



# **ATTACHMENTS**

**Taupo Airport Authority Committee  
Meeting**

**13 March 2017**

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Taupo Airport Authority Committee Meeting Minutes

13 February 2017

**TAUPO DISTRICT COUNCIL  
MINUTES OF THE TAUPO AIRPORT AUTHORITY COMMITTEE MEETING  
HELD AT THE TAUPO AIRPORT, ANZAC MEMORIAL DRIVE, TAUPO  
ON MONDAY, 13 FEBRUARY 2017 AT 11.00AM**

**PRESENT:** Mr Chris Johnston, Mr John Funnell, Mrs Kathy Guy, Cr Rosanne Jollands, Cr Christine Rankin

**IN ATTENDANCE:** David Trewavas (Mayor), Group Manager: Business & Technology, Democracy & Community Engagement Manager, Airport Manager, Airport Operations Manager and Financial Accountant

**MEDIA AND PUBLIC:** Nil

The Group Manager Business & Technology opened the meeting and welcomed members to the first meeting of the Taupo Airport Committee for the new triennium.

Notes: i) The Group Manager Business & Technology was in the Chair for item 4.1 until the Chairman had been duly elected. The elected chair Mr C Johnson then chaired the remainder of the meeting.

ii) Cr Rosanne Jollands left the meeting at 11.56am, She was not present for resolutions TAA201702/C01-C02.

**1 APOLOGIES**

**TAA201702/01 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mr Chris Johnston

That the apology received from Cr Christine Rankin be accepted.

**CARRIED**

**2 CONFLICTS OF INTEREST**

Nil

**3 CONFIRMATION OF MINUTES**

Nil

**4 REPORTS**

**4.1 ELECTION OF CHAIRPERSON**

The Democracy & Community Engagement Manager outlined the voting process for an election of a chair and recommended that members use System B.

**TAA201702/02 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mr Chris Johnston

That the Taupo Airport Authority Committee confirms that System B be used to determine the election process for the Chairperson.

**CARRIED**

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**TAA201702/03 RESOLUTION**

Moved: Mr John Funnell  
Seconded: Mrs Kathy Guy

That the Taupo Airport Authority Committee elects Mr Chris Johnston as the Chairperson of the Taupō Airport Authority Committee for the 2016-2019 Triennium.

**CARRIED**

**4.2 ELECTION OF DEPUTY CHAIRPERSON**

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**TAA201702/04 RESOLUTION**

Moved: Cr Rosanne Jollands  
Seconded: Mr Chris Johnston

That the Taupo Airport Authority Committee confirms that System B be used to determine the election process for the Deputy Chairperson.

**CARRIED**

**TAA201702/05 RESOLUTION**

Moved: Cr Rosanne Jollands  
Seconded: His Worship the Mayor

That the Taupo Airport Authority Committee elects Kathy Guy as the Deputy Chairperson of the Taupō Airport Authority Committee for the 2016-2019 Triennium.

**CARRIED**

**4.3 GENERAL MANAGER'S REPORT**

The General Manager – Taupō Airport spoke to his report and made the following comments:

- Passenger number for November and December were very good.
- Air New Zealand flights were working well.
- Passenger numbers for Sounds Air were light over the Xmas period. Members noted that it was difficult to book a seat at short notice as the flights were full. It was agreed that this should be discussed with Sounds Air in terms of reviewing capacity.
- International charter market had been quite quiet.
- Aircraft movements were slightly ahead.
- Rubber patches had been applied to the taxiway.
- An updated price had been requested for the expansion around the Taupo Tandem site.
- Working on the business model to the Crown which was due March/April.
- Progressing the Safety Management Plan, noting the need to consult with users.
- Airways had installed a new standby generator. Investigating the cabling to the terminal to see if still active. At the moment the generator was only for essential services.
- Security had been increased with the addition of a keypad at the gate.
- A new system had been introduced to allow access to set areas to airside.
- A new design for the baggage claim area was currently under investigation as the previous design and estimate from Taupo Plan services was considered cost prohibitive. Currently the Airport was not security designated, however there was potential for that to change within the next five years. This would mean screening of passengers and baggage. Therefore any developments needed to be

able to be future proofed.

- The Master Plan for the Airport was being updated and would be peer reviewed by Beca.
- The current owners of the café would be finishing at the end of February and EOI was being developed.

In answer to a query regarding the leases which were due to expire 30 March 2017, the Group Manager Business & Technology advised that work was underway to obtain market valuations as part of the renewal process.

HWTM advised that he had had a meeting with AirNZ the previous week and that Taupō was viewed as a major provincial player and noted the impact of RAL.

#### **TAA201702/06 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mrs Kathy Guy

That the Taupō Airport Authority Committee receives the General Manager's report.

