

Notice of Meeting:

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

Date: Wednesday 9 February 2022
Time: 1.00 pm
Venue: Via Audio Visual Link

Sandy Graham
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
	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	Gavin Logie, Chief Financial Officer	
Governance Support Officer	Wendy Collard	

Wendy Collard
Governance Support Officer

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

This meeting will be streamed on the Council's YouTube Page <https://youtu.be/EBcykwRqzQ>

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
5	Confirmation of Minutes	15
5.1	Finance and Council Controlled Organisations Committee meeting - 3 November 2021	15
PART A REPORTS (Committee has power to decide these matters)		
6	Finance and Council Controlled Organisations Committee - Forward Work Programme	19
7	Actions from resolutions of Finance and Council Controlled Organisations Committee meetings	25
8	Waipori Fund - Quarter Ending December 2021	29
9	Financial Result - Period Ended 31 December 2021	34
10	Items for Consideration by the Chair	50

1 PUBLIC FORUM

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

2 APOLOGIES

An apology has been received from Cr Doug Hall.

That the Committee:

Accepts the apology from Cr Doug Hall.

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 Interests	6

Councillor Register of Interest - Current as at 31 January 2022				
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.
	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	Dunedin Hospital Local Advisory Group	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	Director	Aymed 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.
	Chairperson	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	Otago Settlers Association (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Vegetable Growers Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Committee Member	Otago Anniversary Day Dinner	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.

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.
	Delegation holder	Second Generation District Plan (2GP) Authority to Resolve Appeals on behalf of Council (Council appointment)	No conflict identified.	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Hospital Local Advisory Group	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	Dunedin Trails Networks Trust	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.
	Chairperson	Disability Issues Advisory Group	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
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.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	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.
	Director	Milburn Processing Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Appellant	2GP	Appellant to the 2GP	Withdraw from discussion and leave the table. If the meeting is in confidential, leave the room. Seek advice prior to the meeting.
	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.
	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.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	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	Shell Company - RU There	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Shareholder	Startup Business	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.
	Member	Dunedin Public Art Gallery Society (Council appointment)	Possible grants recipient	Withdraw from discussion and leave the table. If in confidential leave the room. Seek advice prior to the meeting.
	Member	Mosgiel Taieri Community Board (Council appointment)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
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 Support 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.
	Secretary	Brockville Improvements and Amenities Society (BIAS)	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	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 Communications Officer	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.
	Chair	Dunedin Refugee Steering Group (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
	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.
	Chair	Social Well Being Advisory Group (Council appointment)	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.
	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.
	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.
	Trustee	Otago Youth Adventure 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.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	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	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	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	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Arrenway Drive Investments Limited	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Director	Golden Centre Holdings Ltd	No conflict identified	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.
	100% Shareholder/Director	Panorama Developments Limited	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.
	Life Member	Otago Chamber of Commerce	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
	Deputy Chair	Cancer Society of Otago/Southland	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Board Member	NZ Cancer Society	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Patearoa Golf Club	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	President	Balmacewen Lions	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.
	Trustee	For Trades Apprenticeship Training Trust	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.
	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	Vandervis 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.
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.
	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.

Name	Responsibility (i.e. Chairperson etc)	Declaration of Interests	Nature of Potential Interest	Member's Proposed Management Plan
	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.
	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.
	Chairman	Volunteer South	No conflict identified	Seek advice prior to the meeting if actual or perceived conflict of interest arises.
	Member	Dunedin Otago 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.
	Chair	Dunedin Community House Executive Committee	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 Property Investors Association	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	Chisholm Links Golf Club	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.

CONFIRMATION OF MINUTES

FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETING - 3 NOVEMBER 2021

RECOMMENDATIONS

That the Committee:

- a) **Confirms** the minutes of the Finance and Council Controlled Organisations Committee meeting held on 03 November 2021 as a correct record.

Attachments

	Title	Page
A	Minutes of Finance and Council Controlled Organisations Committee meeting held on 3 November 2021	16

Finance and Council Controlled Organisations Committee**MINUTES**

Minutes of an ordinary meeting of the Finance and Council Controlled Organisations Committee held in the Edinburgh Room, Municipal Chambers, The Octagon, Dunedin on Wednesday 03 November 2021, commencing at 1.00 pm

PRESENT

Chairperson
Deputy Chairperson

Cr Mike Lord
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	

IN ATTENDANCE

Sandy Graham (Chief Executive Officer), Gavin Logie (Chief Financial Officer) and Warren Allen (Chairperson, Audit and Risk Committee) and Clare Sullivan (Manager Governance)

Governance Support Officer

Lynne Adamson

1 PUBLIC FORUM

There was no Public Forum.

2 APOLOGIES

There were no apologies.

3 CONFIRMATION OF AGENDA

Moved (Cr Mike Lord/Cr Steve Walker):

That the Committee:

Confirms the agenda without addition or alteration.

Motion carried

4 DECLARATIONS OF INTEREST

Members were reminded of the need to stand aside from decision-making when a conflict arose between their role as an elected representative and any private or other external interest they might have.

Moved (Cr Mike Lord/Cr Doug Hall):

That the Committee:

- a) **Notes** the Elected Members' Interest Register.
- b) **Confirms** the proposed management plan for Elected Members' Interests.

Motion carried

5 CONFIRMATION OF MINUTES

5.1 FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETING - 10 AUGUST 2021

Moved (Cr Mike Lord/Cr Andrew Whiley):

That the Committee:

Confirms the minutes of the Finance and Council Controlled Organisations Committee meeting held on 10 August 2021 as a correct record.

Motion carried

PART A REPORTS

6 ACTIONS FROM RESOLUTIONS OF FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETINGS

A report from Civic provided an update on the open and completed actions from resolutions of Finance and Council Controlled Organisations Committee meetings from the start of the triennium in October 2019.

Moved (Cr Mike Lord/Cr Doug Hall):

That the Committee:

Notes the Open Actions from resolutions of Finance and Council Controlled Organisations Committee meetings.

Motion carried

7 FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE - FORWARD WORK PROGRAMME

A report from Corporate Policy provided the Finance and Council Controlled Organisations Committee forward work programme.

The Chief Financial Officer (Gavin Logie) spoke to the report and responded to questions.

Moved (Cr Chris Staynes/Cr Christine Garey):

That the Committee:

Notes the Finance and Council Controlled Organisations Committee forward work programme.

Motion carried

8 AUDIT AND RISK SUBCOMMITTEE OVERVIEW

Warren Allen, Chairperson of the Audit and Risk Subcommittee provided an overview of the Audit and Risk Subcommittee.

Cr Carmen Houlahan entered the meeting at 1.13 pm.

Cr Rachel Elder left the meeting at 1.40 pm.

Mr Allen responded to members' questions.

Moved (Cr Mike Lord/Cr David Benson-Pope):

That the Committee:

Notes the Audit and Risk Subcommittee update.

Motion carried

9 ITEMS FOR CONSIDERATION BY THE CHAIR

There were no items notified for consideration by the chair.

The meeting concluded at 1.45 pm.

.....
CHAIRPERSON

PART A REPORTS

FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE - FORWARD WORK PROGRAMME

Department: Corporate Policy

EXECUTIVE SUMMARY

- 1 The purpose of this report is to provide a regular update of the Finance and Council Controlled Organisations Committee forward work programme to show areas of activity, progress and expected timeframes for decision making across a range of areas of work. (Attachment A).
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Finance and Council Controlled Organisations Committee forward work programme as shown in Attachment A.

