



**Grey District Council**

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# 2007 ANNUAL REPORT

for the year ending 30 June 2007

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# GREY DISTRICT COUNCIL

## ANNUAL REPORT

For the year  
01 July 2006 – 30 June 2007



ISSN: 1171-2252



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# **[a] report from the audit office**

**AUDIT REPORT**  
**TO THE READERS OF**  
**GREY DISTRICT COUNCIL AND GROUP'S**  
**FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2007**

The Auditor-General is the auditor of Grey District Council (the District Council) and group. The Auditor-General has appointed me, K J Boddy, using the staff and resources of Audit New Zealand, to carry out an audit on his behalf. The audit covers the District Council's compliance with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report of the District Council and group for the year ended 30 June 2007, including the financial statements.

**Unqualified Opinion**

In our opinion:

- The financial statements of the District Council and group on pages 19 to 136:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect :
    - the District Council and group's financial position as at 30 June 2007; and
    - the results of operations and cash flows for the year ended on that date.
- The service provision information of the District Council and group on pages 61 to 136 fairly reflects the levels of service provision as measured against the intended levels of service provision adopted, as well as the reasons for any significant variances, for the year ended on that date; and
- The Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (the "other requirements").

The audit was completed on 25 October 2007, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

**Basis of Opinion**

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements, performance information and the other requirements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, performance information and the other requirements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements, performance information and the other requirements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, performance information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, performance information and the other requirements. We obtained all the information and explanations we required to support our opinion above.

#### **Responsibilities of the Council and the Auditor**

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the District Council and group as at 30 June 2007. They must also fairly reflect the results of operations and cash flows and the levels of service provision for the year ended on that date. The Council is also responsible for meeting the other requirements of Schedule 10 and including that information in the annual report. The Council's responsibilities arise from Section 98 and Schedule 10 of the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements, performance information and the other requirements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

## Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit and in conducting the audit of amendments to the Long Term Council Community Plan, we have no relationship with or interests in the District Council or its subsidiary.



K J Boddy  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand

### **Matters relating to the electronic presentation of the audited financial statements**

This audit report relates to the financial statements of Grey District Council and Group for the year ended 30 June 2007 included on Grey District Council's web site. Grey District Council is responsible for the maintenance and integrity of its web site. We have not been engaged to report on the integrity of Grey District Council's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 25 October 2007 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# **[b] introduction and summary**

# [1] foreword from his worship the mayor and the chief executive officer

Welcome to Council's formal report on its achievement over the 2006/2007 financial year. It has been another busy year, and looking back there is much to be proud of in what the district has achieved.

This is the first year reporting on Council's 2006 – 2016 Long Term Community Outcomes Plan. The year's activity has produced a larger surplus than budgeted. Much of this can be attributed to sources of income that are not used for operational sources, such as interest on special reserves and profit on sale of assets. It is therefore not a cash surplus. One of the biggest challenges for the 2006/2007 year was to set a budget that again required a minimum general rate increase. This was achieved through restricting to a minimum many items of discretionary expenditure and items of new capital works, some of which are important.

Council's highest priority continues to be maintaining the infrastructure that supports the essential services delivered by Council, i.e. Roothing, Stormwater, Sewerage, Water Supply, and Refuse Disposal. These activities alone account for over 56% of total operating expenditure, and 94% of all capital expenditure.

Items of note overall:

## **Roothing**

New roading works and improvements was an area where expenditure has been limited to achieve a minimal general rate increase. In particular this affected the many footpath upgrades and roading improvements that don't qualify for Land Transport New Zealand financial assistance. The exposure of the district to the extremes of the weather was again highlighted with the costs of remedying flood damage totalling \$799,000.

## **Greymouth Sewerage Scheme**

Significant progress continues to be made on the new Greymouth scheme, and of note the Johnston St plant had its official opening in May 2007. The commitment is to complete the works within an overall 10 year period so as to draw down the maximum central government subsidy.

## **Blackball Sewerage Scheme**

This project was well progressed through the year, and is expected to be commissioned in December 2007. This new scheme has only been achievable through the commitment of the community to pay via a targeted rate, and the Ministry of Health subsidies available.

## **Boddytown Sewerage and Water Supply**

The decision was made in June 2006 to extend the Greymouth sewerage reticulation to encompass Boddytown, given issues identified with on-site disposal. It made practical sense to include water reticulation at the same time, so based on community feedback both these services were extended to Boddytown in 2006/2007.

## **Mcleans Refuse Facility – Cell 2**

The new cell was commissioned early in the financial year. This district facility is expected to serve Grey residents and ratepayers for the next 10 – 15 years.

## **Port Operations**

Significant work has been carried out to date in reforming Council's port operations and negotiating with future customers and partners. Port Westland Limited, a 100% Council owned subsidiary, which was constituted in April 2006 will oversee the port operations. Given the work is in the development stage the transfer of responsibility for port operations has not yet been made to Port Westland Ltd. The finalisation of all negotiations paving the way for a Cargo Port upgrade is in an advanced stage. Whilst this has required an enormous effort of all parties involved, the potential benefits are significant and it will ensure the port's survival.

## **Rates Rebates**

The 2006/2007 year was the first year for which the amended criteria and thresholds came into effect. The result was a total of 671 successful applications processed in the Grey District, for which ratepayers received a total of \$286,965 rebated from their rates. This Council will continue to lobby for the criteria and thresholds to be reviewed on a more regular basis to match increases in the cost of living.

## **Rating Valuation Review**

A general district rating revaluation was carried out, effective September 2006. The resulting valuations reflected the continuing property boom the district has witnessed over the last 3 years. Recognising the potential impact that the revaluation would have on how the rates burden is spread across the district. Council undertook a review of the type of rates set and differentials used. The review, once again, included extensive representation from different sectors of the community. The committee worked within a set of principles, the outcome of which was consulted on through the 2007/2008 Draft Annual Plan, and implemented on 01 July 2007.

## **Independent Rating Inquiry**

Central Government announced in November 2006 that it was appointing an independent panel to conduct an inquiry into local government rating and related issues. The Grey District Council worked with its neighbouring West Coast authorities to present a submission focussing on those issues that are most relevant to our region. This included: rating of Crown land (including DOC); the rates rebate scheme; royalties on coal, and uniform annual general charges. The panel has reported back to Government with their recommendations, and most notably they have not recommended that conservation estate be rated, as we suggested. This Council will continue to lobby for the implementation of legislation and rules that enable a fair system for all.

## Resource Management

The Department continues to work under extreme pressure brought about by the unavailability of trained Planners and the high workload associated with the increased level of economic development in our District. Much of the work has been outsourced in the last financial year in order to keep up. Development pressures are expected to remain at peak levels and extensions/delays in the issuing of consents are one of a range of negative implications.

## Building Consenting

Along with the continuing building boom creating an equal demand for consenting, the major focus of the department has been working towards the accreditation requirements under the new legislation. We are on track in achieving accreditation.

## Northern Ward Community Board

The Local Government Commission decision was declared in 2006 that the Northern Ward Community Board would be disbanded from the October 2007 elections. We thank all the elected representatives that served on the board since 1989, and in particular the last elected board of: Alice Noble (Chair), Bill Coram, Owen Burnett, and Ron Butler.

Looking ahead the timetable looks just as busy, with the major focus on:

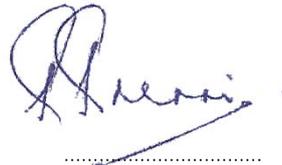
- the 2009 – 2019 Long Term Council Community Plan (LTCCP) including setting community outcomes and policy development required therein
- settling in a new Council
- the Building Act accreditation process
- the need for more retirement housing. This includes the Abbeyfield project
- finalising the Port redevelopment including very promising developments at the fishing port
- a full Bylaw review
- adapting and dealing with consequences of new legislation i.e following the rating inquiry, new Global Warming protocols etc.
- waste minimization. This includes the work of Waste Busters and local contractors.

A word of thanks to the 2004 – 2007 elected representatives for their work and dedication. You have been part of a particularly busy period in our District's development and really coped well. To the 2007 elected Council, we look forward to working with you over the next 3 years to and building on the momentum gathered so far.



AF KOKSHOORN

Mayor



PG PRETORIUS

Chief Executive Officer

## [2] councillors and their portfolios

### Council

Council for the period of 01 July 2006 – 30 June 2007

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		<ul style="list-style-type: none"> <li>▪ Finance (1)</li> <li>▪ Economic Development</li> <li>▪ Port</li> <li>▪ Youth</li> <li>▪ Advocacy</li> <li>▪ Public Relations</li> </ul>
Deputy Mayor	Doug Truman QSM	Central	<ul style="list-style-type: none"> <li>▪ Legal</li> <li>▪ Water</li> <li>▪ Stormwater</li> <li>▪ Sewerage</li> </ul>
Councillors	Paul Berry	Eastern	<ul style="list-style-type: none"> <li>▪ Resource Management</li> <li>▪ Regulatory Functions</li> <li>▪ Staff</li> <li>▪ Dog and Stock Control</li> </ul>
	Ian Cummings	Central	<ul style="list-style-type: none"> <li>▪ Finance (2)</li> <li>▪ Property</li> <li>▪ Liquor Licensing</li> </ul>
	Karen Hamilton	Central	<ul style="list-style-type: none"> <li>▪ Arts</li> <li>▪ Culture</li> <li>▪ Heritage</li> <li>▪ Maori Affairs</li> </ul>
	Wayne Moen JP	Southern	<ul style="list-style-type: none"> <li>▪ Land Transport</li> <li>▪ Waste Management</li> </ul>
	Cliff Sandrey	Northern	<ul style="list-style-type: none"> <li>▪ Sport and Recreation</li> <li>▪ Cemeteries</li> <li>▪ Pensioner Housing</li> <li>▪ Welfare</li> </ul>
	Elinor Stratford MNZM	Central	<ul style="list-style-type: none"> <li>▪ Health and Disability</li> <li>▪ Library</li> <li>▪ Tourism</li> </ul>
	Mark Thomas	Eastern	<ul style="list-style-type: none"> <li>▪ Airport</li> <li>▪ Civil Defence</li> <li>▪ Safety/Security</li> <li>▪ Parks/Reserves</li> <li>▪ Forestry</li> </ul>

Council as elected 13 October 2007

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		to be confirmed
Councillors	Paul Berry	Eastern	to be confirmed
	Kevin Brown	Central	to be confirmed
	Ian Cummings	Central	to be confirmed
	Peter Haddock	Southern	to be confirmed
	Karen Hamilton	Central	to be confirmed
	Milton Osborne	Eastern	to be confirmed
	Cliff Sandrey	Northern	to be confirmed
	Doug Truman QSM	Central	to be confirmed

## Council is committed to:

- ◇ Being accountable to its community.
- ◇ Representing its community strongly and positively.
- ◇ Consulting its community in a spirit of collective decision-making.
- ◇ Working with other bodies and institutions pursuing the same goals.
- ◇ Participating strongly in the activities of organised local government.
- ◇ Striving towards optimum efficiency and a customer focus.
- ◇ Equity and transparency in its dealings with its community.
- ◇ Cultural, economic, environmental and social well-being of its community in decision-making.
- ◇ Sustainability as basis for development activities in the District.
- ◇ Creating opportunities for all.
- ◇ Being a good employer.
- ◇ A healthy community.
- ◇ Building on our heritage

## [3] senior staff and miscellaneous details

### MANAGEMENT

Chief Executive Officer	Paul Pretorius
Manager Support Services	Kevin Beams
Manager Environmental Services	Sue Harkness
Assets Manager	Mel Sutherland
Manager Finance and Information Technology	Ian Young

### VARIOUS DETAILS

Postal Address :	Grey District Council P O Box 382 Greymouth
Locations:	
Main Office	105 Tainui Street Greymouth Tel email: Web:
Support Services	+64 3 769 8603 info@greydc.govt.nz
Finance & IT	+64 3 769 8603 finance@greydc.govt.nz
Assets and Engineering	+64 3 769 8613 infrastructure@greydc.govt.nz
Environmental Services	+64 3 769 8613 environmental.services@greydc.govt.nz
Runanga Service Centre,	25 Carroll Street Runanga
	Tel +64 3 762 7813
Grey District Library	Albert Mall Greymouth Tel Fax email
Runanga Library	25 Carroll Street Runanga Tel
History House	Gresson St Greymouth Tel email

# **[c] financial statements and notes**

# [1] statement of compliance and responsibility

## [1.1] Compliance

The financial statements of Grey District Council have been prepared in accordance with the requirements of section 98 of the Local Government Act 2002 which includes the requirement to comply with generally accepted accounting practice.

## [1.2] Responsibility

Council and management of Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements for the year ended 30 June 2007 fairly reflect the financial position and operations of Grey District Council.



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AF KOKSHOORN  
**MAYOR**



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P G Pretorius  
**CHIEF EXECUTIVE OFFICER**

Dated this 25th day of October 2007.

## [2] statement of accounting policies

### [2.1] reporting entity

Grey District Council ("Council") is a territorial local authority governed by the Local Government Act 2002.

The Council group consists of Grey District Council and its subsidiary, Port Westland Limited (100% owned). The group has one associate, Tourism West Coast (25% controlled).

All Council subsidiary and associates are incorporated in New Zealand.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements of Council are for the year ended 30 June 2007. The financial statements were authorised for issue by Council on 25 October 2007. Council does not have the power to amend the financial statements after this date.

### [2.2] basis of preparation

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

This is the first set of financial statements prepared using NZ IFRS and comparatives for the year ended 30 June 2007 have been restated to NZ IFRS accordingly. Reconciliations of equity and net surplus/(deficit) for the year ended 30 June 2006 under NZ IFRS to the balances reported in the 30 June 2006 financial statements are detailed in note 35.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS balance sheet as at 1 July 2006 for the purposes of the transition to NZ IFRS.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, biological assets and certain financial instruments.

The financial statements are presented in New Zealand dollars and are rounded to the nearest thousand dollars (\$'000) where indicated. The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement.

### [2.3] basis of consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, income and expenses on a line-by-line basis. All significant intragroup balances, transactions, income and expenses are eliminated on consolidation.

Council's investments in its subsidiaries are carried at cost in Council's own "parent entity" financial statements.

### [2.4] subsidiaries

Council consolidates as subsidiaries in the group financial statements all entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

Council measures the cost of a business combination as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, in exchange for control of the subsidiary plus any costs directly attributable to the business combination.

Any excess of the cost of the business combination over Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

## [2.5] associates

Council accounts for an investment in an associate in the group financial statements using the equity method. An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise Council's share of the surplus or deficit of the associate after the date of acquisition. Council's share of the surplus or deficit of the associate is recognised in Council's income statement. Distributions received from an associate reduce the carrying amount of the investment.

Council's share in the associate's surplus or deficits resulting from unrealised gains on transactions between Council and its associates is eliminated.

The two associates described in the reporting entity section above have not been equity accounted on the grounds of immateriality.

Council investments in associates are carried at cost in Council's own "parent entity" financial statements.

## [2.6] joint ventures

Joint ventures are those entities, assets or operations over which the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's proportionate share of the joint venture entities' assets, liabilities, revenue and expenses with items of a similar nature on a line by line basis, from the date joint control ceases.

## [2.7] accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cashflows for Council and Group have been applied:

### 1 revenue

Rates Revenue is recognised by Council as being income on the due date of each instalment.

Water billing revenue is recognised on an accrual basis.

Land Transport New Zealand financial assistance is recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

### 2 borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

### 3 grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

### 4 income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

### 5 leases

#### finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the balance sheet at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

### 6 cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 90 days or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

## 7 financial assets

Council classifies its financial assets into the following three categories: held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit and loss in which case the transaction costs are recognised in the income statement.

Loans, including loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the income statement as a grant.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, net asset booking, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement. Loans and receivables are classified as "trade and other receivables" in the balance sheet.

- Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement.

Investments in this category include fixed term deposits.

- Financial assets at fair value through the profit and loss

Derivatives held by Council are categorized in this group. Unless they are designated as hedges. After initial recognition, they are measured at their fair values. Gains or losses on remeasurement are recognised in the income statement. Council uses derivative financial instruments to hedge exposure to foreign exchange and interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

- Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above.

This category encompasses investments that Council intends to hold long-term but which may be realised before maturity.

After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the income statement. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in income statement even though the asset has not been derecognised.

Impairment of financial assets

At each balance sheet date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the income statement.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## 8 accounts receivable

Accounts Receivable (Debtors) are shown at their estimated realisable value after providing against debts where collection is doubtful.

## 9 non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

## 10 property, plant and equipment

Property, plant and equipment consists of:

**Infrastructure assets** — Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

**Other fixed assets** — these include land, buildings, and breakwater and wharves.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 July 2005, the date of transition to NZ IFRS are measured on the basis of deemed cost, being the revalued amount at the date of transition.

### additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the income statement. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

### depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset Class	Depreciation Method	Life (years)	%
Buildings			
- Structure	Straight line	40	2.5
- Fit Out	Straight line	15	6.5
- Services	Straight line	18	5.5
Aerodrome	Straight line	3 – 60	1.7 – 33.3
Plant and machinery	Straight line	3 – 30	3 – 33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3 – 8	12.5 – 33
Library stocks	Straight line	8	12.5
Breakwaters and wharves	Straight line	40 – 50	2 – 2.5
Forest holdings	Not depreciated		
Reserve board assets	Not depreciated		
Landfill sites	Straight line	10 – 50	2 – 10
Landfill capitalised aftercare costs	Straight line	8	12.5
Water supply systems			
- Pipe network	Straight line	50 – 80	1.25 – 2
- Pumps and electrical	Straight line	10 – 60	1.67 – 10
- Reservoirs	Straight line	60 – 80	1.25 – 1.67
Drainage and sewerage			
- Pipe network	Straight line	50 – 80	1.25 – 2

Asset Class	Depreciation Method	Life (years)	%
- Pumps and electrical	Straight line	10 – 80	1.25 – 10
- Ponds	Straight line	60	1.67
Heritage assets	Straight line	40	2.5
Roading networks			
- Formation	Not depreciated		
- Pavement structure – sealed	Straight line	40 – 50	2 – 2.5
- Pavement structure – unsealed	Straight line	3 – 22	4.5 – 33
- Pavement surfacing	Straight line	2 – 16	6.25 – 50
- Kerb and channeling	Straight line	50 – 150	0.67 – 2
- Bridges	Straight line	15 – 100	1 – 6.67
- Footpaths	Straight line	15 – 50	2 – 6.67
- Drainage: surface water channels	Straight line	10 – 80	1.25 – 10
- Drainage: culverts and catchpits	Straight line	50 – 150	0.67 – 2
- Traffic signs and pavement marking	Straight line	5 – 15	6.67 – 20
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sportsfields and parks (improvements)	Straight line	5 – 100	1 – 20
Work in progress	Not depreciated	-	-

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial yearend.

#### revaluation

The measurement base for each class of asset is described below. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

#### valuation

Infrastructural assets	Valuation basis
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed Cost
Stormwater	Optimised depreciated replacement cost
Flood protection system	Depreciated historical Cost
Sewerage	Optimised depreciated replacement cost
Water supply systems	Optimised depreciated replacement cost
Landfill Site	Depreciated historical Cost

Fixed assets	Valuation basis
General land	Fair Value
Other land	Historical cost
Buildings	Fair Value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair Value
Parking developments	Depreciated historical cost
Forest holdings	Estimated value
Reserve Board Assets	Estimated value
Sportsfields and parks	Deemed Cost
Heritage assets	Deemed Cost

Accounting for revaluations:

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the income statement.

Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the income statement will be recognised first in the income statement up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

#### revaluation

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

## 11 investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment property at fair value as determined.

Gains or losses arising from a change in the fair value of investment property are recognised in the income statement.

## 12 impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the income statement.

For assets not carried at a revalued amount, the total impairment loss is recognised in the income statement.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in income statement, a reversal of the impairment loss is also recognised in the income statement.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the income statement.

## 13 employee benefits

### short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

### long-term benefits

#### long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows. A discount rate of 7.0% and an inflation factor of 3.0% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

## 14 provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the

obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

#### landfill post closure costs

Council has a legal obligation under the Resource Consent to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognized as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure. The discount rate applied is 7% which represents the risk free discount rate.

### 15 borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

### 16 equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Ratepayers equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

### 17 goods and service tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the balance sheet.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### 18 budget figures

The budget figures are those approved by Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

### 19 cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

## 20 critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

### landfill aftercare provision

Note 17 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

### infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Income Statement. To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

### critical judgements in applying council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2007:

#### classification of property

Council owns a number of properties, which are maintained primarily to provide housing to elderly persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

#### classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership of the assets have transferred to the lessee and therefore have classified the leases as finance leases.

#### classification of property

Council's leasehold property has been classified as "non current assets held for sale" (prior GAAP was classified as property, plant and equipment). This is due to the fact that Council is actively encouraging the sale of these properties at a reasonable price and they are available for immediate sale. Council remains committed to selling these properties even if it takes more than a year and it is probable that they will be sold.

## 21 cost of service statements

The Cost of Service Statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

## 22 statement of cashflows

The following are the definitions of terms used in the statement of cashflows:

"Operating Activities" include cash received from all income sources of Council and record the cash payments made for the supply of goods and services.

“Investing Activities” are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

“Financing Activities” are those activities change the equity and debt capital structure of Council

“Cash” is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

## 23 new standard and interpretation adopted and not yet adopted

A number of new interpretations and standards are not yet effective for the year ended 30 June 2007, and have not been applied in preparing these financial statements:

- NZ IFRIC 8 Scope of NZ IFRS 2 Share-based Payment addresses the accounting for share-based payment transactions in which some or all of goods or services received cannot be specifically identified. NZ IFRIC 8 will become mandatory for Council's 2008 financial statements, with retrospective application required. It is not anticipated that this interpretation will impact on the financial statements.
- NZ IFRIC 9 Reassessment of Embedded Derivatives requires that a reassessment of whether embedded derivatives should be separated from the underlying host contract should be made only when there are changes to the contract. NZ IFRIC 9, which becomes mandatory for Council's 2008 financial statements, is not expected to have any impact on the financial statements.
- NZ IFRIC 10 Interim Financial Reporting and Impairment prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill, an investment in an equity instrument or a financial asset carried at cost. NZ IFRIC 10 will become mandatory for Council's 2008 financial statements, and will apply to goodwill, investments in equity instruments, and financial assets carried at cost prospectively from the date that Council first applied the measurement criteria of NZ IAS 36 and NZ IAS 39 respectively. It is not anticipated that this interpretation will impact on the financial statements as Council does not currently prepare interim financial statements.
- NZ IFRIC 11 Group and Treasury Share Transactions addresses several accounting issues that arise in the interpretation of share based payments. NZ IFRIC 10 will become mandatory for Council's 2008 financial statements and it is not anticipated that this interpretation will impact on the financial statements.
- NZ IFRS 7 Financial Instruments: Disclosures. This requires extensive disclosures on the nature and extent of risks with respect to the Group's financial instruments. Council has not yet determined the potential effect of the interpretation.
- NZ IFRS 8 Operating Segments supersedes NZ IAS 14 Segment Reporting and provides guidance on the disclosure requirements in respect of the operating segments of entities and will become mandatory for Council's 2010 financial statements. Council has not yet determined the potential effect of the interpretation.

## [3] income statement

for the year ending 30 June 2007

	Note	council			group	
		Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>INCOME</b>						
Rates revenue	1	9,902	9,630	9,136	9,902	9,136
Other revenue	2	11,334	9,055	8,698	11,232	8,698
Other gains/(losses)	3	2,014	357	1,602	2,014	1,602
<b>Total income</b>	4	<b>23,250</b>	<b>19,042</b>	<b>19,436</b>	<b>23,148</b>	<b>19,436</b>
<b>EXPENDITURE</b>						
Employee expenses	7	(3,041)	(2,925)	(3,022)	(3,059)	(3,022)
Depreciation and amortisation		(5,400)	(5,850)	(5,590)	(5,400)	(5,590)
Other expenses	6	(9,846)	(7,036)	(9,301)	(9,939)	(9,301)
Finance costs	8	(587)	(631)	(515)	(587)	(515)
<b>Total operating expenditure</b>	5	<b>(18,874)</b>	<b>(16,442)</b>	<b>(18,428)</b>	<b>(18,985)</b>	<b>(18,428)</b>
<b>Net surplus/(loss) before tax</b>		<b>4,376</b>	<b>2,600</b>	<b>1,008</b>	<b>4,163</b>	<b>1,008</b>
Income tax expense	9	-	-	-	-	-
<b>Surplus/(deficit) after tax attributable to Grey District Council</b>		<b>4,376</b>	<b>2,600</b>	<b>1,008</b>	<b>4,163</b>	<b>1,008</b>

*The accompanying notes form part of these financial statements*

## [4] statement of movements in equity

### for the year ending 30 June 2007

	Note	council			group	
		Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>Balance at 01 July</b>		<b>264,431</b>	<b>259,005</b>	<b>258,380</b>	<b>264,431</b>	<b>258,380</b>
Revaluation gains/(losses) taken to equity		-	285	5,043	-	5,043
Surplus/(deficit) for the year		4,376	2,600	1,008	4,163	1,008
<b>Total recognised income/(expense) for the year ended 30 June</b>		<b>4,376</b>	<b>2,885</b>	<b>6,051</b>	<b>4,163</b>	<b>6,051</b>
					-	-
<b>Balance at 30 June</b>		<b>268,807</b>	<b>261,890</b>	<b>264,431</b>	<b>268,594</b>	<b>264,431</b>

*The accompanying notes form part of these financial statements*

## [5] balance sheet

for the year ending 30 June 2007

	Note	council			group	
		Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	10	12,296	11,127	7,788	12,308	7,788
Trade and other receivables	11	2,844	3,072	2,328	2,844	2,328
Short-Term investments	14	1,032	1,590	5,472	1,032	5,472
Non-current assets held for sale	12	1,406	-	1,750	1,406	1,750
		<b>17,578</b>	<b>15,788</b>	<b>17,338</b>	<b>17,590</b>	<b>17,338</b>
<b>Non Current Assets</b>						
Property, plant and equipment	13	261,183	257,852	255,619	261,183	255,619
Term investments	14	2,125	2,597	2,980	1,907	2,980
		<b>263,308</b>	<b>260,449</b>	<b>258,599</b>	<b>263,090</b>	<b>258,599</b>
<b>TOTAL ASSETS</b>		<b>280,886</b>	<b>276,237</b>	<b>275,937</b>	<b>280,680</b>	<b>275,937</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Trade and other payables	15	2,468	4,024	2,221	2,475	2,221
Employee benefit liabilities	16	299	252	406	299	406
Deferred income		90	-	75	90	75
Borrowings	18	374	2,648	348	374	348
		<b>3,231</b>	<b>6,924</b>	<b>3,050</b>	<b>3,238</b>	<b>3,050</b>
<b>Non Current Liabilities</b>						
Provision for closed landfill	17	740	1,073	702	740	702
Employee benefit liabilities	16	264	172	161	264	161
Borrowings	18	7,844	6,179	7,593	7,844	7,593
		<b>8,848</b>	<b>7,424</b>	<b>8,456</b>	<b>8,848</b>	<b>8,456</b>
<b>TOTAL LIABILITIES</b>		<b>12,079</b>	<b>14,348</b>	<b>11,506</b>	<b>12,086</b>	<b>11,506</b>
<b>EQUITY</b>						
	19					
Retained earnings		195,280	151,596	190,211	195,067	190,211
Special Funds		18,528	15,531	19,224	18,528	19,224
Trusts Bequests and Other Reserves		649	640	646	649	646
Revaluation reserve		54,350	94,122	54,350	54,350	54,350
<b>Total equity attributable to the Council</b>		<b>268,807</b>	<b>261,889</b>	<b>264,431</b>	<b>268,594</b>	<b>264,431</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>280,886</b>	<b>276,237</b>	<b>275,937</b>	<b>280,680</b>	<b>275,937</b>

The accompanying notes form part of these financial statements

## [6] statement of cashflows

for the year ending 30 June 2007

	Note	council			group	
		Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from rates revenue		9,792	9,523	9,106	9,792	9,106
Interest received		1,008	1,038	1,089	1,008	1,089
Dividends received		4	-	-	4	-
Receipts from other revenue		8,891	6,793	7,058	8,891	7,058
Payments to suppliers and employees		(12,168)	(9,091)	(11,979)	(12,386)	(11,979)
Interest paid		(587)	(633)	(505)	(587)	(505)
Income tax paid (refund)		-	-	-	-	-
Goods and services tax (net)		230	-	(145)	242	(145)
<b>Net cash from operating activities</b>	20	<b>7,170</b>	<b>7,630</b>	<b>4,624</b>	<b>6,964</b>	<b>4,624</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of property, plant and equipment		2,654	702	2,462	2,654	2,462
Proceeds from investments		38,255	35,000	40,827	38,255	40,827
Purchase of property, plant and equipment		(10,896)	(9,845)	(8,013)	(10,896)	(8,013)
Acquisition of investments		(32,952)	(33,452)	(44,461)	(32,734)	(44,461)
<b>Net cash from investing activities</b>		<b>(2,939)</b>	<b>(7,595)</b>	<b>(9,185)</b>	<b>(2,721)</b>	<b>(9,185)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Proceeds from borrowings		296	1,000	2,612	296	2,612
Repayment of borrowings		(19)	(357)	(3)	(19)	(3)
Dividends paid		-	-	-	-	-
<b>Net cash from financing activities</b>		<b>277</b>	<b>643</b>	<b>2,609</b>	<b>277</b>	<b>2,609</b>
<b>Net (decrease)/increase in cash, cash equivalents and bank overdrafts</b>		<b>4,508</b>	<b>678</b>	<b>(1,952)</b>	<b>4,520</b>	<b>(1,952)</b>
Cash, cash equivalents and bank overdrafts at the beginning of the year		7,788	10,449	9,740	7,788	9,740
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	10	<b>12,296</b>	<b>11,127</b>	<b>7,788</b>	<b>12,308</b>	<b>7,788</b>

The accompanying notes form part of these financial statements

## [7] notes to the financial statements

### 1 rates revenue

	Note	council			group	
		Actual	Budget	Last Year	Actual	Last Year
		2007	2007	2006	2007	2006
		\$000	\$000	\$000	\$000	\$000
<b>GENERAL RATES</b>						
General Rate		4,117	3,998	3,797	4,117	3,797
Uniform Annual General Charge		2,196	2,122	2,049	2,196	2,049
<b>TARGETED RATES</b>						
Northern Ward Community Board		75	75	74	75	74
District Promotion		187	157	175	187	175
Refuse Collection		618	613	585	618	585
Water Supplies		1,006	992	877	1,006	877
Water Meter Rates		222	261	174	222	174
Sewerage Collection		1,371	1,321	1,299	1,371	1,299
<b>PENALTIES</b>						
Rate Penalties		110	91	106	110	106
<b>Total rates revenue</b>		<b>9,902</b>	<b>9,630</b>	<b>9,136</b>	<b>9,902</b>	<b>9,136</b>
<b>RATES REMITTED ARE AS FOLLOWS:</b>						
Rates on land where GDC is the ratepayer		168	170	174	168	174
Rate discounts		25	25	21	25	21
Rates remitted per Council policy		67	66	64	67	64

Rate revenue shown is net of rates remitted on *land where GREY DISTRICT COUNCIL is the ratepayer*. Rate discounts and rates remitted per Council policy are expensed through the income statement.

