



Our reference
F19/13/03-D21/26182

16 June 2022

Farm and Aerodrome Committee Meeting

Notice is hereby given that the meeting of the Farm and Aerodrome Committee of Council will be held in the **Council Chambers, Stratford District Council, 63 Miranda Street, Stratford** on **Tuesday 21 June 2022** beginning at **12noon**.

At this stage the meetings will be held in the Council Chambers, however should it be required due to the Covid Protection Framework, the meeting may be moved to an alternative venue or held virtually.

Timetable for 21 June 2022 as follows:

11.45am	Morning Tea for Councillors
12noon	Farm and Aerodrome Committee Meeting
12.30pm (approx.)	Workshop for Councillors - Fonterra Shares

Yours faithfully

Sven Hanne
Chief Executive

2022 - Farm and Aerodrome - June Open

21 June 2022 09:00 AM - 05:00 PM



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AGENDA

Farm and Aerodrome Committee



F19/13/05 – D22/7811

Date: Tuesday 21 June 2022 at 12noon

Venue: Council Chambers, 63 Miranda Street, Stratford

The meeting location may change, or will be held via Audio Visual Link, if required due to current COVID-19 Alert Levels or Government Guidelines.

1. [Welcome](#)

1.1 Opening Karakia
D21/40748 Page 6

1.2 Health and Safety Message
D21/26210 Page 7

2. [Apologies](#)

3. [Announcements](#)

4. [Declarations of members interest](#)

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. [Attendance Schedule](#)

Attendance schedule for Farm & Aerodrome Committee meetings.

6. [Confirmation of Minutes](#)

6.1 Farm and Aerodrome Committee Meeting – 15 March 2022
D22/9103 (PE) D22/11472 (Open) Page 9

Recommendation

THAT the minutes of the Farm and Aerodrome Committee Meeting held on Tuesday 15 March 2022 be confirmed as a true and accurate record.

/
Moved/Seconded

7. [Matters Outstanding](#)

D20/11504 Page 15

Recommendation

THAT the matters outstanding be received.

/
Moved/Seconded

8. Programme of Works
D20/28552 Page 16

Recommendation

THAT the Programme of Works be received.

/
Moved/Seconded

9. Decision Report – A1 Jet Fuel Facility
D22/20341 Page 17

Recommendations

1. THAT the report be received.
2. THAT the Committee consents to RD Petroleum establishing a Jet A1 fuel dispensing facility at the Stratford Aerodrome and approve the proposed location.

Recommended Reason

The provision of an A1 Jet fuelling facility at the aerodrome would be beneficial to the future of the aerodrome and it is appropriate for reasons outlined in the report to the Committee.

/
Moved/Seconded

10. Information Report – Risk Review
D22/19650 Page 24

Recommendation

THAT the report be received.

Recommended Reason

To update the Farm and Aerodrome Committee of changes to both the Farm and Aerodrome Risk Registers and advise the Committee of any incidents in relation to the identified risks.

/
Moved/Seconded

11. Quarterly Report – Farm and Aerodrome Business and Financial Report
D22/19996 Page 31

Recommendation

THAT the report be received.

Recommended Reason

This report provides the first quarterly update to the Farm and Aerodrome Committee. It highlights the milk production from the current season at the farm and also reports on the key activities at the Aerodrome

/
Moved/Seconded

12. Quarterly Report – Health and Safety
D22/20022 Page 44

Recommendation

THAT the report be received.

/
Moved/Seconded

13. Questions

14. Closing Karakia
D21/40748 Page 47



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.



Our reference
F19/13/03-D22/17082

Health and Safety Message

In the event of an emergency, unless guided to an alternative route by staff, please exit through the main entrance. Once outside the building please move towards the War Memorial Centre congregating on the lawn area outside the front of the council building.

If there is an earthquake, please drop, cover and hold where possible. Remain indoors until the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.

Under the current Pandemic setting visitor access beyond the customer service centre is restricted. Mask wearing is mandatory in all public areas as well as any areas where social distancing cannot be consistently achieved, such as corridors, staff rooms and bathrooms.

We recommend mask wearing for the duration of meetings unless social distancing of a minimum of 1 metre can be consistently achieved.

5. Attendance schedule for 2021 Farm and Aerodrome Committee meetings.

Date	15/03/22	21/06/22	20/09/22	06/12/22
Meeting	FA	FA	FA	FA
Neil Volzke	✓			
Grant Boyde	✓			
Rick Coplestone				
Peter Dalziel	AV			
Jono Erwood				
Amanda Harris				
Alan Jamieson	AV			
Vaughan Jones	AV			
Min McKay				
John Sandford				
Gloria Webby				

Key	
FA	Farm and Aerodrome Committee Meeting
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
	Non committee member
(AV)	Meeting held, or attended by, by Audio Visual Link

MINUTES

Farm and Aerodrome Committee



F19/13/06 – D22/9103

Date: Tuesday 15 March 2022 at 12noon
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

Councillor G W Boyde (the Chairman), the District Mayor N C Volzke, Councillors P S Dalziel (*via audio visual link*), V R Jones (*via audio visual link*), and Committee Members: the Director Corporate Services – Mrs T Radich (*via audio visual link*), and the Property Officer – Mrs S Flight.

In attendance

The Deputy Mayor – A L Jamieson (*via audio visual link*)

The Chief Executive – Mr S Hanne, the Committee Advisor and Executive Assistant – Mrs E Bishop, Communications Manager – Ms G Gibson, and one member of the media (Stratford Press).

1. Welcome

The Chairman welcomed the Chief Executive, Councillors, staff, and the media.

1.1 Opening Karakia D21/40748 Page 5

The opening karakia was read.

1.2 Health and Safety Message D21/26210 Page 6

The Chairman reiterated the health and safety message and emergency procedures.

2. Apologies

Apologies were received from Councillor W J Sandford and the Director Environmental Services – Mr B Sutherland.

Recommendation

THAT the apologies be received.

VOLZKE/DALZIEL
Carried
F&A/22/1

3. Announcements

There were no announcements.

4. Declarations of Members Interest

The Chairman requested Councillors to declare any real or perceived conflicts of interest relating to items on this agenda. There were no declarations of interest.

5. Attendance Schedule

The attendance schedule for Farm & Aerodrome Committee meetings was attached.

6. Confirmation of Minutes

6.1 Farm and Aerodrome Committee Meeting – 7 December 2021
D21/44405 (PE) D21/44582 (Open) Page 8

Recommendation

THAT the minutes of the Farm and Aerodrome Committee Meeting held on Tuesday 7 December 2021 be confirmed as a true and accurate record.

BOYDE/JONES
Carried
F&A/22/2

Questions/Points of Clarification:

- It was noted that the decision to use \$96,000 from the Farm Reserve towards rate mitigation had been made by Council due to the timing of the draft Annual Plan being released for consultation.
- It was requested that the public excluded item be discussed further. The committee would move into public excluded at the end of the meeting.

7. **Matters Outstanding**
D20/11504 Page 17

Recommendation

THAT the matters outstanding be received.

DALZIEL/VOLZKE
Carried
F&A/22/3

The Director – Corporate Services noted that the report on the overhead expenses for the Farm would be brought to the next Committee Meeting as Officers were waiting on the sharemilking agreement to be completed to ensure an accurate analysis.

8. **Programme of Works**
D20/28552 Page 18

Recommendation

THAT the Programme of Works be received.

BOYDE/VOLZKE
Carried
F&A/22/4

The Deputy Mayor joined the meeting at 12.10pm.

9. Information Report – Risk Review

D22/5868 Page 19

Recommendation

THAT the report be received.