DISCUSSION

- 3 The forward work programme is a regular agenda item which shows areas of activity, progress and expected timeframes for decision making across a range of areas of work.
- 4 As an update report, purple highlights show changes to timeframes. New items added to the schedule are highlighted in yellow. Items that have been completed or updated are shown as bold.
- 5 Months where no Committee meetings are scheduled are highlighted as grey.

NEXT STEPS

- 6 An updated report will be provided to future meetings of the Finance and Council Controlled Organisations Committee.

Signatories

Author:	Sharon Bodeker - Corporate Planner
Authoriser:	Gavin Logie - Chief Financial Officer

Attachments

	Title	Page
↓A	Forward work programme - February 2022	23

Key	
New item	
Changes to timeframes	
Completed; progress to date update	Bold
No meeting month	

Finance and Council Controlled Organisations Committee Forward Work Programme - February 2022											
Area of Work	Reason for Work	Council role (decision and/or direction)	Expected timeframe								
			Jan	Feb	March	April	May	June	July	Aug	Sept
Financial Results	To update the Committee the financial result (YTD) and the financial position as at the date of the report	Noting the financial results. Progress to date: Financial result reports will continue to be presented to future meetings.		Notes			Notes			Notes	
Waipori Fund Quarterly Report	To update the Committee on the results of the Waipori Fund	Noting the Dunedin City Treasury Limited's quarterly report on the Waipori Fund Progress to date: These reports will be presented to future meetings.		Notes			Notes			Notes	
Letter of Expectation for the Council Controlled Organisations (CCO) and Council Controlled Trading Organisations (CCTO)	Council is required to provide Letters of Expectation to the Dunedin City Holdings Limited Group	Approves the content of the Letter of Expectation for CCOs and CCTOs Progress to date: Completed. The Letter of Expectation was presented to the 14 December 2021 Council meeting, and has been sent to DCHL.									
Draft Statements of Intent for the CCOs and CCTOs	To provide the Committee a copy of the draft activities and intentions for the next three financial years on the CCOs and CCTOs activities. This is to allow the Committee to provide comments. I.e.: outlining the Council's key priorities and deliverables within each of the statements of intent.	Provides feedback on draft statements of intent. Agree to the final statements of intent adopted by the Boards of each CCO. Progress to date: The 2022/23 draft statements will be presented in March with feedback to be received by May.			Considers		Feedback	Agrees			

Area of Work	Reason for Work	Council role (decision and/or direction)	Expected timeframe								
			Jan	Feb	March	April	May	June	July	Aug	Sept
Dunedin City Holdings Limited	To provide the Committee with a copy of the parent financial for the financial year.	Notes the parent financial for the Dunedin City Holdings Limited Progress to date: The parent financial report for the year ended 30 June 21 will be presented to the committee in 2022.						Notes			

ACTIONS FROM RESOLUTIONS OF FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE MEETINGS

Department: Civic

EXECUTIVE SUMMARY

- 1 The purpose of this report is to detail the open and completed actions from resolutions of Finance and Council Controlled Organisations Committee meetings from the start of the triennium in October 2019 (Attachment A).
- 2 As this report is an administrative report only, there are no options or Summary of Considerations.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Open Actions from resolutions of Finance and Council Controlled Organisations Committee meetings shown in Attachment A.

DISCUSSION

- 3 This report provides an update on resolutions that have been actions and completed since the last Finance and Council Controlled Organisations Committee meeting.
- 4 There are currently no closed actions for the Finance and Council Controlled Organisations Committee.

NEXT STEPS

- 5 An updated actions report will be provided at all Finance and Council Controlled Committee meetings.

Signatories

Author:	Wendy Collard - Governance Support Officer
Authoriser:	Clare Sullivan - Manager Governance

Attachments

Title	Page
A Finance & CCO Committee Open Actions	27

PUBLIC OPEN ACTIONS - FINANCE AND COUNCIL CONTROLLED ORGANISATIONS COMMITTEE RESOLUTIONS 2019-2022						
Meeting Date	Resolution	Report	Resolution or Action to be taken	Group	Due Date	Status
31 August 2020	FCCO/2020/015	Financial Result - year ended 30 June 2020	A report be provided to Council on the comprehensive analysis of the total direct and indirect costs of the COVID-19 lockdown to the Council in support of the community	Finance	To be confirmed	February 2022: Report will be prepared and presented to a Council meeting. As the impact of the pandemic is ongoing staff will prepare a report following the end of this financial year.

WAIPORI FUND - QUARTER ENDING DECEMBER 2021

Department: Finance

EXECUTIVE SUMMARY

- 1 The attached report from Dunedin City Treasury Limited provides information on the results of the Waipori Fund for the quarter ended 31 December 2021.
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

RECOMMENDATIONS

That the Committee:

- a) **Notes** the report from Dunedin City Treasury Limited on the Waipori Fund for the quarter ended 31 December 2021.

BACKGROUND

- 3 Not applicable.

DISCUSSION

- 4 Not applicable.

OPTIONS

- 5 Not applicable.

NEXT STEPS

- 6 Not applicable.

Signatories

Author:	Richard Davey - Treasury Manager
Authoriser:	Gavin Logie - Chief Financial Officer

Attachments

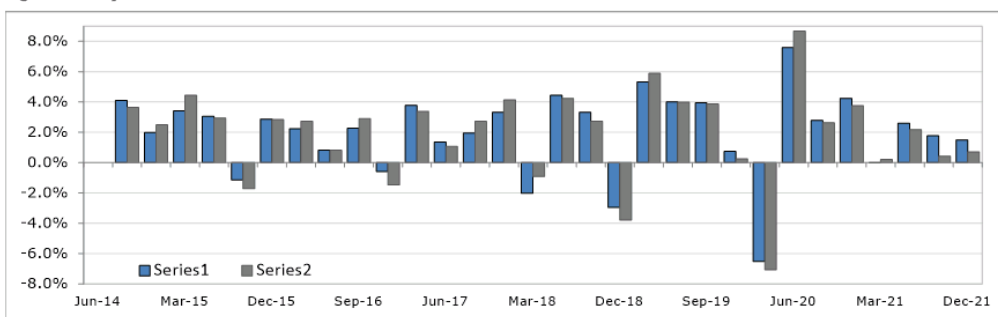
Title	Page
A Waipori Fund - quarter ending December 2021	30

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 Limited
DATE: 03 February 2022
SUBJECT: **WAIPORI FUND - DECEMBER 2021 QUARTER**

Quarterly Returns vs Benchmark



December 2021 Quarter

The Fund made a positive return of 1.5% over the quarter, relative to the Benchmark return of 0.7%. The main contributor was International Equities which gained 10.2%, relative to the Benchmark return of 7.6%. International equity markets experienced a stronger December quarter. The S&P 500 Index ended the quarter up 10.6% with a weaker NZD bolstering gains for the Fund. The S&P 500 Index was up 11.5% in NZD terms.

Fixed Interest continued to experience negative returns over the quarter due to recent rises in the New Zealand yield curve which reduced valuations of Fixed Interest investments.

