

Grey District Council

2009 Annual Report

for the year ending 30 June 2009

Grey District Council

Annual Report

For the year
01 July 2008 – 30 June 2009

ISSN: 1171-2252

Contents

[A]	REPORT FROM THE AUDIT OFFICE	7
[B]	INTRODUCTION AND SUMMARY	12
[1]	FOREWORD FROM HIS WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE OFFICER	13
[2]	COUNCILLORS AND THEIR PORTFOLIOS	14
[3]	SENIOR STAFF AND MISCELLANEOUS DETAILS.....	15
[C]	FINANCIAL STATEMENTS AND NOTES	16
[1]	STATEMENT OF COMPLIANCE AND RESPONSIBILITY	17
[2]	STATEMENT OF ACCOUNTING POLICIES	18
[3]	STATEMENT OF COMPREHENSIVE INCOME	28
[4]	STATEMENT OF MOVEMENTS IN EQUITY	29
[5]	BALANCE SHEET	30
[6]	STATEMENT OF CASHFLOWS	31
[7]	NOTES TO THE FINANCIAL STATEMENTS.....	32
[D]	GROUP OF ACTIVITY STATEMENTS	58
[1]	ROADING	59
[2]	STORMWATER AND FLOOD PROTECTION	68
[3]	SEWERAGE	76
[4]	WATER SUPPLY	83
[5]	REFUSE COLLECTION AND DISPOSAL	91
[6]	RURAL FIRE AUTHORITY	96
[7]	ECONOMIC DEVELOPMENT	101
[8]	PROPERTY AND HOUSING	107
[9]	COMMUNITY SERVICES AND FACILITIES	114
[10]	CIVIL DEFENCE	126
[11]	DEMOCRACY	129
[12]	ADMINISTRATION	134
[13]	ENVIRONMENTAL SERVICES	138
[14]	LIAISON WITH OTHER AGENCIES.....	145
[15]	PORT OPERATIONS	149
[E]	CONSULTATION WITH MAORI	152
[F]	COUNCIL CONTROLLED ORGANISATIONS	153
[1]	PORT WESTLAND LIMITED.....	154
[2]	TOURISM WEST COAST AND WEST COAST RURAL FIRE AUTHORITY	157

[a] report from the audit office

Audit Report

To the readers of Grey District Council and group's Financial statements and performance information for the year ended 30 June 2009

The Auditor-General is the auditor of Grey District Council (the District Council) and group. The Auditor-General has appointed me, Ian Lothian, using the staff and resources of Audit New Zealand, to carry out an audit. The audit covers the District Council's compliance with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report of the District Council and group for the year ended 30 June 2009, including the financial statements.

Unqualified Opinion

In our opinion:

- The financial statements of the District Council and group on pages 18 to 157:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council and group's financial position as at 30 June 2009; and
 - the results of operations and cash flows for the year ended on that date.
- The service provision information of the District Council and group on pages 58 to 157 fairly reflects the levels of service provision as measured against the intended levels of service provision adopted, as well as the reasons for any significant variances, for the year ended on that date; and
- The Council has complied with the other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (the "other requirements").

The audit was completed on 12 October 2009, and is the date at which our opinion is expressed.

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

Basis of Opinion

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

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements,

performance information and the other requirements did not have material misstatements, whether caused by fraud or error.

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

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

Audit procedures generally include:

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

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

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

Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the District Council and group as at 30 June 2009. They must also fairly reflect the results of operations and cash flows and the levels of service provision for the year ended on that date. The Council is also responsible for meeting the other requirements of Schedule 10 and including that information in the annual report. The Council's responsibilities arise from Section 98 and Schedule 10 of the Local Government Act 2002.

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

Independence

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

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



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

Matters Relating to the Electronic Presentation of the Audited Financial Statements, Performance Information and the Other Requirements

This audit report relates to the financial statements, performance information and the other requirements of the Grey District Council and group for the year ended 30 June 2009 included on the Grey District Council's website. Grey District Council is responsible for the maintenance and integrity its website. We have not been engaged to report on the integrity of Grey District Council's website. We accept no responsibility for any changes that may have occurred to the financial statements, performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, performance information and the other requirements as well as the related audit report dated 12 October 2009 to confirm the information included in the audited summary annual presented on this website.

