Appendices
Tauranga City Council is made up of 11 elected members: the mayor and 10 councillors.

Tauranga City Council is divided into three wards: Otumoetai/Pyes Pa, Te Papa/Welcome Bay, and Mount Maunganui/Papamoa. Each ward is represented by two councillors, and four councillors are elected ‘at large’ and represent the whole city, as does the mayor.

**Tauranga City Mayor**

Mayor Greg Brownless  
07 577 7016  
020 412 27469  
greg.brownless@tauranga.govt.nz

**Councillors at large**

Cr. Max Mason  
07 576 0454  
021 049 7659  
mmax.mason@tauranga.govt.nz

Cr. Gail McIntosh  
021 038 5105  
gail.mcintosh@tauranga.govt.nz

Cr. Rick Curach  
07 575 8048  
021 934 186  
rick.curach@tauranga.govt.nz

Cr. Kelvin Clout  (Deputy Mayor)  
07 578 3929  
027 222 3771  
kkelvin.clout@tauranga.govt.nz

**Otumoetai/Pyes Pa Ward**

Cr. Larry Baldock  
07 543 0600  
021 864833  
larry.baldock@tauranga.govt.nz

Cr. Catherine Stewart  
07 576 5411  
027 274 6160  
catherine.stewart@tauranga.govt.nz

Cr. Bill Grainger  
07 544 1417  
027 415 5545  
bill.grainger@tauranga.govt.nz

Cr. Terry Molloy  
07 579 5255  
027 494 0296  
terry.molloy@tauranga.govt.nz

**Te Papa/Welcome Bay Ward**

Cr. Steve Morris  
07 542 1602  
021 519 941  
steve.morris@tauranga.govt.nz

**Mount Maunganui/Papamoa Ward**

Cr. Leanne Brown  
07 270 7892  
leanne.brown@tauranga.govt.nz
Your elected members make decisions, on behalf of residents and ratepayers, to meet the needs of the entire Tauranga community. This involves setting the Council's strategic direction, and deciding on plans, policies, budgets and bylaws, in consultation with the community.

They are directly supported by the Council's Chief Executive and nine Executive Leadership Team members covering the strategic areas of Council's work, and approximately 600 other staff who provide advice, implement Council decisions, and look after the city's day-to-day operations.

electedmembers@tauranga.govt.nz
COUNCIL'S STRUCTURE INCLUDING COUNCIL CONTROLLED ORGANISATIONS
(As at 30 June 2017)

COUNCIL
(Including Internal Structure)

- Joint Council Controlled Organisation with 30 local authorities plus the New Zealand Government.
- Joint Council Controlled Organisation with all other Bay of Plenty local authorities and Gisborne District Council.
- Joint Council Controlled Organisation with WBOPDC. This CCO is exempted under section 7 of the Local Government Act 2002.

WESTERN BAY OF PLENTY RURAL FIRE AUTHORITY*

LOCAL GOVERNMENT FUNDING AGENCY LTD*

BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES*

TAURANGA ART GALLERY TRUST

WESTERN BAY OF PLENTY VISITOR AND TOURISM TRUST*
(Tourism Bay of Plenty facilities and services)

BAY VENUES LIMITED
(aquatic and indoor sport and recreation facilities, community halls and centres)

* Joint Council Controlled Organisation with WBOPDC.
# Organisational Structure
(As at 30 June 2017)

**Chief Executive**  
Garry Poole

**Communications**  
Aimee Driscoll

## Council
(Mayor and Councillors)

<table>
<thead>
<tr>
<th>Group</th>
<th>Leader</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive's Group</td>
<td>Kirsty Downey</td>
<td>Legal and Governance, Risk, Emergency and Business Continuity Management, Strategic and Corporate Planning, Takawaenga Māori, Communications</td>
</tr>
<tr>
<td>Growth and Infrastructure Services</td>
<td>Christine Jones</td>
<td>City Planning, Growth and Funding Management, Asset and Infrastructure Planning, Asset Delivery, City Waters, Transportation, Resource Recovery and Waste</td>
</tr>
<tr>
<td>Business Services</td>
<td>Paul Davidson</td>
<td>Finance, Treasury, Airport, Property Services, Procurement</td>
</tr>
<tr>
<td>City Transformation</td>
<td>Jaine Lovell-Gadd</td>
<td>City Development, Strategic and City Events, CCO Management, Marine Precinct, Heart of the City Project, Mount Beachside Holiday Park</td>
</tr>
<tr>
<td>People and Capability</td>
<td>Louise Miller</td>
<td>Health, Safety and Wellbeing, Workplace Culture, Human Resources, Learning and Organisational Development, Payroll Services</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>Rebecca Perrett</td>
<td>Environmental Planning, Building Services, Environmental Monitoring, Parks and Recreation</td>
</tr>
<tr>
<td>Community Services</td>
<td>Phillip King</td>
<td>Libraries, Baycourt, Customer Service, Community Development, Animal Services, Bylaws and Parking</td>
</tr>
<tr>
<td>Digital Services</td>
<td>Allan Lightbourne</td>
<td>Information Communication Technology</td>
</tr>
</tbody>
</table>
Independent Auditor’s Report

