



Annual Report 2004-05

CROMWELL & DISTRICTS PROMOTION GROUP INC.



Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Cromwell & Districts Promotion Group will be held in the Conference Centre, Golden Gate Lodge on Tuesday 5th July 2005, commencing at 7.30pm.

Programme

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| 7.30pm | Get together - nibbles, beer, wine |
| 8.00pm | Annual General Meeting |
| 8.20pm | Guest Speaker – John Hickling, CODC Economic Development Manager |

Business

1. Welcome – Acting Chairperson – Shirley Howard
2. Apologies – A Somerville, K Scott
3. Minutes of 2004 Annual General Meeting
4. Chairman's Report
5. Financial Statements
6. Appointment of Committee
 - a) Chairperson
 - b) Members (10 to 15 required)
7. Election of Auditor
8. To deal with any other business that may properly be brought before the meeting.

T C Emmitt
Secretary

**MINUTES OF THE CROMWELL AND DISTRICTS PROMOTION GROUP'S ANNUAL
GENERAL MEETING HELD AT THE GOLDEN GATE LODGE, 5th JULY 2005
COMMENCING AT 8.05pm.**

PRESENT

Committee members S Howard (Acting Chairperson), H Scoles, G McDowell, E Williamson, C Crawford and T Emmitt (Secretary); and Mayor M Macpherson, P Mead, N Gillespie, C Westlake, R Marquand, R Galvin, J McDowell, J & K Morgan, J Humphries, S & C Brown, D & G MacKenzie, G Anderson, S Kernahan and guest speaker John Hickling.

WELCOME

S Howard welcomed everyone to the meeting and especially N Gillespie, Chairman of the Cromwell Community Board, Mayor Malcolm Macpherson, John Hickling, and any new faces.

APOLOGIES

Received from President A Somerville, K Scott, A Pullar, H Hucklebridge and M MacMillan. **Moved** G McDowell / H Scoles that apologies be sustained. **Carried.**

MINUTES OF 2004 ANNUAL GENERAL MEETING

These had been circulated to all members in the Annual Report and it was **Moved** G Anderson / E Williamson that they be taken as read, and that they represented a true and correct record of the meeting. **Carried.**

CHAIRPERSON'S REPORT

Acting Chairperson S Howard read the Annual Report on the activities of the Group over the last year. **Moved** S Howard / E Williamson that Chairperson's report to members be adopted. **Carried.**

FINANCIAL STATEMENTS

Treasurer P Mead presented the audited financial statements contained in the Annual Report. He noted that there was not much to add to the Annual Report – the Group has three sources of income: CODC grant; Summer Series (that generated \$14k); and support from Pub Charity. Expenditure exceeded income by about \$6k and it was not the Group's intention to accumulate wealth, although it did have some \$20k for 'assigned' tasks. He paid tribute to Cherry Dunlop who did a good job of handling the financial management of the Group and worked well with the Secretary. **Moved** P Mead / G McDowell that the audited financial report and position, as presented, be received and adopted. **Carried.**

APPOINTMENT OF COMMITTEE

S Howard called for nominations for President.

PRESIDENT

Nominated Adrian Somerville by H Scoles / E Williamson. There being no further nominations the it was declared - **A Somerville re-elected.**

COMMITTEE

Nominated. C Crawford by H Scoles, T Emmitt by H Scoles, H Scoles by E Williamson, K Scott by A Somerville, S Howard by E Williamson, G McDowell by C Crawford, E Williamson by K Scott, R Tovey by S Howard, R Galvin by S Howard and S Brown by H Scoles. All were seconded by G Anderson. **All Elected.**

ELECTION OF AUDITOR

Moved C Crawford / H Scoles that Mr R O'Meara be commissioned to audit the financial statements in the coming year. **Carried.**

GENERAL

- N Gillespie, as Chairman of the Cromwell Community Board, congratulated the Group for its part in the success and growth of Cromwell. The town had exciting prospects and business opportunities ahead of it and a lot of credit should go to the hard work of CODC staff such as John Hickling and Ann Pullar. The district has to grow also as we do not want it to restrict Cromwell's growth. The whole district has to move forward. This year Cromwell had almost 300 new properties and without them the increase in rates would have been significant because of high costs of re-newed contracts. The rates issue was complicated by a revaluation and included district-wide costs including the seal extension programme. Keep up the good work and thanks.