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

[b] introduction and summary

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

Welcome to Council's 2008/2009 Annual Report. This is Council's formal report on its achievement over the last financial year (01 July 2008 to 30 June 2009). This document reports in great detail on Council's financial performance as well as other non financial measures. This report can be broken down into the following sections:

1. Financial statements, and notes to these statements:
Outlines Council's overall financial result and position as at the end of the financial year (30 June 2009).
2. Group of Activity Statements:
Reports on financial performance and other non financial performance measures at an activity level (i.e. roading, sewerage etc...). Council is involved in many activities, so activities are grouped together (15 groups) where there is a similarity of output.
3. Other required sections:
 - Report on Council's consultation with Maori
 - Report on Council Controlled Organisations (CCOs)

To meet all reporting requirements (as required by law) means that this document extends out to in excess of 150 pages. Council however is required to also produce a summary of its annual report which outlines the major matters of the last financial year. If you would like a copy of the summary please contact Council, using the contact details available page 15.

This is the third year reporting on Council's 2006 – 2016 Long Term Community Outcomes Plan. Council prepares a long term plan every three years and uses this long term plan as the basis for an annual plan in interim years. As in recent years a large focus of the 2008/2009 Annual Plan was to implement a minimal general rate increase. This budget figures used in this report are those as set in the 2008/2009 Annual Plan. The actual financial result is a moderate surplus, however much of this can be attributed to sources of income that are not used for operational sources, such as interest on special reserves and profit on sale of assets.

The most visible achievement of the year is the completion of the new Grey District Aquatic Centre, officially opened 27 June 2009. The contract for this project took approximately 14 months, however the contract itself was only the last chapter of the story. From a dedicated committee who kicked off and oversaw the project, to the voluntary community effort to prepare the site, this was one fantastic community achievement.

Elsewhere Council has remained committed to maintaining the infrastructure that supports the essential services delivered by Council, i.e. Roading, Stormwater, Sewerage, Water Supply, and Refuse Disposal. These activities alone account for approximately 60% of total operating expenditure.

The Port of Greymouth has in more recent history represented a challenge for Council, given that no direct rates input has been made into **port operations since the mid 1990's. Port Westland Limited, a 100% Council owned subsidiary, was constituted in April 2006 to oversee the port operations.** The ultimate decision of Pike River Coal Company to transport the cargo via the **Midland line** has meant that Council had to re-examine the most appropriate governance structure for the port. During the financial year Council made a decision to wind up Port Westland Limited, effective 30 June 2009.

A large portion of the 2008/2009 year was dedicated to **preparing Council's 2009 – 2019 Long Term Community Outcomes Plan.** The plan requires an immense amount of preparation and review work (i.e. each activity of Council has an activity management plan). The Grey District plan was a 100% in-house effort. The plan itself presented a number of funding challenges for Council, particularly with how it planned to maintain levels of service for the essential infrastructure assets into the future. After consulting on the draft plan Council adopted the final plan 30 June 2009.

Looking forward Council remains positive that the district will remain in a strong position and will continue to grow into the future.

A word of thanks to elected representatives for their work and dedication. You have been part of a particularly busy period in **our District's development.**



AF KOKSHOORN
Mayor



PG PRETORIUS
Chief Executive Officer

[2] councillors and their portfolios

Council

Council for the period of 01 July 2008 – 30 June 2009

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		<ul style="list-style-type: none"> ▪ Finance (1) ▪ 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
	Ian Cummings	Central	<ul style="list-style-type: none"> ▪ Finance (2) ▪ 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 ▪ Tourism
	Milton Osborne	Eastern	<ul style="list-style-type: none"> ▪ Airport ▪ Civil Defence ▪ Waste Management
	Cliff Sandrey	Northern	<ul style="list-style-type: none"> ▪ Sport and Recreation ▪ Cemeteries ▪ Pensioner Housing ▪ Welfare

Council is committed to:

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

[3] senior staff and miscellaneous details

MANAGEMENT	
Chief Executive Officer	Paul Pretorius
Manager Support Services	Kevin Beams
Manager Environmental Services	Sue Harkness (to September 2008) Ian Davidson-Watts (from May 2009)
Assets Manager	Mel Sutherland
Manager Finance and Information Technology	Ian Young