To the readers of Tauranga City Council’s annual report for the year ended 30 June 2017

The Auditor-General is the auditor of Tauranga City Council (the City Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to report on the information in the City Council’s annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as “the audited information” in our report.

We are also required to report on:

- whether the City Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the City Council’s disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as “the disclosure requirements” in our report.

We completed our work on 2 October 2017. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 177-184, 204 and 206 to 285:
  - present fairly, in all material respects:
    - the City Council and Group’s financial position as at 30 June 2017;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 205, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s annual plan;
- the Groups of Activities on pages 51 to 174:
  - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2017, including:
the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;

- the reasons for any significant variation between the levels of service achieved and the intended levels of service; and

complies with generally accepted accounting practice in New Zealand; and

- the statement about capital expenditure for each group of activities on pages 57 to 174, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the City Council’s long-term plan; and

- the funding impact statement for each group of activities on pages 51 to 174, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the City Council’s long-term plan.

Report on the disclosure requirements

We report that the City Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and

- made the disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 196 to 201, which represent a complete list of required disclosures and accurately reflects the information drawn from the City Council and Group’s audited information and, where applicable, the City Council’s long-term plan and annual plans.

Basis for opinion on the audited information

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.


The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.
In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the City Council and the Group or there is no realistic alternative but to do so.

**Responsibilities of the auditor for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the City Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City Council and Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We determine the appropriateness of the reported intended levels of service in the Groups of Activities, as a reasonable basis for assessing the levels of service achieved and reported by the City Council.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the City Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or
conditions may cause the City Council and the Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient appropriate audit evidence regarding the entities or business activities within the Group to express an opinion on the consolidated audited information.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 3 to 47 and 286 to 300, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the City Council and Group in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit and our report on the disclosure requirements, we have carried out an assurance engagement pursuant to the City Council’s debenture trust deed. This assurance engagement is compatible with those independence requirements.

Other than the audit, our report on the disclosure requirements and the assurance engagement, we have no relationship with or interests in the City Council or its subsidiaries and controlled entities.

Clarence Susan
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand
GLOSSARY

Activity
Related or like services that are grouped together for management and budgeting purposes.

Allocated Costs
A form of spending where one Council department pays for services provided by another department.

Annual Plan (AP)
A one year plan that focuses on the work to be carried out in a relevant year of the Council’s Long Term Plan (LTP) and also highlights any variations and amendments to the LTP.

Appropriation
Money that has been set aside from or brought into an operating revenue account.

Assets
Assets are things that the organisation owns such as roads, parks, footpaths and buildings.

Asset Management Plans
Asset Management Plans consider the level of service required for key infrastructural activities and services of Council, and the assets required to support those services. The plans include ensuring that maintenance and asset replacement is at a level to allow the agreed provision of services to continue, that depreciation on assets is funded, and that the future growth of the city is catered for.

Carry Forwards
Where capital budgets are unspent in a year, due to the project not being complete or not yet commenced, the budget and funding may be carried forward into the next financial year.

Capital Expenditure
This is spending that will increase the value of Council’s assets.

CBD
Central Business District.

Capital Value
The sum that the owners’ estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require. It is deemed to include GST for residential properties and exclude GST for other property types.

Community Outcomes
How the community wants the City to be, to make it a better place to live, work and play as described in the Long Term Plan.

Council Controlled Organisation
An organisation or company where one or more local authorities have 50% or more of the shareholder voting rights or similar. For a more detailed meaning see Section 6 of the Local Government Act 2002.

Depreciation
This accounts for the annual cost of the wearing out of or the economic use of our assets. It is generally based on the value of the asset divided by its remaining life.