Fund Returns

Period ended 31 December 2021	Waipori		Benchmark	
	Quarter %	FY %	Quarter %	FY %
NZ Equities (NZ50 Gross)	-1.3	4.2	-1.8	3.0
Australian Equities (Australian All Acc)	3.0	9.4	4.0	3.4
Int'l Equities (MSCI World Gross)	10.2	11.0	7.6	8.5
Property Equities (NZ Real Estate)	-0.4	2.4	1.8	5.1
Short Term Interest (NZ 90 day bb)	0.3	0.6	0.2	0.2
Fixed Interest (NZ Corp Bond index)	-1.5	-2.5	-1.4	-2.6
TOTAL	1.5	3.3	0.7	1.1

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

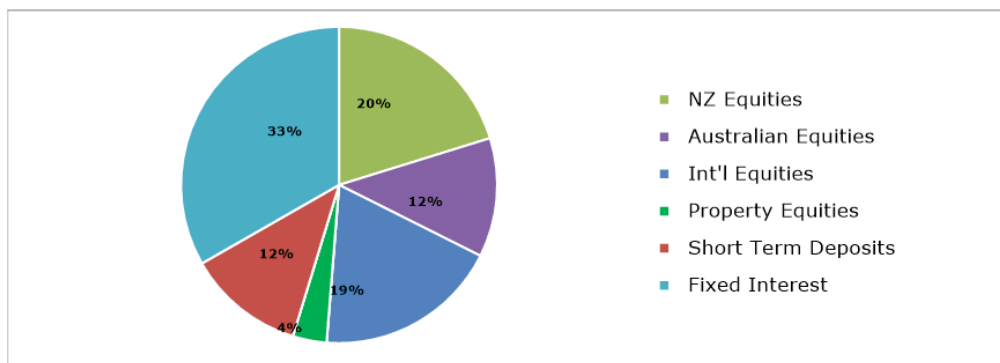
Waipori is diversified across asset classes with 54.7% invested in growth assets (equities and property) and 45.3% invested in income assets (fixed interest investments and short term deposits/cash).

The market value of the investment portfolio as at 31 December 2021 was \$103.2 million.

Summary of Investments

As at 30 September 2021	Market Value	Percentage of Portfolio	Benchmark/ Exposure Range*
NZ Equities	20,873,979	20.2	16.0
Australian Equities	12,575,730	12.2	11.0
Int'l Equities	19,476,770	18.9	15.0
Equities	52,926,479	51.3	20.0 - 60.0
Property Equities	3,579,171	3.5	3.0
Property	3,579,171	3.5	0.0 - 10.0
Short Term Deposits	12,396,770	12.0	10.0
Fixed Interest	34,342,239	33.3	45.0
Fixed Interest	46,739,009	45.3	40.0 - 70.0
TOTAL	103,244,659	100.0	100.0

Asset Allocation



Outlook

The RBNZ announced an increase in the Official Cash Rate (OCR) of 0.25% on 24 November 2021, taking the OCR to 0.75%. The increase in the OCR is the second increase, since the OCR was reduced to just 0.25% by the RBNZ in March 2020. Rising inflation (5.9% at the end of December quarter) is due to supply chain disruptions and a very tight labour market. The RBNZ will most likely continue to increase the OCR in an attempt to bring inflation back to within its 1.00%-3.00% target. ANZ has recently updated its forecasts and now expects the RBNZ to increase the OCR to 3.00% by April 2023 (its previous forecast was an increase to 2.00% by August 2022).

The new Covid-19 variant, Omicron, has now spread within the New Zealand community and the Government has placed the entire country at the Red traffic light alert level. More restrictions on the size of gatherings, inherent healthcare capacity issues, and further supply chain disruptions are the main concerns in the market domestically. These issues have been prevalent in many overseas countries where Omicron case numbers have increased dramatically and have impacted business operations and may impact returns negatively.

The fund is positioned as a long-term investor and is diversified to withstand market volatility, which we believe positions the Fund well in the current environment.



Keith Cooper
CHAIR



Olivia White
ASSISTANT TREASURER



Richard Davey
TREASURER

WAIPORI FUND PERFORMANCE VERSUS INVESTMENT OBJECTIVES

31 December 2021

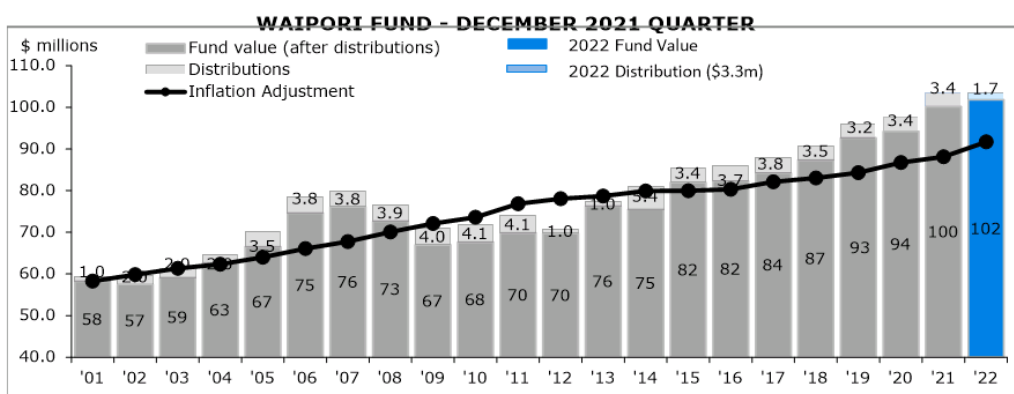
1. INCOME

Objective	2022 Est. Income	2022 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.	\$2,710,090	2.7%	4.3%	22 1/2

2. CAPITAL GROWTH

Objective	Fund Value 31 Dec 2021	Revised Capital Base	Achieved
FUND VALUE LESS ACCUMULATED DISTRIBUTION: 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)	\$101,818,895	\$91,686,521	✓

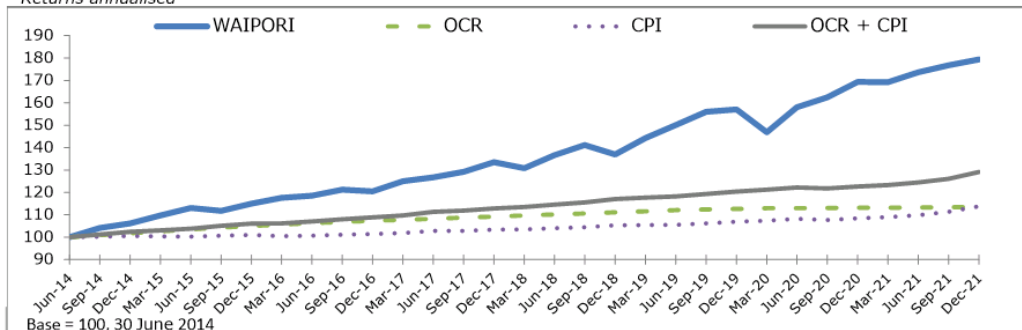
Fund value less distribution (\$1,650,000)



3. TOTAL RETURN (Period June 2014 - June 2022)

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).	8.1%	1.7%	1.7%	3.5%	✓	7.50