VARIOUS DETAILS	
Postal Address :	Grey District Council P O Box 382 Greymouth
Locations:	
Main Office	105 Tainui Street Greymouth Tel email: Web:
Support Services	+64 3 769 8603 info@greydc.govt.nz
Finance & IT	+64 3 769 8603 finance@greydc.govt.nz
Assets and Engineering	+64 3 769 8613 infrastructure@greydc.govt.nz
Environmental Services	+64 3 769 8613 environmental.services@greydc.govt.nz
Runanga Service Centre,	25 Carroll Street Runanga
Grey District Library	Tel +64 3 762 7813 Albert Mall Greymouth Tel Fax email
Runanga Library	25 Carroll Street Runanga Tel +64 3 762 7813
History House	Gresson St Greymouth Tel email +64 3 768 4028 history@greydc.govt.nz

[c] financial statements and notes

[1] statement of compliance and responsibility

[1.1] Compliance


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

[1.2] Responsibility

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


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

In the opinion of Council and management of Grey District Council, the annual Financial Statements for the year ended 30 June 2009 fairly reflect the financial position and operations of Grey District Council.



AF KOKSHOORN

MAYOR



P G Pretorius

CHIEF EXECUTIVE OFFICER

Dated this 12th day of October 2009.

[2] statement of accounting policies

[2.1] reporting entity

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

The Council group consists of Grey District Council and its subsidiary, Port Westland Limited (100% owned). The group has two associates, Tourism West Coast (25% controlled) and West Coast Rural Fire Authority (20% controlled).

All Council subsidiary and associates are incorporated in New Zealand.

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

The financial statements of Council are for the year ended 30 June 2009. The financial statements were authorised for issue by Council on 12 October 2009. Council does not have the power to amend the financial statements after this date.

[2.2] basis of preparation

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

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

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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

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

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

[2.3] basis of consolidation

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

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

[2.4] subsidiaries

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

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

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

[2.5] associates

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

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

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

[2.6] joint ventures

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

[2.7] accounting policies

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

1 revenue

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

Water billing revenue is recognised on an accrual basis.

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.

2 borrowing costs

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

3 derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured 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 income statement.

4 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.

5 income tax

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

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

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

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

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

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

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

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

6 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.

7 cash and cash equivalents

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

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

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

8 financial assets

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

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

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

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

The four categories of financial assets are:

- Loans and receivables

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

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

- Held to maturity investments

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

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

Investments in this category include fixed term deposits.

- Financial assets at fair value through the profit and loss

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

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

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

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

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

Impairment of financial assets

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

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

9 accounts receivable

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

10 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.

11 property, plant and equipment

Property, plant and equipment consists of:

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

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

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

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

additions

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

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

disposals

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

subsequent costs

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

depreciation

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

Asset Class	Depreciation Method	Life (years)	%
Buildings			
- Structure	Straight line	40	2.5
- Fit Out	Straight line	15	6.5
- Services	Straight line	18	5.5
Aerodrome	Straight line	3 – 60	1.7 – 33.3
Plant and machinery	Straight line	3 – 30	3 – 33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3 – 8	12.5 – 33
Library stocks	Straight line	8	12.5
Breakwaters and wharves	Straight line	40 – 50	2 – 2.5
Reserve board assets	Not depreciated		
Landfill sites	Straight line	10 – 50	2 – 10
Landfill capitalised aftercare costs	Straight line	8	12.5

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

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

revaluation

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

valuation

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

Fixed assets	Valuation basis
General land	Fair Value
Other land	Historical cost
Buildings	Fair Value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair Value

Parking developments	Depreciated historical cost
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 income statement.

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

revaluation

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

12 investment property

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

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

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

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

13 impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the 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 income statement.

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

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

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

14 employee benefits

short-term benefits

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

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

long-term benefits

long service leave and retirement leave

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

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and

- the present value of the estimated future cash flows. A discount rate of 7.0% and an inflation factor of 3.0% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

15 provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

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

landfill post closure costs

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

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

16 borrowings

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

17 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.

18 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.

19 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.

20 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.

21 critical accounting estimates and assumptions

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

landfill aftercare provision

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

infrastructural assets

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

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

Experienced independent valuers perform Council's **infrastructural asset revaluations.**

critical judgements in applying council's accounting policies

Management has exercised the following critical judgements in applying Council's **accounting policies for the period ended 30 June 2009:**

classification of property

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

classification of leases

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

classification of property

Council's leasehold property has been classified as "non current assets held for sale". 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.

