

Grey District Council Draft Long Term Plan 2012 - 2022

Public consultation period:
24 April 2012 - 28 May 2012



Grey District Council

Long Term Plan

2012 – 2022

The Grey District will be a progressive, sustainable area where people want to live, work, play, and invest

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PART A: Introduction and Summary

[1] Message from the Mayor and CEO

Welcome to the **Draft 2012 – 2022 Grey District Long Term Plan**.

Council is proud to present this plan as a summary of its service delivery and vision for the District over the coming years. We welcome the opportunity to have the discussion with you as the community on what your views are of the same. As such this is a draft plan that will be finalised in June 2012 based on Council's consideration of the public input received.

Looking ahead over such a long period is never easy and we are the first to admit that the future will no doubt differ to what we foresee here. This however emphasises the need to plan for the future so we are in a position to react and adjust to whatever environment we find ourselves in. Recent history has provided all too real examples with the global economic recession, the Canterbury Earthquakes as well as the Pike River disaster. Council strongly supports the principle of looking into the future and to signal its vision and the implications thereof for our community to see and understand.

Three years ago when we were preparing the last long term plan we were in the early stages of the current global economic recession. This led Council to deliver a plan that was strongly influenced by an overall desire to deliver existing services without any significant cost increases. This was confirmed by the 2 subsequent Annual Plans in 2010 and 2011. This didn't prevent however some significant additions in the community facilities provided with the opening of the Grey District Aquatic Centre and more recently the Spring Creek Swimming Pool in Runanga. There has also been on-going enhancement to recreation areas in Moana (foreshore area), Cobden (wetland area) and the new coastal pathway (Blaketown to Taramakau). Alongside of this, Council has concentrated on maintaining the delivery of service with its core activities of roading, water supply, water disposal, and solid waste (refuse) disposal.

In this plan you will see we are proposing much of the same. The focus continues on providing our existing levels of service, whilst limiting the increases in revenue we raise from rates. An important part of the plan is emphasising the strategy Council is using to achieve this and the implications of Council's direction. Please refer to the section on *Council's Financial Strategy* for the detail.

Challenges to Council achieving this goal are presented where we need to upgrade our services, whether bought about where new standards/legislation demand it and/or where the community mandates it. This plan includes options on a number of such projects, the more significant being:

- Water supply upgrades to meet drinking water standards for Greymouth. (We will be asking the smaller communities of Runanga, Dobson, Taylorville, and Stillwater on their preference for upgrades)
- New sewerage scheme for Dobson/Taylorville/Kaiata
- New recycling initiatives (both 'bring to' and 'kerbside')

Where relevant we will specifically consult with the affected communities in addition to the consultation process outlined in this plan, to ensure everyone has their fair chance of having their say.

From year 2 of the plan we are also signalling the need to renew the underground sewer network in Runanga and Dunollie, to prevent failings of the system becoming more frequent. It is planned to carry out this renewal work over a 12 – 13 year period, concentrating on the worst areas first. This requires a significant rate input from these residents.

As referred to above we will be seeking specific input from the areas of:

- Runanga/Dunollie/Rapahoe/Coal Creek;
- Dobson/Taylorville; and
- Stillwater

with respect to the future of their water supplies. Current drinking water standards are that these schemes need to be upgraded to provide additional treatment at the source. This involves a significant capital cost, as well as increased operating and maintenance costs for the scheme. We haven't included these costs in our draft plan; largely based on the concern of Council that other priority infrastructure demands will present a significant cost increase for the communities. However we will specifically seek the views of the community, including looking at the issues of:

- Upgrading the schemes now based on current options/subsidies
- Looking at alternative options such as connecting to the Greymouth scheme
- Emphasising potential implications, including the risk of losing any subsidies if schemes aren't upgraded within specified timeframes

In the meantime we will continue to:

- Discuss with Central Government options for extending the compliance dates

- Discuss with Central Government options for higher financial assistance than those already available

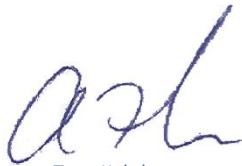
Council also seeks to use every opportunity to use funds available externally to provide new services or increases the level of service provided already. Some of these opportunities present a chance to provide something the community wants, whilst limiting the amount that is needed to be met from rates. In this plan you will note we are signalling a number of projects, such as:

- The Miners Recreation Centre (indoor sports stadium). It is hoped that this can be fully funded via external fundraising.
- Southern Breakwater viewing platform, to enhance the area for visitor use (funded from Development West Coast's Extraordinary Distribution Fund)
- Northern Breakwater recreation area, including enhancing and emphasising the unique ecological values of the area (funded from Development West Coast's Extraordinary Distribution Fund)

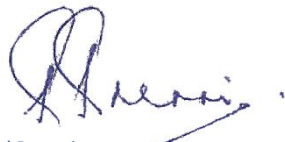
The operation and maintenance of the new facilities will need to be met from a mix of user fees and Council rates.

Whilst we have striven in recent years to limit cost increases passed on to you as a community, we recognise that rates make up a significant portion of household or business expenditure. We therefore will continue to seek efficiencies and deliver value for money services by spending our income as prudently as we can.

In closing, thank you for taking the time to read our plan and we hope you feel encouraged to have your input. Council is confident about the future of our District.











Tony Kokshoorn
MAYOR



Paul Pretorius
CHIEF EXECUTIVE OFFICER

[2] Key Council contact information

Council contacts	 <p>Grey District Council 105 Tainui Street P O Box 382 Greymouth</p>
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	 <p>info@greydc.govt.nz</p>
	 <p>web: www.greydc.govt.nz facebook: facebook.com/greydc twitter: @GreyDistrict</p>
Banker	 <p>Westpac</p>
Auditor	 <p>Audit New Zealand, Christchurch on behalf of the Office of the Auditor General, Wellington</p>
Solicitor	 <p>Hannan & Seddon, Greymouth</p>

[3] Your Council

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		<ul style="list-style-type: none"> • Finance • Economic Development • Port • Youth • Advocacy • Public Relations
Deputy Mayor	Doug Truman QSM	Central	<ul style="list-style-type: none"> • Legal • Water • Stormwater • Sewerage • Maori Affairs
Councillors	Paul Berry	Eastern	<ul style="list-style-type: none"> • Resource Management • Regulatory Functions • Staff • Dog and Stock Control
	Kevin Brown	Central	<ul style="list-style-type: none"> • Health and Disability • Library • Safety/Security
	Tony Coll	Central	<ul style="list-style-type: none"> • Airport • Property • Liquor Licensing
	Peter Haddock	Southern	<ul style="list-style-type: none"> • Land Transport • Parks and Reserves • Forestry
	Karen Hamilton	Central	<ul style="list-style-type: none"> • Arts • Culture • Heritage • Toursim
	Anna Osborne	Eastern	<ul style="list-style-type: none"> • Civil Defence • Waste Management
	Cliff Sandrey	Northern	<ul style="list-style-type: none"> • Sport and Recreation • Cemeteries • Pensioner Housing • Welfare



[4] Audit opinion

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF GREY DISTRICT COUNCIL'S LONG-TERM PLAN STATEMENT OF PROPOSAL FOR PUBLIC CONSULTATION FOR THE TEN YEARS COMMENCING 1 JULY 2012

The Auditor-General is the auditor of Grey District Council (the District Council). The Auditor-General has appointed me, Ian Lothian, using the staff and resources of Audit New Zealand, to report on the Long-term Plan Statement of Proposal (LTP Statement of Proposal) for public consultation on her behalf. We have audited the District Council's LTP Statement of Proposal dated 23 April 2012, for public consultation for the ten years commencing 1 July 2012.

The Auditor-General is required by section 84(4) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP Statement of Proposal complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP Statement of Proposal.

Opinion

Overall Opinion

In our opinion the District Council's LTP Statement of Proposal dated 23 April 2012 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we considered the specific matters outlined in section 84(4) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the LTP Statement of Proposal provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Implications of the District Council's financial strategy

Without modifying our opinion, we draw your attention to pages 38 to 41, which set out the District Council's intention not to fully fund depreciation on some road, stormwater, sewerage, port, and community facility assets. As shown on page 50, this has resulted in projected operating revenue being set at a level insufficient to meet all projected operating expenses

for seven of the ten years of the plan. The implications are that in future the District Council will have to:

- replace assets by increasing rates or funding from other sources; or
- not replace assets; or
- replace existing assets with assets that provide reduced levels of service.

Water supply assets

In forming our unmodified opinion, we considered the District Council's exclusion of the costs and funding required to upgrade the water supply assets to some communities as set out on pages 39 to 40. In our view, given future drinking water standards will be breached if the upgrades are not done within the next three years, the District Council should have planned for these costs and the funding required in this LTP Statement of Proposal. However, the amounts involved are not material to the LTP Statement of Proposal as a whole.

Our report was completed on 23 April 2012. This is the date at which our opinion is expressed.

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

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements 3000: *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP Statement of Proposal does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP Statement of Proposal. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP Statement of Proposal. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP Statement of Proposal. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP Statement of Proposal provides the community with sufficient and balanced information about the strategic and other key issues, choices and implications it faces to provide an opportunity for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP Statement of Proposal;

- the presentation of the LTP Statement of Proposal complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP Statement of Proposal are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTP Statement of Proposal is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP Statement of Proposal;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP Statement of Proposal are based on best information currently available to the District Council, and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;
- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP Statement of Proposal.

We do not guarantee complete accuracy of the information in the LTP Statement of Proposal. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTP Statement of Proposal and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the District Council

The District Council is responsible for preparing a LTP under the Act, by applying the District Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The District Council is also responsible for such internal controls as it determines is necessary to enable the preparation of a LTP that is free from material misstatement.

The District Council's responsibilities arise from Section 93 of the Act.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the LTP Statement of Proposal and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 84(4) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP Statement of Proposal.

Independence

When reporting on the LTP Statement of Proposal 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 this report and in conducting the annual audit, we have no relationship with or interests in the District Council.



Ian Lothian
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Matters Relating to the Electronic Presentation of the Report to readers of the Long-Term Plan Statement of Proposal

This audit report relates to the Long-Term Plan Statement of Proposal of Grey District Council (the District Council) for the ten years commencing 1 July 2012 included on the Council's website. The District Council is responsible for the maintenance and integrity of its website. We have not been engaged to report on the integrity of the District Council's website. We accept no responsibility for any changes that may have occurred to the Long-Term Plan Statement of Proposal since they were initially presented on the website.

The audit report refers only to the Long-Term Plan Statement of Proposal named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the Long-Term Plan Statement of Proposal. 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 Long-Term Plan Statement of Proposal as well as the related audit report dated 23 March 2012 **Error! Bookmark not defined.** to confirm the information included in the audited Long-Term Plan Statement of Proposal presented on this website.

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

[5] About the plan

[1] What is in the plan

PART A: Introduction

This section provides summary information about our District and an overview of the plan

PART B: Community outcomes – Council’s Strategic Vision

Council sets out what its strategic vision for the District is, beyond those things that the Council is directly responsible for. These are also referred to as *Community outcomes* (as they were called in previous long term plans). We link the strategic vision/community outcomes to the activities that Council undertakes to demonstrate how Council is contributing to their delivery.

PART C: Council’s Financial Strategy

An important part of this plan is explaining and discussing the financial strategy of Council. The purpose of this is to describe the overall financial ‘direction’ of Council and set out the implications/consequences of the financial ‘direction’. This section includes Council setting a limit on rates and debt.

PART D: What Council Does – Reported by *Groups of activities*

An overview is provided for each group of Council activities, outlining the financial requirements, the major priorities and projects for each activity. It also outlines how Council is going to measure its financial and non-financial performance in achieving activity goals and how they link to Council’s overall strategic direction.

Further detailed information in respect of the separate activities is contained in activity management plans that are public documents.

PART E: Council’s finances and rating information

An overall forecast financial summary is given for the next ten years. This information is collated from the financial information for each activity described in the previous section. It also outlines

the rates to be set for the 2012/2013 year, and an indication of what rates would be for future years of the plan.

PART F: Other Information

This section provides an outline of the key Council policies and other relevant information required to assist with decision making and planning. There is also a schedule of the proposed fees and charges Council intends to set for the 2012/2013 year.

PART G: Have your say

This section details the ways you can have your input into this draft plan, which Council will consider before it adopts the final plan in June 2012.

[2] What is the ten year plan?

Councils have a requirement to produce a Long Term Plan at least once every three years. Three years ago we produced the 2009 – 2019 Grey District Long Term Community Outcomes Plan after extensive consultation. Since this time there has been a slight amendment to the Local Government Act 2002 which reduces some of the amount of information required to include in our plans. It is fair to say the intention of the plan remains the same, that is; an integrated planning document

This **Draft 2012 - 2022 Grey District Long Term Plan (LTP)** represents our effort to demonstrate Council’s goals for delivery the various activities it is involved in and how we see the activities of Council contributing to the overall wellbeing of the district. The plan covers a ten year period from 01 July 2012 to 30 June 2022 and explains what Council intends to do and what the cost will be. It is the product of extensive public consultation including seeking public input on this draft (refer PART G: Make a submission for more detail on how this can be done).

The first year of the plan (2012/2013) is also the Annual Plan for that year (i.e. there will be no separate annual plan produced for 2012/2013). It will be updated and revised every three years, based on inputs from within the community. In the second and third years (until the next review) we will prepare an Annual Plan for each year.

Should any significant deviation from this plan come up, a suitable amendment of this Plan will be consulted on.

[3] What are activity management plans?

The information required to support and plan for the needs of each Council activity is vast. Therefore Council has Activity Management Plans for each individual activity delivered by

Council. These provide the detailed analysis of all the relevant information, such as individual assets, required for each activity. Each Activity Management Plan therefore provides the foundation for the information that is presented in this plan. Each Activity Management Plan is publicly available on request.

[4] Reporting on the plan

At the end of each financial year (30 June) an Annual Report is completed, outlining Council’s actual financial performance as well as those non-financial performance measures that Council uses to measure its achievement.

[5] Council’s strategic vision - community outcomes

Community outcomes can be considered the wider goals and aspirations of the community as a whole, describing what the community wants to achieve to make our place a desirable place to live. They are intended to promote a co-ordinated approach in the use of resources, so that the multiple parties involved can work together. In the past 2 long term plans Councils have had stringent requirements for identifying community outcomes for the district, and then reporting on the progress towards achieving these outcomes.

With recent amendments to local government legislation there is more discretion available to Councils as to how they approach the identification of community outcomes. Our Council has taken an approach to focus more on Council’s contribution to the outcomes, in the context of considering an overall strategic vision for the district. This is discussed in further detail in the following section:

PART B: Council’s strategic vision:
community outcomes

[6] Influencing the plan (have your say)

This Plan should reflect the needs and wants of the community and it is most important that it gets as wide a public input as possible. Council actively encourages its community to read and understand the Plan and associated Activity Management Plans and to make submissions on any changes, additions or omissions they believe Council should consider. Residents have the choice to also address Council or a Council subcommittee set up to hear submissions, on any written submissions made. Each submission made is carefully considered. Please refer to PART G: Make a submission for full details on how you can have your say.

[7] Relationship between the long term community outcomes plan and other documents



[8] Grouping of Council activities (Groups of Activities – GOA)

Council is involved in a wide range of activities, and to provide information on each in detail in this plan would make it an even larger document than it is. We therefore group our activities (Group of Activities – GOA), using the following criteria to decide on the most appropriate grouping:

- The proportion of Council's turnover the activity makes up, e.g. and activity such as roading represents a significant proportion of Council's turnover, and therefore this alone presents a good enough reason to report this activity on its own. Likewise an activity that has little financial impact may be more likely to be grouped in with others;

- How similar activities are to another, e.g. activities such as Swimming Pools and Libraries are often referred to as community assets, as whilst they make an important contribution towards our community as a whole they are not considered essential services like are roading, water supply etc.... You will therefore see these type of activities grouped together in this plan.

The graphic below shows how our activities are grouped for this plan. They are largely as has been the way in recent years, except previously we had a group called 'Liaison with other Agencies' which included Council's involvement in such things as Restorative Justice, Safer Community Council, Big Brother Big Sister etc... As our role is largely administrative in these activities we have now included it in 'Democracy and Administration'



[6] The Grey District today and going forward

[1] Grey District now

Overview

Extending more than 500 kilometres along the western side of the South Island, the West Coast is the longest region in New Zealand (from latitude 40°50' to 44°15' south). Its length is almost the same as the distance between Auckland and Wellington. Hemmed in between the mountains and the sea, only a narrow strip of land is habitable. Renowned for periods of high rainfall, this combined with a mild climate means the West Coast has a great extent of native forest.



The Grey District is the gateway to the West Coast of the South Island New Zealand. Stretching from: the south banks of the Punakaiki River in the north; to the Taramakau River in the south; and inland to Inchbonnie and the Little Grey River at Ikamatua. It is a District with a vast diversity, rich in history and an abundance of character.

Population

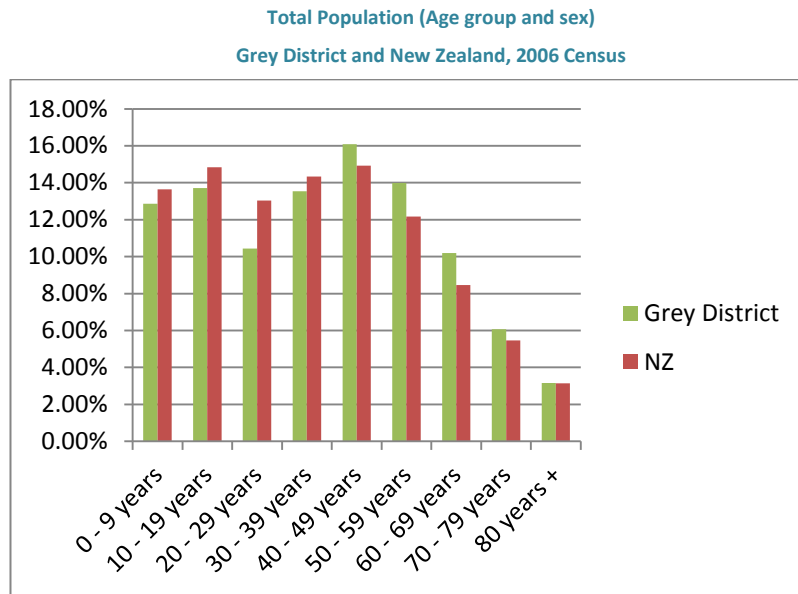
Although the West Coast region covers 8.7% of the land area of New Zealand, it has only 0.8% of the people. Most of the small population lives in towns near the mouths of major rivers, and the rest of the region is sparsely settled.

The West Coast is one of the few parts of New Zealand where the population has been declining since last century – from a high of 40,136 in 1936 down to 30,300 in 2001. However, the 2006 census showed a slight increase, to 31,326, and estimates from this time show further increases.

Population at a glance:

	as at date	Grey District	West Coast	New Zealand
Estimated population	30 June 2011	13,890	32,940	4,405,300
population change 2006 - 2011 (people)	30 June 2011	+ 669	+ 1,614	+ 377,353
population change 2006 - 2011 (%)	30 June 2011	5.1%	5.2%	9.4%

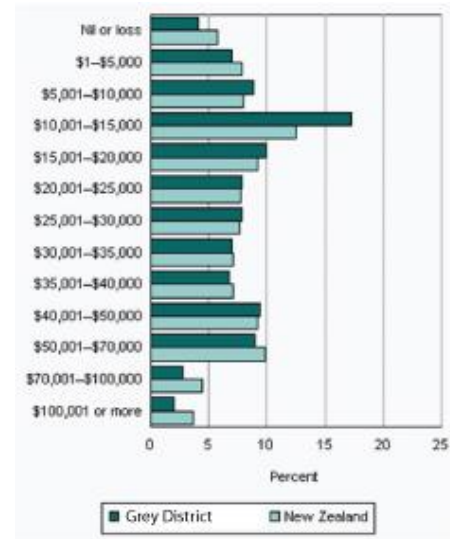
Age distribution of population as compared to the whole of New Zealand is displayed in the following graph (2006 census)¹



- The median age (half are younger, and half older, than this age) is 38.9 years for people in Grey District. For New Zealand as a whole, the median age is 35.9 years.
- 13.5 percent of people in Grey District are aged 65 years and over, compared with 12.3 percent of the total New Zealand population.
- 21.6 percent of people are aged under 15 years in Grey District, compared with 21.5 percent for all of New Zealand.

Income

Income for People Aged 15 Years and Over
Grey District and New Zealand, 2006 Census



- For people aged 15 years and over, the median income (half earn more, and half less, than this amount) in Grey District is \$21,200. This compares with a median of \$24,400 for all of New Zealand.
- 48.2 percent of people aged 15 years and over in Grey District have an annual income of \$20,000 or less, compared with 43.2 percent of people for New Zealand as a whole.
- In Grey District, 13.1 percent of people aged 15 years and over have an annual income of more than \$50,000, compared with 18.0 percent of people throughout New Zealand.

¹ As widely publicised, the 2011 Census did not proceed due to the Canterbury earthquakes. The opinion of the Grey District Council is that the 2006 census statistics have not significantly changed, particularly those that are relevant to Council's planning and decision making. As a smaller district the Council also believes it is able to keep abreast of any changing makeup of the district.

[2] The District in the future

As referred to elsewhere in this plan, Council is not predicting any substantial change to the make-up of the District over the 10 year period of this plan.

In spite of the honest effort in this plan to predict what the future holds, we accept that ever changing external and other factors may prove the assumptions made totally wrong. A good example of this is the global economic recession which continues to have an impact on the district. Other more localised events such as the Canterbury earthquakes also have a direct influence on the West Coast economy. We do know that the Grey District faces some potentially challenging and emerging issues in the short and long-term that might affect some or all of Council activities. Council's main focus is to ensure sustainability, transparency and accountability in its governance and efficiency in its Administration. Council must also continually adapt to this changing world.

Specific issues facing the District are:

Managing growth and change

The District, notably the Greymouth area has had a sustained period of relatively high housing growth. We expect the growth to continue albeit not at the same pace as over the past three years.

Outside of the main urban area of Greymouth the District consists of a number of smaller communities. None of these communities has a current population of more than 1,000 people and even with population growth none of these communities is expected to have a permanent resident population of more than 1,000 by 2019. This raises concerns about how sustainable our communities are in the longer term especially given the "drive" for modern service delivery like reticulated water and sewerage.

A large number of small-dispersed communities mean that there are a number of small network infrastructure schemes and a need for road infrastructure to connect them. The fact that the Council needs to operate a number of separate water and wastewater schemes means that it is not able to take advantage of the 'economies of scale' that are associated with the provision of this type of infrastructure. The lack of a high population density will continue to play a role in increasing expenditure requirements.

Moana especially has a large transient population. During the majority of the year Lake Brunner area has a usually resident population of less than 300, however there are nearly 700 rating assessments in this area. This can put the population at peak holiday times into the thousands. Council needs to design much of its infrastructure to cope with this 'peak' population. This creates a dilemma in that much of the 'peak' period infrastructure is funded from a 'relatively' small rating base.

Population projections

The usual resident population of the District is expected to increase to approximately 14,500 by 2022. This is a fairly conservative average annual increase of approximately 0.4% per annum. There will be different rates of change in each area and in some places the population is expected to not increase at all. Greymouth and surrounds is expected to remain the most populated centre. The population will continue to fluctuate during the year with a significantly higher population during the summer holiday period. This will bring with it increased pressures on infrastructure and services. In planning for future services, the focus is strongly on the needs of our youth.

Implications of sustained growth

In spite of Council's focus on and success in creating greater diversity in our local economy, sustained growth is not yet secure and the vulnerability of the economy is clearly felt as part of the current global economic crisis. We still expect positive growth which will have implications for the Council and the District's communities. These include:

- Planning and development issues in terms of the nature and intensity of development that is occurring and should be allowed to occur in the future within urban, rural and coastal areas.
- Questions about the impact of further development on the physical environment and the environmental standards that new development should meet.
- Infrastructure planning and development issues in terms of both providing the infrastructure needed and the need to ensure that it is consistent with the vision that the community have for the District as a whole and their individual communities.
- Community development and sustainability issues in terms of the changing social structure of our communities and our ability to maintain a 'balanced' community in terms of its socio-economic profile.
- Economic development issues in terms of ensuring that the District's economy develops in a 'balanced' and sustainable way.
- Issues about the role that the Council, as compared with the private sector, should play in the provision and funding of the infrastructure needed to service growth, and how it might work with others through public-private partnerships.
- Issues about the role that the Council, as compared with the service sector should play in the provision and funding of social services and infrastructure.
- While the majority of growth may be occurring within the existing settlements there is a question about the extent to which this is sustainable in the long-term and the impact that continued development within the existing urban settlements will have on the 'character' of these settlements.

Biodiversity

The District's physical environment as part of the wider West Coast is widely acknowledged as being a determinant for a buoyant tourism industry and Council has to be seen to work towards protecting it into the future. There are a number of environmental challenges facing the District. These include:

- Coastal erosion as a result of high seas. This problem is not widespread but it is serious in individual cases especially Rapahoe where existing ecosystems and even property are at risk.
- The on-going threat of flooding, not only from the Grey, Taramakau and Arnold Rivers, but from the series of creeks running through communities, e.g. Greymouth, Cobden and Runanga.
- Threats to local agriculture as a result of a relaxation in movement controls and Animal Pest Management. Bees are a more recent example.
- The on-going threat to whitebait breeding habitats

Our District still has a wide and important range of natural "sites" and features that help make it great. These include:

- Native forest and scrub.
- Swamps and bogs.
- Streams, rivers and lakes.
- Beaches.
- Marine and estuarine ecosystems.
- A wide and unique selection of fauna, flora and bird life.

Areas of our coastline are particularly sensitive because of the presence of Southern Blue Penguin stocks.

Environmental standards and pressures

National and international commitments to resolving global environmental issues impact on local authorities and how they operate sustainably on a day-to-day basis and also on the type and cost of services they provide. Central government's programme on addressing climate change has resulted in the Emissions Trading Scheme, which impact on Council in two ways, namely:

- a carbon credit regime on emissions from landfills from 2012
- a levy of \$ 10.00 per tonne of waste landed at the landfill from July 2009. Council can access funding up to 50% of its levy paid if it implements waste minimization programmes i.e. kerbside recycling.

Climate change

The Intergovernmental Panel on Climate Change (IPCC) is unequivocal that global warming is occurring although debate continues about the validity of climate change and its pace. In a recent report on climate change impacts, adaptation and vulnerability, the IPCC states that "with high confidence, impacts of regional climate change are now evident in increasing stresses on water supply and agriculture, changed natural ecosystems, reduced seasonal snow cover and on-going glacier shrinkage". The IPCC predicts that there is a 99% probability that during the 21st century, New Zealand's climate will be warmer with noticeable changes in extreme events, including more frequent and intense floods, landslides, droughts and storm surges. It further predicts that the potential impacts of climate change are likely to be substantial if no further adaptation is achieved. The most vulnerable areas for our District are:

- Natural ecosystems – the composition is likely to alter.
- Water security – floods are likely to increase in frequency and severity.
- Coastal communities – sea-level rise and storms are likely to exacerbate the future risk to lives, property, and infrastructure.

This then poses challenges for the District in planning for climate change in relation to land-use, infrastructure and the economy. Council already has a policy in place that makes development within the Mean High Water Spring subject to assessment by and support of a Coastal Expert. Council also, through its membership of the Greymouth Joint Floodwall Committee is ensuring that the protection values of the current Greymouth and Cobden floodwalls will be increased to a 1:150 year return period. Apart from that, Council has developed extensive Lifelines Plans and relationships and is ensuring optimal readiness of its Civil Defence personnel.

Ratepayer diversity

Even though the economic growth has created significant opportunity for local employment at good rates, it is a reality that a large percentage of our permanent resident population have lower than average income levels. The reality of distance from Greymouth as the main centre also determines access to services and this needs to be provided for in our rating systems. Affordability for smaller outlying communities in relation to infrastructure provision and maintenance is a significant issue and Council has, since 1989 maintained a "Club Scheme" funding arrangement whereby larger communities assist smaller communities.

The diversity of the ratepayer base and nature of the population change that has and is occurring within the District, raises a number of issues including the changes in the nature and 'feel' of a number of communities and the District as a whole

Council has for some years now focused on one District community with its own unique spirit and identity. These concepts acknowledge the importance of community as a 'social system'. In this way, despite the differences in economic profile each community fulfils an important and

necessary function in terms of the wellbeing of the community as a whole. Each is dependent on the other's contribution to 'life' in the Grey District.

Assumptions about the future

In order to help the Council in its long-term decision-making, a number of assumptions have been made about the future. While we cannot know what will happen over the next ten years, it is important to forecast what is most likely to happen based on current knowledge. These forecasts enable the Council to ensure its financial forecasts are as accurate as possible, and the services it plans to deliver are relevant. There will always be risks and a level of uncertainty that the assumptions prove to be significantly incorrect. To prevent this from happening so far as possible, the Council looks to use authoritative sources in developing its assumptions. It also reviews its assumptions at least every three years as part of the Long Term Plan review.

A full set of assumptions is presented in this Plan along with notes on the level of risk, uncertainty and financial effects (refer PART E:[2] Key assumptions applied in the preparation of this plan page 144).

Increase in costs

The cost of delivering Council business is projected to continue increasing. There are many factors that can influence actual costs, including:

- Inflation.
- The ability to receive competitive tenders for contract work.
- The cost of capital works involving roading, property, water and energy.
- Subsidies received from New Zealand Transport Agency (formerly Land Transport New Zealand).
- Return on financial investments.
- Interest rates on borrowing.

PART B: Council's strategic vision: community outcomes

*The Grey District will be a progressive,
sustainable area where people want to
live, work, play, and invest*

[1] Introduction

Community Outcomes describe the vision the community has for the District. They are statements about what the community wants to achieve now and in the future. A way to view community outcomes is that they are 'things that the community thinks are important for its wellbeing' or things that describe what the community would like to be or to become. Different communities may frame their desired outcomes in different ways, identifying values they believe to be important or different visions for the future based on their own local resources, wants and needs.

In a sense, Community Outcomes allow local communities to define what they think is good for their economic, social, cultural and environmental wellbeing and are an expression of what their values are.

[2] Background

In 2003 Council consulted on a set of community outcomes that reflected the wider goals and aspirations of the community as a whole, describing what the community wanted to achieve to make our place a desirable place to live. In 2009 the outcomes were aligned with those with the other West Coast Councils to allow a greater amount of shared planning and reporting of achievement towards the outcomes.

With recent changes to local government legislation there is more discretion available to Council on what level of consultation they want to carry out in reviewing/determining the outcomes.

Our Council decided in 2011 that they would not carry out public consultation in determining the outcomes to be used in this plan; based on the principles of:

- The community outcomes set in 2003 and 2009 were quite similar, and the likelihood of significant change was low. Council did not want to unnecessarily consult with the community; and
- The Community Outcomes already largely represented the existing vision the Council had, as community leaders, of what they saw as the future wellbeing of the District.

Council decided to give greater focus to what it can achieve towards the on-going and future wellbeing of the district, by either providing the service directly or facilitating in the provision of the service from other agencies. The Council termed this as their *Strategic Vision for the Grey District*. Where we refer to *community outcomes* and *Council's strategic vision*, we are referring to the same thing.

[3] how Council determined its strategic vision

In 2011 Council had a number of workshops where they looked at:

- How they see the makeup of District in 5, 10, 20, and 50 years
- What are the relative Strengths and Weaknesses of the District
- What role Council plays in the development of the District

As an outcome of these planning workshops, Council settled on its overall vision for the District to be:

The Grey District will be a progressive, sustainable area where people want to live, work, play, and invest

Council then looked at more specific aspects of their vision. In realising this Vision, Council will work to achieve the following outcomes:

ONE	Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient
TWO	Providing affordable, quality essential services
THREE	Building identity through diverse quality recreational and cultural facilities
FOUR	The district has access to quality education facilities
FIVE	The district has access to quality health facilities and regulation
SIX	Personal and property safety
SEVEN	Sustainable management of our environment

Council will be satisfied that it is achieving the overall vision and outcomes when:

<input checked="" type="checkbox"/>	There is a well-established culture within Council to consult, to be transparent, fair and equitable and to be accountable to the public.
<input checked="" type="checkbox"/>	When Council processes are clear, easy to follow and reflect industry best practice and staff demonstrate an on-going commitment to customer service
<input checked="" type="checkbox"/>	When Council services compare favourably with peer local authority standards in New Zealand, both in relation to quality and price.
<input checked="" type="checkbox"/>	When the District boasts a diverse range of community, cultural, and recreational facilities and this translates into a happy, active community, proud to live in the District.
<input checked="" type="checkbox"/>	When the Region enjoys prosperity and the cooperation between the local authorities maximize efficiency.
<input checked="" type="checkbox"/>	When the District offers opportunities for all to fulfil their aspirations.

The group of activity statements in the plan clearly outline the links to Council’s strategic direction. Council is satisfied that it, by achieving the performance measures outlined in each of these group of activity statements, will achieve the outcomes as outlined above. Reporting against the achievement of such performance measures will be done in the Annual Report

[4] How we will work with others to achieve the strategy outcomes

The initial Community Outcomes in 2003 and 2009 process involved a range of groups, organisations and individuals and represent a summary of what they value for their future and what they want for themselves, their communities and their District. The

‘community’ includes Iwi, stakeholder groups, businesses, government agencies, regional agencies and people across all sectors. Making progress towards achieving the outcomes will need to be a collective effort; it is not only up to the Council. Council will be working with other bodies in achieving outcomes. This is particularly relevant to the outcomes relating to Health, Education, and Safety as a lot of these functions fall outside of Council’s core services.

The Council, in particular, may be able to contribute in many ways that do not involve funding costly programmes or service provision such as through strategic brokering, advocacy, lobbying central government or forming partnerships with other key government agencies to make things work more efficiently. One of the benefits of working this way is that it means a variety of organisations and community groups, possibly including central government agencies, can pool resources and ideas and tackle complicated problems to bring about societal change that is very difficult for any one group on its own. Council is looking forward to exploring some of these options with other providers in the future.

[5] A ROADMAP TO ACHIEVING COUNCIL’S STRATEGIC VISION: Strategic vision and relationship with council activities

The tables below summarise the relationship between what Council does and the wider outcomes. As can be seen not all of the outcomes can be directly achieved by Council. The measures used to assess performance are in some cases indicative only and Council recognises that a lot of measurement will be a qualitative rather than a quantitative basis. Council is also committed to focussing on delivering the outcomes by adapting to the environment, and challenges that arrive, rather than focussing on achieving specific performance measures.

ONE				
Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient				
FOCUS AREA	ACTION	COUNCIL'S CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Commercial and Industrial development	Ensure availability of land for development	<ul style="list-style-type: none"> We, through our Economic Development office, encourage private initiative in the provision of land for development 	<ul style="list-style-type: none"> Economic Development Property & Housing 	<ul style="list-style-type: none"> Success in soliciting private land development.
	A District Plan that is flexible to meet the balanced needs of the community	<ul style="list-style-type: none"> Providing a District Plan that is easy to interpret and an efficient application processing service 	<ul style="list-style-type: none"> Planning 	<ul style="list-style-type: none"> General stakeholder feedback
	Provide quality access	<ul style="list-style-type: none"> We manage the District roading network (excl.SH) including footpaths, and other transport facilities of the port and airport 	<ul style="list-style-type: none"> Land Transport (roading) Planning Port Airport 	<ul style="list-style-type: none"> Quality and ease of road access to commercial area(s). Convenience and quality of footpaths. Information value of road signage.
	Provide adequate, convenient parking	<ul style="list-style-type: none"> We manage the provision of parking and regulate to ensure optimal use. 	<ul style="list-style-type: none"> Parking 	<ul style="list-style-type: none"> Convenience and adequacy of parking. Availability of parking.
	Address planning issues	<ul style="list-style-type: none"> Council is partnering the business community in the Town Development strategy aimed at addressing planning and layout issues 	<ul style="list-style-type: none"> Planning Economic Development 	<ul style="list-style-type: none"> Implementation of agreed corrective strategies. Success of corrective strategies implemented. Extent to which CBD is deemed as inviting and attractive.
	Address flooding issues in CBD within limitations of infrastructure	<ul style="list-style-type: none"> Council is responsible for all aspects of stormwater management 	<ul style="list-style-type: none"> Stormwater 	<ul style="list-style-type: none"> Success of system to deal with flooding events.
Tourism	Promote the District as an attractive visitor destination and assist operators in making it a destination of preference.	<ul style="list-style-type: none"> We undertake the marketing of the District as part of the wider economic development function. 	<ul style="list-style-type: none"> Economic development 	<ul style="list-style-type: none"> Efficiency of marketing. Number of programmes developed in consultation with operators and industry. Level and success of Advocacy.
	Provide quality access	<ul style="list-style-type: none"> We manage the District roading network including footpaths, traffic signage, street lighting, bridges and road safety programmes 	<ul style="list-style-type: none"> Roading Planning 	<ul style="list-style-type: none"> Convenience and quality of road access to attractions. Functionality of footpaths.
	Encourage use of Council owned facilities	<ul style="list-style-type: none"> We are directly responsible for a number of attractions 	<ul style="list-style-type: none"> Swimming Pools Arts Culture and Heritage Parks and Reserves 	<ul style="list-style-type: none"> Level of tourist usage of facilities. Number of programmes developed aimed at attracting visitors. Regional/national tournaments played here.
	Support for and funding of the Regional Tourism Organisation	<ul style="list-style-type: none"> Council strongly supports TWC as RTO and the principle of regional promotion. 	<ul style="list-style-type: none"> Economic Development 	<ul style="list-style-type: none"> Success of TWC in achieving performance measures agreed to jointly as Region. Level of funding provided as part of a joint funding arrangement.
Agriculture, Mining, Fishing and Forestry	Promote these industries as important components of a diverse, growing economy.	<ul style="list-style-type: none"> Council has an important advocacy role as well as a promotion role 	<ul style="list-style-type: none"> Council (Democracy) Economic Development 	<ul style="list-style-type: none"> Level and success of advocacy. Efficiency of marketing and programme development. Standard of interaction with the industries and associates
Economic Development	Promoting: <ul style="list-style-type: none"> Diversity Opportunity Employment Growth 	<ul style="list-style-type: none"> Council, through its Economic Development and Marketing Office seeks to grow the local economy and to market the District. 	<ul style="list-style-type: none"> Economic development 	<ul style="list-style-type: none"> Success of marketing. Levels of diversity achieved. Youth retention levels. Employment opportunities for family members of professionals coming here. Growth levels.

TWO				
Providing affordable, quality essential services				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Roading	Provision of safe, convenient and durable road access within the District including signage, marking	Council as road controlling authority is responsible for the provision of good roads (also bridges etc.) in the District which includes road safety promotion and management of road usage other than speed control	<ul style="list-style-type: none"> Land Transport (roading) 	<ul style="list-style-type: none"> Quality of roads. Durability of roads. Safety of roads. Relative affordability of service.
	Promoting road safety			
Stormwater	Providing stormwater collection and disposal services via reticulation and public drains to prescribed standards and within limitations of infrastructure	Council provides stormwater services in the form of reticulated systems and public drains in built-up areas throughout the District	<ul style="list-style-type: none"> Stormwater 	<ul style="list-style-type: none"> The number of flooding events recorded. The time taken to clear flooding. The level of flooding involved. The cost of the service compared to other local authorities of similar size.
Wastewater/Sewerage	Providing sewerage collection, treatment and disposal services in reticulated built-up areas	Council provides sewerage services in reticulated areas in the District	<ul style="list-style-type: none"> Wastewater/Sewerage 	<ul style="list-style-type: none"> Compliance with Resource Consents and legislative requirements. Environmental issues i.e. odours. Reliability of service. Relative affordability of the service.
	Ensuring competence of on-site services in non-reticulated areas.	Council has a health responsibility in relation to sewerage collection and disposal in non-reticulated areas	<ul style="list-style-type: none"> Health regulation 	<ul style="list-style-type: none"> Number/frequency of problems. Response times and success of interventions.
Water Supply	Providing clean, potable water to communities connected to the reticulation or wanting to connect in line with MOH expectations.	Council sources water at 5 (soon 6) locations and distributes it to a variety of residential and rural residential areas.	<ul style="list-style-type: none"> Water Supply 	<ul style="list-style-type: none"> Water quality monitoring results. Cost of water compared to other similar sized local authorities.
	Ensuring consistency of supply		<ul style="list-style-type: none"> Water Supply 	<ul style="list-style-type: none"> Number of service interruptions. Duration of service interruptions. Storage capacity available.
	Regulatory oversight over health related aspect of private water supplies	Council has certain regulatory responsibilities in relation to private water supplies	<ul style="list-style-type: none"> Health regulation 	<ul style="list-style-type: none"> Quality of supplies. Frequency of monitoring.
Solid waste management (refuse and recycling).	Providing a competent waste collection, storage and disposal system for the District including management of McLeans landfill.	Council provides waste collection, storage and disposal service for the District.	<ul style="list-style-type: none"> Solid waste management 	<ul style="list-style-type: none"> Compliance with Resource Consents. Environmental concerns. Life of each cell at McLeans landfill. Relative affordability of the service.
	Providing competent waste minimization processes including associated education of users.	Council provides opportunities for residents to minimise their waste required to be disposed in a landfill	<ul style="list-style-type: none"> Solid waste management 	<ul style="list-style-type: none"> Volumes of waste going into the landfill. Efficiency/convenience of recycling collection facilities. Convenience of kerbside recycling. Coverage of the District with kerbside recycling.
	Providing functional litter management services including education	Council, as part of its Health promotion and amenity responsibilities attend to the litter problem.	<ul style="list-style-type: none"> Amenity management 	<ul style="list-style-type: none"> Magnitude of littering as a problem. General appearance of the District. A decrease in numbers of incidents over the next 5 years.

THREE				
Building identity through diverse and quality and recreational and cultural facilities				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Recreation	Provide and/or facilitate the provision of a diverse range of recreational facilities	<p>Council owns and provides a range of recreational facilities including:</p> <ul style="list-style-type: none"> • Civic Centre • Parks • Reserves (incl. walking tracks) • Coastal pathway • Aquatic Centre • Spring Creek Pool • Libraries <p>Council also facilitates recreation through a range of events organised through Sport Canterbury (West Coast office)</p>	<ul style="list-style-type: none"> • Civic Centre • Swimming pools • Miners' Recreation Centre • Parks and Reserves • Libraries 	<ul style="list-style-type: none"> • Usage of facilities. • Standard of facilities. • Relative cost to users. • General resident feedback
	Facilitate availability of other recreational facilities and provide financial and other assistance to providers of such facilities within budgets.	Council takes an interest in making sure that other recreational facilities are sustainable and does this through advocacy, cooperation and financial support. (Sports clubs, Regent Movie Theatres etc.)	<ul style="list-style-type: none"> • Economic Development 	<ul style="list-style-type: none"> • Standard of assistance given. • Level of sustainability achieved. • Popularity of the recreational services supported.
	Advocacy and facilitation	Council acts as lobbyist and promoter for recreational service providers, i.e. for external funding	<ul style="list-style-type: none"> • Council (leadership) • Economic Development 	<ul style="list-style-type: none"> • Level of engagement.
Arts and Culture	Provide or facilitate provision of a range of arts and cultural services/facilities.	<p>Council owns and provides a range of arts and cultural facilities including:</p> <ul style="list-style-type: none"> • History House • Pioneer library <p>Council also facilitates art and culture through a range of events organised through Regent Theatre</p>	<ul style="list-style-type: none"> • History House • Libraries 	<ul style="list-style-type: none"> • Usage of facilities. • Standard of facilities. • Relative cost to users. • General resident feedback
	Facilitate availability of other arts and culture facilities and provide financial and other support to providers of such facilities	Council takes an interest in making sure that other arts and culture facilities are sustainable and does this through advocacy, cooperation and financial support. (Grey Heritage Trust, Regent Theatre, Art in the Park etc.)	<ul style="list-style-type: none"> • Economic Development 	<ul style="list-style-type: none"> • Standard of assistance given. • Level of sustainability achieved. • Popularity of the recreational services supported.
	Advocacy and facilitation	Council acts as lobbyist and promoter for art and culture service providers i.e. for external funding	<ul style="list-style-type: none"> • Council (leadership) • Economic Development 	<ul style="list-style-type: none"> • Level of engagement.
Community	Provide or facilitate provision of a range of community facilities.	Council owns and provides a range of community facilities	<ul style="list-style-type: none"> • Libraries • Public toilets • Cemeteries 	<ul style="list-style-type: none"> • Usage of facilities • General resident feedback

FOUR				
The district has access to quality education facilities				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Schools, Tertiary training , and community education	Facilitate availability of quality and variety of options throughout the District	Council has an advocacy and facilitation role	<ul style="list-style-type: none"> Democracy and Administration (leadership) 	<ul style="list-style-type: none"> Numbers of pre-primary, primary and High Schools available. Coverage of the District. Special needs coverage. Quality of schooling.
Good supportive facilities	Facilitate and supply good supportive facilities	Council owns and manages a range of facilities that support good schooling, i.e. <ul style="list-style-type: none"> Libraries History house Aquatic Centre/Runanga pool Civic Centre/Miners recreation Centre 	<ul style="list-style-type: none"> Libraries Civic Centre History House Swimming pools 	<ul style="list-style-type: none"> Availability of facilities to support education. Use of facilities by education.

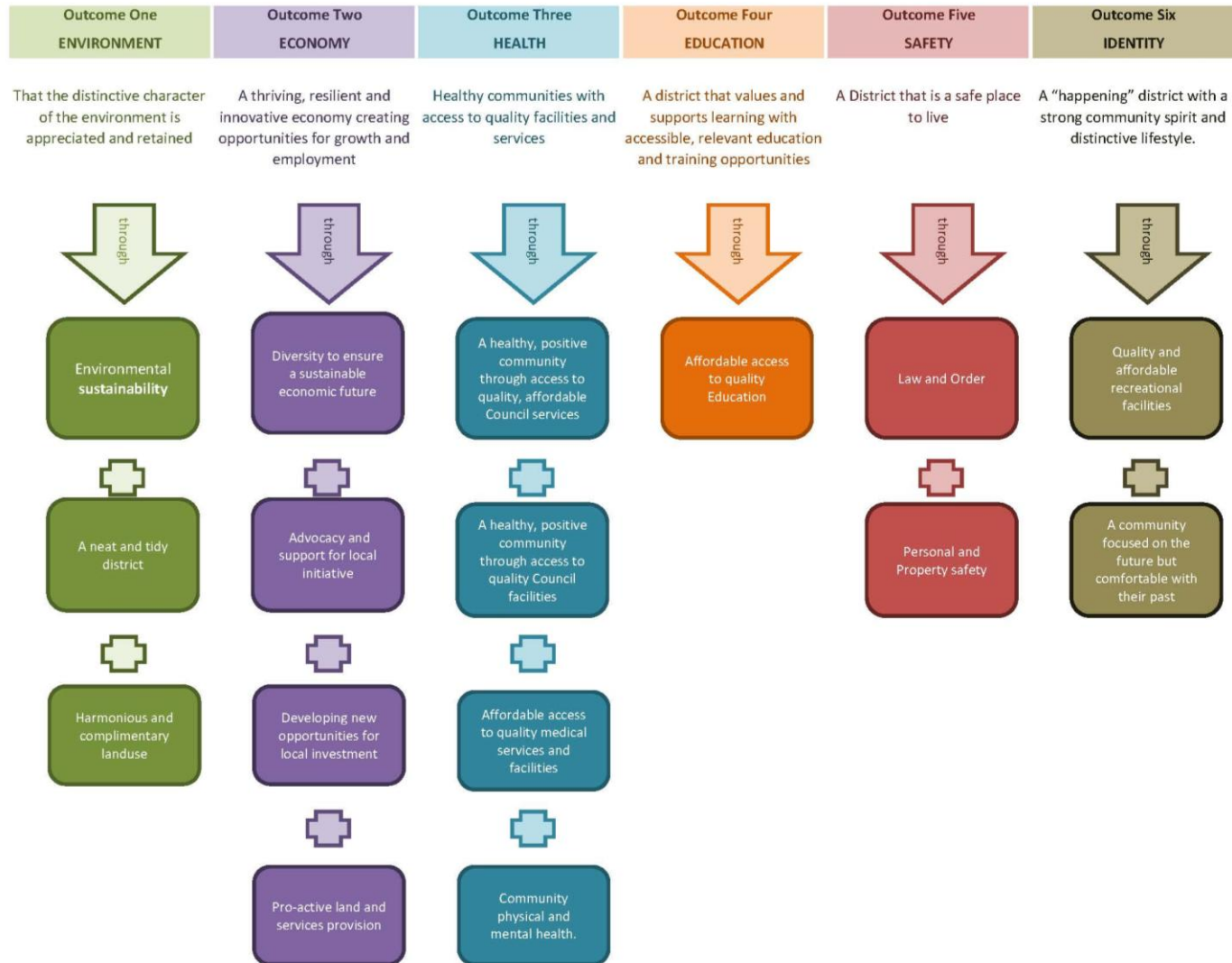
FIVE				
The district has access to quality health facilities and regulation				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Grey Base Hospital	<ul style="list-style-type: none"> Advocate for the provision of a full range of services at the Hospital Advocate for and on behalf of the Hospital 	<ul style="list-style-type: none"> Council has a facilitation and advocacy role 	<ul style="list-style-type: none"> Democracy and Administration (leadership) 	<ul style="list-style-type: none"> Range of medical disciplines provided at the Hospital and alternative arrangements where services are not available locally. Progress with new hospital. Quality of services.
Supportive Health services	<ul style="list-style-type: none"> Facilitate availability of professional health providers (e.g. GP's, Dentists etc...) 	<ul style="list-style-type: none"> Council has a facilitation and advocacy role 	<ul style="list-style-type: none"> Democracy and Administration (leadership) 	<ul style="list-style-type: none"> Range of services provided. Availability of health professionals to deliver the services.
Food safety	<ul style="list-style-type: none"> Ensure a high standard of safety of food served to the public in the District 	<ul style="list-style-type: none"> Inspection and licensing of food outlets 	<ul style="list-style-type: none"> Health Regulation 	<ul style="list-style-type: none"> Food outlets maintaining a high standard of food safety. Food outlets reflecting their grading for customers to see.