*Returns annualised



WAIPORI FUND

Statement of Financial Performance for quarter ended 31 December 2021

Quarter 30-Jun-21	Actual YTD 30-Jun-21		Actual	Quarter Target	Variance	Actual	Year to Date Target	Variance	Target Full Year
299,293	1,269,070	Income							
294,380	1,547,819	Dividends	362,389	308,959	53,430	696,493	662,185	34,308	1,254,678
(338,560)	(235,940)	Interest	316,794	334,505	(17,711)	648,271	741,056	(92,785)	1,435,412
		Surplus on sale of Equities	116,274	-	116,274	116,274	-	116,274	-
6,132,970	1,209,794	Unrealised Gains/(Losses)							
(528,196)	742,430	Equities	1,150,995	n.a.	n.a.	3,159,269	n.a.	n.a.	n.a.
5,604,774	1,952,224	Exchange Movements	366,716	n.a.	n.a.	149,303	n.a.	n.a.	n.a.
1,072,825	646,412	Revaluation of Equities	1,517,711	248,972	1,268,739	3,308,572	497,945	2,810,627	995,890
19,089	9,926	Revaluation of Bonds	(727,850)	-	(727,850)	(1,345,556)	-	(1,345,556)	-
6,951,801	5,189,511	Revaluation of \$AUD Bank A/C	6,575	-	6,575	852	-	852	-
		Total Income	1,591,893	892,436	699,457	3,424,906	1,901,186	1,523,720	3,705,980
-	-	less Expenses							
59,281	241,106	Management Fees	-	50,006	(50,006)	-	100,012	(100,012)	200,024
37	133	Equity Management Advice	66,485	13,548	52,937	134,777	27,096	107,681	54,192
		Bank Fees	40	31	9	72	63	9	126
59,318	241,239	Total Expenses	66,525	63,585	2,940	134,849	127,171	7,678	254,342
6,892,483	4,948,272	Net Surplus/(Deficit)	1,525,368	828,851	696,517	3,290,057	1,774,015	1,516,042	3,451,638

 Targets are calculated based on assumptions of returns for each asset class by Craigs' Investment Partners and current yields.
 December 2021 Quarter

WAIPORI FUND

 Statement of Movement in Principal of Fund
 For Period to 31 December 2021

30-Jun-21		31-Dec-21
56,000,000	Principal	56,000,000
	Inflation Adjustment Reserve	
30,735,430	Opening Balance	32,151,614
1,416,184	Transfer from Retained Earnings	3,534,908
32,151,614	Closing Balance	35,686,522
	Retained Earnings	
7,484,491	Opening Balance	12,027,155
9,327,748	Net Surplus/(Deficit)	3,290,057
(1,416,184)	Transfer to Inflation Adjustment Reserve	(3,534,908)
(3,368,900)	Distribution to Council	
12,027,155	Closing Balance	11,782,304
100,178,769	Total Fund at End of the Period	103,468,826

Statement of Financial Position
As at 31 December 2021

30-Jun-21		31-Dec-21
674,281	Current Assets	1,378,660
321,879	Bank Account	287,724
10,675,130	Debtors/Prepayments	11,018,110
11,671,290	Short Term Investments	12,684,494
	Total Current Assets	
53,608,166	Investments	56,505,650
35,054,569	Equities	34,342,239
88,662,735	Term Financial Instruments	90,847,889
100,334,025	Total Assets	103,532,383
	less	
155,256	Current Liabilities	63,557
155,256	Accruals	63,557
100,178,769	Total Value of Fund	103,468,826

* Note \$8.35m of Bonds in the Fund are classed as Green Bonds - Includes Contact Energy, Meridian Energy and Mercury Energy.

FINANCIAL RESULT - PERIOD ENDED 31 DECEMBER 2021

Department: Finance

EXECUTIVE SUMMARY

- 1 This report provides the financial results for the period ended 31 December 2021 and the financial position as at that date.
- 2 As this is an administrative report only, there are no options or Summary of Considerations.

\$ Million	Actual	Budget	Variance		Last Year
Revenue	163.209	164.158	(0.949)	U	155.346
Expenditure	169.297	167.378	(1.919)	U	164.259
Net Surplus/(Deficit) excluding Waipori	(6.088)	(3.220)	(2.868)	U	(8.913)
Waipori Fund Net	3.290	1.635	1.655	F	6.728
Net Surplus/(Deficit) including Waipori	(2.798)	(1.585)	(1.213)	U	(2.185)
Capital Expenditure	59.771	61.369	1.598		43.265
Debt					
Short Term Borrowings	31.800	44.300	12.500	F	8.000
Term Loans	271.973	271.973	-		243.973
Total Debt	303.773	316.273	12.500	F	251.973

RECOMMENDATIONS

That the Committee:

- a) **Notes** the Financial Performance for the period ended 31 December 2021 and the Financial Position as at that date.

BACKGROUND

- 3 This report provides the financial statements for the period ended 31 December 2021. 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.

DISCUSSION

- 4 Revenue was \$163.209 million for the period or \$949k lower than budget. The budget for September included the receipt of external funding for the new Mosgiel aquatics facility. A delay in the consenting process has meant the timing of this revenue has changed. In addition, year to date revenue was impacted by the recent nationwide lockdown including: Aquatic Services, Parking, Landfill, and commercial water revenue. Grant revenue was also lower than expected due to the lower level of subsidised capital expenditure in Transport.
- 5 These unfavourable variances were partially offset by unbudgeted government funding for Economic Development activity and Three Waters stimulus projects, as well as increased revenue from building services applications and inspections.
- 6 Expenditure was \$169.297 million for the period or \$1.919 million greater than budget. Depreciation expenditure was higher than expected following asset revaluations as at 30 June 2021, impacting both asset replacement cost and asset useful lives.
- 7 Operational expenditure was higher than expected in part due to additional roading maintenance expenditure along with monies spent in Three Waters to delivery on the stimulus funded activities.
- 8 These unfavourable variances were partially offset by savings in personnel costs, delays in project expenditure and favourable interest expenditure due to a lower than forecast floating interest rate. Some expenditure lines were also impacted by reduced expenditure during the lockdown earlier in the financial year.
- 9 The performance of the Waipori Fund was impacted by a negative revaluation of fixed term investments as wholesale interest rates increase. Equity portfolios have recorded an overall net increase in fair value for the year to date. There was a market correction in December following 3 months of decline with all portfolios recording a net uplift in value.

- 10 Capital expenditure was \$59.771 million for the period or 97.4% of the year to date budget. The level of spend reflected some project delays along with the impact of the nationwide lockdown in August. Three Waters expenditure was ahead of budget for the period with a number of large water and sewer renewal projects underway.

NEXT STEPS

- 11 Financial Result Reports continue be presented to future meetings of either the Finance and Council Controlled Organisation Committee or Council.