22 cost of service statements

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

23 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.

24 new standard and interpretation issued and not yet adopted

A number of new interpretations and standards are not yet effective for the year ended 30 June 2009, and have not been applied in preparing these financial statements:

- NZ IAS 23 Borrowing Costs mandates the capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset and revises the definition of borrowing costs to consolidate the types of items that are considered components of borrowing costs into one. However the mandatory adoption of NZ IAS 23 (revised 2007) by public benefit entities (PBE's) has been **indefinitely deferred**. PBE's can therefore elect to expense borrowing costs. Council for these financial statements has expensed all borrowing costs and will continue to do so.

[3] Statement of comprehensive income

for the year ending 30 June 2009

	Note	council			group	
		Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
INCOME						
Rates revenue	1	11,081	10,978	10,314	11,081	10,314
Other revenue	2	10,792	8,268	11,403	10,792	11,352
Other gains/(losses)	3	386	308	1,798	386	1,798
Total income	4	22,259	19,554	23,515	22,259	23,464
EXPENDITURE						
Employee expenses	7	(3,439)	(3,435)	(3,096)	(3,439)	(3,102)
Depreciation and amortisation	13	(6,721)	(6,723)	(6,525)	(6,721)	(6,525)
Other expenses	6	(9,265)	(8,232)	(9,880)	(9,312)	(9,532)
Finance costs	8	(1,125)	(783)	(750)	(1,125)	(750)
Total operating expenditure	5	(20,550)	(19,173)	(20,251)	(20,597)	(19,909)
Net surplus/(loss) before tax		1,709	381	3,264	1,662	3,555
Income tax expense	9	-	-	-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		1,709	381	3,264	1,662	3,555
OTHER COMPREHENSIVE INCOME						
Vested assets		-	395	-	-	-
Increase in asset revaluation reserve		-	-	28,104	-	28,104
Total comprehensive income		1,709	776	31,368	1,662	31,659

The accompanying notes form part of these financial statements

[4] statement of movements in equity

for the year ending 30 June 2009

	Note	council			group	
		Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Balance at 01 July	34	300,340	300,082	268,972	300,418	268,759
Total comprehensive income		1,709	776	31,368	1,662	31,659
Total recognised income/(expense) for the year ended 30 June		1,709	776	31,368	1,662	31,659
Balance at 30 June		302,049	300,858	300,340	302,080	300,418

The accompanying notes form part of these financial statements

[5] balance sheet

for the year ending 30 June 2009

	Note	council			group	
		Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
ASSETS						
Current Assets						
Cash and cash equivalents	10,34	7,874	6,975	8,518	7,905	8,542
Trade and other receivables	11	3,457	1,777	2,651	3,457	2,705
Short-Term investments	14	2,892	997	6,244	2,892	6,244
Non-current assets held for sale	12	1,100	960	1,129	1,100	1,129
		15,323	10,709	18,542	15,354	18,620
Non Current Assets						
Trade and other receivables	11	300	-	387	300	387
Property, plant and equipment	13	300,687	302,399	290,964	300,687	290,964
Term investments	14	602	2,065	2,409	602	2,409
		301,589	304,464	293,760	301,589	293,760
TOTAL ASSETS		316,912	315,173	312,302	316,943	312,380
LIABILITIES						
Current Liabilities						
Bank overdraft	10	508	-	-	508	-
Trade and other payables	15	2,822	2,600	2,477	2,822	2,477
Employee benefit liabilities	16	519	314	410	519	410
Deferred income		100	90	102	100	102
Borrowings	18	6,535	1,026	5,052	6,535	5,052
Derivative financial instruments	19	-	-	118	-	118
		10,484	4,030	8,159	10,484	8,159
Non Current Liabilities						
Provision for closed landfill	17	792	770	750	792	750
Employee benefit liabilities	16	203	277	230	203	230
Borrowings	18	2,790	9,238	2,823	2,790	2,823
Derivative financial instruments	19	594	-	-	594	-
		4,379	10,285	3,803	4,379	3,803
TOTAL LIABILITIES		14,863	14,315	11,962	14,863	11,962
EQUITY						
Retained earnings	20,34	203,105	207,669	198,200	203,136	198,278
Special Funds	20	15,916	12,958	19,097	15,916	19,097
Trusts Bequests and Other Reserves	20	574	630	589	574	589
Revaluation reserve	20	82,454	79,601	82,454	82,454	82,454
Total equity attributable to the Council		302,049	300,858	300,340	302,080	300,418
TOTAL EQUITY AND LIABILITIES		316,912	315,173	312,302	316,943	312,380