BOYDE/JONES
Carried
F&A/22/5

Recommended Reason

To update the Farm and Aerodrome Committee of changes to both the Farm and Aerodrome Risk Registers and advise the Committee of any incidents in relation to the identified risks.

The Property Officer noted there had been no new risks identified since the last meeting was held in December.

Questions/Points of Clarification:

- It was requested that the raw risk for the Farm Risk 1, Covid-19, be upgraded to medium-high.

10. Quarterly Report – Farm and Aerodrome Business and Financial Report

D22/5873 Page 26

Recommendation

THAT the report be received.

VOLZKE/DALZIEL
Carried
F&A/22/6

Recommended Reason

This report provides the first quarterly update to the Farm and Aerodrome Committee. It highlights the milk production from the current season at the farm and also reports on the key activities at the Aerodrome

The Property Officer noted the following points:

- This report provides an update on key activities since the last meeting.
- Milk production is 8% lower than this time last season but is increasing and is still on track to meet the target.
- The antenna has come off the roof at the aeroclub so there have been no recorded movements for the month of February. The contractor is repairing this today.

Questions/Points of Clarification:

- The Chairman noted that the council farm is currently 0.4% ahead of season to date, this is in comparison to Central Taranaki as a whole being 7.79% behind for the season and 4.86% behind for the month. This is a result of the sharemilkers doing an excellent job and making outstanding decisions.
- The Chairman noted it was important to remember the rising costs of feed, fertiliser and electricity which will provide some real challenges with the farm working expenses.
- The District Mayor noted that the milk price had been fixed at \$8.12 with the forecast now predicting \$9.60, it was confirmed that the farm was locked into the fixed rate, and that the sharemilkers were not supportive of re-fixing the rate at this present time. It was reiterated that the budget had been \$6.25 therefore fixing at \$8.12 was a good idea in comparison to the budget. It was also important to note the volatility of this industry and that in the past the milk prices have been low and the fixed price higher.

- It was clarified that due to the timing of the committee meetings the Annual Plan budget had been approved by Council but that the Annual Plan was still in a draft format and therefore should the committee wish to make a recommendation for amendments then they could still be considered.
- Councillor Jones noted it had been an outstanding end to the milking season but requested a report to show total feed purchased and feed produced on farm and any extra feed required for the new system vs milk production. This would be added to Matters outstanding.
- It was clarified that the quote being sought for the drafting gate was as a result to a change being made to the exit gate, however it was important to ensure that any changes could accommodate the addition of a drafting system in the future.
- It was clarified that the third line in the Annual Plan budget clarified Council's share of the milk revenue. This was 155,000 milk solids at \$7.50 then split 50/50. It was noted that the budgeted milk price of \$7.50 was very conservative but that the final announcement would not be made by Fonterra on the milk price until October so it was important to be conservative when setting the budget for the coming year.
- Councillor Boyde noted that the latest figures estimate \$49 billion into the economy this year from the dairy industry.

11. Quarterly Report – Health and Safety

D22/7532 Page 41

Recommendation

THAT the report be received.

BOYDE/VOLZKE
Carried
F&A/22/7

The Property Officer noted there had been no recorded incidents at the Farm or the Aerodrome since the December meeting.

Questions/Points of Clarification:

- The Chairman commended the sharemilkers for having a good plan to mitigate any issues around staff contracting Covid-19.

12. Questions

There were no questions.

The media left the meeting at 12.20pm

Recommendation

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

Agenda Items No: 6.1

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution to each matter	Grounds under section 48(1) for the passing of this resolution
Confirmation of Minutes – 15 December 2021 – Item 15 – Farm Contract	The withholding of the information is necessary for commercial sensitivity	The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Section 7(2)b(ii) of the Local Government Official Information and Meetings Act 1987.

DALZIEL/BOYDE
Carried
F&A/22/8

Questions/Points of Clarification

Confirmation of Minutes- 15 December 2022 - Item 15 – Public Excluded

Recommendation

THAT the open meeting resumes.

BOYDE/VOLZKE
Carried
F&A/22/9

The meeting closed at 12.39pm

G W Boyde
Chairman

Confirmed this 21st day of June 2022.

N C Volzke
District Mayor

Farm and Aerodrome Committee Matters Outstanding Index

D20/11504

ITEM OF MATTER	MEETING RAISED	RESPONSIBILITY	CURRENT PROGRESS	EXPECTED RESPONSE
Farm Overheads – clarification of make-up of overhead expenses	F&A 07/12/21	Tiffany Radich		Update – Item 11 – Business and Financial report
Supplementary feed and milk production – figures to show farm produced feed, brought in feed and milk production to highlight efficiency of the new system.	F&A – 15/03/21	Tiffany Radich		Update – Item 11 – Business and Financial report

2022 - Farm and Aerodrome - June Open - Programme of Works

FARM AND AERODROME COMMITTEE - PROGRAMME OF WORKS

Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Annual Strategic Review	Farm Environmental Report	Farm Business Plan/Report	Review Risk Register	Sharemilkers Update	Farm Environmental Report
Final Farm Business Report 2021	Draft Budget 2022/23	Draft Results 2021/22	Final Farm Business Report 2021		Draft Budget 2023/24
Sharemilkers Agreement					
Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report	Farm Operations - Monthly Report
Health and Safety Report	Health and Safety Report	Health and Safety Report	Health and Safety Report	Health and Safety Report	Health and Safety Report

DECISION REPORT



D22/20341

To: Farm and Aerodrome Committee
From: Property Officer
Date: 21 June 2021
Subject: A1 Jet Fuel Facility

Recommendations

1. THAT the report be received.
2. THAT the Committee consents to RD Petroleum Aviation establishing a Jet A1 fuel dispensing facility at the Stratford Aerodrome and approve the proposed location.

Recommended Reason

The provision of an A1 Jet fuelling facility at the aerodrome would be beneficial to the future of the aerodrome and it is appropriate for reasons outlined in the report to the Committee.

/
Moved/Seconded

1. Purpose of Report

The purpose of this report is to seek the Committees approval to the establishment and location of a Jet A1 fuel dispensing facility (refer to **Appendix 1**).

A further report will be presented to Council seeking approval to the financial and other terms of conditions of the necessary ground lease.

2. Executive Summary

- 2.1 In 2015 Z Energy removed the fuel tank facility from the Aerodrome due to the cost of a required upgrade and replacement of the in-ground tanks which could not be commercially justified given the low to moderate throughput of fuel.
- 2.2 The Aero Club with approval from Council constructed a new Avgas facility, which is the most commonly used fuel.
- 2.3 RD Petroleum Aviation approached Council Officers with a proposal to install an additional fuel tank for A1 Jet fuel. They have consulted with the aerodrome users, who support the proposal and would benefit from it.
- 2.4 With both fuels being available at Stratford it is likely that the aerodrome will see more positive growth with more potential hangar development. The Strategic Development Plan for the aerodrome prepared by Airbiz in 2011 identified fuel facility as a major strength and commented that "it is highly desirable that the provision of fuel at the Aerodrome continued.