In accordance with the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under Council's rates remission policy.

### 2 other revenue

	Note	council			group	
		Actual	Budget	Last Year	Actual	Last Year
		2007	2007	2006	2007	2006
		\$000	\$000	\$000	\$000	\$000
User charges and miscellaneous		2,147	1,789	2,163	2,045	2,163
Regulatory income		1,102	859	870	1,102	870
Land Transport New Zealand subsidies		4,206	3,065	2,986	4,206	2,986
Other grants and subsidies		2,386	1,945	1,354	2,386	1,354
Interest received		878	1,038	1,046	878	1,046
Dividends		4	-	-	4	-
Subdivision reserve contributions		96	-	169	96	169
Lump sum contributions		150	-	110	150	110
Vested assets		365	359	-	365	-
<b>Total other revenue</b>		<b>11,334</b>	<b>9,055</b>	<b>8,698</b>	<b>11,232</b>	<b>8,698</b>

There are no unfulfilled conditions and other contingences attached to government grants recognised.

### 3 other gains and losses

Note	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2007	2007	2006	2007	2006
	\$000	\$000	\$000	\$000	\$000
Net gain (loss) of non current assets held for sale	2,014	357	1,602	2,014	1,602
<b>Total other gains and losses</b>	<b>2,014</b>	<b>357</b>	<b>1,602</b>	<b>2,014</b>	<b>1,602</b>

### 4 income by activities

	Actual	Budget	Last Year
	2007	2007	2006
	\$000	\$000	\$000
Roading	6,502	5,563	4,962
Stormwater & Flood Protection	685	508	500
Sewerage	3,863	3,495	2,555
Water Supply	1,377	1,264	1,109
Refuse Collection & Disposal	1,107	1,089	1,048
Rural Fire Authority	74	76	76
Economic Development	313	198	233
Property and Housing*	2,820	1,177	1,535
Community Services and Facilities	1,835	1,845	1,687
Civil Defence	48	46	46
Democracy	1,778	1,630	1,720
Administration*	404	351	387
Environmental Services	2,058	1,706	1,841
Liaison with other Agencies	122	94	109
Port Operations	264	-	1,628
<b>Total Income</b>	<b>23,250</b>	<b>19,042</b>	<b>19,436</b>

\*Figures shown have been adjusted for internal charges recovered.

### 5 expenditure by activities

	Actual	Budget	Last Year
	2007	2007	2006
	\$000	\$000	\$000
Roading	(6,425)	(5,912)	(6,389)
Stormwater & Flood Protection	(644)	(674)	(635)
Sewerage	(848)	(921)	(1,042)
Water Supply	(1,323)	(1,326)	(1,378)
Refuse Collection & Disposal	(1,271)	(1,148)	(1,089)
Rural Fire Authority	(42)	(74)	(64)
Economic Development	(241)	(228)	(254)
Property and Housing*	(1,113)	(1,143)	(1,048)
Community Services and Facilities	(1,939)	(1,929)	(1,758)
Civil Defence	(41)	(46)	(38)
Democracy	(761)	(840)	(748)
Administration*	(508)	(411)	(506)
Environmental Services	(1,955)	(1,696)	(1,600)
Liaison with other Agencies	(110)	(94)	(115)
Port Operations	(1,653)	-	(1,764)
<b>Total Expenditure</b>	<b>(18,874)</b>	<b>(16,442)</b>	<b>(18,428)</b>

\*Figures shown have been adjusted for internal charges recovered.

6 other expenses

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2007	2007	2006	2007	2006
	\$000	\$000	\$000	\$000	\$000
<i>Fees to principal auditor</i>					
audit of financial statements	64		61	74	61
other audit-related services	3		29	3	29
Assets written off	-	-	140	-	140
Bad debt expense	9	-	18	9	18
Directors' fees	-	-	-	33	-
Donations	36	33	37	36	37
Movement in impairment of receivables	11 539	-	-	539	-
Insurance expenses	249	196	277	249	277
Loss on sale of property, plant and equipment	-	-	-	-	-
Remuneration of elected members	25 210	220	199	221	202
Minimum lease payments under operating leases	99	103	193	99	193
Other operating expenses	8,637	6,484	8,347	8,676	8,344
<b>Total other expenses</b>	<b>9,846</b>	<b>7,036</b>	<b>9,301</b>	<b>9,939</b>	<b>9,301</b>

Other audit-related services include services for the audit or review of financial information other than financial reports including LTCCP reviews and other audits required for local regulatory purposes.

7 employee expenses

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2007	2007	2006	2007	2006
	\$000	\$000	\$000	\$000	\$000
Wages and salaries	3,045	2,925	2,945	3,063	2,945
Increase/(decrease) in employee benefit liabilities	(4)	-	77	(4)	77
<b>Total employee expenses</b>	<b>3,041</b>	<b>2,925</b>	<b>3,022</b>	<b>3,059</b>	<b>3,022</b>

8 finance costs

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2007	2007	2006	2007	2006
	\$000	\$000	\$000	\$000	\$000
<b>INTEREST EXPENSE</b>					
Interest on bank borrowings	587	631	515	587	515
<b>Total finance costs</b>	<b>587</b>	<b>631</b>	<b>515</b>	<b>587</b>	<b>515</b>

9 income tax expense in the income statement

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
Net Surplus/(Loss) before Tax	4,376	1,008	4,163	1,008
Tax at 33%	1,444	333	1,374	333
<b>Plus (less) tax effect of:</b>				
Non-taxable income	(1,658)	(615)	(1,658)	(615)
Tax losses not recognised	214	282	284	282
<b>Tax expense</b>	-	-	-	-
Current tax	-	-	-	-
Deferred tax	-	-	-	-
<b>Tax expense</b>	-	-	-	-

A deferred tax asset has not been recognised in relation unused tax losses of \$8,806,000 (2006: \$8,093,000). Utilisation of these tax losses is dependent upon earning future assessable income. Future taxation benefits attributable to timing differences or losses carried forward are not recognised in the financial statements because they do not meet the probability test that future taxable profit will be available against which the deductible timing differences or tax losses can be utilised.

## 10 cash and cash equivalents

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Cash at bank and in hand	49	134	61	134
Call deposits	2,189	2,014	2,189	2,014
Short term deposits	10,058	5,640	10,058	5,640
<b>Total cash and cash equivalents</b>	<b>12,296</b>	<b>7,788</b>	<b>12,308</b>	<b>7,788</b>

The effective interest rate on deposits in 2007 was 7.38 percent (2006: 7.40 percent). The deposits had an average maturity of 80 days (2006: 106 days).

## 11 trade and other receivables

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Rates receivables	500	390	500	390
Water rate receivables	65	53	65	53
Land Transport New Zealand receivable	349	482	349	482
Port Debtors	665	670	665	670
Sundry debtors	1,838	490	1,838	490
GST receivable	-	277	-	277
	<b>3,417</b>	<b>2,362</b>	<b>3,417</b>	<b>2,362</b>
Less provision for impairment of receivables	( 573)	( 34)	( 573)	( 34)
<b>Total trade and receivables</b>	<b>2,844</b>	<b>2,328</b>	<b>2,844</b>	<b>2,328</b>

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Current	1,449	1,585	1,449	1,585
1 to 3 months	822	280	822	280
> 3 months	573	463	573	463
<b>Carrying amount</b>	<b>2,844</b>	<b>2,328</b>	<b>2,844</b>	<b>2,328</b>

The carrying value of trade and other receivables approximate their fair value.

There is no concentration of credit risk with respect to receivables outside the Group, as the Group has a large number of customers.

Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place debts are discounted to the present value of future repayments.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgment, then Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

The age of rates receivable overdue, whose payment terms have been renegotiated, but not impaired are as follows:

	Council		Group	
	Actual	Actual	Actual	Actual
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
0 to 12 months	408	310	408	310
> 12 months	92	80	92	80
<b>Carrying amount</b>	<b>500</b>	<b>390</b>	<b>500</b>	<b>390</b>

As of 30 June 2007 and 2006, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provision has been calculated based on expected losses for Council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and review of specific debtors.

## 12 assets held for sale

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Buildings	141	141	141	141
Land	1,265	1,609	1,265	1,609
<b>Total non-current asset held for sale</b>	<b>1,406</b>	<b>1,750</b>	<b>1,406</b>	<b>1,750</b>

The buildings relate to the value of improvements held on the vacant Lord St site, which is currently being actively marketed.

The land relates to:

- land identified by Council to be disposed of, as is not required for operational and/or strategic purposes. This land is being marketed and therefore is likely to be sold in the next 12 months; and
- land where Council is the leaseholder, where sale is being actively encouraged through Council policy.

13 property, plant and equipment

## Council 2007

	Cost/ revaluation 01-Jul-06	Accumulated depreciation and impairment charges 01-Jul-06	Carrying amount 01-Jul-06	Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-07	Accumulated depreciation and impairment charges 30-Jun-07	Carrying amount 30-Jun-07
<b>INFRASTRUCTURAL ASSETS</b>											
Roading Network	116,171	(3,495)	<b>112,676</b>	3,553	-	-	(3,018)	-	<b>119,724</b>	(6,513)	<b>113,211</b>
Land Under Roads	68,807	-	<b>68,807</b>	-	(82)	-	-	-	<b>68,725</b>	-	<b>68,725</b>
Stormwater	13,744	(330)	<b>13,414</b>	602	-	-	(328)	-	<b>14,346</b>	(658)	<b>13,688</b>
Flood Protection System	5,300	(848)	<b>4,452</b>	-	-	-	(53)	-	<b>5,300</b>	(901)	<b>4,399</b>
Sewerage	18,118	(395)	<b>17,723</b>	4,272	-	-	(412)	-	<b>22,390</b>	(807)	<b>21,583</b>
Water Supply Systems	10,911	(343)	<b>10,568</b>	790	-	-	(322)	-	<b>11,701</b>	(665)	<b>11,036</b>
Landfill Site	3,046	(496)	<b>2,550</b>	60	-	-	(256)	-	<b>3,106</b>	(752)	<b>2,354</b>
Work in progress	130	-	<b>130</b>	1,722	(123)	-	-	-	<b>1,729</b>	-	<b>1,729</b>
	<b>236,227</b>	<b>(5,907)</b>	<b>230,320</b>	<b>10,999</b>	<b>(205)</b>	<b>-</b>	<b>(4,389)</b>	<b>-</b>	<b>247,021</b>	<b>(10,296)</b>	<b>236,725</b>
<b>OTHER FIXED ASSETS</b>											
General Land	6,072	-	<b>6,072</b>	-	-	-	-	-	<b>6,072</b>	-	<b>6,072</b>
Other Land	2,969	-	<b>2,969</b>	-	(75)	-	-	-	<b>2,894</b>	-	<b>2,894</b>
Buildings	8,608	-	<b>8,608</b>	28	-	-	(368)	-	<b>8,636</b>	(368)	<b>8,268</b>
Plant & Machinery	1,951	(1,591)	<b>360</b>	53	(17)	-	(105)	-	<b>1,987</b>	(1,696)	<b>291</b>
Furniture & Fittings	347	(305)	<b>42</b>	16	-	-	(13)	-	<b>363</b>	(318)	<b>45</b>
Computer Equipment	2,276	(1,820)	<b>456</b>	63	-	-	(182)	-	<b>2,339</b>	(2,002)	<b>337</b>
Library Stocks	1,433	(1,242)	<b>191</b>	46	-	-	(51)	-	<b>1,479</b>	(1,293)	<b>186</b>
Breakwaters & Wharves	4,613	(1,473)	<b>3,140</b>	78	-	-	(210)	-	<b>4,691</b>	(1,683)	<b>3,008</b>
Aerodrome	1,561	(81)	<b>1,480</b>	2	-	-	(37)	-	<b>1,563</b>	(118)	<b>1,445</b>
Parking Developments	289	(61)	<b>228</b>	-	-	-	(6)	-	<b>289</b>	(67)	<b>222</b>
Forest Holdings	174	-	<b>174</b>	-	(122)	-	-	-	<b>52</b>	-	<b>52</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	412	(39)	<b>373</b>	89	-	-	(19)	-	<b>501</b>	(58)	<b>443</b>
Heritage Assets	976	(60)	<b>916</b>	9	-	-	(20)	-	<b>985</b>	(80)	<b>905</b>
	<b>31,971</b>	<b>(6,672)</b>	<b>25,299</b>	<b>384</b>	<b>(214)</b>	<b>-</b>	<b>(1,011)</b>	<b>-</b>	<b>32,141</b>	<b>(7,683)</b>	<b>24,458</b>
	<b>268,198</b>	<b>(12,579)</b>	<b>255,619</b>	<b>11,383</b>	<b>(419)</b>	<b>-</b>	<b>(5,400)</b>	<b>-</b>	<b>279,162</b>	<b>(17,979)</b>	<b>261,183</b>

## Group 2007

	Cost/ revaluation 01-Jul-06	Accumulated depreciation and impairment charges 01-Jul-06	Carrying amount 01-Jul-06	Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-07	Accumulated depreciation and impairment charges 30-Jun-07	Carrying amount 30-Jun-07
<b>INFRASTRUCTURAL ASSETS</b>											
Roading Network	116,171	(3,495)	<b>112,676</b>	3,553	-	-	(3,018)	-	<b>119,724</b>	(6,513)	<b>113,211</b>
Land Under Roads	68,807	-	<b>68,807</b>	-	(82)	-	-	-	<b>68,725</b>	-	<b>68,725</b>
Stormwater	13,744	(330)	<b>13,414</b>	602	-	-	(328)	-	<b>14,346</b>	(658)	<b>13,688</b>
Flood Protection System	5,300	(848)	<b>4,452</b>	-	-	-	(53)	-	<b>5,300</b>	(901)	<b>4,399</b>
Sewerage	18,118	(395)	<b>17,723</b>	4,272	-	-	(412)	-	<b>22,390</b>	(807)	<b>21,583</b>
Water Supply Systems	10,911	(343)	<b>10,568</b>	790	-	-	(322)	-	<b>11,701</b>	(665)	<b>11,036</b>
Landfill Site	3,046	(496)	<b>2,550</b>	60	-	-	(256)	-	<b>3,106</b>	(752)	<b>2,354</b>
Work in progress	130	-	<b>130</b>	1,722	(123)	-	-	-	<b>1,729</b>	-	<b>1,729</b>
	<b>236,227</b>	<b>(5,907)</b>	<b>230,320</b>	<b>10,999</b>	<b>(205)</b>	<b>-</b>	<b>(4,389)</b>	<b>-</b>	<b>247,021</b>	<b>(10,296)</b>	<b>236,725</b>
<b>OTHER FIXED ASSETS</b>											
General Land	6,072	-	<b>6,072</b>	-	-	-	-	-	<b>6,072</b>	-	<b>6,072</b>
Other Land	2,969	-	<b>2,969</b>	-	(75)	-	-	-	<b>2,894</b>	-	<b>2,894</b>
Buildings	8,608	-	<b>8,608</b>	28	-	-	(368)	-	<b>8,636</b>	(368)	<b>8,268</b>
Plant & Machinery	1,951	(1,591)	<b>360</b>	53	(17)	-	(105)	-	<b>1,987</b>	(1,696)	<b>291</b>
Furniture & Fittings	347	(305)	<b>42</b>	16	-	-	(13)	-	<b>363</b>	(318)	<b>45</b>
Computer Equipment	2,276	(1,820)	<b>456</b>	63	-	-	(182)	-	<b>2,339</b>	(2,002)	<b>337</b>
Library Stocks	1,433	(1,242)	<b>191</b>	46	-	-	(51)	-	<b>1,479</b>	(1,293)	<b>186</b>
Breakwaters & Wharves	4,613	(1,473)	<b>3,140</b>	78	-	-	(210)	-	<b>4,691</b>	(1,683)	<b>3,008</b>
Aerodrome	1,561	(81)	<b>1,480</b>	2	-	-	(37)	-	<b>1,563</b>	(118)	<b>1,445</b>
Parking Developments	289	(61)	<b>228</b>	-	-	-	(6)	-	<b>289</b>	(67)	<b>222</b>
Forest Holdings	174	-	<b>174</b>	-	(122)	-	-	-	<b>52</b>	-	<b>52</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	412	(39)	<b>373</b>	89	-	-	(19)	-	<b>501</b>	(58)	<b>443</b>
Heritage Assets	976	(60)	<b>916</b>	9	-	-	(20)	-	<b>985</b>	(80)	<b>905</b>
	<b>31,971</b>	<b>(6,672)</b>	<b>25,299</b>	<b>384</b>	<b>(214)</b>	<b>-</b>	<b>(1,011)</b>	<b>-</b>	<b>32,141</b>	<b>(7,683)</b>	<b>24,458</b>
	<b>268,198</b>	<b>(12,579)</b>	<b>255,619</b>	<b>11,383</b>	<b>(419)</b>	<b>-</b>	<b>(5,400)</b>	<b>-</b>	<b>279,162</b>	<b>(17,979)</b>	<b>261,183</b>

## Council 2006

	Cost/ revaluation 01-Jul-05	Accumulated depreciation and impairment charges 01-Jul-05	Carrying amount 01-Jul-05	Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-06	Accumulated depreciation and impairment charges 30-Jun-06	Carrying amount 30-Jun-06
<b>INFRASTRUCTURAL ASSETS</b>											
Roading Network	114,049	-	<b>114,049</b>	2,122	-	-	(3,495)	-	<b>116,171</b>	(3,495)	<b>112,676</b>
Land Under Roads	68,823	-	<b>68,823</b>	-	(16)	-	-	-	<b>68,807</b>	-	<b>68,807</b>
Stormwater	13,520	-	<b>13,520</b>	224	-	-	(330)	-	<b>13,744</b>	(330)	<b>13,414</b>
Flood Protection System	5,300	(795)	<b>4,505</b>	-	-	-	(53)	-	<b>5,300</b>	(848)	<b>4,452</b>
Sewerage	15,048	-	<b>15,048</b>	3,070	-	-	(395)	-	<b>18,118</b>	(395)	<b>17,723</b>
Water Supply Systems	10,583	-	<b>10,583</b>	328	-	-	(343)	-	<b>10,911</b>	(343)	<b>10,568</b>
Landfill Site	1,691	(414)	<b>1,277</b>	1,355	-	-	(82)	-	<b>3,046</b>	(496)	<b>2,550</b>
Work in progress	589	-	<b>589</b>	130	(589)	-	-	-	<b>130</b>	-	<b>130</b>
	<b>229,603</b>	<b>(1,209)</b>	<b>228,394</b>	<b>7,229</b>	<b>(605)</b>	<b>-</b>	<b>(4,698)</b>	<b>-</b>	<b>236,227</b>	<b>(5,907)</b>	<b>230,320</b>
<b>OTHER FIXED ASSETS</b>											
General Land	4,173	-	<b>4,173</b>	35	-	-	-	1,864	<b>6,072</b>	-	<b>6,072</b>
Other Land	3,454	-	<b>3,454</b>	-	(686)	-	-	201	<b>2,969</b>	-	<b>2,969</b>
Buildings	7,900	(507)	<b>7,393</b>	209	-	-	(266)	499	<b>8,608</b>	-	<b>8,608</b>
Plant & Machinery	1,890	(1,474)	<b>416</b>	61	-	-	(117)	-	<b>1,951</b>	(1,591)	<b>360</b>
Furniture & Fittings	334	(297)	<b>37</b>	13	-	-	(8)	-	<b>347</b>	(305)	<b>42</b>
Computer Equipment	2,078	(1,664)	<b>414</b>	198	-	-	(156)	-	<b>2,276</b>	(1,820)	<b>456</b>
Library Stocks	1,397	(1,193)	<b>204</b>	36	-	-	(49)	-	<b>1,433</b>	(1,242)	<b>191</b>
Breakwaters & Wharves	4,087	(1,276)	<b>2,811</b>	526	-	-	(197)	-	<b>4,613</b>	(1,473)	<b>3,140</b>
Aerodrome	1,560	(41)	<b>1,519</b>	1	-	-	(40)	-	<b>1,561</b>	(81)	<b>1,480</b>
Parking Developments	289	(55)	<b>234</b>	-	-	-	(6)	-	<b>289</b>	(61)	<b>228</b>
Forest Holdings	174	-	<b>174</b>	-	-	-	-	-	<b>174</b>	-	<b>174</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	362	(22)	<b>340</b>	50	-	-	(17)	-	<b>412</b>	(39)	<b>373</b>
Heritage Assets	936	(41)	<b>895</b>	40	-	-	(19)	-	<b>976</b>	(60)	<b>916</b>
	<b>28,924</b>	<b>(6,570)</b>	<b>22,354</b>	<b>1,169</b>	<b>(686)</b>	<b>-</b>	<b>(875)</b>	<b>2,564</b>	<b>31,971</b>	<b>(6,672)</b>	<b>25,299</b>
	<b>258,527</b>	<b>(7,779)</b>	<b>250,748</b>	<b>8,398</b>	<b>(1,291)</b>	<b>-</b>	<b>(5,573)</b>	<b>2,564</b>	<b>268,198</b>	<b>(12,579)</b>	<b>255,619</b>

## Group 2006

	Cost/ revaluation 01-Jul-05	Accumulated depreciation and impairment charges 01-Jul-05	Carrying amount 01-Jul-05	Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-06	Accumulated depreciation and impairment charges 30-Jun-06	Carrying amount 30-Jun-06
<b>INFRASTRUCTURAL ASSETS</b>											
Roading Network	114,049	-	<b>114,049</b>	2,122	-	-	(3,495)	-	<b>116,171</b>	(3,495)	<b>112,676</b>
Land Under Roads	68,823	-	<b>68,823</b>	-	(16)	-	-	-	<b>68,807</b>	-	<b>68,807</b>
Stormwater	13,520	-	<b>13,520</b>	224	-	-	(330)	-	<b>13,744</b>	(330)	<b>13,414</b>
Flood Protection System	5,300	(795)	<b>4,505</b>	-	-	-	(53)	-	<b>5,300</b>	(848)	<b>4,452</b>
Sewerage	15,048	-	<b>15,048</b>	3,070	-	-	(395)	-	<b>18,118</b>	(395)	<b>17,723</b>
Water Supply Systems	10,583	-	<b>10,583</b>	328	-	-	(343)	-	<b>10,911</b>	(343)	<b>10,568</b>
Landfill Site	1,691	(414)	<b>1,277</b>	1,355	-	-	(82)	-	<b>3,046</b>	(496)	<b>2,550</b>
Work in progress	589	-	<b>589</b>	130	(589)	-	-	-	<b>130</b>	-	<b>130</b>
	<b>229,603</b>	<b>(1,209)</b>	<b>228,394</b>	<b>7,229</b>	<b>(605)</b>	<b>-</b>	<b>(4,698)</b>	<b>-</b>	<b>236,227</b>	<b>(5,907)</b>	<b>230,320</b>
<b>OTHER FIXED ASSETS</b>											
General Land	4,173	-	<b>4,173</b>	35	-	-	-	1,864	<b>6,072</b>	-	<b>6,072</b>
Other Land	3,454	-	<b>3,454</b>	-	(686)	-	-	201	<b>2,969</b>	-	<b>2,969</b>
Buildings	7,900	(507)	<b>7,393</b>	209	-	-	(266)	499	<b>8,608</b>	-	<b>8,608</b>
Plant & Machinery	1,890	(1,474)	<b>416</b>	61	-	-	(117)	-	<b>1,951</b>	(1,591)	<b>360</b>
Furniture & Fittings	334	(297)	<b>37</b>	13	-	-	(8)	-	<b>347</b>	(305)	<b>42</b>
Computer Equipment	2,078	(1,664)	<b>414</b>	198	-	-	(156)	-	<b>2,276</b>	(1,820)	<b>456</b>
Library Stocks	1,397	(1,193)	<b>204</b>	36	-	-	(49)	-	<b>1,433</b>	(1,242)	<b>191</b>
Breakwaters & Wharves	4,087	(1,276)	<b>2,811</b>	526	-	-	(197)	-	<b>4,613</b>	(1,473)	<b>3,140</b>
Aerodrome	1,560	(41)	<b>1,519</b>	1	-	-	(40)	-	<b>1,561</b>	(81)	<b>1,480</b>
Parking Developments	289	(55)	<b>234</b>	-	-	-	(6)	-	<b>289</b>	(61)	<b>228</b>
Forest Holdings	174	-	<b>174</b>	-	-	-	-	-	<b>174</b>	-	<b>174</b>
Reserve Board Assets	290	-	<b>290</b>	-	-	-	-	-	<b>290</b>	-	<b>290</b>
Sports fields and Parks	362	(22)	<b>340</b>	50	-	-	(17)	-	<b>412</b>	(39)	<b>373</b>
Heritage Assets	936	(41)	<b>895</b>	40	-	-	(19)	-	<b>976</b>	(60)	<b>916</b>
	<b>28,924</b>	<b>(6,570)</b>	<b>22,354</b>	<b>1,169</b>	<b>(686)</b>	<b>-</b>	<b>(875)</b>	<b>2,564</b>	<b>31,971</b>	<b>(6,672)</b>	<b>25,299</b>
	<b>258,527</b>	<b>(7,779)</b>	<b>250,748</b>	<b>8,398</b>	<b>(1,291)</b>	<b>-</b>	<b>(5,573)</b>	<b>2,564</b>	<b>268,198</b>	<b>(12,579)</b>	<b>255,619</b>

Council's valuations were provided by:

Lands and buildings

General land                      Coast Valuations Ltd

Buildings                              Coast Valuations Ltd

Council's general land and buildings were revalued at 30 June 2006 by Peter J Hines BCom (VPM), ANZIV, Registered Valuer.