There being no further business S Howard thanked everyone for attending and declared the meeting closed at 8.30pm.

S Howard then introduced guest speaker John Hickling, CODC Economic Development Manager. John outlined his work with Ann Pullar in branding the region to give it an identity. Central was the largest territorial authority with the smallest population with four distinct and different populations: Cromwell, Alexandra/Clyde, Maniototo and Roxburgh. Cromwell's location between two airports was the key to its growth, and was similar to Limerick where an airport attracted a huge IT industry. Cromwell has to avoid the growth problems being experienced by Queenstown where locals and young people cannot afford to reside there – and that was similar to Asplen where the big money displaces locals. The post-war baby boomers were also causing growth where 60+ aged people who were privileged with plenty of assets, had children who were now spending their money.

Need to plan growth with a Destination Management exercise rather than the down side shown by Queenstown. Any Economic Development Plan should consider events/recreation/tourism etc and where to market it – the interactive traveller were best as they prefer to walk, MTB, fish, golf etc rather than be merely Asians in buses who have paid for whole trip before leaving their country. Need to identify trails such as Gold and Rail Trail. These attract high net spenders who don't have pre-planned itinerary and they visit wineries, golf etc. Central has 90% domestic tourists and we need to get them off the normal tracks and onto local trails .

Council was undertaking a branding exercise and there will be consultation at each community. The first meeting had been held in Roxburgh and there was a need to determine what the people wanted for their district and family. Mention was made of several successful brands including 'wine maker' Kim Crawford, who did not have a vineyard, but sold the naming rights for \$16M.

It was considered that the Economic/tourism exercise will be required for 3-5 years until private industry takes over the role from Council. The problem in Central was there were no big players that would take over the role.

Questions were taken from the floor and most centred around the branding exercise. The difference between a logo and a brand was emotional. A brand defines who you are and will be significant. However, it must include everyone and should not be 'ambushed' by one group, such as the wineries.

Shirley Howard thanked John for his talk to the Group.

Confirmed a true record

Chairperson

.....2006.

CHAIRPERSON'S REPORT 2004-05

Ladies and Gentlemen, Committee members, and guest John Hickling - welcome to the Promotion Group's Annual General Meeting. I apologise for my absence at the Home-host Conference in Greymouth and thank Shirley for standing in for me. Although the Promotion Group has had a relatively quiet year I can report that the Cromwell district has had another year of sustained and active growth. Much of this activity can be attributed to private interests, as well as initiatives from the Cromwell Community Board.

The annual general meeting is where we review our last year's activities; select a new team for the coming year; and think about the direction that we should take in the future. The Annual Report is where the public can see how 'legible' or 'transparent' the Group is. Coupled with our "Marketing Plan 2005-06" it illustrates how we perform the basics of 'committee management' to a high standard, and how 'accountable' we are in the eyes of the Cromwell Community Board, and ratepayers in general.

Cromwell has had another busy year of growth but slightly down on the previous year, and this can be shown in the Central Otago District Council's building consent statistics. In the last year up to May 2005, building consents totalled \$77M in Central Otago. Of that, Cromwell represented the bulk of those as follows: Cromwell \$31M (40%), Earnsclough \$21M (27%) and Alexandra \$17M (22%). It could be contended that the figures are contorted slightly by the re-construction of the Dunstan Hospital at Clyde. The number of permits issued for new houses in the Cromwell Ward also fell slightly from 133 last year (possible all-time high) to 83 this year. With the likely rapid development of the industrial areas, the Sargood Business area, and new residential areas, it is considered that the coming year will see a large and welcome increase in building activity.

Last year I listed some special projects that may, if they come to fruition, boost the economy of the Cromwell district. The Promotion Group is actively assisting these projects, where and when it can, and I wish to report (as much as possible) on their progress.