3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
	✓		

4. Background

- 4.1 Stratford Aerodrome occupies approximately 17 hectares of land within a 130-hectare block, the balance of which is farmed under a sharemilking agreement. The land was acquired in the 1930's for the purpose of “establishing and maintaining an aerodrome.” There has been a fuel facility at the aerodrome for many years, with evidence on file of initial approval for such having been given in 1937.
- 4.2 Z Energy owned the previous fuel facility but made the decision to pull out of the operation on the grounds that the cost of a required upgrade of the dispensing equipment and replacing the in-ground tanks that are approaching the end of their life cannot be commercially justified given the low to moderate throughput of fuel. They duly ceased operations on 27 February 2015 and removed the infrastructure.
- 4.3 With Z Energy pulling out of Stratford there was no aviation fuel publicly available between Whanganui and New Plymouth. In view of this, the Aero Club obtained approval from Council and installed an Avgas fuel facility which is the most common fuel used by piston engine aircraft, speedway competitors and classic car enthusiasts. The Aero Club is responsible for the facilities operation and ongoing maintenance, servicing, licensing and capital replacement cost.
- 4.4 In January 2022 RD Petroleum Aviation contacted Council Officers with a proposal to install a Jet A1 fuel facility at the Aerodrome, which is required by commercial operators for their turbine powered aircraft. Ravensdown Aerowork, operates from the aerodrome and currently brings in its own Jet A1 fuel by tanker but supports the proposal herein.
- 4.5 RD Petroleum Aviation have consulted with the Aero Club, Ravensdown, Mid West Helicopters whom have all expressed in writing that they support the facility. The Rescue Helicopter also sees value in this for search and rescue purposes.
- 4.6 RD Petroleum Aviation will cover all costs associated to the works and ongoing maintenance and repairs. It's estimated that the installation cost is between \$350k and \$400k.
- 4.7 The proposed location of the storage tank is on the side of the turning bay of the Aerodrome. (Shown in **Figure 1**). This location is most suitable as it allows easy access to tankers when refilling. The aircraft refiling outlet will be incorporated with the existing Avgas outlet.



Figure 1 – Proposed location

4.9 With both fuels being available at Stratford it is likely that the aerodrome will see more potential hangar development and new members. The Strategic Development Plan for the aerodrome prepared by Airbiz in 2011 identified fuel facility as a major strength and commented that “it is highly desirable that the provision of fuel at the Aerodrome continued.

5. Consultative Process

5.1 Public Consultation - Section 82

As this is a commercial matter relative to Council's property that has no public impact, public consultation is not considered necessary.

5.2 Māori Consultation - Section 81

Consultation has not been undertaken with iwi on this matter. Iwi have been consulted with specifically as part of the Long Term Plan consultation process, but not to a detailed level with regards to this proposal.

6. Risk Analysis

<p>Refer to the Council Risk Register - available on the Council website.</p> <ul style="list-style-type: none"> • Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating? • Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks. • Is there a legal opinion needed?
--

6.1 This report relates to:

Risk 38 – Exposure to Hazardous Substance. If users are exposed to hazardous substance and fumes, it is a possible Health and Safety risk. The likelihood of this occurring is low. RD Petroleum Aviation is specialised in installing fuel facilities. They comply with health, safety and environment laws.

Risk 83 – Aerodrome Unsafe Conditions. During the installation of the fuel tank facility, if aircraft or vehicle access isn't restricted, potentially people lives could be at risk and existing property could be damage. The likelihood of this occurring is low. RD Petroleum Aviation will prepare a site-specific safety plan and will advise the users.

No new risks are identified and no legal opinion is required.

7. Decision Making Process – Section 79

7.1 **Direction**

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	The recommendation is not inconsistent with the Annual Plan and the Long Term Plan 2021 – 2031. This is merely an operational matter.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	The recommendations do not impact adversely on current or future infrastructure requirements or Council's regulatory or public service functions.

7.2 **Data**

<ul style="list-style-type: none"> • Do we have complete data, and relevant statistics, on the proposal(s)? • Do we have reasonably reliable data on the proposals? • What assumptions have had to be built in?
--

The recommendations herein are based on a review of all available data and no assumptions have been built in.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	Aligns with the LTP
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	No	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

<p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> 1. What options are available? 2. For each option: <ul style="list-style-type: none"> • explain what the costs and benefits of each option are in terms of the present and future needs of the district; • outline if there are any sustainability issues; and • explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions? 3. After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> • how this option is the most cost effective option for households and businesses; • if there are any trade-offs; and • what interdependencies exist.

The options available to Council in this instance are as follows:

Option 1: Decline the application.
Declining the application will simply require existing commercial operators to continue to make their own provision for fuel and suppress future development of the Aerodrome.

Option 2: Approve the establishment of the Jet A1 fuel facility at proposed location as shown in Appendix 1.

Option 2 is the recommended option, as it will help the growth of the aerodrome and is of no cost to Council.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

There is only a positive impact on funding or debt levels in relation to this matter due to the additional income received from lease rental.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
 - contractor's capacity to deliver; and
 - consequence of deferral?

Not applicable.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

There are no legal issues inherent herein.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

There are no policy issues inherent in this proposal.

Attachments:

Appendix 1 Proposed location for fuel tank



Sara Flight
Property Officer



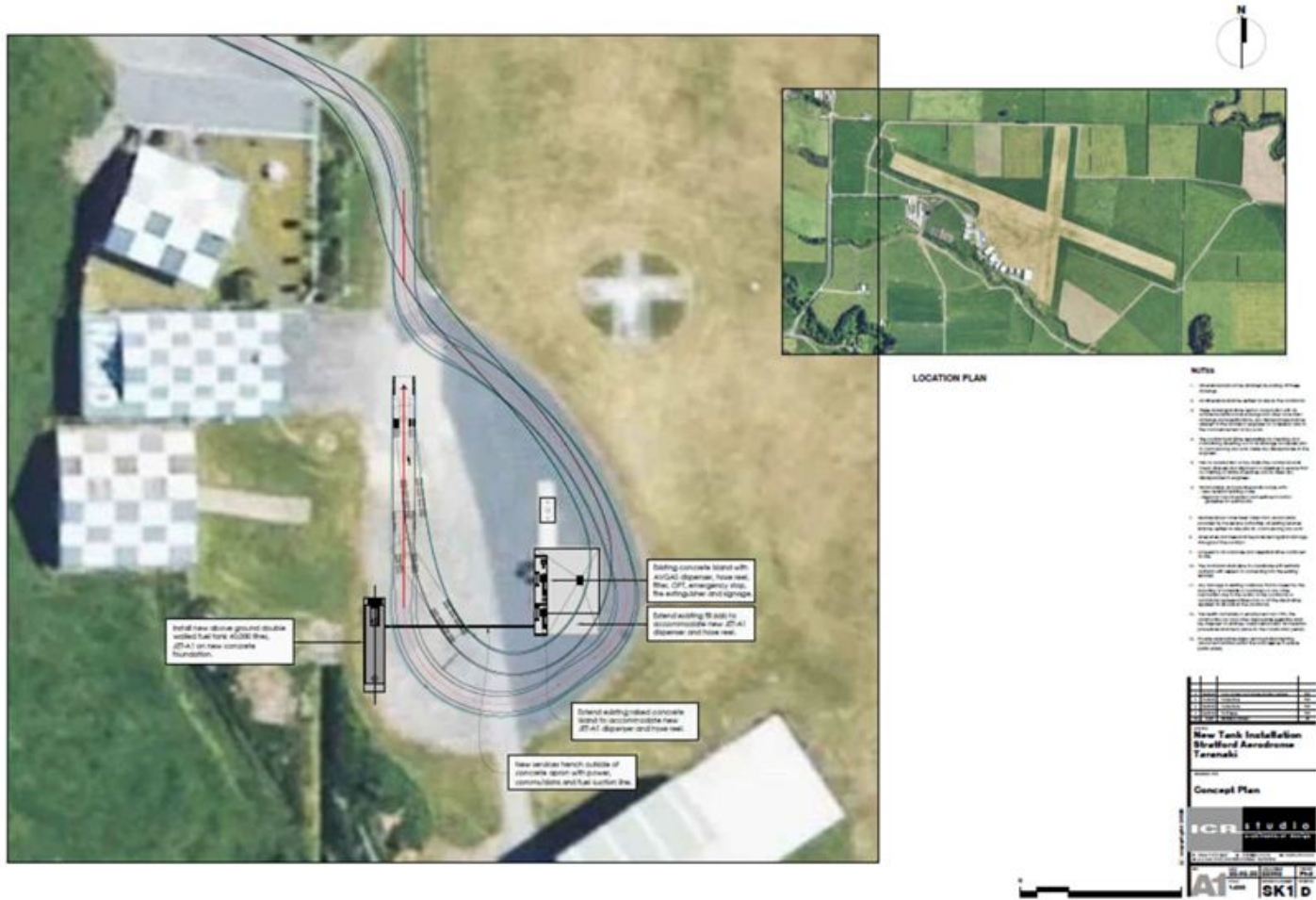
[Approved by]
Victoria Araba
Director - Assets