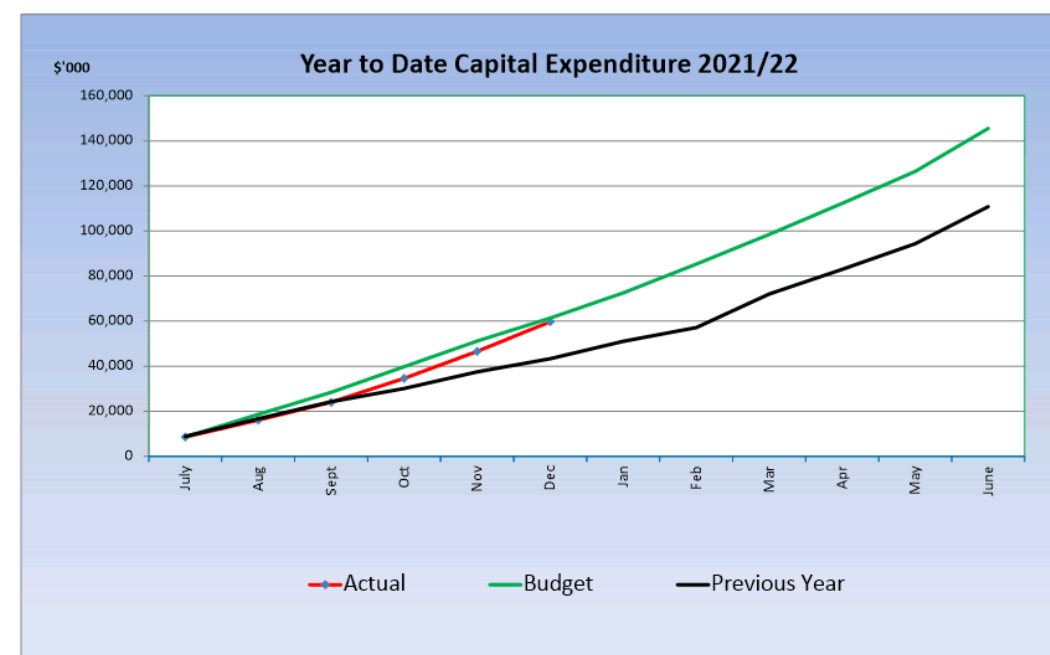
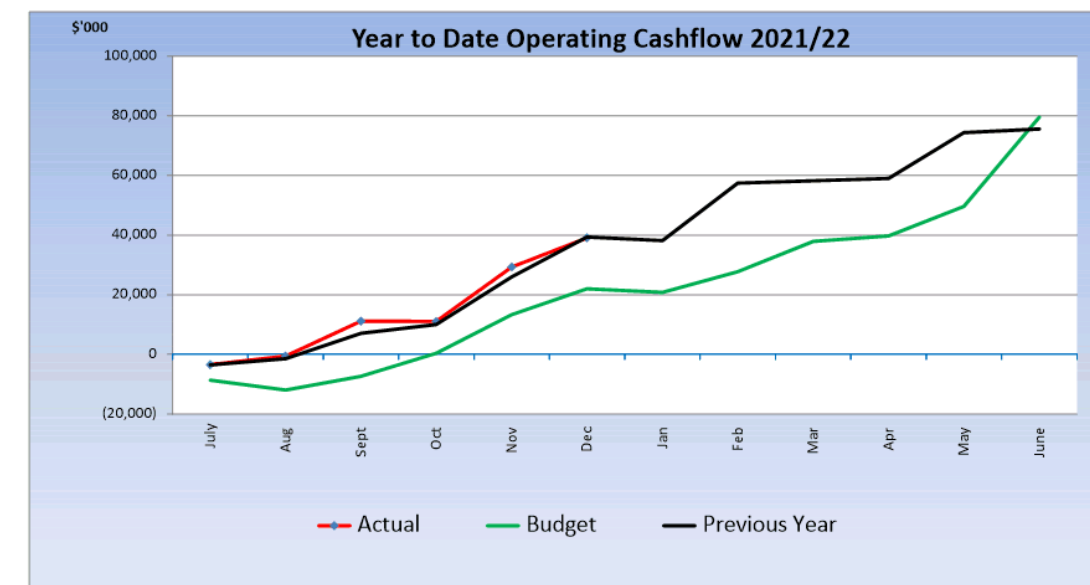
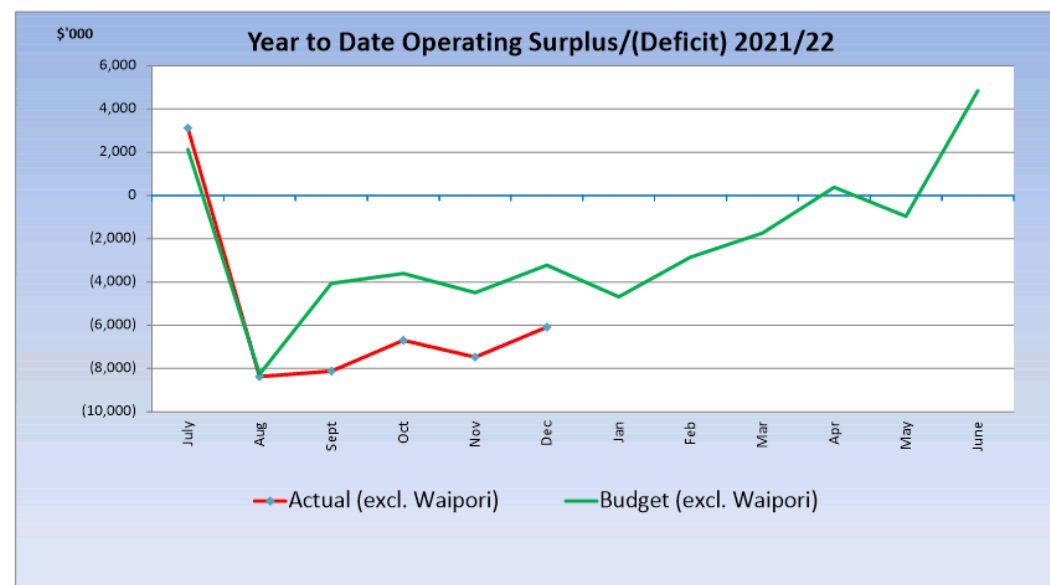
Signatories

Authoriser:	Gavin Logie - Chief Financial Officer
-------------	---------------------------------------

Attachments


	Title	Page
↓A	Summary Financial Information	37
↓B	Statement of Financial Performance	38
↓C	Statement of Financial Position	39
↓D	Statement of Cashflows	40
↓E	Capital Expenditure Summary	41
↓F	Summary of Operating Variances	42
↓G	Financial Review	43

DUNEDIN CITY COUNCIL SUMMARY FINANCIAL INFORMATION AS AT 31 DECEMBER 2021





Borrowing Metrics	LGFA Target		Actual	Budget
Interest as a % rates revenue	< 30%	*	4.5%	5.6%
Interest as a % total revenue	< 20%	*	2.8%	3.4%
Debt % annualised revenue	250.0% Max.		101.3%	106.2%

* represents the ability to fund interest costs from revenue

DUNEDIN CITY COUNCIL										 DUNEDIN kaunihera CITY COUNCIL a-rohe o Ōtepoti	
Statement of Financial Performance											
For the Period Ending 31 December 2021											
Amount : \$'000											
Mth Actual	Mth Budget	Mth Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		LY YTD Actual	LY Full Year Actual	Full Year Budget	
			REVENUE								
14,927	14,927	-	Rates Revenue	89,546	89,562	16 U		81,557	163,492	179,124	
193	(26)	219 F	Rates Penalties	527	425	102 F		566	1,055	850	
4,922	5,961	1,039 U	Other Operating Revenue	34,328	35,855	1,527 U		35,329	81,232	71,146	
5,652	2,364	3,288 F	Grants	19,849	18,932	917 F		19,176	41,227	33,292	
330	289	41 F	Contributions	1,290	1,734	444 U		976	10,110	6,468	
2,925	2,942	17 U	Internal Revenue	17,669	17,650	19 F		17,742	35,795	35,296	
28,949	26,457	2,492 F	TOTAL REVENUE	163,209	164,158	949 U		155,346	332,911	326,176	
			EXPENDITURE								
6,349	6,125	224 U	Personnel Costs	34,796	35,529	733 F		33,965	65,970	69,965	
5,312	5,585	273 F	Operations & Maintenance	34,950	34,333	617 U		35,741	77,835	67,667	
883	1,000	117 F	Occupancy Costs	16,243	16,083	160 U		14,838	25,584	27,877	
2,127	1,875	252 U	Consumables & General	11,015	11,708	693 F		12,117	26,912	23,818	
1,221	448	773 U	Grants & Subsidies	9,308	8,842	466 U		8,628	10,587	10,243	
2,925	2,942	17 F	Internal Charges	17,669	17,649	20 U		17,742	35,795	35,296	
8,065	6,376	1,689 U	Depreciation	41,284	38,259	3,025 U		36,844	74,283	76,519	
687	829	142 F	Interest	4,032	4,975	943 F		4,384	8,103	9,943	
27,569	25,180	2,389 U	TOTAL EXPENDITURE	169,297	167,378	1,919 U		164,259	325,069	321,328	
1,380	1,277	103 F	NET SURPLUS (DEFICIT) EXCLUDING WAIPORI	(6,088)	(3,220)	2,868 U		(8,913)	7,842	4,848	
			Add								
2,367	272	2,095 F	Waipori Fund Net Operating Result	3,290	1,635	1,655 F		6,728	9,328	3,270	
3,747	1,549	2,198 F	NET SURPLUS (DEFICIT) INCLUDING WAIPORI	(2,798)	(1,585)	1,213 U		(2,185)	17,170	8,118	