SIX				
Personal and property safety				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Emergency Services (Police /Fire /Ambulance)	Facilitate the availability of an all hour coverage of the District	Council has a facilitation and advocacy role	• Democracy and Administration (leadership)	<ul style="list-style-type: none"> • Quality of services. • Response times. • Crime statistics.
Civil Defence	Provide a competent Civil Defence service	Council provides a Civil Defence and Emergency Management service	• Civil Defence	<ul style="list-style-type: none"> • Mobilization times. • Standards of readiness. • Level of training. • Incident management.
Rural Fire	Provide competent rural fire services in rural areas	Council forms part of the WC Rural Fire Authority	• Rural Fire Authority	<ul style="list-style-type: none"> • Quality of services. • Response times. • Fire statistics.
Dog Control	Provide a competent Dog Control service	Council provides an Animal Control service which incorporates measures aimed at preventing danger of dangerous dogs	• Animal Control	<ul style="list-style-type: none"> • Number of dog attacks • Preventative measures. • Action taken to remove dangerous dogs.

SEVEN				
Sustainable management of our environment				
FOCUS AREA	ACTION	OUR CONTRIBUTION	PRIMARY COUNCIL ACTIVITY INVOLVED	MEASURES USED TO ASSESS PERFORMANCE
Resource Management Act	To apply the provisions of the RMA and Council's District Plan in a fair and objective manner thereby ensuring protection of the environment	Council is tasked with the application of the RMA and District Plan with the ultimate objective being sustainability and protection of the environment	• Planning	<ul style="list-style-type: none"> • Objectivity in applying the legislation. • Fairness in applying the legislation. • Successful achievement of sustainability.
Sustainable development	To focus on achieving sustainability through maintaining a healthy balance between development and protection of the environment.	Council is tasked with the application of the RMA and District Plan with the ultimate objective being sustainability and protection of the environment	• Planning	<ul style="list-style-type: none"> • Levels of sustainability achieved. • Impact on development.
Solid waste management (refuse and recycling)	To manage all aspects of waste management in a way that minimizes the impact on the environment	Council delivers a District wide waste collection, storage and disposal service	• Waste Management	<ul style="list-style-type: none"> • Environmental impacts of Waste Management. • Successful implementation of kerbside recycling and other waste minimization initiatives. • Compliance with Resource Consent conditions.
Wastewater (Sewerage)	To manage all aspects of sewer management in a way that minimizes the impact on the environment	Council delivers a sewer collection, storage and disposal service in urban areas and takes an interest in disposal arrangements in non-reticulated areas from a Health perspective	<ul style="list-style-type: none"> • Wastewater (Sewerage) • Health Regulation 	<ul style="list-style-type: none"> • Environmental impact of sewerage collection, treatment and disposal. • Compliance with Resource Consents. • Health impact of sewerage management in non-reticulated areas.
Other Council services	To manage all aspects of other services in a way that minimizes the impact on the environment	Council delivers other services, i.e. stormwater, roading, Aquatic Centre heating etc.	<ul style="list-style-type: none"> • Stormwater • Land transport (Roading) • Swimming Pools 	<ul style="list-style-type: none"> • Environmental impact of service delivery on the environmental. • Compliance with Resource Consents.

[6] prior community outcomes

The community outcomes used in the 2009 Long Term Community Outcomes Plan were as shown in the below table. Whilst differing wording has been used, Council believes the outcomes described above largely represent the same intent for the wellbeing of the community.



PART C: Council's financial strategy

[1] Strategy focus

Council is involved in a wide range of activities that each presents its own unique funding requirements and challenges. Council is tasked with balancing the needs and wants of the community with the ability and willingness to pay. The Financial Strategy outlines the key issues that Council has considered when setting the financial parameters of funding sources and application of the funds raised. Any decisions by Council have an impact on the future, so a key part of this strategy is to highlight any future implications.

- balancing the funding of assets across their useful lives, i.e. so that also future generations that benefit from such assets, pay their fair share
- limiting the increase in debt levels to maintain a strong balance sheet, and keep future debt repayments to affordable levels

[2] Summary

The District has over recent years experienced moderate growth, and is currently enjoying a small amount of growth. This is in spite of the impact of external factors of the global recession and Canterbury earthquakes on the local economy. Council expects, and has forecasted for this plan, for the small amount of growth to continue (on average 0.4% per annum or approximately 40 new properties per annum). As referred to earlier in the plan Council is estimating that the population will grow slightly to approximately 14,500 by year 10 of this plan. Land usage is predicted to remain largely as is designated now.

Council’s decisions for levels of funding for this plan are largely driven by the desire to provide the existing levels of service within current levels of rating. The plan reflects the cost increases that will incur through expected rates amidst inflation (price increases) and growth (increase in demand). Council’s financial strategy can therefore be summarised as:

- *Continuing to deliver the existing levels of service whilst limiting general rate increases to within 1% of annual inflation*
- *Passing on the costs of increases in levels of service to those who benefit, through the use of sources such as targeted rates*

Council is however tasked with looking after the interests of the current residents and ratepayers **and** future generations. It therefore needs to take into account the effect of the decisions it makes now, and consider the impact on future residents and ratepayers. An example of this would be to increase borrowing now by an amount that will create too high a burden in the future to meet repayments.

Council through this Strategy signals what it believes is the right balance between:

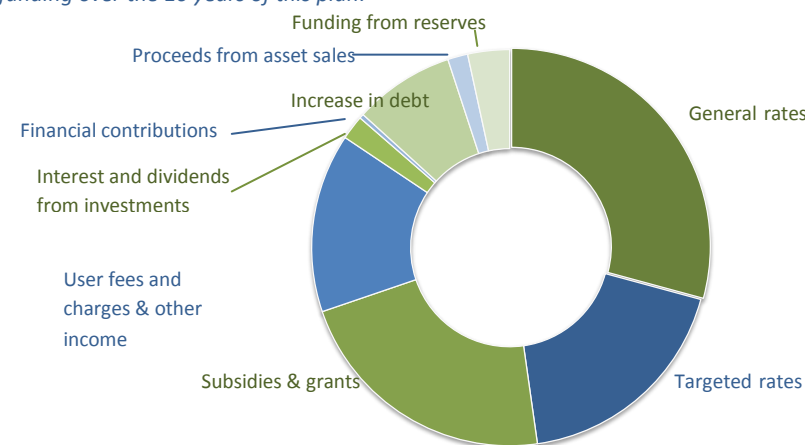
- delivering affordability for current generations;
- maintaining existing levels of service;

[1] Council is signalling in this plan:

Sources of funding – how we pay for services:

FUNDING BY SOURCE	proposed	proposed	total in 10	total in 10
	2012/2013	2012/2013	year plan	year plan
	\$000	%	\$000	%
General rates	8,297	17.6%	97,880	29.2%
Targeted rates	5,216	11.1%	62,153	18.5%
TOTAL RATES	13,513	28.6%	160,033	47.8%
Subsidies and grants	10,105	21.4%	73,742	22.0%
User fees and charges and other income	3,898	8.3%	48,972	14.6%
Interest and dividends from investments	677	1.4%	6,651	2.0%
Development and financial contributions	56	0.1%	1,212	0.4%
Increase in debt	13,980	29.6%	27,547	8.2%
Gross proceeds from sale of assets	180	0.4%	5,487	1.6%
Funding from reserves (special funds)	4,778	10.2%	11,429	3.4%
TOTAL FUNDING	47,187	100.0%	335,073	100.0%

Relative funding over the 10 years of this plan:



We are signalling in this plan:

- general rate increases in-line with expected annual inflation increases. The exceptions to this are:
 - An additional increase in year 4 to provide the required rate input into the operational costs of the Miners Recreation Centre

Therefore Council's overall goal is to keep general rate increases to within 1% of annual inflation.

- targeted rates :
 - increases in-line with any increases in levels of service provided (e.g. where Council is proposing to introduce sewerage to communities there will be an associated increase in the targeted rates payable by such communities)
 - Increases where there is significant renewal work required due to the present condition of assets. This applies to Runanga/Dunollie wastewater
 - targeted rates required for funding on-going operations and maintenance to increase by no more than annual inflation
- User fees increases in line with annual inflation
- Investment income is mostly related to returns on Council's special funds (i.e. money held aside for specific projects). The investment returns will match what level of special funds Council holds, and the investment returns are allocated to the funds.
- Subsidies
 - A large part (approximately 18%) of Council's revenue is made up from financial assistance received from NZTA. In year 1 of this plan and then in year 2 the subsidy rates reduce by 1% both for financial assistance received for maintenance and capital expenditure. Council will absorb this reduction in income by reducing some expenditure items in roading and other activities.
 - Subsidies are also used towards funding other capital works, mainly:
 - Ministry of Health subsidies towards new sewerage scheme in Taylorville/Dobson/Kaiata (50% of the total capital cost)
 - Ministry of Health subsidies towards upgrading water supplies to meet new drinking water standards. The subsidies are only available for the smaller schemes of Runanga/Rapahoe, Dobson/Taylorville, and Stillwater.
- New debt will be raised towards funding of new capital projects, where the benefit of the new asset is spread over a number of years into the future (intergenerational equity). This will see debt increase from the current level of \$15.8m to \$29.5m over the life of this plan.
- Reserve funds will be used to fund specific projects where the money had been committed for that purpose. Discretionary reserve funds will be used to a small

extent to fund projects where Council sees there is an overall benefit to proceed with the projects, without funding from rates.

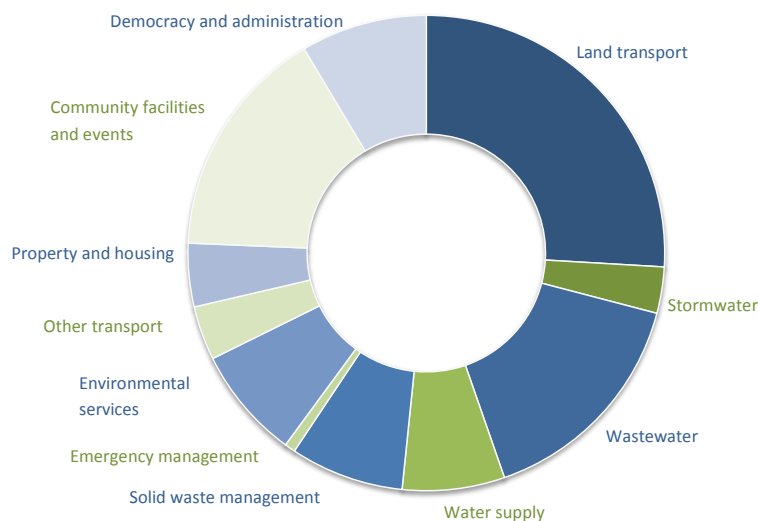
- Proceeds from sale of assets are generally transferred to special funds to be used for future expenditure needs. A large portion of the proceeds signalled in this plan will relate to Council's development of a commercial/industrial subdivision near the port. The proceeds will be used to meet the costs associated with the development and retire port debt.

Use of funds – where the expenditure goes

TOTAL FUNDS SPENT PER ACTIVITY	proposed 2012/2013 \$000	proposed 2012/2013 %	total in 10 year plan \$000	total in 10 year plan %
Land transport	10,931	23.2%	86,906	25.9%
Stormwater	1,054	2.2%	10,546	3.1%
Wastewater	16,726	35.5%	52,281	15.7%
Water Supply	3,131	6.6%	23,250	6.9%
Solid waste management	1,813	3.8%	25,845	7.7%
Emergency management	214	0.5%	2,408	0.7%
Environmental services	2,273	4.8%	25,542	7.6%
Other transport	1,281	2.7%	12,309	3.7%
Property and housing*	1,946	4.1%	14,461	4.3%
Community facilities and events	4,888	10.4%	52,844	15.8%
Democracy and administration*	2,930	6.2%	28,681	8.6%
Total funds spent	47,187	100.0%	335,073	100.0%

* activity expenditure net of overheads recovered from other activities

Relative expenditure per activity over the 10 years of this plan:



TOTAL FUNDS APPLIED BY CATEGORY	proposed 2012/2013 \$000	proposed 2012/2013 %	total in 10 year plan \$000	total in 10 year plan %
Payments to staff and suppliers	14,693	31.1%	174,147	52.1%
Finance costs	1,272	2.7%	19,455	5.8%
Capital expenditure				
—to meet additional demand	1,000	2.1%	1,000	0.3%
—to improve the level of service	23,413	49.6%	47,643	14.2%
—to replace existing assets	5,359	11.4%	64,438	19.2%
Repayment of debt	363	0.8%	13,826	4.1%
Transfer to reserves (special funds)	1,098	2.3%	14,148	4.2%
Net movement in investments	(11)	0.0%	416	0.1%
Total funds spent	47,187	100.0%	335,073	100.0%

We are signalling in this plan:

- Expenditure for operations and maintenance: Council will maintain current levels of service, which will see current levels of expenditure increase with expected levels of inflation plus growth.
 - Renewal of existing assets: Council is signalling to replace or renew assets to maintain existing levels of service throughout the life of this plan; except for:
 - Port of Greymouth: There is no replacement of assets signalled in this plan. Council will be continually reviewing its investment in the port and limiting the expenditure it is required to meet. Of note, it is highly likely the port will need dredging within the life of this plan to maintain access as is available at present (the port was last dredged in 2010 and is expected to maintain current depths for up to 7 years). Council is not intending to fund dredging if and when required in the future.
- For funding of the replacement of assets **beyond** the life of this plan – refer below; [3] Key financial questions.
- Repayment of debt: Council utilises debt to fund new assets when there is a longer term benefit. Generally Council will finance these loans over either the life of the assets or 30 years (whichever is the lesser). Council will then raise the revenue year to year to meet the repayments and interest costs.

- New capital expenditure (new assets): Generally Council associates new capital expenditure with an increase in the level of service provided. For example this could be a new indoor sports stadium that offers opportunities not previously available or a new sewerage scheme for a community that has previously not had a reticulated sewerage network. Council is signalling in this plan a relatively large amount of expenditure developing new assets (approximately \$49 million). This is however limited to a small number of projects, the more significant being:

project	expenditure in the plan (\$000)	description
Roading safety improvements	3,019	Council spends an annual amount upgrading roads to improve safety. This receives financial assistance (subsidy) from New Zealand Transport Agency of 60%
Road strengthening	1,763	Strengthening of existing roads that are currently used for heavy haulage (years 1 - 4 and year 7). This receives financial assistance (subsidy) from New Zealand Transport Agency of 70%
Rough River Bridge replacement	3,826	Replacement of the Rough River Bridge, on the border of the Grey and Buller districts. This receives financial assistance (subsidy) from New Zealand Transport Agency of 70%. The remaining cost will be shared between the eventual owner of the Pike River Mine, Grey District Council, and Buller District Council (assuming it is still a required transport route for the mine)
Bridge Strengthening	338	Strengthening of the Arnold River Bridge on the Arnold Valley Rd (year 10). This receives financial assistance (subsidy) from New Zealand Transport Agency of 70%
Greymouth Sewerage Scheme	14,074	The remaining cost of the new sewerage scheme for the greater Greymouth area. This has received approximately 30% subsidy from central government. The remaining costs have been mainly funded from a targeted rate on the benefiting properties (via loan repayment).
Dobson/Kaiata/Taylorville Sewerage Scheme	7,070	A new scheme for these areas that will be funded 50% from central government subsidy, and the remaining from a targeted rate on the benefiting properties (via loan repayment)

project	expenditure in the plan (\$000)	description
Greater Greymouth Water Supply - Filtration upgrade	1,017	Upgrade required to meet new drinking water standards (year 1). Costs met from a targeted rate against the benefiting properties (via repayment of a loan).
McLeans Landfill	4,821	Development of new cell (3rd cell of 5) for disposal of non-recyclable/re-usable material. This is signalled for year 10. The work will be funded from a loan that is repaid from users of the landfill.
Commercial/Industrial Land development	1,025	Subdivision of Port of Greymouth land with the intention of selling on the open market for profit. Costs incurred Year 1, with intention of selling land years 1 - 6. Development costs met from a loan to be repaid from land sale proceeds.
Miners Recreation Centre	9,000	New indoor sports stadium to be developed as stage 2 of the Greymouth Aquatic Centre (years 1 - 4). The development is to be funded from external grants.
Council's core system	IT 524	Replacement and implementation of Council's legacy core financial, regulatory and planning system.

[3] Key financial questions

[1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?

Many of the assets that Council is responsible for last well beyond the life of this plan, and many have useful lives that last a number of generations. The challenge for Council is to spread the fair cost of these assets equally amongst those that benefit from the use of the assets, also into the future.

Assets are created from expenditure where the benefit extends beyond the funding year. For example, if Council replaces a bridge at a cost of \$1 million dollars, the \$1 million dollars would show as renewal capital expenditure, and not operating expenditure. The bridge will decrease in value as it is used from year to year, and if it had an original life of 100 years it will decrease by \$10,000 each year. This amount of \$10,000 it decreases each year is the **depreciation expense**. It is a logical argument that the community receives \$10,000 of benefit from having the bridge available for use **in that year**. Council revalues its major assets regularly to ensure that their value is relevant to current replacement costs, and therefore the annual depreciation expense is provided for prudently.

As depreciation reflects the annual 'consumption value' of the asset over its useful life, there are two critical factors in determining this expense. The first is the asset cost or revalued amount, (i.e. cost to replace the asset) and the second is the asset's useful life. It is therefore not related to the physical wearing out of the asset. The purpose of depreciation is not to provide for the replacement of the asset(s), however this may be an intended or unintended consequence.

For a Council, depreciation is especially important as it ensures that today's ratepayers pay their fair share (and only their fair share) of consumption of the assets. Depreciation is therefore a vital component in the process of setting rates and charges.

As depreciation is a non-cash item of expenditure, the funding of the depreciation expense within total operational expenditure will result in a funding surplus from operations. It is then a council's decision as to how that surplus funding should be allocated.

Broadly Council will consider four options:

- repay debt (if the creation/replacement of an asset was funded from a loan)
- pay for renewal expenditure
- acquire new assets
- transfer to a reserve for the replacement or future renewal of an asset.

Therefore a key indicator for each activity is whether it is generating a surplus or a deficit. If a local authority sets its revenue to fund all our operating expenditure (including depreciation) it is referred to as a **balanced budget**.

A deficit may indicate that a local authority is not requiring the community to pay its fair share for that year. A surplus on the other hand may signal either that funding is at higher levels than are required for future replacement, or that 'catch up' renewals are provided for because not enough had been funded in the past. Overall Council is signalling in this plan a budget that is **balanced**. There is an accumulated surplus over the 10 years of this plan of \$ 2,961,000 .

Given the number of different activities Council is involved in, it is difficult to provide one overall meaningful assessment and, therefore a summary of the key issues is presented below. Note, although there are deficits referred to below Council is signalling a surplus overall. This is because the deficits are offset by some activities generating a surplus.

We highlight the activities here that form the most significant part of the deficits. We also present the deficits as the most prudent approach to Council's funding requirements over the next 10 years. Information is provided on what the implications will be (i.e. funding increases required) in the future, beyond the life of this plan. Council is presenting this approach on behalf of the community as it firmly believes it strikes the correct balance between affordability and the funding requirements of the current and future generations.

Land transport (roading)

In the last long term plan the land transport activity was generating reasonably sized deficits in most years. Given this being an essential service, Council's strategy at the time was to look at ways of specifically addressing the issue in the development of this plan. This plan signals that land transport will have a near balanced budget. This has been achieved by:

- Critically reviewing what is spent on maintenance of roads vs. renewing roads, resulting in an increase in renewal works and corresponding decrease in maintenance without an associated decrease in levels of service
- Prioritising the renewal and replacement of existing assets above the creation of new assets.

Beyond the life of this plan modest funding increases will be required via general rates to fully fund the activity. The annual rates increases required will be approximately \$90,000.

Stormwater

The last long term plan forecast the activity to run at an annual deficit. This forecast continues and, in fact increases due to the increased replacement cost of stormwater assets based on the latest valuation. The average annual deficit signalled in this plan is \$355,000. Of this \$53,000 relates to depreciation on the Greymouth floodwall which is not funded by the Grey District Council, as it is not responsible for replacing the asset. The annual deficit that Council will have to fund in the future is therefore approximately \$300,000. Being an annual deficit this accumulates, i.e. these deficits over the 10 year life of this plan will accumulate to approximately \$3,000,000. Excluding the depreciation on the floodwall the average annual depreciation provision for Stormwater is approximately \$710,000. This is compared to the average amount Council is signalling to spend on renewals of \$389,000 per year.

In addition to this the Greymouth Sewerage scheme involves laying dedicated sewerage pipes, and those pipes that were previously used for both stormwater and sewerage become dedicated stormwater pipes. The result is there is currently not as much renewal work required in the Greymouth area.

Council is signalling its intention to accumulate this deficit on the basis that:

- It does not result in a decrease in level of service in this plan,
- It recognises that income will need to increase in the future to fund renewal works when they are required, and
- It is equitable to pass future renewal work costs on to future communities, given the current community is funding sewerage upgrade costs. Once sewerage schemes have been paid for in approximately 30 years income can be directed towards stormwater renewals.

Based on the deficits signalled in this plan the increase required in revenue to fully fund the activity is equal to approximately a permanent 4.5% increase in the general rate. Given the majority of stormwater costs are funded through rates then it is the most likely funding source in the future.

Sewerage

In recent times Council has invested a large amount in the development and upgrade of sewerage schemes (e.g. Paroa/South Beach in the 1990's and greater Greymouth 2004–2014). This not only relates to the provision of a better service but also focuses on the mitigation of associated health risks facing communities.

This plan signals a new scheme for Dobson/Kaiata/Taylorville. The scheme involves a large amount of capital expenditure on new assets. The addition of the new assets will also increase the annual depreciation expense, i.e. the total expenses for the activity will increase.

Council has received, and will receive further subsidies towards the schemes, with the balance of the costs funded from a targeted rate on the benefiting properties (via loan repayments). Because of the subsidies the local communities are not paying the actual total cost of the schemes (if they had to it would be unaffordable). As a result these activities will start to generate an annual deficit as the depreciation expense increases.

The targeted rate levied to repay the loan raised to meet the project cost will be repaid over a 30 year period, which will be before the assets need renewing. At this stage the intention is that a large part of the targeted rate will continue so as to start setting aside funds for the future replacement. That is; the funding raised for loan repayments required over the next 30 years will once the loans are fully repaid continue to be raised and transferred to asset replacement reserves. In summary it is forecast for the activity to return to a balanced budget in the medium term.

The sewerage scheme servicing the townships of Runanga and Dunollie is also required to have extensive renewal (pipe replacement) work undertaken. Due to the conditions of the pipe network the system experiences relatively frequent failures (such as overflows), and as such has not delivered the useful life that would have been intended when the scheme was constructed in the 1970s. Our asset condition information indicates that this work should be carried out over the next 6 – 8 years. Due to the significant cost implications on these communities Council is signalling to stage the work over 12 years. Naturally the worst areas will be prioritised to be replaced earlier, and the system as a whole will be consistently monitored to ensure there is no significant decrease in levels of service caused by the extended renewal. If this occurs the renewal work may need to be accelerated, and therefore the total funding requirements met from targeted rates on the community will happen sooner.

Water supplies

Council is faced with the challenge of ensuring that its public water supplies comply with the latest Drinking Water Standards (DWS). Based on current legislation and regulations this will mean that the treatment on our supplies will have to be upgraded as follows:

- Stillwater – 1st July 2015
- Dobson-Taylorville – 1st July 2014
- Runanga-Rapahoe: 1st July 2014
- Greymouth: 1st July 2013

(note Blackball supply is already compliant)

Each of these scheme upgrades require a significant capital investment, which is funded from a targeted rate against the communities (there are subsidies available and the costs per property referred to below are net of available subsidy). The increased treatment of the water also requires additional operational and maintenance costs, again funded from a targeted rate against the communities.

Council has included in year one of this plan the upgrade cost for the Greymouth supply (greater Greymouth area, Blaketown, Cobden, Boddytown, Karoro, South Beach, Paroa). This is by far Council's largest supply, and the additional cost per property is approximately \$20 per year.

Council has not included the costs and funding required to upgrade the Runanga, Dobson/Taylorville, and Stillwater supplies. The relative costs involved to also upgrade the 3 remaining supplies are as follows:

Capital Cost for upgrading the scheme:

	YEAR 1	YEAR 2	YEAR 3
	\$000	\$000	\$000
Runanga Filtration		1,252	
Dobson Taylorville Filtration		618	
Stillwater Filtration			556

Council would loan fund its required share of the capital cost (total net cost net of any subsidy received), and repay the loan over 30 years using additional rates per property to meet the loan repayments. In addition to this the additional plant would require additional maintenance and operating costs each year to run. These costs are also recovered from the targeted rate applied to each property in the respective areas.

The **ADDITIONAL** annual cost per rateable property to cover the costs outlined above is as follows:

		from year
Runanga Filtration	\$ 230.00	year 2
Dobson Taylorville Filtration	\$ 170.00	year 2
Stillwater Filtration	\$ 130.00	year 3

Based on the current legislation and regulations this will mean that Council will be in breach of Drinking Water Standards. Council has no intention to deliberately breach these standards, but is favouring further lobbying of central government to either:

- extend the minimum compliance dates; or
- provide further financial assistance to upgrade the schemes

In the event that this is unsuccessful Council will be required to include in future Annual Plan budgets the required projects to ensure the water schemes do comply (i.e. the Runanga and Dobson/Taylorville upgrades will be required to be included in the 2013/2014 Annual Plan). As referred to above Council has no intention of being in the position of having non-compliant schemes. The consequences of this would be the potential of fines payable per the Health Act 1956 for failing to take all practicable steps to comply with drinking water standards. The reality

is these fines (up to \$200,000 and/or up to \$10,000 per day) would cost the ratepayer in excess of the upgrade costs, and for no benefit

Port of Greymouth (part of 'Other Transport' in this plan)

In the last long term plan the Port was signalled as a difficult challenge for Council, and it continues to be so. This plan is signalling an average annual deficit for the port of \$462,000 over the 10 years. This deficit alone accounts for the same amount of the entire deficit on Council's operations. Part of the deficit is that the annual depreciation of \$200,000 is not funded, i.e. Council is not renewing the assets at the port and has not done so for many years. The remaining deficit generating from maintenance and operational costs has over the past 15 years been funded from proceeds from port endowment land sales. This Plan signals that the time has arrived where there will not be sufficient land available to be sold to maintain port operations as they currently are.

The practical options available to Council therefore are (one or a mix of the following):

- Reduce port services to reduce expenditure
- Fund port operations from other sources such as rates
- Change ownership model, i.e. Council to divest a part or all of its interest in the port operations.

Council's strategy for addressing the on-going port deficit is to:

- Reduce debt immediately by transferring some of the non-operational port land holdings to Council's property activity (this occurs prior to the commencement of this plan). Although an internal transfer this will mean the value of the land transfer will be used to repay port debt. Council will assume the development of this land as part of its property portfolio. The decrease in port debt will reduce the amount of interest payable.
- Accumulate the deficits over the first 3 years of this plan whilst Council carefully considers its future options with the port investment (estimated at approximately \$500,000)

In the event that Council is not able to divest a large part of its current operational responsibilities and/or reduce operating expenditure Council will be left with little option apart from increasing revenue sources. It is accepted that current fees charged for users at the port are at or near their market competitive limit.. Therefore the majority of any future funding increase is most likely to be met from rates.

Aquatic Centre/Miners' Recreation Centre (part of 'Community facilities and events' in this plan)

These facilities have been/will be funded from a mix of external contributions (grants and fundraising) and ratepayer input. The ratepayer input is by way of a loan funded over 30 years on the Aquatic Centre.

Because a large part of the funding of these assets is generated from external sources Council is not fully funding the depreciation on the basis:

To replace these assets will require either one or more of the following in the future:

- An increase in revenue from rates
- External fundraising from grants/donations per the original funding.

Given the current community is meeting the ratepayer input and was responsible for the external fundraising (which does not show as on-going annual income) Council is signalling that the depreciation will not be fully funded, and therefore the activity budget is **not balanced**.

We are signalling to meet all the anticipated maintenance and renewal costs associated with plant items at the Aquatic Centre. Also the total anticipated operating costs of the proposed Miners Recreation centre have been included in this plan.

[2] Is the level of debt signalled sustainable?

Council sets borrowing limits in its liability management policy that set out the levels of debt that Council is willing to extend to on behalf of the community (refer to table below). These policy limits are set on the basis that it remains well within the parameters that Council feels is sustainable, especially those that relate to the on-going annual commitment to meet loan repayments also into the future.

As Council increases debt levels it stands to reason that the decisions will limit Council's opportunities to increase debt over the longer term until debt is repaid. Council feels that what is signalled in this plan strikes the right balance between sharing the costs of new assets, whilst still retaining flexibility into the future to raise debt for new projects. Specifically refer to the tables on debt below covered under financial trends.

[3] Is the projected growth reasonable? What if it is different than projected?

Council is forecasting very modest growth for the period of this plan (approximately 0.5% per annum). Such growth does not require Council to add capacity to any existing assets to cater for the growth.

With the growth provided being conservative the impact of lesser growth is not regarded as being relevant and something that will impact on the Plan.

[4] Are the levels of service able to be provided and maintained?

Council has an extensive level of information about its significant assets. This information is contained in separate Activity Management Plans (AMPs). The AMPs also contains detailed service level information such as network condition and capacity, response to service requests, and criteria for maintenance, renewals and upgrades. Council uses this information to plan the required level of operational input required and maintenance of assets required to maintain the current level of service.

A large part of the asset maintenance is delivered through contracts to external parties. A challenge for Council is to continue monitoring of the contracts to ensure that the best value is delivered, and to gain efficiencies wherever practical. This plan assumes that the contracts will be able to be renewed or re-let at a cost within the predicted levels of inflation.

[5] What capital expenditure is required to maintain levels of service?

As stated, Council has an extensive level of information about its significant assets in Activity Management Plans (AMPs). Council uses this information to plan the required level of renewals required to maintain the current level of service.

Council is signalling in this plan to spend \$ 64,438,000 replacing and renewing assets to maintain the existing levels of service. The detail of this is contained within each Group of Activity statement further in this plan.

[6] Council's insurance cover

Just as many individuals and business owners have experienced recently, Council has had a challenges to face to:

- place insurance cover on our assets
- fund the required cover

Pre the 2010 and 2011 Canterbury earthquakes Council was spending a total of approximately \$240,000 per annum to place cover on the majority of insurable risks (buildings and contents,

underground pipes, plant, and liabilities). In 2011/2012 similar cover cost approximately \$500,000. This included Council reducing the amount of cover on any assets that may not be replaced after a total loss (e.g. Port good sheds). Some of our insurance policies also have increased excesses (deductibles) in the event of an earthquake. This means in the event of a claim post-earthquake we will have to meet a greater share of the cost before we can claim on our policies. In 2011 Council increased the funding in its 'Disaster Recovery Reserve' to part address this possibility.

We have assumed for the purposes of this plan that our insurance cover will cost a similar amount as 2011/2012 (plus inflation), and as such this has been included in the budgets as signalled. These costs are met from a mix of rates and user fees depending on the activities involved (refer revenue and financing policy)

[4] Financial trends

[1] Rating income

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
GENERAL RATES											
General Rates - Uniform Annual General Charge	2,458	2,616	2,739	2,860	3,084	3,160	3,247	3,342	3,429	3,538	3,633
General Rates - set on land value	5,511	5,543	5,761	5,946	6,041	6,273	6,522	6,769	7,022	7,266	7,503
TARGETED RATES											
District Promotion	209	222	226	230	235	239	244	249	254	259	264
Refuse Collection	915	1,100	1,139	1,179	1,220	1,263	1,308	1,354	1,402	1,451	1,502
Water Supplies	1,452	1,486	1,584	1,621	1,731	1,753	1,798	1,850	1,929	1,945	2,041
Water Meter Rates	328	338	350	362	375	388	401	416	430	445	461
Sewerage Collection	1,749	2,070	2,194	2,291	2,378	2,484	2,552	2,643	2,734	2,837	2,926
PENALTIES											
Rate Penalties	130	138	143	147	151	156	160	165	170	175	181
Total rates revenue	12,752	13,513	14,136	14,636	15,215	15,716	16,232	16,788	17,370	17,916	18,511
General rate increase		2.38%	4.18%	3.60%	3.62%	3.38%	3.56%	3.50%	3.36%	3.38%	3.07%
Overall TOTAL rate increase		5.97%	4.61%	3.54%	3.96%	3.29%	3.28%	3.43%	3.47%	3.14%	3.32%
PORTION OF RATE INCREASE RELATED TO SIGNIFICANT INCREASES IN LEVELS OF SERVICE											
WATER SUPPLY											
Kaiata Water Scheme			0.33%								
Greymouth Filtration		0.65%	0.18%								
Runanga Filtration											
Dobson/Taylorville Filtration											
Stillwater Filtration											
WASTEWATER (SEWERAGE)											
Dobson/Taylorville/Kaiata Sewerage		1.73%									
SOLID WASTE MANAGEMENT (REFUSE & RECYCLNG)											
Refuse Collection/Recycling		1.45%									
rate increase without additional items		2.14%	4.10%	3.54%	3.96%	3.29%	3.28%	3.43%	3.47%	3.14%	3.32%

The overall rate increases proposed for the first three years of the plan, per the above table are:

- Year One: 5.97%
- Year Two: 4.61%
- Year Three: 3.54%

Council is proposing that overall rate increases will be limited to no more than 6.0% in any one year. This figure is well above what Council is assuming as the rate of inflation. Therefore we have broken down the increases to:

- What is the overall increase in rates income
- What is the increase if we exclude items that are related to Council undertaking significant new projects (i.e. those that aren't 'business as usual'). This is outlined in the bottom half of the above table where we display the increases excluding upgrade of Greymouth Water Supply (Greymouth Filtration), Proposed wastewater scheme for Dobson/Kaiata/Taylorville, Kerbside recycling, and costs of taking over the Kaiata water supply (at Kaiata park)

The increases excluding these new items are then limited to within 1% of inflation.

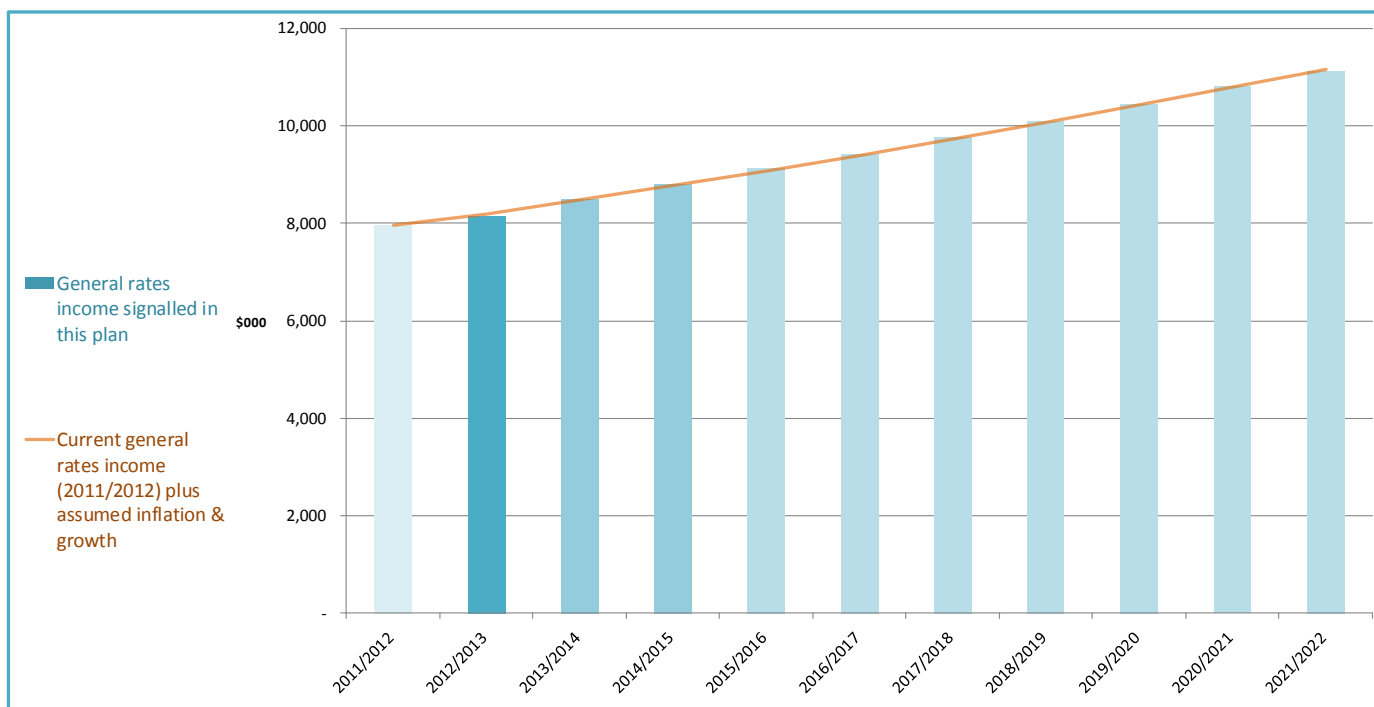
	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
rate increase without new items (refer above table)	2.14%	4.10%	3.54%	3.96%	3.29%	3.28%	3.43%	3.47%	3.14%	3.32%
Assumed inflation PLUS growth	2.83%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
difference between proposed increase & the assumed inflation and growth	-0.69%	0.60%	0.04%	0.46%	-0.21%	-0.22%	-0.07%	-0.03%	-0.36%	-0.18%

Total rates income is proposed to be limited to the amounts outlined in the below table. Council recognises rates form a significant portion of our revenue sources. In years one to three subsidies and grants received for capital projects (e.g. Greymouth Sewerage scheme) also make up a significant portion of income.

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Total rates income	12,752	13,513	14,136	14,636	15,215	15,716	16,232	16,788	17,370	17,916	18,511
Total income	27,663	28,401	35,815	27,463	26,324	27,042	27,590	28,974	30,284	30,738	31,392
Rates income as a % of total income	46.1%	47.6%	39.5%	53.3%	57.8%	58.1%	58.8%	57.9%	57.4%	58.3%	59.0%

General rates

Council is proposing that general rate increases will be limited to within 1% of inflation². The orange line represents the assumed inflation, whilst the blue bars represent the general rate revenue for each year. The actual detail of the level of inflation and associated rate increase will come under closer scrutiny at the time each annual budget is adopted.



In this graph we show as the orange line “current rates + assumed inflation and growth”.

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (blue bars) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

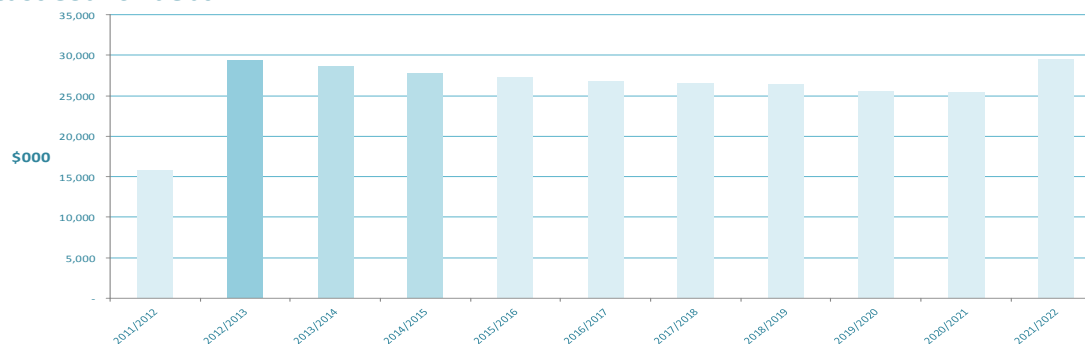
	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
General rates income signalled in this plan	7,969	8,159	8,500	8,806	9,125	9,433	9,769	10,111	10,451	10,804	11,136
increase per year		2.40%	4.20%	3.60%	3.60%	3.40%	3.60%	3.50%	3.40%	3.40%	3.10%
Assumed inflation PLUS growth		2.83%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
difference between proposed increase and the assumed inflation and growth		-0.43%	0.70%	0.10%	0.10%	-0.10%	0.10%	0.00%	-0.10%	-0.10%	-0.40%

² whilst Council’s costs are influenced by many different factors, when we refer to inflation we are referring to the Consumer Price Index (CPI)

[2] Council debt

Council's forecast movement in debt levels as compared against its policy limits is as follows:

total forecast Council debt



	proposed 2012/2013	estimated 2013/2014	estimated 2014/2015	forecast 2015/2016	forecast 2016/2017	forecast 2017/2018	forecast 2018/2019	forecast 2019/2020	forecast 2020/2021	forecast 2021/2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening debt	15,792	29,409	28,673	27,817	27,215	26,763	26,558	26,463	25,621	25,413
Increase (decrease) in debt	13,617	(736)	(856)	(602)	(452)	(205)	(95)	(842)	(208)	4,100
Closing debt	29,409	28,673	27,817	27,215	26,763	26,558	26,463	25,621	25,413	29,513
<i>Total debt as a % of total assets (policy limit 20%)</i>	8.4%	7.5%	7.3%	7.2%	6.7%	6.7%	6.7%	6.1%	6.1%	7.0%
<i>Total debt per rateable property (policy limit \$4,500)</i>	3,462	3,359	3,242	3,157	3,089	3,050	3,024	2,914	2,876	3,324
<i>Total debt as % of total revenue (policy limit 135%)</i>	103.5%	80.1%	101.3%	103.4%	99.0%	96.3%	91.3%	84.6%	82.7%	94.0%
<i>interest expense as % of total revenue (policy limit 15%)</i>	4.5%	6.0%	7.6%	7.7%	7.4%	7.1%	6.8%	6.3%	6.1%	6.9%

The following table summarises what additional debt capacity Council has to stay within policy limits (the highlighted figure is the lowest, and therefore the policy limit)

additional debt that can be raised within policy limits		proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Total debt as a % of total assets (policy limit 20%)	20.00%	40,335	47,870	48,354	48,240	53,086	52,811	52,623	58,344	58,223	54,567
Total debt per rateable property (policy limit \$4,500)	\$4,500	8,819	9,744	10,789	11,580	12,225	12,624	12,912	13,948	14,349	10,447
Total debt as % of total revenue (policy limit 135%)	135.00%	8,932	19,677	9,258	8,322	9,744	10,689	12,652	15,262	16,083	12,866
interest expense as % of total revenue (policy limit 15%)	15.00%	31,450	48,073	31,032	29,194	31,184	32,563	35,624	39,273	40,454	37,756

Council will use a charge over rates as security for the debt it enters into.

[3] Council investments

Council holds a number of investments, the majority of which are associated with Special Funds that are held for specific purposes. Council takes a conservative/low risk approach in investing these funds. Council’s principles determining how we invest funds are:

- Optimise investment returns while balancing risk and return considerations.
- Ensure that investments are liquid and sufficiently flexible.
- Diversify the mix of financial investments.
- Managing potential capital losses as a result of interest rate movements.
- Providing for termination of investments before maturity if deemed necessary.

Council will limit its individual investments as follows:

Authorised Asset Classes	Overall Portfolio Limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – Standard and Poor’s (or Moody’s or Fitch equivalents)	Limit for each issuer subject to overall portfolio limit for issuer class
New Zealand Government	100%	Government Stock Treasury Bills	Not Applicable	Unlimited
Rated Local Authorities	70%	Commercial Paper	Short term S&P rating of A1 or better	\$3.0 million
		Bonds/MTNs/FRNs	Long term S&P rating of A- or better Long term S&P rating of A+ or better Long term S&P rating of AA or better	\$2.0 million \$3.0 million \$5.0 million
Local Authorities where rates are used as security	60%	Commercial Paper	Not Applicable	\$2.0 million
		Bonds/MTNs/FRNs		\$2.0 million

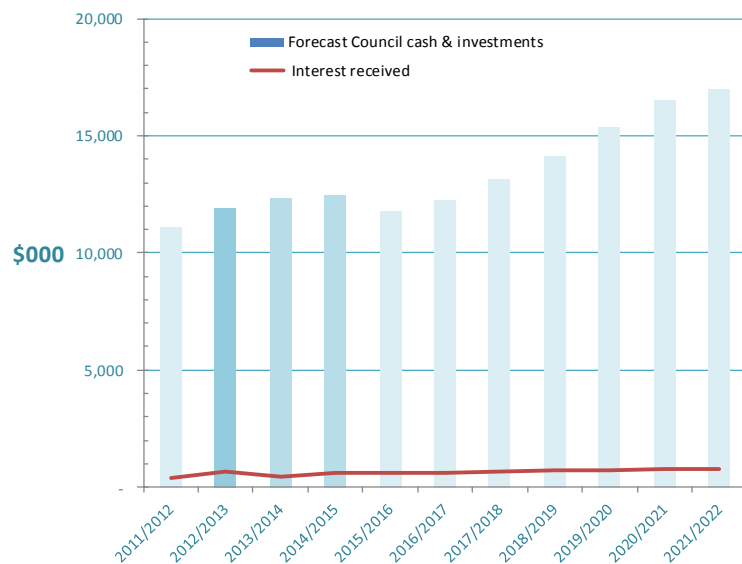
Authorised Asset Classes	Overall Portfolio Limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – Standard and Poor’s (or Moody’s or Fitch equivalents)	Limit for each issuer subject to overall portfolio limit for issuer class
New Zealand Registered Banks	100%	Call/Term Deposits/Bank Bills/Commercial Paper	Short term S&P rating of A1 or better	\$10.0 million
		Bonds/MTNs/FRNs	Long term S&P rating of A- or better Long term S&P rating of A+ or better	\$3.0 million \$5.0 million
State Owned Enterprises	70%	Commercial Paper	Short term S&P rating of A1 or better	\$3.0 million
		Bonds/MTNs/FRNs	Long term S&P rating of BBB+ or better Long term S&P rating of A+ or better	\$1.0 million \$3.0 million
Corporates *	60%	Commercial Paper	Short term S&P rating of A1 or better	\$2.0 million
		Bonds/MTNs/FRNs	Long term S&P rating of A- or better Long term S&P rating of A+ or better Long term S&P rating of AA or better	\$1.0 million \$2.0 million \$3.0 million
Financials*	30%	Commercial Paper	Short term S&P rating of A1 or better	\$2.0 million
		Bonds/MTNs/FRNs	Long term S&P rating of A- or better Long term S&P rating of A+ or better Long term S&P rating of AA or better	\$1.0 million \$2.0 million \$3.0 million
Building Societies	20%	Call and Term Deposits	To be individually approved by Council	\$3.0 million

* The combined holding of Corporates and Financials shall not exceed 70% of the portfolio.

Council’s estimated return on investments signalled in this plan are as follows, based on an assumed average return of 5% per annum.

Council will retain a minimum level of investments at any one time that we believe would be required in a medium – large scale emergency event to meet any immediate cash flows required to supply resources.

Total Council investments



As referred to above the majority of Council’s investments are related to specific Special Funds (Reserve Funds). We disclose detail on these funds further on in this document (refer [1][appendix A] Council special funds (reserve funds)). These funds are held to be spent on a specific purpose, and a relative share of any interest earned on Council investments is returned to each special fund.

Council is also signalling to increase its total external debt (refer above). This plan assumes that all new debt required will be raised from external sources. From time to time Council may decide to internally borrow a portion of its required debt. This would reduce the external debt and total investments by equivalent amounts. In these instances Council would pay itself the equivalent interest on the internal debt, with the relative amount being transferred to special funds.

[5] Statement concerning balancing the budget

Council has proposed a budget under this plan that does not balance in all years (a balanced budget is considered one where each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses). Specifically the summary is as follows, with those years in deficit considered an unbalanced budget. It is also fair to say that without subsidies received for capital projects in years one and two that these years would also run at or close to a deficit:

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Total operating revenues	27,663	28,401	35,815	27,463	26,324	27,042	27,590	28,974	30,284	30,738	31,392
Total operating expenses	23,148	23,983	26,293	27,322	28,093	28,536	29,802	30,371	30,948	32,288	33,426
Net surplus/(deficit)	4,515	4,418	9,522	141	(1,769)	(1,494)	(2,212)	(1,397)	(664)	(1,550)	(2,034)

Council for this plan has set its revenue to cover all the actual money needed to be spent to provide the levels of service as detailed throughout the plan. This includes the replacement and renewal of assets where required. So why do Council still forecast deficits in some years? Our forecast statement of comprehensive income, which forecast the annual surplus or deficit, includes depreciation expense. It does not include the costs of replacing assets or creating new assets as this is classed as capital expenditure.

Assets are created from expenditure where the benefit extends beyond a year. For example, if Council replaces a bridge at a cost of \$1 million dollars, the \$1 million dollars would show as renewal capital expenditure, and not operating expenditure. The bridge will decrease in value as it is used from year to year, and if it had a life of 100 years it would decrease by \$10,000 each year. This amount of \$10,000 it decreases each year is the depreciation expense. It is a logical argument that each year the community receive \$10,000 of benefit from having the bridge available for use.

Council is responsible for many assets that have a long useful life, for example pipes and bridges can be expected to have a useful life of 100 years. There can be therefore a great time difference between funding the annual depreciation for a particular asset and its replacement. Revenue raised to fund depreciation expense can be allocated to fund that current year's capital expenditure (new and renewal), repay term debt, or transferred to a reserve to fund future asset replacement. Where activities are forecast to run at a loss Council is not fully funding the depreciation expense. As referred to above the annual depreciation is a fair allocation of the benefit derived from using an asset in any one year. Therefore any unfunded depreciation will mean that Council will have to in the future:

- • increase revenue in the future to replace assets (rates and/or other sources); or
- • not replace the assets, or
- • replace with an asset with reduced capacity (reduced level of service)

As outlined throughout this financial strategy the activities that are the main contributor to the annual deficits (un-balanced budget) are:

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land transport	(403)	3,574	(213)	(241)	(59)	(71)	(406)	278	300	184	(195)
Stormwater	(359)	(369)	(365)	(408)	(386)	(368)	(419)	(403)	(377)	(444)	(420)
Wastewater	2,849	581	5,450	(538)	(482)	(416)	(392)	(329)	(244)	(263)	(186)
Other transport (includes Port of Greymouth)	(419)	(169)	(342)	(395)	(513)	(404)	(575)	(590)	(99)	(664)	(711)
Community facilities and events (includes Aquatic Centre & Miners Recreation Centre)	2,339	695	4,881	1,426	(752)	(724)	(763)	(761)	(761)	(832)	(819)

Council has decided for the purposes of this plan that to accumulate these deficits is the most prudent approach, in that it strikes a balance between what the community can afford as well as meeting the needs of both the present and future communities. As outlined above the options to reduce these deficits are largely limited to increasing revenue from rates.