Aerodrome – Improvements were revalued during 2004 by Council's Assets Manager, M D Sutherland BSc, BE (Civil), Dip BS and independently reviewed by Peter J Hines BCom (VPM) ANZIV, Registered Valuer. The land was revalued during 2004 by Peter J Hines BCom (VPM) ANZIV, Registered Valuer.

Forestry Assets – These assets were appraised at 30 June 2000 on an Immediate Liquidation approach. An adjustment has been made to the carrying value based on the percentage of trees harvested in the 2006/2007 year (75%).

Roading – During 2005, GHD Limited, consulting engineers and independent qualified valuers, carried out a revaluation of these assets as at 30 June 2005 on behalf of Council. The valuation was undertaken by Amar Singh, BE (Hons) Civil, MEngSt, CPEng, IntPE, MIPENZ, Principal Asset Management Consultant of GHD Limited.

Water, Sewer and Stormwater – These assets were revalued during 2005 by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM for the assets at 30 June 2005. The contract rates, used as the underlying assumption in calculating the replacement cost of the assets, were independently reviewed by Shane Bishop, BE (Hons) Civil, of Montgomery Watson Harza (NZ) Limited.

14 investments

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
<b>NON-CURRENT INVESTMENTS</b>				
Held to maturity investments	1,805	2,894	1,805	2,894
Available-for-sale financial assets	86	86	86	86
Investments in subsidiary	234	-	16	-
<b>Total non-current investments</b>	<b>2,125</b>	<b>2,980</b>	<b>1,907</b>	<b>2,980</b>
<b>CURRENT INVESTMENTS</b>				
Held to maturity investments	1,032	5,472	1,032	5,472
<b>Total current investments</b>	<b>1,032</b>	<b>5,472</b>	<b>1,032</b>	<b>5,472</b>

15 trade and other payables

	council		group	
	Actual	Last Year	Actual	Last Year
	2007	2006	2007	2006
	\$000	\$000	\$000	\$000
Trade payables	1,908	1,841	1,915	1,841
GST Payable	82	-	82	-
Sundry Creditors	473	376	473	376
Directors fee payable	-	-	-	-
Amounts due to related parties	21	4	5	4
<b>Total trade and other payables</b>	<b>2,468</b>	<b>2,221</b>	<b>2,475</b>	<b>2,221</b>

16 employee benefit liabilities

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
Accrued pay	93	92	93	92
Annual leave	292	311	292	311
Long service leave	23	23	23	23
Retirement gratuities	155	141	155	141
	<b>563</b>	<b>567</b>	<b>563</b>	<b>567</b>
<b>COMPRISING:</b>				
Current	299	406	299	406
Non-current	264	161	264	161
<b>Total employee benefit liabilities</b>	<b>563</b>	<b>567</b>	<b>563</b>	<b>567</b>

17 provision for closed landfills

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
Landfill aftercare provision	740	702	740	702
<b>Total provision for closed landfills</b>	<b>740</b>	<b>702</b>	<b>740</b>	<b>702</b>

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
Balance 01 July	702	686	702	686
Additional provisions made in the year	46	16	46	16
Amounts used in the year	(8)	-	(8)	-
Unused amounts reversed	-	-	-	-
<b>Balance at 30 June</b>	<b>740</b>	<b>702</b>	<b>740</b>	<b>702</b>

Landcare aftercare provision

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major sites are Blackball and McLeans Pit. There are post-closure responsibilities such as:

- treatment and monitoring leachate
- groundwater and surface monitoring
- gas monitoring and recovery
- implementation of remedial measures such as needed for cover and control systems
- ongoing site maintenance for drainage systems, final cover and vegetation

The management of the landfill will influence the timing of the recognition of some liabilities.

The cash outflows for landfill post-closure are expected to occur between 2008 and 2047. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 7%.

18 borrowings

	Note	council		group	
		Actual	Last Year	Actual	Last Year
		2007	2006	2007	2006
		\$000	\$000	\$000	\$000
<b>CURRENT</b>					
Secured loans		56	51	56	51
Forestry encouragement loans		318	297	318	297
<b>Total current borrowings</b>		<b>374</b>	<b>348</b>	<b>374</b>	<b>348</b>
<b>NON-CURRENT</b>					
Secured loans		7,844	7,593	7,844	7,593
<b>Total non-current borrowings</b>		<b>7,844</b>	<b>7,593</b>	<b>7,844</b>	<b>7,593</b>

LOANNAME	Maturity date	council			group	
		Interest rate	Balance at 01 Jul 06	Balance at 30 Jun 07	Balance at 30 Jun 07	Balance at 30 Jun 06
Afforestation Loan	at harvest		297,354	318,169	318,169	297,354
BNZ Cash Advance Loan 1	17 Aug 08	8.29%	3,028,433	3,030,671	3,030,671	3,028,433
BNZ Cash Advance Loan 2	17 Aug 08	8.26%	2,018,882	2,020,373	2,020,373	2,018,882
Westpac Multi Option Cash Loan	22 Sep 10	6.90%	1,266,913	1,266,435	1,266,435	1,266,913
Westpac Multi Option Cash Loan	17 Jul 11	7.45%	1,074,866	1,054,913	1,054,913	1,074,866
Westpac Multi Option Cash Loan	17 Jul 11	7.45%	254,481	252,460	252,460	254,481
Westpac Multi Option Cash Loan	22 Sep 12	8.40%	-	275,190	275,190	-
			<b>7,940,929</b>	<b>8,218,211</b>	<b>8,218,211</b>	<b>7,940,929</b>
Portion of TermDebt repayable within One year			297,354	318,169	318,169	297,354
Portion of TermDebt repayable in One to Two years			-	5,051,044	5,051,044	-
Portion of TermDebt repayable in Two to Five years			7,643,575	2,573,808	2,573,808	7,643,575
Portion of TermDebt repayable in Five years or more			-	275,190	275,190	-
<b>Total Term Debt repayable</b>			<b>7,940,929</b>	<b>8,218,211</b>	<b>8,218,211</b>	<b>7,940,929</b>

All loans are secured by way of a separate rate in the dollar on the land value of the district, except for afforestation land which is a suspensory loan agreement registered over the title of the related asset.

Carrying values are approximately equal to fair value

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>RATEPAYERS EQUITY</b>				
<b>Opening balance</b>	<b>190,211</b>	<b>189,470</b>	<b>190,211</b>	<b>189,470</b>
Plus net surplus/(deficit) for the year	4,376	1,008	4,163	1,008
Net transfer from/(to) Special Funds	696	(263)	696	(263)
Net transfer from/(to) Trusts & Bequests	(3)	(4)	(3)	(4)
<b>Closing balance</b>	<b>195,280</b>	<b>190,211</b>	<b>195,067</b>	<b>190,211</b>
<b>SPECIAL FUNDS</b>				
<b>Opening balance</b>	<b>19,224</b>	<b>18,961</b>	<b>19,224</b>	<b>18,961</b>
Plus interest (transfer from ratepayer equity)	793	909	793	909
Other transfers from ratepayers equity	6,074	4,686	6,074	4,686
Transfer to ratepayers equity	(7,563)	(5,332)	(7,563)	(5,332)
<b>Closing balance</b>	<b>18,528</b>	<b>19,224</b>	<b>18,528</b>	<b>19,224</b>
<b>TRUSTS, BEQUESTS &amp; OTHER RESERVES</b>				
<b>Opening balance</b>	<b>646</b>	<b>642</b>	<b>646</b>	<b>642</b>
Transfer from ratepayers equity	13	17	13	17
Transfer to ratepayers equity	(10)	(13)	(10)	(13)
<b>Closing balance</b>	<b>649</b>	<b>646</b>	<b>649</b>	<b>646</b>
<b>REVALUATION RESERVES*</b>				
<b>Opening balance</b>	<b>54,350</b>	<b>49,307</b>	<b>54,350</b>	<b>49,307</b>
plus increase in revaluation	-	5,043	-	5,043
<b>Closing balance</b>	<b>54,350</b>	<b>54,350</b>	<b>54,350</b>	<b>54,350</b>
<b>TOTAL EQUITY</b>	<b>268,807</b>	<b>264,431</b>	<b>268,594</b>	<b>264,431</b>
<b>*REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING</b>				
Land & Building Revaluation Reserve	10,266	10,266	10,266	10,266
Roading Revaluation Reserve	26,545	26,545	26,545	26,545
Water Revaluation Reserve	1,580	1,580	1,580	1,580
Investment Revaluation Reserve	37	37	37	37
Drainage & Sewerage Revaluation Reserve	15,921	15,921	15,921	15,921
	<b>54,349</b>	<b>54,349</b>	<b>54,349</b>	<b>54,349</b>

20 reconciliation of operating surplus to net cash inflows from operating activities

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>Surplus from operations</b>	<b>4,376</b>	<b>1,008</b>	<b>4,163</b>	<b>1,008</b>
<b>ADD/(LESS) NONCASH ITEMS</b>				
Depreciation	5,400	5,590	5,400	5,590
Vested assets	(365)	-	(365)	-
Unrealised landfill aftercare costs	38	16	38	16
Assets written off	-	140	-	140
	<b>5,073</b>	<b>5,746</b>	<b>5,073</b>	<b>5,746</b>
<b>MOVEMENTS IN WORKING CAPITAL</b>				
(Increase)/decrease in accounts receivable	(515)	(795)	(515)	(795)
Increase/(decrease) in accounts payable	247	94	254	94
Increase/(decrease) in income in advance	15	9	15	9
Increase/(decrease) in employee entitlements	(4)	161	(4)	161
	<b>(257)</b>	<b>(531)</b>	<b>(250)</b>	<b>(531)</b>
<b>LESS ITEM CLASSIFIED AS INVESTING ACTIVITY</b>				
Net gain (loss) on sale of property, plant and equipment	(2,014)	(1,602)	(2,014)	(1,602)
Change in fair value of interest swap	(8)	3	(8)	3
	<b>(2,022)</b>	<b>(1,599)</b>	<b>(2,022)</b>	<b>(1,599)</b>
<b>Net cash flow from operations</b>	<b>7,170</b>	<b>4,624</b>	<b>6,964</b>	<b>4,624</b>

21 related party transactions

council members

During the year, Council made purchases from businesses in which Councillors had an interest. Details of these interests are as follows:

Councillor	Business in which an interest is held	transaction type	Amount paid to	Amount payable	Amount paid to	Amount payable
			the business 2007	2007	the business 2006	2006
			\$	\$	\$	\$
Cummings	I.M Tasman Tyres	Tyre purchases	7,873	671	9,459	22
Cummings	I.M Management Processing	Road contracting	2,500	-	-	-
Hamilton	K Future Knowledge Ltd	Consultancy - economic development	-	-	249	-
Kokshoorn	A.F Greymouth Evening Star	Printing and advertising	38,316	2,671	35,235	2,313
Truman	D.J Central Paper Plus	Office supplies	7,983	1,824	9,124	1,491
			<b>56,672</b>	<b>5,166</b>	<b>54,067</b>	<b>3,826</b>

tourism west coast

Amounts paid to the organisation 2007	Amount payable 30-Jun-07	Amounts paid to the organisation 2006	Amount payable 30-Jun-06
\$	\$	\$	\$
80,000	-	80,000	-

port westland ltd

Amounts received from the organisation 2007	Amount receivable 30-Jun-07	Amounts received from the organisation 2006	Amount receivable 30-Jun-06
\$	\$	\$	\$
111,621	-	-	61,723

Amounts paid to the organisation 2007	Amount payable 30-Jun-07	Amounts paid to the organisation 2006	Amount payable 30-Jun-06
\$	\$	\$	\$
218,832	218,832	-	-

west coast rural fire trust

Amounts paid to the organisation 2007	Amount payable 30-Jun-07	Amounts paid to the organisation 2006	Amount payable 30-Jun-06
\$	\$	\$	\$
18,400	-	18,400	-

key management personnel

During the year councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Council (such as payment of rates and purchase of rubbish bags).

No debts involving a related party have been written off or forgiven during the year. (2006 – Nil) There are no transactions that have taken place at nil or nominal value that have not already been mentioned above.

key management personnel compensation

	Total 2007	Total 2006
	\$	\$
Salaries and other short term employee benefits	703,226	694,894
Employer superannuation contributions	32,145	31,727
Termination benefits	-	-
<b>Total compensation</b>	<b>735,371</b>	<b>726,621</b>

key management personnel include the Mayor, elected members, chief executive and other senior management personnel.

## 22 greymouth floodwall

The Greymouth floodwall is owned by Grey District Council but is managed by a joint committee of Grey District Council and West Coast Regional Council. The joint committee agreement places the responsibility for the management, rating and maintenance of the structural integrity of the floodwall on the West Coast Regional Council. However, Grey District Council is responsible for the rating and maintenance of amenities of the floodwall.

## 23 capital commitments and operating leases

### operating leases as lessee

Grey District Council leases land and office equipment in the normal course of its business. The majority of these leases have a non cancellable term of 7 years for land and 4 years for office equipment. The future aggregate minimum lease payments to be paid under non cancellable operating leases are as follows:

### non cancellable operating leases as lessee

	council		group	
	Actual 2007 \$000	Last Year 2006 \$000	Actual 2007 \$000	Last Year 2006 \$000
<b>OFFICE EQUIPMENT</b>				
Not later than one year	27	28	27	28
Later than one year and not later than two years	24	23	24	23
Later than two years but not later than five years	27	10	27	10
Later than five years	-	-	-	-
	<b>78</b>	<b>61</b>	<b>78</b>	<b>61</b>
<b>LAND LEASES</b>				
Not later than one year	85	101	85	101
Later than one year and not later than two years	82	96	82	96
Later than two years but not later than five years	235	270	235	270
Later than five years	460	581	460	581
	<b>862</b>	<b>1,048</b>	<b>862</b>	<b>1,048</b>
<b>Total non-cancellable operating leases</b>	<b>940</b>	<b>1,109</b>	<b>940</b>	<b>1,109</b>

### other contracts

Council has entered into future contracts in respect of on-going maintenance and operations of facilities and infrastructure. The companies that have been contracted and the period for which those contracts remain in effect are as follows:

#### Westroads Ltd

- Maintenance of Parks & Reserves, Cemeteries & Public Conveniences To 30 June 2007\*
- Utilities Maintenance To 30 June 2010
- Maintenance and Operation of the Greymouth Flood Scheme To 30 June 2010
- McLeans Landfill Operating and Maintenance To 30 June 2010

#### Provision of Services for Civil Defence

Tied in to Contracts

#### Transwest Ltd

- Refuse Collection & Disposal, Litterbins Maintenance & Disposal To 30 June 2007\*\*

#### Fulton Hogan Ltd

- Roading Maintenance Works To 30 June 2008\*\*\*

Operating and Maintenance contracts include fixed price and unit rate provisions, which makes estimating the value of the future commitment difficult. For this reason no value has been included for these contracts.

\* contract renewed 16 August 2007, and awarded to Westroads Greymouth Ltd

\*\* contract renewed 16 August 2007, and awarded to Transwest Ltd

\*\*\* There is a right of renewal for this contract to 30 June 2009 subject to Councils approval.

### capital commitments approved and contracted

During its annual planning process for the 2007/08 financial year, Council approved \$11,509,827 to be spent on Capital Works (2006/2007 - \$10,726,879) associated with Council's various assets and functions. A detail of the works to be carried out is included in the 2007/2008 Annual Plan which was adopted by Council on 26 June 2007 and released to the public.

## 24 contingent liabilities

### greymouth wharf

A possible claim against Council in respect of subsidence of the Greymouth Wharf. (This item is the subject of ongoing investigation for identification of remedial work options).

Due to the nature of the above claim, the amount of the contingent liability cannot accurately be quantified. This is unchanged from 2005/2006.

### ministry of education houses

The Ministry is seeking reimbursement of rates paid on teacher houses as it is their understanding that land owned by the Crown which is held or occupied for any Education Authority is non-rateable in terms of the Rating Powers Act 1988. We have a contrary legal opinion. If they are correct Council will have to refund \$86,174 for previous years. We are awaiting further legal information. This is unchanged from 2005/2006.

### rates penalties

Council's rating resolution for the 2003/2004 year omitted to include penalties for unpaid rates, per section 57 of the Local Government (Rating) Act 2002. Council has provided for a liability of \$89,375 which is contingent upon a ratepayer challenging in the High Court the validity of penalties imposed. Penalties imposed are payable unless such proceedings are initiated. This has not happened during 2006/2007.

## 25 elected members remuneration

Gross pay to individual Councillors and Board Members was as follows:

		Honorarium	Meeting Fees	Travel Allowance	Total	Total 2006	Group 2007	Group 2006
		\$	\$	\$	\$	\$	\$	\$
<b>MAYOR</b>								
Kokshoorn	A.F*	54,821	n/a	-	54,821	53,993	65,821	56,993
<b>COUNCILLOR</b>								
Berry	P.F	13,021	1,802	692	15,515	14,777	15,515	14,777
Cummings	I	13,021	1,677	-	14,698	13,960	14,698	13,960
Gutberlet	E.W	-	-	-	-	8,518	-	8,518
Hamilton	K.F	13,021	2,967	88	16,076	15,652	16,076	15,652
Moer	W	13,021	3,096	196	16,313	15,823	16,313	15,823
Sandrey	C.R	13,021	1,544	161	14,726	1,871	14,726	1,871
Stratford	E	13,021	3,092	-	16,113	14,710	16,113	14,710
Thomas	M.A	13,021	1,161	106	14,288	13,960	14,288	13,960
Truman	D.J	18,503	1,548	-	20,051	19,484	20,051	19,484
		<b>164,471</b>	<b>16,887</b>	<b>1,243</b>	<b>182,601</b>	<b>172,748</b>	<b>193,601</b>	<b>175,748</b>
<b>NMCB</b>								
Burnett	O	6,205	-	-	6,205	6,003	6,205	6,003
Butler	R	6,205	-	-	6,205	6,003	6,205	6,003
Coram	W	6,205	-	-	6,205	6,003	6,205	6,003
Noble	A.F.C	9,025	-	-	9,025	8,731	9,025	8,731
					<b>27,640</b>	<b>26,740</b>	<b>27,640</b>	<b>26,740</b>
<b>Total elected members remuneration</b>					<b>210,241</b>	<b>199,488</b>	<b>221,241</b>	<b>202,488</b>

\* the Mayor is chair of Port Westland Ltd and also received director fees of \$11,000 (2006 \$3,000).

26 chief executive officer's remuneration

	Total 2007 \$	Total 2006 \$
Salary	153,196	148,459
Employer Superannuation Contributions	9,044	8,879
Telephone rental	638	638
Car - Full Use	9,059	9,059
Professional Allowances/Fees	200	200
<b>Total Chief Executive Officer's remuneration</b>	<b>172,137</b>	<b>167,235</b>

27 reserve boards

As part of the re-organisation of Local Government on 01 November 1989, eight reserve boards were vested to the Grey District Council. As part of the accountability process, Council is required to incorporate these reserve boards into the Annual Report.

The balance sheet includes all assets and liabilities relating to these reserve boards. The Income Statement for Community Services includes revenue and expenditure relating to these reserve boards. The amounts included are:

	council	
	Actual 2007	Last Year 2006
	\$000	\$000
Income	45	8
Expenditure	( 66)	( 11)
<b>Net surplus (deficit) for the year</b>	<b>( 21)</b>	<b>( 3)</b>

28 bonds receivable and bonds payable

Council is party to a bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The funds are jointly held by the 3 Councils in a trust fund, with said funds only called upon if remedial action is required per the conditions of the resource consents. Income received by the trust fund is not returned to the councils, therefore there is no recognition of income in these accounts. As Council has no automatic right of claim over the funds it is not recognised in the balance sheet as an asset or liability. Given there is no immediate likelihood of the funds being called upon they are not recognised as a contingent asset or liability.

## 29 ratepayers and residents association disclosure requests

The Grey District Residents and Ratepayers Association have asked that Council disclose the following financial information in each Annual Report.

### salaries and wages paid

Total Salaries and Wages paid during 2006/2007 amounted to \$3,041,000 (2005/2006 \$3,022,000).

### consultancy fees paid

Council, during 2006/2007, paid consultancy fees of \$1,395,469 (2005/2006 \$1,656,267). Consultants provided specialist services for projects such as the:

	\$000
Port of Greymouth transport access investigation	\$ 81
Greymouth Sewerage Scheme	\$ 20
Blackball Sewerage Scheme	\$ 23
Port of Greymouth, Engineering Design and Options Report	\$105
Building Consenting	\$ 55
Significant Natural Area (SNA) Project	\$ 40
Resource Consenting	\$426
Cost of Land Sales	\$ 40
New Greymouth Aquatic Centre	\$226

### motor vehicles

Council's motor vehicle fleet consists of 10 cars, 12 utility vehicles, and 1 van. Six utilities are taken home by staff who are on emergency call while five managers are provided with cars as part of their contract of employment with Council, which includes after hours commitments on behalf of Council. All vehicles are used operationally by staff as part of their normal day-to-day duties, where those duties require field work to be carried out.

The total vehicle book value at 30 June 2007 was \$192,021 (2006 \$218,737) which gives an average book value for vehicles of \$8,728 (\$9,114 last year)

## 30 severance payments

For the year ended 30 June 2007 Grey DC made 3 (2006 none) severance payments to employees totalling \$141,205. (2006 nil).

The value of each of the severance pays was \$73,261, \$16,229 and \$51,715.

## 31 events subsequent to balance date

There were no significant events after balance date.

## 32 financial instrument risk

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

#### Interest rate risk

The interest rates on Council's investments are disclosed in note 14 and on Council's borrowings in note 18.

#### Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

If interest rates on investments at 30 June 2007 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the fair value through equity reserve by \$77,000 (2006:\$81,000).

If interest rates on borrowings at 30 June 2007 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$41,000 (2006: \$40,000) as a result of higher/lower interest expense on floating rate borrowings.

#### Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

#### Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its Investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the group only invests funds with those entities, which have a Standard and Poor's credit rating of at least A2 for short term and A – for long-term investments. Accordingly, the group does not require any collateral or security to support these financial instruments.

#### Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months.

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of Council's Long Term Council Community Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$500,000 (2006: \$500,000). There are no restrictions on the use of this facility.

The maturity profiles of Council's interest bearing investments and borrowings are disclosed in notes 14 and 18 respectively.

## 33 capital management

Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTCCP.

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and

- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

## 34 explanation of major variances against budget

Explanations for major variations from Council's estimated figures in the 2006/2007 LTCCP are as follows:

### income statement

#### Other revenue

- additional financial assistance received from Land Transport New Zealand (\$1,141,000), due to:
  - additional maintenance (refer Roading cost of service statement)
  - some capital projects carried forward from 2005/2006, (refer Roading cost of service statement)
- additional regulatory income of \$243,000 due to volume of consents being processed
- additional user charges of \$359,000, of note due to:
  - Port income of \$264,000, none of which was included in the budget; due to anticipation would be operating as a Council Controlled Organisation.

#### Other gains/(losses)

- Gain on sale of assets \$1,657,000 more than budget. This is due to the large number of properties freeholded through the year. All net proceeds from these sales are transferred to specific reserves and not used specifically to fund operational expenditure.

#### Other expenses

- Roading
  - additional \$655,000 spent on flood damage restoration works (total of \$799,000 spent) to remedy damage from June 2006 flood events. This was approved by Council subsequent to the adoption of the 2006/2007 Annual Plan.
- Environmental Services:
  - additional \$338,000 spent on consultants from budget, based on volume of building and resource consents being processed, and reduced staffing levels.
  - additional \$40,000 spent on SNA project (Council approved)
- Property and housing
  - Additional maintenance expenditure of \$66,000 spent on maintenance of Council's retirement housing stock. A lot of catch up work is still being undertaken
  - Additional \$85,000 spent on Council's funding the cost of free-holding properties. This is due to the higher than anticipated activity continuing. This is funded from the proceeds of sale, with the net proceeds being transferred to specific reserves.
- Port operation
  - As no budgets were contained in the annual plan and long-term plan, the entire operating and maintenance costs of \$1,007,000 represent a variation from that. Operations and maintenance were kept to a minimum, as in previous years as work continues to secure the port's future. All net costs required for the port are funded from harbour land sales.

### balance sheet

#### Assets

- Over all bank and investment balance were \$440,000 above budget, due to timing of payments differing to that in the budget.
- Non-current assets held for sale \$1,406,000 higher than budget. This is due to:
  - It was anticipated that \$401,000 of these assets would have been disposed of in the 2006/2007 financial year.
  - A reclassification of part of Council's land holdings from property, plant and equipment to assets held for sale (refer note 35)

#### Liabilities

- Trade and other payables \$1,556,000 less than budget due to timing of payments to suppliers differing to that anticipated in the budget.
- Over all loan balances \$609,000 less than budget due to loans not being required to be uplifted for all projects. Of note, bridging finance was budgeted for the Roading projects of \$175,000 (work delayed pending further outcomes), Boddytown Sewerage Scheme (\$236,000 – internally funded) and flood protection works (\$136,000 – works not required).

## Equity

- Variances as noted above are reflected in equity.
- With Council recognising Land under roads and Sportsfields and parks at deemed cost as an NZ-IFRS transition, this has reduced Revaluation reserve by \$39,773,000 and increased Retained earnings by the same.

## 35 explanation of transition to NZ IFRSs

As stated, these are the parent and group's first consolidated financial statements prepared in accordance with NZ IFRSs.

The accounting policies set out in [c][2.7] accounting policies, page 21 have been applied in preparing the financial statements for the year ended 30 June 2007, the comparative information presented in these financial statements for the year ended 30 June 2006 and in the preparation of an opening NZ IFRS balance sheet at 1 July 2005 (the date of transition).

In preparing its opening NZ IFRS balance sheet, the Group has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (previous GAAP). An explanation of how the transition from previous NZ GAAP to NZ IFRSs has affected the Group's balance sheet, income statement and cash flows is set out in the following tables and the notes that accompany the tables.