		DUNEDIN CITY COUNCIL		DUNEDIN CITY COUNCIL		kaunihera a-rohe o Ōtepoti	
		Statement of Financial Position					
		As at 31 December 2021					
		Amount : \$'000					
As at 30-Jun-21		As at 31-Dec-21	Budget 31-Dec-21	Budget 30-Jun-22	As at 31-Dec-20		
	Current Assets						
7,939	Cash and Deposits	11,384	5,762	6,071	10,584		
23,645	Sundry Debtors	18,130	25,463	13,239	21,258		
6,975	Short Term Investments	10,218	1,428	5,928	10,123		
3,694	Assets held for Resale	694	-	-	-		
294	Inventories	429	392	392	353		
42,547	Total Current Assets	40,855	33,045	25,630	42,318		
	Non Current Assets						
329,833	Investments	332,017	338,179	336,742	325,188		
3,487,282	Fixed Assets	3,505,729	3,210,933	3,312,715	3,071,568		
3,817,115	Total Non Current Assets	3,837,746	3,549,112	3,649,457	3,396,756		
3,859,662	TOTAL ASSETS	3,878,601	3,582,157	3,675,087	3,439,074		
	Current Liabilities						
17,697	Sundry Creditors	16,135	12,000	12,000	21,563		
42,514	Accrued Expenditure	34,067	31,089	31,642	31,962		
-	Short Term Borrowings	31,800	44,300	-	8,000		
656	Derivative Financial Instruments	656	98	-	1,257		
60,867	Total Current Liabilities	82,658	87,487	43,642	62,782		
	Non Current Liabilities						
271,973	Term Loans	271,973	271,973	335,948	243,973		
14,283	Other Non-Current Liabilities	14,232	12,783	12,783	12,133		
286,256	Total Non Current Liabilities	286,205	284,756	348,731	256,106		
347,123	TOTAL LIABILITIES	368,863	372,243	392,373	318,888		
3,512,539	COUNCIL EQUITY	3,509,738	3,209,914	3,282,714	3,120,186		
3,859,662		3,878,601	3,582,157	3,675,087	3,439,074		
Statement of Change in Equity							
3,121,579	Opening Balance	3,512,539	3,211,117	3,211,117	3,121,579		
17,170	Operating Surplus (Deficit)	(2,798)	(1,585)	8,118	(2,185)		
372,394	Movements in Reserves	(3)	-	63,000	(3)		
1,396	Adjustment Derivatives	-	382	479	795		
3,512,539		3,509,738	3,209,914	3,282,714	3,120,186		

<p style="text-align: center;">  DUNEDIN kaunihera CITY COUNCIL a-rohe o ōtepoti </p>				
<p style="text-align: center;"> DUNEDIN CITY COUNCIL Statement of Cashflows For the Period Ending 31 December 2021 Amount : \$'000 </p>				
	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	91,091	90,262	178,929	83,259
Other Revenue	56,536	49,050	105,295	62,455
Interest Received	3,598	3,604	7,389	3,646
Dividend Received	779	613	1,229	667
Income Tax Refund	-	-	864	-
<i>Cash was applied to</i>				
Suppliers and Employees	(109,596)	(116,613)	(204,190)	(105,513)
Interest Paid	(3,282)	(4,861)	(9,943)	(5,142)
Net Cash Inflow (Outflow) from Operations	39,126	22,055	79,573	39,372
Cash Flow from Investing Activities				
<i>Cash was provided from investing activities:</i>				
Sale of Assets	3,037	3,000	3,120	24
Reduction in Investments	-	-	-	-
<i>Cash was applied to:</i>				
Increase in Investments	(3,299)	-	(2,550)	(5,408)
Capital Expenditure	(67,219)	(71,074)	(145,528)	(46,766)
Net Cash Inflow (Outflow) from Investing Activity	(67,481)	(68,074)	(144,958)	(52,150)
Cash Flow from Financing Activities				
<i>Cash was provided from financing activities:</i>				
Loans Raised	-	-	63,975	-
Increase in Short Term Borrowings	41,800	44,300	-	22,000
<i>Cash was applied to:</i>				
Loans Repaid	(10,000)	-	-	(14,000)
Decrease in Short Term Borrowings	-	-	-	-
Net Cash Inflow (Outflow) from Financing Activity	31,800	44,300	63,975	8,000
Total Increase/(Decrease) in Cash	3,445	(1,719)	(1,410)	(4,778)
Opening Cash and Deposits	7,939	7,481	7,481	15,362
Closing Cash and Deposits	11,384	5,762	6,071	10,584

<div>  DUNEDIN kaunihera CITY COUNCIL a-rohe o ōtepoti </div>							
DUNEDIN CITY COUNCIL Capital Expenditure Summary by Activity For the Period Ending 31 December 2021 Amount : \$'000							
Description	Year to Date Actual	Year to Date Budget	Year to Date Variance	Over Under Spend	LY YTD Actual	Full Year Budget	YTD Actual vs FY Budget
Galleries, Libraries & Museums	629	803	174	U	611	2,363	26.6%
City Development	23	170	147	U	-	350	6.6%
Corporate Services	1,436	2,376	940	U	894	4,652	30.9%
Property	8,254	11,699	3,445	U	4,447	21,800	37.9%
Other	105	103	2	O	129	570	18.4%
Parks and Recreation	3,903	5,291	1,388	U	1,563	25,729	15.2%
Transport	14,693	19,388	4,695	U	22,926	40,000	36.7%
Waste & Environmental	1,763	698	1,065	O	713	8,273	21.3%
Three Waters	28,965	20,841	8,124	O	11,982	41,791	69.3%
	<u>59,771</u>	<u>61,369</u>	<u>1,598</u>	<u>U</u>	<u>43,265</u>	<u>145,528</u>	41.1%