PART D: What Council does: groups of activities

Resident satisfaction survey

Part of the information provided under each group of activity includes the performance measures that we propose to use to measure if we are providing the service the community expects. Many of these performance measures include minimum targets from a public satisfaction survey. Council intends to carry out the survey at least 2 yearly and use an independent research company to undertake the work on Council's behalf. The survey will ensure there is a representative sample achieved, and the total sample will deliver at least a 95% confidence level (i.e. +/- 5%). If for any reason Council believes there may have been cause to create significant movement in results between surveys Council will consider conducting the surveys more frequently.

The last survey was carried out in 2011

[1] Land transport

[1] Activities included in this group

Land Transport includes the following key functions:

- Council roads (State Highways excluded as NZTA responsibility)
- Footpaths
- Bridges and large culverts
- Bus Shelters
- Promotion of road safety

The Car parking function is dealt with under the 'Other Transport' section.

The Coastal Pathway is included in this activity but is likely to be taken over by the Westland Wilderness Trust during the next few years.

[2] Why we are involved in this activity

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and street lights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation. Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

[3] Contribution to Council's Vision

OUTCOME	CONTRIBUTION
Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient	<ul style="list-style-type: none"> • by providing quality access: • Quality and ease of road access to commercial area(s). • Convenience and quality of footpaths. • Information value of road signage.
Providing affordable, quality essential services	Roading as an essential service has an important service delivery function.

[4] What we'll provide

A summary of Council's roading infrastructure is as follows:

Land Transport Component		Quantity	
Roads (Council roads do not include State Highways)			
Urban	km	130	
Rural	km	480	
Total	km		610
Footpaths	km		99
Bridges and Large Culverts	number		218
Street Lights	number		1599
Bus Shelters	number		43
Separated Walking and Cycling Pathways	km		9

Council will undertake the following:

- on-going maintenance of land transport assets (i.e. roads, footpaths etc...)
- annual road and footpath resurfacing
- annual road and footpath construction and pavement surfacing
- annual safety works
- provision and maintenance of pedestrian crossings, street name signs,
- street lighting and traffic sign maintenance

[5] Key issues facing the activity

Key issues over the next 10 years are:

- Financial assistance rates from NZTA reducing from the current rate of 62% for maintenance and renewals to 60% in 2013/14 (year 2). These reductions have been incorporated into the budget. Further reductions are not signalled in the plan, however may eventuate as NZTA review their rates 5 yearly.
- Impact on the land transport infrastructure as a result of the possible introduction of increased mass and dimension heavy commercial vehicles. No provision has been made for this in this plan
- Changes in the size and types of vehicle used including active transport and public transport.
- Availability of contracting resources as a result of the Christchurch rebuild and/or the impact on pricing.

- The need for more detailed assessment of the condition and performance of key parts of land transport infrastructure to further optimize the need for replacement and renewal.
- Improving the earthquake resilience of key parts, in particular bridges.
- Lifelines functions
- Road safety – ensuring that road factors aren't a significant contributor to crashes

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target				
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)	
Quality of service	By providing a safe-roading network	Minimum % of residents who agree that local roads are safe when using them.	New measure	75	75	75	
		Maximum percentage road crashes on local roads caused by road factors	30%	35%	30%	28%	
	Residents are provided with a reliable roading network	Council will provide a local roading network that is 'fit for purpose'	Minimum % satisfied per survey with Council's roading network	81	80	80	80
		Residents are provided with a reliable roading network	Minimum % satisfied with the way local roads are maintained.	76	75	75	75
			Minimum % satisfied with the way footpaths are maintained.	new measure	60	60	60
			Number of reported local road closures due to surface flooding is less than X per year.	new measure	30	30	30
Financial sustainability	Services are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded). ³	90%	90%	92%	95%	

³ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

[7] Financial information

Activity funding

These activities are mainly funded by:

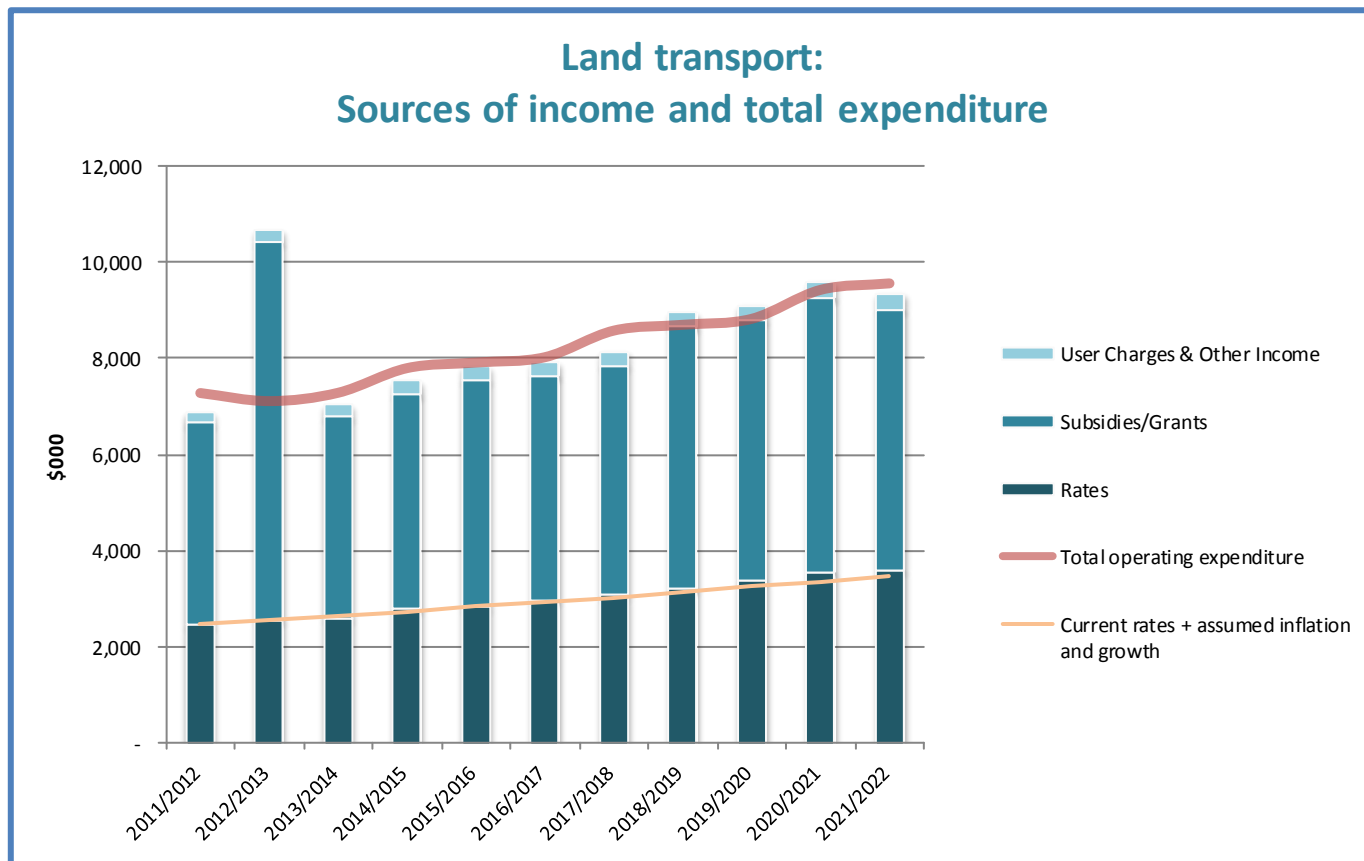
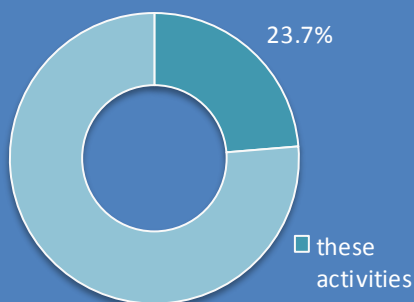
Rates

- The district requires an efficient transport network for economic viability, so there is a mix of direct benefit to the users of the network and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district

Subsidies and grants

- Council receives financial assistance from New Zealand Transport Agency (NZTA) towards the maintenance, renewal, and additions to the roading network.

Percentage of total Council operating expenditure for 10 year plan



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	2,477	2,574	2,627	2,818	2,852	3,014	3,104	3,238	3,410	3,584	3,633
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	1,692	1,641	1,612	1,671	1,732	1,788	1,850	1,926	1,989	2,061	2,123
Fees, charges, and metered rates for water supply	7	14	14	14	14	14	14	15	16	15	16
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	191	195	201	207	214	220	227	233	240	248	255
Total operating funding [A]	4,367	4,424	4,454	4,710	4,812	5,036	5,195	5,412	5,655	5,908	6,027
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	2,735	2,606	2,729	2,824	2,924	3,026	3,133	3,243	3,356	3,472	3,595
Finance costs	13	49	48	46	44	42	40	38	35	32	30
Internal charges and overheads applied	63	66	69	72	74	77	79	82	85	88	90
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	2,811	2,721	2,846	2,942	3,042	3,145	3,252	3,363	3,476	3,592	3,715
Surplus (deficit) of operating funding [A - B]	1,556	1,703	1,608	1,768	1,770	1,891	1,943	2,049	2,179	2,316	2,312
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	2,508	6,217	2,573	2,800	2,995	2,870	2,928	3,515	3,416	3,649	3,285
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	91	247	(16)	(17)	(19)	(21)	(23)	(25)	(28)	(31)	(23)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	2,599	6,464	2,557	2,783	2,976	2,849	2,905	3,490	3,388	3,618	3,262
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	914	4,601	548	873	618	312	323	643	346	358	708
—to replace existing assets	3,319	3,498	3,724	3,744	4,300	4,449	4,544	5,086	5,267	5,613	4,781
Increase (decrease) in reserves	(78)	68	(107)	(66)	(172)	(21)	(19)	(190)	(46)	(37)	85
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	4,155	8,167	4,165	4,551	4,746	4,740	4,848	5,539	5,567	5,934	5,574
Surplus (deficit) of capital funding [C - D]	(1,556)	(1,703)	(1,608)	(1,768)	(1,770)	(1,891)	(1,943)	(2,049)	(2,179)	(2,316)	(2,312)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	-	-	-	-	-	-	-	-	-	-
General Rates - set on land value	2,477	2,574	2,627	2,818	2,852	3,014	3,104	3,238	3,410	3,584	3,633
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	4,200	7,858	4,185	4,471	4,727	4,658	4,778	5,441	5,405	5,710	5,408
User charges and regulatory income (consent fees, infringements et	198	209	215	221	228	234	241	248	256	263	271
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	43	44	46	47	48	50	51	53	55	56
Total income	6,875	10,684	7,071	7,556	7,854	7,954	8,173	8,978	9,124	9,612	9,368
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	2,735	2,606	2,729	2,824	2,924	3,026	3,133	3,243	3,356	3,472	3,595
Finance costs	13	49	48	46	44	42	40	38	35	32	30
Internal charges and overheads applied	63	66	69	72	74	77	79	82	85	88	90
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	4,467	4,389	4,438	4,855	4,871	4,880	5,327	5,337	5,348	5,836	5,848
Total expenditure	7,278	7,110	7,284	7,797	7,913	8,025	8,579	8,700	8,824	9,428	9,563
Surplus (deficit) of activities	(403)	3,574	(213)	(241)	(59)	(71)	(406)	278	300	184	(195)

[8] How we manage our assets that support this activity

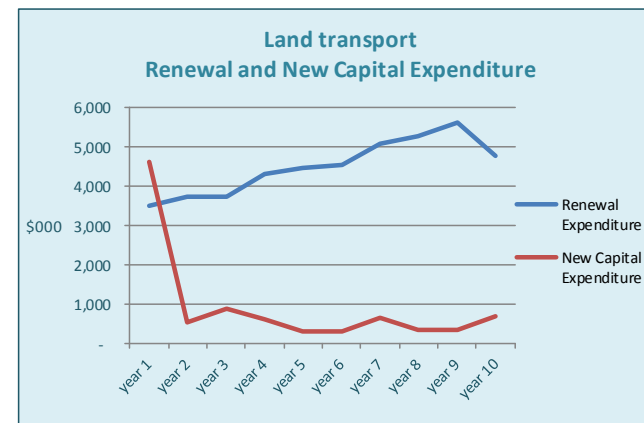
Council has an extensive level of information about its roading and associated assets. This information is contained in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

Other than those projects identified below under “Increase in level of service – significant projects”, the focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
General renewals of roading network	2,441	2,532	2,621	21,121	all years
General Bridge component renewals	484	502	520	4,189	all years
Replacement of assets after severe weather	456	473	490	3,945	all years
Rough & Tumble Bridge Renewal	-	-	-	362	year 6
Deep Crk No.1 Bridge Renewal	-	-	-	442	year 7
Rum Creek Bridge Renewal	-	107	-	-	
Stillwater Railway Overbridge replacement	-	-	-	1,011	years 8/9
Slaty Creek - Lake Brunner Road renewal	-	-	-	493	year 9
Arnold Valley Rd reconstruction	-	-	-	862	years 4/5
Nelson Creek - Haupiri Rd reconstruction	-	-	-	628	years 7/8
Footpath Renewals	109	102	105	848	all years

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
On-going minor safety improvements	257	266	276	2,220	<i>all years</i>
Atarau Rd strengthening and widening	-	-	307	316	<i>year 4</i>
Taylorville-Blackball Rd strengthening	289	267	275	309	<i>year 7</i>
Rough River Bridge replacement (upgrade)	3,826	-	-	-	
Arnold River Bridge strengthening	-	-	-	338	<i>year 10</i>
Coastal Pathway	215	-	-	-	

Additional capacity

None specifically provided for in plan, beyond providing for future growth when replacing assets.

What additional capacity is required?

The Activity Management Plan contains detailed assessment of anticipated increases in demand. Essentially over the next 10 years there is unlikely to be any anticipated significant increase in demand based on population growth projections.

With respect to renewals which also include increased level of service and or capacity the reasons for this are:

- Roads – to meet current and future traffic volumes over the next 25 years
- Bridges – to comply with current bridge standards and to meet current and future traffic volumes over the next 30 years.

With respect to subdivision development requirements are in place to recover the costs of any required increase in capacity or any new roads.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP.

Assumptions re Sources of funding for replacement of assets are:

- NZTA funding will be maintained throughout the life of this Plan and funding rates will not materially change from what has been signalled by NZTA.
- Project costs net of NZTA subsidy will primarily be funded through loans funded over the expected life of the asset. Other sources of funding include:

- Rates
- Financial contributions

[11] Potential negative effects of this activity (significant)

Council's work in building new, and maintaining existing roads can potentially cause noise, dust, vibration and traffic congestion, while road accidents can and will happen. Contaminants from the road surface can also be transferred to adjacent properties, drains and other waterways.

[2] Stormwater

[1] Activities included in this group

Stormwater includes the following key functions:

- Management of Stormwater systems (mostly in urban residential areas) including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

[2] Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community’s health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Effective stormwater management and land drainage are prerequisites for a healthy, growing economy.
Affordable, quality services	Efficient stormwater management is an important essential service which determines enjoyment of property.
Personal and property safety	Stormwater ponding on land causes damage and compromises access and enjoyment thereof .
Sustainable management of the Environment	Ponding has the potential of damaging the environment notably in our case where sewer contamination is still an issue.

[4] What we’ll provide

A summary of Council’s stormwater infrastructure is as follows:

Community	Pipe Drains (Km)	Stormwater Pump Stations (Number)	Flood Scheme
Ahaura	1.025		
Blackball	0.847		
Blaketown	3.219	1	Greymouth Scheme
Cobden	14.603	1	Greymouth Scheme
Dobson/Taylorville	5.049		
Greymouth	34.157	2	(Greymouth and Sawyers Creek Schemes)
Iveagh Bay	1.617		
Karoro	5.339		
Moana	4.307		
Runanga	9.358		
South Beach/Paroa	2.922	1	
Other areas	2.033		
Total	84.475	5	

Information on minor stormwater drains is incomplete and efforts to record actual data are ongoing.

The following stormwater standards apply:

- All urban systems with the exception of Greymouth CBD are designed to cope with a 1 in 5 year on average storm, no ponding is evident after 2 hours after the rain stops and there is no damage to houses.
- The Greymouth Central Business Area system is designed to cope with a 1 in 1 year on average storm. Physical constraints make it very difficult to improve this performance without considerable capital investment.
- Ponding or secondary flow on local roads is limited to 100 mm maximum in height at the centreline such that the road is passible in a 1 in 20 year on average storm.

Council will undertake the following:

- stormwater maintenance works
- stormwater network renewals
- stormwater utilities renewals.
- Clearance of open public drains

- Clearance of urban drainage channels
- Placement of flood gates when Grey River levels reach a certain height.

[5] Key issues facing the activity

Key issues over the next 10 years are anticipated to be:

- Phase II of the Greymouth Stormwater upgrade had to be deferred indefinitely because of budgetary constraints (phase 2 involves Improvements to reduce flooding in the Alexander, Tainui and Whall Street areas and CBD areas).
- The Plan provides for depreciation not to be funded to requisite levels during the currency of this Plan. This will require revenue increases in future budgets.
- The need to Improve flood protection on Raleigh Creek for Runanga (in consultation with WCRC).
- The need to Improve flood protection in the lower Cobden area (in consultation with WCRC).
- Earthquake resilience of stormwater pump stations.
- Climate change impacts on Coastal Erosion and the capacity of stormwater systems
- Ensuring lifelines capability
- Updating the Sanitary Services Assessment

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a reliable and efficient stormwater system	Requirements of the Greymouth Flood Scheme Action Plan are met prior to and during significant storm events.	Achieved	Achieved	Achieved	Achieved
		Minimum % satisfied per survey with overall stormwater service.	65%	65%	65%	65%
		Minimum % satisfied with the way their property drains stormwater in urban and residential areas.	new measure	60%	60%	60%
		Number of local road closures due to surface flooding is less than X per year.	new measure	30	30	30
		Information is readily available on the schemes	new measure	Achieved	Achieved	Achieved
Financial sustainability	Schemes are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) ⁴	38%	40%	44%	48%
Environmental sustainability	Stormwater discharges are managed without adversely affecting the receiving environment.	Maximum number of resource consent breaches	Nil	Nil	Nil	Nil

⁴ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

[7] Financial information

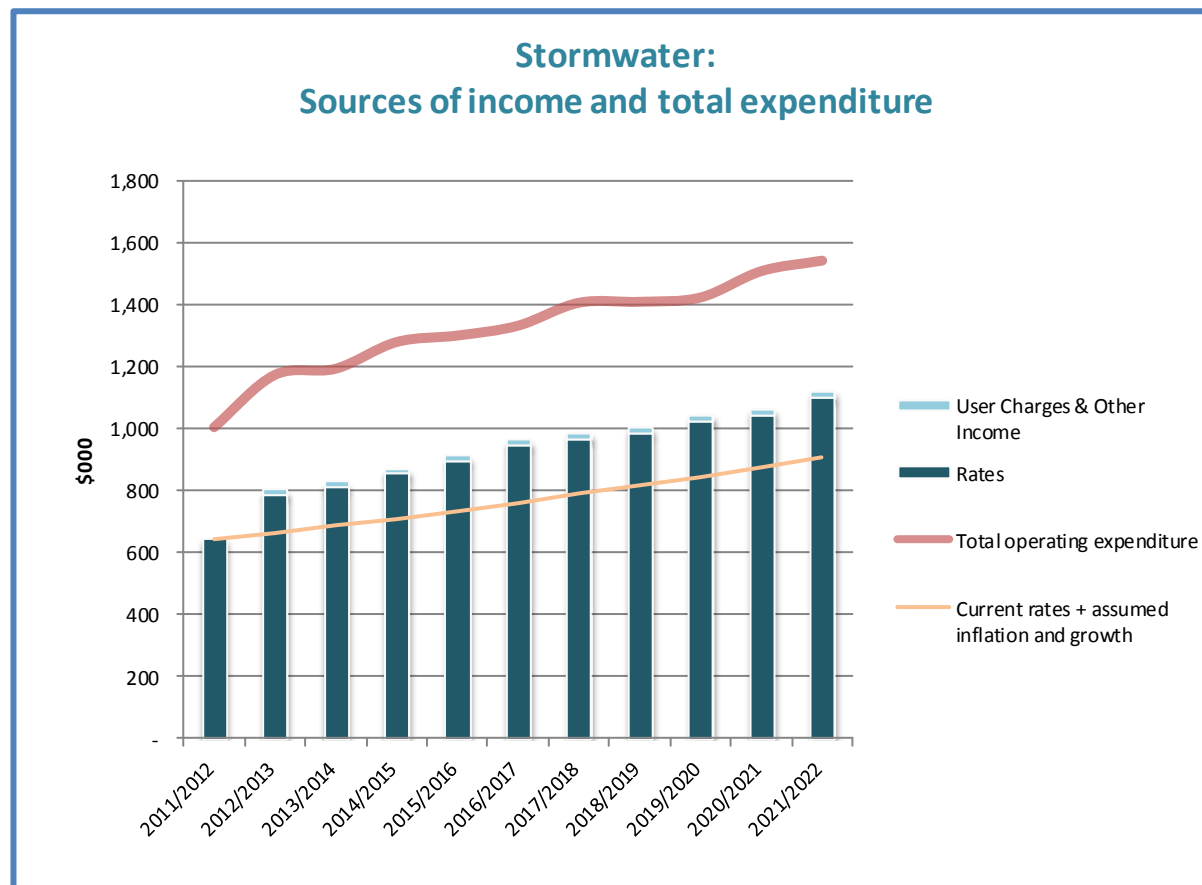
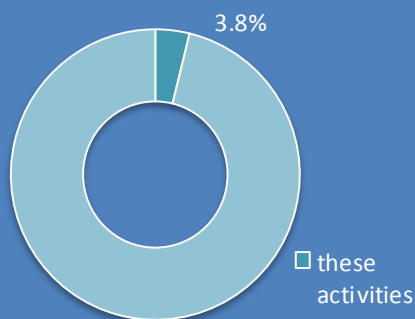
Activity funding

These activities are mainly funded by:

General Rates

- The district requires efficient stormwater/flood protection assets for economic viability, so there is a mix of direct benefit to the users of the systems and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district

Percentage of total Council operating expenditure for 10 year plan



In the graph above we show as the yellow line "current rates + assumed inflation and growth". We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	645	787	810	853	895	945	967	985	1,025	1,042	1,099
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding [A]	645	787	810	853	895	945	967	985	1,025	1,042	1,099
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	328	296	314	320	324	343	349	353	366	379	394
Finance costs	19	79	77	90	103	110	105	100	95	89	101
Internal charges and overheads applied	101	135	139	144	148	153	158	162	167	172	178
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	448	510	530	554	575	606	612	615	628	640	673
Surplus (deficit) of operating funding [A - B]	197	277	280	299	320	339	355	370	397	402	426
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(76)	237	(32)	171	185	88	(70)	(75)	(81)	(86)	159
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	(76)	237	(32)	171	185	88	(70)	(75)	(81)	(86)	159
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	157	3	3	3	3	32	4	4	4	4	4
—to replace existing assets	78	511	245	467	502	395	281	291	301	312	585
Increase (decrease) in reserves	(114)	-	-	-	-	-	-	-	11	-	(4)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	121	514	248	470	505	427	285	295	316	316	585
Surplus (deficit) of capital funding [C – D]	(197)	(277)	(280)	(299)	(320)	(339)	(355)	(370)	(397)	(402)	(426)
Funding balance: [A – B] + [C – D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	103	106	109	112	115	119	122	126	130	134
General Rates - set on land value	645	684	704	744	783	830	848	863	899	912	965
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	17	18	18	19	19	20	21	21	22	23
Total income	645	804	828	871	914	964	987	1,006	1,046	1,064	1,122
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	328	296	314	320	324	343	349	353	366	379	394
Finance costs	19	79	77	90	103	110	105	100	95	89	101
Internal charges and overheads applied	101	135	139	144	148	153	158	162	167	172	178
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	556	663	663	725	725	726	794	794	795	868	869
Total expenditure	1,004	1,173	1,193	1,279	1,300	1,332	1,406	1,409	1,423	1,508	1,542
Surplus (deficit) of activities	(359)	(369)	(365)	(408)	(386)	(368)	(419)	(403)	(377)	(444)	(420)

[8] How we manage our assets that support this activity

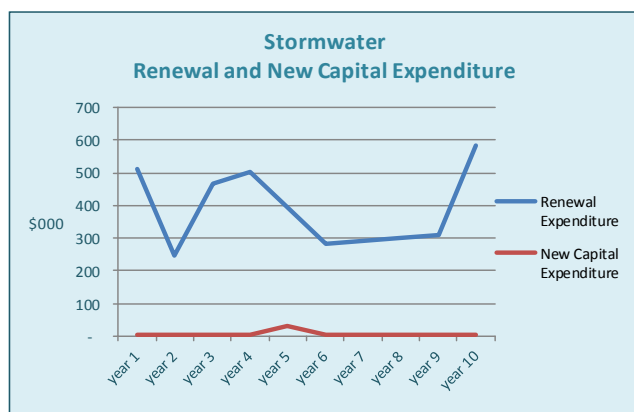
Council has an extensive level of information about its stormwater and associated assets but information re open public drains is lacking. Information is contained in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, road, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

The focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
General renewals (replacement of assets)	245	245	254	2,042	all years
Replace Johnson St stormwater pump	-	-	214	-	
Replace Tarry Creek stormwater pump	-	-	-	240	year 4
Replace Blaketown stormwater pump	-	-	-	124	year 5
Replace Nelson Quay stormwater pump	183	-	-	-	
Replace low pumps for Nelson Quay	-	-	-	262	year 10
Structural repairs - Johnson st	84	-	-	-	

Increase in level of service – significant projects

Nil

Additional capacity

The Activity Management Plan shows no significant increase in demand based on population growth projections.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP.

Assumptions re Sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset. Other sources of funding include:
 - rates
 - Financial contributions

[11] Potential negative effects of this activity (significant)

Whilst the stormwater service as such can have negative effects in the form of collection and discharges of contaminants, it is more capacity constraints of the systems that can have

significant effects. The primary example is the capacity constraints of the Greymouth CBD system and associated surface flooding during extreme rain events.

[3] Wastewater (sewerage)

[1] Activities included in this group

Sewerage includes collection, treatment and disposal in the 6 Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown)
- Karoro, South Beach, Paroa.
- Runanga/Dunollie:
- Moana
- Blackball.
- Iveagh Bay (Te Kinga).

The Kaiata Developments scheme is likely to transfer to Council before or during the term of this LTP.

[2] Why are we involved in this activity

By collecting, treating and disposing of wastewater, Council provides a service to residents and businesses that supports development in the District and protects the physical environment and our community's health.

[3] Contribution to Council's Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Effective wastewater management is a prerequisite for a healthy, growing economy.
Affordable, quality services	Efficient wastewater management is an important essential service which determines enjoyment of property and quality of life.
Personal and property safety	Efficient wastewater management is most important for maintaining a healthy community.
Sustainable management of the Environment	The need to treat wastewater to required standards is most important to avoid harm to the environment

[4] What we'll provide

A summary of Council's wastewater infrastructure is as follows:

Community Area	Existing Connections	Treated discharge to
Karoro, South Beach and Paroa	693	Tasman Sea
Kaiata Park	62	Ground
Blackball	221	Ford Creek
Moana	312	Arnold River
Iveagh Bay	26	Ground
Runanga-Dunollie	576	7 Mile Creek
Cobden	763	Grey River
Blaketown	369	Grey River
Greymouth Central	638	Grey River
Greymouth South	2264	Grey River

The Schemes for Cobden, Greymouth and Blaketown are for Stage 1 treatment only and require consents to a higher level of treatment by 2014.

Council will attend to the following:

- On-going maintenance of the network (i.e. pipes) and plant (pumps etc...)
- Sewer renewals and replacement
- Pumping station annual maintenance
- Wastewater network cyclical replacement
- Management of systems as Lifelines

[5] Key issues facing the activity

Key issues over the next 10 years are anticipated to be:

- design and construction of a sewage scheme for Dobson, Taylorville and Kaiata by mid-2013 (subject to community approval).
- Completion of the Greymouth Sewage Scheme by mid-2014.
- Being pro-active in relation to capacity at the Moana scheme in the light of potential new subdivisions in the area.

- Earthquake resilience of sewage schemes.
- Ensuring lifelines capability
- Sanitary Services Assessment - With respect to wastewater other than the increased emphasis on lifeline considerations which were not a direct consideration of the assessment of water and other sanitary services at the time there are no significant variations from this assessment

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a safe service	Wastewater overflows into houses due to faults in the public reticulation.	Nil	Nil	Nil	Nil
		Maximum number of overflows affecting properties more than twice a year per 1000 properties.	New measure	20	15	12
		Any non-compliance is publicly advertised: Within ½ hour on the website Same day on the local radio station The next publication of the local daily newspaper	Achieved	Achieved	Achieved	Achieved
	Residents overall satisfaction with the service	Minimum % satisfied per survey.	67%	65%	67%	70%
	Residents are provided with a reliable and efficient sewerage service	Maximum number of customers who experience a public wastewater service problem in any year	19	20	20	20
		All planned shutdowns are notified at least 24 hours prior	Achieved	Achieved	Achieved	Achieved
Information is readily available on the schemes	Basic fact information provided on Council's web site. More detailed information is provided within 10 working days.	?	Achieved	Achieved	Achieved	
Financial sustainability	Schemes are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) ⁵	45%	45%	50%	60%
Environmental sustainability	Treated waste water discharges are managed without adversely affecting the receiving environment.	Maximum number of resource consent infringements	Nil	Nil	Nil	Nil

⁵ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

[7] Financial information

Activity funding

These activities are mainly funded by:

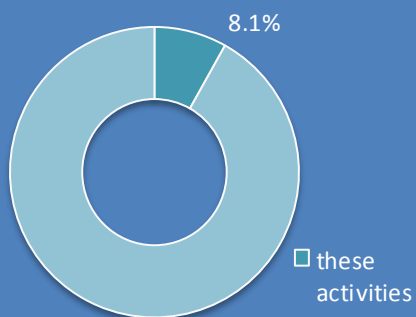
Targeted Rates

- Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate

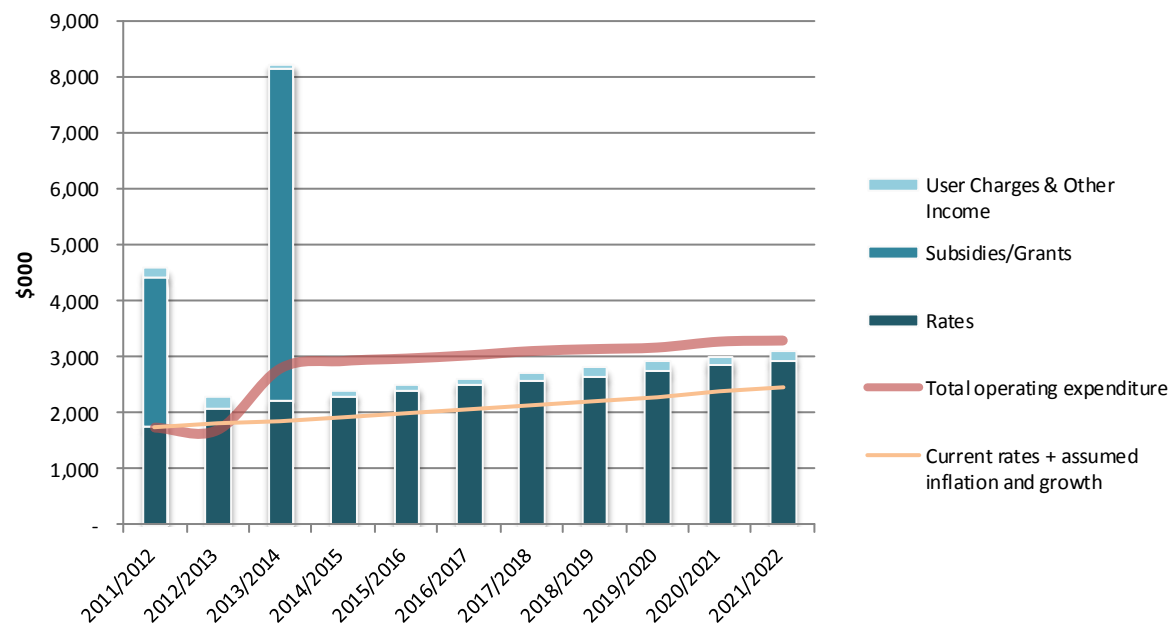
Subsidies and loans

- New capital works are funded via any available subsidies and loans. The targeted rate meets the required loan repayment

Percentage of total Council operating expenditure for 10 year plan



Wastewater: Sources of income and total expenditure



In the graph above we show as the yellow line “current rates + assumed inflation and growth”. We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (other than a metered rate for water supply)	1,749	2,070	2,194	2,291	2,378	2,484	2,552	2,643	2,734	2,837	2,926
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	37	38	39	40	41	43	43	45	46	47	50
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	84	137	-	-	-	-	-	-	-	-	-
Total operating funding [A]	1,870	2,245	2,233	2,331	2,419	2,527	2,595	2,688	2,780	2,884	2,976
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	605	731	787	830	864	913	923	956	986	1,028	1,054
Finance costs	75	52	926	908	912	913	911	906	898	886	872
Internal charges and overheads applied	161	176	184	190	196	203	209	216	222	229	236
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	841	959	1,897	1,928	1,972	2,029	2,043	2,078	2,106	2,143	2,162
Surplus (deficit) of operating funding [A - B]	1,029	1,286	336	403	447	498	552	610	674	741	814
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	2,667	-	5,979	-	-	-	-	-	-	-	-
Development and financial contributions	43	13	14	38	50	64	97	101	122	104	108
Increase (decrease) in debt	(26)	10,544	7	75	35	1	(37)	(79)	(125)	(151)	(204)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	2,684	10,557	6,000	113	85	65	60	22	(3)	(47)	(96)
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	4,154	15,510	5,851	-	-	-	-	-	-	-	-
—to replace existing assets	202	209	445	460	475	491	507	523	540	558	576
Increase (decrease) in reserves	(638)	(3,865)	51	53	53	53	52	48	44	37	30
Increase (decrease) of investments	(5)	(11)	(11)	3	4	19	53	61	87	99	112
Total applications of capital funding [D]	3,713	11,843	6,336	516	532	563	612	632	671	694	718
Surplus (deficit) of capital funding [C – D]	(1,029)	(1,286)	(336)	(403)	(447)	(498)	(552)	(610)	(674)	(741)	(814)
Funding balance: [A – B] + [C – D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	-	-	-	-	-	-	-	-	-	-
General Rates - set on land value	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (including targeted rates for water supply)	1,749	2,070	2,194	2,291	2,378	2,484	2,552	2,643	2,734	2,837	2,926
Subsidies and grants (operating and capital)	2,667	-	5,979	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	164	188	53	78	91	107	140	146	168	151	158
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	13	13	14	14	15	15	16	16	17	17
Total income	4,580	2,271	8,239	2,383	2,483	2,606	2,707	2,805	2,918	3,005	3,101
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	605	731	787	830	864	913	923	956	986	1,028	1,054
Finance costs	75	52	926	908	912	913	911	906	898	886	872
Internal charges and overheads applied	161	176	184	190	196	203	209	216	222	229	236
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	890	731	892	993	993	993	1,056	1,056	1,056	1,125	1,125
Total expenditure	1,731	1,690	2,789	2,921	2,965	3,022	3,099	3,134	3,162	3,268	3,287
Surplus (deficit) of activities	2,849	581	5,450	(538)	(482)	(416)	(392)	(329)	(244)	(263)	(186)

[8] How we manage our assets that support this activity

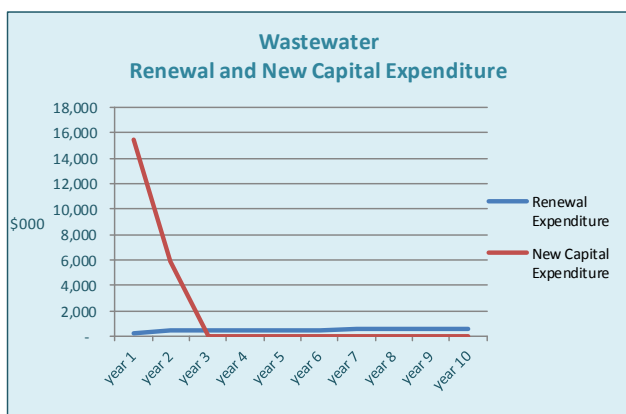
Council has an extensive level of information about its Wastewater and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

The focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors. As stated, the Taylorville/Dobson/Kaiata scheme may well be implemented.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
General renewals	201	208	215	1,737	all years
Runanga system replacement	-	230	238	1,875	all years

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Greymouth wastewater upgrade	8,440	5,635	-	-	
Runanga Pond effluent discharge upgrade	-	216	-	-	
Dobson/Kaiata/Taylorville scheme	7,070	-	-	-	

Additional capacity

The Activity Management Plan shows no significant increase in demand based on population growth projections.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP.

Assumptions re Sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset. Other sources of funding include:
 - rates
 - Financial contributions

[11] Potential negative effects of this activity (significant)

The capacity of sewerage systems may be exceeded in extreme weather events which may result in wastewater overflows. Component failure may also cause system under-performance which, in turn can result in overflows.

[4] Water supply

[1] Activities included in this group

Water supply includes sourcing, treatment and distribution from the 5 Council water supply, schemes of:

- Wider Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa).
- Runanga/Dunollie/Rapahoe:
- Stillwater.
- Blackball.
- Taylorville/Dobson.

The Kaiata Developments scheme is likely to transfer to Council before or during the term of this LTP.

[2] Why we are involved in this activity/these activities

We provide quality, affordable water and, in the process contribute to:

- Our community's health
- Community safety (through water supply for fire fighting)
- Industrial and residential development.

[3] Contribution to Council's Vision

OUTCOME	CONTRIBUTION
Growing the local economy	A good, quality water supply is a prerequisite for a healthy, growing economy.
Affordable, quality services	Water is an important essential service which determines enjoyment of property and quality of life.

OUTCOME	CONTRIBUTION
Personal and property safety	Water is a basic necessity. It is an important requirement for a healthy community that water must at all times be potable. Easy access to a pressurised water supply is also necessary for fire fighting.

[4] What we'll provide

A summary of Council's Water infrastructure and distribution is as follows :

Scheme	No. of Connections	Water source	Water treated	Latest water grading*
Greymouth (Greymouth zone)	3,644	Grey River	Yes	Ec
Greymouth (Cobden zone)	3,644	Grey River	Yes	Eb
Runanga/Dunollie/Rapahoe	620		No	Ed
Taylorville Dobson	280	Grey River	Yes	Eb
Blackball	191		Yes	Ec
Stillwater	42	Grey River	Yes	Eb

* The water grading measurements used above give a result for both the water at the:

1. Source/treatment plant (the first CAPITAL letter); and
2. Within the distribution network/pipes (the second lowercase letter).

The letters stand for the following:

Water Source & Treatment Plant	Distribution System /Network	Risk Level	description
A1	n/a	Very Low	Completely satisfactory: Demonstrably high quality.
A	a	Very Low	Completely satisfactory.
B	b	Low	Satisfactory.
C	c	Moderate	Marginal.
D	d	High	Unsatisfactory.
E	e	Very High	Completely unsatisfactory.
U	u	Ungraded	not required if less than 500 people

Council will provide a sustainable and quality water supply to connected communities for domestic and commercial use. We regularly monitor the quality of water and plan for the needs of the District as a whole, and individual communities within the District, including any maintenance and upgrades needed to retain service levels. A specific focus of this Plan is to address quality issues in relation to our water supplies.

This is a core business for Council.

[5] Key issues facing the activity

Key issues over the next 10 years are anticipated to be:

- The vulnerability of the Runanga/Rapahoe water supply to contamination through bacteria and other harmful organisms as a result of the community's choice not to have chlorination.
- The introduction of additional treatment on Council's water supplies as a means of capturing micro-organisms as well as addressing turbidity (refer further discussion below).
- Earthquake resilience of all schemes
- Lifeline requirements
- Water Services Assessment - With respect to water supplies there are no significant variations from this assessment

The focus on filtration is to balance the requirements of bringing water supplies in line with the New Zealand Drinking Water Standards, and considering the ability to pay of the communities. Under current legislation/regulations; Schemes must comply with such standards by:

- Stillwater – 1st July 2015
- Dobson-Taylorville – 1st July 2014
- Runanga-Rapahoe: 1st July 2014
- Greymouth: 1st July 2013

In this draft Plan Council has included the capital and operating costs required for the Greymouth scheme only (upgrade required to be carried out year one, and operational by start of year two). Council is currently concerned that the cost of upgrading the smaller three schemes is a too great a cost for the communities to absorb. This is largely influenced by:

- Runanga is also facing significant cost increases to renew their sewerage scheme
- Dobson/Taylorville is being consulted on the option of a new sewerage scheme, the cost alone which will see their average rates increase approximately 80%.

Council is balancing the ability of the communities to pay for the upgrades with any associated benefits to the community of upgrading the treatment. As outlined above the current water gradings of the schemes are low, so in theory they can present a risk to the community.

Council will use the remaining time before the compliance dates referred to above to:

- Discuss with Central Government options for extending the compliance dates
- Discuss with Central Government options for higher financial assistance than those already available

Council is not intent on breaching regulations/standards, and if there are no new options we will amend our budgets accordingly through future Annual Plans and/or Long Term Plans to meet the cost of the upgrades. The consequences of non compliance would be the potential of fines payable per the Health Act 1956 for failing to take all practicable steps to comply with drinking water standards. The reality is these fines (up to \$200,000 and/or up to \$10,000 per day) would cost the ratepayer in excess of the upgrade costs, and for no benefit

Notwithstanding this we will still be consulting specifically with the communities as part of consulting on this document to outline the options; including:

- Upgrading the schemes based on current options/subsidies
- Looking at alternative options such as connecting to the Greymouth scheme
- Emphasising potential implications, including the risk of losing any subsidies if schemes aren't upgraded within specified timeframes

The relative costs involved are as follows:

Capital Cost for upgrading the scheme:

	YEAR 1	YEAR 2	YEAR 3
	\$000	\$000	\$000
Runanga Filtration		1,252	
Dobson Taylorville Filtration		618	
Stillwater Filtration			556

Council would loan fund its required share of the capital cost (total net cost net of any subsidy received), and repay the loan over 30 years using additional rates per property to meet the loan repayments. In addition to this the additional plant would require additional maintenance and operating costs each year to run. These costs are also recovered from the targeted rate applied to each property in the respective areas.

The **ADDITIONAL** annual cost per rateable property to cover the costs outlined above is as follows:

		from year
Runanga Filtration	\$ 230.00	year 2
Dobson Taylorville Filtration	\$ 170.00	year 2
Stillwater Filtration	\$ 130.00	year 3

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a safe water supply	Any non-compliance is publicly notified as soon as practical, by advertising: <ul style="list-style-type: none"> • Within ½ hour on the website • Same day on the local radio station • The next available publication of the local daily newspaper 	Achieved	Achieved	Achieved	Achieved
		Maximum number of notifiable water supply transgressions with Drinking Water Standards per year <ul style="list-style-type: none"> • Greymouth • Blackball • Runanga • Dobson/Taylorville • Stillwater 	<ul style="list-style-type: none"> • nil • nil • 6 • nil • nil 	<ul style="list-style-type: none"> • nil • nil • 5 • 1 • 1 	<ul style="list-style-type: none"> • nil • nil • 1 • 1 • 1 	<ul style="list-style-type: none"> • nil • nil • 1 • 1 • 1
	Residents are happy with the appearance and taste of water	Minimum % satisfied per survey	94	90	90	90
	Residents are happy with the pressure and flow	Minimum % satisfied per survey	81	80	80	80
	Residents overall satisfaction with the service	Minimum % satisfied per survey.	77	75	75	75

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
		All planned shutdowns are notified at least 24 hours prior	Achieved	Achieved	Achieved	Achieved
Access to the service	Council will provide a reliable water supply	The number of unplanned interruptions (affecting mains and rider mains) per year does not exceed the following amounts (total for all schemes):	new measure	120	120	120
Financial sustainability	Schemes are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) ⁶	90%	90%	90%	92%
Environmental sustainability	Water is sourced from a sustainable resource	Maximum number of resource consent infringements	Nil	Nil	Nil	Nil

⁶ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

[7] Financial information

Activity funding

These activities are funded by:

Rates

- **Targeted rates** charged to properties connected or able to connect to one of our water schemes
- **Water meter charges** to connected commercial properties that use greater than 300m³ per annum (300,000 litres)

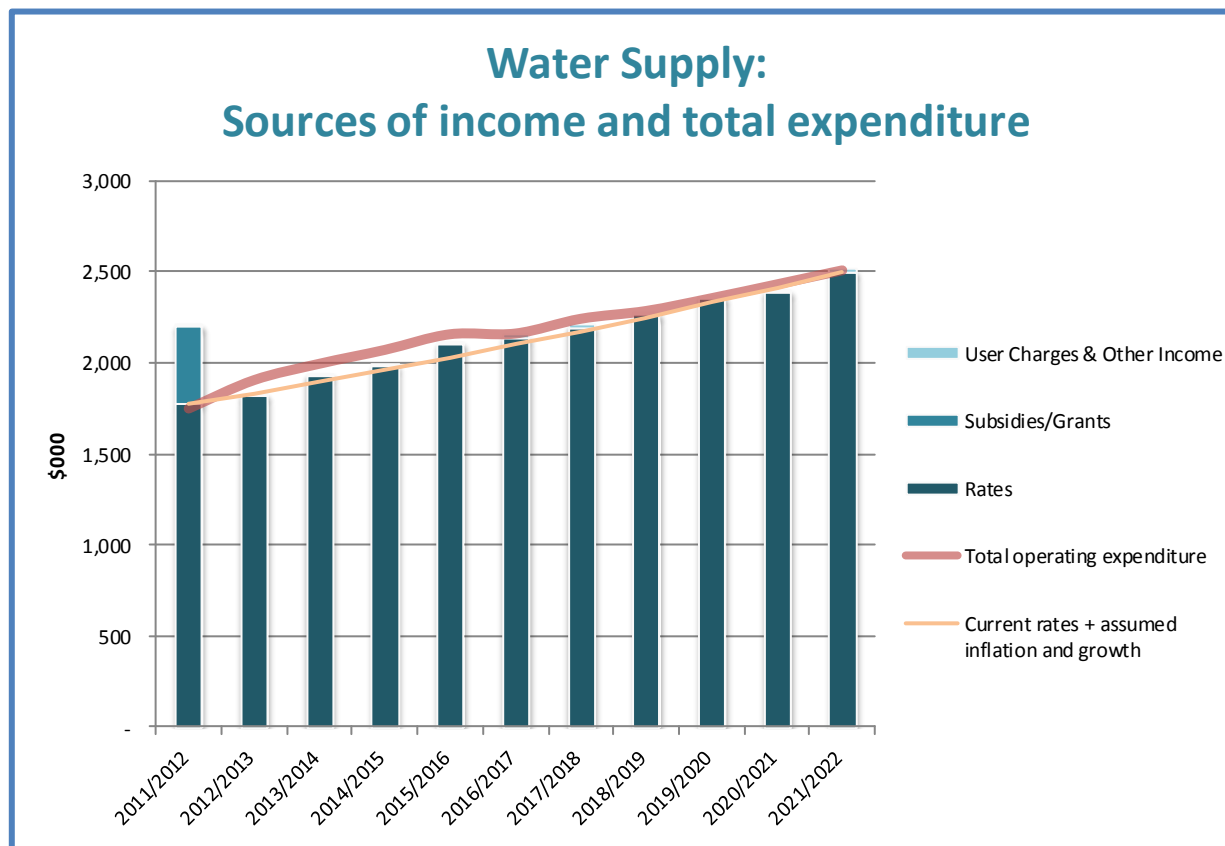
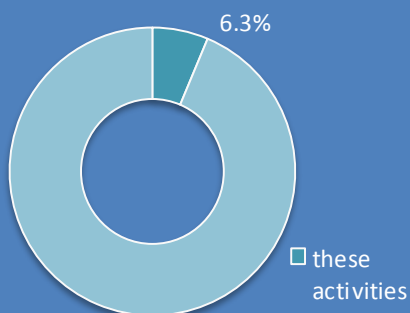
User charges and other income

- **Contributions** from developers for new sections connecting to schemes

Subsidies and grants

- **Subsidies** from central government to upgrade schemes to higher standards (where available).

Percentage of total Council operating expenditure for 10 year plan



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (other than a metered rate for water supply)	1,452	1,486	1,584	1,621	1,731	1,753	1,798	1,850	1,929	1,945	2,041
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	328	338	350	362	375	388	401	416	430	445	461
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding [A]	1,780	1,824	1,934	1,983	2,106	2,141	2,199	2,266	2,359	2,390	2,502
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	933	943	1,001	1,026	1,109	1,111	1,137	1,175	1,244	1,260	1,334
Finance costs	282	331	329	326	325	322	318	318	313	309	307
Internal charges and overheads applied	87	90	99	102	105	110	113	117	122	125	130
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	1,302	1,364	1,429	1,454	1,539	1,543	1,568	1,610	1,679	1,694	1,771
Surplus (deficit) of operating funding [A - B]	478	460	505	529	567	598	631	656	680	696	731
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	424	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	381	1,219	(41)	(44)	(6)	(51)	(55)	(13)	(64)	(68)	(21)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	805	1,219	(41)	(44)	(6)	(51)	(55)	(13)	(64)	(68)	(21)
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	610	1,054	-	-	42	-	-	47	-	-	52
—to replace existing assets	726	653	482	493	517	535	554	574	594	606	636
Increase (decrease) in reserves	(53)	(28)	(18)	(8)	2	12	22	22	22	22	22
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	1,283	1,679	464	485	561	547	576	643	616	628	710
Surplus (deficit) of capital funding [C - D]	(478)	(460)	(505)	(529)	(567)	(598)	(631)	(656)	(680)	(696)	(731)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	-	-	-	-	-	-	-	-	-	-
General Rates - set on land value	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (including targeted rates for water supply)	1,780	1,824	1,934	1,983	2,106	2,141	2,199	2,266	2,359	2,390	2,502
Subsidies and grants (operating and capital)	424	-	-	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	13	13	14	14	15	15	16	16	17	17
Total income	2,204	1,837	1,947	1,997	2,120	2,156	2,214	2,282	2,375	2,407	2,519
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	933	943	1,001	1,026	1,109	1,111	1,137	1,175	1,244	1,260	1,334
Finance costs	282	331	329	326	325	322	318	318	313	309	307
Internal charges and overheads applied	87	90	99	102	105	110	113	117	122	125	130
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	447	541	566	617	618	618	674	675	676	737	737
Total expenditure	1,749	1,905	1,995	2,071	2,157	2,161	2,242	2,285	2,355	2,431	2,508
Surplus (deficit) of activities	455	(68)	(48)	(74)	(37)	(5)	(28)	(3)	20	(24)	11

[8] How we manage our assets that support this activity

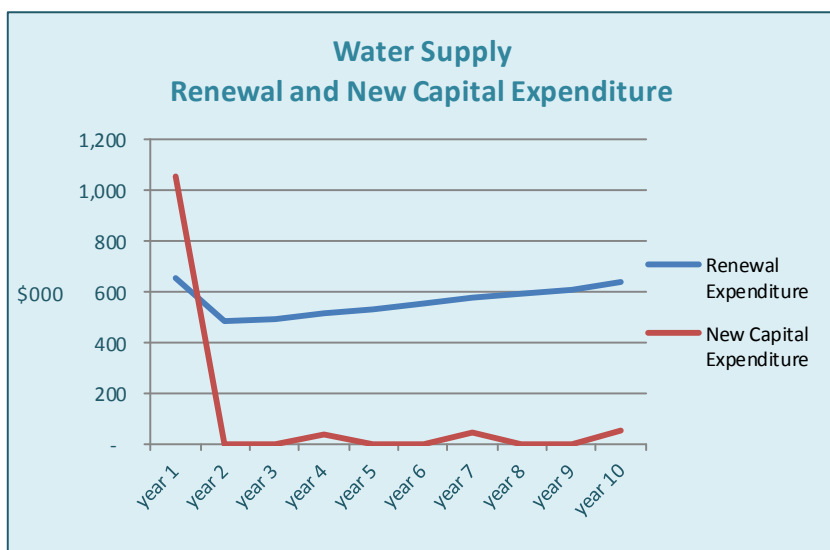
Council has an extensive level of information about its Water and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as network condition and capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

Apart from the introduction of filtration, the focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
General renewals	638	464	472	3,857	all years

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Greymouth Pressure Reduction	38	-	-	140	years 4,7,10
Greymouth Filtration - Plant upgrade	1,017	-	-	-	
Runanga Filtration - Plant upgrade	-	-	-	-	
Dobson/Taylorville Filtration - Plant upgrade	-	-	-	-	
Stillwater Filtration - Plant Upgrade	-	-	-	-	

Additional capacity

The Activity Management Plan shows no significant increase in demand based on population growth projections.