	Note	Previous NZ GAAP 01 Jul 05 \$000	Effect on transition to NZ IFRS 01 Jul 05 \$000	NZ IFRS 01 Jul 05 \$000	Previous NZ GAAP 30 Jun 06 \$000	Effect on transition to NZ IFRS 30 Jun 06 \$000	NZ IFRS 30 Jun 06 \$000
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents	b	9,663	77	9,740	11,184	(3,396)	7,788
Short-term deposits		-	-	-	-	-	-
Short-term investments	b	2,728	203	2,931	1,842	3,630	5,472
Trade and other receivables	b	1,845	(352)	1,493	2,640	(312)	2,328
Non-current assets held for sale	c	155	2,012	2,167	425	1,325	1,750
		<b>14,391</b>	<b>1,940</b>	<b>16,331</b>	<b>16,091</b>	<b>1,247</b>	<b>17,338</b>
<b>Non Current Assets</b>							
Trade and other receivables		-	-	-	-	-	-
Property, plant and equipment	c	250,749	(2,012)	248,737	256,944	(1,325)	255,619
Investment property		-	-	-	-	-	-
Investments	b	1,839	91	1,930	2,886	94	2,980
		<b>252,588</b>	<b>(1,921)</b>	<b>250,667</b>	<b>259,830</b>	<b>(1,231)</b>	<b>258,599</b>
<b>TOTAL ASSETS</b>		<b>266,979</b>	<b>19</b>	<b>266,998</b>	<b>275,921</b>	<b>16</b>	<b>275,937</b>
<b>LIABILITIES</b>							
<b>Non Current Liabilities</b>							
Provisions		686	-	686	702	-	702
Employee benefit liabilities		-	-	-	161	-	161
Borrowings	d, e	3,348	(322)	3,026	7,938	(345)	7,593
		<b>4,034</b>	<b>(322)</b>	<b>3,712</b>	<b>8,801</b>	<b>(345)</b>	<b>8,456</b>
<b>Current Liabilities</b>							
Trade and other payables	e	2,176	(40)	2,136	2,272	(51)	2,221
Employee benefit liabilities		408	-	408	406	-	406
Deferred income		67	-	67	75	-	75
Borrowings	e	2,278	17	2,295	297	51	348
		<b>4,929</b>	<b>(23)</b>	<b>4,906</b>	<b>3,050</b>	<b>-</b>	<b>3,050</b>
<b>TOTAL LIABILITIES</b>		<b>8,963</b>	<b>(345)</b>	<b>8,618</b>	<b>11,851</b>	<b>(345)</b>	<b>11,506</b>
<b>EQUITY</b>							
Retained earnings	g	145,207	44,263	189,470	145,951	44,260	190,211
Special Funds		18,961	-	18,961	19,224	-	19,224
Trusts Bequests and Other Reserves		642	-	642	646	-	646
Revaluation reserve	f	93,206	(43,899)	49,307	98,249	(43,899)	54,350
<b>Total equity attributable to the Council</b>		<b>258,016</b>	<b>364</b>	<b>258,380</b>	<b>264,070</b>	<b>361</b>	<b>264,431</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>266,979</b>	<b>19</b>	<b>266,998</b>	<b>275,921</b>	<b>16</b>	<b>275,937</b>

notes to the reconciliation of equity:

- a. Recognition of interest rate swaps at year end to the balance sheet of \$18,898 for 1st July 05 and \$15,897 for 30th June 2006. The impact on the profit and loss account for the year ending 30 June 2006 was to decrease profit by \$3,001.
- b. Cash and cash equivalents, Short-term investments, and non-current investments have been recognised at their fair value: This has resulted in the following adjustments:

	01 Jul 05 \$000	01 Jul 06 \$000
Cash and cash equivalents	77	( 3,396 )
Short-Term Investments	203	3,630
Investments	91	94
Trade and other receivables (interest receivable)	( 352 )	( 312 )

Some items have been re-classified from cash and cash equivalents to short term investments.

- c. Leasehold land held by Council has been reclassified as Non-current assets held for sale. This is due to the fact that Council has an active policy encouraging the sale of the property. There is no net effect on the total carrying value of Council assets, and therefore no effect on equity. The respective adjustments are as follows:

	01 Jul 05 \$000	01 Jul 06 \$000
Non-current assets held for sale	2,012	1,325
Property, plant and equipment (other land)	(2,012)	(1,325)

- d. Within the accounts is a value of \$345,000 previously donated to Grey District Council from the government as no terms can be attributed to the loan it has been released to the income statement in 2006. This meets the de-recognition criteria stipulated by NZ IAS 39: Financial Instruments.
- e. Borrowings have been recognised at their fair value by including the amount of accrued interest at balance date. The result is an increase in the value of borrowings and decrease in trade and other payables (interest payable) of \$50,755 in 2006 (\$40,480 in 2005)
- f. Recognition of property, plant and equipment at deemed cost.

Under previous GAAP, Sportfields and Parks, and Land Under Roads were held at a revalued amount. Under NZ IFRS these have been reclassified to deemed cost with the revalued amount released to equity.

Given there is no clear interpretation on the most appropriate method to value land under roads, the Grey District Council has elected to use the previous GAAP valuation of land under road as deemed cost on transition and to retain the cost valuation for future periods

There is no effect on the NBV of property, plant and equipment. The revalued amount for Sportfields and Parks previously held in the Revaluation Reserve of \$282,680 for 2005 and 2006 respectively is transferred to Ratepayers Equity in both years. The revalued amount for Land Under Roads previously held in the Revaluation Reserve of \$43,616,000 for 2005 and 2006 respectively is transferred to Ratepayers Equity in both years.

g. The effect of the above adjustments on retained earnings is as follow:

Note	Previous NZ GAAP year ending 30 June 06 \$000	Effect on transition to NZ IFRS year ending 30 June 06 \$000	NZ IFRS year ending 30 June 06 \$000
<b>INCOME</b>			
	9,136	-	9,136
	7,652	-	7,652
	1,049	(3)	1,046
	1,602	-	1,602
	-	-	-
<b>Total Income</b>	<b>19,439</b>	<b>(3)</b>	<b>19,436</b>
<b>EXPENDITURE</b>			
	(3,022)	-	(3,022)
	(5,590)	-	(5,590)
	(9,301)	-	(9,301)
	(515)	-	(515)
<b>Total operating expenditure</b>	<b>(18,428)</b>	<b>-</b>	<b>(18,428)</b>
<b>Net Surplus/(Loss) before Tax</b>	<b>1,011</b>	<b>(3)</b>	<b>1,008</b>
	-	-	-
<b>Surplus/(deficit) after tax Attributable to Grey District Council</b>	<b>1,011</b>	<b>(3)</b>	<b>1,008</b>

# **[d] group of activity statements**

# [1] roading

## [1.1] council's involvement

By virtue of Land Transport Management Act 2003 Council is the owner and transport controlling authority for all public transport within the District. Council has a duty to ensure that the transport is safe and sustainably managed, including planning for the future.

Council currently owns, operates and maintains a District-wide transport network (excluding the two state highways), six water facilities at Lake Brunner and one at Lake Haupiri.

## [1.2] activities included in this group

- Roothing

### Rationale for grouping

This is the most significant cost activity managed by Council and is dealt with on a stand-alone basis.

## [1.3] performance indicators and link to community outcomes

### Efficient and responsible management of the roading activity

#### Outcome:

- A District enjoying quality affordable essential services.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- Roothing is an important essential service.
- Good roading contributes to an attractive living/working environment.
- Safe roads especially contribute to personal safety.

Outputs:	Measurement:	Achievement
Pro-active identification, assessment, prioritisation and costing of District roading needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ Applying for LTNZ funding on time and complying with the application requirements.</li> <li>▪ Attending to non-subsidised roading projects within the limitations of available budgets.</li> <li>▪ Decision-making for capital works and/or significant changes to service delivery to be based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A ten year District needs plan was in development as at the 30 June 2007</li> <li>▪ All LTNZ funding was applied for on time and complied with the application requirements to 30 June 2007.</li> <li>▪ All non-subsidised roading projects were completed within the limitation of available budgets with the exception of works in Kaiata which were not started and some work carried over to the 2007/2008 financial year on footpaths.</li> <li>▪ The assessment of alternatives and costs-benefit analysis for capital works and or significant changes to service delivery is completed as part of each job evaluation prior to any project commencement.</li> </ul>
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours</li> </ul>	<ul style="list-style-type: none"> <li>▪ 75% of all emergency work on Arterial and major collector roads were fixed within the prescribed time.</li> <li>▪ 75% of all emergency work on all</li> </ul>

Outputs:	Measurement:	Achievement
	plus normal travelling time from Depot to site	other roads were fixed within the prescribed time.
Drainage Channels Maintenance	<ul style="list-style-type: none"> <li>Within 14 days of issues being identified</li> </ul>	<ul style="list-style-type: none"> <li>50% of Drainage channel maintenance was completed within 14 days of being identified to 30 June 2007 as the schedule for maintenance is done at the beginning of the month.</li> </ul>
Cleaning and Repair of Stormwater Structures <ul style="list-style-type: none"> <li>Maintenance</li> <li>Blockages</li> </ul>	<ul style="list-style-type: none"> <li>Within 10 days of need being identified</li> <li>Within 2 days of blockage being identified</li> </ul>	<ul style="list-style-type: none"> <li>All cleaning and repair of stormwater structures was completed within the prescribed timeframe during the 2006/2007 year.</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>Arterial and Major Collector Roads</li> <li>All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>Within 3 days of being noticed/reported</li> <li>Within 8 days of being noticed/reported</li> </ul>	<ul style="list-style-type: none"> <li>75% of Pothole repairs to 30 June 2007 for major and collector roads were completed within 3 days of being reported.</li> <li>60% of potholes on all other roads were repaired within 8 days of being identified to 30 June 2007.</li> </ul> <p>Note: the low compliance with pothole repair was due to the weather being worse than usual and the larger number of potholes caused by this.</p>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas</li> </ul>	<ul style="list-style-type: none"> <li>There were no planned road closures to 30 June 2007.</li> </ul>
Completion of roading upgrades associated with the Pike River Coal Company development.	<p>100% in compliance with agreement between Council and Pike River Coal Company and within budgeted amounts*. Of note:</p> <ul style="list-style-type: none"> <li>In Year 1 - Logburn Rd Upgrade, within budget of \$624,413.</li> <li>In Year 2 – Moonlight Creek bridge strengthening, upgrade of bridge at Kumukau and Lees Stream, and edge widening and strengthening of Atarau Rd: within budget of \$1,361,806</li> <li>In Year 3 - Edge widening and strengthening of Blackball/Taylorville Rd, and Stillwater railway overbridge upgrade: within budget of \$1,053,416.</li> </ul> <p>*Note: subject to confirmation of transport route from mine terminal to port</p>	<ul style="list-style-type: none"> <li>Logburn Road Upgrade was completed within budget. The Budget total for the project was \$1,099,033. This includes a carryover from the 2005/2006 year the total budget for the entire project over the 2005/2006 and 2006/2007 financial years was \$1,476,080.</li> <li>The Moonlight creek bridge strengthening the upgrade of the bridges at Kumukau and Lees Stream and edge widening and strengthening of Atarau Road were all delayed due to action in the Environmental Court.</li> <li>N/A</li> </ul>
Controlling total costs within available budgets	<ul style="list-style-type: none"> <li>+/- 5%</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to cost of service statements and any applicable notes on variances below.</li> </ul>
Contribution from developers for new capital	<ul style="list-style-type: none"> <li>For upgrades of existing assets a linear contribution calculated on the increased traffic volume that will be generated as set through the resource consent process.</li> <li>New assets per the financial policy under the District Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Developers are invoiced for as necessary as work is carried out.</li> <li>There were no new assets purchased in the 2006/2007 year which required a contribution from developers.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>
Compliance with statutory requirements.	<ul style="list-style-type: none"> <li>Road conditions contributing to accidents less than 5%</li> </ul>	<ul style="list-style-type: none"> <li>The Land Transport New Zealand Report on roading conditions for 2006 was unavailable at the time of printing.</li> </ul>

## Safety of users

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- Safe roads are a requirement for economic growth.
- Safe roads contribute to an attractive living/working environment.
- Safe roads contribute to personal safety in particular.

Outputs:	Measurement:	Achievement
Safety of users as a prime focus area in management of roads.	<ul style="list-style-type: none"> <li>▪ Less than 5% of road accidents/incidents the result of road design or condition factors.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Land Transport New Zealand Report on roading conditions for 2006 was unavailable at the time of printing.</li> </ul>
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>	<ul style="list-style-type: none"> <li>▪ 75% of all emergency work on Arterial and major collector roads were fixed within the prescribed time.</li> <li>▪ 75% of all emergency work on all other roads were fixed within the prescribed time.</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>▪ Within 10 days of need being identified</li> </ul>	<ul style="list-style-type: none"> <li>▪ 50% maintenance was completed within 10 days of being identified to 30 June 2007 as the schedule for maintenance is done on a monthly cycle at the beginning of the month.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no planned road closures to 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>
Compliance with statutory requirements.	<ul style="list-style-type: none"> <li>▪ Road conditions contributing to accidents less than 5%</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Land Transport New Zealand Report on roading conditions for 2006 was unavailable at the time of printing.</li> </ul>

## Convenience of users

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- Convenient, quality roads are a requirement for economic growth.
- Access to good roading contributes to an attractive living/working environment.
- Convenience has a strong quality and safety relevance, especially personal safety.

Outputs:	Measurement:	Achievement
Convenience as a prime focus area in management of roads.	<ul style="list-style-type: none"> <li>▪ 90% of properties to have access to a Council maintained road within 1 km of their boundary.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Not actually measured</li> </ul>
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>	<ul style="list-style-type: none"> <li>▪ 75% of all emergency work on Arterial and major collector roads were fixed within the prescribed time.</li> <li>▪ 75% of all emergency work on all other roads were fixed within the prescribed time.</li> </ul>

Outputs:	Measurement:	Achievement
Maintenance	<ul style="list-style-type: none"> <li>Minimum 60% of sealed roads with a measured roughness of less than 80 NAASRA<sup>1</sup> counts.</li> <li>Maximum 10% of sealed roads with a measured roughness of greater than 150 NAASRA counts.</li> <li>Unsealed roads graded once per year if required.</li> </ul>	<ul style="list-style-type: none"> <li>59% Roughness &lt;80</li> <li>8.5% Roughness &gt;150</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas</li> </ul>	<ul style="list-style-type: none"> <li>There were no planned road closures to 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## Encouraging active transport practices

### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- Opportunities to use other forms of transport makes for an attractive living environment.
- Safe walking and cycling opportunities contribute to a healthier community.

Outputs:	Measurement:	Achievement
Consider the provision of safe cycling, running or walking opportunity in the planning and maintenance of roads and footpaths in line with New Zealand Standard 4404:2004.	<ul style="list-style-type: none"> <li>60% of roads/footpaths in built up areas meeting the requirements of NZS 4404:2004.</li> </ul>	<ul style="list-style-type: none"> <li>Most roads in the district were built before the standard was created and therefore do not comply. All new subdivision roads comply with the standard.</li> </ul>
Design must allow for the safe introduction of cycle lanes where required by NZS 4404:2004.	<ul style="list-style-type: none"> <li>All new roads</li> <li>All new reseals</li> </ul>	<ul style="list-style-type: none"> <li>All new roads completed in the district comply with the standard and therefore allow for the safe introduction of cycle lanes where required by NZS 4404:2004.</li> <li>All new reseals completed in the district comply with applicable standards therefore would allow for cycle lanes where required.</li> </ul>
Footpaths must be constructed to no more than the maximum gradients required in NZS 4404:2004.	<ul style="list-style-type: none"> <li>All new footpaths</li> <li>60% of existing footpaths</li> </ul>	<ul style="list-style-type: none"> <li>All new footpaths were constructed within the guidelines of NZS4404:2004.</li> <li>60% of all existing footpaths gradients meet the requirements of NZS4404:2004.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

<sup>1</sup> NAASRA

Road roughness is measured by a system developed by the former National Association of Australian State Roading Authorities (NAASRA). Values are obtained by a special-purpose vehicle travelling down both outside lanes of the length of a road. The rougher the road, the higher the NAASRA counts per lane kilometre.

## [1.4] cost of service statement

<b>ROADING INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(112)	(166)	(151)
Operating & maintenance costs	(3,295)	(2,201)	(2,742)
Interest expense	-	(13)	-
Depreciation	(3,018)	(3,532)	(3,496)
	<b>(6,425)</b>	<b>(5,912)</b>	<b>(6,389)</b>
<b>Revenue:</b>			
User charges	210	183	15
Other revenue	179	450	192
Subsidies/donations	4,174	3,020	3,029
Internal recoveries	-	-	-
Rates - UACC	-	-	-
Rates - General	1,939	1,910	1,726
Rates - Targeted	-	-	-
	<b>6,502</b>	<b>5,563</b>	<b>4,962</b>
<b>Net Surplus/(Deficit)</b>	<b>77</b>	<b>(349)</b>	<b>(1,427)</b>

<b>ROADING CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(1,567)	(1,771)	(1,599)
New capital	(1,854)	(1,621)	(647)
Assets vested	-	(316)	-
Debt principal repayments	-	(7)	-
Funding of reserves	(71)	(70)	(88)
Internal transfers	-	-	-
	<b>(3,492)</b>	<b>(3,785)</b>	<b>(2,334)</b>
<b>Funded by:</b>			
add new loans raised	-	175	-
add funding from reserves	158	427	178
Transfer from Ratepayer Equity	-	-	-
add depreciation	3,018	3,532	3,495
add/(deduct) Surplus/(Deficit) carried forward	77	(349)	(1,427)
<b>Net funding surplus / (deficit)</b>	<b>(239)</b>	<b>-</b>	<b>(88)</b>

## [1.5] major asset acquisitions or replacements

<b>ROADING SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
General Renewals	1,513	1,510
Safety improvements	309	257
Logburn Rd upgrade	1,099	624
Te Kinga Hill Re-construction	217	-

- Logburn Rd upgrade and Te-Kinga Hill Re-construction involved amounts carried forward from prior year budgets.
- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out.

## [1.6] variations from budget

### Operating and Maintenance Costs:

- additional \$655,000 spent on flood damage restoration works (total of \$799,000 spent) to remedy damage from June 2006 flood events. This was approved by Council subsequent to the adoption of the 2006/2007 Annual Plan.

### Depreciation

- Some assets as valued as at 30 June 2005 have now been fully depreciated.

### Subsidies and Donations

- additional financial assistance received from Land Transport New Zealand, due to:
  - additional maintenance per below
  - some capital projects carried forward from 2005/2006, (Te Kinga Hill re-construction and Logburn Rd upgrade)

### Other Revenue/Vested Assets

- No roading assets vested in the 2006/2007 financial year. The timing of this is difficult to predict exactly, and figures budgeted in the LTCCP were based on an average over years.

## [1.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ New roads built <b>POSITIVE</b> for accessibility and general social cohesion</li> <li>▪ Inability to build new footpaths or renew footpaths negative</li> <li>▪ Continued maintenance programme secured greater accessibility and usability as a positive</li> </ul>	<ul style="list-style-type: none"> <li>▪ New, quality roads as well as improved footpaths contribute <b>POSITIVELY</b> to economic growth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved roading is <b>POSITIVE</b> for community pride and commitment to the District.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved roading has had a <b>POSITIVE</b> impact on the amenity of the District.</li> </ul>

## [2] stormwater and flood protection

### [2.1] council's involvement

The Grey District enjoys high rainfall with individual rain events often involving heavy falls. It is important to ensure that flooding measures are in place to deal with the disposal of any surface water accumulation; that excess flows are contained to waterways and that areas prone to flooding are protected. Whilst Council's primary responsibility lies with stormwater drainage in urban areas, it is involved in the joint management of the Greymouth/Cobden/Blaketown floodwalls as well as land drainage in areas outside traditional urban settlements in conjunction with the West Coast Regional Council. This arrangement is often confusing to residents and it is herewith confirmed that:

- Council owns the floodwalls and is responsible for the aesthetic maintenance and insurance of the floodwalls. Council funds its cost by means of a general rate.
- The West Coast Regional Council, by law, is responsible for the actual protection against flooding and therefore the maintenance and renewal of the floodwalls. The WCRC funds this by means of a special rate against the rating District benefiting from the protection.
- The two local authorities jointly agree on the maintenance requirements for the floodwalls.

Council has clear legal responsibilities in terms of the Local Government Act, 2002 as well as the 1974 version of the Act, the Resource Management Act, 1991 and other legislation i.e. the Soil Conservation and Rivers Control Act, 1941. Public drainage systems are generally designed in line with accepted industry standards and are therefore limited in function to its design capacity. It is therefore important to note that land drainage systems do not provide a guarantee against flooding.

### [2.2] activities included in this group

- Stormwater
- Flood Protection

#### Rationale for grouping

The two activities interact strongly, both strategically and operationally with significant overlapping.

### [2.3] performance indicators and link to community outcomes

#### Efficient management of the stormwater activity.

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Competent disposal of surface water contributes to an attractive living/working environment.
- Competent disposal of surface water enhances personal and property safety.
- Stormwater management is a requirement for economic growth.

Outputs:	Measurement:	Achievement
Pro-active identification, assessment, prioritisation and costing of District stormwater needs.	<ul style="list-style-type: none"> <li>▪ Developing and maintaining a ten year District needs plan by December 2007.</li> <li>▪ Removing one remaining area of surface water ponding p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A ten year District needs plan was in development as at 30 June 2007.</li> <li>▪ Council had removed one area of surface water ponding in the year ended 30 June 2007.</li> </ul>
Ensuring that private drains in the District are maintained.	<ul style="list-style-type: none"> <li>▪ Identification of private drains by December 2007.</li> <li>▪ Implementation of an effective monitoring programme by July 2008.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identification of Private drain had not been started as at 30 June 2007.</li> <li>▪ The Implementation of monitoring programme for private drains was not completed as at 30 June 2007.</li> </ul>

Outputs:	Measurement:	Achievement
<p>Stormwater and public drains.</p> <ul style="list-style-type: none"> <li>▪ Emergency work.</li> <li>▪ Major blockages/Failures.</li> <li>▪ Incidents of ponding (rain events within design capacity).</li> <li>▪ Properties flooded (rain events within design capacity).</li> <li>▪ Buildings flooded (rain events within design capacity).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> <li>▪ 15 p.a. and reducing.</li> <li>▪ Less than 5 p.a.</li> <li>▪ Nil.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All Emergency work was attended to within 3 hours of reporting in the year ended 30 June 2007.</li> <li>▪ All major blockages/failures reported were attended to within 1 day in the 2006/2007 year.</li> <li>▪ There were 6 incidents of ponding recorded in the year ended 30 June 2007.</li> <li>▪ There were 4 reports of properties flooding in the year ended 30 June 2007.</li> <li>▪ There were no buildings flooded due to problem or issues with the stormwater and public drains in the year ended 30 June 2007.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Service provision where secondary flow paths exist.</li> <li>▪ Service provision where secondary flow paths do not exist.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All new and renewed stormwater systems provided to cope with a 1 in 5 year return period storm, with the exception of the Greymouth CBD stormwater system which is designed to cope with an annual return period storm (The Greymouth CBD stormwater system is designed to be compatible with the maximum pumping capacity of the Greymouth Flood Protection Scheme flood pumps).</li> <li>▪ All new and renewed stormwater systems provided to cope with a 1 in 100 year return period storm.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All new and renewed stormwater systems are provided to cope with a 1 in 5 year return storm period. Greymouth CBD stormwater system is designed to be compatible with the maximum pumping capacity of the Greymouth Flood Protection Scheme flood pumps.</li> <li>▪ All new and renewed stormwater systems are able to cope with a 1:10 year return period storm.</li> </ul>
Control over total cost.	<ul style="list-style-type: none"> <li>▪ 100%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 95%</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 90%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Please refer to cost of service statements and any applicable notes on variances below.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In the year ended 30 June 2007, 1 stormwater closure was planned but due to time constraints it was not advertised 24 hours prior to commencement.</li> </ul>
<p>Separation of stormwater reticulation from sewerage reticulation in Greymouth, Cobden, and Blaketown:</p> <ul style="list-style-type: none"> <li>▪ Separation of sewerage and stormwater reticulation schemes.</li> <li>▪ Discharges of sewerage into stormwater.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completed by 30 June 2014. Stages completed in line with Greymouth sewerage upgrade action plan.</li> <li>▪ Properties to separate discharges no later than separate reticulation schemes available for them to connect to.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As at 30 June 2007 35% of the separation was complete. This is ahead of the action plan given that work on separation has been accelerated.</li> <li>▪ Once each separation contract is completed Council writes to the concerned property owners giving them 2 years to separate and connect to the scheme.</li> </ul>
Maintain drainage systems in accordance with resource consents.	<ul style="list-style-type: none"> <li>▪ All systems to comply 100% with relevant consents.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This is a West Coast Regional Council Issue rather than one for Grey District Council. And therefore Council has not attempted to measure this target.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Effective flood protection.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- Flood management is a requirement for economic growth.
- Competent flood protection contributes to an attractive living/working environment.
- Competent flood protection enhances personal and property safety.

Outputs:	Measurement:	Achievement
Ensuring that the Greymouth Blaketown/Cobden floodwalls are maintained to a high standard and that it remains capable of preventing flooding of the adjacent areas.	<ul style="list-style-type: none"> <li>▪ Full participation on the Joint Floodwall Committee.</li> <li>▪ Maintaining the level of the floodwalls to withstand floods of 1:50 years with 600mm of freeboard.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Kevin Beams attended all joint floodwall committee meetings to 30 June 2007.</li> <li>▪ Advice was given to the joint floodwall committee is that the wall will withstand a 1:50 event but in places these is less than 600mm of freeboard. Plans to rectify this are progressing.</li> </ul>
In cooperation with the WCRC implement a protocol to deal with the land drainage function outside built-up areas.	<ul style="list-style-type: none"> <li>▪ Agreement with WCRC by July 2006 and appropriate public disclosure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An agreement has been reached with the WCRC that the Grey District Council will take responsibility for drainage in urban areas while the WCRC will be responsible for rural areas.</li> </ul>
In cooperation with the WCRC, endeavour to implement a coastal protection scheme for Rapahoe.	<ul style="list-style-type: none"> <li>▪ Application for funding to the Crown by 30 July 2006.</li> <li>▪ Feedback to the community on options by October 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An application was made to the crown in July 2006.</li> <li>▪ A letter was sent to Rapahoe residents and a Public meeting was held in September/October 2006.</li> </ul>
Attendance of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> <li>▪ 100%</li> </ul>	<ul style="list-style-type: none"> <li>▪ Manager Support Services, Kevin Beams, attended all joint floodwall committee meeting to 30 June 2007.</li> </ul>
Frequency of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> <li>▪ Minimum once p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There was one joint floodwall committee meeting held for the period 1 July 2006 to 30 June 2007.</li> </ul>
Attendance to Council responsibilities re land drainage. <ul style="list-style-type: none"> <li>▪ Emergency.</li> <li>▪ Other.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no emergency incidents which required a response in the 2006/2007 financial year.</li> <li>▪ There were no incidents which required a response in the 2006/2007 financial year.</li> </ul>
Notice of planned road closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Preston road was closed for flood training on 1 May 2007 this was notified more than 24 hours prior to the closure.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [2.4] cost of service statement

<b>STORMWATER &amp; FLOOD PROTECTION INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(67)	(46)	(98)
Operating & maintenance costs	(196)	(245)	(154)
Interest expense	-	(10)	-
Depreciation	(381)	(373)	(383)
	<b>(644)</b>	<b>(674)</b>	<b>(635)</b>
<b>Revenue:</b>			
User charges	1	-	8
Other revenue	167	21	-
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	517	486	492
Rates - Targeted	-	-	-
	<b>685</b>	<b>507</b>	<b>500</b>
<b>Net Surplus/(Deficit)</b>	<b>41</b>	<b>(167)</b>	<b>(135)</b>

<b>STORMWATER &amp; FLOOD PROTECTION CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(180)	(176)	(121)
New capital	(256)	(240)	(102)
Assets vested	(167)	(21)	-
Debt principal repayments	-	(5)	-
Funding of reserves	-	-	(4)
Internal transfers	-	-	-
	<b>(603)</b>	<b>(442)</b>	<b>(227)</b>
<b>Funded by:</b>			
add new loans raised	-	135	-
add funding from reserves	129	101	64
Transfer from Ratepayer Equity	-	-	9
add depreciation	381	373	330
add/(deduct) Surplus/(Deficit) carried forward	41	(167)	(135)
<b>Net funding surplus / (deficit)</b>	<b>(52)</b>	<b>-</b>	<b>41</b>

## [2.5] major asset acquisitions or replacements

<b>STORMWATER &amp; FLOOD PROTECTION SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
General renewals and upgrades	329	369

- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out

## [2.6] variations from budget

### Other Revenue/Vested Assets

- The actual quantity and therefore fair value of assets vested in 2006/2007 was well above budget (\$146,000). The timing of this is difficult to predict exactly, and figures budgeted in the LTCCP were based on an average over years.