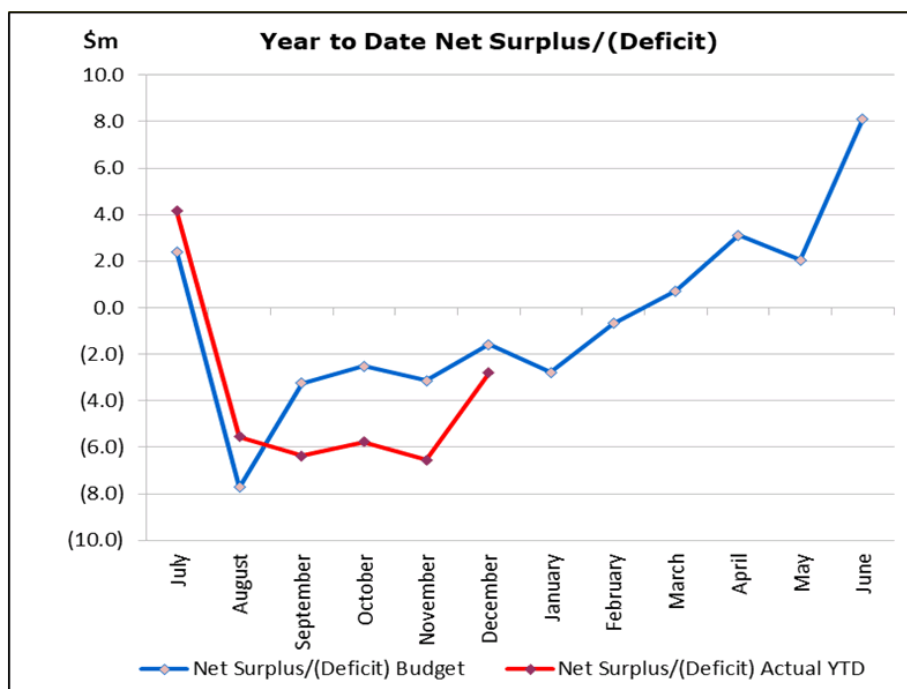
<p style="text-align: center;">DUNEDIN CITY COUNCIL Summary of Operating Variances For the Period Ending 31 December 2021</p> <p style="text-align: center;">Amount : \$'000</p>											
Group	Year to Date Surplus(Deficit)			Year to Date Variance Favourable (Unfavourable)							
	Actual	Budget	Variance	Rates Revenue	Other Ext Revenue	Int Revenue	Staff	Ops & Other Exps	Internal Costs	Interest	
Waipori Fund	3,290	1,635	1,655	-	1,669	-	-	(14)	-	-	-
Galleries, Libraries & Museums	(2,479)	(2,483)	4	-	(7)	10	(8)	116	(5)	4	(106)
Community Development	(864)	(1,047)	183	-	43	24	(39)	156	-	-	(1)
Corporate Services	1,618	56	1,562	-	13	(70)	496	1,332	19	-	(228)
Enterprise Dunedin	(22)	(103)	81	-	1,209	37	106	(1,203)	(65)	-	(3)
Property	(2,642)	(424)	(2,218)	-	(251)	2	(11)	313	-	-	(2,271)
Investment	(686)	(1,713)	1,027	(16)	151	1	(258)	205	5	939	-
Parking Services/Operations	151	543	(392)	-	(616)	5	63	163	15	-	(22)
Parks and Recreation	(413)	4,025	(4,438)	-	(4,985)	1	152	462	11	-	(79)
Regulatory & Planning	1,091	391	700	-	734	-	116	(146)	8	-	(12)
Transport	(4,849)	(3,036)	(1,813)	-	(1,420)	-	18	(596)	1	-	184
Waste & Environmental	211	593	(382)	-	(712)	9	1	354	12	-	(46)
Three Waters	2,796	(22)	2,818	-	4,889	-	97	(1,706)	(21)	-	(441)
Total Council	(2,798)	(1,585)	(1,213)	(16)	717	19	733	(564)	(20)	943	(3,025)

FINANCIAL REVIEW

For the period ended 31 December 2021

This report provides a detailed commentary on the Council's financial result for the period ended 31 December 2021 and the financial position at that date.

NET SURPLUS/(DEFICIT) (INCLUDING WAIPORI)



The net deficit (including Waipori) for the period ended 31 December 2021 was \$2.798 million or \$1.213 million greater than budget.

REVENUE

The total revenue for the period was \$163.209 million or \$949k less than budget.

The major variances were as follows:

Other Operating Revenue

Actual \$34.328 million, Budget \$35.855 million, Unfavourable variance \$1.527 million

Aquatic Services revenue was unfavourable \$635k due to the impact of Covid-19 on the operation of the pool/gym facilities.

Parking related revenue was unfavourable \$616k due primarily to the impact of the Covid-19 lockdown in August/September.

Waste and Environmental revenue was unfavourable \$712k due to lower volumes of waste entering the Green Island landfill, as well as a drop off in the sales of plastic refuse bags. Some of this shortfall will be attributable to the Covid lockdown.

Three Waters revenue was unfavourable \$472k due mainly to lower water sales.

Property revenue was unfavourable \$144k due to rent relief provided to tenants during the Covid-19 lockdown.

These unfavourable variances were partially offset by:

Building Services revenue was favourable \$387k primarily due to increased activity including building applications, inspections revenue and code compliance certificate revenue.

Transportation revenue was favourable \$270k due to funding received relating to the Marlow Park Learn-to-Ride park development.

Grants and Subsidies Revenue

Actual \$19.849 million, Budget \$18.932 million, Favourable variance \$917k

This variance was due to unbudgeted government income including Three Waters stimulus funding and Economic Development funding for the Centre of Digital Excellence, Otago regional development projects and the Strategic Tourism Asset Protection Programme.

These favourable revenue lines were partially offset by: Parks and Recreation revenue was unfavourable \$4.495 million due to the delayed timing of external funding for new Mosgiel aquatics facility pending finalisation of the consenting process, and timing of MBIE funding for the Tunnel Beach carpark/toilet project.

Transportation revenue was also unfavourable (\$1.606 million) due to the lower level of subsidised capital expenditure – see capital expenditure comments below.

EXPENDITURE

The total expenditure for the period was \$169.297 million or \$1.919 million more than budget.

The major variances were as follows:

Personnel Costs

Actual \$34.796 million, Budget \$35.529 million, Favourable variance \$733k

This variance reflected a higher-than-expected level of position vacancies while recruitment activity is completed.

Operations and Maintenance Costs

Actual \$34.950 million, Budget \$34.333 million, Unfavourable variance \$617k

Transportation expenditure was unfavourable \$876k due to greater state highway street lighting maintenance, emergency works and traffic services maintenance than budgeted. There was also additional environmental maintenance, including road gritting and sweeping, which is weather dependant.

Three waters expenditure was unfavourable \$298k including \$595k of stimulus funded projects.

Economic Development costs were \$309k higher than budget due to timing of the delivery of MBIE funded projects, including the engagement of contractors for the Centre of Digital Excellence and the Strategic Tourism Asset Protection Programme – see offsetting income note above.

Property costs were \$514k less than budget due to some reactive maintenance unable to be carried out over the Covid-19 lockdown period, and expenditure on the Railway station to date being mainly capital in nature.

Consumable and General Costs

Actual \$11.015 million, Budget \$11.708 million, Favourable variance \$693k

BIS costs were favourable \$579k due to timing of software licence fees and IT consultant's expenditure.

Corporate Policy expenditure was \$419k favourable reflecting delayed timing of project expenditure while scoping work is completed.

Waste and Environmental expenditure was \$592k favourable mainly due to the timing of consultant costs associated with the Waste Futures project.

Transportation expenditure was \$234k favourable due to the timing of consultant costs related to capital project development (Central City and Cycleways).

Parks and Recreation expenditure was \$149k favourable due to timing of work developing reserves and other asset management plans, including coastal management planning.

These favourable variances were partially offset by unbudgeted expenditure in Three Waters (\$1.338 million) for costs associated with water reform and design work for stimulus projects – see favourable income noted above.

Depreciation

Actual \$41.284 million, Budget \$38.259 million, Unfavourable variance \$3.025 million

This variance was due to a revaluation as at 30 June 2021 (Three Waters and Property in particular) impacting both the depreciable replacement cost and asset useful lives.