With respect to subdivision development, requirements are in place to recover the costs of any required increase in capacity.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP.

Assumptions re Sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset. Other sources of funding include:
 - Rates
 - Financial contributions
 - Special Reserve funds
 - User fees

[11] Potential negative effects of this activity (significant)

Council's water take remains well within its allocation and is not considered harmful to the water sources. Council also continues to promote the responsible use of water.

Obviously projects associated with the maintenance and renewal of Council's reticulation system require land disturbance but this is managed with a view to reducing any negative impact as far as possible.

[5] Solid waste (refuse and recycling)

[1] Activities included in this group

Waste management involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities .

Litter control is a Regulatory function and is covered under a separate Activity Management Plan.

[2] Why we are involved in this activity/these activities

Solid waste management is necessary for the health and quality of life of the community, the local economy and the environment.

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Good waste management contributes to creating an environment conducive to growth of the economy.
Affordable, quality services	Waste management is an important essential service which determines health, amenity, enjoyment of property and quality of life.
Personal and property safety	Good waste management is an important requirement for a healthy community.

OUTCOME	CONTRIBUTION
Sustainable management of the environment	Uncontained refuse can have detrimental impacts on the environment. Similarly, there is an important requirement on efficient and responsible landfill management as a means of reducing the impact on the environment

[4] What we’ll provide

The Solid Waste infrastructure includes:

- McLeans landfill, providing for:
 - Waste disposal in cells with the current cell expected to have to be closed in 2022 (assuming predicted levels of reducing volumes through recycling are reached).
 - Buildings and associated infrastructure for waste recovery and refuse recycling.
- Moana Resource and Recovery centre, providing for limited capacity waste transfer facilities with waste from time to time transferred to McLeans landfill.
- Blackball Resource and Recovery Centre providing for limited capacity waste transfer facilities with waste from time to time transferred to McLeans landfill.
- Nelson Creek Resource and Recovery Centre providing for limited capacity waste transfer facilities with waste from time to time transferred to McLeans landfill.

Once the kerbside recycling initiative is introduced, infrastructure will also include function specific wheelie bins and other receptacles.

Council’s services will provide the following:

- Kerbside recycling.
- Refuse collection, handling and disposal on a weekly basis throughout the District.
- Litter bins

[5] Key issues facing the activity

Key issues over the next 10 years are anticipated to be:

- Community education on the need for waste minimization.
- Implementation and management of Waste recycling initiatives.
- Providing for the financial impact of the Emissions Trading Scheme on the landfill.

- Managing existing cell at McLeans Landfill in order to extends its useful life
- Waste Management Plan - With respect to waste management; there are no significant variations from this assessment

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a convenient service	Minimum % of residents are satisfied facilities (litter bins, recycling stations, recycling centre) are kept clean and tidy.	new measure	75	80	80
	Residents overall satisfaction with the service	Minimum % satisfied per survey.	86	90	92	92
Access to the service	By providing convenient services that our residents are aware of and understand	Minimum % of waste collected, is recycled ⁷	25	35	50	50
	Residents are provided with a reliable service	Minimum % satisfied that waste and recyclables are collected on time, (where services are provided).	96%	90%	90%	90%
	Information is readily available on the schemes	Basic fact information provided on Council's web site. More detailed information is provided within 10 working days.	new measure	Achieved	Achieved	Achieved
Financial sustainability	Facilities and services are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) ⁸	100%	100%	100%	100%

⁷ Where Council provides a recycling service.

⁸ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Environmental sustainability	Solid Waste facilities and services are managed without adversely affecting the receiving environment.	Maximum number of resource consent infringements	Nil	Nil	Nil	Nil

[7] Financial information

Activity funding

These activities are funded by:

Targeted Rates

- There is a direct benefit for those properties that can have their waste collected; therefore a targeted rate is struck to cover these costs.

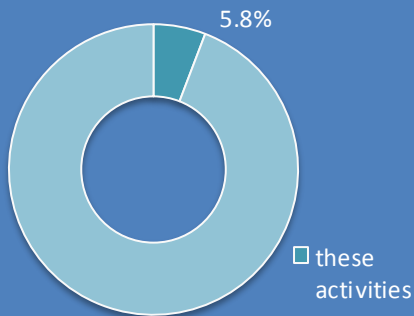
User fees

- Excess users of refuse collection pay additional user fees
- Those that use facilities direct cover the relevant costs by way of user fees

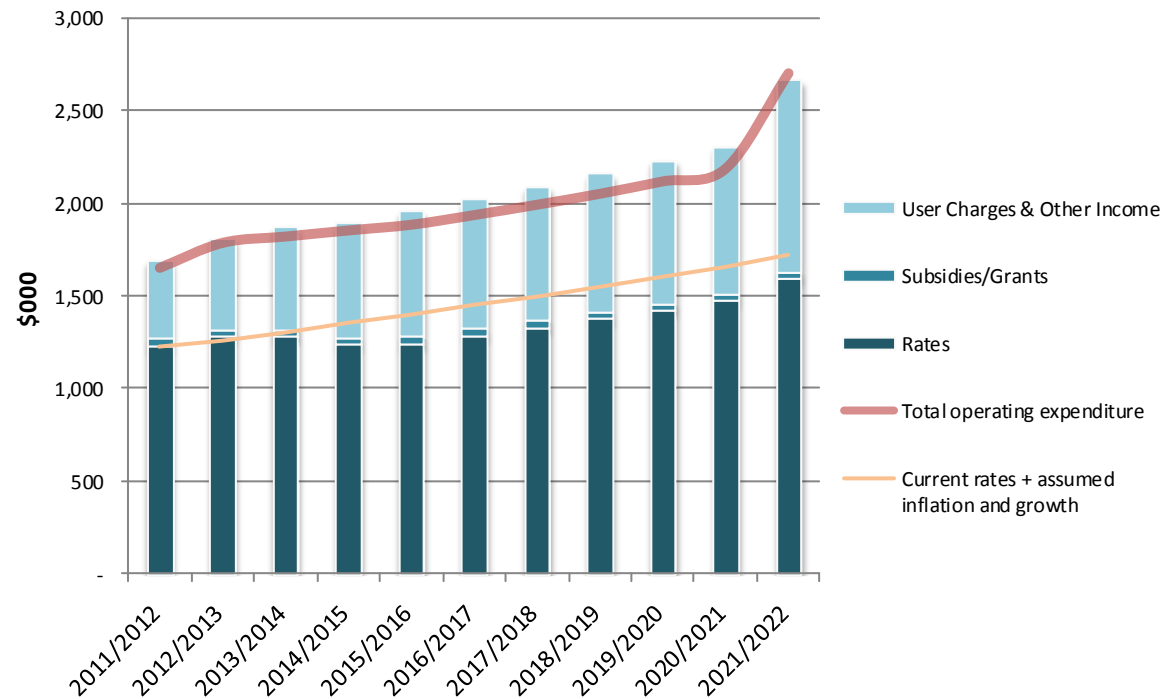
General Rates

- There is a district wide benefit to having a compliant facility; therefore other costs are covered by a separate general rate set differentially across the district.

Percentage of total Council operating expenditure for 10 year plan



Solid Waste Management: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	312	177	140	56	20	20	20	20	20	20	86
Targeted rates (other than a metered rate for water supply)	915	1,100	1,139	1,179	1,220	1,263	1,308	1,354	1,402	1,451	1,502
Subsidies and grants for operating purposes	40	36	36	36	36	36	36	36	36	36	36
Fees, charges, and metered rates for water supply	386	464	524	585	646	668	690	715	740	766	1,008
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	40	36	36	36	36	36	36	36	36	36	36
Total operating funding [A]	1,693	1,813	1,875	1,892	1,958	2,023	2,090	2,161	2,234	2,309	2,668
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	1,286	1,540	1,574	1,609	1,642	1,697	1,755	1,815	1,878	1,942	2,009
Finance costs	101	69	64	58	51	44	36	31	30	29	315
Internal charges and overheads applied	64	66	69	71	74	76	79	81	84	87	90
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	1,451	1,675	1,707	1,738	1,767	1,817	1,870	1,927	1,992	2,058	2,414
Surplus (deficit) of operating funding [A - B]	242	138	168	154	191	206	220	234	242	251	254
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(108)	(79)	(85)	(91)	(98)	(105)	(112)	(12)	(13)	(14)	3,975
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	(108)	(79)	(85)	(91)	(98)	(105)	(112)	(12)	(13)	(14)	3,975
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	29	30	31	32	33	34	35	36	37	38	4,860
—to replace existing assets	22	17	39	18	18	19	19	20	46	21	22
Increase (decrease) in reserves	83	12	13	13	42	48	54	166	146	178	(653)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	134	59	83	63	93	101	108	222	229	237	4,229
Surplus (deficit) of capital funding [C - D]	(242)	(138)	(168)	(154)	(191)	(206)	(220)	(234)	(242)	(251)	(254)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	-	-	-	-	-	-	-	-	-	-
General Rates - set on land value	312	177	140	56	20	20	20	20	20	20	86
Targeted rates (including targeted rates for water supply)	915	1,100	1,139	1,179	1,220	1,263	1,308	1,354	1,402	1,451	1,502
Subsidies and grants (operating and capital)	40	36	36	36	36	36	36	36	36	36	36
User charges and regulatory income (consent fees, infringements et	426	500	560	621	682	704	726	751	776	802	1,044
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-
Total income	1,693	1,813	1,875	1,892	1,958	2,023	2,090	2,161	2,234	2,309	2,668
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	1,286	1,540	1,574	1,609	1,642	1,697	1,755	1,815	1,878	1,942	2,009
Finance costs	101	69	64	58	51	44	36	31	30	29	315
Internal charges and overheads applied	64	66	69	71	74	76	79	81	84	87	90
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	200	111	113	115	117	119	122	124	126	129	288
Total expenditure	1,651	1,786	1,820	1,853	1,884	1,936	1,992	2,051	2,118	2,187	2,702
Surplus (deficit) of activities	42	27	55	39	74	87	98	110	116	122	(34)

[8] How we manage our assets that support this activity

Council has an extensive level of information about its Solid Waste and associated assets in the Activity Management Plan (AMP). The AMP also contains detailed service level information such as landfill and capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

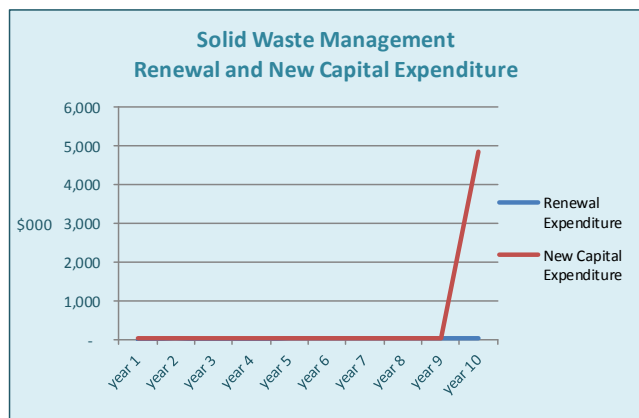
Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

Apart from the introduction of recycling, the focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors.

It is anticipated that recovery of recyclable materials will significantly increase and there will be a corresponding reduction in the amount of general (non-recyclable) refuse that will be required to be collected and deposited at McLean’s Landfill.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
General renewals	21	43	23	205	all years

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
New cell (3) at McLeans Landfill	-	-	-	4,821	year 10
Old Cobden landfill - reinstatement of area	25	26	27	213	all years

Additional capacity

The Activity Management Plan shows no significant increase in demand based on population growth projections. We do expect a significant decrease in the volume of waste going into the landfill once recycling is in full swing and that this will prolong the life of the existing and future cells.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives as provided for in the AMP. The life of cells at McLeans landfill may well increase as waste minimization initiatives and recycling takes hold.

Assumptions re Sources of funding for replacement of assets are:

- Project costs will primarily be funded through loans funded over the expected life of the asset. Other sources of funding include:
 - Rates
 - Financial contributions
 - Special Reserve funds
 - User fees

[11] Potential negative effects of this activity (significant)

This may include:

- The impact of the cost of recycling and ETS costs on landfill fees may result in an increase in illegal refuse dumping.
- Discharge of contaminants to land and/or water from the landfill or the closed refuse tips. Competent measures to mitigate this are in place.

[6] Emergency management

[1] Activities included in this group

Emergency management includes:

- Civil Defence and Emergency Management, including:
 - Developing, implementing and monitoring District-wide emergency management plans
 - Promoting community preparedness for emergencies.
 - Working with other authorities, both locally and in the Region to plan for and respond to hazards, risks and emergencies.
 - Mobilising and responding in the event of an emergency
- Rural Fires:-management of and participation in the West Coast Rural Fire Authority(WCRFA) and controlling permitted fires.

[2] Why we are involved in this activity/these activities

It is most important to make sure that our District is prepared for emergencies. The District is not only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area.

Council subscribes to the principles of “reduce, readiness, response, recovery”.

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Having in place competent services to cope with emergencies builds confidence which is an important requirement for economic growth and stability.
Personal and property safety	The ability to be prepared for and then to competently deal with emergencies are important for public safety.

[4] What we’ll provide

Civil Defence

Council will:

- Continually educate the community on the need to be prepared for emergencies
- Maintain a Civil Defence operational capacity to mobilize immediately an emergency comes up in order to limit loss of life and to restore services to normality as soon as possible.
- Keep the community informed of the measures that will become operational during such an emergency

Rural Fires

We will:

- Focus on the prevention of rural fires;
- Responding to rural fire call-outs; and
- Through our membership of the WCRFA, ensure an on-going, competent rural fire response capability.

[5] Key issues facing the activity

Civil Defence

- The on-going risk posed by extreme natural events i.e. a major earthquake, flooding, , rock falls, wild fires, land slips and other inundation and cyclones and tornados
- Maintaining community and operational preparedness amidst growing apathy during times of low emergency risk.
- Ensuring that buildings identified for use during emergencies are structurally and otherwise capable of withstanding emergencies.

Rural Fires

- Maintaining public commitment in the form of volunteer Fire Fighters

[6] Performance measures

Civil Defence

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By emergency management personnel being aware of their roles and being proficient in the execution of duties	The number of in-house/national training exercises participated in annually.	2	2	2	2
		A minimum percentage of personnel trained to CIMS 4 standard	80%	80%	85%	90%
Coverage of the service	By encouraging greater public awareness and participation from the public to be better prepared for emergency situations.	A minimum percentage of schools and pre-school organisations visited annually to deliver the “be better prepared” message.	new measure	80%	90%	95%
	Information is readily available on service	Relevant details and plans are posted on Council’s website	achieved	achieved	achieved	achieved
	Our residents are prepared for an emergency	% of residents surveyed who feel they are prepared to cope in an emergency	81%	80%	90%	95%

Rural Fire

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing an efficient service	For the Zone management by Council (Zone 4) Council meets National Rural Fire Authority requirements.	Not Achieved	Achieved	Achieved	Achieved
Quality of and Access to the service	By providing an efficient and convenient rural fire service	Maximum time to process and issue new Fire Permits will be 3 working days and renewals, 1 working day.	Achieved	Achieved	Achieved	Achieved
	Information is readily available on the service	Basic fact information provided on Council’s web site. More detailed information is provided within 10 working days.	Not available on web site.	Achieved	Achieved	Achieved

[7] Financial information

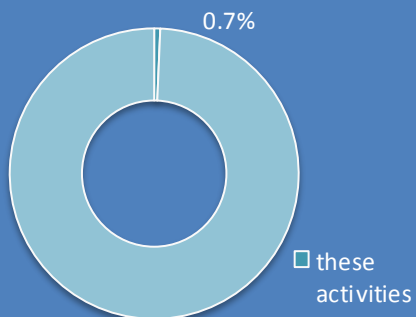
Activity funding

These activities are funded by:

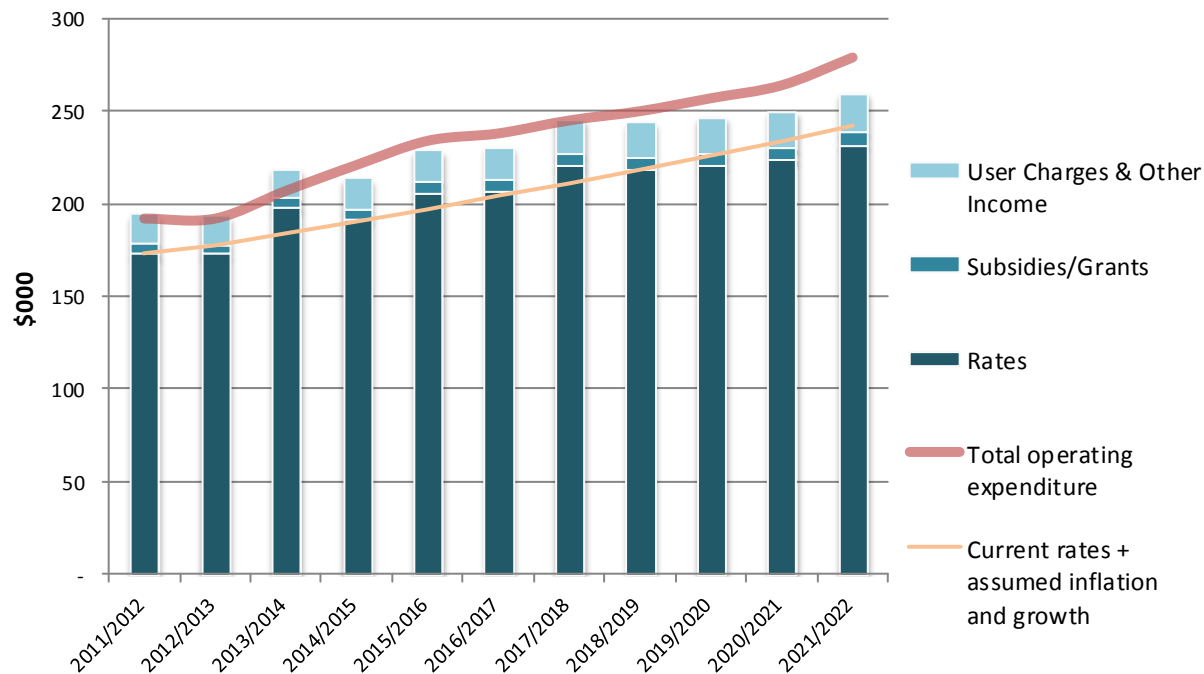
General rates

- There is a district wide benefit to having a managed service; therefore other costs are covered by a general rate

Percentage of total Council operating expenditure for 10 year plan



Emergency Management: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth". We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	173	173	198	192	206	207	221	219	221	224	232
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	6	5	5	5	6	6	6	6	6	6	7
Fees, charges, and metered rates for water supply	16	16	16	17	17	18	19	19	20	20	21
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding [A]	195	194	219	214	229	231	246	244	247	250	260
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	122	117	119	126	133	132	137	140	144	148	162
Finance costs	-	3	5	4	5	4	3	2	2	1	-
Internal charges and overheads applied	62	65	68	71	74	77	79	81	83	86	88
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	184	185	192	201	212	213	219	223	229	235	250
Surplus (deficit) of operating funding [A - B]	11	9	27	13	17	18	27	21	18	15	10
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	18	16	26	(8)	11	(12)	(13)	(14)	(11)	(8)	(3)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	18	16	26	(8)	11	(12)	(13)	(14)	(11)	(8)	(3)
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	24	22	50	2	24	2	10	3	3	3	3
—to replace existing assets	3	3	3	3	4	4	4	4	4	4	4
Increase (decrease) in reserves	2	-	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	29	25	53	5	28	6	14	7	7	7	7
Surplus (deficit) of capital funding [C - D]	(11)	(9)	(27)	(13)	(17)	(18)	(27)	(21)	(18)	(15)	(10)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	98	100	104	108	112	116	119	122	125	129	132
General Rates - set on land value	75	73	94	84	94	91	102	97	96	95	100
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	6	5	5	5	6	6	6	6	6	6	7
User charges and regulatory income (consent fees, infringements et	16	16	16	17	17	18	19	19	20	20	21
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-
Total income	195	194	219	214	229	231	246	244	247	250	260
EXPENDITURE											
Staff costs	44	42	44	45	51	47	49	50	51	53	60
Operating & maintenance costs	78	75	75	81	82	85	88	90	93	95	102
Finance costs	-	3	5	4	5	4	3	2	2	1	-
Internal charges and overheads applied	62	65	68	71	74	77	79	81	83	86	88
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	8	7	15	20	22	25	26	27	28	29	29
Total expenditure	192	192	207	221	234	238	245	250	257	264	279
Surplus (deficit) of activities	3	2	12	(7)	(5)	(7)	1	(6)	(10)	(14)	(19)

[8] How we manage our assets that support this activity

Civil Defence assets relate mostly to communication equipment with the focus being on using existing fixed assets capable of being used during emergencies as well as existing, conventional communication and information systems as far as possible.

Such assets are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from wardens and contractors, as well as resident surveys and enquiries.

The WCRFA and rural fire services are resourced with the required assets and Council through WCRFA contributes to ensuring that these services remain resourced. Council also has a limited number of assets it provides.

[9] Significant capital expenditure

no significant capital expenditure involved

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard for the duration of its useful lives

Assumptions re Sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from:
 - Rates
 - Special Reserve funds
 - Penalties re unpermitted fires.

[11] Potential negative effects of this activity (significant)

This may include:

- Emergency equipment such as sirens may create temporary noise effects. Emergency management response and recovery activities may also have temporary adverse effects on the community and environment while social systems are being rebuilt following an emergency event.

[7] Environmental services

[1] Activities included in this group

Environmental services include:

- Environmental Planning
- Amenity Management
- Environmental Health
- Building Control
- Animal Control

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner, and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.

[2] Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The environmental planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District’s physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council’s building control services ensures that the District’s buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council’s role in advising on and where necessary enforcing the statutory provisions relating to earthquake prone buildings.
- Amenity management activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful

application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.

- Environmental health services aims to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that hairdressing businesses, gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- Dog and Stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing.

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Sound spatial planning and sensitive, constructive regulation provide for certainty, order and harmony which is most necessary for economic growth and stability.
Affordable, quality services	The group of activities involves service delivery which determines quality of life, enjoyment of property.
Personal and property safety	The group of activities involves service delivery which contribute strongly to personal and property safety.
Sustainable management of the environment	The emphasis of this group of activities is strongly on sustainability with the focus both on people and the environment

[4] What we'll provide

Environmental Planning

We will:

- ensure that the District Plan remains relevant to the community; up to date with legislative requirements and that the community is involved in any proposed plan changes.
- provide an objective consent processing system that will process your consent within statutory timelines and ensure anyone affected by a resource consent is provided with an opportunity to submit.
- monitor a range of land use consents and aspects of the District Plan as a means of ensuring compliance and that the Plan remains current.

To deliver this service Council will provide qualified and skilled planning officers, supported by skilled administration staff.

Amenity Management

Council will:

- ensure that its Bylaws and processes in implementing other legislation such as the Litter Act, remain up to date, fair and deliver what the community want.
- provide an afterhours noise control service to ensure that complaints are followed up without undue delay
- encourage residents to maintain their property in a way that does not cause nuisance to others
- provide an impoundment service for abandoned vehicles

To deliver this service, Council will provide trained compliance officers and appropriate contractors to respond to complaints.

Building Control Services

We will:

- continue to provide an efficient building consent processing service as well as ensure buildings are designed and constructed in line with national building Code requirements.
- Ensure that public and relevant commercial buildings have appropriate safety systems.

To deliver this service, Council will not only maintain accreditation as a Building Consent Authority but will provide qualified and skilled building officers supported by skilled administration staff.

Environmental Health Services

We will:

- Ensure that the relevant food, hairdressing, and other similar establishments meet the required hygiene and safety standards by inspecting such premises and ensuring they have appropriate safeguards and procedures in place.
- Monitor camping grounds for cleanliness.

To deliver this service Council will provide qualified environmental health officers and contractors to undertake inspections and respond to complaints

Animal Control

We will:

- Ensure that all dogs in the District are registered and therefore traceable
- Provide a 24 hour response service for reports of dangerous or roaming dogs or stock.
- Maintain a pound to hold dogs and stock

To deliver this service Council will provide qualified animal control officers as well as a dog and stock pound

[5] Key issues facing the activity

New legislation and central government policies continually shape many of these functions and activities within the Environmental Services group, which will require changes to policies, the District Plan and Bylaws. However, the most significant issues facing this activity in the long term are likely to arise from the following:

- Earthquake strengthening of commercial and public buildings throughout the District as a result of existing and new legislation arising from the Canterbury earthquakes.
- Resource Management Act changes are likely to require further changes to the District Plan and how it works with other plans such as the Regional Council plans.
- Amenity management issues affecting the day-to-day lives of the District's residents and making the District a better place to live and work.
- The retention and recruitment of technical staff for specialist planning, building, and compliance roles.

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	We will efficiently process information requests and consent applications within statutory time limits	% of Land Information Memoranda (LIMs) issued within 10 working days of application	100%	100%	100%	100%
		% of non-notified land use consents processed within 20 working days	100%	100%	100%	100%
		% Building consents and Code of Compliance Certificates issued with statutory time limits	100%	100%	100%	100%
		% of building inspection undertaken at agreed times	95%	95%	95%	95%
	We will ensure that buildings within the District are safe and meet national quality standards	% of owners of earthquake prone buildings in the District aware of their obligations to strengthen their buildings to the required standard	100%	100%	100%	100%
		Maintain accreditation as a building consent authority	Yes	Yes	Yes	Yes
	We will provide for a safer District by promoting responsible dog ownership and monitoring food and liquor premises	% of known dogs registered by August each year	95%	95%	95%	95%
		% food premises inspected each year	100%	100%	100%	100%
		% of premises requesting new and renewed liquor licences that are inspected.	100%	100%	100%	100%
	Availability of the service	We will respond to service requests in a timely manner	% after hours noise and animal control complaints responded to within 2 hours	95%	95%	95%
% complaints about breaches of bylaws and District Plan rules responded to within 5 working days			95%	95%	95%	95%
Financial sustainability	We will recover actual and reasonable costs for consent applications	% recovery of actual and reasonable costs	80%	80%	80%	80%

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
	We will recover reasonable and actual costs for enforcement related activities	% recovery of actual and reasonable costs	80%	80%	80%	80%
Environmental sustainability	We will ensure that the District Plan remains effective in delivering sustainable development	% of land use consents issued since 2005 are monitored for compliance with conditions	10%	20%	23%	25%
		Review and update District Plan in line with agreed programme	Scoped programme	Programme developed	In line with programme	In line with programme
		% of residents satisfied with their environment	90%	90%	90%	90%
Cultural sustainability	We will consult <i>Iwi</i> on all new policies, bylaws, District Plan changes and notified resource consents	% of new policies, bylaws, DP changes and notified resource consents that have involved <i>Iwi</i> consultation	100%	100%	100%	100%

[7] Financial information

Activity funding

These activities are funded by:

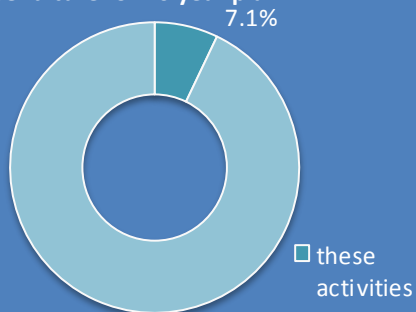
User fees

- The majority of benefit for the costs of consent processing goes to the applicant, and this is reflected in user fees.
- Enforcement is recovered by those creating the demand wherever practical

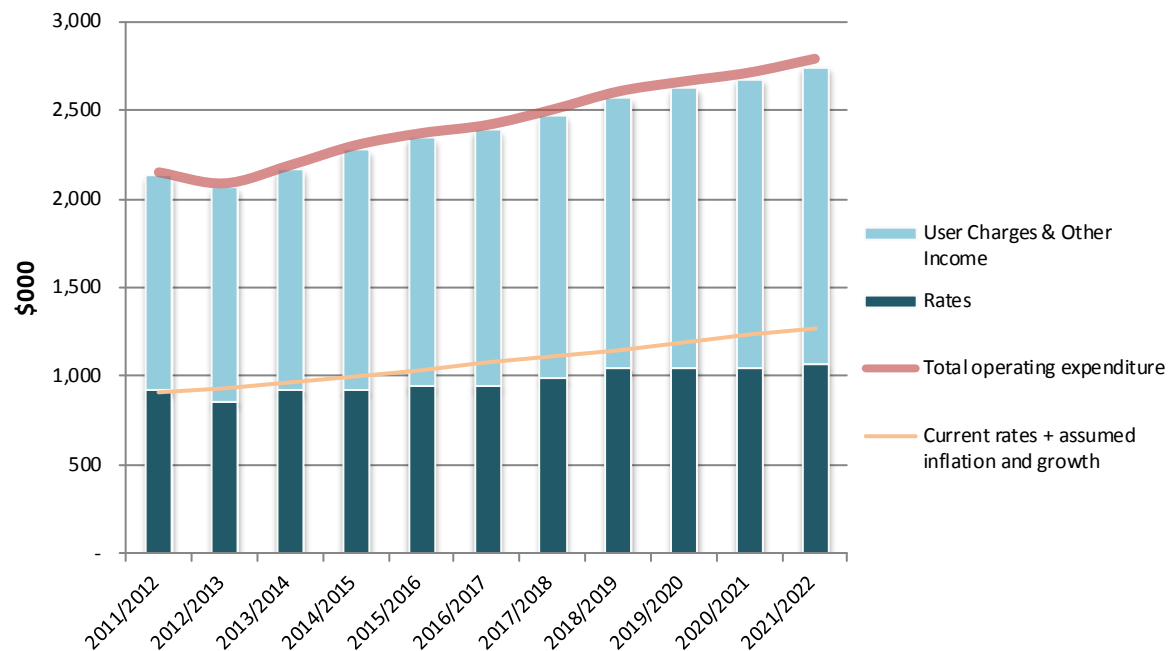
General rates

- Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates
- Having an available service (e.g. for enforcement, animal control) has a general benefit to all so the balance of activity costs are funded from general rates

Percentage of total Council operating expenditure for 10 year plan



Environmental Services: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	909	848	911	914	935	937	976	1,029	1,035	1,039	1,054
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	1,132	1,129	1,164	1,268	1,309	1,348	1,391	1,433	1,479	1,525	1,573
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	40	41	42	44	45	47	48	50	51	53	54
Total operating funding [A]	2,081	2,018	2,117	2,226	2,289	2,332	2,415	2,512	2,565	2,617	2,681
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	493	411	431	499	487	481	496	555	542	535	544
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1,610	1,641	1,722	1,765	1,843	1,891	1,962	2,003	2,071	2,123	2,191
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	2,103	2,052	2,153	2,264	2,330	2,372	2,458	2,558	2,613	2,658	2,735
Surplus (deficit) of operating funding [A - B]	(22)	(34)	(36)	(38)	(41)	(40)	(43)	(46)	(48)	(41)	(54)
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	42	43	44	46	47	49	51	53	54	56	58
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	42	43	44	46	47	49	51	53	54	56	58
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	137	8	8	8	8	9	9	9	10	10	7
—to replace existing assets	-	143	-	-	-	155	-	-	-	174	-
Increase (decrease) in reserves	(117)	(142)	-	-	(2)	(155)	(1)	(2)	(4)	(169)	(3)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	20	9	8	8	6	9	8	7	6	15	4
Surplus (deficit) of capital funding [C - D]	22	34	36	38	41	40	43	46	48	41	54
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

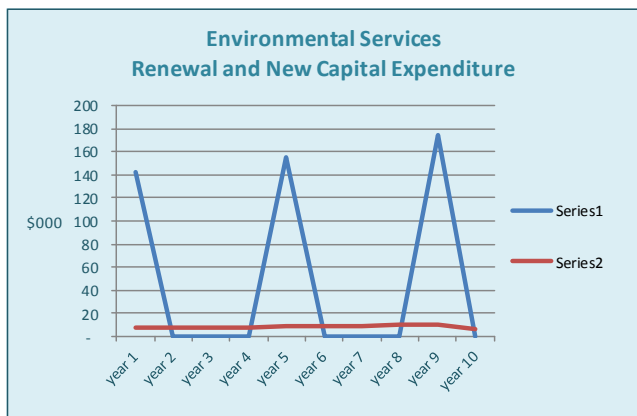
	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	68	70	73	74	77	78	81	82	84	86	88
General Rates - set on land value	841	778	838	840	858	859	895	947	951	953	966
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	1,214	1,213	1,250	1,358	1,401	1,444	1,490	1,536	1,584	1,634	1,685
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-
Total income	2,123	2,061	2,161	2,272	2,336	2,381	2,466	2,565	2,619	2,673	2,739
EXPENDITURE											
Staff costs	1	1	1	1	1	1	1	1	1	1	1
Operating & maintenance costs	492	410	430	498	486	480	495	554	541	534	543
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	1,610	1,641	1,722	1,765	1,843	1,891	1,962	2,003	2,071	2,123	2,191
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	48	37	38	40	42	46	47	49	51	56	57
Total expenditure	2,151	2,089	2,191	2,304	2,372	2,418	2,505	2,607	2,664	2,714	2,792
Surplus (deficit) of activities	(28)	(28)	(30)	(32)	(36)	(37)	(39)	(42)	(45)	(41)	(53)

[8] How we manage our assets that support this activity

Being regulatory in nature, this activity has few capital assets and only those that support the delivery of the regulatory functions described above.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
replacement of operational vehicles	143	-	-	322	years 5,9

Increase in level of service – significant projects

Nil

Additional capacity

None specifically provided for in plan.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Nil

[11] Potential negative effects of this activity (significant)

The dog pound and play areas may from time to time be a source of irritation in the form of noise as a result of barking and destruction of animals. After hour response to dog and stock complaints may also involve minor negative impacts.

[8] Other transport

[1] Activities included in this group

Other transport include:

- Greymouth Airport which includes:
 - the airport including the runway, taxi area, grass runway for use by micro light aircraft as well as navigation lights,
 - the Greymouth Aero Club as service provider to incoming and departing aircraft
 - management of the land portfolio in the form of land leases and rights to occupy.
- Parking, which involves:
 - the provision of parking
 - regulating the use of parking
- Port of Greymouth which involves:
 - managing the port, the breakwaters, wharves and the slipway
 - managing the navigation safety function.
 - managing the land holding portfolio.

[2] Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The Airport not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition it is an important training venue for related activities and defensive driver training .
- The Airport is an important strategic asset.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District . It provides for safety and convenient access to commercial, educational and service industries and venues.

- Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time visiting fishing fleet as well. It is home to the fish handling and processing activities of 2 firms.

[3] Contribution to Council's Vision

OUTCOME	CONTRIBUTION
Growing the local economy	The three components of the group of activities contribute strongly to the local economy.

[4] What we'll provide

Greymouth Airport

We will:

- Manage and maintain all aspects of the Airport so they are safe and convenient to use
- Manage the airport land portfolio responsibly and to maximize fair income for the activity
- Maintain Lifelines functions

Parking

We will:

- Manage and maintain safe and convenient parking in line with public requirements, special needs and available budgets
- Pro-actively identify needs for new parking and respond to it.
- Through education and regulation ensure that available parking can be used productively

Port of Greymouth

We will:

- provide safe access and egress to the port in line with Council's Navigation Safety responsibilities..
- Provide services to port users on a minimalistic basis
- Continue with efforts to increase usage of the port.

- The number of inactive fishing vessels in port is growing. These vessels represent a fire and pollution risk and may sink in berth. Measures to address this risk will have to be implemented.
- The impact of Council's Earthquake Compliance Policy on the Harbour Board building

[5] Key issues facing the activity

The following are important:

Greymouth Airport

- Maintaining and growing usage of the facility
- Promotion of the Airport as a viable air passenger transport option
- Promoting the airport as location for related service industries
- Promoting the Airport as location for recreational air activities

Parking

- Having sufficient land available to maintain existing parking and increase capacity as needed.
- Continual education of users on the need for considerate parking and adherence to special needs parking

Greymouth Port

- Sustainability. Since 1996 Council policy is that annual funding shortfalls be made up of port land sales and not rates. The remaining port land holding available for sale cannot sustain this and Council will have to do one or a mix of the following:
 - rate fund annual funding shortfalls
 - borrow as a means of funding the shortfall (which will further increase the unsustainability of the Port)
 - decrease expenditure
- The financial inability to appoint a Harbour Master and Port Manager represent serious risks to the efficient management of the port. The current approach of managing the facility on a minimalistic basis holds potentially significant risks for Council.
- The level of deferred maintenance and the poor condition of wharf and other assets make a revival of a cargo trade unlikely.

[6] Performance measures

Airport

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a safe service	Meet Civil Aviation Authority requirements for the Airport.	Achieved	Achieved	Achieved	Achieved
	By providing residents with a service they are happy with	Minimum % satisfied that the airport is run efficiently.	47	55	60	70
	Information on Facilities is readily available on the schemes	Basic fact information provided on Council's web site. More detailed information is provided within 10 working days of request.	new measure	Achieved	Achieved	Achieved
Financial sustainability	Facilities and services are maintained with respect for current and future generations	Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded) ⁹	100%	100%	100%	100%

Parking

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By maintaining safe, convenient and accessible parking in the CBD	Off road car parks are inspected annually for deterioration in surface seal, markings and signage. Information on remedial action will be made publicly available via the monthly meeting agenda.	new measure	Yes	Yes	Yes
		Public satisfied with the availability of public parking	73%	75%	80%	80%

⁹ Note 'one-off' revenue received for new capital projects (e.g. an external subsidy/grant) is not included in the revenue used to assess this measure

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Access to the service	Through forward planning	Development of and implementation of a parking strategy for the CBD and environs with key stakeholders	Planning	Plan Developed	Implementation of plan goals	Implementation of plan goals

Port

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing residents with a service they are happy with	Minimum % satisfied that the port is run efficiently.	47	55	60	70

[7] Financial information

Activity funding

These activities are mainly funded by:

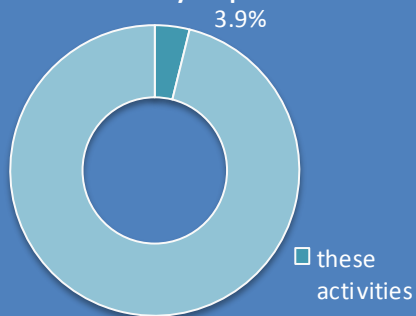
User fees

- Regulation/enforcement costs are recovered from parking fines
- Recovery from users of port facilities to be maximized
- Landing fees recovered from actual users at market competitive rates

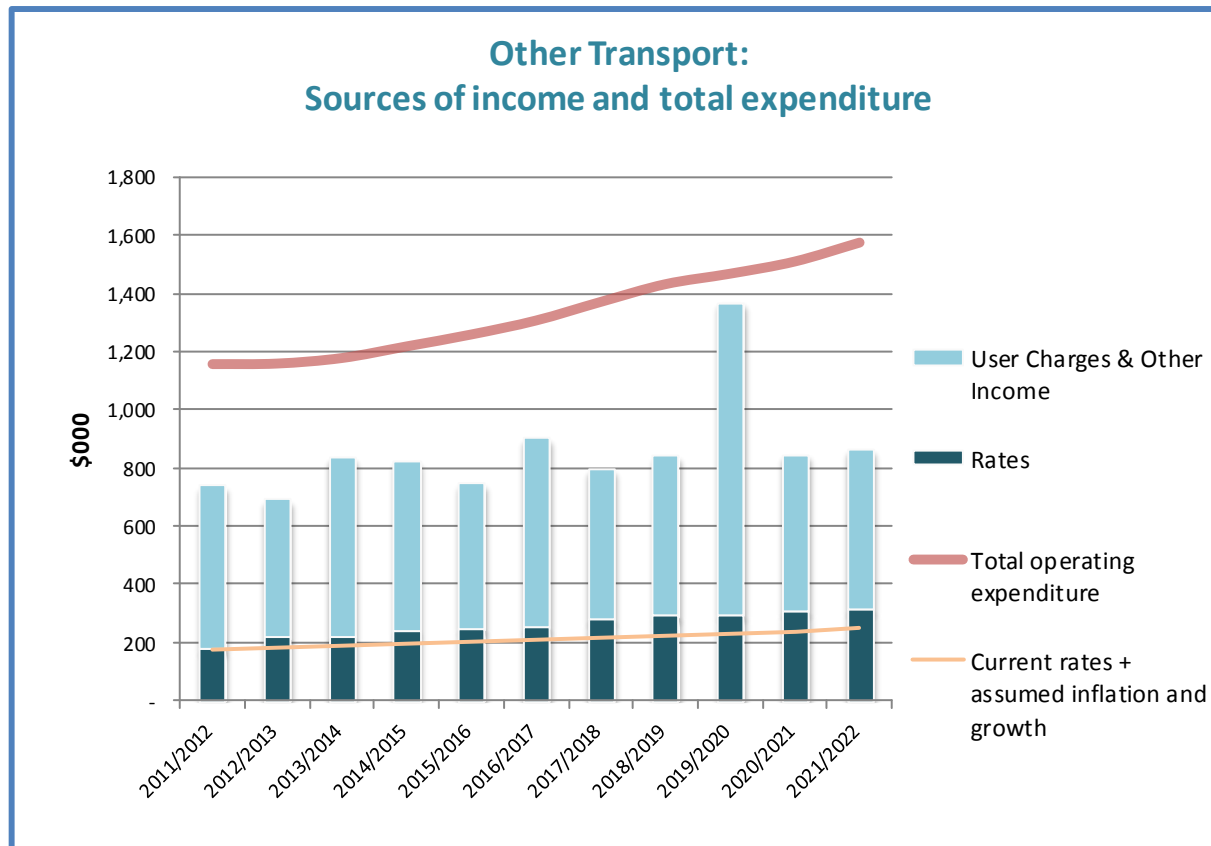
General rates

- General benefit available to all by having accessible parking in main commercial area plus no charge for on-street parking, therefore a general rate input appropriate.
- The aerodrome as an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies. This has a district wide benefit.

Percentage of total Council operating expenditure for 10 year plan



Other Transport: Sources of income and total expenditure



Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	176	214	220	239	245	250	277	289	295	307	312
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	378	409	415	418	427	430	440	448	435	451	461
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	60	67	69	72	74	77	79	82	85	88	91
Total operating funding [A]	614	690	704	729	746	757	796	819	815	846	864
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	438	623	620	638	651	676	707	732	761	773	797
Finance costs	107	36	48	57	76	90	110	137	137	150	184
Internal charges and overheads applied	213	224	234	242	251	260	267	276	283	293	300
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	758	883	902	937	978	1,026	1,084	1,145	1,181	1,216	1,281
Surplus (deficit) of operating funding [A - B]	(144)	(193)	(198)	(208)	(232)	(269)	(288)	(326)	(366)	(370)	(417)
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	300	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	187	263	96	160	314	155	362	387	(237)	453	498
Gross proceeds from sale of assets	-	-	165	117	-	183	-	29	693	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	187	563	261	277	314	338	362	416	456	453	498
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	3	311	-	-	-	-	-	-	-	-	-
—to replace existing assets	371	3	3	3	29	3	3	18	19	4	15
Increase (decrease) in reserves	(331)	56	60	66	53	66	71	72	71	79	66
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	43	370	63	69	82	69	74	90	90	83	81
Surplus (deficit) of capital funding [C - D]	144	193	198	208	232	269	288	326	366	370	417
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	44	45	47	48	49	51	52	54	56	57	59
General Rates - set on land value	132	169	173	191	196	199	225	235	239	250	253
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	-	300	-	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	438	476	484	490	501	507	519	530	520	539	552
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	124	-	132	94	-	146	-	23	554	-	-
Total income	738	990	836	823	746	903	796	842	1,369	846	864
EXPENDITURE											
Staff costs	61	224	231	239	246	253	261	269	277	285	294
Operating & maintenance costs	377	399	389	399	405	423	446	463	484	488	503
Finance costs	107	36	48	57	76	90	110	137	137	150	184
Internal charges and overheads applied	213	224	234	242	251	260	267	276	283	293	300
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	399	276	276	281	281	281	287	287	287	294	294
Total expenditure	1,157	1,159	1,178	1,218	1,259	1,307	1,371	1,432	1,468	1,510	1,575
Surplus (deficit) of activities	(419)	(169)	(342)	(395)	(513)	(404)	(575)	(590)	(99)	(664)	(711)

[8] How we manage our assets that support this activity

Council has an extensive level of information about assets in the Activity Management Plans (AMPs). The AMPs also contain detailed service level information such as capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

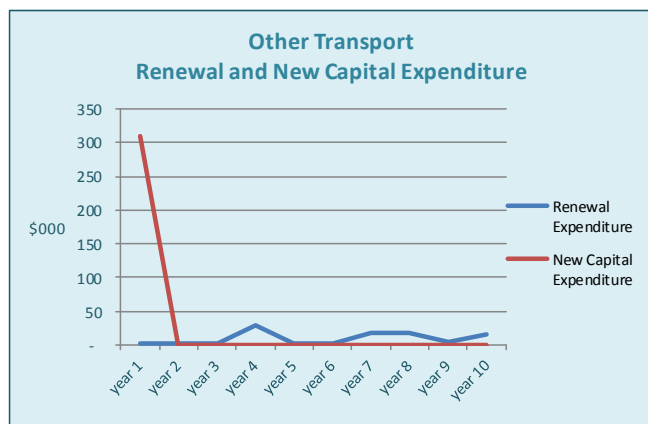
Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. Council also responds to information from customers and contractors, as well as resident surveys and enquiries.

The ability to maintain Port assets is severely constrained by the significant funding deficit of the activity.

Apart from the Port, the focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors. In the case of the Port, the focus will remain on care and availability with associated service delivery on a minimalistic basis.

[9] Significant capital expenditure

Summary



Significant Renewal projects

None signalled

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Viewing platform on Southern Breakwater	308	-	-	-	

Additional capacity

None specifically provided for in plan, beyond providing for future growth when replacing assets.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard per the Activity Management Plans for the duration of its useful lives

Assumptions re Sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from loans funded over the expected life of the asset. Other sources of funding include:
 - Rates
 - Special Reserve funds
 - User charges.
 - Fines

[11] Potential negative effects of this activity (significant)

Greymouth Airport

The major impact is noise associated with aircraft landing and taking off. There is, to a minor degree an issue with fumes

Parking

Nil

Greymouth Port

There are noise impacts associated with the loading and unloading of fish/cargo as well as odours associated with fish processing. Maintenance of the breakwaters and training walls can

also involve environmental impact as it involves shifting and placement of rock with the associated involvement of heavy transport and road building equipment. The dilapidated state of the port notably the Goods Sheds has a negative aesthetic impact.

[9] Property and housing

[1] Activities included in this group

This includes:

- Retirement Housing which involves:
 - maintaining and managing occupation of 118 units
 - pro-active provision of further retirement housing units
- Property, which involves:
 - a land leasehold portfolio consisting of 54 residential leases, 35 commercial leases,
 - a building portfolio involving 3 leased buildings and the buildings supporting Council’s administrative function (Tainui St and Runanga service centre).
 - unused Council land consisting of various titles across the District.
- management of leases with Mawhera Inc. re land leased by Council.

[2] Why we are involved in this activity/these activities

Council is proud of its provision of quality pensioner housing. Council is also committed to managing its property portfolio responsibly so as to maximize income for the benefit of all residents.

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Council is committed to releasing Council owned land not needed for future service delivery, for development.
Affordable quality services.	Council sees the provision of convenient, quality retirement housing facilities as an important service to the elderly community. It also recognises its service responsibilities to Lessees of Council owned land and buildings in terms of the applicable leases
Personal and Property safety	Retirement Housing offers security, convenience and stability to occupants.

[4] What we’ll provide

Retirement Housing

We will:

- Continue to provide comfortable and affordable retirement housing
- Maintain a 24 hour 0800 number to be used by tenants in the event of breakages or other urgent need relating to the housing
- Maintain a fair and transparent system of access to retirement housing
- Review the need for further retirement housing on an annual basis.
- Work with other retirement housing providers e.g. Abbeyfield to ensure optimum efficiency.

Property

We will:

- Manage Council’s property portfolio responsibly and prudently to maximize income and occupation for the benefit of all residents.