The accompanying notes form part of these financial statements

[6] statement of cashflows

for the year ending 30 June 2009

	Note	council			group	
		Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from rates revenue		10,983	10,961	10,245	10,983	10,245
Interest received		1,145	914	1,150	1,145	1,099
Dividends received		5	4	4	5	4
Receipts from other revenue		9,468	7,524	10,073	9,468	10,073
Payments to suppliers and employees		(12,198)	(11,574)	(11,924)	(12,245)	(12,545)
Interest paid		(668)	(783)	(629)	(668)	(629)
Income tax paid (refund)		-	-	-	-	-
Goods and services tax (net)		(228)	220	(65)	(174)	(65)
Net cash from operating activities	21	8,507	7,266	8,854	8,514	8,182
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of property, plant and equipment		431	850	1,990	431	1,990
Proceeds from investments		55,414	30,300	30,614	55,414	30,614
Purchase of property, plant and equipment		(16,460)	(17,392)	(8,312)	(16,460)	(8,312)
Acquisition of investments		(50,513)	(28,000)	(36,908)	(50,513)	(36,224)
Net cash from investing activities		(11,128)	(14,242)	(12,616)	(11,128)	(11,932)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings		1,500	1,832	-	1,500	-
Repayment of borrowings		(31)	(177)	(181)	(31)	(181)
Dividends paid		-	-	-	-	-
Net cash from financing activities		1,469	1,655	(181)	1,469	(181)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(1,152)	(5,321)	(3,943)	(1,145)	(3,931)
Cash, cash equivalents and bank overdrafts at the beginning of the year		8,518	12,296	12,461	8,542	12,473
Cash, cash equivalents and bank overdrafts at the end of the year	10	7,366	6,975	8,518	7,397	8,542

The accompanying notes form part of these financial statements

[7] notes to the financial statements

1 rates revenue

Note	council			group	
	Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
GENERAL RATES					
General Rate	4,996	4,907	4,717	4,996	4,717
Uniform Annual General Charge	2,067	2,047	1,807	2,067	1,807
TARGETED RATES					
District Promotion	218	201	172	218	172
Refuse Collection	676	662	638	676	638
Water Supplies	1,335	1,324	1,193	1,335	1,193
Water Meter Rates	208	258	218	208	218
Sewerage Collection	1,449	1,465	1,448	1,449	1,448
PENALTIES					
Rate Penalties	132	114	121	132	121
Total rates revenue	11,081	10,978	10,314	11,081	10,314
RATES REMITTED ARE AS FOLLOWS:					
Rates on land where GDC is the ratepayer	168	168	188	168	188
Rate discounts	25	23	23	25	23
Rates remitted per Council policy	57	33	49	57	49

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

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

2 other revenue

Note	council			group	
	Actual 2009 \$000	Budget 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
User charges and miscellaneous	2,855	1,559	3,899	2,855	3,899
Regulatory income	965	1,423	1,302	965	1,302
Land Transport New Zealand subsidies	3,583	3,482	3,148	3,583	3,148
NZ Lottery Grants*	682	-	-	682	-
Other grants and subsidies	1,675	747	1,560	1,675	1,560
Interest received	887	918	1,264	887	1,213
Dividends	5	-	4	5	4
Subdivision reserve contributions	104	-	226	104	226
Lump sum contributions	36	139	-	36	-
Total other revenue	10,792	8,268	11,403	10,792	11,352

* NZ Lottery Grant received for Greymouth Aquatic Centre

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

3 other gains and losses

Note	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
Net gain (loss) of non current assets held for sale	360	308	1,248	360	1,248
Net gain (loss) on sale of property plant and equipment	26	-	385	26	385
Gain on debt forgiven	-	-	165	-	165
Total other gains and losses	386	308	1,798	386	1,798

