUSSION

- 4 The year to date unfavourable revenue variance included the impact of the nationwide lockdown with a number of operating units recording little or no income in the month of April, flowing into May. The variance also included the previously reported reduced activity at the Green Island Landfill and lower parking revenue.

These unfavourable variances were partially offset by an unbudgeted dividend from Civic Assurance and unbudgeted revenue from the Provincial Growth Fund for economic development initiatives.

Grants revenue was also less than budget due to the lower than expected capital expenditure on roading projects. This included the impact of limited activity in April.

- 5 Overall expenditure was a favourable spend of \$4.677 million. This was due to favourable interest costs, delayed timing associated with Parks maintenance contracts (reserves, buildings and other facilities), lower variable costs resulting from the reduced landfill activity, timing of ETS costs relating to the Green Island landfill and lower than expected pre-reseal road maintenance expenditure. An absence of significant weather events to date has also resulted in lower emergency works being carried out.

The nationwide lockdown also resulted in a reduction in expenditure in April and May across various activities in particular Three Waters, Parks, Property and Transportation.

These favourable variances were partially offset by higher depreciation following the revaluation of Transport assets and higher personnel costs due to additional staffing required to support the delivery of 2GP and increased building consent activity.

- 6 The year to date Waipori result was behind budget however there has been a significant degree of recovery in April/May following the initial market decline that occurred in March.
- 7 Capital expenditure was running under budget with a significant underspend in the month of April following the nationwide lockdown. It is anticipated that capital spend for the full year will fall short of budget.