[Approved by]
Kate Whareaitu
Acting Chief Executive

Date 14 June 2022

APPENDIX 1 Proposed location for Fuel Tank



INFORMATION REPORT



D22/19650

To: Farm and Aerodrome Committee
From: Property Officer
Date: June 2022
Subject: Risk Review

Recommendation

THAT the report be received.

Recommended Reason

To update the Farm and Aerodrome Committee of changes to both the Farm and Aerodrome Risk Registers and advise the Committee of any incidents in relation to the identified risks.

 /
 Moved/Seconded

1. Purpose of Report

The purpose of this report is to present any changes made to the Farm and Aerodrome Risk Registers in **Appendices 1 & 2**. It is to inform the Committee of any incidents and/or changes in relation to identified risks since the last Farm and Aerodrome Committee meeting, held in March 2022.

2. Executive Summary

The Senior Leadership Team (SLT) discuss changes to the corporate risk register weekly. This review of the Farm and Aerodrome Risk Registers is undertaken at the Quarterly Sharemilkers meetings, by Sharemilkers and staff present, to ensure that all risks are being managed appropriately. In the past quarter, no new risk have been added to the risk register.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
	✓	✓	

Active management and monitoring of farm risks will support performance of a good quality local public service.

4. Background

The Farm and Aerodrome Risk Registers were adopted by the committee at the September 2020 meeting.

The Risk Registers are based on requirements from:

- The Taranaki Regional Council;
- Fonterra Limited;
- Ministry of Primary Industries; and
- Civil Aviation Authority.

The Risk Register reports on all risks identified to be managed by the Sharemilkers and Council staff.

5. Information Summary

5.1 **New Risk identified and added to the Risk Register**

There have been no new risks added to the Risk Register since the last Farm and Aerodrome Committee meeting.

5.2 **Changes to the Risk Register**

There has been one change to the Risk Register since the last Committee meeting. It was requested that the raw risk for the Farm Risk 1, Covid 19, be upgraded to medium-high.

5.3 **Incidents or Threats in relation to the Risk Register**

There has been no incidents or threats in relation to the risk register since the last Farm and Aerodrome Committee meeting.

6. Strategic Alignment

6.1 **Direction**

This report is consistent with the relevant sections of the 2021-2031 Long Term Plan.

6.2 **Annual Plan and Long-Term Plan**

Not Applicable

6.3 **District Plan**

Not Applicable

6.4 **Legal Implications**

Not Applicable

6.5 **Policy Implications**

No policy implications

Attachments:

Appendix 1 – Farm Risk Register

Appendix 2 - Stratford Aerodrome Risk Register



Sara Flight
Property Officer



[Approved by]
Victoria Araba
Director - Assets



[Approved by]
Kate Whareaitu
Acting Chief Executive

Date 14 June 2022

Farm Risk Register

Item	Risk Category	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
1	Operational	COVID- 19	<ul style="list-style-type: none"> If the sharemilker contracts COVID-19 and is unable to work for a few weeks this could affect the operation of the farm. 	Medium to High	<ul style="list-style-type: none"> Prepare and maintain a Business Continuity Plan. Have a Movement Plan between the Sharemilker and other workers to eliminate the transmission of the virus to others. Limit movement of stock, people and machinery on/off farm. Work with Bio-Security NZ, Ministry Primary Industries (MPI), Taranaki Regional Council (TRC), Farm Vets to ensure the threat is identified and work to minimise the threat. Ensure Staff/committee are kept up to date with everyday decisions. Follow MPI Guidelines - https://www.biosecurity.govt.nz/growing-and-harvesting/land-care-and-farm-management/biosecurity-on-your-farm/ 	Medium to Low
2	Operational	Infectious Disease/ Biosecurity Risk and Pandemic	<ul style="list-style-type: none"> If there is a threat to animals on farm through disease, this will affect the wellbeing of all stock on farm. Given the current Sharemilkers have a run-off this will also limit stock from outside the farm coming onto the dairy farm. 	Medium to High	<ul style="list-style-type: none"> Take a proactive approach to any known threats to protect the farm and develop a plan to deal with this threat, in discussion with the Fonterra and the Bank; Prepare and maintain a Business Continuity Plan. Have a Movement Plan between the Sharemilkers runoff farm and the Council's farm to eliminate any infection due to movement between farms. Limit movement of stock, people and machinery on/off farm. Work with Bio-Security NZ, Ministry Primary Industries (MPI), Taranaki Regional Council (TRC), Farm Vets to ensure the threat is identified and work to minimise the threat. Ensure Staff/committee are kept up to date with everyday decisions. Follow MPI Guidelines - https://www.biosecurity.govt.nz/growing-and-harvesting/land-care-and-farm-management/biosecurity-on-your-farm/ 	Medium to Low
3	Financial	Low Pay-out	<ul style="list-style-type: none"> Low pay-out can and will cause financial stress on farm if not handled correctly. Financial pressure can cause the farm to run on maintenance only. 	Low - Medium	<ul style="list-style-type: none"> Work with the bank/accountant to set up a budget. A low pay-out can cause the farm to only run on minimal operations and very low costs. For example Maintenance fertiliser only. Only things that need to be done to keep the farm running will be done. Select correct options for current financial climate and low pay-out. 	Low
4	Environmental	Natural Disaster	<ul style="list-style-type: none"> Weather, Eruption, Earthquakes any of these can affect the farm. Any of these disasters can cause major damage to farm buildings and infrastructure. Loss of income also will come into effect. 	Low - Medium	<ul style="list-style-type: none"> Prepare and maintain a Natural Disaster Management Plan. Communicate to the regional /district Civil Defence Authority; Prepare and maintain a Business Continuity Plan. Have an up-to-date Business Interruption Insurance. Secure an alternative power source e.g. generator that is available when required. Work with Sharemilkers to ensure that they are aware of their responsibilities. Ensure industry best practice is followed. 	Low
5	Reputational and Conduct	Reputational Damage	<ul style="list-style-type: none"> Reputational damage to Council can occur as a result of: <ul style="list-style-type: none"> Lack of operational transparency; Poor Management; Environmental damage; Non-compliance Reputational damage could lead to hefty fines which may cause ratepayers and the public losing faith in the council-run farm. 	High	<ul style="list-style-type: none"> Continually working with TRC to ensure that: <ul style="list-style-type: none"> the farm complies with TRC Best On-farm practise; the farm complies with Fonterra requirements in terms of supply; All records are kept up to date on a regular basis. Ensure transparent decisions are made at all times; Consistently keep all involved in the farm up to date and well informed of any changes to rules and regulations. Review contract with Sharemilkers every three years to ensure everyone is on same page 	Medium