4 income by activities

	Actual	Budget	Last Year
	2009	2009	2008
	\$000	\$000	\$000
Roading	6,360	6,164	5,488
Stormwater & Flood Protection	518	590	504
Sewerage	1,517	1,905	2,442
Water Supply	1,580	1,593	1,417
Refuse Collection & Disposal	1,334	1,202	1,170
Rural Fire Authority	80	76	123
Economic Development	333	236	289
Property and Housing*	966	1,104	2,458
Community Services and Facilities	4,638	2,734	3,099
Civil Defence	75	76	50
Democracy	1,857	1,650	2,102
Administration*	402	395	517
Environmental Services	1,931	2,123	2,410
Liaison with other Agencies	115	101	108
Port Operations	553	-	1,338
Total Income	22,259	19,949	23,515

*Figures shown have been adjusted for internal charges recovered.

5 expenditure by activities

	Actual	Budget	Last Year
	2009	2009	2008
	\$000	\$000	\$000
Roading	(6,942)	(6,439)	(6,092)
Stormwater & Flood Protection	(833)	(761)	(697)
Sewerage	(1,332)	(1,163)	(1,059)
Water Supply	(1,742)	(1,574)	(1,531)
Refuse Collection & Disposal	(1,459)	(1,251)	(1,935)
Rural Fire Authority	(55)	(75)	(81)
Economic Development	(347)	(323)	(282)
Property and Housing*	(792)	(1,339)	(930)
Community Services and Facilities	(2,649)	(2,493)	(2,257)
Civil Defence	(63)	(76)	(32)
Democracy	(792)	(937)	(821)
Administration*	(452)	(457)	(565)
Environmental Services	(1,879)	(2,184)	(1,991)
Liaison with other Agencies	(123)	(101)	(133)
Port Operations	(1,090)	-	(1,845)
Total Expenditure	(20,550)	(19,173)	(20,251)

*Figures shown have been adjusted for internal charges recovered.

6 other expenses

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
<i>Fees to principal auditor</i>					
audit of financial statements	75	85	75	78	77
other audit-related services	47	41	9	47	9
Assets written off	-	-	-	-	-
Bad debt expense	8	-	4	8	4
Directors' fees	-	-	-	33	36
Donations	46	33	125	46	125
Movement in impairment of receivables	11	(11)	15	(11)	15
Impairment of investment in subsidiary	-	-	912	-	-
Insurance expenses	245	178	202	245	206
Loss on sale of property, plant and equipment	-	-	30	-	30
Remuneration of elected members	28	224	212	228	224
Minimum lease payments under operating leases	177	103	198	177	198
Other operating expenses	8,462	7,568	8,098	8,461	8,608
Total other expenses	9,265	8,232	9,880	9,312	9,532

Other audit-related services is for work undertaken in relation to the preparation of the Draft 2009 – 2019 Long Term Community Outcomes Plan and the final adopted 2009 – 2019 Long Term Community Outcomes Plan (2008 related to NZ IFRS transition work).

7 employee expenses

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
Wages and salaries	3,228	3,280	2,890	3,228	2,896
Contributions to defined contribution plans	129	155	129	129	129
Increase/(decrease) in employee benefit liabilities	82	-	77	82	77
Total employee expenses	3,439	3,435	3,096	3,439	3,102

8 finance costs

	council			group	
	Actual	Budget	Last Year	Actual	Last Year
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
INTEREST EXPENSE					
Interest on bank borrowings	649	783	632	649	632
FAIR VALUE GAINS/(LOSSES) ON DERIVATIVES					
Interest rate swaps: (fair value hedges)	476	-	118	476	118
Total finance costs	1,125	783	750	1,125	750

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Net Surplus/(Loss) before Tax	1,709	3,264	1,662	3,555
Tax at 30% (2008 33%)	513	1,077	499	1,173
Plus (less) tax effect of:				
Non-deductible expenditure				
Non-taxable income	(674)	(954)	(674)	(1,115)
Tax losses not recognised	161	-	175	65
Tax losses utilised	-	(123)	-	(123)
Tax expense	-	-	-	-
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Tax expense	-	-	-	-

A deferred tax asset has not been recognised in relation unused tax losses of \$8,719,000 (2008: \$8,559,000). Utilisation of these tax losses is dependent upon earning future assessable income. Future taxation benefits attributable to timing differences or losses carried forward are not recognised in the financial statements because they do not meet the probability test that future taxable profit will be available against which the deductible timing differences or tax losses can be utilised.