**CARRIED**

#### **4.4 FINANCIAL PERFORMANCE REPORT - HALF YEARLY 2016**

The Financial Accountant noted that revenue was slightly up with an increase in terminal fees. Members also noted that the KPI in relation to positive equity would not be achieved due to depreciation costs.

#### **TAA201702/07 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mr Chris Johnston

That the Taupō Airport Authority Committee receives the 2016 Half Yearly Financial Performance report.

**CARRIED**

#### **4.5 RECEIPT OF DRAFT STATEMENT OF INTENT 2017/18**

The Financial Accountant advised that there had been a change to one of the Performance Targets, that being in respect of Health & Safety. Members agreed that planning for infrastructure redevelopment needed to be included in the draft.

#### **TAA201702/08 RESOLUTION**

Moved: Cr Rosanne Jollands

Seconded: Mrs Kathy Guy

That the Taupo Airport Authority Committee adopts the draft Statement of Intent of the Taupo Airport Authority [as amended] for the 2017/18 financial year.

**CARRIED**

At 11.56am, Cr Rosanne Jollands left the meeting.

#### **4.6 HEALTH AND SAFETY**

The Airport Manager advised that these had been covered in his earlier report. Members requested a report which provided information relating to reported accidents and/or near misses.

Taupo Airport Authority Committee Meeting Minutes

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**TAA201702/09 RESOLUTION**

Moved: Mr Chris Johnston  
 Seconded: Mrs Kathy Guy

That the Taupo Airport Authority Committee receives the information relating to health and safety.

**CARRIED****5 CONFIDENTIAL BUSINESS****TAA201702/10 RESOLUTION**

Moved: His Worship the Mayor  
 Seconded: Mr Chris Johnston

**RESOLUTION TO EXCLUDE THE PUBLIC**

I move that the public be excluded from the following parts of the proceedings of this meeting.

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:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
<b>Agenda Item No: 5.1</b> Receipt of Unconfirmed Minutes of the Taupo Airport Operational & Safety Committee - 12 October & 30 November 2016	Section 7(2)(d) - the withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	Section 48(1)(a)(i)- the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 7

**CARRIED**

The Meeting closed at 12.05pm.

The minutes of this meeting were confirmed at the Taupo Airport Authority Committee Meeting held on 13 March 2017.

.....  
**CHAIRPERSON**

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Statement of Financial Performance  
for the period ending 31 January 2017