OPTIONS

8 Not applicable.

NEXT STEPS

9 Not applicable.

Signatories

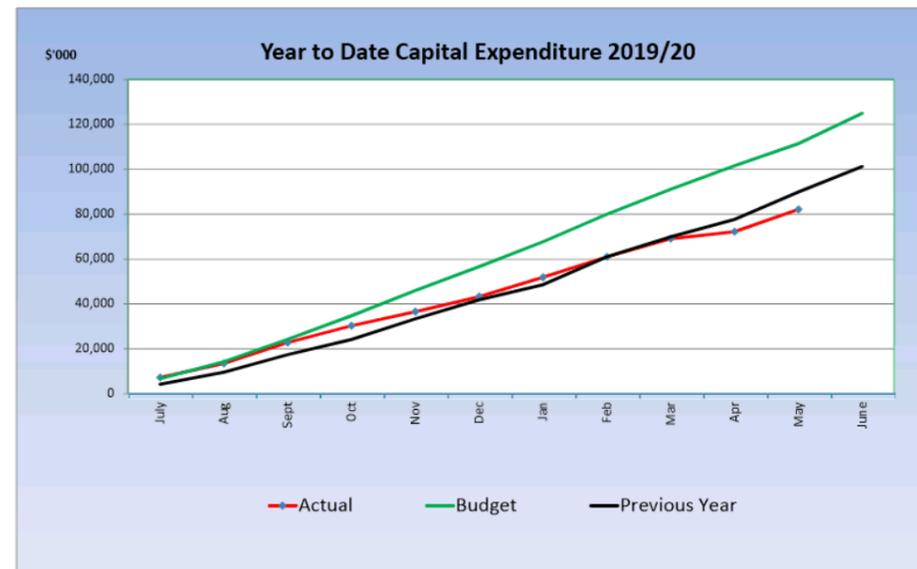
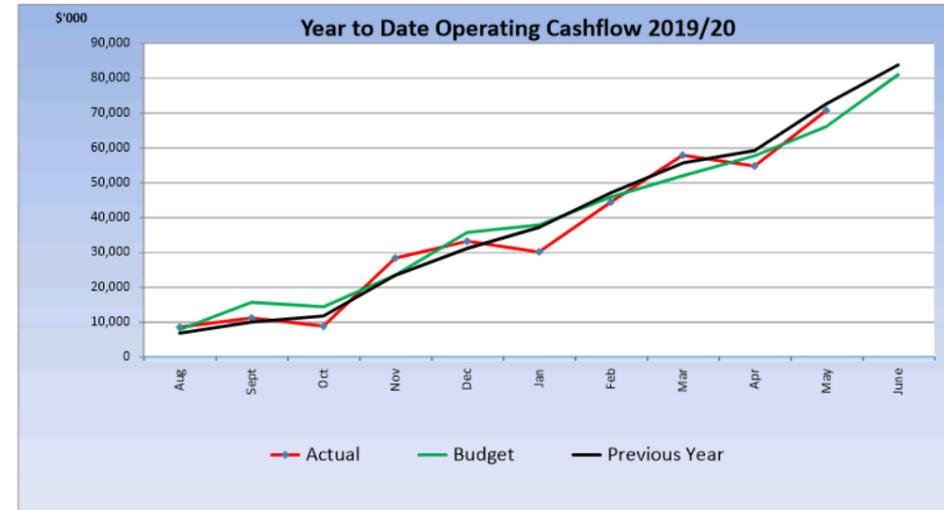
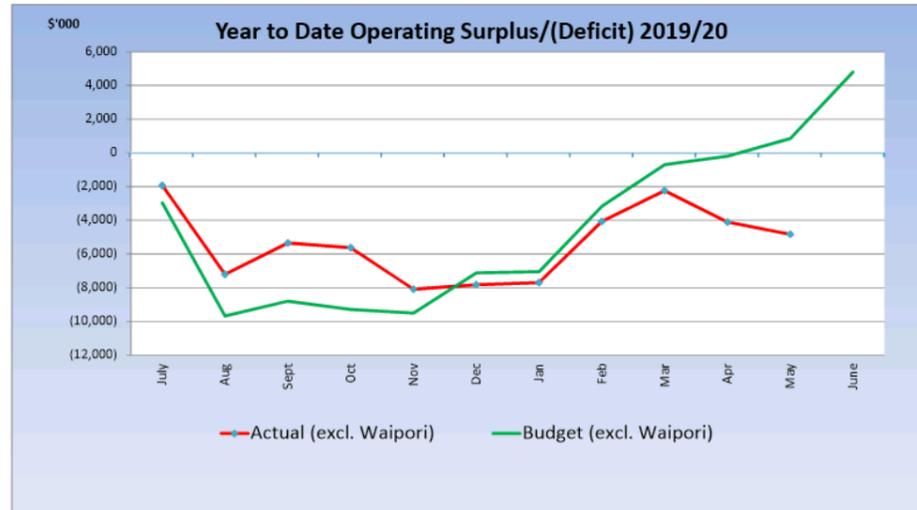
Author:	Gavin Logie - Financial Controller Lawrie Warwood - Financial Analyst
Authoriser:	Dave Tombs - General Manager Finance and Commercial

Attachments

	Title	Page
↓A	Summary Financial Information	29
↓B	Statement of Financial Performance	30
↓C	Statement of Financial Position	31
↓D	Statement of Cashflows	32
↓E	Capital Expenditure Summary	33
↓F	Summary of Operating Variances	34

SUMMARY OF CONSIDERATIONS			
<i>Fit with purpose of Local Government</i>			
The financial expenditure reported in this report relates to providing local infrastructure, public services and regulatory functions which contribute to the well-being of the community.			
<i>Fit with strategic framework</i>			
	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Economic Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environment Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Arts and Culture Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Spatial Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other strategic projects/policies/plans	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
This report has no direct contribution to the Strategic Framework, although the financial expenditure reported in this report has contributed to all of the strategies.			
<i>Māori Impact Statement</i>			
There are no known impacts for tangata whenua.			
<i>Sustainability</i>			
There are no known implications for sustainability.			
<i>LTP/Annual Plan / Financial Strategy /Infrastructure Strategy</i>			
This report fulfils the internal financial reporting requirements for Council.			
<i>Financial considerations</i>			
Not applicable – reporting only.			
<i>Significance</i>			
Not applicable – reporting only.			
<i>Engagement – external</i>			
There has been no external engagement.			
<i>Engagement - internal</i>			
The report is prepared as a summary for the individual department financial reports.			
<i>Risks: Legal / Health and Safety etc.</i>			
There are no known risks.			
<i>Conflict of Interest</i>			
There are no known conflicts of interest.			
<i>Community Boards</i>			
There are no known implications for Community Boards.			