- Lake Dunstan Estate – Pat Cummings has developed this area and over 40 industrial sections are now available for development. This is significant for the town and you only have to look at the investment made by firms such as Vinpro, Truss Tech and Ellison's Aluminium to see what is going to happen over the next year or so. In addition, development along McNulty Road has also progressed with new premises being constructed for Versatile Buildings, Metalcraft Industries, Eagle Equipment, Cromwell Transport, and the Hynds 'pipe factory'. The industrial areas represent the 'engine room of the Cromwell ship' and it is pleasing to see widespread growth and future potential.
- Central Prawn Park - this \$25 million facility is still on the slow track and awaiting clearance from MAF to import the stock from Hawaii.
- Central Otago District Council development of Business land adjacent to Sargood Drive. This is presently being developed and is programmed for completion in August. It is expected that the area will boost the shopping attractiveness and number of opportunities for the whole Town Centre by attracting more travellers in from the State highway. It is understood that the area will be home for the following businesses: expanded New World (happening now), Nick Patel, Presbyterian Church, expanded Cromwell Building Supplies ITM, Placemakers, relocated Mitre 10, BP Service Station and carwash, a Bar Restaurant/Info Centre/Patisserie complex, Boutique Brewery/Café, Child care/Recreation facility, and other tourist-orientated business activities.
- Cromwell Motorsport Park. A private company 'Cromwell Motorsport Park Trust Ltd' are presently talking to Council over use of Endowment Land adjacent to the

Speedway. A Business Plan has been produced and it is expected that a Resource Consent application may be made by the end of the year. Following that, a Prospectus will be produced and it would be hoped to see some development starting about this time next year. The track will be used for testing, racing, vehicle maintenance/development, and tourism.

- Goldfields Museum Charitable Trust - this proposal is for the construction of a 'Gold Museum' sited on Goldfields Mining Centre. The \$1.5M venture has obtained \$1M conditional funding from Central Lakes Trust but has been stalled with the last, and necessary, \$0.5M. It is expected that development will not proceed as planned this year, but will proceed next year.
- Cromwell College Lodge - reconfiguration of the old MWD office block into apartments and bunkrooms has recently been completed. Significant benefits to the College and Cromwell are expected from this development.
- Film Studios – this proposal remains on the drawing board with at least two organisations interested in its development. If it actually happens there will be huge economic benefits to Cromwell and Central Otago.

The Group has had a busy year catching up on projects that were delayed from previous years as follows:

- The Cromwell to Bannockburn Walkway was completed at a cost of \$16,400, with assistance of \$13,600 from Pub Charity (2,003-04). Note this year it is intended to extend the walkway, from Bannockburn to Ripponvale, alongside the Kawarau Arm.
- The model Gold Mill (Stamper) was installed in the Museum and cost about \$7000, with a donation of \$5,000 from Pub Charity (2003-04).
- Fruit Sculpture signs were re-painted at a cost of \$3,600, following the repainting of the fruit by Council.
- Aerial photography was undertaken in March, and new photographs put on display in the Information Centre.
- The only outstanding item to complete is a new version of the Cromwell Handbook. This project obtained a \$7,000 grant from New Zealand Community Trust (2003-04) and it is now expected to be completed this month.

The Group received a \$90,000 grant from the Cromwell Community Board in 2004-05. This funding is used in a variety of ways as outlined in the Group's "Marketing Plan 2004-05" and I will briefly summarize the main items of interest:

Advertising. The Group advertises on the 'Destination South' television programme that is screened in all motels, and also on Sky. Because major changes are being made with this programme the Group will not continue with it this current year. We also use radio advertising, cinema advertising in Queenstown, and globally via our www.cromwell.org.nz website. It is noted that Bill Liscom has sold 'Infocus' and we thank him for his efforts over the years. Competition on the web is becoming more aggressive and the Group should consider more ways of marketing the site to our advantage.

The Group's biggest involvement is the 'Cromwell Summer Series' comprising six events. Last season we attracted 1659 participants (up 321 from the previous year) to the events as follows: Half Marathon - 166, Bannockburn Gutbuster 355, Bannockburn MTB Classic 519, Lake Dunstan Triathlon 204, Lake Dunstan Cycle Challenge 278, and Carricktown Crusher 137. Each year we get more professional at planning and organising these events that are appreciated by competitors and public alike, with the series becoming recognised as one of the better organised events in the region. It is also pleasing to note that the series boosted the Group's financial coffers by some \$14,000. Team Cromwell assisted with the Motatpu MTB

ride; and also won the Sport and Leisure Section of the Trustpower Central Otago District Community Awards.