Taupo Airport Authority

	YTD Actual 31/01/17 \$	YTD Budget 31/01/17 \$	YTD Variance \$	Full Year Budget (as per SOI) 30/06/17 \$	Full Year Forecast 30/06/17
<b>Income</b>					
Landing charges - Bulk	2,759	2,919	(160)	5,004	4,700
Landing charges - General Aviation	152,787	154,350	(1,563)	263,900	260,000
Landing charges - Charters	1,311	1,500	(189)	2,000	2,000
Aircraft Parking	2,640	-	2,640	-	3,500
Leases	110,713	110,705	8	190,710	191,000
Terminal Rent	15,432	18,200	(2,768)	31,200	26,900
Advertising	308	1,000	(692)	1,000	1,000
Fuel Commission	-	1,000	(1,000)	4,000	3,000
Hay Sales	4,600	-	4,600	-	4,600
Other income	1,297	5,131	(3,834)	6,140	3,000
<b>Interest</b>	<b>1,251</b>	<b>4,250</b>	<b>(2,999)</b>	<b>7,250</b>	<b>2,200</b>
<b>Total operating revenue</b>	<b>293,098</b>	<b>298,055</b>	<b>(6,957)</b>	<b>511,204</b>	<b>501,900</b>
<b>Expenditure</b>					
<b>Employee Expenses</b>					
Employee expenses	95,721	87,238	(8,483)	101,200	163,000
Training & associated costs	1,175	2,500	(1,325)	3,000	2,000
	<b>96,896</b>	<b>89,738</b>	<b>(7,158)</b>	<b>104,200</b>	<b>165,000</b>
<b>Management and Administration Expenses</b>					
Accountancy & Business Services - Taupo District Council	7,292	7,294	2	12,504	12,500
Audit fees - Audit NZ	7,801	8,108	(307)	13,900	13,500
CAA Audit fees	-	300	300	300	750
Taxation / Revaluation Fees	6,660	7,750	(1,090)	8,500	8,900
Directors fees and expenses	-	2,000	2,000	2,000	1,000
Bad and doubtful debts	-	-	-	-	-
Administration	2,138	1,673	(465)	2,868	4,000
	<b>23,881</b>	<b>27,125</b>	<b>3,244</b>	<b>40,072</b>	<b>40,250</b>
<b>Other Operating Expenditure</b>					
Cleaning	10,049	11,450	(1,401)	18,700	18,500
Catering	409	-	(409)	-	500
Entertainment	78	-	(78)	-	100
Telecommunications	1,110	1,080	(60)	1,800	2,000
WiFi costs	1,266	1,080	(216)	1,800	2,000
Travel	2,956	3,000	(44)	4,000	4,000
Contractors	2,206	2,750	(544)	4,500	4,000
Consultants fees	3,206	-	(3,206)	-	7,000
Electricity	7,519	9,504	(1,985)	16,480	12,000
Equipment hire	17,775	10,086	(7,700)	17,256	25,000
Ground maintenance - Airside	5,888	2,336	(3,532)	8,000	8,000
Ground maintenance - Other	5,039	7,696	(2,657)	8,200	8,000
Runway maintenance	1,980	5,250	(3,270)	7,000	7,000
Building maintenance	4,516	2,333	(2,183)	4,000	7,000
Software maintenance	85	1,750	(1,665)	3,000	500
Vehicle Maintenance	1,786	750	(1,036)	1,500	2,500
Roading maintenance	-	4,583	4,583	8,500	1,000
Other maintenance	643	1,808	(1,165)	3,450	2,000
Software Licences	7,211	4,935	(2,276)	8,460	13,000
Aerodrome Inspections & Bird Control	5,730	8,936	(206)	10,176	9,500
Rates	6,723	7,034	(311)	14,068	13,000
Stationery and supplies	5,306	5,025	(281)	8,500	9,000
Subscriptions	1,745	1,750	(5)	3,000	3,500
Insurance	4,300	4,130	(170)	7,080	7,000
Rubbish Disposal	1,339	1,286	(53)	2,226	2,000
Security	1,270	1,165	(105)	2,000	2,500
Vehicle running costs	383	1,950	(1,567)	2,750	700
<b>Total operating expenditure</b>	<b>180,476</b>	<b>98,587</b>	<b>(81,889)</b>	<b>168,446</b>	<b>171,300</b>
<b>Operating surplus/deficit before depreciation &amp; taxation</b>	<b>112,622</b>	<b>209,468</b>	<b>(96,846)</b>	<b>342,758</b>	<b>330,600</b>
<b>Depreciation &amp; Amortisation</b>					
Depreciation	165,589	169,964	(4,375)	271,878	272,000
	<b>165,589</b>	<b>169,964</b>	<b>(4,375)</b>	<b>271,878</b>	<b>272,000</b>
<b>Operating surplus/deficit before taxation</b>	<b>(52,967)</b>	<b>(60,496)</b>	<b>(7,529)</b>	<b>(29,120)</b>	<b>(41,400)</b>
<b>Items Capitalised in this period</b>					
<b>Items Capitalised this financial year</b>					
Ramp area around new fuel pumps	46,236.00				
Cabinet for Server	1,210.00				
Carpet tiles for Office area	2,914.00				