### Renewal/Capital Expenditure

- Additional works were carried out, which included \$20,000 of work carried forward from the 2005/2006 year

## [2.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Continual improvement of stormwater collection and disposal capability POSITIVELY leads to safe and happy residents.</li> <li>▪ Ongoing maintenance of Greymouth Floodwall in partnership with WCRC, builds POSITIVE confidence.</li> <li>▪ Attention to the long neglected land drainage function in urban areas positive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved security of life and property POSITIVE for local investment and resident stability.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continual improvement of stormwater collection and disposal capability POSITIVELY leads to safe and happy residents.</li> <li>▪ POSITIVE for Maori relationship with water and water courses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quicker, more efficient collection of stormwater, regular clearance of creeks and public drains POSITIVE amenity benefits.</li> </ul>

## [3] sewerage

### [3.1] council's involvement

Council provides reticulated sewerage treatment and disposal systems to achieve high quality health and to minimise adverse effects on the receiving environment. On-site disposal arrangements are operational in most outlying residential areas, managed in terms of resource consents issued by the West Coast Regional Council with Council's involvement mainly focusing on health impacts. Unsuited soil conditions, combined with other factors, make most of the on-site arrangements ineffective and unworkable and providing reticulated treatment and disposal systems is a special feature of Council's long-term planning.

Council manages four sewer schemes (plus one currently under construction), the status of which is:

- Greymouth/Blaketown/Cobden: Non-complying with Resource Management Act, 1991 but under full replacement.
- Runanga: Complying with the Resource Management Act, 1991 except in respect of the pipe systems which, in heavy rains, also collect ground water.
- Moana: Complying with the Resource Management Act, 1991 but subject to continuous management to achieve this.
- Karoro/South Beach/Paroa: Complying with the Resource Management Act, 1991.
- Blackball: Under construction to comply with the Resource Management Act, 1991.

Unsuited soil conditions in other built-up areas make current on-site disposal arrangements impractical and ineffective and Council places a strong emphasis on implementing reticulated schemes throughout. This is made easier as a result of the availability of Government subsidies (SWSS) which make schemes affordable where it otherwise would not have been.

Attention is drawn to the Summary of the Water and Wastewater Assessment attached hereto.

### [3.2] activities included in this group

- Sewerage

#### Rationale for grouping

Even though there are synergies with other activities, i.e. health promotion, this is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [3.3] performance indicators and link to community outcomes

#### Efficient management of the sewerage activity.

##### Outcome:

- A District enjoying quality affordable essential services.
- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

##### How affected?

- Sewage disposal is an important essential service.
- Competent sewage collection, treatment and disposal are a requirement for economic growth.
- Competent management of sewage contributes to an attractive living/working environment.
- Competent sewage management enhances personal and property safety.

Outputs:	Measurement:	Achievement
Pro-active identification, assessment, prioritisation and costing of District sewerage needs.	<ul style="list-style-type: none"> <li>Maintaining a current ten year District needs plan.</li> <li>Consulting with urban communities without water-borne systems on community systems.</li> </ul>	<ul style="list-style-type: none"> <li>A ten year District needs plan was in development as at 30 June 2007.</li> <li>There is on-going consultation with Taylorville, Kaiata and Dobson. Contingent on central government subsidies becoming available again.</li> </ul>
Optimal use of Government subsidies under SWSS.	<ul style="list-style-type: none"> <li>Timely application for SWSS funding for community sewerage schemes.</li> </ul>	<ul style="list-style-type: none"> <li>All applications made for SWSS funding were on time and accepted.</li> </ul>
Sewerage systems. <ul style="list-style-type: none"> <li>Emergency Work ( outages, broken pipes)</li> <li>Blockages.</li> <li>New connections.</li> <li>Availability of service.</li> <li>Overflow events.</li> </ul>	<ul style="list-style-type: none"> <li>Attended within 1 hour of report.</li> <li>Attended within 3 hours of report.</li> <li>Within 10 days of request.</li> <li>100%.</li> <li>Maximum of 10 per annum in 2006/2007 and reducing thereafter.</li> </ul>	<ul style="list-style-type: none"> <li>There was one incident involving emergency work on the Runanga Sewer line in the year ended 30 June 2007; it was attended to within 1 hour.</li> <li>There were two blockages of the sewer system; both occurred in June 2007 and were attended to within 3 hours.</li> <li>This performance criteria is no longer applicable. Council's contractor performs requests for new connections and notifies Council when the connection is completed.</li> <li>The Sewerage service was available at all times during the 2006/2007 financial year.</li> <li>There were two overflow events during the year ended 30 June 2007.</li> </ul>
Connection of properties using on-site disposal systems, where able to be connected to a Council sewerage reticulation scheme.	<ul style="list-style-type: none"> <li>All applicable properties in Paroa/South Beach connected by 30 June 2008.</li> </ul>	<ul style="list-style-type: none"> <li>Council staffs were in the process of investigating which properties were concerned as at 30 June 2007.</li> </ul>
Upgrade Greymouth sewerage scheme.	<ul style="list-style-type: none"> <li>Completed by 30 June 2014.</li> <li>Budgeted Capital Works per annum completed to within 15%.</li> </ul>	<ul style="list-style-type: none"> <li>35% of the Greymouth Sewerage Scheme upgrade had been completed as at 30 June 2007.</li> <li>All budgeted capital works for sewerage were completed to within 15%.</li> </ul>
Construct new reticulated sewerage schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>Blackball – by 30 June 2007.</li> <li>Te Kinga – by 30 June 2007.</li> <li>Boddytown – by 30 June 2007.</li> <li>Dobson and Kaiata – by 30 June 2009.</li> <li>Rapahoe – by 30 June 2011.</li> </ul>	<ul style="list-style-type: none"> <li>This scheme was not completed as at 30 June 2007 but is expected to be completed by 30 September 2007.</li> <li>This scheme was not completed as at 30 June 2007 but is expected to be done by 30 September 2007.</li> <li>The Boddytown Scheme was completed in May 2007.</li> <li>Work on the Kaiata Scheme had not started as at 30 June 2007.</li> <li>Work on the Rapahoe Scheme had not started as at 30 June 2007</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas.</li> </ul>	<ul style="list-style-type: none"> <li>There were no planned sewer closures during the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Mitigate environmental impacts.

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Competent management of sewage contributes to an attractive living/working environment.
- Competent, safe disposal of sewage enhances personal and property safety.
- Environmental retention is a requirement for economic growth.

Outputs:	Measurement:	Achievement
Commitment to mitigate impacts of sewerage activity on the environment.	<ul style="list-style-type: none"> <li>Design and operations aimed at mitigating environmental effects.</li> </ul>	<ul style="list-style-type: none"> <li>The design and operation of the sewerage activity are aimed at mitigating environmental effects.</li> </ul>
Respecting relationship of Maori with water.	<ul style="list-style-type: none"> <li>Consultation with Maori on the activity and associated environmental protection measures during the resource consent process.</li> </ul>	<ul style="list-style-type: none"> <li>Consultation with Maori on the activity and associated environmental protection measures during the resource consent process was carried out.</li> </ul>
Environmental compliance per waste treatment scheme. <ul style="list-style-type: none"> <li>Resource consent compliance regarding effluent discharge quality.</li> <li>Complaints of odours.</li> <li>Other complaints.</li> </ul>	<ul style="list-style-type: none"> <li>More than 90% compliance.</li> <li>Maximum 5 p.a.</li> <li>Maximum 20 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>To 30 June 2007, Council complied with the effluent discharge quality 99% of the time.</li> <li>There were no complaints recorded to 30 June 2007.</li> <li>There were no other complaints for the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### [3.4] cost of service statement

<b>SEWERAGE INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(34)	(44)	(364)
Operating & maintenance costs	(357)	(305)	(240)
Interest expense	(45)	(95)	(43)
Depreciation	(412)	(477)	(395)
	<b>(848)</b>	<b>(921)</b>	<b>(1,042)</b>
<b>Revenue:</b>			
User charges	148	202	80
Other revenue	103	278	67
Subsidies/donations	2,241	1,694	1,109
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	1,371	1,321	1,299
	<b>3,863</b>	<b>3,495</b>	<b>2,555</b>
<b>Net Surplus/(Deficit)</b>	<b>3,015</b>	<b>2,574</b>	<b>1,513</b>

<b>SEWERAGE CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(276)	(168)	(78)
New capital	(5,026)	(4,082)	(2,992)
Assets vested	(103)	(11)	-
Debt principal repayments	-	(215)	-
Funding of reserves	(3,003)	(113)	(1,932)
Internal transfers	(77)	(123)	(34)
	<b>(8,485)</b>	<b>(4,712)</b>	<b>(5,036)</b>
<b>Funded by:</b>			
add new loans raised	-	402	-
add funding from reserves	4,985	1,259	2,992
Transfer from Ratepayer Equity	-	-	-
add depreciation	412	477	395
add/(deduct) Surplus/(Deficit) carried forward	3,015	2,574	1,513
<b>Net funding surplus / (deficit)</b>	<b>(73)</b>	<b>-</b>	<b>(136)</b>

### [3.5] major asset acquisitions or replacements

<b>SEWERAGE SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
General renewals	245	151
Boddytown scheme - new reticulation	239	254
Greymouth scheme upgrade	3,547	2,210
Blackball scheme - new	1,199	1,440

- The Greymouth scheme works includes work carried forward from prior years budgets, plus work accelerated, reasons of explained below.
- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out

### [3.6] variations from budget

#### Subsidies/donations

- Higher than budget subsidies from the Ministry of Health Subsidised Sanitary Works Scheme received. This is a timing issue due to the time of capital works being carried out and relevant milestones achieved.

#### Renewal/Capital Expenditure

- Work accelerated on the Greymouth Sewerage upgrade project (additional \$1,337,000). This work is funded via:
  - targeted rates
  - government subsidies
  - specific reserve funds accumulated

#### Reserve transfers (to and from)

- all funds received for specific capital works (i.e. Blackball and Greymouth sewerage upgrades) are transferred to the dedicated reserve. All funds expended are then transferred from the reserves. Only the net movements were reflected in the budgets.

[3.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Successful implementation of Greymouth area and Blackball schemes and Karoro upgrade has POSITIVE impact on other townships wanting to reticulate.</li> <li>▪ Reticulated sewer POSITIVE for community pride.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improved standard of service POSITIVE for local investment and resident stability.</li> </ul>	<ul style="list-style-type: none"> <li>▪ POSITIVE for community spirit.</li> <li>▪ A POSITIVE development for a long standing Maori cultural concern.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Effluent going into Grey River no longer raw sewer. Now inert.</li> </ul>

## [4] water supply

### [4.1] council's involvement

Water is an essential need for individuals whilst it is also an important commodity in local manufacturing. It also has special relevance to the health of any community. The New Zealand Drinking Water Standard (DWS) was set in 2005 and it is expected that compliance will become mandatory soon.

Council manages five water schemes, the DWS compliance status of which are:

- Greymouth area
- Runanga/Rapahoe
- Stillwater
- Blackball
- Dobson

### [4.2] activities included in this group

- Water supply

Rationale for grouping

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [4.3] performance indicators and link to community outcomes

#### Efficient management of the water activity.

##### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

##### How affected?

- Availability of good water contributes to an attractive living/working environment.
- Good water enhances personal and property safety.
- Good water is a requirement for economic growth.

Outputs:	Measurement:	Achievement
Pro-active identification, assessment, prioritisation and costing of District water needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ For capital works decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A ten year District needs plan was in development as at 30 June 2007.</li> <li>▪ The assessment of alternatives and costs-benefit analysis for capital works is completed as part of each job evaluation prior to any project commencement.</li> </ul>
Emergency work (pipe breakages, pump outages).	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All emergency work was attended to within 2 hours of being reported for the year ended 30 June 2007.</li> </ul>
Major pipe breaks/leaks.	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All Major Pipe breaks/leaks were attended to within 2 hours of being reported for the year ended 30 June 2007.</li> </ul>
New connections.	<ul style="list-style-type: none"> <li>▪ Within 5 days of request.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This performance criteria is no</li> </ul>

Outputs:	Measurement:	Achievement
		longer applicable. Council's contractor performs requests for new connections and notifies Council when the connection is completed.
Availability of service.	<ul style="list-style-type: none"> <li>85%.</li> </ul>	<ul style="list-style-type: none"> <li>Council's water supply was available at all times during the year ended 30 June 2007.</li> </ul>
Unaccountable water.	<ul style="list-style-type: none"> <li>Greymouth area – 10%.</li> <li>Runanga-Rapahoe – 15%.</li> <li>Stillwater – 5%.</li> <li>Dobson-Taylorville – 15%.</li> <li>Blackball – 5%.</li> </ul>	<ul style="list-style-type: none"> <li>10%</li> <li>10%</li> <li>10%</li> <li>2%</li> <li>11%</li> </ul>
Storage capacity.	<ul style="list-style-type: none"> <li>Greymouth – 12 Hours.</li> <li>All other schemes – 24Hours.</li> </ul>	<ul style="list-style-type: none"> <li>As at 30 June 2007 Greymouth's water supply has storage capacity of 12 hours</li> <li>As at 30 June 2007 all other scheme has a storage capacity of 24 hours.</li> </ul>
Upgrade quality on existing schemes, subject to the standards being mandated by central Government.	<ul style="list-style-type: none"> <li>Filtration plant on Coal Creek Plant by 30 June 2010.</li> <li>Filtration on other schemes by 30 June 2011.</li> </ul>	<ul style="list-style-type: none"> <li>N/A as at 30 June 2007</li> <li>N/A as at 30 June 2007</li> </ul>
Construct new reticulated water schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>Moana – by 30 June 2007.</li> <li>Boddytown – by 30 June 2008.</li> </ul>	<ul style="list-style-type: none"> <li>As per the 2007/2008 Annual Plan the scheme has been deferred until the 2008/2009 financial year. Please refer the pg 35 of the plan for further detail.</li> <li>The Boddytown reticulated water scheme was completed in May 2007.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>Minimum 80%.</li> </ul>	<ul style="list-style-type: none"> <li>Please refer to cost of service statements and any applicable notes on variances below.</li> </ul>
Notice of planned disruptions.	<ul style="list-style-type: none"> <li>24 hours notice to affected areas.</li> </ul>	<ul style="list-style-type: none"> <li>There was one planned disruption of the cobden water supply which was advertised but due to time constraints it was not 24 hours prior to the shut down.</li> </ul>
Capacity of all schemes to be adequate for fire fighting purposes.	<ul style="list-style-type: none"> <li>Renew Runanga trunk main and main to Rapahoe by 30 June 2007.</li> <li>Upgrade Blackball scheme by 30 June 2014.</li> </ul>	<ul style="list-style-type: none"> <li>The renewal was begun in the 2006/2007 financial year and is expected to be completed by August 2007 but will only extend to Runanga when completed.</li> <li>The Blackball scheme upgrade was started with the sewer upgrade and is expected to be completed by September 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## Maintaining high quality of water.

### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

### How affected?

- Availability of good water contributes to an attractive living/working environment.
- Good water enhances personal and property safety.
- Quality water is a requirement for economic growth.

Outputs:	Measurement:	Achievement
Meeting legislative requirements.	<ul style="list-style-type: none"> <li>Full compliance with legislative requirements re health and aesthetic quality.</li> </ul>	<ul style="list-style-type: none"> <li>Council fully complied with legislative requirements re health and aesthetic quality for the year ended 30 June 2007.</li> </ul>
Meeting public requirements.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments.</li> </ul>

Outputs:	Measurement:	Achievement
		Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.
Integrating private schemes into district water supply profile.	<ul style="list-style-type: none"> <li>Annual assessment of private water supplies in keeping with the water and wastewater review.</li> </ul>	<ul style="list-style-type: none"> <li>There was no assessment of private water supplies in the 2006/2007 financial year due to heavy staff workloads.</li> </ul>
Compliance with Drinking Water standards (refer table below for water grading).	<ul style="list-style-type: none"> <li>Greymouth area -Ab (after filtration upgrade).</li> <li>Runanga-Rapahoe- Bc.</li> <li>Stillwater – Bc.</li> <li>Dobson-Taylorville – Bb.</li> <li>Blackball – Bb.</li> </ul>	<ul style="list-style-type: none"> <li>Eu</li> <li>Ec</li> <li>Uu</li> <li>Uu</li> <li>Uu</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

#### [4.4] cost of service statement

<b>WATER SUPPLY INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(92)	(71)	(136)
Operating & maintenance costs	(662)	(636)	(655)
Interest expense	(244)	(268)	(235)
Depreciation	(325)	(350)	(352)
	<b>(1,323)</b>	<b>(1,325)</b>	<b>(1,378)</b>
<b>Revenue:</b>			
User charges	54	-	53
Other revenue	95	11	-
Subsidies/donations	-	-	5
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	1,228	1,253	1,051
	<b>1,377</b>	<b>1,264</b>	<b>1,109</b>
<b>Net Surplus/(Deficit)</b>	<b>54</b>	<b>(61)</b>	<b>(269)</b>

<b>WATER SUPPLY CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(507)	(559)	(207)
New capital	(501)	(315)	(122)
Assets vested	(95)	(11)	-
Debt principal repayments	-	(42)	(5)
Funding of reserves	(26)	(6)	(46)
Internal transfers	(24)	-	(104)
	<b>(1,153)</b>	<b>(933)</b>	<b>(484)</b>
<b>Funded by:</b>			
add new loans raised	189	233	198
add funding from reserves	516	411	70
Transfer from Ratepayer Equity	-	-	-
add depreciation	325	350	352
add/(deduct) Surplus/(Deficit) carried forward	54	(61)	(269)
<b>Net funding surplus / (deficit)</b>	<b>(69)</b>	<b>-</b>	<b>(133)</b>

#### [4.5] major asset acquisitions or replacements

<b>WATER SUPPLY SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
Runanga trunk main renewal	75	361
General renewals	199	223
Blackball reticulation upgrade	169	165
Boddytown supply	153	-
Lifelines upgrade	59	57

- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out

#### [4.6] variations from budget

##### Other Revenue/Vested Assets

- The actual quantity and therefore fair value of assets vested in 2006/2007 was well above budget (\$146,000). The timing of this is difficult to predict exactly, and figures budgeted in the LTCCP were based on an average over years.

##### Capital Expenditure

- The extension of the water supply to Boddytown was bought forward to coincide with the extension of the sewerage works (\$153,000). This was originally signalled for the 2008/2009 year in the long term plan.

[4.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Continued supply of quality, potable water POSITIVE for healthy happy community</li> <li>▪ Decision to delay filtration capability on Greymouth water supply negative on clarity but no adverse effect on health.</li> <li>▪ Upgrade of main feeder line to Runanga POSITIVE but decision to not extend to Rapahoe potentially cost negative.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Good quality services POSITIVE for attractive living and investment environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality water POSITIVE for community spirit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued focus on more responsible water consumption POSITIVE for the environment.</li> </ul>

## [5] refuse collection and disposal

### [5.1] council's involvement

A competent waste collection and disposal service and facilities help maintain good health and quality of life. Availability of the service also minimises illegal dumping.

The availability of McLeans Landfill as fully consented disposal site is a major advantage and, with the recent introduction of Cell 2, the District is well positioned for the future. The possibility of it being a regional disposal facility has now diminished and Council's focus is on managing it to the best advantage of our District and its people.

### [5.2] activities included in this group

- Refuse Collection and disposal

Rationale for grouping

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [5.3] performance indicators and link to community outcomes

#### Efficient management of the refuse activity.

##### Outcome:

- A District enjoying quality affordable essential services.
- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

##### How affected?

- Refuse disposal is an important essential service.
- Refuse disposal management is a requirement for economic growth.
- Competent disposal of refuse contributes to an attractive living/working environment.
- Competent disposal of refuse enhances personal and property safety.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The assessment of alternatives and costs-benefit analysis for capital works is completed as part of each job evaluation prior to any project commencement.</li> </ul>
Implementation of closed landfill remediation schemes.	<ul style="list-style-type: none"> <li>▪ An action plan developed by 30 September 2009.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An action plan had been developed at the time of the dump closures as part of the resource consent process in 2002.</li> </ul>
Collection <ul style="list-style-type: none"> <li>▪ Bags collected.</li> <li>▪ Frequency of service.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4 per property.</li> <li>▪ Once per week, except Greymouth central business district which is twice per week.</li> <li>▪ Once per week on designated days.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council had a collection limit of 4 bags per property for the year ended 30 June 2007.</li> <li>▪ The rubbish collection covered all areas in the district once a week except the CBD which was covered twice a week for the year ended 30 June 2007.</li> <li>▪ The Refuse collection was available in all areas on designated days throughout the 2006/2007 financial</li> </ul>

Outputs:	Measurement:	Achievement
		year except where public holidays fell and the collection was moved to the next available day.
Disposal. <ul style="list-style-type: none"> <li>McLeans Landfill open during consented hours.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> </ul>	<ul style="list-style-type: none"> <li>McLeans pitt was open for all its advertised hours for the year ended 30 June 2007.</li> </ul>
General <ul style="list-style-type: none"> <li>% of budgeted capital programme completed within budget year.</li> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum 80%.</li> <li>Maximum 50 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>90% of the budgeted capital programme for refuse was completed in the 2006/2007 year.</li> <li>There were 30 recorded complaints regarding refuse in the year ended 30 June 2007</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Managing environmental effects.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- Solid waste management is a requirement for economic growth.
- Environmentally sensitive disposal of refuse contributes to an attractive living/working environment.
- Competent disposal of refuse enhances personal and property safety.

Outputs:	Measurement:	Achievement
A commitment to reducing environmental impacts associated with refuse collection and disposal.	<ul style="list-style-type: none"> <li>Design and operations aimed at reducing environmental effects.</li> </ul>	<ul style="list-style-type: none"> <li>Refuse collection environment effects are reduced by the specification in the contract that contractors collect any broken bags and spilt refuse. Environmental effects at the McLeans disposal site are minimized via the design of the landfill &amp; adhering to the consent conditions.</li> </ul>
Complaints re spillage during collection and transport to McLeans Landfill.	<ul style="list-style-type: none"> <li>Maximum 15 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>There were no recorded complaints regarding spillage during collection and transport of refuse to McLeans pitt in the year ended 30 June 2007.</li> </ul>
Compliance with discharge permit conditions for closed landfills.	<ul style="list-style-type: none"> <li>80%.</li> </ul>	<ul style="list-style-type: none"> <li>All closed Council landfills complied with the discharge permit conditions in the year ended 30 June 2007.</li> </ul>
Compliance with discharge permit conditions for McLeans Landfill.	<ul style="list-style-type: none"> <li>100%.</li> </ul>	<ul style="list-style-type: none"> <li>McLeans Landfill complied with all the permit condition throughout the financial year.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [5.4] cost of service statement

<b>REFUSE COLLECTION &amp; DISPOSAL INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(42)	(76)	(56)
Operating & maintenance costs	(819)	(768)	(840)
Interest expense	(154)	(156)	(111)
Depreciation	(256)	(148)	(82)
	<b>(1,271)</b>	<b>(1,148)</b>	<b>(1,089)</b>
<b>Revenue:</b>			
User charges	156	153	148
Other revenue	-	-	-
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	333	323	315
Rates - Targeted	618	613	585
	<b>1,107</b>	<b>1,089</b>	<b>1,048</b>
<b>Net Surplus/(Deficit)</b>	<b>(164)</b>	<b>(59)</b>	<b>(41)</b>
<b>REFUSE COLLECTION &amp; DISPOSAL CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	-	(6)	(6)
New capital	(60)	(10)	(866)
Assets vested	-	-	-
Debt principal repayments	(24)	(63)	(45)
Funding of reserves	-	(10)	-
Internal transfers	-	-	-
	<b>(84)</b>	<b>(89)</b>	<b>(917)</b>
<b>Funded by:</b>			
add new loans raised	-	-	1,367
add funding from reserves	-	-	-
Transfer from Ratepayer Equity	-	-	-
add depreciation	256	148	82
add/(deduct) Surplus/(Deficit) carried forward	(164)	(59)	(41)
<b>Net funding surplus / (deficit)</b>	<b>8</b>	<b>-</b>	<b>491</b>

## [5.5] major asset acquisitions or replacements

<b>REFUSE COLLECTION &amp; DISPOSAL SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
Mbana - resource centre	51	-

- the new Moana Resource Centre involved amounts carried forward from prior year budgets
- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out

## [5.6] variations from budget

### Depreciation

- Increased due to additional depreciation charge for McLeans facility Cell 2.

### Capital Expenditure

- Carried forward work of \$51,000 for new Moana resource centre

## [5.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Delay in implementing waste minimization strategies because of lack of markets negative to public expectation.</li> <li>▪ Continued high standard of refuse collection, transport and disposal POSITIVE for happy healthy community.</li> <li>▪ Waste Busters work POSITIVE as community initiative.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Good quality services POSITIVE for attractive living and investment environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality refuse removal POSITIVE for community spirit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued improvement of service POSITIVE for the environment.</li> <li>▪ McLeans landfill continues to be a POSITIVE working example of environmental sustainability.</li> </ul>

## [6] rural fire authority

### [6.1] council's involvement

Council is one of four agencies involved in the West Coast Rural Fire Authority delivering a rural fire service in the West Coast region. The authority covers especially vegetation fires in rural areas and provide support to volunteer fire services under control of a Rural Fire Officer. Council also undertakes other support services to volunteer fire services in the District.

### [6.2] activities included in this group

- Rural Fire Authority

#### Rationale for grouping

This activity is delivered as a joint regional initiative and cannot effectively be integrated into any of Council's other activities. Having said this, there is potential for this activity to be combined with Civil Defence and Emergency Management or, as a minimum, a service delivery arrangement to be agreed, subject to regional agreement and approval by the New Zealand Fire Service and the Crown Agency for Civil Defence and Emergency Management.

### [6.3] performance indicators and link to community outcomes

#### Efficient management of the Rural Fire Service activity in consultation with other service providers.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- The ability to effectively manage fires in rural areas is a prerequisite for local investment and economic growth in such areas.
- Good fire services in outlying areas add to quality of life.
- The availability of competent fire services directly relates to this.