Interest

Actual \$4.032 million, Budget \$4.975 million, Favourable variance \$943k

Interest expenditure was less than budget due to a favourable floating interest rate applied to the non-fixed interest borrowing.

Note that as at 31 December, \$10.0 million of the term loan balance was subject to historical fixed rates of interest, with the balance being charged at the floating rate set by Dunedin City Treasury Limited.

WAIPORI FUND NET OPERATING RESULT

Actual \$3.290 million, Budget \$1.635 million, Favourable variance \$1.655 million

All equity portfolios have recorded a net increase in fair value for the year to date, with market recovery in December for all equity portfolios. These favourable fair values gains were partially offset by a negative revaluation of fixed term investments as wholesale interest rates increase

STATEMENT OF FINANCIAL POSITION

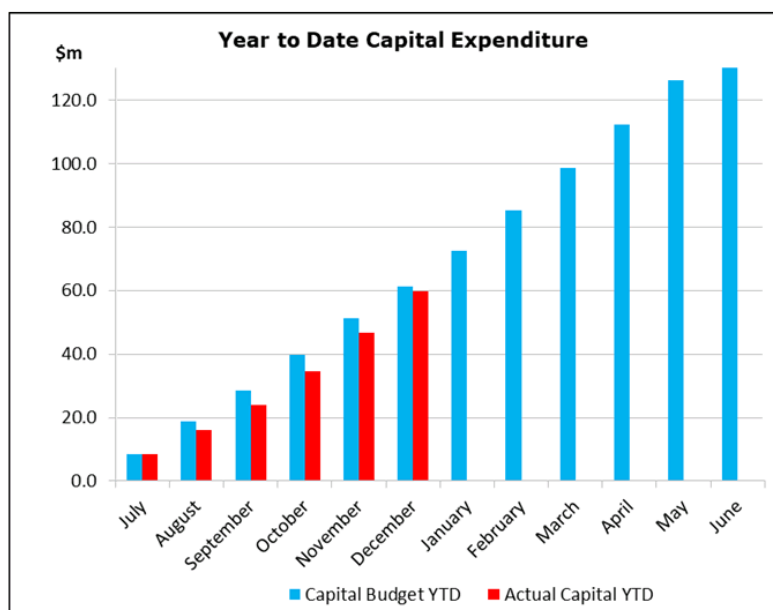
A Statement of Financial Position is provided as Attachment C.

Short term investments of \$10.218 million relate to the Waipori Fund.

CAPITAL EXPENDITURE

A summary of the capital expenditure programme by Activity is provided as Attachment E.

Total capital expenditure for the period was \$59.771 million or 97.4% of the year-to-date budget. The report also shows the relative level of expenditure versus the full year budget showing an overall spend of 41.1%.



Corporate Services capital expenditure was \$940k underspent

The underspend was primarily driven by lower-than-expected expenditure on IT related projects – Customer Self Service Portal, Aquatic Retail System, and Asset Management solution.

Property capital expenditure was \$3.445 million underspent

The Civic Centre roof renewal project was behind budget due to programme adjustments required to manage the risk associated with asbestos. Window replacements on the 7th floor have been completed and the floor re-occupied in January.

The Art Gallery roof renewal was behind budget, but construction is progressing well with completion expected in June 2022.

Other projects have been delayed resulting in the underspend including the South Dunedin Library and Community Complex.

Parks and Recreation capital expenditure was \$1.388 million underspent

The underspend was primarily due to delayed timing of the Mosgiel Pool development. Construction work on this project is now underway.

Renewals expenditure was also behind budget due to timing of some projects including Moana Pool and playground renewals.

Transport capital expenditure was \$4.695 million underspent

Transport's overall renewal spend was underspent due to the budget timing of some NZTA subsidised renewals projects, including kerb and channel renewals, street lighting renewals, reseal surface preparation and footpath resurfacing. The phasing of these budget lines will be reviewed in future to ensure they align with planned delivery.

Timing of the Shaping Future Dunedin projects and the Peninsula Connection has also contributed to the underspend.

Waste and Environmental capital expenditure was \$1.065 million overspent

Expenditure was ahead of budget due to costs associated with the development of the proposed landfill at Smooth Hill as well as renewals projects at the Green Island landfill and Waikouaiti transfer station.

Three Waters capital expenditure was \$8.124 million overspent

Renewal's expenditure was ahead of budget, including water and sewer renewals in North East Valley, Stuart St and Sawyers Bay, and water renewals at Karitane and Mosgiel. Other projects included the biofilter media renewal at Green Island and Tahuna wastewater treatment plants, as well as the program to replace water toby taps and water meters.

COMMENTS FROM GROUP ACTIVITIES

Attachment F, the Summary of Operating Variances, shows by Group Activity the overall net surplus or deficit variance for the period. It also shows the variances by revenue and expenditure type.

Corporate Services \$1.562 million Favourable

Staff costs were favourable due to the current level of position vacancies.

Operating expenditure was favourable due mainly to timing of software licence fees and delayed project costs in Corporate Policy while scoping activities are completed.

Property - \$2.218 million Unfavourable

Revenue was unfavourable \$251k mainly due to rent relief provided to some commercial tenants during the covid-19 lockdown.

Depreciation was unfavourable \$2.270 million due to the revaluation of Property assets as at 30 June 2021 impacting both the depreciable replacement cost and asset useful lives.

Operating costs were favourable \$313k largely due to a higher-than-expected level of expenditure being classified as capital, particularly in the housing activity, as well as the Railway Station refurbishment project.

Parking Services/Operations - \$392k Unfavourable

Revenue was unfavourable year to date primarily due to the impact of the Covid-19 lockdown earlier in the financial year.

Parks and Recreation - \$4.438 million Unfavourable

Overall revenue was unfavourable mainly due the delayed timing of external funding for the Mosgiel aquatic facility while consenting activities are completed, and the impact of Covid-19 closures on pool/gym revenue.

Operating costs were \$462k favourable due partly to savings in energy and cleaning costs at Moana Pool due to covid restrictions, as well as timing of consultants expenditure in the Recreation Planning and Coastal Planning activities.

Transport - \$1.813 million Unfavourable

Revenue was unfavourable \$1.420 million due to the lower than budgeted level of subsidised capital expenditure year to date.

Operating costs were unfavourable due to higher-than-expected road gritting and sweeping work in July and August which was weather driven. Drainage maintenance costs were also high due to some large jobs being undertaken at Mount Watkin Road, Portobello Road and Melrose Street.

Pavement maintenance and road marking expenditure was unfavourable, being a timing issue due to the seasonal nature of the work.

Waste and Environmental - \$382k Unfavourable

Waste and Environmental external revenue was unfavourable \$712k due to lower volumes of waste entering the Green Island landfill, as well as a drop off in the sales of plastic refuse bags.

Operational expenditure was favourable \$354k due to the timing of consultant costs associated with the Waste Futures project.

Three Waters - \$2.818 million Favourable

Three Waters revenue was favourable \$4.889 million including \$5.660million stimulus project funding from the Department of Internal Affairs, partly offset by lower than anticipated water sales, and consultancy fee recoveries.

Operating expenditure was unfavourable \$1.706 million primarily due to unbudgeted expenditure on stimulus funded project work. Depreciation was also unfavourable \$441k due to the revaluation of Three Waters assets as at 30 June 2021 impacting both the depreciable replacement cost and asset useful lives.

ITEMS FOR CONSIDERATION BY THE CHAIR

Any items for consideration by the Chair