[5] Key issues facing the activity

Retirement Housing

- Maintaining a viable applicant waiting list

Property

- Settling on-going lease and rental disputes and provide for a clear and secure process into the future.
- The impact of compliance with Council’s Earthquake Compliance Policy on buildings leased or occupied by Council.
- The unavailability of a freeholding option in relation to Mawhera Inc land occupied by Council and the resultant inability to predict rent increases

[6] Performance measures

Property

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a safe service	Meet Building Authority requirements.	Achieved	Achieved	Achieved	Achieved
Financial sustainability	Facilities and services are maintained with respect for current and future generations	Tenants and occupiers of buildings meet their responsibilities and therefore Council's investment is maximised	Achieved	Achieved	Achieved	Achieved
		Revenue is sufficient to cover the annual renewal of assets, spread over their useful life (i.e. depreciation is funded)	80%	80%	82%	85%

Retirement Housing

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing well maintained and comfortable housing.	A minimum percentage of occupancy rates achieved	95%	95%	95%	95%
		Retention of the 0800 24 hours contact service for emergency repairs and maintenance, (e.g. Water breaks etc.)	Achieved	Achieved	Achieved	Achieved
Availability of the housing	By encouraging waiting list applications from a wide sector of the community	Maintaining a waiting list of minimum 25 eligible applicants. By allowing applicants a maximum percentage of property, cash in the bank or investments.	Achieved	Achieved	Achieved	Achieved
	By providing affordable housing	Rent levels set annually below market rates	Achieved	Achieved	Achieved	Achieved
	Information is readily available on service	Details of service provided on Council's website	Achieved	Achieved	Achieved	Achieved
	Being pro-active in the provision of housing units	Undertaking an annual review on the need for more housing units	Achieved	Achieved	Achieved	Achieved

[7] Financial information

Activity funding

These activities are mainly funded by:

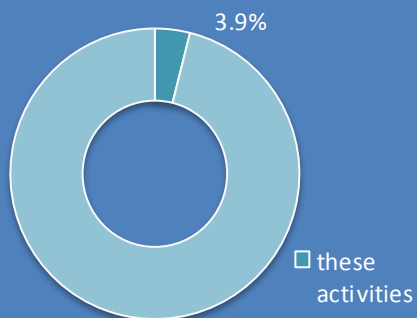
User fees

- Whilst retirement housing is provided at below market rents, there is an expectation the activity will require no direct rates input
- other occupiers of Council property to meet fair market rentals

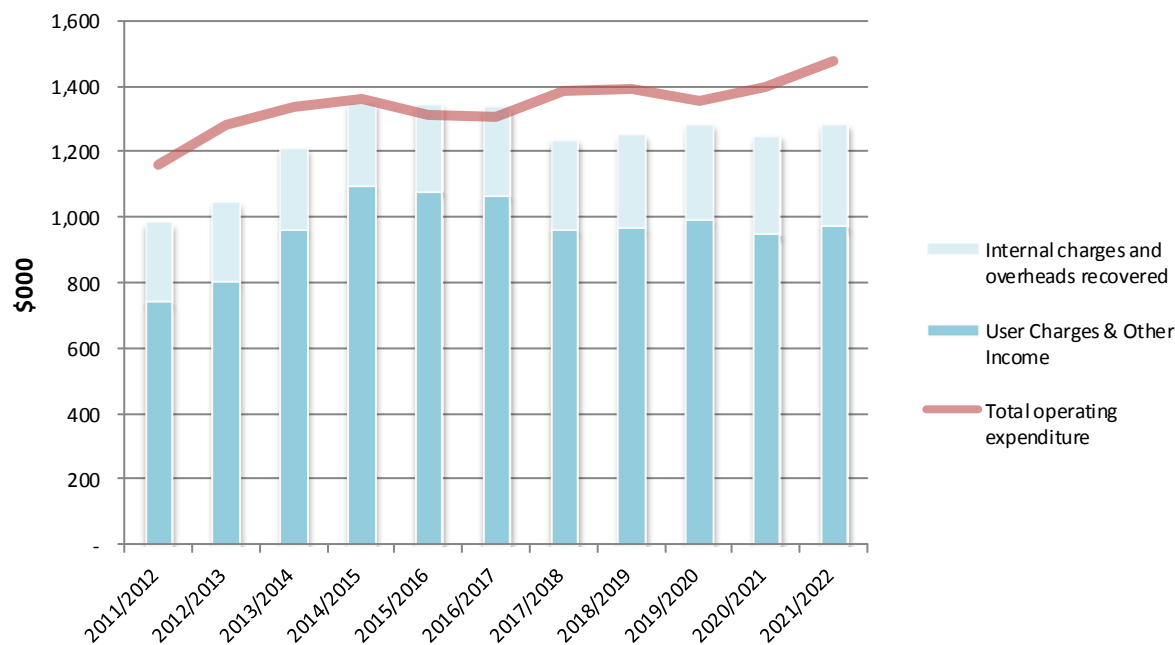
Internal overheads recovered

- The cost of providing property for Council's administration is recovered from the external activities delivered

Percentage of total Council operating expenditure for 10 year plan



Property and Housing: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth". We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees, charges, and metered rates for water supply	664	749	768	791	813	838	864	883	906	929	953
Internal charges and overheads recovered	246	244	250	258	265	272	280	287	295	304	312
Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding [A]	910	993	1,018	1,049	1,078	1,110	1,144	1,170	1,201	1,233	1,265
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	639	677	697	744	750	771	837	840	805	820	897
Finance costs	82	204	218	169	108	69	56	52	48	44	40
Internal charges and overheads applied	188	195	202	210	217	225	231	239	245	254	260
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	909	1,076	1,117	1,123	1,075	1,065	1,124	1,131	1,098	1,118	1,197
Surplus (deficit) of operating funding [A - B]	1	(83)	(99)	(74)	3	45	20	39	103	115	68
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	82	950	(536)	(936)	(846)	(322)	(59)	(53)	(56)	(60)	(65)
Gross proceeds from sale of assets	-	180	680	1,030	880	730	280	230	230	30	30
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	82	1,130	144	94	34	408	221	177	174	(30)	(35)
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	1,000	-	-	-	-	-	-	-	-	-
—to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
—to replace existing assets	137	17	18	19	19	20	20	21	21	22	23
Increase (decrease) in reserves	(54)	30	27	1	18	433	221	195	256	63	10
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	83	1,047	45	20	37	453	241	216	277	85	33
Surplus (deficit) of capital funding [C - D]	(1)	83	99	74	(3)	(45)	(20)	(39)	(103)	(115)	(68)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	-	-	-	-	-	-	-	-	-	-	-
General Rates - set on land value	-	-	-	-	-	-	-	-	-	-	-
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	-	-	-	-	-	-	-	-	-	-	-
User charges and regulatory income (consent fees, infringements et	664	749	768	791	813	838	864	883	906	929	953
Internal charges and overheads recovered	246	244	250	258	265	272	280	287	295	304	312
Other income	76	66	207	314	279	241	108	95	98	32	33
Total income	986	1,059	1,225	1,363	1,357	1,351	1,252	1,265	1,299	1,265	1,298
EXPENDITURE											
Staff costs	-	-	-	-	-	-	-	-	-	-	-
Operating & maintenance costs	639	677	697	744	750	771	837	840	805	820	897
Finance costs	82	204	218	169	108	69	56	52	48	44	40
Internal charges and overheads applied	188	195	202	210	217	225	231	239	245	254	260
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	252	208	223	240	240	240	260	260	260	281	281
Total expenditure	1,161	1,284	1,340	1,363	1,315	1,305	1,384	1,391	1,358	1,399	1,478
Surplus (deficit) of activities	(175)	(225)	(115)	-	42	46	(132)	(126)	(59)	(134)	(180)

[8] How we manage our assets that support this activity

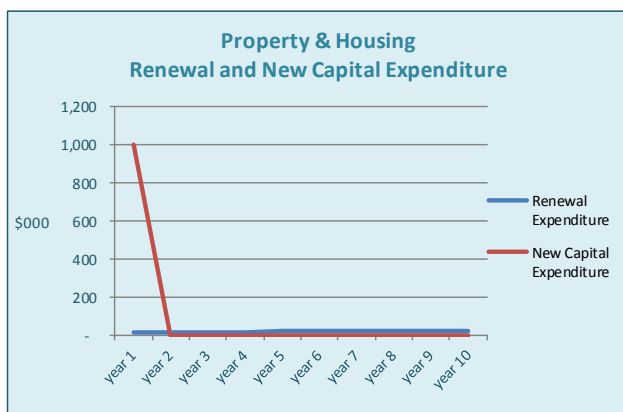
Building assets are managed in accordance with Asset Management Plans, which ensures detailed service level requirements, responses to service requests, and criteria for maintenance, renewals and upgrades.

Building assets are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. In the case of retirement housing, maintenance contracts over 7 years ensure that the exterior of units are maintained well whilst internal maintenance is done on an "as needed" basis.

We also respond to information from tenants and enquiries.

[9] Significant capital expenditure

Summary



Significant Renewal projects

Nil

Increase in level of service – significant projects

Nil

Additional capacity

Council is developing a commercial industrial subdivision near the port area (Gresson St).

This is for the purposes of reselling.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Gresson St Subdivision - development costs	1,000	-	-	-	

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard per the Activity Management Plans for the duration of its useful lives

Assumptions re Sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from loans funded over the expected life of the asset. Other sources of funding include:
 - Rates
 - Special Reserve funds
 - User charges.

[11] Negative effects of this activity (significant)

There is the potential that Council land holdings may from time to time become untidy (e.g. grass overgrown). Council is committed to avoid this from happening in built-up areas but cannot provide a similar undertaking in regards to rural properties notably road reserves etc.

[10] Community facilities and events

[1] Activities included in this group

Community facilities include:

- Libraries, made up of
 - Greymouth Library (incl. Pioneer Library)
 - Runanga Library
- Swimming Pools, involving
 - Greymouth Aquatic Centre
 - Spring Creek Pool, Runanga.
- Heritage, involving
 - History House
 - Financial support to other Arts, Culture and Heritage bodies
- Indoor sport Centres, including
 - The Miners' Recreation Centre
 - Civic Centre
- Cemeteries, involving
 - Karoro Cemetery
 - Gladstone Cemetery
 - Stillwater Cemetery
 - Barrytown Cemetery
 - Blackball Cemetery
 - Ahaura Cemetery
 - Nelson Creek Cemetery (Ngahere)
 - Moonlight Cemetery (not maintained)
 - Maori Gully
 - Cobden Cemetery
 - Greenstone Cemetery
 - Dungaville Cemetery (not maintained)
 - Notown Cemetery
 - Napoleon's Hill Cemetery (not maintained)
- Parks and Tracks, involving
 - Parks
 - Playgrounds
 - Walking tracks
 - Other open areas accessible to the public.

- Council's In-house task force
- Public restrooms involving 10 public toilets some with other facilities

[2] Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community "whole". These services often "define" a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment

[3] Contribution to Council's Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Without these services, a community will have no "core" and will not be sustainable. These services also strongly appeal to visitors.
Affordable quality services.	Given the importance of these services, it must be of good quality, affordable and accessible
Building local identity	These services fall under the collective heading of "recreation" which is an important part of life in a community. Apart from the social interaction benefits, it does provide a community with an identity and a sense of belonging.

[4] What we'll provide

Libraries

We will:

- Maintain library services at Grey District Library on a five and a half day basis with late night opening on one night per week.
- Continue to provide access to members and visitors to:

- books in hard cover
- electronic books
- internet services
- talking books
- music and other DVDs.
- Continue a service at Runanga Library for as long as the service remains affordable.

Swimming Pools

We will:

- Continue to provide access to the Greymouth Aquatic Centre and its facilities on a 7 days per week basis throughout the year (with closure on some statutory holidays only and from time for necessary maintenance).
- Continue to provide access to the Spring Creek Pool during summer months on afternoons on a 7 days per week basis (with closure on some statutory holidays only and from time for necessary maintenance).
- Continue to provide current and new programmes.

Heritage (also Arts and Culture)

We will:

- Maintain History House as a Museum open to the public on a 7 days per week basis through summer and reduced hours during winter for as long as the facility can be sustained.
- Maintain financial and other support for other bodies and institutions active in the field of Arts, Culture and Heritage.

Indoor Sport Facilities

We will:

- Maintain current services at the Civic Centre at least until the Miners' Recreation Centre is completed. A decision on the future of the Civic Centre will be taken in consultation with the community at that time.
- Develop the Miners' Recreation Centre as part of a Recreational Hub as a high quality facility and will, in the process seek to maximise efficiencies by optimizing cooperation with other sporting bodies that form part of the hub.
- Provide access to the Miners' Recreation Centre on a 7 days per week basis throughout the year (with closure on some statutory holidays only and from time for necessary maintenance).

Cemeteries

We will:

- Maintain all cemeteries (open and closed) to a standard that respects those buried there. The exception is Moonlight, Dunganville and Napoleon's Hill Cemeteries which are historic cemeteries and do not require the same level of maintenance.
- Provide all associated services professionally

Parks, Tracks etc

We will:

- In consultation with the community, reduce the number of parks and open spaces maintained to a high standard.
- Maintain remaining parks, tracks and associated facilities to a good standard.

In House Task Force

We will:

- Continue to give assistance to elderly residents in the upkeep of their properties and property road frontages insofar as the service can cope with demand.
- Continue to provide handyman support services to elderly and others qualifying for assistance.

Public Restrooms

We will:

- Maintain accessibility to facilities throughout the year
- Maintain the services to a good, functional and hygienic standard.
- Provide a new facility at Blaketown Breakwater and assist in another at the Paroa Pony Club.

[5] Key issues facing the activity

Libraries

- The earthquake resilience of the Greymouth and Runanga Library buildings against Council's Earthquake Compliance Policy will determine decisions re corrective action.

- The financial and practical sustainability of the Runanga Library will be reviewed on a year to year basis. No decisions will be taken without full consultation with that community.
- The emergence of eBooks may have a profound impact on library services as we know it. This will be closely monitored.

Swimming Pools

- The on-going availability of high energy output coals needed in the coal blend at Greymouth Aquatic Centre may become more difficult. Council has had an undertaking from suppliers to continue to supply such coal but the cost of this coal has increased significantly based on its market demand.
- The boiler at the Greymouth Aquatic Centre is working at near full capacity during the colder months. This may have an impact on its expected life.
- The interrelationship between the Greymouth Aquatic Centre and the Miners' Recreation Centre will need to be determined once the latter is completed. The focus will be on maximizing efficiencies.
- The *sagging beams* dispute at Greymouth Aquatic Centre needs to be brought to a speedy conclusion and corrective action to arrest the beam deflection taken. Every effort to achieve this is being taken.
- The actual costs of running the Spring Creek Pool will only become clear after the first year of it being in operation.

Heritage

- Detailed assessments will be done on the standard of earthquake resilience of History House and the Left Bank Art Gallery, as Council owned buildings. Decisions regarding the remedial works or future of these buildings will be made once the facts are available from the detailed assessments. Relocating tenants may be an option.
- The viability of incorporating History House into Shantytown or another site will be further explored and any final decision will be taken only after public consultation.

Indoor Sport Centres

- The earthquake resilience of the Civic Centre building against Council's Earthquake Compliance Policy will determine decisions re corrective action.
- The Miners' Recreation Centre is very much reliant on external funding being sourced to supplement the Crown allocation made. This is under way.

- The Miners' Memorial Centre will render the Civic Centre largely superfluous. A decision on the future of the Civic Centre will be taken after public consultation only and will involve considering alternative uses for it.

Cemeteries

- Karoro Cemetery, Nelson Creek Cemetery, Stillwater Cemetery and possibly Blackball Cemetery will reach full capacity (other than pre-paid plots and armed forces plots where applicable) and will be closed. This will leave Gladstone Cemetery as the District Cemetery.
- Council has identified an ageing demographic in that the number of deaths will increase into the future. The combined capacity of the remaining operative cemeteries is more than sufficient to meet likely needs. There is also the potential for an increasing trend in cremations rather than burials. This trend currently is more prevalent in metropolitan centres but may also occur in provincial areas such as the Grey District

Parks and Tracks

- Council is undertaking a review of this activity with a view to potentially reducing the number of such facilities it maintains. The outcome will be the subject for public consultation.

In House Task Force

- The demand on this service is increasing forcing us to prioritise tasks and requests. This may impact on coverage into the future.

Public Restrooms

- Growth in tourism is expected to create a greater demand for public toilets. The matter is closely monitored.

[6] Performance measures

Libraries

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing quality library service	% of users satisfied with service	new measure	80	85	90
	By staff providing a friendly, efficient and professional service.	No more than 10 complaints per year	Achieved	Achieved	Achieved	Achieved
Access to service	By encouraging wide participation from the community	A minimum of 50 in-house outreach literacy learning and educational programmes delivered annually. (e.g. story-time, Summer Reading Challenge, education programmes for adults.)	53	50	50	50
		The Greymouth library is open at least one late night per week and on Saturday mornings	Achieved	Achieved	Achieved	Achieved
		Opening hours and available services posted on Council's website	Yes	Yes	Yes	Yes
		Retain free public internet access for New Zealand citizens	Yes	Yes	Yes	Yes
	By providing convenient access	An on-line service is provided to allow members to browse the library catalogue and make collection reservations	Achieved	Achieved	Achieved	Achieved

Swimming Pools

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	By providing a safe service	Percentage compliance with the NZ Water Quality Standards	100%	100%	100%	100%
		Lifeguards are trained to the NZ national standard	Achieved	Achieved	Achieved	Achieved
	By providing a professional customer service	% of users satisfied with service	Not measured	70	80	90
Access to the service	By providing convenient services	A minimum number of users annually - Greymouth	108,000*	100,000	101,000	103,000
		A minimum numbers of users annually - Runanga	N/A	4,000	4,000	4,000
		Service available seven days a week –Grey AC Service available seven days a week during the swim season - Runanga	Yes	Yes	Yes	Yes
		Admission fees and opening hours are posted on Council's website	Yes	Yes	Yes	Yes
		A minimum number of Swimming School registrations per term	185	185	190	200
Financial sustainability	Maximising use of the facility by maintaining user numbers above national per capita swim averages*	minimum total swims per capita	7.7	7.2	7.2	7.2
Environmental sustainability	Coal fired boiler is managed without any adverse effect on the environment	No Resource Consent infringements	nil	nil	nil	nil

* Facility opened in 2009 with first year attendance figures of 134,500. This fell to 108,000 in the second year. The projected attendance targets of 100,000 exceed the national average of swims per capita (national average 5.5).

Heritage

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	Building local identity by providing or assisting in the provision of culture and heritage facilities	A minimum percentage of the public agree that the facilities are good or better.	New measure	70%	75%	80%
Access to the service	By providing convenient services	Facilities accessible seven days per week	No	Yes	Yes	Yes

Civic Centre/Miners Recreation Centre

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of facilities	By providing safe, professional services.	% of users surveyed satisfied with service	New measure	70	70	90
Access to the service	Facilities are open at times convenient to users	The Civic Centre and the eventual Miners Recreation Centre will be available for use 7 days a week.	achieved	achieved	achieved	achieved
	Information is readily available	Details of facilities and charges are available on Council's website.	not complete	Yes	Yes	Yes

Cemeteries

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Quality of service	Land availability in cemeteries relative to the number of people likely to be buried*	Review three yearly	Achieved	Achieved	Achieved	Achieved
	Providing an updated cemetery record based on available information on-line	On-line register updated with each new internment.	not available	to be developed	Achieved	Achieved
Environmental sustainability	Facilities are managed without adversely affecting the receiving environment.	Maximum number of resource consent breaches	Nil	Nil	Nil	Nil

Refer discussion above. Certain cemeteries will not be further expanded once full.

Parks and Tracks

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
	Residents overall satisfaction with the service	Minimum % satisfied per survey	89	80	80	80
	We will promote our parks and walking tracks to encourage widespread use	We will have publicly available information brochures on walking tracks and key parks in our District and also include the information on our website	Not achieved	Achieved	Achieved	Achieved

[7] Financial information

Activity funding

These activities are funded by:

User fees

- Being community type facilities there is no opportunity in providing a quality service that is fully funded by users of the facilities. User fees are set at a level that aims to strike a balance between providing equal access to all, and recovering a fair amount from the user.

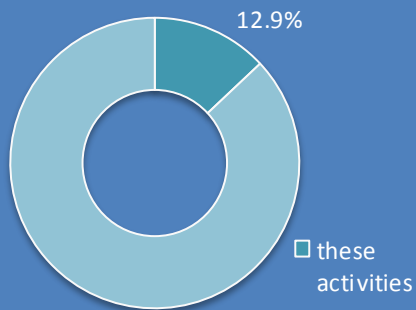
General Rates

- Based on the above comments, the majority of funding is provided from general rates. The assets also serve to make our district a more attractive place to live, work, and invest

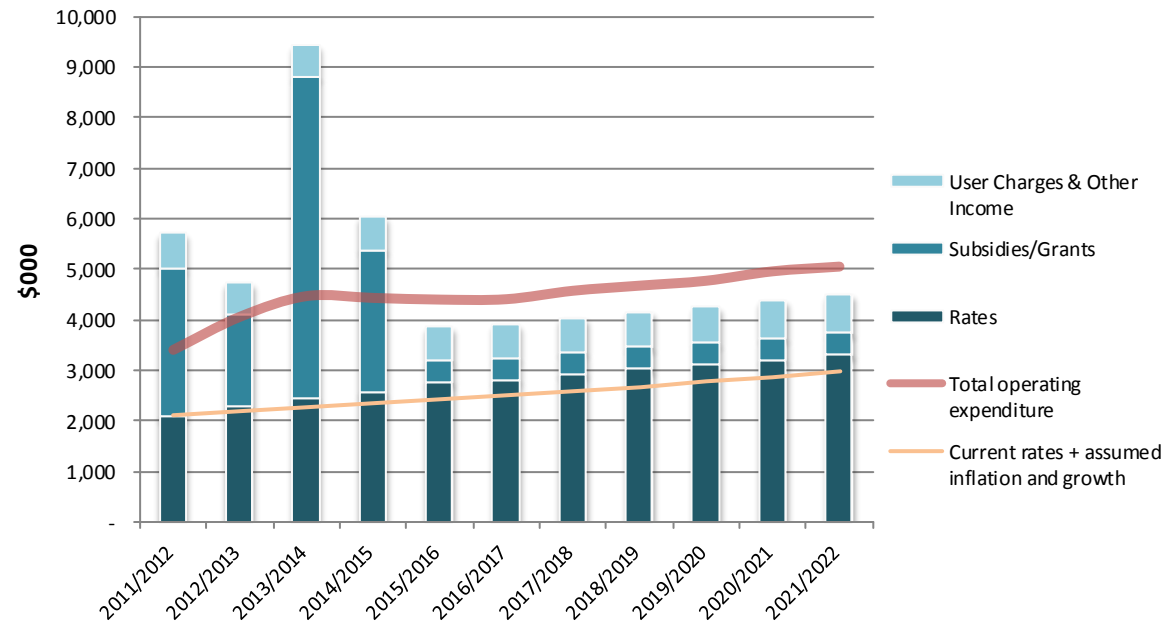
Subsidies and grants

- Are used wherever available, particularly towards development of new facilities

Percentage of total Council operating expenditure for 10 year plan



Community Facilities and Events: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	2,118	2,306	2,478	2,586	2,792	2,846	2,961	3,050	3,132	3,235	3,327
Targeted rates (other than a metered rate for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	30	122	367	182	32	33	33	33	34	34	34
Fees, charges, and metered rates for water supply	668	595	613	632	976	973	1,002	1,032	1,064	1,096	1,129
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, & other receipts	23	17	18	18	19	19	20	21	22	22	23
Total operating funding [A]	2,839	3,040	3,476	3,418	3,819	3,871	4,016	4,136	4,252	4,387	4,513
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	2,355	2,597	2,974	2,855	3,110	3,145	3,243	3,341	3,445	3,548	3,654
Finance costs	107	342	336	330	324	317	309	302	294	285	275
Internal charges and overheads applied	329	382	413	428	467	490	503	518	526	549	553
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	2,791	3,321	3,723	3,613	3,901	3,952	4,055	4,161	4,265	4,382	4,482
Surplus (deficit) of operating funding [A - B]	48	(281)	(247)	(195)	(82)	(81)	(39)	(25)	(13)	5	31
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	2,900	1,725	5,975	2,650	400	400	400	400	400	400	400
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(36)	(80)	(86)	(92)	(99)	(100)	(107)	(114)	(123)	(131)	(141)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	2,864	1,645	5,889	2,558	301	300	293	286	277	269	259
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	3,007	1,342	5,638	2,268	19	20	20	21	21	22	23
—to replace existing assets	204	128	158	137	119	146	120	189	145	164	228
Increase (decrease) in reserves	(299)	(106)	(154)	(42)	81	53	114	51	98	88	39
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	2,912	1,364	5,642	2,363	219	219	254	261	264	274	290
Surplus (deficit) of capital funding [C - D]	(48)	281	247	195	82	81	39	25	13	(5)	(31)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge	1,121	1,250	1,327	1,408	1,590	1,623	1,671	1,721	1,766	1,825	1,870
General Rates - set on land value	997	1,056	1,151	1,178	1,202	1,223	1,290	1,329	1,366	1,410	1,457
Targeted rates (including targeted rates for water supply)	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants (operating and capital)	2,930	1,847	6,342	2,832	432	433	433	433	434	434	434
User charges and regulatory income (consent fees, infringements et	691	612	631	650	995	992	1,022	1,053	1,086	1,118	1,152
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-
Total income	5,739	4,765	9,451	6,068	4,219	4,271	4,416	4,536	4,652	4,787	4,913
EXPENDITURE											
Staff costs	972	994	1,027	1,059	1,259	1,297	1,336	1,376	1,417	1,460	1,504
Operating & maintenance costs	1,383	1,603	1,947	1,796	1,851	1,848	1,907	1,965	2,028	2,088	2,150
Finance costs	107	342	336	330	324	317	309	302	294	285	275
Internal charges and overheads applied	329	382	413	428	467	490	503	518	526	549	553
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	609	749	847	1,029	1,070	1,043	1,124	1,136	1,148	1,237	1,250
Total expenditure	3,400	4,070	4,570	4,642	4,971	4,995	5,179	5,297	5,413	5,619	5,732
Surplus (deficit) of activities	2,339	695	4,881	1,426	(752)	(724)	(763)	(761)	(761)	(832)	(819)

[8] How we manage our assets that support this activity

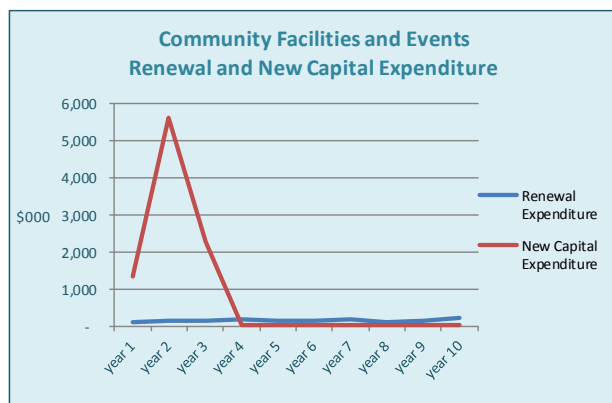
Council has an extensive level of information about assets in the Activity Management Plans (AMPs). The AMPs also contain detailed service level information such as capacity, response to complaints, and criteria for maintenance, renewals and upgrades.

Assets that are critical to the system are monitored proactively and decisions made about maintenance, upgrades and renewals as needed. We also respond to information from customers and contractors, as well as resident surveys and enquiries.

The focus over the next three years is to maintain existing levels of service taking into account projected population growth and other demand factors

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
	57	59	61	489	<i>all years</i>
General renewals of community assets	43	84	60		
Vehicle replacement	20	-	-	46	<i>years 5,9</i>

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Northern Breakwater recreation area	75	75	-	-	
Miners' Recreation Centre	1,250	5,500	2,250	-	

Additional capacity

None specifically provided for in plan, beyond providing for future growth when replacing assets.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Assumptions re the life of assets include:

- Assets will perform to the required standard per the Activity Management Plans for the duration of its useful lives

[11] Potential negative effects of this activity (significant)

Assumptions re the life of assets include:

- Assets will perform to the required standard per the Activity Management Plans for the duration of its useful lives

Assumptions re Sources of funding for replacement of assets are:

- Asset renewals will primarily be funded from loans funded over the expected life of the asset. Other sources of funding include:
 - Rates
 - Special Reserve funds
 - User charges.

[11] Democracy and administration

[1] Activities included in this group

Democracy and Administration includes:

- Council
- Facilitation of achievement of non-Council function outcomes i.e.
 - Health
 - Personal and Property Safety
 - Good Education
- Public consultation
- Council’s Administration

[2] Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership, but, at the same time to conduct its business in an open, transparent manner. An important part of this is for it to actively and constructively seek the involvement of the community in matters that affect them or are dear to them.

An important component of this is a Council Administration that executes Council’s policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

There are, however, functions that are of the utmost importance to communities which fall outside of the jurisdiction of local authorities. In our case, it involves the availability of good health and education services and , personal and property safety. Council recognises the importance of these functions and actively engages with service providers to ensure that such services are in place..

[3] Contribution to Council’s Vision

OUTCOME	CONTRIBUTION
Growing the local economy	Without confidence in the leadership of Council, an economy is unlikely to grow. Services like health, education and safety are all most important for growth, and Council plays an important facilitation and leadership role in ensuring the best and most appropriate services are provided to the district.
Affordable quality services.	One of the focus areas for Council in its consultation with external service providers is the need to keep services to a high standard, accessible and affordable.to the community.

[4] What we’ll provide

Council

We will:

- Serve our community with integrity, dedication and commitment, at all times seeking to achieve the very best for our District and its people.
- Take strong leadership in addressing issues facing the District
- Ensure that our Administration is professional and competent and acts in support of Council’s vision
- Seek the community’s involvement in all matters that are important to them or dear to them and to consider inputs carefully and constructively.
- Work with other authorities and agencies, both locally and Regionally in order to gain efficiencies

Advocacy for achievement of outcomes beyond council's core functions

We will:

- Work with the Crown, WCDHB and other associated bodies to advocate the retention of modern health facilities and that they will continue to provide a professional and diverse range of services
- Work with the WCDHB to ensure that there is an active cooperation with the Canterbury DHB on patient access and referral, exchange of doctors and training.
- Assist in addressing doctor and other medical specialist shortages.

We will:

- Work with the Ministry of Education as well as local schools to ensure the future and viability of schools and, in particular Tai Poutini Polytechnic

We will:

- Work with the NZ Police in ensuring adequate staffing for the local station and the maintenance of law and order within our community.
- Work with NZ Fire Service in ensuring adequate staffing for the local station and rural stations
- Work with St John, Red Cross, and such bodies in ensuring a viable ambulance and medical and other rescue and support service
- Work with WCRC in ensuring adequate flood protection schemes being maintained.

- Funding of key health and safety support functions i.e. St John, Red Cross as well as the Air Rescue Service will remain an issue demanding a lasting solution

Council's Administration

- The ability to recruit staff in key specialist positions will remain an issue.
- The smaller size of the Administration will continue to demand a higher input from individual staff members which may impact on staff retention.

[5] Key issues facing the activity

Council

- With the ever changing legislative environment, the workload on Council remains high.
- The on-going combined impact of Christchurch, and the worldwide economic recession makes it immensely difficult to maintain a balance between cost and standards of service delivery. This pressure is, however expected to ease from Year 2 onwards

Advocacy for achievement of non-council function outcomes

- The future of Tai Poutini Polytechnic as an autonomous education facility may be under threat.
- There is some urgency to the Hospital rebuild project.
- The inability to recruit doctors and other specialist medical and health promotion staff, albeit not an issue currently, will remain a problem which has to be dealt with.

[6] Performance measures

Activity Goal	How the goal is to be achieved	Measurement of achievement	Target			
			Current Performance (2012)	Year 1 (2013)	Years 2 – 3 (2014 – 2015)	Years 4 – 10 (2016 – 2022)
Accessibility and quality of service	We will provide the highest standard of customer service	Overall satisfaction from those who have contacted Council offices	88%	85%	85%	85%
	We will conduct our business in a Transparent and accountable manner	Full opportunity for public participation in Council meetings through availability of speaking rights and the public forum	Achieved	Achieved	Achieved	Achieved
		Minimum % of Council business conducted in open	85%	>80%	>80%	>80%
		Minimum % surveyed that agree the public are consulted on important issues	new measure	90%	90%	90%
	We will maximise Local and regional co-operation opportunities to achieve efficiencies	Full participation in West Coast Mayors/Chairs and CEO meetings	100%	100%	100%	100%
		Full participation in Grey DC/DOC liaison quarterly meetings	100%	100%	100%	100%
	Our community representatives will demonstrate strong Leadership	Public satisfaction with performance of Mayor and Councillors	91%	85%	85%	85%

[7] Financial information

Activity funding

These activities are mainly funded by:

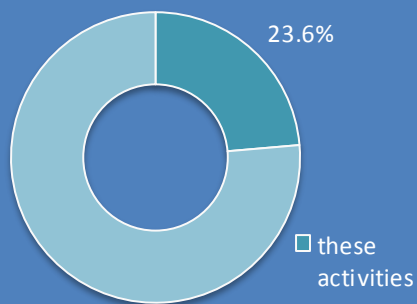
General Rates

- The cost of provided the democratic process (Councillor remuneration, meetings etc...) is shared as a cost against all ratepayers

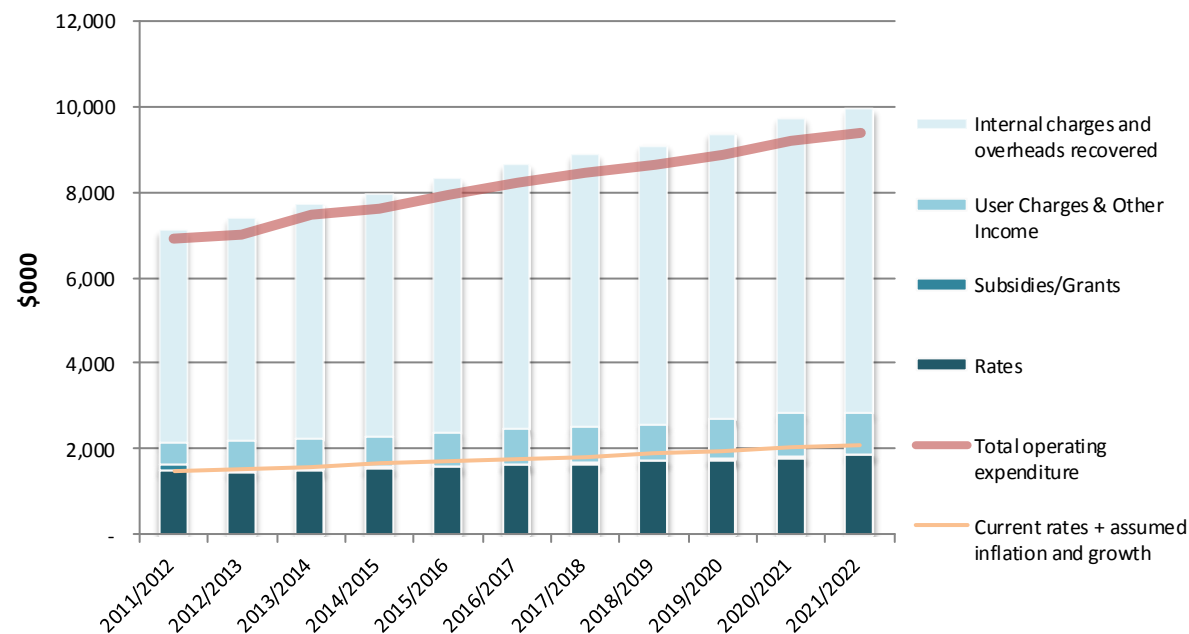
Internal overheads recovered

- The cost of Council's administration is recovered as a cost against the external services Council provides

Percentage of total Council operating expenditure for 10 year plan



Democracy and Administration: Sources of income and total expenditure



In the graph above we show as the yellow line "current rates + assumed inflation and growth".

We are signalling here what current rates would increase by if we added inflation plus income from additional rates assessments created through growth. If our rates income (dark blue portion of the bar) is higher than this line, then we are signalling that rates will have to increase by more than inflation to deliver the services proposed in this plan.

Funding impact statement

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	1,287	1,218	1,259	1,295	1,331	1,370	1,403	1,446	1,483	1,528	1,574
Targeted rates (other than a metered rate for water supply)	209	222	226	230	235	239	244	249	254	259	264
Subsidies and grants for operating purposes	119	59	59	29	29	29	29	29	29	29	29
Fees, charges, and metered rates for water supply	151	106	191	107	146	181	157	127	162	200	166
Internal charges and overheads recovered	4,985	5,231	5,508	5,686	5,953	6,170	6,357	6,530	6,686	6,913	7,097
Local authorities fuel tax, fines, infringement fees, & other receipts	366	562	478	621	632	655	690	726	768	808	819
Total operating funding [A]	7,117	7,398	7,721	7,968	8,326	8,644	8,880	9,107	9,382	9,737	9,949
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	5,264	5,303	5,616	5,673	5,931	6,157	6,311	6,457	6,687	6,906	7,088
Finance costs	56	107	102	97	92	86	80	74	67	59	53
Internal charges and overheads applied	1,241	1,284	1,366	1,421	1,503	1,573	1,613	1,660	1,682	1,753	1,765
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	6,561	6,694	7,084	7,191	7,526	7,816	8,004	8,191	8,436	8,718	8,906
Surplus (deficit) of operating funding [A - B]	556	704	637	777	800	828	876	916	946	1,019	1,043
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	384	300	(69)	(74)	(79)	(85)	(91)	(97)	(104)	(112)	(75)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	384	300	(69)	(74)	(79)	(85)	(91)	(97)	(104)	(112)	(75)
[D] APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
—to improve the level of service	648	532	8	8	9	9	9	9	10	10	10
—to replace existing assets	115	177	311	141	284	195	333	157	312	215	407
Increase (decrease) in reserves	177	295	249	554	428	539	443	653	520	682	551
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding [D]	940	1,004	568	703	721	743	785	819	842	907	968
Surplus (deficit) of capital funding [C - D]	(556)	(704)	(637)	(777)	(800)	(828)	(876)	(916)	(946)	(1,019)	(1,043)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

Profit and loss for group of activities

The above *funding impact statement* summarises all the money to be raised (sources of funds) and where it is to be spent (application of funding). It does not take into account any transactions that have no direct funding impact ('non cash' transactions), such as depreciation. Some of these transactions have a material impact on Council's surplus/deficit, most notably depreciation. Depreciation is discussed in more detail earlier in the plan (see PART C:[3][1] Are we raising enough revenue to pay our fair share towards replacement of assets (both within the 10 years of this plan and beyond)?).

It is therefore important to consider the impact of these transactions for each *group of activities*. This will also allow you to see how each group of activities contributes to Council's overall financial performance detailed later in this plan.

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME											
General Rates - Uniform Annual General Charge and rate penalties	1,256	1,186	1,225	1,260	1,295	1,333	1,365	1,406	1,442	1,486	1,531
General Rates - set on land value	31	32	34	35	36	37	38	40	41	42	43
Targeted rates (including targeted rates for water supply)	209	222	226	230	235	239	244	249	254	259	264
Subsidies and grants (operating and capital)	119	59	59	29	29	29	29	29	29	29	29
User charges and regulatory income (consent fees, infringements et	516	668	669	728	778	836	847	853	930	1,008	985
Internal charges and overheads recovered	4,985	5,231	5,508	5,686	5,953	6,170	6,357	6,530	6,686	6,913	7,097
Other income	-	-	-	-	-	-	-	-	-	-	-
Total income	7,116	7,398	7,721	7,968	8,326	8,644	8,880	9,107	9,382	9,737	9,949
EXPENDITURE											
Staff costs	3,040	3,210	3,317	3,421	3,523	3,629	3,738	3,850	3,965	4,084	4,207
Operating & maintenance costs	2,213	2,093	2,299	2,252	2,408	2,528	2,573	2,607	2,722	2,822	2,881
Finance costs	56	107	102	97	92	86	80	74	67	59	53
Internal charges and overheads applied	1,240	1,284	1,366	1,421	1,503	1,573	1,613	1,660	1,682	1,753	1,765
Other operating expenditure	-	-	-	-	-	-	-	-	-	-	-
Depreciation	356	306	400	406	415	423	433	441	451	459	471
Total expenditure	6,905	7,000	7,484	7,597	7,941	8,239	8,437	8,632	8,887	9,177	9,377
Surplus (deficit) of activities	211	398	237	371	385	405	443	475	495	560	572

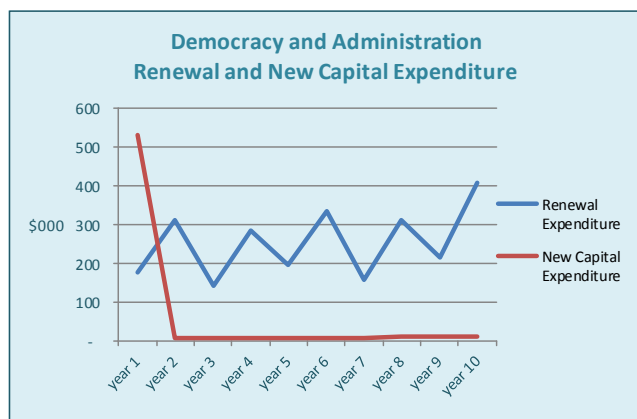
[8] How we manage our assets that support this activity

This group of activities has very little assets of significance. The few assets involved are monitored proactively and decisions made about maintenance, upgrades and renewals as needed.

Our work programme over the next three years is based on past workloads and set at a level to maintain existing levels of service.

[9] Significant capital expenditure

Summary



Significant Renewal projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Office equipment replacement including IT	84	86	89	701	all years
Vehicle replacements	86	207	45	1,071	all years

Increase in level of service – significant projects

	YEAR 1	YEAR 2	YEAR 3	YEAR 4 to YEAR 10	timing for projects > 4 years
Upgrade of core computer system	524	-	-	-	

Additional capacity

None specifically provided for in plan, beyond providing for future growth when replacing assets.

[10] Key assumptions about the useful life of assets and the sources of funding for replacement

Nil

[11] Potential negative effects of this activity (significant)

Nil

[12] Key assumptions we have made about this activity/these activities

- The demands on Council’s Administration will not increase to such an extent that further positions will have to be created.
- Local interest in being involved in local government will continue to be high and will provide sufficient, quality candidates for election.
- Council will continue to operate as an autonomous local authority on the same basis as it does now
- Council will be appointing a new CEO during the currency of this Plan.
- Relationships with service providers of non-Council services identified in this plan as well as other authorities including the Crown and neighbouring local authorities will remain constructive and positive.

PART E: Council finances and rating information

[1] Introduction

[1] Statement of responsibility

The forecast financial statements are prepared on assumptions and the best available information as to future events which the Council expects to take place as of April 2012.

[2] Authorisation for issue

This document was authorised for issue by Council on, and is dated, **23 APRIL 2012**.

[3] Purpose for which this plan is prepared

This Grey District Council 2012 - 2022 Long Term Plan is prepared in accordance with the Local Government Act 2002, which requires a council, at all times, to have a Long Term Plan. The purpose of this legislation is to provide for democratic and effective local Government that recognises the diversity of New Zealand communities and promotes the accountability of local authorities to their communities.

[4] Comparative information

The 2011/2012 comparative information is based on the 2011/2012 Annual Plan.

[5] Cautionary note

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. This prospective information should not be read other than for the purposes other than intended.

[2] Key assumptions applied in the preparation of this plan

The following sections sets out the key assumptions that Council has made that have an effect on the information contained in the plan. The following section then assesses the risk of the assumptions being incorrect and potential impact on the plan.

[1] Price level adjustment

Price level adjustments for inflation have been allowed for all 10 years of the ten-year Long Term Plan.

Price level adjustments for have been derived from those recommended to Local Government by Business and Economic Research Limited (BERL) and modified by known local data. The following are the annual price adjustments allowed for:

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
CPI - General	2.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Building Costs	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Construction Index	3.2%	3.3%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Primary Producers Index	3.2%	3.3%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Electricity Index	4.0%	3.3%	3.4%	2.7%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Roading Index	3.4%	3.2%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Inflation assumption per the above have been included on a line by line basis in operating budgets; with equivalents from 2011/2012 estimates used as the basis for calculating future years expenditure items

[2] Growth forecasting

Growth has been allowed for at a rate determined by Council to be the most appropriate, using information from the Department of Statistics population projections, combined with our knowledge of current and planned development in the district. On this basis the Long Term Plan assumes that the District's population will increase from: the latest estimation of 13,900 people as at June 2011; to an estimated 14,500 by 2022 (an average of approximately 0.4% growth per annum).

Within the Long Term Plan, growth has been based on known planning constraints or if there are no known constraints then growth is assumed to be 'straight-line' between years. These assumptions have been applied when projecting expenditure and revenue over the ten-year period. The projections for different infrastructure services, such as water and sewer, will vary from the above population figures, because the areas served by each scheme do not necessarily involve the whole district, and the probable rate of growth will differ from scheme to scheme. Across the whole District, growth forecasts are projected off the latest available dwelling information within the Ten Year Plan.

[3] Borrowing

Interest rates

Interest rates on borrowings are calculated on:

- Current rates for existing borrowings (6.0% - 7.8%).
- 7.0% - 8.0% p.a. for new or re-financed borrowing.

It is likely that interest rates in the shorter term may be lower than these assumptions; however the rates have been used as the most likely long term cost of funds for Council projects.

Terms

The periods over which loans are repaid have been matched to the expected period of benefit that the financed asset will deliver (generally set to a maximum of 30 years), and income levels have been set at sufficient levels to meet repayment terms.

[4] Investments

Interest rates on investments are calculated at 5.0% p.a. across all years. This is based on the average return for investments placed in the market at the time of preparing this plan.

[5] Governance structure

It is assumed that the governance structure will remain in the state as anticipated by this plan over the duration of this plan.

[6] Grants and subsidies

Council is assuming that grants and subsidies from Central Government will continue at their present level. Most significant of these are:

- New Zealand Transport Agency (NZTA) - Subsidies have been included at the rate confirmed by NZTA for the first three years of the plan. For the remaining seven years it is assumed that the level of subsidy will increase in proportion to increased costs and that the percentage of subsidy to cost, in each category, will not change.
- Rate requirements for some new sewerage schemes have been calculated on a certain level of Sanitary Works Subsidy Scheme (SWSS) subsidies from Central Government. Any variance will have an impact on ratepayer input and/or affordability of the schemes.
- Ministry of Health subsidy will be received for the Runanga, Taylorville/Dobson, and Stillwater supply upgrades.
- External grants and subsidies will fund the entire capital cost of the Miners' Recreation Centre to be developed in the first 3 years of this plan.

[7] Local Government responsibilities

For the purposes of this plan it is assumed that there will be no significant change to the local government environment and the functions we are mandated to carry out. This includes:

- It is assumed that there will be no devolutions of responsibilities from Central Government to Local Government, particularly not without equivalent increase in funding; and
- It is assumed that there will be no restrictions on Council undertaking any of the services outlined in this plan.

[8] Assumptions as to activities undertaken and levels of service provided

Council is assuming that the range of activities that it has signalled to undertake will not change.

Council is assuming that the levels of service to which its activities are provided will not change, except as a consequence of planned expenditure programmes mentioned in this plan. The reality is that any change to service level and/or activities undertaken may place the cost of existing

funding requirements onto different sectors of the community and/or different communities in the District.

[9] Activity Management Plans (AMPs)

Council is assuming that AMPs provide accurate assessments of the condition of assets and of the maintenance, renewal and capital expenditures required to achieve stated levels of service. The AMPs will be subject to continual update and a full review in 2014. Any changes will be incorporated into relative planning documents.

[10] Fixed assets

Useful life

The Council has made a number of assumptions about the useful lives of its assets. The detail for each asset category is reflected in the statement of accounting policies. The useful lives are consistent with the assumptions applied to valuing each asset category and were determined by experienced and qualified asset valuers.

Sources of funds for replacement

The funding of the replacement of future assets is based on the following assumptions:

- The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:
 - Specific reserves set aside for the purpose of replacing the asset(s).
 - From the current year's operating surplus, including any cash arising from the funding of depreciation.
 - Loan funding the balance of the expenditure, with a loan being the shorter of either a 30 year loan term (as described above) or the life of the asset.
- Depreciation is calculated based on the expected life of assets.

Revaluation of fixed assets

Council revalues some classes of assets as outlined in the statement of accounting policies. The basis used for projecting future revaluation movements is the compounded relevant price adjustment index as outlined above.

[11] Contract rates

Council is assuming that the re-tendering of major contracts will not result in cost increases other than those comparable to the rate of inflation included (as outlined above).

[12] Resource consents

Council is assuming that the major resource consents that it needs for delivery of the services outlined in this plan will be obtained and granted with conditions that can be met within anticipated expenditure estimates.

[13] Vesting assets

For the purposes of this Plan it has been assumed there will be vesting of assets in Council. This has been based on historical information. However it is noted that they are:

- beyond Council's control and their number and value are very difficult to predict,
- likely to be immaterial in the context overall asset values, and
- being brand new, unlikely to impose any significant extra costs from those generated from current AMPs over the life of this plan.

[14] General commitments and contingencies

Council is not aware of any additional commitments or contingencies not already covered in this plan.

[15] Sustainable development

The Council has considered the sustainability of each of its services and activities in its preparation of the Ten Year Plan and how the services it provides will meet the needs of the present and future generations, and how its activities will also protect and enhance the natural environment in the long term. The Council is required by the Local Government Act to take a sustainable development approach to providing for the social, economic, environmental and cultural wellbeing of communities. This involves taking account of the needs of people and communities now, the reasonably foreseeable needs of future generations, and the need to maintain and enhance the quality of the environment.

Taking a sustainable development approach is reflected in the way the Council plans for the District as well as in planning, funding and delivering its services. Financial sustainability, particularly in a time of economic uncertainty, is a core concern of this Ten Year Plan. The Council has developed balanced budgets that aim to respond to the needs of today's community in an affordable way, while funding long term projects so that future generations pay their fair share. Sustainable development of the District is significantly influenced through the

Environmental Services group of activities, most notably the District Plan. Council has a significant role in the provision and operation of key infrastructure resulting from subsequent development.

[16] Effects of climate change

It is assumed that the climate change reports provided by the Intergovernmental Panel on Climate Change (IPCC) are reliable and provide a reasonable indication of what Council needs to consider in its planning processes. Based on the IPCC reports it is assumed that the sea level will rise by 0.5m over the next 100 years.

[17] Emissions trading scheme

This Ten Year Plan has been prepared based on the broad scientific community view that human induced climate change through increased greenhouse gas emissions is occurring and may accelerate in the future. National and international efforts are underway to control emissions in response to agreements that the Government is a signatory to.