Outputs:	Measurement:	Achievement
Efficient joint management of the activity.	<ul style="list-style-type: none"> <li>▪ Active participation in West Coast Rural Fire Authority (WCRFA) activities and decision-making.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council's Utilities Officer, Paul Tinnelly, is alternating with John Bainbridge Westland DC and Jim Staton DOC Hokitika in two weekly rosters as acting Principal Rural Fire Officer and is therefore taking an active role in activities and decision making for the WCFRA.</li> </ul>
Maintaining an operational ability to fight rural fires.	<ul style="list-style-type: none"> <li>▪ Response planning through the WCRFA.</li> </ul>	<ul style="list-style-type: none"> <li>▪ WCRFA has a capable reliable fire fighting force and extra training is provided where necessary.</li> </ul>
Joint Management. <ul style="list-style-type: none"> <li>▪ Attendance of WCRFA meetings.</li> <li>▪ Frequency of meetings.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ Four times a year.</li> <li>▪ 85%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council staff attended all WCRFA meeting during the year ended 30 June 2007</li> <li>▪ The WCRFA conducted four meeting during the year ended 30 June 2007.</li> <li>▪ The Rural fire service was available</li> </ul>

Outputs:	Measurement:	Achievement
		100% of the time during the 2006/2007 financial year.
<p>Response.</p> <ul style="list-style-type: none"> <li>▪ Response performance.</li> <li>▪ Response times from receipt of call-out to mobilisation, from mobilisation to actual arrival at the fire scene and from arrival at fire scene to time taken to declare fire out.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 20 minutes from receipt of call to mobilisation.</li> <li>▪ 40 minutes from mobilisation to arrival at fire scene for first fire suppression response.</li> <li>▪ 6 hours from first fire suppression response to suppression and declare fire out.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no Rural fire situations which required a response from the Rural Fire service in the year ended 30 June 2007</li> </ul>
<p>General</p> <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service.</li> <li>▪ Numbers of permits issued annually and an assessment of where and what permits are being issued for, (e.g. vegetation clearance, esback yard fires, bond fires (on the beach), other).</li> <li>▪ Number of wild fires with lives, property and other values injured, threatened or destroyed respectively; how fire suppressed, location, extent and probable cause plus costs of suppression.</li> <li>▪ Number of permitted fires that have got out control, lives, property and other values injured, threatened or destroyed respectively, extent of fire, how fire suppressed and probable cause, plus costs of suppression.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> <li>▪ Maximum 20 p.a.</li> <li>▪ Minimum 500 permits.</li> <li>▪ Maximum 12 wild fires.</li> <li>▪ Maximum 3 out of control permitted fires.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There was no equipment replacement required for the year ended 30 June 2007.</li> <li>▪ There were no recorded complaints about Councils rural fire service to 30 June 2007.</li> <li>▪ 584 fire permits were issued by Council to 30 June 2007.</li> <li>▪ There were no wildfires recorded for the year ended 30 June 2007.</li> <li>▪ There were 2 out of control permitted fires in the year ended 30 June 2007</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [6.4] cost of service statement

<b>RURAL FIRE INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(15)	(15)	(21)
Operating & maintenance costs	(27)	(57)	(43)
Interest expense	-	-	-
Depreciation	-	(3)	-
	<b>(42)</b>	<b>(75)</b>	<b>(64)</b>
<b>Revenue:</b>			
User charges	-	-	4
Other revenue	-	-	-
Subsidies/donations	-	4	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	74	72	72
Rates - Targeted	-	-	-
	<b>74</b>	<b>76</b>	<b>76</b>
<b>Net Surplus/(Deficit)</b>	<b>32</b>	<b>1</b>	<b>12</b>

<b>RURAL FIRE CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	-	-	-
New capital	-	(2)	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	-	(2)	-
Internal transfers	-	-	-
	-	<b>(4)</b>	-
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	-	-	-
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	3	-
add/(deduct) Surplus/(Deficit) carried forward	32	1	12
<b>Net funding surplus / (deficit)</b>	<b>32</b>	<b>-</b>	<b>12</b>

## [6.5] major asset acquisitions or replacements

Nil

## [6.6] variations from budget

Operating and maintenance costs

- Some works not undertaken due to time constraints and other commitments, including training (\$11,000) and contractor costs not required of \$7,000, due to less events.

[6.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Continued leadership role ensures safety of rural communities which is positive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Good quality services POSITIVE for attractive living and investment environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Quality services POSITIVE for community spirit.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Service POSITIVELY reduces risk of fire damage to properties and wider natural environment.</li> </ul>

## [7] economic development

### [7.1] council's involvement

The current economic development focus involves essentially three components, namely:

- The activities of other agencies, both local and regional, focusing on economic development facilitation, notably the West Coast Development Trust and Tourism West Coast.
- Council's part-time economic development initiative which includes marketing of the District and its opportunities, together with a strong youth development and external funding access focus.
- Council's underlying focus on good strategic planning and competent services, thereby making the District an attractive living and investment location.

### [7.2] activities included in this group

- Economic Development Facilitation and Youth

#### Rationale for grouping

This activity is essentially a stand-alone focus area, even though virtually every other activity of Council and other local and regional promotional agencies add to it. It incorporates action initiated by Council itself and as part of other agencies.

### [7.3] performance indicators and link to community outcomes

#### Growing and diversifying the local economy further.

##### Outcome:

- A thriving local economy creating opportunities.
- Affordable access to quality medical health services.
- An attractive District where residents want to be.
- Affordable access to quality education.

##### How affected?

- Opportunities are the key for future success.
- More residents make health services more viable and secure Crown funding.
- A growing economy provides opportunity which makes an area attractive as a living and working environment.
- More residents make schools and other educational institutions more viable.

Outputs:	Measurement:	Achievement
Growing our local population through creation of local opportunity.	<ul style="list-style-type: none"> <li>▪ Decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> <li>▪ Administrative and regulatory processes that support investment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The assessment of alternatives and costs-benefit analysis for decisions on creation of local opportunity is completed prior to any project commencement.</li> <li>▪ Council is continually improving its administrative and regulatory processes that support investment.</li> </ul>
Optimise funding access through Development West Coast.	<ul style="list-style-type: none"> <li>▪ Cooperate with DWC as primary economic development agency in achieving outcomes.</li> <li>▪ Facilitate applications for funding of local initiatives to DWC and other funding organisations.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council co-operates with the DWC as its primary economic development agency.</li> <li>▪ This has been achieved to some extent but with limited success due to the need to refocus available man power.</li> </ul>

Outputs:	Measurement:	Achievement
Support local agencies involved in Marketing and Economic Development	<ul style="list-style-type: none"> <li>Continue supporting bodies like Tourism West Coast, Greymouth Business &amp; Promotion Association and the i-Site.</li> </ul>	<ul style="list-style-type: none"> <li>Funding is allocated to bodies such as tourism West Coast as per requests made to Council's Annual plan.</li> </ul>
Creating opportunity. <ul style="list-style-type: none"> <li>Developer access to Mayor and Chief Executive Officer.</li> <li>Complaints re restrictive processes/policies.</li> <li>Review of CBD expansion plan.</li> </ul>	<ul style="list-style-type: none"> <li>Upon request or within 24 hours.</li> <li>No more than 50 p.a.</li> <li>By 30 June 2007.</li> </ul>	<ul style="list-style-type: none"> <li>The Mayor and CEO are available by appointment during office hours.</li> <li>Not measured</li> <li>The review of the CBD expansion plan is an ongoing process.</li> </ul>
Funding facilitation. <ul style="list-style-type: none"> <li>Applications to DWC.</li> <li>Applications to other funders.</li> </ul>	<ul style="list-style-type: none"> <li>20 p.a.</li> <li>6 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>2 applications were made to DWC in the 2006/2007 financial year.</li> <li>4 applications were made to other funders throughout the 2006/2007 financial year.</li> </ul>
Local agency support. <ul style="list-style-type: none"> <li>Financial support on Annual Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Annually.</li> </ul>	<ul style="list-style-type: none"> <li>Financial support is given to groups throughout the Grey District through allocations in Councils Annual Plan.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Working towards strengthening the regional economy

#### Outcome:

- A thriving local economy creating opportunities
- An attractive District where residents want to be.

#### How affected?

- Opportunities are the key for future success.
- A growing economy provides opportunity which makes an area attractive as living/working environment.

Outputs:	Measurement:	Achievement
Active participation in Regional Economic Development Initiatives.	<ul style="list-style-type: none"> <li>Working with other West Coast territorial local authorities in strengthening the regional economy.</li> <li>Working on and with the Development West Coast as regional economic development agency and keeper of the West Coast Adjustment Package.</li> </ul>	<ul style="list-style-type: none"> <li>Council works with other West Coast territorial local authorities in strengthening the regional economy as part of the triennial agreement.</li> <li>Council works with DWC as the regional economic development agency and keeper of the West Coast Adjustment Package.</li> </ul>
Regional economic development. <ul style="list-style-type: none"> <li>Attendance of Mayors' forum meetings.</li> <li>Compliance with Triennial Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> <li>100%.</li> </ul>	<ul style="list-style-type: none"> <li>The Mayor, Tony Kokshoorn, attended all four mayors forums held during the year ended 30 June 2007.</li> <li>Council had 100% compliance with the triennial agreement in the 2006/2007 year.</li> </ul>
DWC representation/association. <ul style="list-style-type: none"> <li>Attendance of DWC meetings.</li> <li>Consultation with DWC on initiatives planned.</li> </ul>	<ul style="list-style-type: none"> <li>100%.</li> <li>100%.</li> </ul>	<ul style="list-style-type: none"> <li>The DWC held 13 Meeting during the year ended 30 June 2007, Tony Kokshoorn attended 11 of those meeting as Council representative.</li> <li>Council consults with DWC on any initiatives planned that will effect the regional economy.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## Working towards developing opportunities for youth.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

### How affected?

- Creating social and economic opportunities for our young people is a requirement for economic growth.
- Positive Youth development contributes to an attractive living/working environment.

Outputs:	Measurement:	Achievement
Develop a policy and action plans for youth development.	<ul style="list-style-type: none"> <li>▪ Undertake a youth needs assessment.</li> <li>▪ Use the needs assessment as basis for a youth development policy and action plan, developed in consultation with youth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 youth needs assessments were completed in July and October 2006.</li> <li>▪ Council is currently in the process of creating a development policy and action plan for youth.</li> </ul>
Consult inclusively with youth.	<ul style="list-style-type: none"> <li>▪ Maintain regular consultation with youth.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council regularly consults with youth through Alice Cardwell who works from the Tai Poutini Polytechnic campus.</li> </ul>
Youth policy and action plan. <ul style="list-style-type: none"> <li>▪ Youth needs assessment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify potential participants by July 2006.</li> <li>▪ Questionnaire to respondents by October 2006.</li> <li>▪ Analysis of responses.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Potential participants for a youth needs assessment were identified.</li> <li>▪ A questionnaire was sent to respondents in the 2006/2007 financial year.,</li> <li>▪ A report and draft youth strategy has been completed using the questionnaire responses as a guide.</li> </ul>
Policy and action plan.	<ul style="list-style-type: none"> <li>▪ Youth forum by January 2007.</li> <li>▪ Draft Policy and Action Plan by March 2007.</li> <li>▪ Confirmation, Youth Policy/Action Plan by youth by June 2007.</li> <li>▪ Approval by Council by July 2007.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A youth forum was held in the 2006/2007 financial year.</li> <li>▪ A draft policy and action plan has been completed.</li> <li>▪ The youth policy/action plan was confirmed by youth in the 2006/2007 year.</li> <li>▪ The youth policy/action plan has not been confirmed by Council as is to be done as part of the final strategy.</li> </ul>
Development of an inclusive database.	<ul style="list-style-type: none"> <li>▪ July 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Development of an inclusive database has been done through the youth contractor, Alice Cardwell.</li> </ul>
Youth meetings.	<ul style="list-style-type: none"> <li>▪ Two-monthly.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Youth meeting with Council are not held on a two-monthly basis but are now held on the basis of as required by youth.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [7.4] cost of service statement

<b>ECONOMIC DEVELOPMENT INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(11)	(24)	(10)
Support costs	(34)	(36)	(53)
Operating & maintenance costs	(196)	(166)	(191)
Interest expense	-	-	-
Depreciation	-	(2)	-
	<b>(241)</b>	<b>(228)</b>	<b>(254)</b>
<b>Revenue:</b>			
User charges	83	-	3
Other revenue	-	-	-
Subsidies/donations	-	-	10
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	43	41	45
Rates - Targeted	187	157	175
	<b>313</b>	<b>198</b>	<b>233</b>
<b>Net Surplus/(Deficit)</b>	<b>72</b>	<b>(30)</b>	<b>(21)</b>

<b>ECONOMIC DEVELOPMENT CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	-	-	-
New capital	-	(181)	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	-	-	-
Internal transfers	-	-	-
	-	<b>(181)</b>	-
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	50	209	38
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	2	-
add/(deduct) Surplus/(Deficit) carried forward	72	(30)	(21)
<b>Net funding surplus / (deficit)</b>	<b>122</b>	<b>-</b>	<b>17</b>

## [7.5] major asset acquisitions or replacements

Nil

## [7.6] variations from budget

Revenue

- Funding received from central government where Council is acting as the funding agency for Young Entrepreneurs Network (YEN). These funds have not been fully utilised and will be spent in future years.

Capital expenditure

- Budget included \$181,000 for Albert Mall redevelopment which has been delayed awaiting public consultation.

[7.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Transfer of function to Development West Coast potentially POSITIVE for regional economic development but negative because of loss of control.</li> <li>▪ Development Forum and associated Development Matrix POSITIVE confirmation of community interest and commitment.</li> <li>▪ Low key only District marketing initiatives negative.</li> <li>▪ Initiative to establish immigrant settlement service POSITIVE for integration into community.</li> <li>▪ Two Youth forums and Draft Youth Development Strategy POSITIVE for youth involvement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued focus on District growth is positive.</li> <li>▪ Recent initiative to review operational/administrative processes re regulatory and planning functions POSITIVE for developer commitment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued economic growth associated with good planning and service delivery makes for a POSITIVE community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Nil</li> </ul>

## [8] property and housing

### [8.1] council's involvement

Council manages its rental property portfolio with a view to securing a reasonable financial return whilst at the same time adhering to its social conscience and providing for the convenience of residents and visitors. Council is committed to freeholding as many as possible of its rental properties in order to give lessees the opportunity of full ownership.

Council continues to manage Harbour Board Endowment land on behalf of the port as beneficiary of any net return from such land in terms of legislation. Operational port assets are to be transferred to the port company.

Council is committed to continue managing its retirement housing portfolio on a break even basis thereby keeping rentals as low as possible.

Provision of affordable, conveniently located parking remains a particular focus area.

### [8.2] activities included in this group

- Property
- Parking
- Retirement Housing

### [8.3] performance indicators and link to community outcomes

#### Efficient management of Council's land holdings

##### Outcome:

- A thriving local economy creating opportunities.

##### How affected?

- Making property available for development stimulates growth.

Outputs:	Measurement:	Achievement
Retaining land with a present or future strategic value. Selling of surplus land.	<ul style="list-style-type: none"> <li>▪ Full assessment of strategically valuable land by October 2007.</li> <li>▪ Sale of 40% of surplus land per lists cleared for sale.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An assessment of Council's strategically valuable land had not been completed as at 30 June 2007.</li> <li>▪ A portion of Council's surplus land was tendered and sold in July 2006 with any remaining surplus properties to be sold by tender in the future.</li> </ul>
Land sales: <ul style="list-style-type: none"> <li>▪ Updated lists of property for sale.</li> <li>▪ Price to be achieved.</li> <li>▪ Retained land kept neat and tidy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Three monthly.</li> <li>▪ The reserve price as determined from time to time.</li> <li>▪ 65%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council has a list of properties for sale. It is not currently updated on a regular basis due to constraints on staff time.</li> <li>▪ The reserve price is determined at the time of a property being offered for sale.</li> <li>▪ All retained Land is kept tidy by the In-House task force</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## Safe and comfortable retirement housing.

### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.
- Good social development services.

### How affected?

- The ability to promote elderly residents to good quality retirement schemes contributes to an attractive living/working environment.
- Retirement schemes offer a safe, secure and comfortable environment.
- Retirement schemes as progression add to the attraction as investment location.
- We owe it to our elderly to provide them with the opportunity to retire gracefully and comfortably.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ 90% of users satisfied.</li> <li>▪ Repayment of debt at a minimum equivalent to 20 year table mortgage rate.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year.</li> <li>▪ \$30,679 has been placed into a reserve to later offset the debt against retirement housing.</li> </ul>
Determine the need for further such schemes.	<ul style="list-style-type: none"> <li>▪ Report by September 2006.</li> <li>▪ Review Rental Housing Policy by August 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The preliminary work for the report has been carried out but the report had not been completed as at 30 June 2007.</li> <li>▪ The review is being completed as part of the report into the need for further schemes.</li> </ul>
Occupation rates.	<ul style="list-style-type: none"> <li>▪ Above 85%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council flats had a 100% occupancy rate throughout the year to 30 June 2007.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 5 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no recorded complaints regarding the service for the year ended 30 June 2007.</li> </ul>
Compliance with public expectation.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [8.4] cost of service statement

PROPERTY & HOUSING INCOME STATEMENT	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(27)	(29)	(24)
Support costs	(210)	(228)	(179)
Operating & maintenance costs	(675)	(470)	(652)
Interest expense	(97)	(85)	(83)
Depreciation	(182)	(459)	(188)
	<b>(1,191)</b>	<b>(1,271)</b>	<b>(1,126)</b>
<b>Revenue:</b>			
User charges	751	763	738
Other revenue/gains	2,011	357	697
Subsidies/donations	-	2	30
Internal recoveries	78	128	78
Rates - UAGC	-	-	12
Rates - General	58	55	58
Rates - Targeted	-	-	-
	<b>2,898</b>	<b>1,305</b>	<b>1,613</b>
<b>Net Surplus/(Deficit)</b>	<b>1,707</b>	<b>34</b>	<b>487</b>

<b>PROPERTY &amp; HOUSING CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(23)	(25)	-
New capital	(11)	(597)	(194)
Assets vested	-	-	-
Debt principal repayments	-	(22)	(28)
Funding of reserves	(2,136)	(490)	(785)
Internal transfers	-	-	-
	<b>(2,170)</b>	<b>(1,134)</b>	<b>(1,007)</b>
<b>Funded by:</b>			
add new loans raised	-	-	1,103
add funding from reserves	146	641	319
Transfer from Ratepayer Equity	-	-	-
add depreciation	182	459	188
add/(deduct) Surplus/(Deficit) carried forward	1,707	34	487
<b>Net funding surplus / (deficit)</b>	<b>(135)</b>	<b>-</b>	<b>1,090</b>

## [8.5] major asset acquisitions or replacements

Nil

## [8.6] variations from budget

Operating and maintenance costs

- Additional maintenance expenditure of \$66,000 spent on maintenance of Council's retirement housing stock. A lot of catch up work is still being undertaken
- Additional \$85,000 spent on Council's funding the cost of free-holding properties. This is due to the higher than anticipated activity continuing. This is funded from the proceeds of sale, with the net proceeds being transferred to specific reserves.

Revenue

- An increase in the carrying value of Council's investment property of \$3,080,000, which was not anticipated in the budgets. This is unrealised gain, and it is noted that all proceeds from the sale of such property is transferred to specific reserves.

## [8.7] identified effects on the well-being of the community

<b>SOCIAL</b>	<b>ECONOMIC</b>	<b>CULTURAL</b>	<b>ENVIRONMENTAL</b>
<ul style="list-style-type: none"> <li>Development of Deferred Rental Scheme POSITIVE as it provides older Lessees with a cheap and non threatening option.</li> <li>General improvement in condition of Council property POSITIVE for amenity of area.</li> <li>Increased hours of Parking Warden POSITIVE impact on parking availability and general parking practices but failure to cover all</li> </ul>	<ul style="list-style-type: none"> <li>Good quality services POSITIVE for attractive living and investment environment.</li> <li>Improved parking availability POSITIVE for commercial development.</li> <li>Making available of unused Council land for development positive.</li> </ul>	<ul style="list-style-type: none"> <li>Services POSITIVELY contribute to making community life "whole"</li> </ul>	<ul style="list-style-type: none"> <li>Consequences of good service delivery i.e. amenity improvement, parking availability POSITIVE for environment.</li> </ul>

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<p>areas regularly still negative .</p> <ul style="list-style-type: none"> <li>▪ Focus on creating more parking POSITIVE but long delays in land legalisation negative on public perceptions.</li> <li>▪ Focus on creating more retirement housing positive.</li> <li>▪ Continued provision of high standard affordable housing for older residents POSITIVE for community.</li> <li>▪ Focus on provision of low and middle income housing through private sector initiative positive.</li> </ul>			

## [9] community services and facilities

### [9.1] council's involvement

Local authorities generally accept responsibility for a range of activities/services that add to the quality of life in their areas of jurisdiction, in spite of the fact that, without fail, such services are not self funding and require extensive general rate input. Council is involved in each of the services outlined above for the following reasons.

- **Airport:** Historically, the airport acted as a support facility for the Grey Base Hospital and as a base for owners of private recreational aircraft but, in more recent times, it also became the base for Air West Coast. The airport not only represents a convenient mode of long distance travel but is also a significant strategic asset.
- **Civic Centre:** An indoor sport facility is a significant asset in a region subject the high and regular rainfall. Even though the facility is not used to optimum capacity, the recent introduction of a climbing wall has added further motivation for the continued operation of the venue.
- **Libraries:** Libraries have a recreational and education role and Council is committed to retaining this service into the future.
- **Reserves:** Parks and reserves are an important aesthetic and recreational activity. Council has requested a full review of the parks and reserves currently maintained with a view to a meaningful rationalisation that will see important parks, walking tracks and reserves developed and maintained to a higher standard with lower value facilities being declared surplus and incorporated in Council's property portfolio put up for sale.
- **Rest Rooms and Public Conveniences:** Council has both a health promotion and public convenience focus with its involvement in this activity.
- **Swimming Baths:** What has become a customary recreational facility in the local Government context has developed a much more significant focus in this case with the focus and overwhelming public support for an aquatic centre in Greymouth which will have a recreational, health promotion and professional sport use. Support from within the Northern Ward for an upgraded Runanga pool is also significant, made possible by the Runanga Swimming Pool Community Trust Inc fundraising.
- **Events and Recreation Management:** Events and social functions contribute to a feeling of oneness and belonging as necessary ingredient of a successful community.
- **Cemeteries:** This is yet another customary local Government service which, in our case, is provided with pride and compassion, as is evidenced by the aesthetic quality of our facilities.
- **Council's In-house Task Force:** The need to retain a general factotum type capability after Council contracted out its technical operations, resulted in this activity being created. It has since proven itself to be indispensable and highly productive.
- **Arts, Culture and Heritage:** Council recognises the importance of its own History House, as well as its joint action with the Greymouth Heritage Trust in the establishment and development of Coal River Park. Furthermore, Council recognises and supports a variety of community driven initiatives and projects.

### [9.2] activities included in this group

- Airport
- Civic Centre
- Libraries
- Reserves
- Rest Rooms and Public Conveniences
- Swimming Baths
- Events and Recreation Management
- Cemeteries
- Council's In-House Task Force
- Arts, Culture and Heritage

#### Rationale for grouping

The above mentioned activities/services all contribute to wholeness of life in the District and are collectively dealt with as Community Services. Quality of life within any community relies on the availability and quality of community services hence Council's involvement.

## [9.3] performance indicators and link to community outcomes

### Convenient parking.

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Convenient parking adds to the attraction of the living/working environment.
- Availability of convenient parking enhances personal and property safety.
- Parking is a requirement for commercial success.

Outputs:	Measurement:	Achievement
Efficient management of available parking.	<ul style="list-style-type: none"> <li>▪ Optimising accessibility of available parking through policing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The parking warden covers a minimum of 90% of the CBD weekly in order to optimise accessibility of available parking.</li> </ul>
Provide for future needs pro-actively.	<ul style="list-style-type: none"> <li>▪ An action plan developed by 30 September 2009</li> </ul>	<ul style="list-style-type: none"> <li>▪ An Activity Management Plan has been developed that contains actions for maintaining and improving on and off road parking facilities, including providing for more parking capacity by developing new parking areas behind the Duke Backpackers and on part of Petrie Avenue between Tarapuhi and Albert Streets.</li> </ul>
Available parking: <ul style="list-style-type: none"> <li>▪ Policing of Greymouth CBD.</li> <li>▪ Policing of Shakespeare St across from High School.</li> <li>▪ Policing of Tainui St across from Polytechnic.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 90% coverage on a weekly basis.</li> <li>▪ Once per month, or as required.</li> <li>▪ Once per week, or as required.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Parking Warden covered at least 90% of the CBD on a weekly basis in the year ended 30 June 2007.</li> <li>▪ This Area is still monitored and infringements are issued as required</li> <li>▪ This area was monitored on a regular basis during the year ended 30 June 2007.</li> </ul>
New Parking <ul style="list-style-type: none"> <li>▪ New carpark behind Duke Backpackers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completed by 30 June 2007.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The process of creating new car parking behind the Duke Backpackers has begun but is being held up by the legal process of reclassifying the land use.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service (excluding infringement appeals).</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ Maximum 50 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The capital programme for parking was not started in the 2006/2007 year due to the legal process involved in reclassifying the land.</li> <li>▪ There were two recorded complaints regarding parking in the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## A safe airport.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.
- Affordable access to quality medical health services.

### How affected?

- Economic growth relies heavily on a healthy social and community environment.
- Good community services add to the District appeal as a living and investment location.
- The airport plays an important supporting role to Grey Base Hospital whilst many of the other services facilitate healthy lifestyles.
- The airport is a major strategic asset for Grey Base Hospital.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Management in full compliance with legal and user requirements.</li> <li>▪ Implement land/other fee recovery per recommendations of Airport Management Review by December 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Airport is managed in full compliance with the applicable requirements.</li> <li>▪ The implementation of recommendations on fees recovery from the Airport Management Review has been delayed due to issues with new camera equipment installation.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 90%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Please refer to cost of service statements and any applicable notes on variances below.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 10 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no recorded complaints regarding the airport to 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## An efficient indoor sports centre.

### Outcome:

- A thriving local economy creating opportunities
- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- It makes the District more attractive as investment location.
- Sport facilities, especially indoor facilities, contribute to an attractive living/working environment.
- There is a strong physical health benefit.

Outputs:	Measurement:	Achievement
Investigate the provision of modern indoor facilities as part of the proposed aquatic centre.	<ul style="list-style-type: none"> <li>▪ A report by October 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A provision has been made for the future addition of a two court sports centre at the aquatic centre. No report has been completed as this is a future project not yet to be fully considered until the completion of the aquatic centre.</li> </ul>
Finding solutions to the ongoing shortage of parking for users of the Civic Centre.	<ul style="list-style-type: none"> <li>▪ Achieve finality by December 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ After extensive investigation there is no viable solution currently available for the parking issue at the civic centre.</li> </ul>
New indoor facilities as part of aquatic centre. <ul style="list-style-type: none"> <li>▪ Report.</li> </ul>	<ul style="list-style-type: none"> <li>▪ October 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A provision has been made for the future addition of a two court sports</li> </ul>

Outputs:	Measurement:	Achievement
		centre at the aquatic centre. No report has been completed as this is a future project not yet to be fully considered until the completion of the aquatic centre.
Civic Centre parking problem. ▪ Lasting solution.	▪ December 2006.	▪ There is no viable solution currently available to the parking problem at the civic centre.
General ▪ Access to facility.  ▪ Complaints about the service.	▪ 100% of open hours.  ▪ Maximum 50 p.a.	▪ The Civic Centre was available for bookings at all times during the year ended 30 June 2007. ▪ There were no recorded complaints regarding the civic centre in the year ended 30 June 2007.
Compliance with public expectations.	▪ 75% satisfaction rating.	▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.

### Convenient, accessible libraries.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

#### How affected?

- Libraries as available service are a requirement for local investment.
- Good comfortable libraries contribute to an attractive living/working environment.

Outputs:	Measurement:	Achievement
Maintain a friendly, helpful and calm atmosphere where users can relax.	▪ Maintain a positive environment inviting users to visit.	▪ The library has received many positive comments regarding its atmosphere and facilities.
Maintain a quality book stock.	▪ 35,000 books of which no more than 10% are older than 7 years.	▪ The library currently has stocks of 30,669 books and 2.54% of those are over 10 years old.
Making Pioneer Library accessible.	▪ Investigation report on potential amalgamation with History House collection by July 2007.	▪ There has been no report completed on the potential amalgamation of the pioneer library with history house though a significant portion of the library is currently housed at history house.
Number of books.	▪ 35,000.	▪ As at 30 June 2007 there were 30,669 books in stock.
Currency of books.	▪ Maximum 10% older than 7 years.	▪ As at 30 June 2007 2.54% of library stocks are over 10 years old.
Availability of service.	▪ 90% during advertised hours.	▪ The library was open for all of its advertised hours for the year 1 July 2006 to 30 June 2007
Complaints about the service.	▪ Maximum 15 p.a.	▪ There were 11 complaints received about the library's service to 30 June 2007.
Ventilation problem.	▪ Final solution by October 2006.	▪ The library's Ventilation problem was solved in March 2007.
Compliance with public expectations.	▪ 75% satisfaction rating.	▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.