DUNEDIN CITY COUNCIL
SUMMARY FINANCIAL INFORMATION AS AT 31 MAY 2020



Borrowing Metrics	LGFA Target		Actual	Budget
Interest as a % rates revenue	< 30% *		6.7%	8.1%
Interest as a % total revenue	< 20% *		3.9%	4.5%
Debt % annualised revenue	250.0% Max.		91.3%	94.4%
Debt % (including Stadium)			123.0%	124.4%

* represents the ability to fund interest costs from revenue

<p style="text-align: center;">DUNEDIN CITY COUNCIL Statement of Financial Performance For the Period Ending 31 May 2020 Amount : \$'000</p>											
Mth	Mth	Mth			Year to Date	Year to	Year to		LY Full		
Actual	Budget	Variance		REVENUE	Actual	Date	Date		YTD	Year	
						Budget	Variance		Actual	Actual	
										Full Year	
										Budget	
13,063	13,011	52 F		Rates Revenue	143,637	143,122	515 F		136,439	149,312	156,711
(8)	71	79 U		Rates Penalties	675	788	113 U		863	937	860
4,213	6,252	2,039 U		Other Operating Revenue	63,451	70,476	7,025 U		67,600	77,529	77,452
3,280	3,388	108 U		Grants	35,998	40,144	4,146 U		40,464	45,519	43,359
151	69	82 F		Contributions	1,112	763	349 F		1,241	5,992	3,332
2,905	2,942	37 U		Internal Revenue	32,425	32,366	59 F		32,708	35,677	35,305
23,604	25,733	2,129 U		TOTAL REVENUE	277,298	287,659	10,361 U		279,315	314,966	317,019
				EXPENDITURE							
5,914	5,552	362 U		Personnel Costs	61,102	59,599	1,503 U		56,917	62,353	64,973
4,612	5,646	1,034 F		Operations & Maintenance	59,978	65,329	5,351 F		60,946	69,064	71,154
1,772	1,912	140 F		Occupancy Costs	24,163	23,638	525 U		22,951	23,169	24,595
1,919	1,822	97 U		Consumables & General	21,083	22,069	986 F		18,548	22,548	24,888
235	7	228 U		Grants & Subsidies	8,934	8,962	28 F		8,866	9,226	9,482
2,904	2,944	40 F		Internal Charges	32,423	32,393	30 U		32,708	35,677	35,305
5,855	5,749	106 U		Depreciation	64,883	63,237	1,646 U		61,344	68,597	68,984
848	1,052	204 F		Interest	9,563	11,579	2,016 F		10,233	10,470	12,833
24,059	24,684	625 F		TOTAL EXPENDITURE	282,129	286,806	4,677 F		272,513	301,104	312,214
				NET SURPLUS (DEFICIT)							
				EXCLUDING WAIPORI							
(455)	1,049	1,504 U			(4,831)	853	5,684 U		6,802	13,862	4,805
				Add							
				Waipori Fund Net Operating							
				Result							
1,948	420	1,528 F			3,873	4,623	750 U		6,688	8,571	5,042
1,493	1,469	24 F		NET SURPLUS (DEFICIT)	(958)	5,476	6,434 U		13,490	22,433	9,847
				INCLUDING WAIPORI							