2022 - Farm and Aerodrome - June Open - Information report - Risk Review

Item	Risk Category	Risk Subject	Risk Description	Risk Score Raw	Control Description	Residual Risk Score
			<ul style="list-style-type: none"> Change of Government Policy or Legislative change can also have consequences to the reputation of the farm and the council also. 			
6	Operational	Aerodrome	<ul style="list-style-type: none"> Cows on runway 	Medium to High	<ul style="list-style-type: none"> Prepare and maintain a clear set of rules for both the Aerodrome users and the Council farms Sharemilkers and employees 	Low
7	Health and Safety and Wellbeing	Health and Safety	<ul style="list-style-type: none"> Lone worker - If a staff member is seriously injured or killed on farm, then possible health and safety breaches, death or serious injury. 	Low-Medium	<ul style="list-style-type: none"> Work with the Sharemilkers to ensure that they have quality training and are aware of their responsibilities. Ensure contract is updated in accordance with Health and Safety regulation and best on-farm practices; Ensure that there are processes and measure in place to ensure that a lone worker is safe and can communicate effective in emergency and be reached promptly. 	Low
8	Animal Welfare	Reputational Damage	<ul style="list-style-type: none"> Animal Welfare issues – If an animal welfare issue eventuates on-farm then reputational damage to both Sharemilker and Council could occur. 	Medium	<ul style="list-style-type: none"> To ensure there is good animal welfare practice on farm and as the cows are owned by the Sharemilkers, the following codes must be complied with: <ul style="list-style-type: none"> The Animal Welfare Act 1999; An <i>Animal Health Plan</i> provided through a Veterinary Practice; and The Fonterra Welfare Codes and Regulations 	Low

APPENDIX 2



Stratford Aerodrome

232 Flint Road
Stratford
ph 06 7656099

RISK REGISTER

Source of Risk		Risk Rating (Uncontrolled risk rating)			Heirachy of Control	Controls	Residual Risk	Persons responsible	Date to be Completed	Review Date and Initial
Source of Risk	Risk	Consequence	Likelihood	Risk Rating						
Tourists and, or members of the public accessing the airfield	Public vs aircraft, aircraft rotor / propeller or service vehicle	Critical	Possible	MED	M	Parking available near the Club House for visitor parking Signage in place identifying the Airfield as an Operational Area - Unauthorised Access Prohibited Gate in place and able to be used as required	LOW	Operations & Members using the Aerodrome	On-going monitoring	N/A - ongoing management
Access into and out of the aerodrome via the driveway	Vehicle collision or vehicle vs stock	Minor	Rare	LOW	M	Traffic is restricted to 30km per hour with signage clearly in place , to this effect	LOW	Operations & Members using the Aerodrome	As required	N/A - ongoing management
Contractor vehicles, including moving vehicles crossing the runway and accessing the aircraft manoeuvring area	Service vehicle vs aircraft	Catastrophic	Possible	HIGH	M	Vehicle access to airfield is restricted to ground maintenance vehicles (Downer completes mowing) - these vehicles must have a roof top strobe as per signage at the entrance to the operational area Mowing operations are scheduled on Thursdays (usually) - pilots to check with the radio room prior to landing for update on conditions / NOTAMS Contractor to hold a radio dialled in to airside channel (enter channel [ENTER CHANNEL])	MED	Operations & Members using the Aerodrome Stratford District Council	On-going monitoring	N/A - ongoing management
Model Aircraft crashing outside the aerodrome in the farmers fields	Distress the farmers stock / cattle Animal vs Member Member injury	Major	Probable	MED	M	Access to farmers paddocks must be recorded in the appropriate log book held at the Club house Model Aircraft flying is restricted and only permitted by members of the Egmont Modellers Club (reducing other recreational users)	LOW	Operations & Members using the Aerodrome	On-going monitoring	N/A - ongoing management
Stock on the runway and, or airfield	Damage, injury, distraction	Catastrophic	Probable	HIGH	M	The perimeter of the airfield is fenced Stock on the airfield to be reported to the Club House who will facilitate clearing the airfield	MED	Operations & Members using the Aerodrome	As required	N/A - ongoing management
Debris on Airfield	Damage, injury	Catastrophic	Possible	HIGH	M	Physical check of airfield, including runway and wider manoeuvring area to identify and remove debris, including but not limited to Bale wraps and other wind blow material	LOW	Operations & Members using the Aerodrome	As required	N/A - ongoing management

2022 - Farm and Aerodrome - June Open - Information report - Risk Review

Birds	Bird strike resulting in damage or injury	Catastrophic	Possible	HIGH	M	Monitor bird activity in the area and manage if a problem is identified - Solutions to bird problems should be made in consultation with the farmer and Stratford District Council	MED	Operations & Members using the Aerodrome Stratford District Council	As required	N/A - ongoing management
Fuel Bowser	Vehicle vs fuel bowser / pump Vehicle fire near bowser/pump	Major	Unlikely	MED	M	Bollards have been installed around the fuel bowser Clear line if sight to minimise accidental collision Fire extinguisher located at the Bowser for use as requires Fuel Safety Data Sheet (SDS) located in the Notice Board (Marked in Box labelled MSDS)	LOW	Operations & Members using the Aerodrome	As required	N/A - ongoing management
Commercial operations conducted from the airfield - Aerowork	Traffic including trucks	Major	Unlikely	MED	M	All activities are carried out in the Operational Area and in line with CAA Guidelines and requirements Vehicles / traffic must use roadways provided, be mindful of speed and pedestrians	LOW	Operations & Members using the Aerodrome	As required	N/A - ongoing management
Runway markings and general conditions	Markings become faded / damaged / or otherwise unclear over time Damage to runway and wider airfield	Catastrophic	Rare	MED	M	Guide line to be maintained as required to ensure the runway remains clearly visible All damage to runway and surrounding airfield to be reported immediately to the Radio Room so it can be used to update incoming aircraft, NOTAMS and Stratford District Council can be notified as required	LOW	Operations & Members using the Aerodrome Stratford District Council	As required	N/A - ongoing management
Aircraft fuel and oil spills are likely whilst aircraft are parked and refuelled during refuelling operations	Aviation fuel spills	Moderate	Rare	LOW	M	Follow fuelling procedures Drains and interceptors in place in compliance with Ministry for the Environment	LOW	Operations & Members using the Aerodrome Stratford District Council	On-going monitoring	N/A - ongoing management
It is of critical importance that the fuel taken on-board at uplift is not contaminated since the effects of any such contamination are likely to affect the engines and this may not be evident until after an aircraft has become airborne.	Fuel Contamination	Moderate	Unlikely	LOW	M	Fuel filtration procedures Fuel Testing Fuel Storage Pre-flight checks	LOW	Operations & Members using the Aerodrome	On-going monitoring	N/A - ongoing management
Winch launching of Gliders	Aircraft impact with winch rope and associated vehicles on runway	Moderate	Possible	MED	M	Operating Procedures Maintaining communication with Radio Operations / Control	LOW	Operations & Members using the Aerodrome	On-going monitoring	N/A - ongoing management

QUARTERLY REPORT



D22/19996

To: Farm and Aerodrome Committee
From: Property Officer
Date: 21 June 2022
Subject: Farm and Aerodrome Business and Financial Report

Recommendation

THAT the report be received.

Recommended Reason

This report provides the fourth quarterly update to the Farm and Aerodrome Committee. It highlights the milk production from the current season at the farm and reports on the key activities at the Aerodrome.

/_____
 Moved/Seconded

1. Purpose of Report

The purpose of this report is to provide an update of the Farm and Aerodrome activities to the Committee.