Development Contributions
Fees paid by developers who subdivide (Subdivision Impact Fees) or build (Building Impact Fees). These fees cover the cost of upgrading the services (e.g. water supply) provided to those new sections/buildings. The setting of development contributions is governed by the Development Contributions Policy.

Expenditure
Spending by Council.

Financial Year
Council’s financial year runs from 1 July to 30 June the following year.
Funding Impact Statement (FIS)
This is a statement outlining council’s activities and for each group of activities the funding sources and how these funds are applied.

General Rate
A rate based on the capital value of every property in the City.

Infrastructural Assets
Fixed utility systems that provide a continuing service to the community and are not generally regarded as tradable. These assets include roads, waste, sewerage and stormwater systems.

Internal Recoveries
Recovery of costs by support departments from other Council departments.

Land Value
The probable price that would be paid for the bare land as at the date of valuation. The value includes development work such as drainage, excavation, filling, levelling, retaining walls, clearing, fertility build-up, flood protection.

Levels of Service
A measure of the service that the Council delivers i.e. number of sports fields available for use, library opening hours, water quality etc.

Liabilities
Amounts that the organisation owes. Non Current Liabilities are amounts that are not due to be repaid within the next financial year.

Loan Funds
This is money used by Council that it has obtained by raising a loan.

Local Government Act 2002 and Amendments
The key legislation that defines the regulations and responsibilities for local authorities including Tauranga City Council.

Long Term Plan (LTP) – The Ten Year Plan
This plan sets the strategic direction for the Council over the next 10 years and outlines Council’s contribution towards achieving the community outcomes. This plan is formally reviewed and updated every three years.

Mission
This describes Council’s basic purpose (its fundamental reason for being) and specifies the role Council is going to play in its environment.

Operating Expenditure
Spending for the normal day-to-day services of Council. This also includes depreciation, interest on loans and allocated costs.

Output
Services, activities or goods produced by Council.

Policy
Guidelines to support effective decision making.

Private Benefit
This occurs when individuals who benefit from a service can be clearly identified and therefore charged for that service. It applies to user charges, application fees, purchase price and water by meter, though there are exceptions to the rule.

Public Benefit
This relates to spending which benefits the community in general and for which no individual beneficiaries can be clearly identified.

Public Benefit Entity
An entity whose primary objective is to provide goods or services for a community or a social benefit rather than for financial return.

Rates
Funds collected from property owners in the Council’s city area.
Renewal Expenditure
This is spending that replaces deteriorating assets with new assets that have the same service potential as the originals.

Residual Waste
The final waste product that has no resource content and currently goes to landfill.

Resource Consent
This is permission to use resources such as land, water and air, granted under the Resource Management Act 1991.

Restricted Assets
Assets that cannot be disposed of because of legal or other restrictions and that provide benefit or service to the community. They include reserves vested under the Reserves Act 1977, endowments and property held in trust for specific purposes.

Revenue
Money received by Council.

Revenue and Financing Policy
This is a statement about who should pay for the services provided by Council. The policy outlines who will benefit for each Activity and who should pay for it, taking into account fairness and what is practical.

Significance
This is the degree of importance of an issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impacts, and or likely consequences.

Special Funds / Reserve Funds
Money set aside for a specific purpose. Some uses are legally restricted and others are created by Council.

Strategy
These outline how the City is going to undertake particular actions to deliver the community outcomes.

Sub-Region
This is the geographical area that includes Tauranga City Council and Western Bay of Plenty District Council areas.

Uniform Annual Charge (UAC)
Income to Council for a specific service by a levy of an equal amount on each rateable property. This amount does not vary with the value of the property.

Uniform Annual General Charge (UAGC)
The contribution to the costs of the activities, works or services, whose costs are not otherwise recovered from separate and special rates and charges and shall be levied in respect of every separately rateable property. This amount does not vary with the value of the property.

User Fees and Charges
Fees charged to users of specific services and facilities provided by the Council.

Vested Assets
Infrastructural assets and land provided by the developer of the subdivision. Examples of this may be roads, streetlights, water and wastewater reticulation, stormwater disposal systems and reserve land. At the completion of the subdivision, the ownership and hence future maintenance of these assets passes to Council.

Vision
Council’s view of the future state of its community. It is used to inspire people into action, define future direction and implies that what we do now can influence and change the future for the better.