A lot of volunteer work goes into our 'Cromwell Summer Series' and we must recognise the following: Pub Charity and The Pub; resident advisor Bill Godsall from Sport Central; and all the members of Team Cromwell including members of the Committee as well as Barbara Emmitt, Maureen Hudson and Sue McNamara. Well done Team Cromwell!

Personal Selling. This involves our Promotions Officer's contract, as well as our 'front window' at the Cromwell Information Centre and Museum. The Information Centre staff have settled down into a routine and have become more acquainted with the Council 'system'. A new door counter has been installed, and a more accurate record of visitors is available. From July 2004 to June 2005 there were 60,479 people who visited the facility, compared to 47,401 the previous year.

Publicity. The Cromwell Town Centre Committee has had another quiet year, with Graeme McDowell as President. The Committee has concentrated on the following: Celebrating The Mall's 20th Birthday – and thanks go to Estelle Scott and Helen Scoles for their assistance in that event; liaison with Council concerning various 'Mall' issues; and the installation of the Mall Video Surveillance system. The Surveillance system has recently been completed at a cost of \$28,300 – only possible through a \$24,520 donation from Pub Charity.

Sales Promotion The Canterbury A&P Show is a joint effort with other district promotion groups and Tourism Central Otago. It also involves sponsorship of races at the prestigious NZ Trotting Cup meeting at Addington. This gives Cromwell nation-wide publicity in all forms of media, and is well worth the effort. The "Thyme Out in Central" theme at the Show seems to have gained acceptance, and the winners of the prize of a 'Week in Central' enjoyed their stay. Thanks go to Ken Scott and Adrian Somerville for hosting the prize winners, and the Golden Gate Lodge for providing accommodation.

Our local activity support programme is designed to assist local clubs with events that attract visitors into town, and who require financial assistance for advertising and promoting their specialist events. The main recipients of these funds are the Cromwell Golf Club, Central Speedway Club, Old Cromwell Town and the Otago Racing Club. Smaller groups to benefit include the Garden City Model Railway Club, Cromwell Arts & Crafts, Toy Library, Cure Kids, Southern Lights Salon Culinaire, Cromwell Volunteer Fire Brigade Golf Tournament, Lowburn Collie Dog Club, Cromwell-Queenstown Cycle Tour and Southland Power Boat Club. We continued to support the Central Otago Farmers Market located at Old Cromwell. This event continues its establishment on the local and regional tourist scene, and investigations are progressing into the pros and cons of allowing the organisation to 'stand alone'.

The Group organises the annual Fireworks display held for the first time at Melmore Marina, and we are appreciative of the \$5,467 donation received from Pub Charity for the event. The new location has many advantages and it is hoped to work more closely with the Cromwell Town & Country Club for this year.

Our brochures are distributed widely throughout the country, and regionally by Whyte Waters of Queenstown. The major revision of the Cromwell Handbook has yet to be completed but hopefully should be running off the press this month.

Operating. These expenses comprise items such as insurances, stationery and postages, accountancy fees, subscriptions and AGM expenses. The Group sends out annual voluntary subscriptions to all local businesses and this year we received over \$5,000 - down on the record previous year. The main reason for this was the lateness of sending out invoices due to

the large increase in number of 'new businesses' on our data base. Our financial advisors are Mead & Stark and thanks go out to Peter Mead and Cherry Dunlop for their efforts over the year.

Other items of interest are:

The Tourism Cromwell sub-committee has remained 'in recess' during the year, following the departure of Dave Tong. This important group represents the tourist operators in the district and its inactivity may be a reflection on the better relationships held with Tourism Central Otago. TCO has itself been 'reined in' as a Council committee and appears to be running more efficiently under the direction of Manager Ann Pullar.

I wish to thank all those who have made such a success for the Group over the past year and especially the Management Committee and Secretary Terry Emmitt. I wish the incoming President and Committee all the best for the year ahead.

Adrian Somerville
President
July 2005