2. Executive Summary

2.1 This report provides information on the current financial position of the Farm and Aerodrome.

2.2 It highlights the milk production from the current season at the farm and reports on the key activities at the Aerodrome.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
Social	Economic	Environmental	Cultural
	✓	✓	

It supports the provision of good quality local infrastructure and the performance of a good quality local public service.

4. Information Summary

4.1 Farm Information

4.1.1 The farm production is as shown in the Monthly Production graph below (**Figure 1**) with an 2.3% variance (increase) from this time last year.

4.1.2 The total production at the end of the 2021/2022 season came in above the targeted amount, being 154,394 kgMS (150,918 kgMS in 2020/2021) making this the best season during the entire term of the 50/50 Sharemilking contract.



Figure 1: Total Kg Milk Solids Production from July to May

4.1.3 The 50/50 Sharemilkers agreement was signed late May. This has secured another five years with Fernharp Trust.

4.1.4 650 plants for riparian planting programme were delivered to the farm in May. Planting will be completed by the end of June.



- 4.1.4 The Sharemilkers quarterly meeting was held on Thursday 2nd June 2022.
- 4.1.5 At the last quarterly meeting, it was requested to provide a comparison on feed purchased and made for the last two seasons. This is reflected in **Appendix 4**
- 4.1.5 The Director – Corporate Services noted at the last quarterly meeting that the report on the overhead expenses for the Farm would be brought to the next Committee Meeting as Officers were waiting on the sharemilking agreement to be completed to ensure an accurate analysis. This is provided in **Appendix 5**
- 4.1.6 In the 2021/2022 season Council had three fixed milk price contracts. In the new season 2022/2023 Council already has one fixed milk price contract. (**Figure 2**).

FMP AGREEMENTS	EST. SEASONAL PRODUCTION (KGMS)	FIXED QUANTITY (KGMS)	FIXED MILK PRICE	FIXED % OF EST SEASONAL
Season 2020/2021				
November	149391	5825	8.62	3.9%
October	149391	10212	8.49	6.84%
September	149391	17690	8.12	11.84%
Season 2022/2023				
May	149391	11618	9.38	7.78%

Figure 2: Fixed Milk Prices

- 4.1.7 It was identified in the Farm Dairy Assessment report that the milking parlour is in need of repainting. This is now pr programmed in to be painted at the end of June, before calving starts.
- 4.1.8 A shipping container already owned by council will be transferred to the farm to be used as a chemical shed once the new storage shed has been erected. The concrete pad for this will be completed in June.

4.2 Aerodrome Information

- 4.2.1 As part of the fees and charges, as determined during the Long Term Plan 2021-31 process, Council introduced landing fees for the Aerodrome for the 2021/22 financial year. During the first quarter of the financial year, a total of \$1,178 was invoiced. The Council subsequently withdraw the Aerodrome landing fees from the fees and charges schedule for 2022/23 as part of the preparation for the Annual Plan 2022/23, and it was decided that Council staff would no longer continue to charge the fees during the 2021/22 year. Of the amount charged, \$765 remains unpaid and Council will write this amount off prior to 30 June 2022. A total of \$413 was paid by three aerodrome users, which will be refunded.
- 4.2.2 Council Officers have received enquiries for additional hangar development at the Aerodrome. The location of interest for two separate hangar proposals is Zone C. (from the Airbiz report shown in **Appendix 6**). It is the third area earmarked for development, when Zone A and B are fully utilised. Due to the demand for more hangars Council Officers will be undertaken a review on the Aerodrome Management Plan.
- 4.2.3 In mid-February strong winds dislodged the aerial off the roof of the Aero Club House. This has been repaired and enabling the recording and reporting on movements at the Aerodrome.

4.2.4 The aircraft movements by months are shown in the graph below as **Figure 4** and aircraft movements by type in **Figure 5**