With the Emissions Trading Scheme legislation in place Council has included the costs that are necessary to be met as an emitter (landfill). Refer to PART E:[2][1] Price level adjustment above for the assumptions relating to price increases resultant from the introduction of an emissions trading scheme.

Many of the climate change induced changes are likely to eventuate over the longer term and will occur beyond the ten-year horizon upon which the activities and their service levels are described in this Plan. They are, however, factors to be taken into account in maintaining the long term (i.e. up to 50 year) AMPs upon which programmes are funded through this Ten Year Plan..

[3] Risk assessment on key assumptions

FORECASTING ASSUMPTION	LEVEL OF UNCERTAINTY	RISK ASSESSMENT (LOW/MED/HIGH)	REASONING FOR ASSESSMENT
price adjustments	It is likely that the price increase assumptions that Council has adopted will in reality be different.	MED	<p>The risk that Year 1 assumptions turn out to be materially different is low, it is more likely that future years will be different. Subsequent annual budgets will be a thorough process including updating all assumptions as part of each annual plan process</p> <p>The Ten Year Plan has been prepared based on price level adjustments as determined by Council, using figures provided by BERL, an economic forecasting agency, as the basis and modified by Council to suit local market knowledge. All financial estimates, unless explicitly stated, are stated in price adjusted terms. There are few realistic mitigation measures that the Council can take to address the effects of inflation. As it reviews its Ten Year Plan, the Council will consider the effects of price level changes and alter its future year projections accordingly. In the future, it is possible the Council may need to consider reviewing the level of service provided should the effect of price level adjustments exceed the ability of the community to afford the services provided.</p>
projected growth	It is likely that the population change assumptions that Council has adopted will in reality be different.	MED	<p>The Ten Year Plan has assumed growth will occur between the mid-high range of the NZ Statistics projections, which is the best information we have available, supplemented by knowledge of particular District developments. Capital expenditure and revenue forecasts have been based on these assumptions. The impact of capital expenditure is less significant. Most significant capital works include a growth component that will cater for changes in demand. If growth slows then expenditure will be deferred, or the asset will still have capacity. Many of the engineering solutions cater for growth up to 50 years out; however if growth is faster than forecast it may mean at some stage in the future upgrades may need to occur sooner than anticipated. This not considered a high risk.</p> <p>Of greater sensitivity is the impact on revenue forecasts. The Council has made assumptions about the number of ratepayers that are in the District to share the rating burden. If development occurs at different rates, then these projections will need to be amended. The Council will review growth rates whenever updated information is available and prior to every annual plan and Ten Year Plan. If there are significant changes in the trends then the forecasts will be amended accordingly.</p>
interest rates payable	will be higher/lower than forecast	MED	<p>This carries a moderate risk given the rate input that is required on most of the debt servicing. Council's liability management policy sets the parameters for the debt portfolio.</p> <p>The majority of debt is required to be on fixed rates as well as maturity dates staggered. This allows Council to plan more conservatively and make necessary budget changes from time to time.</p> <p>Council has been conservative with interest rates payable at what it feels to be the most likely long term average, which will allow it to 'ride out' the shorter term peaks and troughs.</p> <p>Any significant increase in the rates beyond forecast will require Council to look at options of deferring projects and/or reducing other areas of expenditure.</p>
refinancing terms	That borrowing facilities may not be available at the terms that Council has forecast.	LOW	<p>Council's plan forecast new borrowing required of approximately \$15 million. Taking into consideration the recent changes in the finance market, Council is of the opinion that these debt levels are still moderate, and with the security Council can offer that suitable financing facilities will be available.</p>
interest rate return on	will be higher/lower than	LOW	<p>Council does not directly rely on investment returns to deliver its services. A reduction in returns will have the</p>

FORECASTING ASSUMPTION	LEVEL OF UNCERTAINTY	RISK ASSESSMENT (LOW/MED/HIGH)	REASONING FOR ASSESSMENT
investments	forecast		greatest effect on special funds set aside for specific purposes.
grants and subsidies		MED	NZTA financial assistance for roading maintenance, renewal, and new capital works represent a significant portion of the activity income (financial assistance rate between 60% - 70%). This has been confirmed for the first three years of the plan. If there is any decrease in future years this will require Council to consider overall expenditure levels against what it deems to be affordable for the local community.
governance structure	may change	LOW	Any potential changes involve an extensive consultation process, that gives Council along with others necessary time to adapt. It is assumed any changes would only be motivated if the community benefited.
devolutions of responsibility	may occur	LOW	It is assumed any potential additional responsibilities being passed on to local authorities will include appropriate funding mechanisms outside of rates.
activity management plans		LOW	Activities that account for a significant amount of Council expenditure and/or assets have had plans prepared to an advanced level, whilst other activities have been prepared to a basic level. The AMPs will be subject to continual update and a full review in 2011. Any changes will be incorporated into relative planning documents.
contract rates		MED	This assumption is deemed to carry a moderate risk to the integrity of this plan, as it relies on private and public contractors outside of Council's control.
capital works cost		MED	It is possible that the final costs will vary from that forecast in the Ten Year Plan should there be cost increases for service/materials outside of what we have forecast. If this does eventuate Council will need to re-evaluate affordability of individual projects.
effects of climate change	That the period of time that the climate change scenarios are projected to come into effect are much greater or less than what was provided for in the Long-term Council Community Plan.	LOW	Effects of climate change over 100 years will be more pronounced in terms of more frequent and greater magnitude adverse impacts from extreme weather events; and the effects of sea level rise will increase the rate of coast line cutback with adverse impacts on public and private property, and council infrastructure such as the roading and storm water networks. The Intergovernmental Panel on Climate Change (IPCC) is unequivocal that warming of the earth's climate system is occurring. However, there is still debate about the rate of change with international scientific research presenting many different scenarios. In May 2008, the Ministry for the Environment released a guidance document for Local Government, based on IPCC and the National Institute of Water and Atmospheric Research (NIWA). This document will be used, as was its predecessor, in Council planning. If the IPCC forecasts prove to be inaccurate, an overestimation may result in unnecessary works for the Council, however an underestimation could impact on the Council through emergency project works. Either scenario would affect ratepayers as infrastructure and hazard planning cost money.
emissions trading scheme	further costs/compliance measures are introduced and/or the cost of trading in the market exceeds what is predicted in this plan	LOW	Council has allowed for the costs as are known now. Annual budgets are refined to update all assumptions as part of each annual plan process.
staffing	That sufficient staffing levels required by the plan cannot be maintained	MED	Council has in recent time struggled to attract employees for key vacant positions. Any continuing long term issues will be addressed by re-prioritising projects with full public consultation.
major adverse event		MED	No specific provision is included in the Ten Year Plan, although Civil Defence training is provided for and there are risk management plans for key infrastructure assets The Council insures its infrastructure and other assets.

[4] Budgeted Statement of Comprehensive Income

	Note	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
INCOME												
Rates revenue	1	12,752	13,513	14,136	14,636	15,215	15,716	16,232	16,788	17,370	17,916	18,511
Other revenue	2	14,627	14,736	21,251	12,328	10,735	10,841	11,150	11,965	12,156	12,680	12,735
Other gains/(losses)	3	284	152	428	499	374	485	208	221	758	142	146
Total income	4	27,663	28,401	35,815	27,463	26,324	27,042	27,590	28,974	30,284	30,738	31,392
EXPENDITURE												
Employee expenses		4,082	4,471	4,620	4,765	5,080	5,227	5,385	5,546	5,711	5,883	6,066
Depreciation and amortisation		8,232	8,018	8,471	9,321	9,394	9,394	10,150	10,186	10,226	11,051	11,249
Other expenses		9,992	10,222	11,049	11,151	11,579	11,918	12,299	12,679	13,092	13,470	13,934
Finance costs		842	1,272	2,153	2,085	2,040	1,997	1,968	1,960	1,919	1,884	2,177
Total operating expenditure	5	23,148	23,983	26,293	27,322	28,093	28,536	29,802	30,371	30,948	32,288	33,426
Net surplus/(deficit) before tax		4,515	4,418	9,522	141	(1,769)	(1,494)	(2,212)	(1,397)	(664)	(1,550)	(2,034)
Income tax expense		-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		4,515	4,418	9,522	141	(1,769)	(1,494)	(2,212)	(1,397)	(664)	(1,550)	(2,034)
OTHER COMPREHENSIVE INCOME												
Increase in asset revaluation reserve		-	-	23,402	-	-	24,187	-	-	25,696	-	-
Total comprehensive income		4,515	4,418	32,924	141	(1,769)	22,693	(2,212)	(1,397)	25,032	(1,550)	(2,034)

Note: The cost of service statements presented in SECTION C 'Groups of Activities' do not include 'Other Comprehensive Income'. They will therefore reconcile to the 'Surplus/(deficit) after tax attributable to Grey District Council' line in the above statement.

The mandatory disclosures required for financial statements under Local Government (Financial Reporting) Regulations 2011 have been disclosed in the notes to these forecast financial statements.

[5] Forecast movements in equity

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Equity at the beginning of the year	328,732	310,934	315,352	348,276	348,417	346,648	369,341	367,129	365,732	390,764	389,214
Total recognised income/(expense) for the year	4,515	4,418	32,924	141	(1,769)	22,693	(2,212)	(1,397)	25,032	(1,550)	(2,034)
Balance at 30 June	333,247	315,352	348,276	348,417	346,648	369,341	367,129	365,732	390,764	389,214	387,180

Note: The opening balance for equity for the 2012/2013 does not match the closing equity balance for the current budget (2011/2012). This is because we have reforecast the opening balances for 2012/2013 based on more up to date information we currently have to hand. The total difference is \$22,313,000. The main reason for the difference is:

- When preparing 2011/2012 budgets we forecast the total balance of revaluation reserves to be \$104,630,000 by 30 June 2012. Based on actual results of the revaluations as at 30 June 2011 the actual balance is \$84,908,000 which is \$19,722,000 less.
- Investments are now forecast to be higher than forecast when preparing 2011/2012 budgets (approximately \$4.5m). This is due to some projects (largely Greymouth Sewerage) not proceeding as quickly as planned, resulting in more funds being retained on hand until the work is carried out.

[6] Forecast balance sheet

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
ASSETS											
Current Assets											
Cash and cash equivalents	7,207	5,627	3,395	3,552	4,575	5,207	6,632	7,220	8,890	9,397	10,920
Trade and other receivables	3,231	3,668	4,834	3,542	3,092	3,057	3,124	3,295	3,379	3,503	3,563
Short-Term investments	1,779	5,183	7,184	7,067	5,499	5,196	4,840	5,123	4,802	5,349	4,704
Inventory	-	625	625	625	625	625	625	625	625	625	625
Non-current assets held for sale	208	639	543	462	393	334	284	241	205	174	148
	12,425	15,742	16,581	15,248	14,184	14,419	15,505	16,504	17,901	19,048	19,960
Non Current Assets											
Trade and other receivables	-										
Property, plant and equipment	336,830	331,894	364,390	363,748	361,377	383,000	379,645	377,114	400,264	397,351	399,046
Term investments*	2,081	1,086	1,745	1,860	1,714	1,825	1,695	1,814	1,660	1,782	1,396
	338,911	332,980	366,135	365,608	363,091	384,825	381,340	378,928	401,924	399,133	400,442
TOTAL ASSETS	351,336	348,722	382,716	380,856	377,275	399,244	396,845	395,432	419,825	418,181	420,402
LIABILITIES											
Current Liabilities											
Trade and other payables	2,252	3,482	5,435	4,256	3,011	2,702	2,682	2,722	2,883	2,957	3,071
Employee benefit liabilities	306	680	630	643	656	669	682	696	710	724	738
Deferred income	96	114	116	118	120	122	124	126	129	132	135
Borrowings	2,879	17,278	1,616	1,542	6,048	5,847	5,813	6,148	973	7,192	5,618
Derivative financial instruments	-	120	-	-	-	-	-	-	-	-	-
	5,533	21,674	7,797	6,559	9,835	9,340	9,301	9,692	4,695	11,005	9,562
Non Current Liabilities											
Provision for closed landfill	817	833	850	867	884	902	920	938	957	976	996
Employee benefit liabilities	221	162	165	168	171	174	177	181	185	189	193
Borrowings	11,518	10,701	25,628	24,845	19,737	19,487	19,318	18,889	23,224	16,797	22,471
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-
	12,556	11,696	26,643	25,880	20,792	20,563	20,415	20,008	24,366	17,962	23,660
TOTAL LIABILITIES	18,089	33,370	34,440	32,439	30,627	29,903	29,716	29,700	29,061	28,967	33,222
EQUITY											
Retained earnings	219,202	220,937	230,338	229,912	227,641	225,119	221,948	219,536	217,752	215,260	213,081
Special Funds	8,746	8,992	9,103	9,659	10,150	11,167	12,115	13,119	14,227	15,157	15,290
Trusts Bequests and Other Reserves	669	515	525	536	547	558	569	580	592	604	616
Revaluation reserve	104,630	84,908	108,310	108,310	108,310	132,497	132,497	132,497	158,193	158,193	158,193
Total equity attributable to the Council	333,247	315,352	348,276	348,417	346,648	369,341	367,129	365,732	390,764	389,214	387,180
TOTAL EQUITY AND LIABILITIES	351,336	348,722	382,716	380,856	377,275	399,244	396,845	395,432	419,825	418,181	420,402

* includes Council's investment in New Zealand Local Government Insurance Corporation Limited

note: refer above comments under 'forecast movement in equity' for explanation why 'Revaluation reserve' has a smaller balance in 2012/2013 proposed budget compared to 2011/2012 current budget.

[7] Forecast cashflow

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts from rates revenue	12,695	13,461	14,095	14,604	15,178	15,684	16,199	16,753	17,333	17,881	18,473
Interest received	443	631	485	580	603	627	659	693	734	773	788
Dividends received	-	-	-	-	-	-	-	-	-	-	-
Receipts from other revenue	13,916	14,045	19,671	13,052	10,615	10,278	10,450	11,128	11,366	11,809	11,922
Payments to suppliers and employees	(14,075)	(14,829)	(15,581)	(15,890)	(16,597)	(17,092)	(17,627)	(18,167)	(18,742)	(19,295)	(19,932)
Interest paid	(842)	(1,272)	(2,153)	(2,085)	(2,040)	(1,997)	(1,968)	(1,960)	(1,919)	(1,884)	(2,177)
Income tax paid (refund)	-	-	-	-	-	-	-	-	-	-	-
Goods and services tax (net)	-	613	(383)	(77)	(11)	(14)	2	(1)	(24)	13	118
Net cash from operating activities	12,137	12,649	16,134	10,184	7,748	7,486	7,715	8,446	8,748	9,297	9,192
CASH FLOWS FROM INVESTING ACTIVITIES											
Proceeds from sale of property, plant and equipment	338	180	845	1,147	880	913	280	259	923	30	30
Proceeds from investments	13,699	17,164	18,045	18,149	19,637	20,337	22,596	23,161	25,775	26,112	27,394
Purchase of property, plant and equipment	(14,892)	(27,676)	(18,829)	(9,948)	(7,388)	(6,900)	(6,808)	(7,549)	(7,664)	(8,079)	(12,336)
Acquisition of investments	(12,188)	(17,514)	(17,691)	(18,519)	(19,252)	(20,752)	(22,153)	(23,634)	(25,270)	(26,645)	(26,857)
Net cash from investing activities	(13,043)	(27,846)	(17,630)	(9,171)	(6,123)	(6,402)	(6,085)	(7,763)	(6,236)	(8,582)	(11,769)
CASH FLOWS FROM FINANCING ACTIVITIES											
Proceeds from borrowings	1,363	13,982	16,542	760	940	5,596	5,642	5,718	5,306	765	11,292
Repayment of borrowings	(466)	(365)	(17,278)	(1,616)	(1,542)	(6,048)	(5,847)	(5,813)	(6,148)	(973)	(7,192)
Net cash from financing activities	897	13,617	(736)	(856)	(602)	(452)	(205)	(95)	(842)	(208)	4,100
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(9)	(1,580)	(2,232)	157	1,023	632	1,425	588	1,670	507	1,523
Cash, cash equivalents and bank overdrafts at the beginning of the year	7,216	7,207	5,627	3,395	3,552	4,575	5,207	6,632	7,220	8,890	9,397
Cash, cash equivalents and bank overdrafts at the end of the year	7,207	5,627	3,395	3,552	4,575	5,207	6,632	7,220	8,890	9,397	10,920

[8] Notes to the forecast financial statements

[1] Budgeted rates revenue

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
GENERAL RATES											
General Rates - Uniform Annual General Charge	2,458	2,616	2,739	2,860	3,084	3,160	3,247	3,342	3,429	3,538	3,633
General Rates - set on land value	5,511	5,543	5,761	5,946	6,041	6,273	6,522	6,769	7,022	7,266	7,503
TARGETED RATES											
District Promotion	209	222	226	230	235	239	244	249	254	259	264
Refuse Collection	915	1,100	1,139	1,179	1,220	1,263	1,308	1,354	1,402	1,451	1,502
Water Supplies	1,452	1,486	1,584	1,621	1,731	1,753	1,798	1,850	1,929	1,945	2,041
Water Meter Rates	328	338	350	362	375	388	401	416	430	445	461
Sewerage Collection	1,749	2,070	2,194	2,291	2,378	2,484	2,552	2,643	2,734	2,837	2,926
PENALTIES											
Rate Penalties	130	138	143	147	151	156	160	165	170	175	181
Total rates revenue	12,752	13,513	14,136	14,636	15,215	15,716	16,232	16,788	17,370	17,916	18,511
RATES REMITTED ARE AS FOLLOWS:											
Rates on land where GDC is the ratepayer	298	316	331	343	357	369	381	394	408	421	435
Rate discounts	29	38	40	41	42	43	44	46	47	49	50
Rates remitted per Council policy	31	30	31	32	33	34	35	36	37	38	39

[2] Budgeted other revenue

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
User charges and miscellaneous	2,428	2,539	2,729	2,758	3,238	3,325	3,393	3,453	3,562	3,703	3,986
Regulatory income	1,321	1,359	1,402	1,514	1,562	1,610	1,661	1,713	1,766	1,821	1,878
New Zealand Transport Agency subsidies	4,151	6,692	4,172	4,458	4,714	4,644	4,763	5,426	5,389	5,694	5,390
Other subsidies and grants	6,234	3,413	12,434	2,915	516	518	519	519	521	521	524
Interest received	408	677	456	599	608	631	666	700	742	781	791
Dividends	-	-	-	-	-	-	-	-	-	-	-
Financial contributions	85	56	58	84	97	113	148	154	176	160	166
Total other income	14,627	14,736	21,251	12,328	10,735	10,841	11,150	11,965	12,156	12,680	12,735

[3] Other gains/(losses)

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Net gain (loss) of non current assets held for sale	150	10	34	41	28	39	5	6	33	2	2
Net gain (loss) on sale of property plant & equipment	50	56	305	366	251	349	103	112	619	30	31
Assets Vested	84	86	89	92	95	97	100	103	106	110	113
Total other gains/(losses)	284	152	428	499	374	485	208	221	758	142	146

[4] Budgeted income by activity

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land transport	6,875	10,684	7,071	7,556	7,854	7,954	8,173	8,978	9,124	9,612	9,368
Stormwater	645	804	828	871	914	964	987	1,006	1,046	1,064	1,122
Wastewater	4,580	2,271	8,239	2,383	2,483	2,606	2,707	2,805	2,918	3,005	3,101
Water Supply	2,204	1,837	1,947	1,997	2,120	2,156	2,214	2,282	2,375	2,407	2,519
Solid waste management	1,693	1,813	1,875	1,892	1,958	2,023	2,090	2,161	2,234	2,309	2,668
Emergency management	195	194	219	214	229	231	246	244	247	250	260
Environmental services	2,123	2,061	2,161	2,272	2,336	2,381	2,466	2,565	2,619	2,673	2,739
Other transport	738	990	836	823	746	903	796	842	1,369	846	864
Property and housing	986	1,059	1,225	1,363	1,357	1,351	1,252	1,265	1,299	1,265	1,298
Community facilities and events	5,739	4,765	9,451	6,068	4,219	4,271	4,416	4,536	4,652	4,787	4,913
Democracy and administration	7,116	7,398	7,721	7,968	8,326	8,644	8,880	9,107	9,382	9,737	9,949
Total activity income	32,894	33,876	41,573	33,407	32,542	33,484	34,227	35,791	37,265	37,955	38,801
<i>less Internal charges and overheads recovered</i>	<i>5,231</i>	<i>5,475</i>	<i>5,758</i>	<i>5,944</i>	<i>6,218</i>	<i>6,442</i>	<i>6,637</i>	<i>6,817</i>	<i>6,981</i>	<i>7,217</i>	<i>7,409</i>
Total Income	27,663	28,401	35,815	27,463	26,324	27,042	27,590	28,974	30,284	30,738	31,392

[5] Budgeted expenditure by activity

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land transport	7,278	7,110	7,284	7,797	7,913	8,025	8,579	8,700	8,824	9,428	9,563
Stormwater	1,004	1,173	1,193	1,279	1,300	1,332	1,406	1,409	1,423	1,508	1,542
Wastewater	1,731	1,690	2,789	2,921	2,965	3,022	3,099	3,134	3,162	3,268	3,287
Water Supply	1,749	1,905	1,995	2,071	2,157	2,161	2,242	2,285	2,355	2,431	2,508
Solid waste management	1,651	1,786	1,820	1,853	1,884	1,936	1,992	2,051	2,118	2,187	2,702
Emergency management	192	192	207	221	234	238	245	250	257	264	279
Environmental services	2,151	2,089	2,191	2,304	2,372	2,418	2,505	2,607	2,664	2,714	2,792
Other transport	1,157	1,159	1,178	1,218	1,259	1,307	1,371	1,432	1,468	1,510	1,575
Property and housing	1,161	1,284	1,340	1,363	1,315	1,305	1,384	1,391	1,358	1,399	1,478
Community facilities and events	3,400	4,070	4,570	4,642	4,971	4,995	5,179	5,297	5,413	5,619	5,732
Democracy and administration	6,905	7,000	7,484	7,597	7,941	8,239	8,437	8,632	8,887	9,177	9,377
Total activity expenditure	28,379	29,458	32,051	33,266	34,311	34,978	36,439	37,188	37,929	39,505	40,835
<i>less Internal charges and overheads recovered</i>	<i>5,231</i>	<i>5,475</i>	<i>5,758</i>	<i>5,944</i>	<i>6,218</i>	<i>6,442</i>	<i>6,637</i>	<i>6,817</i>	<i>6,981</i>	<i>7,217</i>	<i>7,409</i>
Total Expenditure	23,148	23,983	26,293	27,322	28,093	28,536	29,802	30,371	30,948	32,288	33,426

[6] Depreciation and amortisation by activity

	current budget 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land transport	4,467	4,389	4,438	4,855	4,871	4,880	5,327	5,337	5,348	5,836	5,848
Stormwater	556	663	663	725	725	726	794	794	795	868	869
Wastewater	890	731	892	993	993	993	1,056	1,056	1,056	1,125	1,125
Water Supply	447	541	566	617	618	618	674	675	676	737	737
Solid waste management	200	111	113	115	117	119	122	124	126	129	288
Emergency management	8	7	15	20	22	25	26	27	28	29	29
Environmental services	48	37	38	40	42	46	47	49	51	56	57
Other transport	399	276	276	281	281	281	287	287	287	294	294
Property and housing	252	208	223	240	240	240	260	260	260	281	281
Community facilities and events	609	749	847	1,029	1,070	1,043	1,124	1,136	1,148	1,237	1,250
Democracy and administration	356	306	400	406	415	423	433	441	451	459	471
Total depreciation and amortisation	8,232	8,018	8,471	9,321	9,394	9,394	10,150	10,186	10,226	11,051	11,249

[9] Summary of significant accounting policies

[1] Reporting entity

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

Council has one associate, Tourism West Coast (25% controlled).

The financial forecasts reflect the operations of the Grey District Council but do not include the consolidated results of the group.

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 prospective financial statements of Council were authorised for issue by Council on 23 April 2012.

[2] Basis of preparation

This forecast information has been prepared and complies with Section 111 of the Local Government Act 2002, and New Zealand International Financial Reporting Standards (NZIFRS), as appropriate for Public Benefit Entities

The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the LTCOP is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries.

The prospective 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 prospective 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 Statement of Comprehensive Income

The preparation of prospective financial statements in conformity with NZ IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below will be applied consistently to all periods presented in these prospective financial statements.

Council and Management of the Grey District Council are responsible for the preparation of the prospective financial statements.

The prospective financial statements have been prepared in accordance with financial reporting standard 42.

[3] Accounting policies

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

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.

New Zealand transport Agency (formerly 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.

Vested Asset Revenue is recognised when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

Borrowing costs

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

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. Movement in the fair value in interest rate swaps are recognised as a finance expense/income through the surplus/deficit.

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.

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 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 surplus/deficit, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

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.

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.

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 surplus/deficit in which case the transaction costs are recognised in the surplus/deficit.

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 surplus/deficit 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 surplus/deficit. 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 surplus/deficit.

Investments in this category include fixed term deposits and bonds.

- Financial assets at fair value through the surplus or deficit

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 re-measurement are recognised in the surplus/deficit. 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 other comprehensive income are those that are not 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 other comprehensive income except for impairment losses, which are recognised in the surplus/deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive income will be reclassified and recognised in surplus/deficit even though the asset has not been derecognised.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

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 surplus/deficit.

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.

Accounts receivable

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.

Inventory

Inventory held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at the lower of cost, adjusted, when applicable, for any loss of service potential. Where inventory is acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

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.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

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 surplus/deficit. 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 - 50	2.0 – 2.5
- Fit Out	Straight line	15	6.67
- Services	Straight line	15 - 30	3.33 – 6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10 - 75	1.33 - 10
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
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
- 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

Asset Class	Depreciation Method	Life (years)	%
- Pavement structure – unsealed	Straight line	3 – 22	4.5 – 33
- Pavement surfacing	Straight line	8 – 16	6.25 – 12.5
- Kerb and channelling	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 catch pits	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 year end.

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
Reserve Board Assets	Fair 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 surplus/deficit.

Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed, and then recognised in other comprehensive income.

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.

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 surplus/deficit.

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 asset's ability to generate net cash inflows and where the Council 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 surplus/deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/deficit.

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 surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

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

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 5.0% 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.

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 on-going 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 6% which represents the risk free discount rate.

financial guarantees

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a stand-alone arms length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Borrowings

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

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.

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.

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.

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.

Critical accounting estimates and assumptions

Please refer to PART E:[2] Key assumptions applied in the preparation of this plan, page 144 for a full list of key assumptions and their potential effects.

In preparing these prospective 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:

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 these forecast financial statements:

- 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
 - If Council is the lessor on a lease which include terms where the lessee can extend the lease into perpetuity, then Council will determine that the risks and rewards of ownership of the assets have transferred to the lessee and therefore will classify 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.

Cost of service statements

The Cost of Service Statements, as provided in the Group of Activities, 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.

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.

New standard and interpretation issued and not yet adopted

None

We have covered in detail under the financial strategy (refer PART C: Council's financial strategy , page 33) the activities that contribute to the deficit, the long term implications, and the reasons why Council has decided that it is prudent to accumulate these deficits.

[10] Funding impact statement and rates required

[1] Summary of overall required funding

The following statement sets out the total application of funds and the revenue and financing mechanisms to be used by Council, including the estimated amount (GST exclusive) to be produced by each mechanism:

	current 2011/2012 \$000	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
[A] SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	8,097	8,297	8,643	8,953	9,276	9,589	9,929	10,276	10,621	10,979	11,317
Targeted rates (other than a metered rate for water supply)	4,325	4,878	5,143	5,321	5,564	5,739	5,902	6,096	6,319	6,492	6,733
Subsidies and grants for operating purposes	1,887	1,863	2,079	1,923	1,835	1,892	1,954	2,030	2,094	2,166	2,229
Fees, charges, and metered rates for water supply	3,767	3,858	4,094	4,234	4,764	4,901	5,021	5,133	5,298	5,494	5,838
Interest and dividends from investments	429	677	456	599	608	631	666	700	742	781	791
Local authorities fuel tax, fines, infringement fees, and other receipts	375	378	388	399	412	423	434	448	460	474	487
Total operating funding [A]	18,880	19,951	20,803	21,429	22,459	23,175	23,906	24,683	25,534	26,386	27,395
[B] APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	14,086	14,693	15,669	15,916	16,659	17,145	17,684	18,225	18,803	19,353	20,000
Finance costs	842	1,272	2,153	2,085	2,040	1,997	1,968	1,960	1,919	1,884	2,177
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding [B]	14,928	15,965	17,822	18,001	18,699	19,142	19,652	20,185	20,722	21,237	22,177
Surplus (deficit) of operating funding [A - B]	3,952	3,986	2,981	3,428	3,760	4,033	4,254	4,498	4,812	5,149	5,218
[C] SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	8,499	8,242	14,527	5,450	3,395	3,270	3,328	3,915	3,816	4,049	3,685
Development and financial contributions	85	56	58	84	97	113	148	154	176	160	166
Increase (decrease) in debt	897	13,617	(736)	(856)	(602)	(452)	(205)	(95)	(842)	(208)	4,100
Gross proceeds from sale of assets	-	180	845	1,147	880	913	280	259	923	30	30
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding [C]	9,481	22,095	14,694	5,825	3,770	3,844	3,551	4,233	4,073	4,031	7,981
[D] APPLICATION OF CAPITAL FUNDING											
Capital expenditure											
—to meet additional demand	-	1,000	-	-	-	-	-	-	-	-	-
—to improve the level of service	9,683	23,413	12,137	3,194	756	418	410	772	431	445	5,667
—to replace existing assets	5,177	5,359	5,428	5,485	6,267	6,412	6,385	6,883	7,249	7,693	7,277
Increase (decrease) in reserves	(1,422)	(3,680)	121	571	503	1,028	957	1,015	1,118	943	143
Increase (decrease) of investments	(5)	(11)	(11)	3	4	19	53	61	87	99	112
Total applications of capital funding [D]	13,433	26,081	17,675	9,253	7,530	7,877	7,805	8,731	8,885	9,180	13,199
Surplus (deficit) of capital funding [C - D]	(3,952)	(3,986)	(2,981)	(3,428)	(3,760)	(4,033)	(4,254)	(4,498)	(4,812)	(5,149)	(5,218)
Funding balance: [A - B] + [C - D]	-	-	-	-	-	-	-	-	-	-	-

The total of the revenue sources expected are shown in the Budgeted Statement of Comprehensive Income and information is also shown in each Group of Activities Budgeted Cost of Service Statement.

[2] Rates

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database. Where rates are set on value, the land value of the property will apply (except for the District Promotion targeted rate which is calculated on capital value). The latest revaluation was carried out as at **01 September 2009** and will be effective for the 2011/2012 rating year. District revaluations are carried out at a three yearly interval.

Grey District Council rates are set on a number of factors, including land value, rating units, separate parts of rating units, connections to council services, and capital value. These factors change from year to year as the District grows, and with the three yearly District revaluation.

The following sections detail on what factors Council uses to calculate rates, and what the rates to be set per property are for 2011/2012.

policy objective

- To provide Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application, and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible, by balancing the level of service provided by Council with ability to pay and the incidence of costs in relation to benefits received.
- To reflect the decisions of the Councils policies and rating reviews

definition of 'separately used or inhabited part of a rating unit'

A separately used or inhabited part (SUIP) of a rating unit is defined as:

Any part of a rating unit that which can be:

- separately let and/or permanently occupied; and
- used for separate purposes.

These are separately used parts of a rating unit:

- A residential property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation.
- Commercial premises which contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.
- Commercial premises which contain separate living quarters.

Not separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

[3] general rate

The Council sets a general rate based on the land value of each rating unit in the District. Council uses a differential system to set its rates, which are based on the use of the property. Council uses a differential system based on:

- Council's assessment on where the relative benefit accrues of the services provided.
- Council's assessment on the ability to pay of each sector.

It is accepted that the above two principles can be mutually exclusive, however Council maintains that the use of differentials delivers an overall fairer rating system than if there were no differentials.

The general rate will be set on a differential basis based on land use as described as follows:¹⁰

residential

All properties in the District less than 4,000 square metres and used primarily for residential purposes, split into the following zones:

- Residential Zone ONE (refer below Map of Rating Zones below for location)
- Residential Zone TWO (refer below Map of Rating Zones below for location)
- Residential Zone THREE (refer below Map of Rating Zones below for location)

rural residential

All properties in the District greater than or equal to 4,000 square metres (0.4HA) and less than 50,000 square metres (5.0HA) and used primarily for residential purposes.

rural

All properties in the District greater than or equal to 50,000 square metres (5HA) and used primarily for residential purposes.

farming forestry

All properties in the District used primarily for farming and/or forestry purposes.

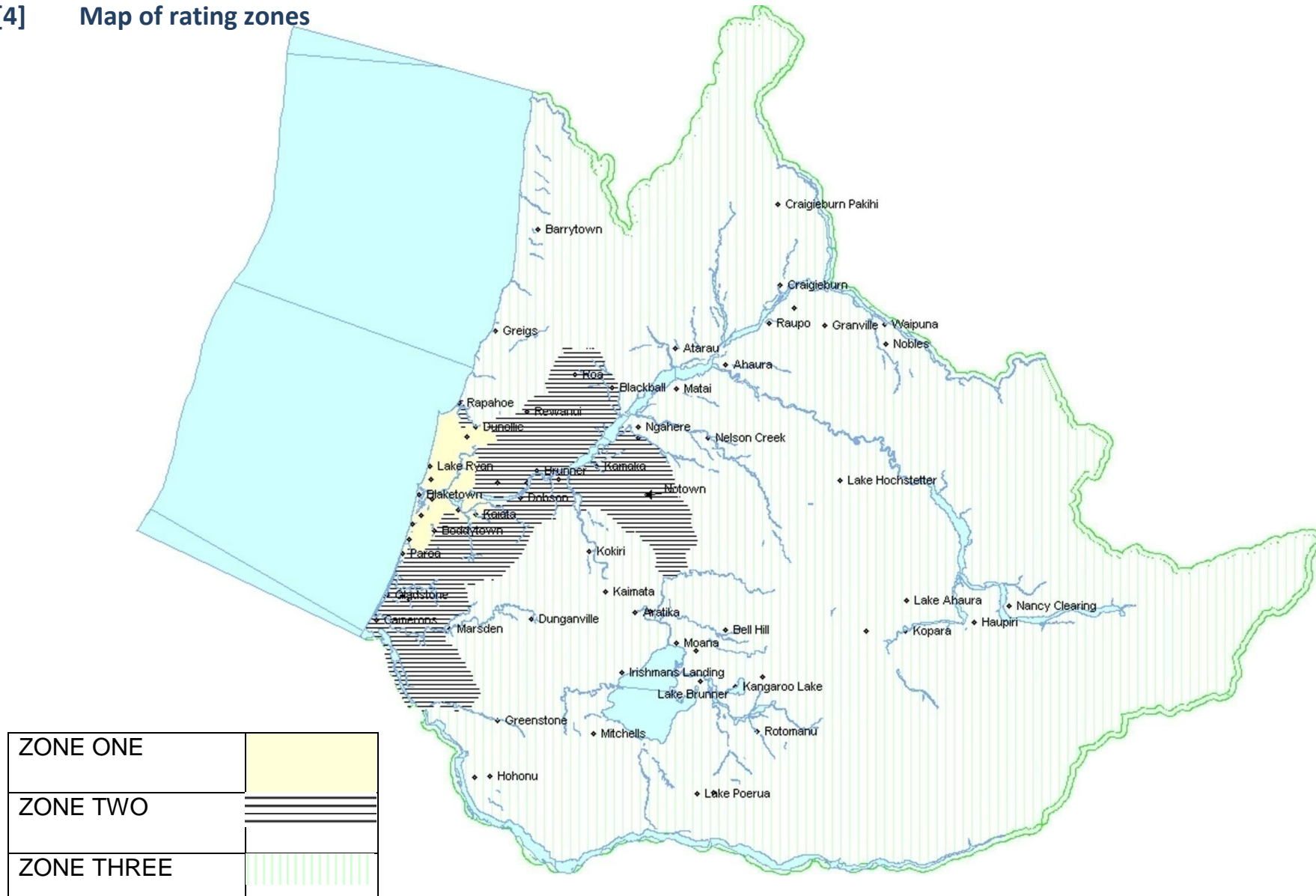
commercial

All properties in the District used primarily for commercial and/or industrial purposes and split into the following zones:

- Commercial Zone ONE (refer below Map of Rating Zones below for location)
- Commercial Zone TWO (refer below Map of Rating Zones below for location)
- Commercial Zone THREE (refer below Map of Rating Zones below for location)

¹⁰ Note: Where differing areas of a rating unit are used for different purposes Council will identify and then allocate physically discrete parts to the appropriate differential category; and Council's valuer will determine what portion of overall value is represented by each part

[4] Map of rating zones



[5] General rating differentials

Percentage of general rates payable per rating category

	Residential Zone 1	Residential Zone 2	Residential Zone 3	Rural Residential	Rural Use	Commercial Zone 1	Commercial Zone 2	Commercial Zone 3	Farming Forestry
Community Services	39.90%	3.40%	14.00%	9.50%	3.60%	22.00%	2.20%	1.70%	3.70%
Environmental Services	50.40%	10.80%	8.10%	12.90%	3.40%	4.90%	1.10%	0.70%	7.70%
Refuse Disposal Site(s)	50.30%	10.90%	8.10%	12.50%	3.50%	4.90%	1.00%	0.50%	8.30%
Roading	30.30%	2.60%	4.40%	5.10%	4.20%	26.80%	3.40%	1.70%	21.50%
Stormwater	69.60%	6.30%	5.60%	5.70%	1.00%	9.70%	1.10%	1.00%	
Flood Protection	61.50%	3.35%	3.10%	6.90%	1.90%	16.75%	1.50%	1.00%	3.90%
Rural Fire	11.80%	4.50%	4.00%	4.50%	13.50%	1.00%	0.60%	0.60%	59.50%

Rates per dollar of land value payable by each category

The proposed rates for 2012/2013 are (incl. GST):

Residential - Zone 1	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.009360	0.009380	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Residential - Zone 2	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.005590	0.005600	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Residential - Zone 3	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.004810	0.004820	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Rural Residential Use	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.003370	0.003380	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Rural Use	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.002960	0.002970	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Commercial - Zone 1	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.014740	0.014850	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Commercial - Zone 2	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.006520	0.006530	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Commercial - Zone 3	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.009910	0.009930	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

Farming/Forestry	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
TOTAL	0.001360	0.001370	+4.2%	+3.1%	+2.1%	+3.4%	+3.6%	+3.5%	+3.4%	3.4%	3.1%

[6] Uniform annual general charge

The Uniform Annual General Charge is charged at 1 full charge per 'separately used or inhabited part of a rating unit'.

The proposed rate for 2012/2013 is:

UAGC	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Rate	382.60	408.30	425.50	442.60	475.70	485.80	497.00	509.80	521.00	535.50	547.60

Includes GST

[7] Targeted rates

Policy on accepting lump sum contributions

Council does not collect lump sum contributions as is available under the rating legislation. Council has decided that the benefits of capital expenditure are more appropriately spread over the life of the period the benefit is available. On this basis the preference is to loan fund the expenditure, and meet the required loan repayments through revenue such as targeted rates.

NOTE: WATER AND SEWERAGE RATES

The operational, maintenance and renewal costs for water and sewerage activities are funded by what Council terms the 'Club Scheme' This means that the total cost for each respective activity are spread by all benefitting ratepayers (i.e. there will be a subsidisation from those who have cheaper schemes to operate and maintain, which is received by those that have more expensive schemes to operate and maintain.

The cost of upgrades or new capital works are funded by the benefitting community only.

Sewerage

The Council sets a targeted rate for sewerage disposal on the basis of a targeted rate per separately used or inhabited part of a rating unit which is either connected to a Council scheme or for which a connection is available. The charge will be set on a differential basis based on the availability of the service – either connected or serviceable. Connected means the rating unit is connected to a Council operated sewerage scheme. Serviceable means the rating unit is not connected, but is within 30 metres of such a scheme and is able to connect by way of a gravity feed. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Quarter charges apply to hotels, motels, and schools which receive an initial full sewerage charge and then one quarter sewerage charge for each unit (pan charge) thereafter.

The targeted rate includes:

- the operation and maintenance costs for Council schemes;
- the renewal costs for existing assets
- capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure).

The proposed rates for 2012/2013 are:

WASTEWATER (SEWERAGE)	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Blackball	505.00	515.10	525.40	535.90	546.60	557.50	568.70	580.10	591.70	603.50	615.60
Greymouth	501.70	525.60	551.00	576.00	594.00	614.50	626.70	643.90	660.90	680.80	696.60
Karoro	245.40	284.40	293.30	295.10	304.70	317.60	322.00	331.10	335.80	347.10	360.80
Runanga	180.60	187.50	265.80	312.10	360.60	413.30	458.30	509.00	561.70	616.70	669.50
South Beach/Paroa	209.50	248.30	256.60	257.70	266.60	278.70	282.30	290.60	294.40	304.90	317.80
Moana	212.50	221.60	232.50	237.20	241.90	248.60	253.00	262.10	271.60	283.10	290.30
Dobson/Taylorville/Kaiata (serviceable properties in proposed scheme area)	-	954.70	986.10	1,014.30	1,044.30	1,078.10	1,104.10	1,135.30	1,169.10	1,203.90	1,235.10
Te-Kinga	586.60	638.50	666.60	694.50	719.50	747.50	766.10	790.60	814.70	842.70	867.50
South Beach Loan	432.40	432.40	432.40	432.40	432.40	432.40	432.40	432.40	432.40	432.40	432.40

Includes GST

Note: Properties may be required to connect to the sewer Scheme where existing on-site disposal arrangements are deemed to create an environmental or health risk, irrespective whether the property falls within the ambit of this policy or not.

Water supply

The Council sets a targeted rate for water supply on the basis of a targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which a connection is available. The charge will be set on a differential basis based on the availability of the service – either connected or serviceable. Connected means the rating unit is connected to a Council operated water reticulation scheme. Serviceable means the rating unit is not connected, but is within 50 metres of such a scheme. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The targeted rate includes:

- the operation and maintenance costs for Council schemes and
- capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure)

The proposed rates for 2012/2013 are:

WATER	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Greymouth	364.50	371.80	372.30	380.10	405.00	409.50	419.10	431.00	448.30	451.30	473.10
Runanga	245.20	250.10	255.10	260.20	273.90	277.50	286.00	295.70	312.10	314.10	333.50
Dobson/Taylorville	333.90	340.60	342.30	350.70	380.10	386.20	398.40	412.00	433.60	437.80	463.20
Stillwater	428.10	436.70	437.80	446.30	475.70	481.80	494.10	507.70	529.30	533.60	559.00
Blackball	433.60	442.30	451.10	460.10	469.30	478.70	488.30	498.10	508.10	518.30	523.60
South Beach Water Loan	151.30	151.30	151.30	151.30	151.30	151.30	151.30	151.30	151.30	151.30	151.30

Includes GST

Metered water supply

The Council sets a metered water targeted rate for the water supply that is based on the volume of water supplied to all rating units where the volume supplied is considered to be in excess of 300m³ per annum.

The proposed

rate for 2012/2013 is: (for all water consumed in excess of 300m³)

METERED WATER	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Rate	1.10	1.13	1.16	1.19	1.23	1.27	1.31	1.35	1.39	1.43	1.47

Includes GST

Refuse collection

The Council sets a targeted rate for refuse collection on the basis of a targeted rate per separately used or inhabited part of a rating unit for which the service is available. The charge will be set only for those units for which the service is available and have capital improvements on the unit.

The proposed rates for 2012/2013 are:

REFUSE COLLECTION	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Residential	152.90	182.50	188.00	193.60	199.40	205.40	211.60	217.90	224.40	231.10	238.00
Residential (within kerbside recycling area)	187.90	233.50	240.50	247.70	255.10	262.80	270.70	278.80	287.20	295.80	304.70
Commercial - Twice Weekly Collection (where available)	305.80	365.00	376.00	387.30	398.90	410.90	423.20	435.90	449.00	462.50	476.40

Includes GST

District promotion rate

The Council sets a targeted rate to fund promotion and marketing opportunities in the District. This is set on commercial and industrial properties. The proposed rate per dollar of **Capital Value** is:

DISTRICT PROMOTION	current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015	forecast rates 2015/2016	forecast rates 2016/2017	forecast rates 2017/2018	forecast rates 2018/2019	forecast rates 2019/2020	forecast rates 2020/2021	forecast rates 2021/2022
Rate	0.000862	0.000860	+2%	+2%	+2%	+2%	+2%	+2%	+2%	+2%	+2%

Includes GST

District promotion rate – bed and breakfast operators

The Council sets a targeted rate to fund promotion and marketing opportunities in the District on the basis of a targeted rate per separately used or inhabited part of a rating unit for which is operating as a **Bed and Breakfast**. The proposed rate for 2012/2013 is:

DISTRICT PROMOTION	current rates	proposed rates	estimated rates	estimated rates	forecast rates	forecast rates	forecast rates	forecast rates	forecast rates	forecast rates	forecast rates
Bed and Breakfast/Homestay/Farmstay	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Rate	155.70	158.80	162.00	165.20	168.50	171.90	175.30	178.80	182.40	186.00	189.70

[8] Early payment of rates

A discount of 2.5%, calculated on the Total Annual Levy, will apply where all due rates are paid in full, together with any outstanding prior years' rates and penalties, by 4.30pm on the due date for payment of the first instalment outlined below.

[9] Rates payable by instalment

	Due Date and Payable	FINAL Date for payment
Instalment 1	01 August	31 August
Instalment 2	01 November	30 November
Instalment 3	01 February	28 February
Instalment 4	01 May	31 May

[10] Rates penalties

CURRENT PENALTIES	PENALTY DATE	Penalty incurred on current instalment balance outstanding
Instalment 1 Penalty	01 September	10%
Instalment 2 Penalty	01 December	10%
Instalment 3 Penalty	01 March	10%
Instalment 4 Penalty	01 June	10%

WATER METER RATE PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Instalment Penalty	20 th of month following invoice date	10%

ARREARS PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Annual Penalty	01 July	10%

[11] Rate remission and postponement policies

Full copies of Council's Rates Remission and Postponement Policies are available on request or from the website www.greycdc.govt.nz.

[12] Sample rate assessments based on this draft long term plan

The Grey District has many varied types of rates assessments, based on:

- We use a differential rating system where the rates calculated on land value vary based on property use (e.g. residential vs. commercial)
- Targeted rates for water and sewerage vary from township to township

Please use these sample rates assessments as an indication of what changes to rates are required to meet the funding requirements of this plan. Please refer to the land value used on the general rates lines to reference how it may compare to your property. To search a specific property please visit www.greycdc.govt.nz/ltp.