		 DUNEDIN CITY COUNCIL Statement of Financial Position As at 31 May 2020 Amount : \$'000			
As at 30-Jun-19		As at 31-May-20	Budget 31-May-20	Budget 30-Jun-19	As at 31-May-19
	Current Assets				
11,905	Cash and Deposits	29,320	6,928	6,417	10,463
19,891	Sundry Debtors	15,733	22,043	16,664	18,301
7,723	Short Term Investments	9,733	6,114	6,114	6,114
1,287	Assets held for Resale	-	-	-	787
288	Inventories	288	260	260	260
41,094	Total Current Assets	55,074	35,345	29,455	35,925
	Non Current Assets				
316,066	Investments	313,669	319,280	321,974	314,799
3,041,852	Fixed Assets	3,059,546	3,080,384	3,128,171	2,989,271
3,357,918	Total Non Current Assets	3,373,215	3,399,664	3,450,145	3,304,070
3,399,012	TOTAL ASSETS	3,428,289	3,435,009	3,479,600	3,339,995
	Current Liabilities				
13,005	Sundry Creditors	14,713	12,000	10,000	11,968
31,162	Accrued Expenditure	35,252	25,050	29,862	29,444
-	Short Term Borrowings	25,000	43,000	-	5,500
4,265	Derivative Financial Instruments	2,859	2,321	1,316	5,183
48,432	Total Current Liabilities	77,824	82,371	41,178	52,095
	Non Current Liabilities				
218,973	Term Loans	218,973	225,473	268,473	210,473
11,421	Other Non-Current Liabilities	11,360	9,683	9,683	9,683
230,394	Total Non Current Liabilities	230,333	235,156	278,156	220,156
278,826	TOTAL LIABILITIES	308,157	317,527	319,334	272,251
3,120,186	COUNCIL EQUITY	3,120,132	3,117,482	3,160,266	3,067,744
3,399,012		3,428,289	3,435,009	3,479,600	3,339,995
	Statement of Change in Equity				
3,052,940	Opening Balance	3,120,186	3,111,216	3,111,216	3,052,940
22,433	Operating Surplus (Deficit)	(958)	5,476	9,847	13,490
-	Income Tax	-	-	-	-
42,280	Movements in Reserves	(502)	(575)	36,833	(296)
2,533	Adjustment Derivatives	1,406	1,365	2,370	1,610
3,120,186		3,120,132	3,117,482	3,160,266	3,067,744

 DUNEDIN CITY COUNCIL Statement of Cashflows For the Period Ending 31 May 2020 Amount : \$'000				
	Year to Date Actual	Year to Date Budget	Full Year Budget	LY YTD Actual
Cash Flow from Operating Activities				
<i>Cash was provided from operating activities</i>				
Rates Received	149,972	141,809	156,555	144,426
Other Revenue	98,034	112,189	121,530	104,163
Interest Received	4,454	5,077	8,041	4,898
Dividend Received	1,601	1,383	1,509	1,392
Income Tax Refund	-	450	450	-
<i>Cash was applied to</i>				
Suppliers and Employees	(173,648)	(182,538)	(193,913)	(171,273)
Interest Paid	(9,629)	(12,215)	(13,088)	(10,903)
Net Cash Inflow (Outflow) from Operations	70,784	66,155	81,084	72,703
Cash Flow from Investing Activities				
<i>Cash was provided from investing activities:</i>				
Sale of Assets	731	120	120	502
Reduction in Loans & Advances	-	-	-	-
Reduction in Investments	1,710	-	-	3,462
<i>Cash was applied to:</i>				
Increases in Loans & Advances	-	-	-	-
Increase in Investments	-	-	(2,550)	-
Capital Expenditure	(80,810)	(109,011)	(121,901)	(86,782)
Net Cash Inflow (Outflow) from Investing Activity	(78,369)	(108,891)	(124,331)	(82,818)
Cash Flow from Financing Activities				
<i>Cash was provided from financing activities:</i>				
Loans Raised	-	-	43,000	10,000
Increase in Short Term Borrowings	54,000	46,000	-	42,500
<i>Cash was applied to:</i>				
Loans Repaid	-	-	-	(412)
Decrease in Short Term Borrowings	(29,000)	(3,000)	-	(37,000)
Net Cash Inflow (Outflow) from Financing Activity	25,000	43,000	43,000	15,088
Total Increase/(Decrease) in Cash	17,415	264	(247)	4,973
Opening Cash and Deposits	11,905	6,664	6,664	5,490
Closing Cash and Deposits	29,320	6,928	6,417	10,463