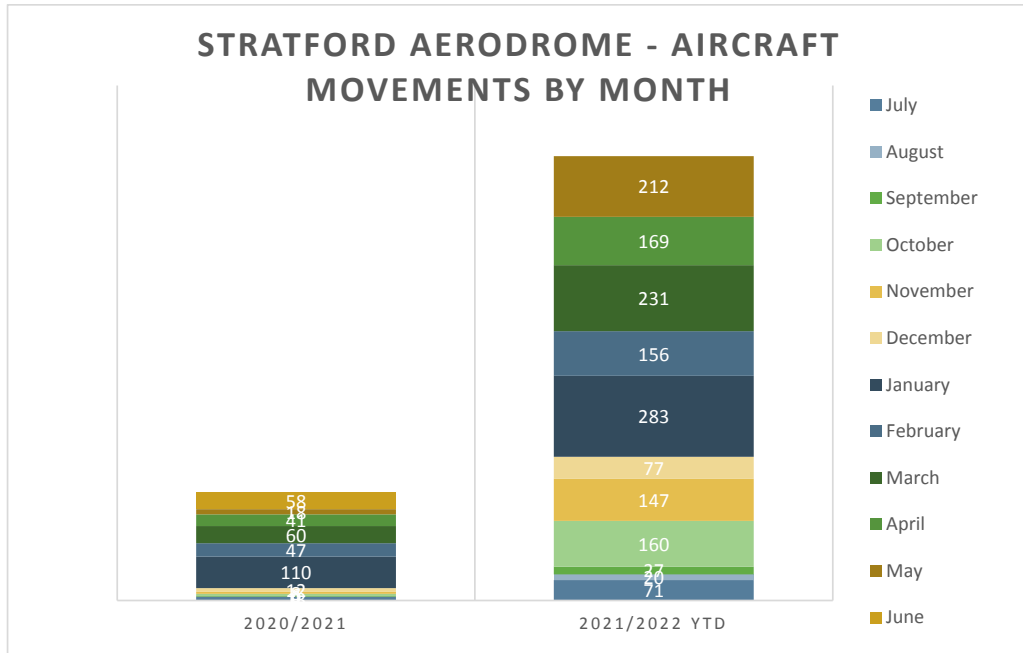


Figure 4: Aircraft Movements by Month

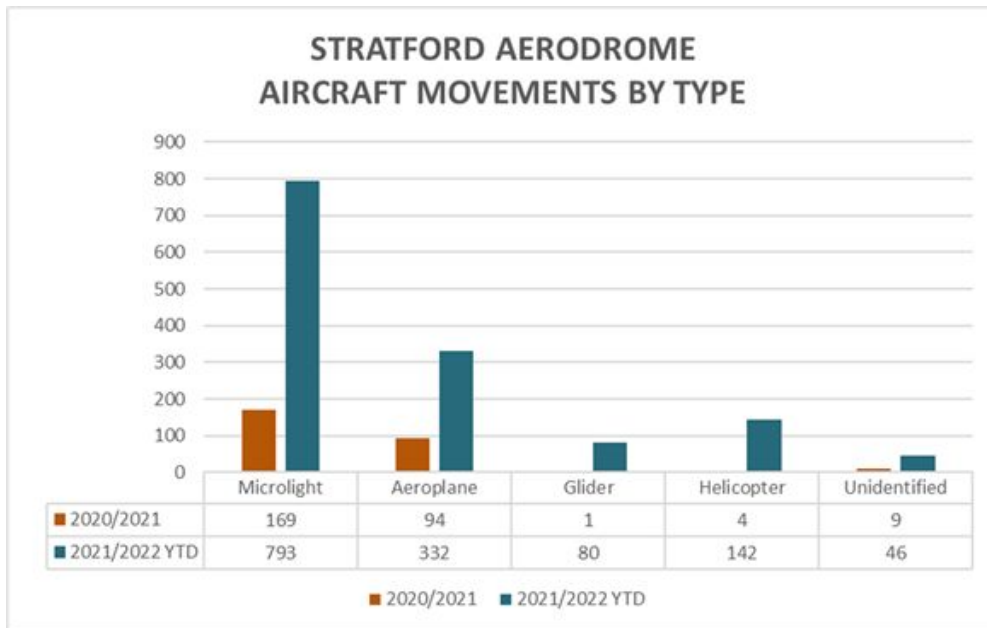


Figure 5 - Aircraft Movements by Type

5. Financial Report

- 5.1 Milk production and milk payout are higher than budget, and previous year, resulting in Council's share of milk revenue being much higher than expected. Although the dividend is slightly less than budget it is higher than the previous year.
- 5.2 Overall expenditure is over budget by \$51,218.
- 5.3 Operating costs are \$76,360 higher than this time last year, continuous poor weather conditions reduced grass growth which has resulted in significantly more feed being purchased. Additionally, with higher feed prices, the expenditure on feed has almost tripled, and is double the budget.
- 5.4 Repairs and Maintenance Works: The painting of the milking parlour (at a cost of \$13,766) is programmed in to be completed by the end of June.
- 5.5 Capital expenditure is over budget by \$103,998 due to the yard upgrade being completed in this financial year, the budget was approved in the last financial year.
- 5.6 **Annual Plan – Budget 2022/23**

The budget attached (**Appendix 5**) has been included in the Council's Annual Plan 2022/23. Farm operating costs have increased significantly in the past year, and it is likely they could exceed budget with inflation and supply issues pushing prices for farm feed and fertilizer up. The share-milkers have reviewed the budget and provided feedback which has been incorporated into the updated estimates. However, it is likely that the feed budget may be too conservative.
- 5.7 The milk price assumption has been conservatively set at \$6.25. However, Fonterra have recently approved fixing 11,618 kg of milk solids at \$9.38 and it is expected that next season's milk price will be up around this level – potentially counteracting the effect of higher costs.

6. Strategic Alignment

- 6.1 **Direction**

This report is consistent with the 2021-2031 Long Term Plan
- 6.2 **Annual Plan and Long Term Plan**

This report supports the Farm and Aerodrome activities as indicated in the Annual Plan and Long Term Plan.
- 6.3 **District Plan**

There are no implications on the District Plan.
- 6.4 **Legal Implications**

There are no legal implications.
- 6.5 **Policy Implications**

There are no policy implications.

Attachments:

- Appendix 1** – May 2022 YTD Financial Report – Farm
- Appendix 2** – Work Programme
- Appendix 3** – Capital expenditure report
- Appendix 4** – Feed Comparison 2020/2021 – 2021/2022
- Appendix 5** – Farm Overhead Analysis
- Appendix 6** – Airbiz Report - Future Hangar Development Zones



Sara Flight
Property Officer



[Approved by]
Victoria Araba
Director - Assets



[Approved by]
Kate Whareaitu
Acting Chief Executive

Date 14 June 2022

APPENDIX 1

May 2022 YTD Financial Report

	YTD PREVIOUS	YTD ACTUAL	YTD BUDGET		BUDGET
	2020/21	2021/22	2021/22	Variance	2022/23
3800 - Farm Investment					
1700 - Income					
Milk Production (KgMs)	150,918	154,394	150,000	4,394	150,000
Forecast Milk Payout (incl fixed payments)	7.38	9.09	6.25	2.84	6.25
Council's Share of Milk Revenue*	556,886	701,373	468,750	232,623	468,750
Plus payments from prev season	39,737	-	-	-	-
Dividend	9,369	16,565	19,840	-3,275	19,840
Total Income	605,992	717,938	488,590	229,348	488,590
1701 - Operating Costs					
Fencing	419	2,685	2,750	65	3,075
R&M Major Works	4,969	18,052	16,683	-1,368	11,000
Repairs & Maintenance	31,801	16,234	27,500	11,266	25,625
Consultants	695	-	458	458	513
Off-Farm Grazing	36,947	30,204	36,667	6,463	41,000
Pasture Management	8,463	12,160	4,778	-7,382	5,342
Fertiliser	44,864	62,545	64,167	1,622	71,750
Insurance	6,123	8,349	5,893	-2,456	8,768
Lease	5,958	5,958	5,958	-0	6,500
Licences & Permits	685	2,635	669	-1,965	748
Rates (Services Only)	1,021	480	596	116	
Subscriptions & Publications	4,101	2,567	2,292	-276	2,563
Sustenance	38,780	100,366	50,417	-49,949	56,375
Weed Control	7,436	5,877	3,667	-2,210	4,100
Health and Safety Compliance	-	512	-	-512	-
	192,263	268,623	222,494	-46,129	237,359
1703 - Indirect Costs					
Interest	47,393	46,798	41,544	-5,254	46,307
Depreciation	29,468	36,734	30,300	-6,434	43,200
Corporate Services	18,368	20,173	19,520	-653	22,308
Assets Director	4,163	4,944	5,325	381	6,003
Property Asset Manager	24,823	25,363	26,980	1,618	28,935
	124,215	134,011	82,124	-5,089	146,753
Total Expenditure	316,477	402,635	304,618	-51,218	384,112
Net Profit	289,514	315,303	183,972	178,129	104,478

APPENDIX 2

Work Programme

2022	January	February	March	April	May	June	July	August	September	October	November	December
Quarterly Meetings												
Fertiliser Application												
Riparian Planting												
Calving												
Drying off												
Sowing crops												
Mowing – SDC Contractors												
Drain Clearing under runway												
Mating												
Club Day												

APPENDIX 3

Capital Expenditure

Capital Expenditure Actual Vs Budget 2021/22				
	Full Year	YTD	Full Year	
	ACTUAL	ACTUAL	BUDGET	Variance
	2020/21	2021/22	2021/22	2021/22
Renewals				
Farm House	\$ 12,344		-	-
Yard Replacement (part 50%)	\$ 10,000	20,000	-	(20,000)
Effluent Pump	\$ 4,349		-	-
Total Renewals	\$ 26,693	\$ 20,000	\$ -	-\$ 20,000
Increase in Service Level				
Calf Bay	\$ 7,871		-	-
Riparian Planting	\$ 9,862	2,708	3,500	792
Yard Upgrade (part 50%)	\$ 10,000	107,048	-	(107,048)
Relocate Concrete Feedpad	\$ 52,986		-	-
New Races	\$ 35,062		-	-
General Storage Facilities	\$ -	-	8,000	8,000
Free-standing fireplace	\$ -	-	8,500	8,500
In-shed Feed System	\$ -	54,192	59,950	5,758
Total Service Level Increase	\$ 115,781	163,948	79,950	(83,998)
	\$ 142,474	183,948	79,950	(103,998)

Farm Debt – July 2021	1,968,533
New Debt	163,948
Loan Repayments	265,303
Farm Debt – 30 June 2022	1,867,178
Interest	46,866.18

Capital Expenditure for 2022/2023

Capital Expenditure Budget 2022/2023			
	YTD	Full Year	
	ACTUAL	BUDGET	Variance
	2022/23	2022/23	2022/23
Renewals			
Total Renewals	\$ -	\$ -	\$ -
Increase in Service Level			
Riparian Planting		3,600	3,600
Water Lines and Trough Upgrade		12,300	12,300
Total Service Level Increase	-	15,900	15,900
	-	15,900	15,900