Statement of Financial Performance  
for the period ending 31 January 2017

	July Actual \$	August Actual \$	September Actual \$	October Actual \$	November Actual \$	December Actual \$	January Actual	YTD Actual \$
<b>Revenue</b>								
Landing charges	17,215	20,875	18,333	20,399	22,981	24,201	31,542	155,546
Leases	17,373	14,259	15,616	14,962	15,816	16,670	15,806	110,713
Terminal Rent	2,205	2,205	2,205	2,205	2,205	2,205	2,205	15,432
Other income	52	41	191	67	108	777	58	1,296
Interest	282	220	183	180	182	147	138	1,251
<b>Total operating revenue</b>	<b>37,647</b>	<b>37,660</b>	<b>37,448</b>	<b>43,201</b>	<b>43,179</b>	<b>44,624</b>	<b>49,997</b>	<b>293,697</b>
<b>Expenditure</b>								
<b>Employee Expenses</b>								
Employee expenses	11,436	13,183	13,157	13,424	10,050	14,867	10,605	95,721
Training & associated costs	-	-	1,055	120	-	-	-	1,175
	<b>11,436</b>	<b>13,183</b>	<b>14,212</b>	<b>13,544</b>	<b>10,050</b>	<b>14,867</b>	<b>10,605</b>	<b>96,896</b>
<b>Management and Administration Expenses</b>								
Accountancy & Business Services - Taupo District Council	1,042	1,042	1,042	1,042	1,267	817	1,042	7,292
Audit fees - Audit NZ	591	1,854	591	591	591	591	591	7,801
CAA Audit fees	-	-	-	-	-	-	-	-
Taxation / Revaluation Fees	-	6,425	-	-	-	225	-	6,650
Directors fees and expenses	-	-	-	-	-	-	-	-
Bad and doubtful debts	-	-	-	-	-	-	-	-
Administration	236	252	436	157	450	510	55	2,136
	<b>2,271</b>	<b>9,613</b>	<b>3,469</b>	<b>2,190</b>	<b>2,708</b>	<b>2,943</b>	<b>2,688</b>	<b>23,881</b>
<b>Other Operating Expenditure</b>								
Cleaning	1,368	2,619	126	1,369	1,824	1,369	1,375	10,948
Catering	-	-	409	-	-	-	-	409
Entertainment	-	-	-	-	-	78	-	78
Telecommunications	151	136	176	351	150	(9)	155	1,110
WiFi costs	181	181	181	181	181	181	181	1,306
Travel	1,534	471	579	261	-	-	-	2,955
Contractors	300	317	225	306	273	344	443	2,206
Consultants fees	-	2,442	-	-	-	766	-	3,208
Electricity	1,828	1,861	1,643	1,119	682	(147)	592	7,519
Equipment hire	1,418	1,889	3,239	3,541	2,170	1,255	2,264	17,775
Ground maintenance - Airside	-	1,265	-	1,336	1,012	1,116	1,138	5,868
Ground maintenance - Other	11	296	2,119	752	664	619	536	6,039
Runway maintenance	-	-	-	1,556	-	423	-	1,981
Building maintenance	508	1,264	(1,748)	132	3,831	178	250	4,516
Software maintenance	-	-	-	-	-	55	-	55
Vehicle Maintenance	-	-	-	-	-	-	1,786	1,786
Other maintenance	94	345	-	78	18	149	-	643
Software Licences	1,831	1,881	209	1,031	965	1,032	1,032	7,211
Aeronomic Inspections & Bird Control	620	1,670	375	898	620	1,120	428	5,730
Rates	3,812	-	-	3,711	-	-	-	6,723
Stationery and supplies	617	368	1,203	615	1,135	1,279	(9)	5,200
Subscriptions	251	251	251	247	245	251	251	1,745
Insurance	525	525	508	537	771	780	655	4,300
Rubbish Disposal	-	187	373	187	-	373	220	1,339
Security	250	-	347	588	-	-	85	1,270
Vehicle running costs	517	31	(458)	267	758	959	(1,772)	383
<b>Total operating expenditure</b>	<b>14,176</b>	<b>18,852</b>	<b>11,758</b>	<b>18,323</b>	<b>15,319</b>	<b>12,291</b>	<b>9,610</b>	<b>166,669</b>
<b>Operating surplus(deficit) before depreciation &amp; taxation</b>	<b>9,764</b>	<b>(3,248)</b>	<b>9,917</b>	<b>9,144</b>	<b>6,162</b>	<b>14,963</b>	<b>27,694</b>	<b>71,891</b>
<b>Depreciation &amp; Amortisation</b>								
Depreciation	23,474	24,239	23,096	23,866	23,066	23,018	23,899	165,599
	<b>23,474</b>	<b>24,239</b>	<b>23,096</b>	<b>23,866</b>	<b>23,066</b>	<b>23,916</b>	<b>23,699</b>	<b>165,599</b>
<b>Operating surplus(deficit) before taxation</b>	<b>(14,159)</b>	<b>(27,487)</b>	<b>(14,679)</b>	<b>(15,722)</b>	<b>(14,904)</b>	<b>(8,953)</b>	<b>3,785</b>	<b>(63,738)</b>



**Balance Sheet***as at 31 January 2017*

	<b>31/01/2017</b>	<b>Full Yr 30/06/2015</b>
<b>Equity</b>	<b>\$</b>	<b>\$</b>
Equity Interest of Joint Venture Partners	4,071,587	4,071,587
Appropriation Accounts	2,232,174	2,325,910
Asset Revaluation Reserves	3,971,980	3,971,980
<b>Total Equity</b>	<b>10,275,741</b>	<b>10,369,477</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	459,241	472,067
Other Financial Assets	-	-
Trade & Other Receivables	63,287	54,632
Provision for income tax	-	-
<b>Total current assets</b>	<b>522,528</b>	<b>526,699</b>
<b>Non-Current Assets</b>		
Intangible Assets	1,968	2,670
Property, Plant and Equipment	10,808,878	10,914,530
<b>Total non-current assets</b>	<b>10,810,846</b>	<b>10,917,200</b>
<b>Total Assets</b>	<b>11,333,374</b>	<b>11,443,899</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	35,850	61,228
Income in Advance	33,205	25,937
Employee Entitlements	36,398	34,135
<b>Total current liabilities</b>	<b>105,453</b>	<b>121,300</b>
<b>Non-Current Liabilities</b>		
Borrowings	-	-
Employee Entitlements	-	942
Deferred Tax Liability	952,180	952,180
<b>Total non-current liabilities</b>	<b>952,180</b>	<b>953,122</b>
<b>Total Liabilities</b>	<b>1,057,633</b>	<b>1,074,422</b>
<b>Net Assets</b>	<b>10,275,741</b>	<b>10,369,477</b>