## Well maintained parks and reserves.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

### How affected?

- Economic growth relies heavily on a healthy social and community environment.
- Good community services add to the District appeal as living and investment location.

Outputs:	Measurement:	Achievement
A rationalisation of Council's parks and reserves portfolio.	<ul style="list-style-type: none"> <li>▪ Review by December 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Due to demands on staff time, Council was unable to complete a review in the 2006/2007 financial year.</li> </ul>
Maintaining parks and reserves to acceptable standards.	<ul style="list-style-type: none"> <li>▪ Comply with NZ Standards for playgrounds.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All playground equipment purchased and installed by Council meets the required NZ safety standards.</li> </ul>
Complete review.	<ul style="list-style-type: none"> <li>▪ October 2006.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Due to demands on staff time, Council was unable to complete a review in the 2006/2007 financial year.</li> </ul>
General: <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> <li>▪ Maximum 20 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 30% of the budgeted capital programme for parks and reserves was completed in the 2006/2007 year, the remainder is to be completed early in the 07/08 year.</li> <li>▪ There were 12 complaints recorded regarding parks and reserves for the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## Good, inviting rest rooms

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- It adds to the attraction as investment location.
- Rest room facilities add to making the District an attractive living/working environment.
- Availability of rest rooms avoids practices that can affect health.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Maintaining clean and convenient public toilets.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The contract for public toilets requires that the toilets are cleaned at least daily and maintained to an acceptable standard.</li> </ul>
Frequency of cleaning.	<ul style="list-style-type: none"> <li>▪ Daily when open.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All rest rooms were cleaned daily during the year ended 30 June 2007.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 95% of budgeted capital works for rest rooms was completed in the 2006/2007 year.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 30 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were two complaints recorded about rest rooms in the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year</li> </ul>

Outputs:	Measurement:	Achievement
		due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.

## Safe and comfortable swimming pools.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

### How affected?

- It adds to the attraction as investment location.
- A town pool is a major recreational attraction which contributes to an attractive living/working environment.
- There are definite physical health benefits.

Outputs:	Measurement:	Achievement
Replace the Greymouth Town Baths as soon as possible with an aquatic centre.	<ul style="list-style-type: none"> <li>▪ Finalise fund raising by June 2008.</li> <li>▪ Put in place designs and project management arrangements.</li> <li>▪ Manage existing baths as efficiently as possible.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As at 30 June 2007 the Aquatic centre committee had raised \$2.4 million.</li> <li>▪ Gurden Consulting was contracted to project manage the aquatic centre in July 2006.</li> <li>▪ The existing war Memorial baths facility is maintained to a standard that means it can remain operational while the new facility is developed ensuring that it complies with all applicable standards.</li> </ul>
Redevelopment and New Roof - Runanga Baths.	<ul style="list-style-type: none"> <li>▪ Implement redevelopment by June 2007.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Runanga Pool roof has experienced further delays due to funding and technical difficulties and was unable to be completed by June 2007.</li> </ul>
Greymouth Baths: <ul style="list-style-type: none"> <li>▪ Number of incidents involving safety of bathers.</li> <li>▪ Compliance with Health and Safety regulations.</li> <li>▪ Frequency of service.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No more than 5 p.a.</li> <li>▪ 100%.</li> <li>▪ Sept – March.</li> <li>▪ 100% during advertised hours.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were 4 incidents involving the safety of swimmers during the Greymouth swimming pools 2006/2007 season.</li> <li>▪ All Health and Safety regulations were complied with in the 2006/2007 season.</li> <li>▪ The pool was opened to the public on 4 September 2006 and closed on 22 April 2007.</li> <li>▪ The pool was available during 99% of its advertised hours (it was closed on the 5<sup>th</sup> and 6<sup>th</sup> of January for cleaning).</li> </ul>
Aquatic centre. <ul style="list-style-type: none"> <li>▪ Appointment of project manager and designers.</li> <li>▪ Conclude fundraising.</li> <li>▪ Construction of aquatic centre incorporating War Memorial facade.</li> </ul>	<ul style="list-style-type: none"> <li>▪ By July 2006.</li> <li>▪ By June 2008.</li> <li>▪ By November 2009.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Gurden Consulting Limited was contracted to the project management role for the aquatic centre on 7 July 2006.</li> <li>▪ As at 30 June 2007 the aquatic centre committee had raised \$2.4 million.</li> <li>▪ Construction of the aquatic centre is expected to begin in January/February 2008.</li> </ul>
Runanga Baths. <ul style="list-style-type: none"> <li>▪ New roof and general renewal.</li> </ul>	<ul style="list-style-type: none"> <li>▪ June 2007.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Runanga Pool roof has experienced further delays due to funding and technical difficulties and was unable to be completed by June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best</li> </ul>

Outputs:	Measurement:	Achievement
		methodology to conduct a public survey.

## Exciting events and recreational activities.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

### How affected?

- A happy community is a progressive, growing community.
- Exciting community events contribute to an attractive living/working environment.

Outputs:	Measurement:	Achievement
Strengthen current co-operation with Sport Canterbury West Coast in respect of joint events management.	<ul style="list-style-type: none"> <li>▪ Renew cooperation as a matter of good practice.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A review of the cooperation between Council and Sport Canterbury/West Coast was completed with the contract review in July 2006.</li> </ul>
Further develop and expand current events and the events calendar.	<ul style="list-style-type: none"> <li>▪ An action plan developed by 30 September.</li> </ul>	<ul style="list-style-type: none"> <li>▪ An action plan to further develop and expand current events and the events calendar was undertaken by the Greymouth Business and Promotion Association prior to September 2006.</li> </ul>
Financially support other community initiatives adding value to this outcome.	<ul style="list-style-type: none"> <li>▪ Continued support for community events.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Council continues to support other community initiatives through funding from its annual plan and administration of funding schemes such as SPARC and Creative Communities.</li> </ul>
Sport West Coast. <ul style="list-style-type: none"> <li>▪ Renew current agreement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ By July 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Sport West Coast agreement was renewed in July 2006.</li> </ul>
Events <ul style="list-style-type: none"> <li>▪ Number of Events provided.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 10 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 14 events were provided in the year ended 30 June 2007.</li> </ul>
Financial support. <ul style="list-style-type: none"> <li>▪ Provision on Annual Plans.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sport West Coast was funded through Council's Annual Plan as per requests to Council</li> </ul>
General <ul style="list-style-type: none"> <li>▪ Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Maximum 10 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There were no recorded complaints regarding the service performed by Sport West Coast to 30 June 2007.</li> </ul>
Compliance with public expectation.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## High quality and aesthetically pleasing cemeteries.

### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

### How affected?

- It adds to the attraction as investment location.
- It adds to making the District an attractive living/working environment.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ Maintain current high standards of maintenance and service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All cemeteries were maintained and mowed to the standards specified in their contract throughout the year ended 30 June 2007.</li> </ul>
Maintained and mowed to acceptable standard.	<ul style="list-style-type: none"> <li>▪ 90% p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All cemeteries were maintained and mowed to acceptable standards throughout the year ended 30 June 2007.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 50 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There was one recorded complaint regarding cemeteries to 30 June</li> </ul>

Outputs:	Measurement:	Achievement
		2007.
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Quality ad hoc service delivery by means of Council's In-house Task Force.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- A tidy area is a requirement for economic growth.
- It adds to keeping the District tidy.
- Service often involves overgrown and vermin infected properties.

Outputs:	Measurement:	Achievement
Efficient management of the activity.	<ul style="list-style-type: none"> <li>Maintaining current outputs.</li> </ul>	<ul style="list-style-type: none"> <li>Council's In-House task force reports to Council on monthly activity levels as part of the monthly agenda.</li> </ul>
Response to call-out.	<ul style="list-style-type: none"> <li>Within 48 hours of report.</li> </ul>	<ul style="list-style-type: none"> <li>Council's In-House task force did not receive any call outs during the 2006/2007 financial year.</li> </ul>
Properties maintained.	<ul style="list-style-type: none"> <li>25 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>The In-House Task force has maintained 28 properties during the year ended 30 June 2007.</li> </ul>
Other tasks.	<ul style="list-style-type: none"> <li>300 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>The In-House Task force has performed 279 other tasks during the year ended 30 June 2007.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 50 p.a.</li> </ul>	<ul style="list-style-type: none"> <li>There were no recorded complaints regarding the In-House task force for the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Promotion of arts, culture and heritage.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.

#### How affected?

- It adds to the attraction of local investment.
- A vibrant focus on arts, culture and heritage contributes to an attractive living/working environment.

Outputs:	Measurement:	Achievement
Efficient management of the History House.	<ul style="list-style-type: none"> <li>Decrease deficit by 3% p.a.</li> </ul>	<ul style="list-style-type: none"> <li>History House had a funded deficit of \$47,000 in 2006/2007 as compared to a funded deficit of \$59,000 in the previous year.</li> </ul>
Strengthening work of the Joint Heritage Committee.	<ul style="list-style-type: none"> <li>Regular attendance and participation.</li> </ul>	<ul style="list-style-type: none"> <li>The Joint Heritage committee did not meet during the 2006/2007 year.</li> </ul>
Support for local arts and culture bodies.	<ul style="list-style-type: none"> <li>Maintain support.</li> </ul>	<ul style="list-style-type: none"> <li>Council supports local arts and cultural bodies through grants allocated in its annual plan.</li> </ul>

Outputs:	Measurement:	Achievement
History House. <ul style="list-style-type: none"> <li>▪ Number of visitors.</li> <li>▪ Accessibility of facility.</li> <li>▪ Quality of collection.</li> <li>▪ Complaints about the service.</li> <li>▪ Financial support - provision on annual plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 60 p.m.</li> <li>▪ 100% during advertised hours.</li> <li>▪ Maintained and expanded.</li> <li>▪ Maximum 10 p.a.</li> <li>▪ Annually.</li> </ul>	<ul style="list-style-type: none"> <li>▪ History House had an average of 163 visitors a month for the year ended 30 June 2007.</li> <li>▪ History House was open during all of its advertised hours for the year ended 30 June 2007.</li> <li>▪ History House staff maintained the current collection by reorganising the storage area, indexed the collection, created and created an asset listing. Various photos, videos, books and other material were also donated thought the year adding to the collection..</li> <li>▪ There were no recorded complaints regarding History House as at 30 June 2007.</li> <li>▪ The Support Services Manager budgets for expected expenditure and this is funded through the Annual Plan,</li> </ul>
Joint Heritage Committee. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4 p.a.</li> <li>▪ 100%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Joint Heritage Committee did not conduct any meetings for the year ended 30 June 2007.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

#### [9.4] cost of service statement

<b>COMMUNITY SERVICES &amp; FACILITIES INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(407)	(427)	(442)
Support costs	(263)	(293)	(267)
Operating & maintenance costs	(952)	(960)	(838)
Interest expense	-	(4)	-
Depreciation	(317)	(245)	(211)
	<b>(1,939)</b>	<b>(1,929)</b>	<b>(1,758)</b>
<b>Revenue:</b>			
User charges	276	204	164
Other revenue	-	-	-
Subsidies/donations	24	164	68
Internal recoveries	-	-	-
Rates - UAGC	855	826	815
Rates - General	680	651	640
Rates - Targeted	-	-	-
	<b>1,835</b>	<b>1,845</b>	<b>1,687</b>
<b>Net Surplus/(Deficit)</b>	<b>(104)</b>	<b>(84)</b>	<b>(71)</b>

<b>COMMUNITY SERVICES &amp; FACILITIES CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(95)	(96)	(53)
New capital	(341)	(598)	(100)
Assets vested	-	-	-
Debt principal repayments	-	(4)	-
Funding of reserves	(2)	(87)	(15)
Internal transfers	(15)	-	(6)
	<b>(453)</b>	<b>(785)</b>	<b>(174)</b>
<b>Funded by:</b>			
add new loans raised	55	54	-
add funding from reserves	253	570	82
Transfer from Ratepayer Equity	-	-	-
add depreciation	317	245	211
add/(deduct) Surplus/(Deficit) carried forward	(104)	(84)	(71)
<b>Net funding surplus / (deficit)</b>	<b>68</b>	<b>-</b>	<b>48</b>

### [9.5] major asset acquisitions or replacements

<b>COMMUNITY SERVICES &amp; FACILITIES SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
Cobden campervan waste disposal area	66	54
Greymouth Aquatic Centre (work in progress)	163	-

- There were no significant works signalled in the LTCCP for 2006/2007 that were not carried out

### [9.6] variations from budget

#### New Capital

- \$127,000 of airport development works not carried out. These works are actually to be carried out by a third party leasing a portion of the airport, and the costs will not be incurred by Council.
- \$198,000 budgeted for the Runanga Pool roofing project has not yet been carried out. This is expected to be done in 2008.
- \$191,000 has been spent on design and investigation work pertaining to the proposed new Greymouth Aquatic centre.

[9.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Community Services POSITIVE for creating an attractive living environment.</li> <li>▪ Airport availability to Air West Coast, Coast Helicopters, Air Ambulance and Rescue Helicopter and private aircraft facilitates POSITIVE social services</li> <li>▪ Continual improvement of Library Services and introduction of Online access positive.</li> <li>▪ Agreement with Tai Poutini Polytechnic re them controlling the Climbing wall will have POSITIVE impact on its recreational value and the financial viability of the Civic Centre</li> <li>▪ Continued focus on making parks and walking tracks more accessible and involvement in Blue Penguin protection against marauding dogs POSITIVE but inability to maintain to a high standard throughout because of budgetary constraints a negative.</li> <li>▪ Maintaining a high standard of hygiene of public toilets and provision of new CBD toilets positive, but age of facilities and focus of vandals make this less than totally successful.</li> <li>▪ Focus on new Aquatic Centre POSITIVE</li> <li>▪ The availability of a range of community events in partnership with Sport West Coast and more recently with the Lake Brunner Cycle race funded by DWC is POSITIVE and makes community life whole.</li> <li>▪ Maintaining available and aesthetically pleasing cemeteries is positive.</li> <li>▪ Work done by the In-house Task Force complement other more formal service delivery agreements POSITIVELY, resulting in aesthetically pleasing open areas.</li> <li>▪ Continued support to a variety of local organisations/bodies/ facilities involved in arts, culture and recreation was POSITIVE as it made them financially viable and their services available to the community at affordable prices.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Range and quality of community services POSITIVE for attractive living and investment environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Services POSITIVELY contribute to making community life "whole"</li> </ul>	<ul style="list-style-type: none"> <li>▪ POSITIVE focus for community services to not impact adversely on the environment as far as possible.</li> </ul>

## [10] civil defence

### [10.1] council's involvement

The West Coast region is exposed to a range of natural disasters and it is necessary to maintain a high level of operational preparedness to respond to any such events, both in respect of infrastructure provision and the health and wellbeing of residents.

Council's current investment in this activity is a reflection of its ability to deal with such an event in the normal course of its activities, without it being declared as a Civil Defence event, as was evidenced in the 2004 tornado event.

### [10.2] activities included in this group

- Emergency management and civil defence

#### Rationale for grouping

In terms of more recent legislative changes this activity has developed a strong regional focus and is managed as a stand-alone activity. Notwithstanding, it is, when operational, staffed mainly by Council staff and integration with other Council activities is, therefore, a natural consequence.

### [10.3] performance indicators and link to community outcomes

#### A high level of preparedness to respond to disasters.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- The ability to deal with disasters builds confidence that the local economy will be able to recover quickly.
- The ability to deal with disasters builds confidence.
- The safety of people and property and the ability to manage crime in the event of an emergency is of primary importance and being prepared is a basic responsibility.

Outputs:	Measurement:	Achievement
Efficient management of the activity in consultation with other local authorities, volunteers and suppliers.	<ul style="list-style-type: none"> <li>▪ Active participation in West Coast Emergency Management and Civil Defence Group.</li> <li>▪ Regular contact with Volunteers.</li> <li>▪ Open communication channels and committed, trained corps.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Kevin Beams, Manager Support Services is a member of the WCEM &amp; CD group and actively participates in all their initiatives.</li> <li>▪ Council's Civil Defence Officer, Albie Rose, has regular contact with volunteers.</li> <li>▪ Council's Civil Defence Officer maintains communication with other organisations involved in civil defence.</li> </ul>
Implementation of Lifelines.	<ul style="list-style-type: none"> <li>▪ Implement Lifelines planning.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A draft Lifelines plan was presented to Council in the 2006/2007 financial year and was referred for further development.</li> </ul>
WCEM&CD Group. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 p.a.</li> <li>▪ 100%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The WCEM &amp; CD Group held two meetings for the year ended 30 June 2007.</li> <li>▪ Grey District Council's Manager Support Services Kevin Beams attended both meetings.</li> </ul>

Outputs:	Measurement:	Achievement
Contact with Volunteers. ▪ Meetings.	▪ 2 p.a.	▪ Council's Civil Defence Officer had several informal meetings with volunteers during the year ended 30 June 2007.
General ▪ Training exercises.  ▪ Review of Civil Defence Plan and confirming contacts.	▪ 1 p.a.  ▪ Once p.a.	▪ One training exercise was held in the year ended 30 June 2007 along with two training sessions. ▪ The Civil Defence plan was reviewed in December 2006.
Compliance with public expectations.	▪ 75% satisfaction rating.	▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.

#### [10.4] cost of service statement

CIVIL DEFENCE INCOME STATEMENT	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(10)	(12)	(9)
Support costs	(28)	(30)	(27)
Operating & maintenance costs	(3)	(5)	(2)
Interest expense	-	-	-
Depreciation	-	-	-
	<b>(41)</b>	<b>(47)</b>	<b>(38)</b>
<b>Revenue:</b>			
User charges	-	-	-
Other revenue	-	-	-
Subsidies/donations	1	1	1
Internal recoveries	-	-	-
Rates - UAGC	47	46	45
Rates - General	-	-	-
Rates - Targeted	-	-	-
	<b>48</b>	<b>47</b>	<b>46</b>
<b>Net Surplus/(Deficit)</b>	<b>7</b>	<b>-</b>	<b>8</b>

<b>CIVIL DEFENCE</b>	Actual	Budget	Last Year
<b>CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	2007	2007	2006
	\$000	\$000	\$000
<b>Capital items:</b>			
Renewal works	-	-	-
New capital	(6)	-	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	-	-	-
Internal transfers	-	-	-
	<b>(6)</b>	<b>-</b>	<b>-</b>
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	6	-	-
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	-	-
add/(deduct) Surplus/(Deficit) carried forward	7	-	8
<b>Net funding surplus / (deficit)</b>	<b>7</b>	<b>-</b>	<b>8</b>

#### [10.5] major asset acquisitions or replacements

Nil

#### [10.6] variations from budget

N/a

#### [10.7] identified effects on the well-being of the community

<b>SOCIAL</b>	<b>ECONOMIC</b>	<b>CULTURAL</b>	<b>ENVIRONMENTAL</b>
<ul style="list-style-type: none"> <li>Focus on regaining lost ground in organisational and operational readiness and planning positive.</li> <li>Response trailer for Northern Ward a particularly POSITIVE development.</li> </ul>	<ul style="list-style-type: none"> <li>POSITIVE Civil Defence planning and response capability important consideration for prospective residents.</li> <li>Economic cost of disasters POSITIVELY influenced by proven Civil Defence readiness.</li> </ul>	<ul style="list-style-type: none"> <li>Community displayed POSITIVE trust in Civil Defence organisation and its ability.</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>

## [11] democracy

### [11.1] council's involvement

Council strongly subscribes to a participatory democracy style of local governance and therefore places a high premium on effective, meaningful consultation with its public and Iwi as well on accountability, openness and transparency. Since the 1989 reorganisation Council has retained an optimum size of eight members, elected in ward context, plus the Mayor elected at large. It fully subscribes to keeping associated costs to an absolute minimum and, whilst Council recognises that this denies its wider membership the benefit of regular interaction with members of other local authorities, it believes that it remains well positioned to meet its stated objectives.

The Northern Ward Community Board is a remnant of the 1989 reorganisation. During 2004, strong support for its disbandment emanated from within the Ward and this resulted in the subsequent representation review providing for it to not be reinstated. The resultant process, however, proved there is support for its retention from within the Ward. However the Local Government Commission has released its decision that the board will cease from the October 2007 election.

Council is committed to open consultation with its community on a basis much wider than is expected in legislation. For this purpose, it developed a consultation policy aimed at strengthening its aim of partnering the community.

### [11.2] activities included in this group

- Council
- Northern Ward Community Board
- Effective and Open Consultation

#### Rationale for grouping

Council places a high premium on inclusive local Government and as such places a high premium on efficiency of public democracy as well as partnering with the community.

### [11.3] performance indicators and link to community outcomes

**Through good governance, to provide in for needs of our District and its people.**

#### Outcome:

- A District enjoying quality affordable essential services.
- A thriving local economy creating opportunities.
- Affordable access to quality medical health services.
- An active partnership between Council and our community.
- An attractive District where residents want to be.
- Law, order, personal and property safety.
- Affordable access to quality education.
- Good social development services.

#### How affected?

- This can only be achieved through good governance.
- Good governance is a requirement for economic growth
- Whilst not a core function, a definite social focus area.
- Good governance is based on strong public input.
- Good governance brings confidence and opportunities.
- Good governance plays a key role in achieving this outcome.
- Whilst not a core function, a definite social focus area.
- Council represents the community and seeks the best for the community.

Outputs:	Measurement:	Achievement
Effective participatory representation.	<ul style="list-style-type: none"> <li>▪ Accessibility and responsiveness.</li> <li>▪ Accountability (Audit, Council minutes, Annual Report).</li> <li>▪ Transparency.</li> <li>▪ Good order.</li> <li>▪ External representation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ See responses below.</li> </ul>
Regular consultation with Maori.	<ul style="list-style-type: none"> <li>▪ Open consultation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultation with Ngati Wai Wai has been undertaken but progress has been slow on developing for means of ongoing consultation.</li> </ul>
Accessibility and responsiveness. <ul style="list-style-type: none"> <li>▪ Informal contact.</li> <li>▪ Council forum.</li> <li>▪ Speaking rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At all reasonable hours.</li> <li>▪ Monthly upon booking of time.</li> <li>▪ 10 days notice.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This criteria was not formally measured but Councillors contact details are freely available to the public via Council and its website.</li> <li>▪ Council Forums were offered before all Council meetings. Only the September, December, February and March forums were utilized by the public.</li> <li>▪ All speakers were given 10 days notice of their speaking time before a Council meeting.</li> </ul>
Accountability <ul style="list-style-type: none"> <li>▪ Audit report to press.</li> <li>▪ Annual report availability.</li> <li>▪ Council minutes accessibility (In-open).</li> <li>▪ Response to written inputs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> <li>▪ Free upon request.</li> <li>▪ During office hours.</li> <li>▪ Within 10 days of receipt.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Audit report for the 2005/2006 year was passed to the press during the 2006/2007 year.</li> <li>▪ The Annual report was available free to any resident who requested it.</li> <li>▪ A copy of the previous Council minutes is published in the following agenda which is available at the main counter in the Tainui Street office, and Runanga Service Centre.</li> <li>▪ 60% of all written Inputs received in the year ended 30 June 2007 were responded to within 10 days of receipt.</li> </ul>
Transparency <ul style="list-style-type: none"> <li>▪ Decisions in-committee.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No more than 10%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 3-5% of all Council decisions made to 30 June 2007 were in committee.</li> </ul>
Good Order <ul style="list-style-type: none"> <li>▪ Member compliance with ethical rules.</li> <li>▪ Notice of meetings.</li> <li>▪ Following Standing Orders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 5 days.</li> <li>▪ 100%.</li> </ul>	<ul style="list-style-type: none"> <li>▪ There have been no breaches of Councils code of conduct in the year ended 30 June 2007.</li> <li>▪ All 29 meetings held in the 2006/2007 financial year were advertised at least 5 days prior to the meeting date.</li> <li>▪ All standing orders were followed in the year ended 30 June 2007.</li> </ul>
Maori <ul style="list-style-type: none"> <li>▪ Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Per Memorandum of Understanding.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultation with Ngati Wai Wai has been undertaken but progress has been slow on developing for means of ongoing consultation.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [11.4] cost of service statement

<b>DEMOCRACY INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	-	-
Support costs	(445)	(496)	(432)
Operating & maintenance costs	(315)	(341)	(313)
Interest expense	-	-	-
Depreciation	(1)	(3)	(3)
	<b>(761)</b>	<b>(840)</b>	<b>(748)</b>
<b>Revenue:</b>			
User charges	3	-	23
Other revenue	793	680	904
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	907	876	719
Rates - General	-	-	-
Rates - Targeted	75	75	74
	<b>1,778</b>	<b>1,631</b>	<b>1,720</b>
<b>Net Surplus/(Deficit)</b>	<b>1,017</b>	<b>791</b>	<b>972</b>

<b>DEMOCRACY CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	-	-	-
New capital	-	-	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(940)	(835)	(936)
Internal transfers	-	-	-
	<b>(940)</b>	<b>(835)</b>	<b>(936)</b>
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	41	41	21
Transfer from Ratepayer Equity	-	-	-
add depreciation	1	3	3
add/(deduct) Surplus/(Deficit) carried forward	1,017	791	972
<b>Net funding surplus / (deficit)</b>	<b>119</b>	<b>-</b>	<b>60</b>

## [11.5] major asset acquisitions or replacements

Nil

## [11.6] variations from budget

n/a

[11.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Council's continued focus on "partnership" with the community positive.</li> <li>▪ Consultation procedures POSITIVELY followed but require review as number of responses mostly negative.</li> <li>▪ Full compliance with transparency requirements as POSITIVE way of getting the community involved.</li> <li>▪ Inability to do more to promote Council and its activities, i.e. via a better Newsletter negative</li> <li>▪ Inability to gauge public satisfaction levels through a satisfaction survey negative.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Openness, accessibility and transparency build POSITIVE trust with prospective investors</li> </ul>	<ul style="list-style-type: none"> <li>▪ A community that feels itself part of the local government decision-making process is a POSITIVE one.</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>

## [12] administration

### [12.1] council's involvement

In 1997 Council undertook a formal management restructuring to ensure optimum efficiency of its executive function. The recommendations of the report could not be fully implemented for reasons of affordability and Council currently has four departments under the management of departmental managers and a Chief Executive Officer who has management control over a number of operational functions which cannot be incorporated under one or more of the departments.

The Chief Executive is responsible to Council for the efficient management of Council's administration, the execution of Council's decisions and policies, advice to Council and its structures including NWCB as well as a range of other functions. Departmental managers report to the Chief Executive Officer for the efficient management of their departments, the execution of Council and Chief Executive directives and policies and advise him on operational matters. There is a clear division between governance and administration and, whilst the Chief Executive and staff are prohibited to involve themselves in policy formulation, the Mayor and Councillors are prohibited from being actively involved in the administration.

### [12.2] activities included in this group

- Support Services
- Office of the CEO
- Finance and Information Technology
- Asset Management
- Technical Services
- Environmental Services Management

#### Rationale for grouping

The above represent Council's administration and are grouped together. The focus remains on keeping the associated cost implication as low as possible.

### [12.3] performance indicators and link to community outcomes

**Full accountability to Council for all statutory functions, Council policies and decisions.**

#### Outcome:

- All Outcomes.

#### How affected?

- Council's administration is responsible through the Chief Executive Officer for the achievement of all Council's decisions, policies and directives, including this plan.