Greymouth residential - \$110,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	110,000	214.50	232.10	239.58	243.39
RES1-Environmental Services	110,000	196.90	181.50	187.35	190.33
RES1-Refuse Disposal Site(s)	110,000	72.60	41.80	43.15	43.84
RES1-Roading	110,000	343.20	360.80	372.43	378.35
RES1-Stormwater	110,000	111.10	128.70	132.85	134.96
RES1-Flood Protection	110,000	86.90	82.50	85.16	86.51
RES1-Rural Fire	110,000	4.40	4.40	4.54	4.61
Greymouth Sewerage	1	501.70	525.60	551.00	576.00
Greymouth Water	1	364.50	371.80	372.30	380.10
Refuse/Recycling	1	187.90	233.50	240.50	247.70
		2,466.30	2,571.00	2,654.36	2,728.39

Greymouth residential - \$98,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	98,000	191.10	206.78	213.45	216.84
RES1-Environmental Services	98,000	175.42	161.70	166.91	169.56
RES1-Refuse Disposal Site(s)	98,000	64.68	37.24	38.44	39.05
RES1-Roading	98,000	305.76	321.44	331.80	337.07
RES1-Stormwater	98,000	98.98	114.66	118.36	120.24
RES1-Flood Protection	98,000	77.42	73.50	75.87	77.08
RES1-Rural Fire	98,000	3.92	3.92	4.05	4.11
Greymouth Sewerage	1	501.70	525.60	551.00	576.00
Greymouth Water	1	364.50	371.80	372.30	380.10
Refuse/Recycling	1	187.90	233.50	240.50	247.70
		2,353.98	2,458.44	2,538.18	2,610.35

Blaketown residential - \$45,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	45,000	87.75	94.95	98.01	99.57
RES1-Environmental Services	45,000	80.55	74.25	76.64	77.86
RES1-Refuse Disposal Site(s)	45,000	29.70	17.10	17.65	17.93
RES1-Roading	45,000	140.40	147.60	152.36	154.78
RES1-Stormwater	45,000	45.45	52.65	54.35	55.21
RES1-Flood Protection	45,000	35.55	33.75	34.84	35.39
RES1-Rural Fire	45,000	1.80	1.80	1.86	1.89
Greymouth Sewerage	1	501.70	525.60	551.00	576.00
Greymouth Water	1	364.50	371.80	372.30	380.10
Refuse/Recycling	1	187.90	233.50	240.50	247.70
		1,857.90	1,961.30	2,025.01	2,089.03

Cobden residential - \$42,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	42,000	81.90	88.62	91.48	92.93
RES1-Environmental Services	42,000	75.18	69.30	71.53	72.67
RES1-Refuse Disposal Site(s)	42,000	27.72	15.96	16.47	16.73
RES1-Roading	42,000	131.04	137.76	142.20	144.46
RES1-Stormwater	42,000	42.42	49.14	50.72	51.53
RES1-Flood Protection	42,000	33.18	31.50	32.52	33.04
RES1-Rural Fire	42,000	1.68	1.68	1.73	1.76
Greymouth Sewerage	1	501.70	525.60	551.00	576.00
Greymouth Water	1	364.50	371.80	372.30	380.10
Refuse/Recycling Collection	1	187.90	233.50	240.50	247.70
		1,829.82	1,933.16	1,995.95	2,059.52

Karoro residential - \$135,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	135,000	263.25	284.85	294.03	298.70
RES1-Environmental Services	135,000	241.65	222.75	229.93	233.59
RES1-Refuse Disposal Site(s)	135,000	89.10	51.30	52.95	53.79
RES1-Roading	135,000	421.20	442.80	457.08	464.35
RES1-Stormwater	135,000	136.35	157.95	163.04	165.63
RES1-Flood Protection	135,000	106.65	101.25	104.51	106.17
RES1-Rural Fire	135,000	5.40	5.40	5.57	5.66
Karoro Sewerage	1	245.40	284.40	293.30	295.10
Greymouth Water Supply	1	364.50	371.80	372.30	380.10
Refuse/Recycling	1	187.90	233.50	240.50	247.70
		2,444.00	2,564.30	2,638.71	2,693.39

Paroa/South Beach residential - \$110,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	110,000	214.50	232.10	239.58	243.39
RES1-Environmental Services	110,000	196.90	181.50	187.35	190.33
RES1-Refuse Disposal Site(s)	110,000	72.60	41.80	43.15	43.84
RES1-Roading	110,000	343.20	360.80	372.43	378.35
RES1-Stormwater	110,000	111.10	128.70	132.85	134.96
RES1-Flood Protection	110,000	86.90	82.50	85.16	86.51
RES1-Rural Fire	110,000	4.40	4.40	4.54	4.61
South Beach/Paroa Sewerage	1	209.50	248.30	256.60	257.70
Greymouth Water Supply	1	364.50	371.80	372.30	380.10
Refuse/Recycling	1	187.90	233.50	240.50	247.70
		2,174.10	2,293.70	2,359.96	2,410.09

Kaiata residential - \$45,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	45,000	87.75	94.95	98.01	99.57
RES1-Environmental Services	45,000	80.55	74.25	76.64	77.86
RES1-Refuse Disposal Site(s)	45,000	140.40	17.10	17.65	17.93
RES1-Roading	45,000	29.70	147.60	152.36	154.78
RES1-Stormwater	45,000	45.45	52.65	54.35	55.21
RES1-Flood Protection	45,000	35.55	33.75	34.84	35.39
RES1-Rural Fire	45,000	1.80	1.80	1.86	1.89
Refuse Collection	1	152.90	182.50	188.00	193.60
Dobson/Taylorville/Kaiata Sewerage	1	-	954.70	986.10	1,014.30
		956.70	1,967.60	2,035.31	2,093.13

Dobson residential - \$56,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	56,000	48.16	53.20	54.92	55.79
RES2-Environmental Services	56,000	113.68	104.72	108.10	109.82
RES2-Refuse Disposal Site(s)	56,000	42.56	24.08	24.86	25.26
RES2-Roading	56,000	63.84	83.44	86.13	87.50
RES2-Stormwater	56,000	27.44	31.36	32.37	32.88
RES2-Flood Protection	56,000	12.88	12.32	12.72	12.92
RES2-Rural Fire	56,000	4.48	4.48	4.62	4.69
Dobson/Taylorville/Kaiata Sewerage	1	-	954.70	986.10	1,014.30
Dobson/Taylorville Water Supply	1	333.90	340.60	342.30	350.70
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,182.44	2,199.70	2,265.62	2,330.06

Taylorville residential - \$36,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	36,000	30.96	34.20	35.30	35.86
RES2-Environmental Services	36,000	73.08	67.32	69.49	70.59
RES2-Refuse Disposal Site(s)	36,000	27.36	15.48	15.98	16.23
RES2-Roading	36,000	41.04	53.64	55.37	56.25
RES2-Stormwater	36,000	17.64	20.16	20.81	21.14
RES2-Flood Protection	36,000	8.28	7.92	8.18	8.31
RES2-Rural Fire	36,000	2.88	2.88	2.97	3.02
Dobson/Taylorville/Kaiata Sewerage	1	-	954.70	986.10	1,014.30
Dobson/Taylorville Water Supply	1	333.90	340.60	342.30	350.70
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,070.64	2,087.70	2,150.00	2,212.60

Runanga residential - \$40,000 land value

Residential - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES1-Community Services	40,000	78.00	84.40	87.12	88.51
RES1-Environmental Services	40,000	71.60	66.00	68.13	69.21
RES1-Refuse Disposal Site(s)	40,000	26.40	15.20	15.69	15.94
RES1-Roading	40,000	124.80	131.20	135.43	137.58
RES1-Stormwater	40,000	40.40	46.80	48.31	49.08
RES1-Flood Protection	40,000	31.60	30.00	30.97	31.46
RES1-Rural Fire	40,000	1.60	1.60	1.65	1.68
Runanga/Dunollie Sewerage	1	180.60	187.50	265.80	312.10
Runanga/Dunollie/Rapahoe/Coal Ck Water Supply	1	245.20	250.10	255.10	260.20
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,335.70	1,403.60	1,521.70	1,601.96

Rapahoe residential - \$120,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	120,000	103.20	114.00	117.68	119.55
RES2-Environmental Services	120,000	243.60	224.40	231.64	235.32
RES2-Refuse Disposal Site(s)	120,000	91.20	51.60	53.26	54.11
RES2-Roading	120,000	136.80	178.80	184.57	187.50
RES2-Stormwater	120,000	58.80	67.20	69.37	70.47
RES2-Flood Protection	120,000	27.60	26.40	27.25	27.68
RES2-Rural Fire	120,000	9.60	9.60	9.91	10.07
Runanga/Dunollie/Rapahoe/Coal Ck Water Supply	1	245.20	250.10	255.10	260.20
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,451.50	1,512.90	1,562.28	1,601.10

Rural Residential (Coast Road) - \$170,000 land value

Rural Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RR-Community Services	170,000	151.30	163.20	168.46	171.14
RR-Environmental Services	170,000	149.60	137.70	142.14	144.40
RR-Refuse Disposal Site(s)	170,000	54.40	30.60	31.59	32.09
RR-Roading	170,000	156.40	178.50	184.26	187.19
RR-Stormwater	170,000	27.20	32.30	33.34	33.87
RR-Flood Protection	170,000	28.90	27.20	28.08	28.53
RR-Rural Fire	170,000	5.10	5.10	5.26	5.34
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,108.40	1,165.40	1,206.63	1,238.76

Gladstone residential - \$144,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	144,000	123.84	136.80	141.21	143.45
RES2-Environmental Services	144,000	292.32	269.28	277.96	282.38
RES2-Refuse Disposal Site(s)	144,000	109.44	61.92	63.92	64.94
RES2-Roading	144,000	164.16	214.56	221.48	225.00
RES2-Stormwater	144,000	70.56	80.64	83.24	84.56
RES2-Flood Protection	144,000	33.12	31.68	32.70	33.22
RES2-Rural Fire	144,000	11.52	11.52	11.89	12.08
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,340.46	1,397.20	1,445.90	1,481.83

Camerons residential - \$50,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	50,000	43.00	47.50	49.03	49.81
RES2-Environmental Services	50,000	101.50	93.50	96.51	98.04
RES2-Refuse Disposal Site(s)	50,000	38.00	21.50	22.19	22.54
RES2-Roading	50,000	57.00	74.50	76.90	78.12
RES2-Stormwater	50,000	24.50	28.00	28.90	29.36
RES2-Flood Protection	50,000	11.50	11.00	11.35	11.53
RES2-Rural Fire	50,000	4.00	4.00	4.13	4.20
Refuse Collection	1	152.90	182.50	188.00	193.60
		815.00	870.80	902.51	929.80

Ngahere residential - \$65,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES3-Community Services	65,000	127.40	136.50	140.90	143.14
RES3-Environmental Services	65,000	53.30	49.40	50.99	51.80
RES3-Refuse Disposal Site(s)	65,000	20.15	11.70	12.08	12.27
RES3-Roading	65,000	86.45	88.40	91.25	92.70
RES3-Stormwater	65,000	14.95	17.55	18.12	18.41
RES3-Flood Protection	65,000	7.80	7.15	7.38	7.50
RES3-Rural Fire	65,000	2.60	2.60	2.68	2.72
Refuse Collection	1	152.90	182.50	188.00	193.60
		848.15	904.10	936.90	964.74

Ahaura residential - \$70,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES3-Community Services	70,000	137.20	147.00	151.74	154.15
RES3-Environmental Services	70,000	57.40	53.20	54.92	55.79
RES3-Refuse Disposal Site(s)	70,000	21.70	12.60	13.01	13.22
RES3-Roading	70,000	93.10	95.20	98.27	99.83
RES3-Stormwater	70,000	16.10	18.90	19.51	19.82
RES3-Flood Protection	70,000	8.40	7.70	7.95	8.08
RES3-Rural Fire	70,000	2.80	2.80	2.89	2.94
Refuse Collection	1	152.90	182.50	188.00	193.60
		872.20	928.20	961.79	990.03

Moana residential - \$240,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES3-Community Services	240,000	470.40	504.00	520.25	528.52
RES3-Environmental Services	240,000	196.80	182.40	188.28	191.27
RES3-Refuse Disposal Site(s)	240,000	74.40	43.20	44.59	45.30
RES3-Roading	240,000	319.20	326.40	336.92	342.28
RES3-Stormwater	240,000	55.20	64.80	66.89	67.95
RES3-Flood Protection	240,000	28.80	26.40	27.25	27.68
RES3-Rural Fire	240,000	9.60	9.60	9.91	10.07
Moana Sewerage	1	212.50	221.60	232.50	237.20
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,902.40	1,969.20	2,040.09	2,086.47

Blackball residential - \$32,000 land value

Residential - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
RES2-Community Services	32,000	27.52	30.40	31.38	31.88
RES2-Environmental Services	32,000	64.96	59.84	61.77	62.75
RES2-Refuse Disposal Site(s)	32,000	24.32	13.76	14.20	14.43
RES2-Roading	32,000	36.48	47.68	49.22	50.00
RES2-Stormwater	32,000	15.68	17.92	18.50	18.79
RES2-Flood Protection	32,000	7.36	7.04	7.27	7.39
RES2-Rural Fire	32,000	2.56	2.56	2.64	2.68
Blackball Sewerage	1	505.00	515.10	525.40	535.90
Blackball Water Supply	1	433.60	442.30	451.10	460.10
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,652.98	1,727.40	1,774.98	1,820.12

Dairy Farm - \$6,600,000 land value

Farming/Forestry		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
FF-Community Services	6,600,000	528.00	594.00	613.15	622.90
FF-Environmental Services	6,600,000	792.00	792.00	817.54	830.54
FF-Refuse Disposal Site(s)	6,600,000	330.00	198.00	204.38	207.63
FF-Roading	6,600,000	6,534.00	6,732.00	6,949.07	7,059.55
FF-Stormwater	6,600,000	-	-	-	-
FF-Flood Protection	6,600,000	198.00	198.00	204.38	207.63
FF-Rural Fire	6,600,000	594.00	528.00	545.02	553.68
Refuse Collection	1	152.90	182.50	188.00	193.60
		9,511.50	9,632.80	9,947.04	10,118.13

Dry stock farm - \$1,560,000 land value

Farming/Forestry		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
FF-Community Services	1,560,000	124.80	140.40	144.93	147.23
FF-Environmental Services	1,560,000	187.20	187.20	193.24	196.31
FF-Refuse Disposal Site(s)	1,560,000	78.00	46.80	48.31	49.08
FF-Roading	1,560,000	1,544.40	1,591.20	1,642.51	1,668.62
FF-Stormwater	1,560,000	-	-	-	-
FF-Flood Protection	1,560,000	46.80	46.80	48.31	49.08
FF-Rural Fire	1,560,000	140.40	124.80	128.82	130.87
Refuse Collection	1	152.90	182.50	188.00	193.60
		2,657.10	2,728.00	2,819.62	2,877.39

Forestry block - \$980,000 land value

Farming/Forestry		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
FF-Community Services	980,000	78.40	88.20	91.04	92.49
FF-Environmental Services	980,000	117.60	117.60	121.39	123.32
FF-Refuse Disposal Site(s)	980,000	49.00	29.40	30.35	30.83
FF-Roading	980,000	970.20	999.60	1,031.83	1,048.23
FF-Stormwater	980,000	-	-	-	-
FF-Flood Protection	980,000	29.40	29.40	30.35	30.83
FF-Rural Fire	980,000	88.20	78.40	80.93	82.22
Refuse Collection	1	152.90	182.50	188.00	193.60
		1,868.30	1,933.40	1,999.39	2,044.12

Greymouth CBD commercial - \$185,000 land value/\$730,000 capital value

Commercial - Zone 1		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
COM1-Community Services	185,000	641.95	690.05	712.30	723.62
COM1-Environmental Services	185,000	105.45	96.20	99.30	100.88
COM1-Refuse Disposal Site(s)	185,000	40.70	22.20	22.92	23.28
COM1-Roading	185,000	1,722.35	1,720.50	1,775.98	1,804.21
COM1-Stormwater	185,000	85.10	96.20	99.30	100.88
COM1-Flood Protection	185,000	127.65	120.25	124.13	126.10
COM1-Rural Fire	185,000	3.70	1.85	1.91	1.94
Greymouth Sewerage	2	1,003.40	1,051.20	1,102.00	1,152.00
Greymouth Water	2	729.00	743.60	744.60	760.20
Refuse/Recycling	2	611.60	730.00	752.00	774.60
Ditric Promotion	730,000	629.26	627.80	648.04	658.34
		6,082.76	6,308.15	6,507.98	6,668.65

Blackball commercial - \$32,000 land value/\$143,000 capital value

Commercial - Zone 2		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
COM2-Community Services	32,000	41.28	42.88	44.26	44.96
COM2-Environmental Services	32,000	14.40	13.44	13.87	14.09
COM2-Refuse Disposal Site(s)	32,000	5.12	2.88	2.97	3.02
COM2-Roading	32,000	133.76	135.04	139.39	141.61
COM2-Stormwater	32,000	5.44	7.04	7.27	7.39
COM2-Flood Protection	32,000	7.04	6.72	6.94	7.05
COM2-Rural Fire	32,000	1.60	0.96	0.99	1.01
Blackball Sewerage	1	505.00	515.10	525.40	535.90
Blackball Water Supply	1	433.60	442.30	451.10	460.10
Refuse Collection	1	152.90	182.50	188.00	193.60
Ditric Promotion	143,000	123.27	122.98	126.95	128.97
		1,806.01	1,880.14	1,932.64	1,980.30

Moana commercial - \$32,000 land value/\$143,000 capital value

Commercial - Zone 3		current rates 2011/2012	proposed rates 2012/2013	estimated rates 2013/2014	estimated rates 2014/2015
Uniform Annual General Charge	1	382.60	408.30	425.50	442.60
COM3-Community Services	220,000	545.60	591.80	610.88	620.59
COM3-Environmental Services	220,000	162.80	151.80	156.69	159.18
COM3-Refuse Disposal Site(s)	220,000	44.00	26.40	27.25	27.68
COM3-Roading	220,000	1,234.20	1,210.00	1,249.02	1,268.88
COM3-Stormwater	220,000	96.80	110.00	113.55	115.36
COM3-Flood Protection	220,000	83.60	81.40	84.02	85.36
COM3-Rural Fire	220,000	13.20	13.20	13.63	13.85
Moana Sewerage	1	212.50	221.60	232.50	237.20
Refuse Collection	1	152.90	182.50	188.00	193.60
District Promotion	465,000	400.83	399.90	412.79	419.35
		3,329.03	3,396.90	3,513.83	3,583.65

PART F: Other information

[appendix A] Council special funds (reserve funds)

[1] general policy

- Access to special funds can only be achieved in pursuance of this policy.
- Interest earned by special funds will be allocated across all funds on a pro-rata basis at year end.
- Access to special funds will be through the annual plan process. However, Council can, by majority decision, access funds from special funds if :-
 - the expenditure is totally unexpected and could not have been foreseen in the Annual Plan.
 - the expenditure is unavoidable.
 - the expenditure cannot be funded ex savings on the current Annual Plan.
 - the purpose for which funding is sought is not controversial and therefore unlikely to result in public debate.
 - the expenditure will not represent a major departure from the current LTCOP resulting in an audit.
- Where the purpose for which funding is required is likely to be controversial, or where such funding exceeds \$250,000.00, the funding will not become available until Council has consulted the public on the matter and have confirmed the funding after having considered public input received.

[2] Specific Reserves

infrastructural renewal reserve

purpose

To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste.

contributions

- Any unspent funding of depreciation of infrastructural assets
- An amount per annum from general rates as determined by Council as part of each year's Annual Plan.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Infrastructure Renewal Reserve opening balance	56	81	117	168	231	308	397	486	586	672
withdrawals from reserve	(50)	(40)	(30)	(20)	(10)	-	-	-	-	(4)
deposits to reserve	75	76	81	83	87	89	89	100	86	81
Closing balance	81	117	168	231	308	397	486	586	672	749

greymouth sewerage fund

purpose

To fund the wider Greymouth Area Sewerage Scheme.

contributions¹¹

Net ratepayer contributions, government grants, and external subsidies

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Greymouth Sewerage Fund opening balance	3,386	-	-	-	-	-	-	-	-	-
withdrawals from reserve	(3,447)	-	-	-	-	-	-	-	-	-
deposits to reserve	61	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-

rural sewerage works capital reserve

purpose

To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.

contributions

None. Costs are now recovered against benefiting communities on a user-pays basis by means of targeted rates.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Rural Sewerage Capital Works Reserve opening balance	222	230	238	249	261	273	285	297	310	323
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	8	8	11	12	12	12	12	13	13	14
Closing balance	230	238	249	261	273	285	297	310	323	337

¹¹ Reserve expected to be wound up when project is completed.

roading reserve

purpose

To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.

contributions

annual funding from general rates as required

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Roading Reserve opening balance	235	342	275	252	120	138	159	8	(2)	(2)
withdrawals from reserve	-	(77)	(35)	(140)	-	-	(155)	(10)	-	-
deposits to reserve	107	10	12	8	18	21	4	-	-	126
Closing balance	342	275	252	120	138	159	8	(2)	(2)	124

footpath reserve

purpose

To fund the development or renewal of footpaths in the District (land transport activity).

contributions

any annual funding committed by Council from general rates (nil signalled in this plan)

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Footpath Reserve opening balance	50	52	54	57	60	63	66	69	72	75
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	2	2	3	3	3	3	3	3	3	3
Closing balance	52	54	57	60	63	66	69	72	75	78

cobden stormwater mitigation reserve

purpose

To fund enhancement of stormwater management in Cobden.

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Cobden Stormwater Mitigation Reserve opening balance	41	43	44	46	48	50	52	54	56	58
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	2	1	2	2	2	2	2	2	2	2
Closing balance	43	44	46	48	50	52	54	56	58	60

moana water supply reserve

purpose

To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).

contributions

- any specific funds budgeted and not spent

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Moana Water Supply opening balance	7	7	7	8	8	8	9	9	9	10
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	-	-	1	-	-	1	-	-	1	-
Closing balance	7	7	8	8	8	9	9	9	10	10

te kinga infrastructure upgrade reserve

purpose

To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.

contributions

- contributions by benefiting properties in the Te Kinga area

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Te Kinga Infrastructure Upgrade Reserve opening balance	72	75	78	82	86	90	94	98	102	106
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	3	4	4	4	4	4	4	4	4
Closing balance	75	78	82	86	90	94	98	102	106	110

flood protection reserve

purpose

To fund capital works to enhance flood protection measures in the District for which Council is responsible for.

contributions

- any cash surpluses generated by the flood protection activity, after consideration of associated debt retirement.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Flood Protection Reserve opening balance	92	95	98	103	108	113	118	123	128	134
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	3	5	5	5	5	5	5	6	6
Closing balance	95	98	103	108	113	118	123	128	134	140

land-fill reserve

purpose

to fund capital works required for solid waste management

contributions

- any cash surpluses generated by the solid waste management activity, after consideration of associated debt retirement.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land Fill Reserve opening balance	53	67	83	100	148	204	268	449	618	826
withdrawals from reserve	-	-	-	-	-	-	-	-	-	(669)
deposits to reserve	14	16	17	48	56	64	181	169	208	37
Closing balance	67	83	100	148	204	268	449	618	826	194

disaster recovery reserve

purpose

To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).

contributions

The \$20,000 per annum as minimum with the fund capped at the value of Council's estimated excess/un-insured losses.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Disaster Recovery (Restricted Reserve) opening balance	1,930	2,021	2,111	2,233	2,358	2,486	2,617	2,752	2,892	3,037
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	91	90	122	125	128	131	135	140	145	149
Closing balance	2,021	2,111	2,233	2,358	2,486	2,617	2,752	2,892	3,037	3,186

civil defence reserve

purpose

To fund any extraordinary expenditure associated with providing Council's emergency management function.

contributions

n/a.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Civil Defence Reserve opening balance	27	28	29	30	31	32	33	34	35	37
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	1	1	1	1	1	1	2	2
Closing balance	28	29	30	31	32	33	34	35	37	39

library reserve

purpose

To fund any key maintenance work or equipment upgrades required at Council's District library.

contributions

n/a.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Library Reserve opening balance	35	36	37	39	41	43	45	47	49	51
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	2	2	2	2	2	2	2	2
Closing balance	36	37	39	41	43	45	47	49	51	53

town development strategy reserve

purpose

To fund a portion of any projects that may arise as a result of the Town Development Strategy (all activities).

contributions

n/a.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Town Development Strategy Reserve opening balance	50	52	54	57	60	63	66	69	72	75
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	2	2	3	3	3	3	3	3	3	3
Closing balance	52	54	57	60	63	66	69	72	75	78

gas management plan reserve

purpose

To fund a portion of any associated costs of identifying and mitigating effects of any land associated with historic gasworks.

contributions

n/a.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Gas Management Plan Reserve opening balance	14	15	16	17	18	19	20	21	22	23
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	1	1	1	1	1	1	1	1
Closing balance	15	16	17	18	19	20	21	22	23	24

area infrastructural reserves

purpose

To develop/improve infrastructure in the respective areas per the preference of people in the area.

contributions

of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant). The original division of the fund was as follows:

Area	allocation
Barrytown	1.45%
Atarua	1.03%
Ahaura	2.92%
Haupiri	1.52%
Nelson Creek	2.43%
Blackball	3.00%
Runanga	13.17%
Kaiata/Stillwater	6.62%
Karoro/Gladstone	15.50%
Arnold Valley	0.85%
Lake Brunner	2.54%
Hohonu	0.39%
Greymouth (transferred to Greymouth sewerage reserve)	48.58%

forecast balances based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Barrytown Area Infrastructure Reserve opening balance	62	65	67	70	73	76	79	82	86	90
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	2	3	3	3	3	3	4	4	4
Closing balance	65	67	70	73	76	79	82	86	90	94

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Atarau Area Infrastructure Reserve opening balance	3	3	3	3	3	3	3	3	3	3
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	-	-	-	-	-	-	-	-	-	-
Closing balance	3	3	3	3	3	3	3	3	3	3
Ahaura Area Infrastructure Reserve opening balance	241	250	259	271	284	297	310	324	338	353
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	9	9	12	13	13	13	14	14	15	15
Closing balance	250	259	271	284	297	310	324	338	353	368
Hauptiri Area Infrastructure Reserve opening balance	146	151	156	164	172	180	188	196	205	214
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	5	5	8	8	8	8	8	9	9	9
Closing balance	151	156	164	172	180	188	196	205	214	223
Nelson Creek Area Infrastructure Reserve opening balance	223	231	239	251	263	275	287	300	313	326
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	8	8	12	12	12	12	13	13	13	14
Closing balance	231	239	251	263	275	287	300	313	326	340
Runanga Area Infrastructure Reserve opening balance	474	491	508	533	558	583	609	636	664	693
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	17	17	25	25	25	26	27	28	29	29
Closing balance	491	508	533	558	583	609	636	664	693	722
Kaiata to Stillwater Area Infrastructure Reserve opening balance	636	183	189	198	207	216	226	236	246	257
withdrawals from reserve	(468)	-	-	-	-	-	-	-	-	-
deposits to reserve	15	6	9	9	9	10	10	10	11	11
Closing balance	183	189	198	207	216	226	236	246	257	268

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Karoro/Gladstone Area Infrastructure Reserve opening balance	884	917	949	995	1,041	1,088	1,136	1,186	1,238	1,291
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	33	32	46	46	47	48	50	52	53	54
Closing balance	917	949	995	1,041	1,088	1,136	1,186	1,238	1,291	1,345
Arnold Valley Area Infrastructure Reserve opening balance	82	85	88	92	96	100	104	109	114	119
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	3	4	4	4	4	5	5	5	5
Closing balance	85	88	92	96	100	104	109	114	119	124
Lake Brunner Area Infrastructure Reserve opening balance	164	170	176	184	193	202	211	220	230	240
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	6	6	8	9	9	9	9	10	10	10
Closing balance	170	176	184	193	202	211	220	230	240	250
Hohonu Area Infrastructure Reserve opening balance	38	39	40	42	44	46	48	50	52	54
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	2	2	2	2	2	2	2	2
Closing balance	39	40	42	44	46	48	50	52	54	56

swimming baths plant reserves

purpose

To fund expenditure in connection with replacement or enhancement of swimming pool equipment/ plant.

contributions

- any surplus generated from swimming pool activities.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Swimming Baths Plant Reserve opening balance	79	82	85	89	93	97	101	105	110	115
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	3	4	4	4	4	4	5	5	5
Closing balance	82	85	89	93	97	101	105	110	115	120

parking reserve

purpose

To fund renewal/provision of car parks.

contributions

- Financial purpose in lieu of parking.
- Surpluses on parking activity account.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Parking Areas Reserve opening balance	-	3	6	9	-	4	8	12	17	22
withdrawals from reserve	-	-	-	(13)	-	-	-	-	-	(12)
deposits to reserve	3	3	3	4	4	4	4	5	5	5
Closing balance	3	6	9	-	4	8	12	17	22	15

airport runway re-seal reserve

purpose

To fund the periodic re-seal of airport runway and other significant maintenance.

contributions

Depreciation on airport runway funded, subject to operating revenue being available

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Airport Reserve opening balance	-	69	144	230	320	413	517	626	740	866
withdrawals from reserve	(3)	-	-	-	-	-	-	-	-	-
deposits to reserve	72	75	86	90	93	104	109	114	126	130
Closing balance	69	144	230	320	413	517	626	740	866	996

town clock reserve

purpose

To fund renewal/major maintenance of town clock.

contributions

- n/a

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Town Clock Reserve opening balance	18	19	20	21	22	23	24	25	26	27
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	1	1	1	1	1	1	1	1
Closing balance	19	20	21	22	23	24	25	26	27	28

cemetery maintenance reserve

purpose

To fund additional capacity, renewal and maintenance of cemeteries.

contributions

Interment paid on reservation of grave plots in advance and any annual surpluses generated from the cemetery activity

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Cemetery Maintenance Reserve opening balance	307	318	283	297	311	325	339	354	369	385
withdrawals from reserve	-	(45)	-	-	-	-	-	-	-	-
deposits to reserve	11	10	14	14	14	14	15	15	16	16
Closing balance	318	283	297	311	325	339	354	369	385	401

rental housing reserve

purpose

To maintain in perpetuity, Council's retirement housing stock.

contributions

- Cash surplus on activity.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Rental Housing Reserve opening balance	256	283	309	340	372	405	439	474	510	553
withdrawals from reserve	(55)	(57)	(59)	(60)	(62)	(64)	(66)	(68)	(70)	(72)
deposits to reserve	82	83	90	92	95	98	101	104	113	111
Closing balance	283	309	340	372	405	439	474	510	553	592

economic development reserve

purpose

To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.

contributions

- Repayment of any loans granted from reserve.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Economic Development Reserve opening balance	448	455	461	473	485	496	507	518	528	538
withdrawals from reserve	(9)	(10)	(10)	(10)	(11)	(11)	(11)	(17)	(12)	(12)
deposits to reserve	16	16	22	22	22	22	22	27	22	22
Closing balance	455	461	473	485	496	507	518	528	538	548

reserves contribution reserve (subdivision contributions)

purpose

To fund the creation of new recreational areas/reserves.

contributions

Financial contributions per conditions of resource consent.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Subdivision Contributions opening balance	48	41	51	75	110	164	221	283	348	418
withdrawals from reserve	(52)	(36)	(24)	(16)	-	-	-	-	-	-
deposits to reserve	45	46	48	51	54	57	62	65	70	75
Closing balance	41	51	75	110	164	221	283	348	418	493

rural fire authority reserve

purpose

To fund the expenditure associated with major rural fires and any significant renewals capital expenditure required for the rural fire activity.

contributions

- NIL

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Rural Fire Authority Reserve opening balance	94	97	100	105	110	115	120	125	130	136
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	3	3	5	5	5	5	5	5	6	6
Closing balance	97	100	105	110	115	120	125	130	136	142

land sales reserves

purpose

- To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property.
- To fund other significant projects as decided by Council as part of the Annual Plan (all activities).

contributions

- Net proceeds of land sold (not Harbour Board Endowment Land)

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Land Sale Reserve opening balance	519	434	337	203	75	360	439	484	587	481
withdrawals from reserve	(122)	(126)	(151)	(138)	(138)	(142)	(146)	(150)	(161)	(191)
deposits to reserve	37	29	17	10	423	221	191	253	55	24
Closing balance	434	337	203	75	360	439	484	587	481	314

District planning reserve

purpose

To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.

contributions

- Levies against applicants for variations to District Plan or specific actions.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
District Planning Reserve opening balance	50	52	54	57	60	63	66	69	72	75
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	2	2	3	3	3	3	3	3	3	3
Closing balance	52	54	57	60	63	66	69	72	75	78

maori land compensation reserve

purpose

To fund part of the rent increases on land leased from the Mawhera Incorporation (all activities with associated leases).

contributions

- N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Maori Land Compensation Reserve opening balance	395	369	315	286	253	221	183	143	99	53
withdrawals from reserve	(40)	(66)	(43)	(45)	(43)	(47)	(47)	(49)	(49)	(51)
deposits to reserve	14	12	14	12	11	9	7	5	3	1
Closing balance	369	315	286	253	221	183	143	99	53	3

harbour endowment land sales reserve

purpose

- to fund any operating deficits of port related activities

contributions

- Proceeds of sale of Harbour Endowment land.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Harbour Endowment land Reserves opening balance	-	-	-	-	-	-	-	-	-	-
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-

mcglashan trust

purpose

Maintenance development of war memorial areas in the District (parks and reserves activity).

contributions

Annual contribution received from the Trust.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
McGlashan Trust opening balance	8	9	10	11	12	13	14	15	16	17
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	1	1	1	1	1	1	1	1
Closing balance	9	10	11	12	13	14	15	16	17	18

e. white bequest**purpose**

Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue (parks and reserves, parking).

contributions

N/A.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
E White Bequest opening balance	32	33	34	36	38	40	42	44	46	48
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	1	1	2	2	2	2	2	2	2	2
Closing balance	33	34	36	38	40	42	44	46	48	50

mayoral flood relief fund**purpose**

To assist victims of flooding.

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Mayoral Flood Relief Fund opening balance	6	6	6	7	7	7	8	8	8	9
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	-	-	1	-	-	1	-	-	1	-
Closing balance	6	6	7	7	7	8	8	8	9	9

citizens emergency relief fund

purpose

Assistance to flood victims.

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Citizens Emergency Relief Fund opening balance	54	56	58	61	64	67	70	73	76	79
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	2	2	3	3	3	3	3	3	3	3
Closing balance	56	58	61	64	67	70	73	76	79	82

perotti bequest

purpose

A bequest for general municipal purposes (any activities).

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Perotti Bequest opening balance	11	11	11	12	13	14	15	16	17	18
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	-	-	1	1	1	1	1	1	1	1
Closing balance	11	11	12	13	14	15	16	17	18	19

peters bequest**purpose**

To purchase talking books for the library.

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Peters Bequest - Talking Books opening balance	31	30	29	28	27	26	25	24	23	22
withdrawals from reserve	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
deposits to reserve	1	1	1	1	1	1	1	1	1	1
Closing balance	30	29	28	27	26	25	24	23	22	21

vera corbett bequest**purpose**

To purchase library books.

contributions

N/A

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Vera Corbett Bequest opening balance	26	25	24	23	22	21	20	19	17	15
withdrawals from reserve	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(3)	(3)	(3)
deposits to reserve	1	1	1	1	1	1	1	1	1	1
Closing balance	25	24	23	22	21	20	19	17	15	13

plant and machinery reserve

purpose

To replace existing plant (vehicles), or effect major maintenance to existing plant (all activities).

contributions

- Depreciation on plant and machinery funded.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Plant and Machinery Reserve opening balance	798	709	660	777	776	681	631	758	748	631
withdrawals from reserve	(249)	(207)	(52)	(174)	(269)	(224)	(48)	(190)	(299)	(243)
deposits to reserve	160	158	169	173	174	174	175	180	182	182
Closing balance	709	660	777	776	681	631	758	748	631	570

building and property general reserve

purpose

To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity).

contributions

- Depreciation funded on Council buildings/property and associated facilities.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Building and Property Reserve opening balance	296	275	237	241	359	460	607	699	851	1,027
withdrawals from reserve	(35)	(52)	(13)	(14)	(35)	-	(65)	(17)	-	(88)
deposits to reserve	14	14	17	132	136	147	157	169	176	195
Closing balance	275	237	241	359	460	607	699	851	1,027	1,134

staff cost reserve

purpose

- To fund the cost of recruiting and replacing staff (all activities)

contributions

- Depreciation on furniture and equipment funded.
- \$10,000 from rates per annum.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Staff Costs Reserve opening balance	13	24	35	47	59	72	85	99	114	129
withdrawals from reserve	-	-	-	-	-	-	-	-	-	-
deposits to reserve	11	11	12	12	13	13	14	15	15	16
Closing balance	24	35	47	59	72	85	99	114	129	145

corporate equipment and furniture replacement reserve

purpose

- To fund the upgrade and renewal of office equipment and furniture.
- To fund new office equipment and investment in new technology.

contributions

- Depreciation on furniture and equipment funded.
- \$10,000 from rates per annum.

forecast balance based on this long term plan

	proposed 2012/2013 \$000	estimated 2013/2014 \$000	estimated 2014/2015 \$000	forecast 2015/2016 \$000	forecast 2016/2017 \$000	forecast 2017/2018 \$000	forecast 2018/2019 \$000	forecast 2019/2020 \$000	forecast 2020/2021 \$000	forecast 2021/2022 \$000
Corporate Equipment and Furniture Reserve opening balance	474	380	446	523	597	681	770	865	927	1,030
withdrawals from reserve	(243)	(85)	(87)	(97)	(93)	(96)	(98)	(110)	(105)	(108)
deposits to reserve	149	151	164	171	177	185	193	172	208	216
Closing balance	380	446	523	597	681	770	865	927	1,030	1,138

[appendix B] Revenue and financing policy

[1] Introduction

The Revenue and Financing Policy is largely the same that was used in Council's previous Long Term Plan. Council is therefore proposing no significant changes. The previous policy disclosed funding principles and policies on an activity by activity basis. For the purposes of this plan the funding has been summarised on a Group of Activity level.

[2] General policies on funding and sources of funding

The distribution of benefits

For the purpose of allocation of costs of each Council activity among individuals, groups of individuals and the entire community, it is essential to identify the beneficiaries and the relevant cost of the service used. Economic theory provides three concepts that could be applied to share costs according to beneficiaries.

Public Goods

At one extreme are the pure public goods which have two defining characteristics: non-rivalry and non-excludability.

Non-rivalry means that consumption by one party does not reduce the amount of that good or service available to others. In other words, there is no extra cost involved in the consumption of such good or service increases. So the cost is not related to the amount consumed. (e.g. Libraries)

Non-excludability means that it is impossible or extremely costly and difficult to exclude anyone from consuming if they do not pay for the good or the service.

If a good or service has both these two characteristics it is a pure public good; and it will not be possible to allocate the costs to the users of the good or the service.

Because of this, the costs of such goods and services need to be borne by the public as a whole (through rates). Parks and reserves are an example of a service that has the characteristics of a public good.

Private Goods

At the other extreme are the pure private goods that have the opposite characteristics – rivalry and excludability. If the service provide by Council benefits identifiable parties and the costs related to the services used by them can be allocated directly to them, such services are called private goods. The costs of these services can be recovered from the consumers in the form of user charges or targeted rates.

Positive Externalities

The consumption of private goods and services can also result in benefits to third parties – people who don't directly use them. These "spill over effects" or "positive externalities" are also called public or social benefits. They might include the contribution that public toilets make to tourism, libraries, museums and parks make to the social and cultural life and vibrancy of a city. The existence of externalities call for sharing of costs between the private beneficiaries and the community as a whole. The differentiation of private and public goods and the identification of externalities are necessary for the strict apportionment of costs between private beneficiaries and the community as a whole. However, a clear differentiation is not easy because, in reality, very few goods and services can be treated as pure private or public; most goods and services have some characteristics of both private and public goods (mixed goods). This leads to the adoption of a mix of funding mechanisms.

General rates and differentials

Council uses general rates as the main source of funding of activities where individual beneficiaries cannot be identified and the allocation of costs to them is not practical or cost effective; or where a part of the benefits accrue to the whole community (directly or indirectly as externalities). The general rates are split into two categories:

1. The Uniform Annual General Charge – which is a fixed charge per rating unit, and the whole District pays the same amount; and
2. General rates – calculated on property value

In its decision making on rating policies, including differentials, Council has considered the factors set out in the Local Government Act 2002.

Choice of rating system

Council uses the **Land Value system** to apportion the general rates that are calculated on property value. That is, the total rate requirement arrived at through the Annual Plan process is allocated to properties on the basis of their land value.

Council has considered which rating system is:

- Fairest for most people;
- Easiest for people to understand;
- Efficient for Council to administer; and
- Supported by the public.

In late 2008 public consultation indicated that there was a strong preference in the community for land value rating. Council therefore resolved to continue to rate based on land value. Council has determined that the view of the community has not significantly changed.

Rating differentials

Council has considered the level of benefit from all of Council's services, and has attempted to identify any major differences in benefit between different categories of ratepayers.

This is a difficult exercise as each individual ratepayer uses, or benefits from, a slightly different mix of Council services. Some people use libraries more than average, while others make greater use of the District's roads. Also, every ratepayer is a stakeholder in the future of the District and will therefore benefit to some extent from the provision of services such as libraries and roads which create a District worth living in.

Operational expenditure

Where expenditure does not create a new asset for future use, or extend the lifetime or usefulness of an existing asset, it is classed as operating expenditure. Most of Council's day-to-day expenditure comes into this category. Council generates sufficient cash inflow from revenue sources (including rates) to meet cash outflow requirements for operating expenditure over the long term.

Operating expenditure includes the overhead costs. The way in which Council allocates its overheads to different areas of Council operation is important for the Revenue and Financing Policy, particularly for services that are funded fully or mostly from user charges. For these services it is important that overheads are generally allocated on a similar basis as if these services were being operated by the private sector – otherwise users may be asked to pay too much.

Council also faces a number of costs that the private sector does not. These costs (such as running Council meetings and holding elections, as well as legal and policy advice, advocacy and consultation) are not treated as an overhead but rather treated as activities in their own right, and are funded on a stand-alone basis.

Operational expenditure includes depreciation.

Each funding method is described in more detail below, including the situations in which Council will use each method

General rates

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service, or where there would be an economic inefficiency to implement a targeted rate.

Targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

Fees and charges

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control) it is done through fees and charges. For activities where enforcement action is necessary the exacerbator pays principle applies where practical.

Interest

Council receives the majority of its interest relating to the special funds it has set aside. The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

Borrowing

Not used for operating expenditure.

Proceeds from asset sales

A few assets – a very small fraction of Council's total value – do not currently make a contribution to the identified community outcomes, except in terms of the revenue they generate. In these cases the benefit to Council and the community from owning the asset is measurable simply as the rate of return.

Council will consider selling such assets where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt and/or transfer to Special Funds. In its considerations, Council will take into account the risk associated with continuing to own the asset, and the risks associated with Council's total debt.

Council may consider the sale of parks or roads where any sale and consequent use of funds would have an overall benefit to the community. The same principle will be applied to other individual assets that are part of an essential service provided by Council.

Not generally used for operating expenditure. The exception is for port activities where sale of endowment land is used to offset any current and/or prior year operational losses.

Development contributions

Not currently levied.

Financial contributions (under the resource management act 1991)

Financial contributions are charged where new development creates increased demand on maintenance of reserves.

Grants and subsidies

Council receives the majority of Grants and Subsidies in the form of financial assistance from Land New Zealand Transport Agency and are used as an operational source of income for roading where applicable. Grants and subsidies are used in other activities wherever feasible and it is financially prudent to draw down any such funds. Council acts as funding conduit for local service organizations accessing Crown funding assistance..

Other sources

Special funds are funds which have either been received by Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by Council to be applied for a specific purpose or area of benefit (Non Restricted Funds). Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable.

Capital expenditure

Capital expenditure is the category of spending which creates a new asset, or extends the lifetime of an existing asset. The following sources are available for Council to fund capital expenditure (the costs of replacing an existing asset are not included here as these costs are progressively expensed as depreciation).

Funding sources:

General rates

Capital expenditure is not generally funded from rates. Council may opt to fund some capital expenditure from rates where this is in keeping with the principles of prudent financial management.

Targeted rates

Capital expenditure is not generally funded from rates. Council may opt to fund some capital expenditure from rates where this is in keeping with the principles of prudent financial management.

Fees and Charges

Capital expenditure is not generally funded from fees and charges. Council may opt to fund some capital expenditure from here where this is in keeping with the principles of prudent financial management.

Interest

Council receives the majority of its interest relating to the special funds' it has set aside . The interest earned on these funds is transferred to the special funds balances. Council may use the return on these funds to fund capital projects

Borrowing

To preserve "intergenerational equity", it is Council policy to spread the cost of capital expenditure over the life of the asset, by means of debt. Council will maintain debt at a prudent level in accordance with the Liability Management and Investment Policy.. The benefiting communities service the loan repayments (usually by way of a targeted rate).

Lump sum contributions

Council does not collect lump sum contributions as is available under the rating legislation. Council has decided that the benefits of capital expenditure are more appropriately spread over the life of the period the benefit is available. On this basis the preference is to loan fund the expenditure, and meet the required loan repayments through revenue such as targeted rates.

Proceeds from asset sales

A few assets – a very small fraction of Council's total value – do not currently make a contribution to the identified community outcomes, except in terms of the revenue they generate. In these cases the benefit to Council and the community from owning the asset is measurable simply as the rate of return.

Council will consider selling such assets where the rate of return from owning the asset is lower than the financial benefit to ratepayers of selling and of using the proceeds of sale to repay debt and/or transfer to Special Funds. In its considerations, Council will take into account the risk associated with continuing to own the asset, and the risks associated with Council's total debt.

Council may consider the sale of parks or roads where any sale and consequent use of funds would have an overall benefit to the community. The same principle will be applied to other individual assets that are part of an essential service provided by Council.

Generally set aside for future use, in line with Council's policy on Special Funds. The exception is for port activities where sale of endowment land is used to offset any current and/or prior year operational losses.

Development contributions

Not currently levied.

Financial contributions (under the resource management act 1991)

Charged where the demand for Council development in the present and future is from new development

Grants and subsidies

Council receives the majority of grants and subsidies in the form of financial assistance from Land Transport New Zealand. Subsidies are also used for the development of other infrastructure such as water reticulation and sewage disposal when made available.

Other sources

Special funds are funds which have either been received by Council from a third party to be used in a specific way (Restricted Funds) or monies tagged by Council to be applied for a specific purpose or area of benefit (Non Restricted Funds). Special funds are used:

Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable

[3] LAND TRANSPORT

The land transport activity contributes to the following outcomes:

OUTCOME	CONTRIBUTION
Growing all aspects of the local economy creating opportunities for all and the District is seen as strong and resilient	<ul style="list-style-type: none"> • by providing quality access: • Quality and ease of road access to commercial area(s). • Convenience and quality of footpaths. • Information value of road signage.
Providing affordable, quality essential services	Roading as an essential service has an important service delivery function.

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> • Direct to users of the roads • General benefit to the whole District (positive externality) • Public are free to use District roads without making any direct contribution to Council 	Immediate	<ul style="list-style-type: none"> • General decline in service potential (General use of asset) • Increased use • Emergency re-instatement 	<ul style="list-style-type: none"> • NZTA • Petroleum Tax • General rates 	<ul style="list-style-type: none"> • Council will endeavour to gain the most advantageous financial assistance for both the immediate to medium term, with the balance of funding to be met from general rates. • The District requires an efficient transport network for economic viability, so there is a mix of direct benefit to the users of the network and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> • Users of the new facilities • General benefit to the whole district 	Long Term	<ul style="list-style-type: none"> • New development • Increased Traffic • Safety improvements 	<ul style="list-style-type: none"> • NZTA • General Rates • Developers • Special Funds • Borrowing 	<ul style="list-style-type: none"> • For the development of new roads, much of the benefit will be gained by future communities, and as such is funded by the developers of the new roads. Generally these assets are then vested in Council, where the Council thereon becomes responsible for the on-going maintenance/renewal of these new assets. • It is also recognised that the new development has a positive influence on the economy of the Grey District, and as such Council can act partly as a facilitator by contributing to the cost of new development.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies <ul style="list-style-type: none"> NZTA financial assistance 	MAJOR	MAJOR
User Fees <ul style="list-style-type: none"> recoverable works, shared projects 	MINOR	MINOR
Borrowing	n/a	MODERATE
Special funds <ul style="list-style-type: none"> Council funds a share of new developments where it creates an economic benefit to encourage the development 	MINOR	MINOR
Other <ul style="list-style-type: none"> petroleum tax assets vested financial contributions 	MINOR	MINOR
Targeted rates	n/a	n/a
General rates <ul style="list-style-type: none"> balance of funds required. Set differentially for a more equitable split of who pays what proportion of the rate 	MAJOR	MAJOR

Costs and benefits funding the activity distinctly from other activities

Makes up its own group activity statement in LTCCP, significant funding required, with separate general rate set for ratepayer share

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for differential rating, where Council has allocated costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth 	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[4] STORMWATER

The stormwater activity contributes to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Effective stormwater management and land drainage are prerequisites for a healthy, growing economy.
Affordable, quality services	Efficient stormwater management is an important essential service which determines enjoyment of property.
Personal and property safety	Stormwater ponding on land causes damage and compromises access and enjoyment thereof.
Sustainable management of the Environment	Ponding has the potential of damaging the environment notably in our case where sewer contamination is still an issue.

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Properties that discharge to Council stormwater system – generally the residential/commercial areas General benefit to the whole District (urban areas serviced by efficient systems) 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use Emergency re-instatement 	<ul style="list-style-type: none"> General rates 	<ul style="list-style-type: none"> The District requires efficient stormwater/flood protection assets for economic viability, so there is a mix of direct benefit to the users of the systems and general benefit to the whole district. It is therefore deemed most appropriate for the rates share to be met by way of a general rate set differentially across the district

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities General benefit to the whole district 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> New development Demand of current users for increased performance/protection 	<ul style="list-style-type: none"> General Rates Developers Special Funds Borrowing 	<ul style="list-style-type: none"> For the development of new assets, much of the benefit will be gained by future communities, and as such is funded by the developers. Generally these assets are then vested in Council, where the Council thereon becomes responsible for the on-going maintenance/renewal of these new assets. Other new assets are developed to increase the level of service, and as such are loan funded, with the repayment costs spread over the life of the assets.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies <ul style="list-style-type: none"> NZTA financial assistance may be available for protecting road network assets 	n/a	n/a
User Fees.	n/a	n/a
Borrowing	n/a	MAJOR
Special funds <ul style="list-style-type: none"> Council has some specific funds set aside for enhancing/new flood protection works. 	n/a	MINOR
Other <ul style="list-style-type: none"> Assets vested 	n/a	0 - 5%
Targeted rates	n/a	n/a
General rates <ul style="list-style-type: none"> balance of funds required. Set differentially for a more equitable split of who pays what proportion of the rate 	MAJOR	MAJOR

Costs and benefits funding the activity distinctly from other activities

Makes up its own group activity statement in LTCCP, significant funding required, with separate general rate set for ratepayer share

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for differential rating, where Council has allocated costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth 	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[5] WASTEWATER

The wastewater activity contributes to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Effective wastewater management is a prerequisite for a healthy, growing economy.
Affordable, quality services	Efficient wastewater management is an important essential service which determines enjoyment of property and quality of life.
Personal and property safety	Efficient wastewater management is most important for maintaining a healthy community.
Sustainable management of the Environment	The need to treat wastewater to required standards is most important to avoid harm to the environment

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Properties that discharge to Council sewerage system – generally the residential/commercial areas General benefit to the whole District (urban areas serviced by efficient and environmentally compliant systems) 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) – Ratepayers and other public such as campervans at dump stations Increased use Emergency re-instatement 	<ul style="list-style-type: none"> Targeted rates User fees 	<ul style="list-style-type: none"> Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate.

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities General benefit to the whole district 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> New development Increasing environmental compliance standards Demand of current users for increased performance/protection 	<ul style="list-style-type: none"> Subsidies Developers Special Funds Borrowing (repayments met from targeted rates) 	<ul style="list-style-type: none"> For the development of new assets, much of the benefit will be gained by future communities, Subsidies are used to maximum advantage wherever possible New assets that are developed to increase the level of service are loan funded, with the repayment costs spread over the life of the assets.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies <ul style="list-style-type: none"> Ministry of Health subsidies to be used advantageously where available 	n/a	MAJOR
User Fees. <ul style="list-style-type: none"> Trade Waste levies 	MINOR	n/a
Borrowing <ul style="list-style-type: none"> repaid from targeted rates 	n/a	MAJOR
Special funds <ul style="list-style-type: none"> Council has some specific funds set aside for new capital works. 	n/a	MODERATE
Other <ul style="list-style-type: none"> Assets vested 	n/a	MINOR
Targeted rates <ul style="list-style-type: none"> balance of funds required. 	MAJOR	MAJOR
General rates	n/a	n/a

Costs and benefits funding the activity distinctly from other activities

Makes up its own group activity statement in LTCCP, significant funding required, with separate targeted rate set for ratepayer share

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for targeted rating, where Council allocates all costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Effective treatment and disposal will protect the health of current communities 	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met Effective treatment and disposal will protect the health of current communities
ECONOMIC	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth 	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[6] WATER SUPPLY

The water supply activity contributes to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	A good, quality water supply is a prerequisite for a healthy, growing economy.
Affordable, quality services	Water is an important essential service which determines enjoyment of property and quality of life.
Personal and property safety	Water is a basic necessity. It is an important requirement for a healthy community that water must at all times be potable. Easy access to a pressurised water supply is also necessary for fire fighting.

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Properties that are connected to a Council reticulated water system General benefit to the whole District (urban areas serviced by efficient and compliant systems) 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use Emergency re-instatement 	<ul style="list-style-type: none"> Targeted rates 	<ul style="list-style-type: none"> Properties connected to Council schemes create the need for Council to operate and maintain schemes. It is therefore deemed most appropriate for the rates share to be met by way of a targeted rate.