DUNEDIN CITY COUNCIL		Capital Expenditure Summary by Activity		For the Period Ending 31 May 2020		
		Amount : \$'000				
Description	Year to Date Actual	Year to Date Budget	Year to Date Variance	Over Under Spend	LY YTD Actual	Full Year Budget
Arts and Culture	845	1,324	479	U	1,183	2,242
Community and Planning	383	1,788	1,405	U	456	1,789
Corporate Services	2,746	5,005	2,259	U	2,614	5,355
Enterprise Dunedin	7	-	7	O	3	-
Property	8,430	16,110	7,680	U	14,823	17,030
Parks and Recreation	2,884	8,030	5,146	U	7,410	10,957
Customer and Regulatory Services	101	1,364	1,263	U	486	1,364
Transport	44,175	50,140	5,965	U	45,621	55,766
Waste & Environmental	1,823	1,525	298	O	773	1,525
Three Waters	20,741	26,140	5,399	U	16,589	28,930
	<u>82,135</u>	<u>111,426</u>	<u>29,291</u>	<u>U</u>	<u>89,958</u>	<u>124,958</u>

<p style="text-align: center;">DUNEDIN CITY COUNCIL Summary of Operating Variances For the Period Ending 31 May 2020</p> <p style="text-align: center;">Amount : \$'000</p>											
Group	Year to Date Surplus(Deficit)			Year to Date Variance Favourable (Unfavourable)							
	Actual	Budget	Variance	Rates Revenue	Other Ext Revenue	Int Revenue	Staff	Ops & Other Exps	Internal Costs	Interest	Depr'n
Waipori Fund	3,873	4,623	(750)	-	(737)	-	-	(13)	-	-	-
Arts and Culture	(14)	(34)	20	(1)	(298)	12	25	396	1	-	(115)
Community and Planning	393	124	269	(1)	155	68	(235)	282	-	1	(1)
Corporate Services	1,117	(118)	1,235	(1)	125	7	113	632	14	-	345
Enterprise Dunedin	271	77	194	-	160	-	107	(78)	5	-	-
Property	(3,525)	(2,980)	(545)	(1)	(568)	9	(23)	(140)	(4)	-	182
Investment	(6,316)	(7,372)	1,056	(128)	339	-	(1,289)	(69)	3	2,200	-
Otago Museum Levy	(360)	(360)	-	-	-	-	-	-	-	-	-
Other	356	218	138 *	534	27	53	(132)	(146)	(12)	(186)	-
Parks and Recreation	1,558	(300)	1,858	-	(322)	1	(43)	2,603	23	-	(404)
Customer and Regulatory Services	347	2,244	(1,897)	-	(2,215)	(64)	(54)	392	(1)	-	45
Transport	6,482	11,198	(4,716)	-	(4,796)	-	182	1,621	(43)	1	(1,681)
Waste & Environmental	733	3,338	(2,605)	-	(3,084)	(27)	13	482	27	-	(16)
Three Waters	(5,873)	(5,182)	(691)	-	(345)	-	(167)	(135)	(43)	-	(1)
Total Council	(958)	5,476	(6,434)	402	(11,559)	59	(1,503)	5,827	(30)	2,016	(1,646)

* Other includes: Corporate Management, Dunedin Centre, Finance, Human Resources and Warm Dunedin

ITEMS FOR CONSIDERATION BY THE CHAIR

Any items for consideration by the Chair