APPENDIX 4

Feed Comparison Seasons 2020/2021-2021/2022

Made Feed						Milk Production			
	Bailage		Price		Variance		2020/2021	2021/2022	Variance
	2020/2021	2021/2022	2020/2021	2021/2022					
Silage	100	100	4,041.48	7,957.00	3,915.52	May	6,389.8	9,529.5	3,139.7
Maize	138	120	4,513.60	8,703.43	4,189.83	April	13,409.5	14,166.0	756.5
Made Feed Total	238	220	\$ 8,555.08	\$ 16,660.43	8,105.35	March	15,653.7	15,045.1	- 608.6
						February	13,579.9	14,608.5	1,028.6
						January	16,153.5	17,557.7	1,404.2
						December	18,124.9	18,943.7	818.8
						November	20,015.8	20,094.6	78.8
						October	22,389.0	20,550.6	- 1,838.4
						September	17,368.5	16,910.9	- 457.6
						August	7,833.0	6,987.6	- 845.4
						July	-	-	-
						June	-	-	-
						Milk Production Total	150,917.6	154,394.2	3,476.6

Purchased					
	Total Tonnage		Price		Variance
	2020/2021	2021/2022	2020/2021	2021/2022	
Blended Mix		500.88		167,410.16	
Pro Cow	153.82		44,587.00		
PKE	42.68		14,795.50		
Purchased Feed Total	153.82	500.88	\$ 59,382.50	\$ 167,410.16	\$ 108,027.66

Purchased per Tonnage	

Note:	
This table compares volume and cost of feed purchased and made, it also compares milk production in seasons 20/21-21/22	
Made Feed - Cost has increase this season due to the increase in labour.	8,105.35
Purchased Feed - with the in feed shed system installed, more blend mix has been purchased.	108,027.66
In season 2021/2022 the cost for purchased/made substance for both parties has increased by	116,133.01

APPENDIX 5

Farm Overhead Analysis

The overheads have been set in the Annual Plan for 2022/23 for the Council Farm activity, at \$57,246.69 for the year. Besides Depreciation and Interest on Debt, the overhead cost is the only other indirect cost allocated to the Farm Activity. All other costs are direct operating costs.

As shown in the table below, the farm overhead cost is allocated from three overhead categories, and makes up 1% of total Council overheads:

2% of Corporate Services	\$22,308
1% of Assets Administration	\$6,003
16% of Property and Parks Administration	\$28,935

OVERHEADS FOR 2022/23 ANNUAL PLAN

	Corporate Services	Assets Admin	Property and Parks Admin	TOTAL OVERHEADS
Core Amount	843,763.92	442,348.06	147,740.98	4,362,417.26
plus cascaded overheads*	161,103.00	157,993.16	33,104.23	
	1,004,866.92	600,341.22	180,845.21	
				-
Farm Overhead	22,308.05	6,003.41	28,935.23	57,246.69
Farm Allocation by % of total Activity Overhead	2.22%	1.00%	16.00%	1.31%

*Cascaded overheads:	Corporate Services	Assets Admin	Property and Park Admin
Miranda Office	24,976	20,524	8,551
IT and Records	65,476	57,921	24,553
Pool Vehicles	3,743	13,269	-
CEO / Governance	66,908	66,908	-
	161,103	158,622	33,104

Total Farm Overheads 57,246.69

Corporate Services Overheads – This includes all corporate functions including Finance and Rates, as well as a share of IT, property, and governance. Services provided to the farm include accounts payable, debtor invoicing, milk price fixing, regular financial reporting, annual farm business plan, farm reserve analysis, budget preparation, incorporation into Council's Long Term Plan, Annual Plan, and Annual Report, and Farm and Aerodrome Committee meeting preparation as well as the governance aspects of the Committee.

Assets Administration – This includes Assets management functions as well as a share of IT, property, and governance. Services provided to the farm include Director oversight of all duties, management and sign-off of farm related affairs and invoices, contract management, as well as a share of the governance aspects of the Committee.

Property and Park Administration – This includes the administration costs associated with the Property Activity including salaries, as well as a share of IT. Services provided to the farm include property maintenance, budget oversight, share-milker meetings and Farm and Aerodrome Committee meeting preparation and attendance.

Analysis of alternative options

Council may be able to reduce its overhead allocation to the farm by reducing the amount of staff time spent on Farm activities. This includes contract management, share-milker engagement, contribution to the Farm and Aerodrome Committee.

The Farm activity could be setup as a completely separate entity, for example the ownership and operation of the farm placed under a company – and would be deemed a Council Controlled Organisation (CCO). This would then leave the management of the Farm separate from Council and rather than overheads being allocated, the company would be able to procure their own financial and management services as required. However, as the company would be a profit orientated entity, it would be subject to income tax at 28% (if it was a company). Based on 2020/21 net profit of \$266k, this would be a cost of approximately \$74k. This cost will be in addition to the financial and management services, depreciation and interest, and direct operating costs of the current Farm arrangement with the sharemilker. The entity would have to provide annual actual results that would be suitable for consolidation with Council's financial reports, as well as budgets suitable for inclusion in Council's Annual or Long Term Plans – and would be able to withstand audit by Deloitte – the cost of which would be allocated directly to the Farm entity. This situation is not recommended.

Airbiz Report – Future Hanger Development Zones



FIGURE 4-2 FUTURE HANGAR DEVELOPMENT ZONES

QUARTERLY REPORT



D22/20022

To: Farm and Aerodrome Committee
From: Property Officer
Date: 21 June 2022
Subject: Health and Safety Update

Recommendation

THAT the report be received.

 Moved/Seconded

1. Purpose of Report

The purpose of this report is to provide to this committee the Health and Safety update for the period between March to June 2022.

2. Executive Summary

2.1 There was no recorded incidents at the Council Farm.

2.2 There were no recorded incidents at the Stratford Aerodrome.

3. Local Government Act 2002

Under section 10 of the Local Government Act 2002, the Council's purpose is to "enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future"

Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:

Yes

Social	Economic	Environmental	Cultural
	✓	✓	

It supports the provision of good quality local infrastructure and the performance of a good quality local public service.

4. Information Summary

- 4.1 This report provides a summary of the Farm and Aerodrome's Health and Safety performance in the last quarter.
- 4.2 The Council has not recorded any health and safety incidents at the Aerodrome in the last quarter.
- 4.3 The Council has not recorded any health and safety incidents on the Farm in the last quarter.
- 4.4 The Stratford District Council's Health and Safety reporting obligation is to the Audit and Risk Committee. This report essentially informs this Committee of the operational compliance of the Sharemilkers Health and Safety obligations.

5. Sharemilker Health and Safety Report

The Sharemilker's operational summary of the Farm's Health and Safety performance is provided below:

5.1 General

- Installation of the Chemical container will be completed by June 2022.
- Sharemilkers have a continuation plan in place in case Covid is found on the farm.

5.2 Incidents/Near-Misses

- **Incident:** 0 incident to report
- **Near-Misses:** 0 Near-Misses to report.

6. Strategic Alignment

7.1 **Direction**

This report is consistent with the 2021-2031 Long Term Plan

7.2 **Annual Plan and Long Term Plan**

This report supports the Farm and Aerodrome activities as indicated in the Annual Plan and Long Term Plan.

7.3 **District Plan**

There are no implications on the District Plan.

7.4 **Legal Implications**

There are no legal implications.

7.5 **Policy Implications**

There are no policy implications.



Sara Flight
Property Officer



[Approved by]
Victoria Araba
Director - Assets



[Approved by]
Kate Whareaitu
Acting Chief Executive

Date 14 June 2022



TE KAUNIHERA Ā ROHE O
WHAKAAHURANGI
STRATFORD
DISTRICT COUNCIL

Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.