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities General benefit to the whole district 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> New development Increasing environmental compliance standards Demand of current users for increased performance/protection 	<ul style="list-style-type: none"> Subsidies Developers Special Funds Borrowing (repayments met from targeted rates) 	<ul style="list-style-type: none"> For the development of new assets, much of the benefit will be gained by future communities, Subsidies are used to maximum advantage wherever possible New assets that are developed to increase the level of service are loan funded, with the repayment costs spread over the life of the assets.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies <ul style="list-style-type: none"> Ministry of Health subsidies to be used advantageously where available 	n/a	MAJOR
User Fees.	MINOR	MINOR
Borrowing <ul style="list-style-type: none"> repaid from targeted rates 	n/a	MAJOR
Special funds <ul style="list-style-type: none"> Council has some specific funds set aside for new capital works. 	n/a	MINOR
Other <ul style="list-style-type: none"> Assets vested financial contributions Financial contributions – developers of new sections 	n/a	MINOR
Targeted rates <ul style="list-style-type: none"> balance of funds required (includes water meter rates) 	MAJOR	n/a
General rates	n/a	n/a

Costs and benefits funding the activity distinctly from other activities

Makes up its own group activity statement in LTCCP, significant funding required, with separate targeted rate set for ratepayer share

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for targeted rating, where Council allocates all costs to those sectors that benefit (refer Funding Impact Statement)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth 	<ul style="list-style-type: none"> Recovery from developers may discourage development and hinder economic growth
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[7] SOLID WASTE MANAGEMENT

The solid waste management activity contributes to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Good waste management contributes to creating an environment conducive to growth of the economy.
Affordable, quality services	Waste management is an important essential service which determines health, amenity, enjoyment of property and quality of life.
Personal and property safety	Good waste management is an important requirement for a healthy community.
Sustainable management of the environment	Uncontained refuse can have detrimental impacts on the environment. Similarly, there is an important requirement on efficient and responsible landfill management as a means of reducing the impact on the environment

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Properties that have a kerbside refuse collection available General benefit to the whole District to have a compliant waste facility 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use 	<ul style="list-style-type: none"> Targeted rates General rates User fees 	<ul style="list-style-type: none"> The demand for the operation and maintenance of facilities is created by the present community There is a direct benefit for those properties that can have their waste collected, therefore a targeted rate is struck to cover these costs. Excess users of refuse collection pay additional user fees Those that use facilities direct cover the relevant costs by way of user fees There is a District wide benefit to having a compliant facility; therefore other costs are covered by a separate general rate set differentially across the district.

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities General benefit to the whole district 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> Growing district Increasing environmental compliance standards Demand of current users for increased level of service 	<ul style="list-style-type: none"> Special Funds Borrowing 	<ul style="list-style-type: none"> For the development of new assets, much of the benefit will be gained by future communities, New assets that are developed to increase the level of service are loan funded, with the repayment costs spread over the life of the assets.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	n/a	n/a
User Fees. <ul style="list-style-type: none"> Cost of disposing waste in District facility 	MAJOR	MODERATE
Borrowing <ul style="list-style-type: none"> repaid from rates and user fees 	n/a	MAJOR
Special funds <ul style="list-style-type: none"> Council has some specific funds set aside for new capital works. 	n/a	MINOR
Other	n/a	n/a
Targeted rates <ul style="list-style-type: none"> Cost of operating collection and disposal of waste collected 	MAJOR	MODERATE
General rates <ul style="list-style-type: none"> balance of funds required 	MODERATE	MODERATE

Costs and benefits funding the activity distinctly from other activities

Makes up its own group activity statement in LTCCP, significant funding required, with a separate targeted rate and a separate general rate set for ratepayer share

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for targeted rating, where Council allocates all costs to those sectors that benefit (refer <i>Funding Impact Statement</i>) Allows for differential rating, where Council has allocated costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represents a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
ENVIRONMENTAL	<ul style="list-style-type: none"> User fees may encourage waste minimization thereby reducing volumes disposed in the landfill. Users fees may encourage illegal dumping 	<ul style="list-style-type: none"> Future users meet the future costs arising from maintaining closed land-fills. User fees may encourage waste minimization thereby reducing volumes disposed in the landfill
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[8] EMERGENCY MANAGEMENT

The emergency management activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Having in place competent services to cope with emergencies builds confidence which is an important requirement for economic growth and stability.
Personal and property safety	The ability to be prepared for and then to competently deal with emergencies are important for public safety.

Assessment of funding needs

Operational and capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> General benefit to the whole District to having a managed service. 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> Statutory responsibility indiscriminate use of fires, runaway fires etc 	<ul style="list-style-type: none"> General rates User fees Subsidies Borrowing 	<ul style="list-style-type: none"> The demand for management of civil defence and rural fire responsibilities is created by the present community There is a District wide benefit to having a managed service; therefore other costs are covered by a separate general rate set differentially across the district.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	n/a	n/a
User Fees. <ul style="list-style-type: none"> Recovery of costs incurred responding to events from any liable party. 	MINOR	n/a
Borrowing	n/a	MAJOR
Special funds	n/a	n/a
Other	n/a	n/a
Targeted rates	n/a	n/a
General rates <ul style="list-style-type: none"> balance of funds required 	MAJOR	n/a

Costs and benefits funding the activity distinctly from other activities

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning on a separate basis 	<ul style="list-style-type: none"> Transparency to funders, including ratepayers Accountability Allows for differential rating, where Council has allocated costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a low to moderate cost to be paid by the general ratepayer 	<ul style="list-style-type: none"> Represents a low to moderate cost to be paid by the general ratepayer
ECONOMIC	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[9] ENVIRONMENTAL SERVICES

The environmental services activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Sound spatial planning and sensitive, constructive regulation provide for certainty, order and harmony which is most necessary for economic growth and stability.
Affordable, quality services	The group of activities involves service delivery which determines quality of life, enjoyment of property.
Personal and property safety	The group of activities involves service delivery which contribute strongly to personal and property safety.
Sustainable management of the environment	The emphasis of this group of activities is strongly on sustainability with the focus both on people and the environment

Assessment of funding needs

Operational and capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Those that apply for consents General benefit to the whole District by having policies and plans that reflect the community's views 	<ul style="list-style-type: none"> Consenting work provides benefit to the applicant both present and into the future. Policy provides current and ongoing benefits through the sustainable and harmonious development of Council/Community vision . 	<ul style="list-style-type: none"> Those applying for consents Consent holders Statutory responsibilities Those who have dogs/stock in the district Those that fail to control dog/stock Those with properties that are considered untidy The majority who favour an attractive and tidy district Those with premises required to be licensed Statutory responsibilities 	<ul style="list-style-type: none"> User fees General rates Subsidies/ donations 	<ul style="list-style-type: none"> Planning provides current and on-going benefits through the sustainable development of Council/Community vision The majority of benefit for the costs of consent processing goes to the applicant, and this is reflected in user fees. Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates The benefit of having effective dog control is shared equally by all in the district. As the need for the activity is created by dog owners, the majority of costs are to be met by those generated the need Enforcement - Whilst in principle the ideal would be to recover the majority of costs from those creating the demand (exacerbator) The reality is it is inherently difficult to recover the costs. Enforcement - As there is a collective benefit remaining costs are met by the general ratepayer. Health regulation - Direct inspection and licensing costs are recovered from premises involved. Health regulation - As there is a collective benefit remaining costs are met by the general ratepayer.(Public Goods)

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies <ul style="list-style-type: none"> any available subsidies will be used to maximum advantage (mainly applies to policy work) 	MINOR	MINOR
User Fees.	MAJOR	n/a
Borrowing	n/a	n/a
Special funds	n/a	n/a
Other	n/a	n/a
Targeted rates	n/a	n/a
General rates <ul style="list-style-type: none"> balance of funds required. 	MODERATE	n/a

Costs and benefits funding the activity distinctly from other activities.

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning on a separate basis 	<ul style="list-style-type: none"> Accountability Allows for differential rating, where Council has allocated costs to those sectors that benefit (refer <i>Funding Impact Statement</i>)

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represent a cost to be met by the ratepayer User fee recovery may discourage unwanted dog ownership User fee recovery may discourage dog registration 	<ul style="list-style-type: none"> Represent a cost to be met by the ratepayer
ECONOMIC	<ul style="list-style-type: none"> User fee recovery may discourage development and hinder economic growth 	<ul style="list-style-type: none"> User fee recovery may discourage development and hinder economic growth
ENVIRONMENTAL	<ul style="list-style-type: none"> User fees and penalties will create a tidier social environment. 	<ul style="list-style-type: none"> User fees and penalties will create a tidier social environment
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[10] OTHER TRANSPORT

The other transport activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	The three components of the group of activities contribute strongly to the local economy.

Assessment of funding needs

Operational and capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Direct to users of the facility General benefit to the whole District (accessibility) 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use Emergency re-instatement 	<ul style="list-style-type: none"> User charges General rates 	<ul style="list-style-type: none"> Airport and Port - With limited commercial use and restrictions thereof the current facility is restricted in the amount of funds recovered directly from the users. The airport and port as an integral part of Council's lifelines function with respect to accessibility and how Council can respond to civil emergencies. This has a District wide benefit. Parking - Costs are recovered from users of dedicated parking facilities Parking Regulation/enforcement costs are recovered from fines General benefit available to all by having accessible parking in main commercial area plus no charge for on-street parking, therefore a general rate input appropriate.

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	n/a	n/a
User Fees	MAJOR	n/a
Borrowing <ul style="list-style-type: none"> repaid from rates and user fees 	n/a	MAJOR
Special funds	MINOR	MINOR
Other	MINOR	MINOR
Targeted rates	n/a	n/a
General rates <ul style="list-style-type: none"> balance of funds required. 	MAJOR	n/a

Costs and benefits funding the activity distinctly from other activities

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Accountability

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represent a significant cost to be met by the ratepayer, especially due to low use frequency Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represent a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> Additional user fee recovery may result in decline in use of the facility 	<ul style="list-style-type: none"> Additional user fee recovery may result in decline in use of the facility
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[11] PROPERTY AND HOUSING

The property and housing activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Council is committed to releasing Council owned land not needed for future service delivery, for development.
Affordable quality services.	Council sees the provision of convenient, quality retirement housing facilities as an important service to the elderly community. It also recognises its service responsibilities to Lessees of Council owned land and buildings in terms of the applicable leases
Personal and Property safety	Retirement Housing offers security, convenience and stability to occupants.

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Direct to users of the facility 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use Emergency re-instatement 	<ul style="list-style-type: none"> User charges Internal Recoveries 	<ul style="list-style-type: none"> Retirement Housing - The majority of benefit is received by the tenants and therefore 100% user fee recovery. Costs of providing municipal buildings are recovered from the activities supported (internal recoveries) Other recoveries are from occupiers of Council property, such as land leases and tenants. Investment returns on previous sales of Council property are used as a source of funds (given the diminished return as council divests property).

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> Increased demand Increased service levels demand 	<ul style="list-style-type: none"> Special Funds Borrowing Subsidies 	<ul style="list-style-type: none"> Retirement Housing - The majority of benefit is received by the tenants and therefore 100% user fee recovery. For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	n/a	MINOR
User Fees	MAJOR	n/a
Borrowing <ul style="list-style-type: none"> repaid from user fees 	n/a	MAJOR
Special funds	n/a	MODERATE
Internal Recoveries <ul style="list-style-type: none"> Overheads recovered 	n/a	n/a
Other	n/a	n/a
Targeted rates	n/a	n/a
General rates	n/a	n/a

Costs and benefits funding the activity distinctly from other activities

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Transparency to funders Accountability

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represents a cost to be met by the user Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represents a cost to be met by the user Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> Any 'non market' rental recovery may represent an increased cost to be met by future users. Use of special funds mean there is an opportunity cost, i.e. those funds will not be available for future use. Alternative sources of funding will be required for future projects.
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[12] COMMUNITY FACILITIES AND EVENTS

The community facilities and events activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Without these services, a community will have no “core” and will not be sustainable. These services also strongly appeal to visitors.
Affordable quality services.	Given the importance of these services, it must be of good quality, affordable and accessible
Building local identity	These services fall under the collective heading of “recreation” which is an important part of life in a community. Apart from the social interaction benefits, it does provide a community with an identity and a sense of belonging.

Assessment of funding needs

Operational expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Direct to users of the facility General benefit to the whole District (quality community and recreational services) 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> General decline in service potential (General use of asset) Increased use Emergency re-instatement 	<ul style="list-style-type: none"> User charges General rates Developers 	<ul style="list-style-type: none"> User fees recovered where practical Where activity is a non-exclusive service – funded from general rates

Capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> Users of the new facilities General benefit to the whole district 	<ul style="list-style-type: none"> Long Term 	<ul style="list-style-type: none"> Increased demand Increased service levels 	<ul style="list-style-type: none"> Special Funds Borrowing Developers 	<ul style="list-style-type: none"> Reserve contributions, levied to recover costs of providing new facilities for growing district. For the development of other new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	MINOR	MAJOR
User Fees	MODERATE	n/a
Borrowing <ul style="list-style-type: none"> repayments funded from rates 	n/a	MAJOR
Special funds	n/a	MODERATE
Other <ul style="list-style-type: none"> Reserve contributions 	n/a	MINOR
General rates <ul style="list-style-type: none"> balance of funds required. 	MAJOR	n/a

Costs and benefits funding the activity distinctly from other activities

Costs	Benefits
<ul style="list-style-type: none"> minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> Accountability

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> Represent a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met 	<ul style="list-style-type: none"> Represent a significant cost to be met by the ratepayer Capital programme represents an increased maintenance cost to be met Capital programme represents a future decline in service potential cost to be met
ECONOMIC	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> Use of special funds mean there is an opportunity cost, i.e. those funds will not be available for future use. Alternative sources of funding will be required for future projects.
ENVIRONMENTAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a
CULTURAL	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a

[13] DEMOCRACY AND ADMINISTRATION

The democracy and administration activities contribute to the following outcomes:

OUTCOME	CONTRIBUTION
Growing the local economy	Without confidence in the leadership of Council, an economy is unlikely to grow. Services like health, education and safety are all most important for growth, and Council plays an important facilitation and leadership role in ensuring the best and most appropriate services are provided to the district.
Affordable quality services.	One of the focus areas for Council in its consultation with external service providers is the need to keep services to a high standard, accessible and affordable to the community.

Assessment of funding needs

Operational and capital expenditure

WHO BENEFITS	PERIOD OF BENEFIT	WHOSE ACTIONS/INACTIONS CREATE A NEED	FUNDING SOURCES	RATIONALE
<ul style="list-style-type: none"> The benefits apply to the community as a whole as the administration serves individuals and properties throughout the District 	<ul style="list-style-type: none"> Immediate 	<ul style="list-style-type: none"> Statutory responsibility 	<ul style="list-style-type: none"> General rates User fees Internal recoveries 	<ul style="list-style-type: none"> Recover user fees where service provided directly benefits a private party. Balance non-exclusive service –recovered from external activities

Funding summary

Source of funds	Level of funding	
	Operational expenditure	Capital expenditure
Subsidies	n/a	n/a
User Fees	MINOR	n/a
Borrowing	n/a	MAJOR
Special funds	n/a	MODERATE
Internal Recoveries <ul style="list-style-type: none"> recovery of overheads 	MAJOR	MAJOR
Other	MINOR	n/a
Targeted rates <ul style="list-style-type: none"> District promotion 	MINOR	n/a
General rates <ul style="list-style-type: none"> net cost of democratic process 	MAJOR%	n/a

Costs and benefits funding the activity distinctly from other activities

Costs	Benefits
<ul style="list-style-type: none"> • minor additional costs of planning and reporting on a separate basis 	<ul style="list-style-type: none"> • Accountability

Impact of any allocation of liability for revenue needs on the current and future wellbeings

WELLBEING	CURRENT	FUTURE
SOCIAL	<ul style="list-style-type: none"> • Represents a significant cost to be met by the ratepayer 	<ul style="list-style-type: none"> • Represents a significant cost to be met by the ratepayer
ECONOMIC	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • n/a
ENVIRONMENTAL	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • n/a
CULTURAL	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • n/a

[appendix C] Significance policy

[1] Introduction

A Policy determining Council's stance on significance as it impacts on:

- activities
- decision-making
- strategic assets

The Local Government Act 2002 heralds a new philosophy to representative democracy with, as a central consideration, a new framework on consultation and decision-making. The Act provides for a significance judgement to be made in this and the purpose of this policy is to determine the rules and protocols that will apply. The measure of significance will determine the measure of consultation undertaken and the criteria that will be applied in making decisions. This should not be read as decisions on matters on the lower end of the significance continuum to be glanced over without consultation.

In determining the question of significance, the Act defines significant as "having a high degree of importance" in terms of -

- the District's current and future economic, environmental, social, or cultural wellbeing.
- its likely impact on the people who are interested in or affected by the decision.
- the capacity of the Council, also on financial grounds, to implement the decision and carry out its normal role.

It is for Council to decide what high degree of importance means in each instance. This and associated matters are provided for in this policy. The significance issue per the Act is important in respect of -

- activities (Sections 88 & 97)
- decisions (Section 76(3)(b))
- assets (Sections 5 & 97)

Section 90 of the Act requires a local authority to make a policy setting out -

- the authority's general approach to determining significance
- any thresholds, criteria or procedures to determine significance
- strategic assets.

[2] General approach to significance of proposals or decisions

Council is committed to deciding this question on a case-by-case basis. Notwithstanding this, Council will afford significance to any proposal or decision based on the following criteria:

- the likely impact/consequences on current and future social, economic, environmental and cultural wellbeing of the community.
- who is likely to be particularly affected by, or interested in, the decision or proposal.
- how the proposal/decision is likely to impact on the affected parties.
- the financial/non-monetary costs and implications having regard to Council's capacity to perform its role.

The above is aimed at ensuring that any matter or decision receives attention and consideration relevant to its importance to the District. The higher the degree of significance, the higher the measure of procedural compliance.

Matters with a significant classification will not be progressed other than in full compliance with Sections 77, 78, 80, 81 and 82 of the Act. Where the power to make decisions has been delegated to officers, Council will ensure that the specific requirements regarding significance are provided for in a positive, responsible manner.

[3] Thresholds, criteria and procedures to determine significance

Proposals or decisions will be measured according to the following criteria:

Impact On	Significant	Non-Significant
Council direction	Major and long-term	Medium-Low
Current service levels	Major and long-term	Medium-Low
Public and/or public interest	Major and District-wide	Medium-< 40% of District (i.e. number of residents)
Rates	More than 10% of rates	Less than 10% of rates
Council ability	Major and long-term	Medium-Low

Any proposal/decision with significance ratings on more than one impact criteria per the above will have a significant rating for purposes of this policy. However, Council may afford any matter not complying with this criteria significant status based on other considerations it may deem appropriate under the circumstances.

Notwithstanding this, Council considers the following proposals/decisions to be on the higher end of the significance continuum:

- any decision to transfer the ownership or control of a strategic asset to or from the local authority;
- any decision to construct, replace, or abandon a strategic asset;

- any decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the local authority, including a decision to commence or cease any such activity;
- any decision that, directly or indirectly, will affect significantly the capacity of the local authority, or the cost to the local authority, in relation to any activity identified in Grey District Council's Long Term Community Outcomes Plan.

The Local Government Act includes definitions of "activity" and "group of activities". Grey District Council already categorises its activities into Functions, Activities and Reporting components. Grey District Council considers that:

- a group of activities as defined in the Local Government Act is equivalent to a Function.
- an activity as defined in the Local Government Act is equivalent to a Reporting Component.

[4] Strategic assets

In keeping with Council's Strategic Plan and also the Act definition of "Strategic Asset" the following are seen to be strategic assets for purposes hereof :

- Roading and traffic network, footpaths, streetlights and parking.
- Council's housing portfolio.
- Council's leasehold portfolio.

- Water, treatment, storage and reticulation network.
- Wastewater reticulation and treatment facilities.
- Stormwater network.
- Reserves.
- Public toilets.
- Cemeteries.
- Council's economic development fund.
- Floodwalls.

Council sees the above as classes of assets. Strategic decisions, therefore, only concern the whole asset class rather than individual components unless the component affects the sustainability of the class of assets. Whilst leasehold land is identified as a strategic asset, it is noted that this land is subject to Council's policy of freeholding land to those lessees that elect to do so (including endowment land leases).

Council accepts that some assets do not fit the legal definition of strategic asset but enjoys high community interest. A good example is the Greymouth Library. Council is committed to consult adequately on issues like this. Decisions required may prove to be significant decisions.

[5] Relevance to other Council policies

This policy should be read with Council's Consultation and Decision-making Policies. these are available from Council.

[appendix D] Council Controlled Organisations (CCO's)

Council is involved with two organisations that meet the definition of a Council Controlled Organisation (CCO) per the Local Government Act 2002. They are:

- Tourism West Coast
- West Coast Rural Fire Authority

Council decided in 2009 to exempt these organisations as CCOs due to the relatively small nature and limited scope of the respective organisations. In reviewing the exemptions in March 2012 Council has resolved that the exemptions will still continue.

[appendix E]**Development of Maori capacity to contribute to decision-making processes**

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. This situation remains a 'status quo' from previous years.

[appendix F] Fees and charges

Errors and Omissions Excepted

These fees cover the major items charged out by Council and are not a comprehensive list of all fees and charges.

Roading		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Consent to Undertake Work on Road		nil	nil	
Sewerage		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Financial Contributions				
Moana	<i>per lot</i>	\$4,791.00	\$4,651.00	3.00%
South Beach/Paroa	<i>per lot</i>	\$11,476.00	\$11,141.00	3.00%
Karoro	<i>per lot</i>	\$2,752.00	\$2,671.00	3.00%
Boddytown		\$1,414.00	\$1,372.00	3.10%
Cobden		\$2,000.00	\$1,941.00	3.00%
Greymouth		\$1,414.00	\$1,372.00	3.10%
Blackball		\$805.00	\$781.00	3.10%
Other contributions to proposed 'as required' works may be set through separate consultative procedures				
Trade Waste Charges (for all waste disposed in excess of 300m3 p.a.)				
Greymouth Johnston street plant	<i>per cubic metre</i>	\$0.28	\$0.27	3.70%
Tarry Creek treatment plant - indicative costs	<i>per cubic metre</i>	\$0.63	\$0.61	3.30%
Blackball Treatment plant	<i>per cubic metre</i>	\$0.67	\$0.65	3.10%
Karoro Treatment plant	<i>per cubic metre</i>	\$0.64	\$0.62	3.20%
Runanga treatment plant	<i>per cubic metre</i>	\$0.32	\$0.31	3.20%
Cobden Treatment plant	<i>per cubic metre</i>	\$0.22	\$0.21	4.80%
Water		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Financial Contributions				
South Beach/Paroa	<i>per lot</i>	\$3,826.00	\$3,714.00	3.00%
Karoro	<i>per lot</i>	\$1,224.00	\$1,188.00	3.00%
Boddytown	<i>per lot</i>	\$1,609.00	\$1,562.00	3.00%
Cobden	<i>per lot</i>	\$765.00	\$742.00	3.10%
Greymouth	<i>per lot</i>	\$765.00	\$742.00	3.10%
Blackball		\$352.00	\$341.00	3.20%
Other contributions to proposed 'as required' works may be set through separate consultative procedures				

Solid Waste (Refuse & Recycling)		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
McLeans Landfill				
see facilities/Council for a full list of charges				
Commercial Refuse*	per tonne	\$225.00	\$140.00	60.70%
Mixed Domestic Waste*	per tonne	\$225.00	\$140.00	60.70%
Hardfill/Soil*	per tonne	\$225.00	\$140.00	60.70%
Refuse Bag with Council issued tie	per bag	Free	Free	
Refuse Bag without Council issued tie*	per bag	\$4.00	\$2.50	60.00%
* minimum charge per weighbridge entrance (trip over weighbridge)				
		\$12.00	n/a	new
Tyres				
Car, Motorbike	per tyre	\$6.00	\$4.50	33.30%
4WD	per tyre	\$6.00	\$4.50	33.30%
Truck	per tyre	\$11.00	\$8.50	29.40%
Tractor	per tyre	\$11.50	\$9.00	27.80%
Specialist Industrial	per tyre	\$26.00	\$20.00	30.00%
Unprepared Car Bodies	per car	\$50.00	\$40.00	25.00%
Paint/Solvents	per litre	\$2.00	n/a	new charging
McLeans Recycling Centre				
Recyclables				
Plastics		Free	Free	new
Paper		Free	Free	new
Cardboard		Free	Free	new
Aluminium Cans		Free	Free	new
Tin Cans		Free	Free	new
Glass		Free	Free	new
Light Scrap Metal		Free	Free	new
Heavy Scrap Metal		Free	Free	new
Whiteware		Free	Free	new
LPG Bottles		Free	Free	new
Prepared Car Bodies		Free	Free	new
Mulchable Green waste		Free	Free	new
Resource Centres (Moana/Blackball/Nelson Creek)				
Refuse Bag with Council issued tie	per bag	Free	Free	
Refuse Bag without Council issued tie	per bag	\$2.50	\$2.50	
Car Boot	per load	\$25.00	\$18.00	38.90%
Station wagon	per load	\$38.00	\$27.00	40.70%
Utility Vehicle/Van	per load	\$38.00	\$27.00	40.70%
Single axle trailer	per load	\$50.00	\$36.00	38.90%
Tandem Trailer	per load	\$82.00	\$68.00	20.60%
Truck under 5m ² , uncompacted general waste	per load	\$180.00	\$136.00	32.40%
Truck under 5m ² , compacted general waste or dense material such as building waste.	per load	\$285.00	\$218.00	30.70%
Other				
Refuse ties	each	\$3.00	\$2.30	30.40%
Refuse bags (plain)	per pack of 20	\$9.40	\$9.20	2.20%

Rural Fire		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Rural Fire Permit		nil	nil	
Airport		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Aircraft weight (kg) MCTOW				
0 - 545	<i>per landing</i>	\$6.00	\$6.00	
546- 1,500	<i>per landing</i>	\$10.00	\$10.00	
1,501 - 2,500	<i>per landing</i>	\$16.00	\$16.00	
2,501 - 3,500	<i>per landing</i>	\$24.00	\$24.00	
3,501 - 4,500	<i>per landing</i>	\$35.00	\$35.00	
4,501 - 5,700	<i>per landing</i>	\$49.00	\$49.00	
Helicopters	<i>per landing</i>	\$6.00	\$6.00	
Note:				
• Touch and go Practice Landings treated as One Landing				
• Discount available for bulk advanced payments by regular users				
• Rates for aircraft weights above 5700kg available on application and clearance to use facility				
Lights	<i>per activation</i>	\$7.00	\$6.50	7.70%
account processing fee	<i>per account processing</i>	\$8.00	\$8.00	
Property		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Contact Support Services for availability and details				
Retirement Housing				
Rental Units to increase in 2012/2013 by \$3.00 per week				
Contact Support Services for availability and details				
Parking				
Car Park rentals to increase in 2012/2013 by 50c per week				
Contact Support Services for availability and details				

Swimming Baths		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Pool Admission				
Adult		\$5.50	\$5.50	
Community Card Holder (CCH)		\$4.50	\$4.50	
Children (under 15 yrs)		\$3.50	\$3.50	
School Student (with ID)		\$3.50	\$3.50	
Parent/Caregiver and Preschooler		\$5.00	\$5.00	
Family Passes				
Family – 2 adults and 2 children		\$16.00	\$16.00	
Family – 1 adult and 2 children		\$11.00	\$11.00	
Family - 1 adult and 1 child (5yrs+)		\$8.00	\$8.00	
each additional child		\$3.00	\$3.00	
Spectators				
		free	free	
Membership admission				
Adult	3 months	\$161.50	\$161.50	
	6 months	\$296.00	\$296.00	
	12 months	\$537.50	\$537.50	
Community Card Holder	3 months	\$129.50	\$129.50	
	6 months	\$236.50	\$236.50	
	12 months	\$430.00	\$430.00	
Children	3 months	\$97.00	\$97.00	
	6 months	\$177.50	\$177.50	
	12 months	\$322.50	\$322.50	
Corporate	12 months (150 swims)	\$537.50	\$537.50	
Swim concessions				
Adult	10 swims	\$48.50	\$48.50	
	20 swims	\$97.00	\$97.00	
Community Card Holder	10 swims	\$36.00	\$34.00	5.90%
	20 swims	\$72.00	\$68.00	5.90%
Children	10 swims	\$29.50	\$29.50	
	20 swims	\$58.50	\$58.50	
Hydroslide				
Adult	unlimited rides during session	\$5.50	\$5.50	
Community Card Holder (CCH)	unlimited rides during session	\$4.50	\$4.50	
Children (under 15 yrs)	unlimited rides during session	\$3.50	\$3.50	
Aqua Jogging				
Adult		\$6.50	\$6.50	
Community Card Holder (CCH)		\$5.00	\$5.00	
Adult (concession x 10)		\$55.50	\$55.50	
Community Card Holder (CCH) (concession x 10)		\$42.00	\$39.00	7.70%
<i>Group bookings and school rates available - enquire at pool</i>				

Civic Centre		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Hire				
Hourly Charge	<i>per hour</i>	\$23.80	\$23.00	3.50%
Other				
Light Meters		\$6.00	\$5.80	3.40%
Libraries		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Loan				
Best seller	<i>per book per 2 weeks</i>	\$2.00	\$2.00	
Popular Fiction (GT \$20.00)	<i>per book</i>	\$1.00	\$1.00	
Popular Fiction (LT \$20.00)	<i>per book</i>	\$1.00	\$1.00	
Erudite & NZ fiction (20% fiction)		No charge	No charge	
Non-Fiction	<i>per book</i>	No charge	No charge	
All children's materials	<i>per book</i>	No charge	No charge	
Large Print	<i>per book</i>	\$1.00	\$1.00	
Large print subscription	<i>per year</i>	\$12.50	\$12.50	
Talking Books/audios	<i>per unit</i>	\$1.00	\$1.00	
NO CHARGE - children's & people with disabilities)				
DVDs (Adults)	<i>per unit per week</i>	\$2.00	\$2.00	
Magazines	<i>Per unit per week</i>	\$0.50	\$0.50	
Fines				
ADULTS and YOUNG ADULTS CARDS	<i>per day (max \$10 per item)</i>	\$0.30	\$0.30	
CHILDRENS CARDS	<i>per day (max \$3.50 per item)</i>	\$0.10	\$0.10	
Other				
Book Reserve Fee	<i>per book</i>	\$1.00	\$1.00	
Non Resident Subscription	<i>per annum (part charges available)</i>	\$60.00	\$60.00	
Replacement Library Card	<i>each</i>	\$5.00	\$5.00	
Internet Use	<i>per 15min</i>	\$2.50	\$2.50	
Internet Use	<i>per 30min</i>	\$4.00	\$4.00	
Internet Use	<i>per 45 min</i>	\$5.00	\$5.00	
Internet Use	<i>per hour</i>	\$6.50	\$6.50	
Interloan from National Library of New Zealand and Interloan partnership libraries	<i>per book</i>	\$6.70	\$6.70	
Interloan with libraries without agreement	<i>per book plus any other charges above standard charges</i>	\$22.00	\$22.00	
Damaged Book Charges		at cost	at cost	
Photocopying				
Normal A4	<i>per sheet - BW</i>	\$0.20	\$0.20	
Normal A4	<i>per sheet - Colour</i>	\$2.00	\$2.00	
Normal A3	<i>per sheet - BW</i>	\$0.60	\$0.60	
Normal A3	<i>per sheet - Colour</i>	\$4.00	\$4.00	
Aotearoa People's Network printing	<i>Single side</i>	\$0.20	\$0.20	
	<i>Double side</i>	\$0.30	\$0.30	

Cemeteries		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Plot Purchase		\$387.00	\$375.70	3.00%
Ashes Lawn		\$103.50	\$100.40	3.10%
Cremation Berm		\$155.30	\$150.70	3.10%
Baby Plots		\$90.60	\$87.90	3.10%
RSA Plots		No Charge	No Charge	
Paupers' Plots		No Charge	No Charge	
Single Plot		\$580.70	\$563.70	3.00%
Ashes Lawn		\$155.30	\$150.70	3.10%
Cremation Berm		\$155.30	\$150.70	3.10%
Baby Plots		\$116.20	\$112.80	3.00%
RSA Plots		No Charge	No Charge	
Paupers' Plots		No Charge	No Charge	
Interment				
12 years and over		\$322.70	\$313.30	3.00%
Under 12 Years		\$129.10	\$125.30	3.00%
Stillborn		\$64.90	\$63.00	3.00%
Ashes		\$129.10	\$125.30	3.00%
Disinterment		\$413.30	\$401.20	3.00%
Re-interment		\$413.30	\$401.20	3.00%
Extra Depth (over 6ft)		\$129.10	\$125.30	3.00%
Weekend & Public Holidays	<i>additional charge</i>	\$232.30	\$225.50	3.00%
Lowering Device		\$46.00	\$44.60	3.10%
Memorial Permit		\$33.10	\$32.10	3.10%
History House		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Admission				
Adults		\$6.00	\$6.00	
Children		\$2.00	\$2.00	
<i>Ratepayer Concession. Paid entry allows free return entry for the following 12 months</i>				

PLANNING		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
All Fees Listed are Deposits. Balance of charges will be charged at the rates specified				
Subdivisions				
Boundary Adjustments	<i>deposit only</i>	\$413.00	\$400.50	3.10%
Non-notified (2 - 5 lots)	<i>deposit only</i>	\$701.50	\$681.00	3.00%
Non-notified (6 - 10 lots)	<i>deposit only</i>	\$1,343.50	\$1,304.00	3.00%
Non-notified (11+ lots)	<i>deposit only</i>	\$1,825.00	\$1,771.50	3.00%
Public notification - subdivision	<i>deposit only</i>	\$1,167.00	\$1,133.00	3.00%
s224 - without inspection	<i>deposit only</i>	\$268.00	\$260.00	3.10%
s224- with one inspection	<i>deposit only</i>	\$413.00	\$400.50	3.10%
s226 certificate	<i>deposit only</i>	\$525.00	\$509.50	3.00%
Other certificates (e.g. s223)	<i>deposit only</i>	\$150.00	\$145.50	3.10%
Esplanade reserve reduction/waiver	<i>deposit only</i>	\$487.50	\$473.00	3.10%
Reapproval lapsed consent	<i>deposit only</i>	\$525.00	\$509.50	3.00%
ROW/Easement amendments	<i>deposit only</i>	\$369.50	\$358.50	3.10%
Land Use Consents				
Hazardous substances	<i>deposit only</i>	\$583.50	\$566.50	3.00%
Signs	<i>deposit only</i>	\$525.00	\$509.50	3.00%
Relocated buildings	<i>deposit only</i>	\$413.00	\$400.50	3.10%
Bulk & locn/recession plane/setback	<i>deposit only</i>	\$444.50	\$431.50	3.00%
Heritage	<i>deposit only</i>	\$413.00	\$400.50	3.10%
Non-rural/residential activities	<i>deposit only</i>	\$878.00	\$852.00	3.10%
Utilities	<i>deposit only</i>	\$525.00	\$509.50	3.00%
Vegetation clearance	<i>deposit only</i>	\$487.50	\$473.00	3.10%
Sub-sized lots	<i>deposit only</i>	\$819.00	\$795.00	3.00%
Limited Notification - Land Use*	<i>deposit only</i>	\$819.00	\$795.00	3.00%
Public Notification - Land Use*	<i>deposit only</i>	\$1,226.00	\$1,190.00	3.00%
* Notification fee is in addition to deposit for consent type				
Plan Changes				
District Plan Changes - major	<i>deposit only</i>	\$13,179.50	\$12,795.50	3.00%
District Plan Changes - minor	<i>deposit only</i>	\$6,593.00	\$6,400.50	3.00%
Other				
Designation/Heritage Order	<i>deposit only</i>	\$2,659.50	\$2,582.00	3.00%
Alteration of designation	<i>deposit only</i>	\$1,065.50	\$1,034.00	3.00%
Certificate of compliance	<i>deposit only</i>	\$268.00	\$260.00	3.10%
s357 objection	<i>deposit only</i>	\$402.00	\$390.00	3.10%
Consent variation - non-notified	<i>deposit only</i>	\$364.50	\$353.50	3.10%
Consent variation - notified	<i>deposit only</i>	\$696.00	\$675.50	3.00%
Outline Plan	<i>deposit only</i>	\$268.00	\$260.00	3.10%
Comments on Draft Applications/Pre application advice (note first HALF HOUR free then staff hourly rates)		staff hourly rates	staff hourly rates	
Consultants/Peer Review		\$181/hour (not more than)	\$175.50/hour (not more than)	3.10%
Legal advice		\$362/hour (not more than)	\$351/hour (not more than)	3.10%
Hearings - Commissioner		\$1,442/day (not more than)	\$1,400/day (not more than)	3.00%
- Facilities		\$181/hour (not more than)	\$175.50/hour (not more than)	3.10%
Monitoring Levy	<i>flat fee paid upon granting of land-use consent</i>	\$103.00	\$100.00	4.05%
Resource Consent Monitoring of Conditions		staff hourly rates	staff hourly rates	

BUILDING		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Building Consent Accreditation levy	<i>per \$1,000 of building work</i>	\$2.33	\$2.26	3.10%
Set Fees (incl the appropriate CCC)				
BWOF - receiving and checking on or before due date		\$165.00	\$160.00	3.10%
BWOF - receiving and checking after due date		\$330.00	\$320.00	3.10%
BWOF Audits		at cost	at cost	
Consent extension request		\$100.00	new	new
Demolition - large /commercial		\$648.00	\$629.00	3.00%
Demolition - residential		\$342.50	\$332.50	3.00%
Fire Installations		\$400.00	\$332.50	20.30%
Minor building works		\$450.00	\$395.00	13.90%
Minor plumbing & drainage (incl separation of services where no septic tank)		\$407.00	\$395.00	3.00%
Separation of services with disconnection of septic tank		\$557.00	\$540.50	3.10%
Relocated buildings		\$1,536.00	\$1,491.00	3.00%
Swimming Pools		\$862.00	\$836.50	3.00%
Towers/Signs etc		\$669.00	\$649.50	3.00%
Marquees		\$246.50	\$239.00	3.10%
Deposits Only (Costs to be Charged based on Actual Time)				
PIM (only)	<i>deposit only</i>	\$187.50	\$182.00	3.00%
CCC processing fee (applied to all consents with deposit based fees)	<i>deposit only</i>	\$225.50	\$218.50	3.20%
Residential - Deposits Only (Costs to be Charged based on Actual Time)				
Garages/carports	<i>deposit only</i>	\$669.00	\$649.50	3.00%
Garden Sheds	<i>deposit only</i>	\$669.00	\$649.50	3.00%
Minor Alterations	<i>deposit only</i>	\$869.00	\$849.50	33.80%
Major Alterations	<i>deposit only</i>	\$1,474.00	\$1,236.50	19.20%
Pre-fab construction dwellings	<i>deposit only</i>	\$2,410.50	\$2,146.00	12.30%
New Dwellings	<i>deposit only</i>	\$3,240.00	\$2,951.00	9.80%
Multi-Unit Residential	<i>deposit only</i>	\$4,620.50	\$4,291.50	7.70%
Industrial/Commerical - Deposits Only (Costs to be Charged based on Actual Time)				
Minor alterations	<i>deposit only</i>	\$948.00	\$920.00	3.00%
Major Alterations	<i>deposit only</i>	\$2,488.50	\$2,416.00	3.00%
Farm Buildings	<i>deposit only</i>	\$589.00	\$571.50	3.10%
Workshops	<i>deposit only</i>	\$1,525.50	\$1,481.00	3.00%
Woolsheds	<i>deposit only</i>	\$1,659.00	\$1,610.50	3.00%
Dairy sheds	<i>deposit only</i>	\$2,761.50	\$2,681.00	3.00%
Shop/Office - single	<i>deposit only</i>	\$3,318.00	\$3,221.00	3.00%
Shop/Office - complex	<i>deposit only</i>	\$4,971.50	\$4,826.50	3.00%
Large multi-function complex	<i>deposit only</i>	\$8,010.50	\$7,777.00	3.00%
Certificate of Public Use		\$257.50 flat fee plus hourly rate	\$250.00 flat fee plus hourly rate	3.00%
Compliance Schedule		\$257.50 flat fee plus hourly rate	\$250.00 flat fee plus hourly rate	3.00%
Consultants/Peer Review		at cost	at cost	
Enforcement				
Swimming pool re-inspection		\$100.00	new	new
Legal advice and Consultants		\$362/hour (not more than)	\$351/hour (not more than)	
Work done for a Certificate of Acceptance		100% loading on normal charges	100% loading on normal charges	
Work done following a Notice to Fix		100% loading on normal charges	100% loading on normal charges	
Central government (BRANZ & DBH) payable in addition to these fees				

AMENITY MANAGEMENT		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Advertising Signs Fees		\$94.50	\$91.50	3.30%
Hawkers Fees		\$164.00	\$159.00	3.10%
Itinerant Traders Fees		\$164.00	\$159.00	3.10%
Abandoned Vehicles				
Towage		\$618 + COST	\$600 + COST	3.00%
Inspection & Administration	<i>per hour</i>	staff hourly rate + mileage	staff hourly rate + mileage	
Storage of Vehicle	<i>per day</i>	\$10.00	\$9.50	5.30%
Amusement Devices				
One Device		\$16.50	\$16.00	3.10%
Each Additional Device		\$4.50	\$4.30	4.70%
Each Device for a further period of 7 days		\$2.40	\$2.30	4.30%
OTHER ENFORCEMENT				
Legal advice and Consultants		\$362/hour (not more than)	\$351/hour (not more than)	
ANIMAL CONTROL		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Dog Registration				
Pet		\$84.00	\$82.00	2.40%
Desexed		\$62.50	\$61.00	2.50%
Working		\$36.00	\$35.00	2.90%
Late Regn		\$126.00	\$123.00	2.40%
Dog & Stock Impounding				
1st Offence		\$67.00	\$65.00	3.10%
2nd Offence		\$133.50	\$129.50	3.10%
3rd Offence		\$199.50	\$193.50	3.10%
Sustenance (per day)		\$12.00	\$11.50	4.30%
After Office Hours				
Applicable Fee above Plus		staff hourly rate + mileage	staff hourly rate + mileage	
HEALTH		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Food Licensing				
Food Gr 1		\$467.50	\$453.50	3.10%
Food Gr 2		\$675.50	\$655.50	3.10%
Food Gr 3		\$900.50	\$874.00	3.00%
No Kitchen facilities		\$225.50	\$218.50	3.20%
Hairdressers		\$429.00	\$416.50	3.00%
Camping/Offensive Trades		\$429.00	\$416.50	3.00%
OFFICIAL INFORMATION		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Property file queries	<i>per hour</i>	\$75.00	new	new
LIMs		\$266.00	\$258.00	3.10%

Administration - Charge Out Rates		2012/2013 proposed fee including GST	2011/2012 fee including GST	increase
Management/CEO		\$155.00	\$149.40	3.70%
Engineers		\$125.00	\$113.80	9.80%
Engineering Assistants/Officers		\$100.00	\$96.80	3.30%
Planners		\$125.00	\$114.90	8.80%
Building Officers		\$125.00	\$114.90	8.80%
Monitoring Staff		\$105.00	\$97.90	7.30%
Animal Control Officer		\$105.00	\$97.90	7.30%
Administration/Customer Service Officers		\$75.00	\$72.90	2.90%
<i>Fees and actual time hours are recoverable from applicants</i>				

Port of Greymouth –all rates include GST

FISHING/RECREATIONAL/CHARTER: ACCESS FEES (all vessels)				
Vessel LOA (m)	per entry	unlimited movements - 12 months paid in advance	unlimited movements - 6 months paid in advance	unlimited movements - 3 months paid in advance
0 - 10	26.20	784.90	418.60	222.40
10 - 14	38.00	1,138.50	607.20	322.60
14 - 16	59.80	1,794.00	956.80	508.30
16 - 18	89.70	2,691.00	1,435.20	762.50
18 - 20	134.00	4,019.60	2,143.80	1,138.90
20 - 24	167.50	5,024.20	2,679.60	1,423.50
24 - 28	198.90	5,966.40	3,182.10	1,690.50

FISHING: BERTHAGE (at Council berth)		
per day	per m (LOA)	2.17
Annual (paid 6 monthly in advance)	per m (LOA)	140.73

FISHING: WHARFAGE and OTHER (at Council wharf)		
Any species	per tonne	4.76
Martins Quay Crane Hire	per tonne	10.47
Wharf Space Occupied by Processors, Fuel Pumps	per m2	67.83
Rental of Port Operational Land Occupied by Containers, Storage etc	per m2	20.72

CARGO & PASSENGER		
Berthage		unit
Ships, Tugs, Barges Berthage - per day	/ gross registered tonne	0.23
Ships, Tugs, Barges Berthage - per day	minimum	240.75
Ships, Tugs, Barges Lay Up Berthage - per day	/ gross registered tonne	0.20
Ships, Tugs, Barges Lay Up Berthage - per day	minimum	192.61
Mooring (Line Services)	/ staff hour	54.72
Wharfage and other		unit
Timber	maximum of m3 or tonne	8.43
Logs	maximum of m3 or tonne	4.46
Coal Wharfage	/ tonne	5.05
Coal Stockpile and Resource Management	/ tonne shipped	1.33
Gravel, Aggregate, Rock	/ tonne	3.74
Fertiliser	/ tonne	4.95
Motor Vehicles	each	81.50
Containers - Loaded (TEU = Twenty Foot Length Equivalent Unit)	/ TEU	269.23
Containers - Empty	/ TEU	218.01
Pallets Returned Empty	/ m3	5.78
All Other Cargo	maximum of m3 or tonne	5.78
Cargo Brought in for Shipping and Leaving Port Other than by Ship/Barge	maximum of m3 or tonne	50% of wharfage, stockpile & resource management charges
Cargo Wharf Crane Hire -	/ hour / crane	282.13
Cargo Wharf Crane Hire - Minimum Charge	minimum	70.53
LONG TERM STORAGE OF CARGO		unit
Richmond Quay Stockpile Area 1st 6 weeks per shipment	maximum of m3 or tonne / month	free
Richmond Quay Stockpile Area Next 1-3 months	maximum of m3 or tonne / month	0.28
Richmond Quay Stockpile Area Next 4-6 months	maximum of m3 or tonne / month	0.53
Richmond Quay Stockpile Area Over 6 months After Free Period	maximum of m3 or tonne / month	0.81
Cargo Shed : less than 100 m2	/ m2 / month	10.83
Cargo Shed : 100 m2 or more	/ m2 / month	8.43
Rental of Port Operational Land Occupied by Containers, Storage etc	/ m2 / year	21.18

RECREATIONAL / COMMERCIAL TOUR & CHARTER VESSELS BERTHS & MOORINGS

Swing Mooring Site	/ week	11.51
Pile Mooring	/ week	18.32
Annual Berthage at Wharf-Paid 6 months in Advance-Incl. Electricity & Water	/metre length overall / year	140.73
Daily Berthage at Wharf - Includes Electricity & Water	/metre length overall / day	2.17

SLIPWAY

Haulage (up / down) single cradle *	up / down	639.43
Haulage (one way only) single cradle*	one way	383.89
Haulage (up / down) tandem cradle*	up / down	1,278.87
Haulage (one way only) tandem cradle*	one way	767.80
* above charges include 5 days applicable cradle charge		
		-
Daily Cradle Charge - single cradle -	/ day	94.21
Daily Cradle Charge - tandem cradle	/ day	188.42
Site Charge for Sandblasting	/ day	183.70
Long Term Hard Stand When Vessel is Removed from Cradle	/ week	52.99

ELECTRICITY AND WATER

Electricity Connection Fee	/ connection	27.21
Electricity Supply Charge	/ kwh	0.86
Labour to Connect Electricity	/ hour	54.42
Labour to Connect Electricity	minimum	27.21
Water Connection Fee	/ connection	16.97
Water Supply Charge	/m3	1.15
Labour to Connect Water	/ hour	54.42
Labour to Connect Water	minimum	27.21

PART G: Make a submission

[1.1] the submission process

this is a draft version of the plan, which means it is open for public input (your input). Submissions are able to be made up until **5.00PM on 28 May 2012**. You are welcome to have your input on any part of the plan (or multiple parts of the plan). Council will consider all submissions made, including listening to anyone who takes the opportunity to speak to their submission. This will happen in early June at a date to be confirmed.

[1.2] what shouldn't you make a submission on?

The Plan as a whole is open for submission. Often people make submissions about areas of Council business that are outside the scope of the Long Term Plan. The following list summarises the issues most commonly put forward as a submission on the Long Term Plan but which fall outside the scope of this planning process and it explains the best way to provide feedback in each case.

[1] zoning and land use –

If you want to alter a zoning of an area, or do not want to have to apply for a permit to subdivide land:

- Go to the District Plan at www.greydc.govt.nz under the planning section
- Submit to Plan Changes as they come up from time to time.
- Take advice from Planning staff on how to best achieve your goal. Whilst they may not be able to advise you fully until your full development plan is available, you can expect an objective and helpful steer from them.
- Speak with your elected representatives.

[2] day-to-day issues –

If you, for example want something done about potholes, weeds on a footpath, rubbish and debris somewhere, roaming dogs, broken streetlights etc. This is best addressed by contacting Council on 03 769 8600, or info@greydc.govt.nz.

Submissions must be received by **5.00PM on the 28 May 2012**, and late submissions cannot be considered.

- Submissions are heard and considered at a public meeting[†]. You can speak to Council in support of your submission, however you don't have to if you prefer not to.
- Please indicate clearly on your submission if you would like the opportunity to speak at the public meeting
- Please provide full details of who is making the submission including the name of the group you represent if applicable. No anonymous submissions can be accepted.
 - Name
 - Address
 - Contact telephone number and email if available
- Council will have a better understanding of your submission if you:
 - clearly state the issue you want the Council to consider;
 - state what specific action you think the Council should take; and
 - state the reason(s) why it should be done.

It is a good idea to contact your local Councillor to discuss district issues and the plan, but please note that only written submissions will be formally considered by Council

A submission can be in any written form as long as it contains the information as outlined. Submissions can be sent by:

mail:

Draft Annual Plan
Grey District Council
PO Box 382
GREYMOUTH 7840

fax:

03 769 8603

email:

submission@greydc.govt.nz

alternatively you can hand your submission over the counter at Council's main office, or Runanga service centre.

please contact Council staff for any clarification of issues raised in the plan.

[†] As submissions form part of a public process we are legally required to make all written or electronic submissions available to the public, including the name and address of the submitter.