Outputs:	Measurement:	Achievement
Implementation of Council's policies.	<ul style="list-style-type: none"> <li>▪ Execution of Council decisions, implementation of Council policies and processes.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monthly Council meeting agendas and minutes record Council's decisions and implementation of decisions and policies.</li> </ul>
Quality advice to Council, NWCB, Council committees/subcommittees.	<ul style="list-style-type: none"> <li>▪ Providing well researched, considered advice supported by all practicable alternative solutions and likely cost and impacts of each.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Standard agenda item format ensures consistency of reporting including options, likely costs and effects of each alternative.</li> </ul>
Execution of delegated authority.	<ul style="list-style-type: none"> <li>▪ Always acting positively and responsibly.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A Delegations manual had been completed as at 30 June 2007 and is awaiting Council approval.</li> </ul>
Management of Council assets.	<ul style="list-style-type: none"> <li>▪ Management of assets with a view to extending their useful life whilst at the same time maintaining high levels of user safety.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Activity management plans have been developed for all major assets. The activity management plan helps ensure the maximisation of the</li> </ul>

Outputs:	Measurement:	Achievement
		useful life of Council's assets.
The Chief Executive is responsible to Council for all executive aspects of operations.	<ul style="list-style-type: none"> <li>Compliance with performance measures expected from the Chief Executive Officer.</li> </ul>	<ul style="list-style-type: none"> <li>The CEO has an annual performance assessment by the staff committee and this covers compliance with performance measures.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>
Chief Executive Compliance with performance expectations set by Council.	<ul style="list-style-type: none"> <li>100%.</li> </ul>	<ul style="list-style-type: none"> <li>The CEO's compliance with performance expectations set by Council is covered as part of the staff committee annual performance review for the CEO.</li> </ul>

## [12.4] cost of service statement

ADMINISTRATION INCOME STATEMENT	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(2,232)	(2,431)	(2,253)
Support costs	(218)	(243)	(161)
Operating & maintenance costs	(1,089)	(1,178)	(990)
Interest expense	(1)	-	-
Depreciation	(237)	(222)	(192)
	<b>(3,777)</b>	<b>(4,074)</b>	<b>(3,596)</b>
<b>Revenue:</b>			
User charges	301	283	237
Other revenue	3	-	79
Subsidies/donations	100	67	70
Internal recoveries	3,269	3,665	3,090
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	-	-	-
	<b>3,673</b>	<b>4,015</b>	<b>3,476</b>
<b>Net Surplus/(Deficit)</b>	<b>(104)</b>	<b>(59)</b>	<b>(120)</b>

<b>ADMINISTRATION CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(61)	(64)	(37)
New capital	(53)	(170)	(221)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(126)	(145)	(62)
Internal transfers	-	-	-
	<b>(240)</b>	<b>(379)</b>	<b>(320)</b>
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	107	216	256
Transfer from Ratepayer Equity	-	-	-
add depreciation	237	222	192
add/(deduct) Surplus/(Deficit) carried forward	(104)	(59)	(120)
<b>Net funding surplus / (deficit)</b>	<b>-</b>	<b>-</b>	<b>8</b>

### [12.5] major asset acquisitions or replacements

Nil

### [12.6] variations from budget

#### New Capital

- The budget anticipated for vehicle replacements of \$165,000. Based on actual requirements and timing of replacements, \$46,000 was spent. Vehicle replacements are funded from special reserves, hence less transfers from.

### [12.7] identified effects on the well-being of the community

<b>SOCIAL</b>	<b>ECONOMIC</b>	<b>CULTURAL</b>	<b>ENVIRONMENTAL</b>
<ul style="list-style-type: none"> <li>▪ A policy of POSITIVE engagement, accessibility and respect was followed.</li> <li>▪ Focus of Planning section on user input into operational practices following negative criticism, a POSITIVE action.</li> <li>▪ Maintaining high standards as small staff complement very positive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strong operational focus on economic development assisted POSITIVELY.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Generally POSITIVE feedback re Council's Administration.</li> </ul>	<ul style="list-style-type: none"> <li>▪ POSITIVE operational focus to not impact adversely on the environment.</li> </ul>

## [13] environmental services

### [13.1] council's involvement

The services add to Council's commitment to and responsibilities for maintaining a healthy balance between development and its impact on the environment, both physical and natural. The services also, to a higher or lesser extent, involve a regulatory function component.

### [13.2] activities included in this group

- Planning
- Amenity Management
- Access to Official Information
- Health Regulation
- Building Control
- Dog and Stock Control

#### Rationale for grouping

Local Government legislation makes it compulsory, wherever possible, to maintain a clear division between operations and regulation. It is a reality that local authorities, as facilitators of development and growth, also have to be seen to comply with associated statutory environmental constraints and that there is no conflict of interest in this regard.

### [13.3] performance indicators and link to community outcomes

**Enhance the District Plan to achieve a coherent vision for the development of the District.**

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Good planning and aesthetic standards contribute to an attractive living/working environment.
- Planning and the District Plan contribute to a healthy, safe environment.
- It adds to the attraction for local investment.

Outputs:	Measurement:	Achievement
Develop the District Plan and supporting environmental policy which: <ul style="list-style-type: none"> <li>▪ provide clear guidance to residents concerning development within the District.</li> <li>▪ reflect community expectations for sustainable, harmonious development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A District Plan which is couched in plain English and can be understood readily by residents.</li> <li>▪ Improved community perceptions of departmental performance – per customer satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Development of the District Plan is ongoing, together with public education material for people wanting to develop land and/or businesses within the District.</li> <li>▪ A workshop with key stakeholders to provide feedback on current processes for interpreting and implementing the RMA is to be held early in the 2007-08 year.</li> </ul>
Clear, positive, consistent application of the Resource Management Act, 1991 and Council's District Plan.	<ul style="list-style-type: none"> <li>▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The assessment of alternatives and costs-benefit analysis for decisions on related to the Resource Management Act is completed as part of consent processing.</li> </ul>
RMA and District Plan. <ul style="list-style-type: none"> <li>▪ Response timelines.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As prescribed in the Act.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 44% of 168 consents processed</li> </ul>

Outputs:	Measurement:	Achievement
<ul style="list-style-type: none"> <li>Prompt, courteous and fair enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>Verified complaints max 5 p.a.</li> </ul>	<p>within the timeframes prescribed within the Act. During 2006/2007 timeframes were doubled under S37 of the Resource Management Act. 77% were issued within the 40 day time frame.</p> <ul style="list-style-type: none"> <li>There were no verified complaints received in the 2006/2007 year.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Effective implementation of the Building Act, 2004

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Good building control standards contribute to an attractive living/working environment.
- The activity contributes to a healthy, safe environment.
- It adds to the attraction for local investment.

Outputs:	Measurement:	Achievement
Achieve accreditation as a Building Consent Authority.	<ul style="list-style-type: none"> <li>Timetable and criteria as laid down in regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Application for accreditation was submitted as planned in June 2007. The process will continue through the 2007-08 year</li> </ul>
Clear, positive, consistent application of the Building Act and Building Code so that buildings within the District are safe, sanitary and fit for purpose.	<ul style="list-style-type: none"> <li>Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>	<ul style="list-style-type: none"> <li>The assessment of alternatives and costs-benefit analysis for decisions on related to the Building Act is completed as part of consent processing.</li> </ul>
Building Act: <ul style="list-style-type: none"> <li>Response timelines.</li> <li>Enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>As prescribed in the Act.</li> <li>Prompt, courteous and fair.</li> </ul>	<ul style="list-style-type: none"> <li>75% of the 672 building consents issued to the 30 June 2007 were issued within the 20 day limit.</li> <li>There were no verified complaints received in the 2006/2007 year.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Through licensing and appropriate enforcement, improve harmony between residents and their environment.

#### Outcome:

- An attractive District where residents want to be.
- Law, order, personal and property safety.
- A thriving local economy creating opportunities.

#### How affected?

- Good regulation and appropriate enforcement contribute to an attractive living/working environment.
- The activity contributes to a healthy, safe environment.
- It adds to the attraction for local investment.

Outputs:	Measurement:	Achievement
Prompt reaction to requests for official information.	<ul style="list-style-type: none"> <li>Compliance with legislative requirements.</li> </ul>	<ul style="list-style-type: none"> <li>This information was unable to be accurately assessed as at 30 June 2007 but a process is being out in place where the information will be available for the 2007/2008 year.</li> </ul>
Positive enforcement of bylaws as a mechanism to protect rights.	<ul style="list-style-type: none"> <li>Implementation of Council Bylaws and Compliance Policy.</li> </ul>	<ul style="list-style-type: none"> <li>All cases if bylaw enforcement are dealt with on a case by case basis.</li> </ul>
Responsible health regulation.	<ul style="list-style-type: none"> <li>Ensuring a high standard of public health.</li> </ul>	<ul style="list-style-type: none"> <li>All food premises, hairdressers, and camping grounds are inspected yearly.</li> </ul>
Positive dog and stock control.	<ul style="list-style-type: none"> <li>Manage the keeping of dogs and wandering stock.</li> </ul>	<ul style="list-style-type: none"> <li>Council has a full time Animal Control Officer who manages all dogs in the area and deals with reports of wandering stock.</li> </ul>
Official Information: <ul style="list-style-type: none"> <li>Responses to requests for information.</li> <li>LIM requests.</li> </ul>	<ul style="list-style-type: none"> <li>Within 20 working days.</li> <li>10 working days.</li> </ul>	<ul style="list-style-type: none"> <li>This information was unable to be accurately assessed as at 30 June 2007 but a process is being out in place where the information will be available for the 2007/2008 year.</li> <li>27% of LIM requests were completed within 10 working days. The low result is due to high demand on staff time to compete tasks.</li> </ul>
Bylaw enforcement: <ul style="list-style-type: none"> <li>Action.</li> <li>Amenity improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Per Council's Enforcement Policy.</li> <li>Clearance of 6 untidy properties p.a.</li> </ul>	<ul style="list-style-type: none"> <li>Enforcement action is taken on a case by case basis as per Council guidelines.</li> <li>9 properties were cleared through enforcement in the year ended 30 June 2007.</li> </ul>
Health Regulation <ul style="list-style-type: none"> <li>Inspection of hairdresser salons, food premises, gaming machine outlets, camping grounds, funeral parlours and sex premises.</li> <li>Managing infectious and notifiable diseases in consultation with the District Medical Officer of Health.</li> <li>Food safety programmes.</li> <li>Dangerous goods.</li> <li>Environmental nuisance, i.e. noise.</li> </ul>	<ul style="list-style-type: none"> <li>Annually or per bylaws.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> </ul>	<ul style="list-style-type: none"> <li>Hairdresser salons, food premises, and camping grounds are inspected on an annual basis. Sex premises advertising and locations are regularly checked. Council has no by-law in place to cover funeral directors.</li> <li>Council's Health Inspector is notified of any infectious and notifiable diseases and action is taken as necessary.</li> <li>Food safety is dealt with as part of a health premises inspection.</li> <li>Dangerous goods are now dealt with by ERMA.</li> <li>Environmental nuisances are dealt with on a case by case basis under the appropriate bylaw.</li> </ul>
Animal Control.	<ul style="list-style-type: none"> <li>Compliance with dog registration - 95%.</li> <li>Improved dog owner understanding of rights and responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>As at 30 June 2007 98% of all known dogs in the district were registered.</li> <li>There were several pamphlets made available at the counter for dog owners including micro chipping, heat stress, better control and house training. A presentation was also given at the local lions meeting.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

## [13.4] cost of service statement

<b>ENVIRONMENTAL SERVICES INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(2)	(1)	(25)
Support costs	(1,173)	(1,282)	(1,044)
Operating & maintenance costs	(758)	(378)	(507)
Interest expense	-	-	-
Depreciation	(22)	(36)	(24)
	<b>(1,955)</b>	<b>(1,697)</b>	<b>(1,600)</b>
<b>Revenue:</b>			
User charges	1,139	908	798
Other revenue	96	-	169
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	350	338	425
Rates - General	473	460	449
Rates - Targeted	-	-	-
	<b>2,058</b>	<b>1,706</b>	<b>1,841</b>
<b>Net Surplus/(Deficit)</b>	<b>103</b>	<b>9</b>	<b>241</b>
<b>ENVIRONMENTAL SERVICES CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(1)	(3)	(2)
New capital	(2)	(43)	(1)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(116)	(31)	(192)
Internal transfers	-	-	-
	<b>(119)</b>	<b>(77)</b>	<b>(195)</b>
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	-	32	-
Transfer from Ratepayer Equity	-	-	-
add depreciation	22	36	24
add/(deduct) Surplus/(Deficit) carried forward	103	9	241
<b>Net funding surplus / (deficit)</b>	<b>6</b>	<b>-</b>	<b>70</b>

## [13.5] major asset acquisitions or replacements

Nil

## [13.6] variations from budget

### Operating and maintenance costs

- additional \$338,000 spent on consultants from budget, based on volume of consents being processed, and reduced staffing levels.
- additional \$40,000 spent on SNA project (Council approved)

[13.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Environmental services aimed to POSITIVELY steer development in order to create harmony between different land uses, provide for general health and safety and enjoyment of community.</li> <li>▪ Focus on variety of district and regional development plans, reviews of the District Plan positive.</li> <li>▪ Ongoing focus on and attention to improving amenity values have been positive, but legal processes involved negative as it make it drawn out and confrontational.</li> <li>▪ Ready access to Official Information had POSITIVE effect on public confidence but actions by some frustrating and misusing the service negative.</li> <li>▪ Strong, ongoing focus on preventing the spread of infectious and notifiable diseases and its management, responsible food safety programmes, environmental nuisances, management of gaming machines, food premises, camping grounds, hairdressing salons, funeral parlours, amusement devices sex premises, hazardous substances and POSITIVE for community health and wellbeing</li> <li>▪ Ongoing, responsible administration of the Building Act, 2004 and associated building codes, safe swimming pool regulations POSITIVE for community health and safety.</li> <li>▪ Efficient administration of dog and stock control function POSITIVE for community health and safety.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Range and quality of environmental services POSITIVE for safe, attractive living and investment environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Services POSITIVELY contribute to making community life “safe and whole”</li> </ul>	<ul style="list-style-type: none"> <li>▪ Environmental services POSITIVELY contribute to protecting the natural and physical living environment.</li> </ul>

## [14] liaison with other agencies

### [14.1] council's involvement

Three of the community outcomes represent functions not delivered by Council. Council is therefore reliant upon the actual service providers to achieve such outcomes. These are:

- Law, order, personal and property safety. The primary service provider is the NZ Police with the NZ Fire Service another important agency.
- Affordable access to quality medical health services. The primary service provider is the WCDHB through Grey Base Hospital with local doctors and other medical service providers also important.
- Affordable access to quality education. The primary service providers would be the Education Ministry, Tai Poutini Polytechnic, schools, Karoro Learning Centre.

Council will develop a close association with all of these service providers in order to achieve the outcomes. In the meantime, Council's activity management plans incorporate the strategic plans of the relevant service providers.

Council also is a facilitator for a range of community driven projects related to:

- Restorative Justice.
- A community patrol initiative.
- The Big Brother Big Sister project.

### [14.2] activities included in this group

- Co-operation with West Coast District Health Board & other service providers
- Co-operation with New Zealand Police, New Zealand Fire Service, etc.
- Restorative Justice
- Education - Co-Operation with relevant service providers

#### Rationale for grouping

These activities are related less to the core business of Council, and more to where Council acts as the facilitating or liaising agency.

### [14.3] performance indicators and link to community outcomes

**To co-ordinate delivery of functions not delivered by local authorities in order to ensure that outcomes are achieved.**

#### Outcome:

- Affordable access to quality medical health services.
- Law, order, personal and property safety.
- Affordable access to quality education.

#### How affected?

- The WCDHB, St John, doctors and other health service providers are involved in service delivery for this outcome.
- The NZ Police and NZ Fire Service provide services for this outcome.
- Tai Poutini Polytechnic, Ministry of Education, schools and other education service providers are involved in this outcome.

Outputs:	Measurement:	Achievement
Accept current strategic plans of the service providers as fully aimed at meeting the outcomes.	<ul style="list-style-type: none"> <li>No action.</li> </ul>	<ul style="list-style-type: none"> <li>No action</li> </ul>
Developing joint action plans.	<ul style="list-style-type: none"> <li>Action plans by October 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Council is in the process of developing joint action plans which are expected to be completed by April/May 2008. The completion of the action plans was delayed by staff workloads and recent developments aimed at community outcomes.</li> </ul>
Developing measurement and reporting protocols.	<ul style="list-style-type: none"> <li>Measurements and reporting protocols in place by December 2006.</li> </ul>	<ul style="list-style-type: none"> <li>The completion of the action plans was delayed therefore measurements and reporting protocol were not completed and expected to be by April/May 2008.</li> </ul>
Reporting on achievement of outcomes.	<ul style="list-style-type: none"> <li>Annually.</li> </ul>	<ul style="list-style-type: none"> <li>The completion of the action plans was delayed therefore reporting on achievement of outcomes was unable to be completed.</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

### Maintain Government funding for community safety projects.

#### Outcome:

- A thriving local economy creating opportunities.
- An attractive District where residents want to be.
- Law, order, personal and property safety.

#### How affected?

- Safer communities are good for economic growth.
- Safety builds confidence.
- Projects enhance safety.

Outputs:	Measurement:	Achievement
Secure renewal funding.	<ul style="list-style-type: none"> <li>Apply on time and per funding requirement.</li> <li>Fully comply with reporting and other compliance provisions.</li> </ul>	<ul style="list-style-type: none"> <li>All renewal funding was applied for on time and was to the standard required by the funder.</li> <li>Council fully complied with reporting and other compliance provisions imposed by funders.</li> </ul>
Funding applications.	<ul style="list-style-type: none"> <li>Per funder's directive.</li> </ul>	<ul style="list-style-type: none"> <li>All funding applications complied with any funding directives given at the time of application</li> </ul>
Performance management and report back.	<ul style="list-style-type: none"> <li>Per funder's directive.</li> </ul>	<ul style="list-style-type: none"> <li>All funding applications complied with any funding directives given at the time of application</li> </ul>
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>	<ul style="list-style-type: none"> <li>A satisfaction survey was not completed in the 2006/2007 year due to other commitments. Preliminary work has been undertaken in identifying the best methodology to conduct a public survey.</li> </ul>

[14.4] cost of service statement

<b>LIAISON WITH OTHER AGENCIES INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	-	(1)	-
Support costs	(39)	(48)	(45)
Operating & maintenance costs	(71)	(45)	(70)
Interest expense	-	-	-
Depreciation	-	-	-
	<b>(110)</b>	<b>(94)</b>	<b>(115)</b>
<b>Revenue:</b>			
User charges	33	-	58
Other revenue	-	-	-
Subsidies/donations	52	58	18
Internal recoveries	-	-	-
Rates - UAGC	37	36	33
Rates - General	-	-	-
Rates - Targeted	-	-	-
	<b>122</b>	<b>94</b>	<b>109</b>
<b>Net Surplus/(Deficit)</b>	<b>12</b>	<b>-</b>	<b>(6)</b>

[14.5] major asset acquisitions or replacements

Nil

[14.6] variations from budget

Nil

[14.7] identified effects on the well-being of the community

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> <li>▪ Focus on involving appropriate other agencies in non-Council Community Outcomes POSITIVE for inter-agency focus on other matters too.</li> <li>▪ -Failure to put association on a more formal footing negative.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inter agency approach and focus on health, education and law and order POSITIVE for a safe and prosperous investment and living environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inter agency approach POSITIVE for community</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>

## [15] port operations

### [15.1] council's involvement

### [15.2] activities included in this group

- Port operations

Rationale for grouping

### [15.3] performance indicators and link to community outcomes

None set, as it was anticipated that port activities would be under direct control of Port Westland Limited, a Grey District Council 100% owned Council Controlled Organisation

### [15.4] cost of service statement

<b>PORT OPERATIONS INCOME STATEMENT</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Operating expenditure:</b>			
Employee costs	(352)	-	(260)
Support costs	-	-	(66)
Operating & maintenance costs	(1,007)	-	(1,131)
Interest expense	(45)	-	(43)
Depreciation	(249)	-	(264)
	<b>(1,653)</b>	<b>-</b>	<b>(1,764)</b>
<b>Revenue:</b>			
User charges	264	-	750
Other revenue	-	-	878
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	-	-	-
	<b>264</b>	<b>-</b>	<b>1,628</b>
<b>Net Surplus/(Deficit)</b>	<b>(1,389)</b>	<b>-</b>	<b>(136)</b>

<b>PORT OPERATIONS CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Actual 2007 \$000	Budget 2007 \$000	Last Year 2006 \$000
<b>Capital items:</b>			
Renewal works	(18)	-	(134)
New capital	(60)	-	(392)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	-	-	(917)
Internal transfers	-	-	-
	<b>(78)</b>	<b>-</b>	<b>(1,443)</b>
<b>Funded by:</b>			
add new loans raised	-	-	-
add funding from reserves	690	-	1,261
Transfer from Ratepayer Equity	-	-	-
add depreciation	249	-	-
add/(deduct) Surplus/(Deficit) carried forward	(1,389)	-	(136)
<b>Net funding surplus / (deficit)</b>	<b>(528)</b>	<b>-</b>	<b>(318)</b>

### [15.5] major asset acquisitions or replacements

<b>PORT OPERATIONS SIGNIFICANT CAPITAL EXPENDITURE</b>	Actual 2007 \$000	Budget 2007 \$000
<b>ITEM / PROJECT</b>		
Martins Quay renewal	52	-

Other significant works, capital and renewal works are kept to a minimum until the future of the facility and governance is secured.

### [15.6] variations from budget

As no budgets were contained in the annual plan and long-term plan, the above financial result represents a variation from that. Operations and maintenance were kept to a minimum, as in previous years as work continues to secure the port's future. All net costs required for the port are funded from harbour land sales.

### [15.7] identified effects on the well-being of the community

None identified.

# [e] consultation with maori

Through a specific activity, "Efficient and Open Consultation", Council has set specific performance targets relating to the establishment and maintenance of processes in providing opportunities for Maori to contribute to the decision making processes of the Grey District Council. Council's earlier suggestion of negotiating a Memorandum of Understanding was not accepted and a process involving monthly meetings between Council's Portfolio holder for Maori affairs and a representative of Te Runanga O Ngati Waewae has been put in place to pave the way for an agreement on how to achieve the relevant provisions of the Act. This could not be maintained, mostly because the Ngati Waewae representatives are heavily involved in the day to day running of their tribe. The focus has been to maintain functional contact. Council continues to target them for consultation under the special consultative procedure.

Council maintains a cordial and constructive association with both Ngati Waewae as well as the group representing non-local Maori, the latter requiring invigoration.

# **[f] council controlled organisations**

# [1] port westland limited

In April 2006 a new company was formed, Port Westland Limited, a 100% Council owned subsidiary (A Council Controlled Trading Organisation). The company is represented by three directors, including one Council representative. Port Westland Limited will be responsible for operational management of port activities. The company is currently negotiating with third parties for future business opportunities for the port, with Council ultimately transferring the operational assets of the port to the new company. The timing of this depends on the out-come of current negotiations.

At the time of preparing and adopting the 2006/2007 Annual Plan (as contained within the long term plan) it was anticipated that Port Westland Ltd would be responsible for the operation of the port activities pertaining to the Port of Greymouth. Due to the on-going negotiations relating to the upgrade of the cargo port and governance options this has not yet occurred.

## [1.1] significant policies and objectives

The **Vision** of Port Westland Ltd is to make Port Westland into a safe, successful and self funding port undertaking and to optimise the strategic and other benefits this holds for the Grey District, the West Coast region and New Zealand while recognising the community interest in the recreational, heritage and visitor resources inherent in port assets.

The **Mission** of Port Westland is to manage Port Westland prudently, competently and responsibly per its Constitution, the Statement of Intent and the outcomes expected of it by the shareholder.

The core values of Port Westland Ltd are:

- Economic viability
- Environmental sustainability
- Social responsibility
- Responsiveness to customers
- Service delivery

## [1.2] key performance targets

Outcome	Strategic Performance Target	Achievement
<b>ENVIRONMENTAL CARE:</b>		
To minimise the adverse impact of the company's operations on the environment	<ul style="list-style-type: none"> <li>▪ To ensure compliance with Resource Management Act consents at all times.</li> <li>▪ To remain receptive to inputs from residents in the Port vicinity re operational impact on the immediate living/working environment</li> <li>▪ To monitor potential impacts on a continuous basis.</li> <li>▪ To use energy efficiently and where appropriate recover energy from operational activities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No transgressions of RMA recorded</li> <li>▪ External inputs encouraged and inputs fully investigated and responded to.</li> <li>▪ Monitoring per the resource consents undertaken</li> <li>▪ Low operational activity. Efficiency pursued at all times</li> </ul>
<b>EMPLOYEES, HEALTH and SAFETY:</b>		
To be an industry best workplace.	<ul style="list-style-type: none"> <li>▪ To demonstrate a commitment to best management practice in equal employment opportunities.</li> <li>▪ To take all practical steps to provide employees with safe working conditions that do not detrimentally affect their health and safety and to have no successful prosecutions under the Health and Safety in Employment Act, 1992.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Compliance did not come up as no new staff was employed.</li> <li>▪ No incidents of unsafe working were recorded.</li> </ul>
<b>STAKEHOLDER RELATIONSHIPS:</b>		
To be responsive to stakeholder requirements.	<ul style="list-style-type: none"> <li>▪ To work with Users in a positive and collaborative manner.</li> <li>▪ To consult with the community and stakeholders on matters of relevance to them</li> <li>▪ To meet with the West Coast Fishermen's Association at least quarterly.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Maintained positive associations throughout.</li> <li>▪ Met with some stakeholders</li> <li>▪ Even though not specific meetings, the Association was part of the two user meetings.</li> </ul>
<b>CUSTOMER SERVICE COMMITMENT:</b>		
To provide high quality products and meet customer service level requirements.	<ul style="list-style-type: none"> <li>▪ To achieve full compliance with contractual service delivery standards</li> </ul>	<ul style="list-style-type: none"> <li>▪ Poor quality of wharves as result of deferred maintenance forced partial closure and reduced service standard.</li> <li>▪ Low staff numbers also forces us to do</li> </ul>

Outcome	Strategic Performance Target	Achievement
	<ul style="list-style-type: none"> <li>▪ To be accessible to users, both politically and operationally</li> </ul>	<p>only the most necessary work.</p> <ul style="list-style-type: none"> <li>▪ Fully accessible at all levels, including Board level.</li> </ul>
<b>ASSET MANAGEMENT:</b>		
To manage and maintain the long-term integrity of assets.	<ul style="list-style-type: none"> <li>▪ To manage all assets in perpetuity.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Could not fully comply</li> </ul>
<b>ECONOMIC PERFORMANCE:</b>		
To manage the business efficiently and to operate on a least-cost philosophy subject to fulfilling other environmental, social and legislative requirements.	<ul style="list-style-type: none"> <li>▪ To investigate and implement efficiency improvement</li> <li>▪ To not do anything that may impact on the Shareholder's legal position;</li> <li>▪ Achieve an income ratio to interest of 3.50 times or better.</li> <li>▪ Renewing / replacing long-term debt facilities at least 6 months before their maturity.</li> <li>▪ Achieve a net debt to total capitalisation ratio of less than or equal to 60% (excluding the impact of asset revaluations).</li> <li>▪ Maintain the CPI pricing philosophy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Done within limitations of low operational activity.</li> <li>▪ No such compromise</li> <li>▪ Not achieved</li> <li>▪ Matter has not come up.</li> <li>▪ Not achieved</li> <li>▪ Matter has not yet come up. It will come up soon, in relation to new wharves to be built.</li> </ul>

## **[2] tourism west coast and west coast rural fire authority**

The above two organisations are Council Controlled Organisations by virtue of the fact that over 50% of the votes are under control of local authorities. Council has not set any specific policies or objectives in the long term plan with regard to control of these organisations, nor any specific key performance targets or other measures.

They do however fall under the following group of activities, and the relevant community outcomes as reported on earlier in this report:

Tourism West Coast: [d][7] economic development, page 91

West coast Rural Fire Authority: [d][6] rural fire authority, page 87

It is noted that Council has exempted both these organisations under section 7(3) of the Local Government Act 2002.



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