10 cash and cash equivalents

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Cash at bank and in hand	165	190	196	214
Call deposits	2,663	5,003	2,663	5,003
Short term deposits	5,046	3,325	5,046	3,325
Total cash and cash equivalents	7,874	8,518	7,905	8,542

The carrying value of deposits approximate their fair value.

The effective interest rate on deposits in 2009 was 6.68 percent (2008: 8.55 percent). The deposits had an average maturity of 68 days (2008: 113 days).

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Cash at bank and in hand	165	190	196	214
Call deposits	2,663	5,003	2,663	5,003
Short term deposits	5,046	3,325	5,046	3,325
Bank overdrafts	(508)	-	(508)	-
Total cash and cash equivalents	7,366	8,518	7,397	8,542

11 trade and other receivables

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Rates receivables	595	497	595	497
Water rate receivables	63	63	63	63
New Zealand Transport Agency receivable	1,424	507	1,424	507
Port Debtors	1,085	1,441	1,085	1,441
Sundry debtors	1,052	1,118	1,052	1,118
GST receivable	115	-	115	54
	4,334	3,626	4,334	3,680
Less provision for impairment of receivables	(577)	(588)	(577)	(588)
Total trade and receivables	3,757	3,038	3,757	3,092
Current	3,457	2,651	3,457	2,705
Non-current	300	387	300	387
Total trade and receivables	3,757	3,038	3,757	3,092

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Current	2,267	1,529	2,267	1,583
1 to 3 months	214	254	214	254
> 3 months	1,276	1,255	1,276	1,255
Carrying amount	3,757	3,038	3,757	3,092

Movement in the provision for impairment of receivables is as follows:

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
At 1 July	588	573	588	573
Provisions reversed during the year	(20)	(7)	(20)	(7)
Additional provisions made during the year	17	37	17	37
Receivables written off during period	(8)	(15)	(8)	(15)
At 30 June	577	588	577	588

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

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

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

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

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

	Council		Council	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
0 to 12 months	458	374	458	374
> 12 months	137	123	137	123
Carrying amount	595	497	595	497

As of 30 June 2009 and 2008, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

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

12 assets held for sale

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Buildings	141	141	141	141
Land	959	988	959	988
Total non-current asset held for sale	1,100	1,129	1,100	1,129

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

The land relates to:

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

Council 2009

	Cost/ revaluation 01-Jul-08	Accumulated depreciation and impairment charges 01-Jul-08	Carrying amount 01-Jul-08	Current year additions	Current year disposals at cost	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-09	Accumulated depreciation and impairment charges 30-Jun-09	Carrying amount 30-Jun-09
INFRASTRUCTURAL ASSETS												
Roading Network	136,079	-	136,079	3,619	-	-	-	(3,974)	-	139,698	(3,974)	135,724
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	16,219	-	16,219	335	-	-	-	(431)	-	16,554	(431)	16,123
Flood Protection System	5,300	(954)	4,346	-	-	-	-	(53)	-	5,300	(1,007)	4,293
Sewerage	22,525	-	22,525	2,417	-	-	-	(583)	-	24,942	(583)	24,359
Water Supply Systems	12,145	-	12,145	376	-	-	-	(380)	-	12,521	(380)	12,141
Landfill Site	3,109	(1,594)	1,515	-	(225)	225	-	(194)	-	2,884	(1,563)	1,321
Work in progress	1,487	-	1,487	915	(1,415)	-	-	-	-	987	-	987
	265,591	(2,548)	263,043	7,662	(1,640)	225	-	(5,615)	-	271,613	(7,938)	263,675
OTHER FIXED ASSETS												
General Land	7,870	-	7,870	-	-	-	-	-	-	7,870	-	7,870
Other Land	2,861	-	2,861	-	-	-	-	-	-	2,861	-	2,861
Buildings	9,880	-	9,880	9,729	-	-	-	(391)	-	19,609	(391)	19,218
Plant & Machinery	2,168	(1,808)	360	172	(882)	866	-	(118)	-	1,458	(1,060)	398
Furniture & Fittings	368	(326)	42	4	-	-	-	(9)	-	372	(335)	37
Computer Equipment	2,397	(2,167)	230	34	(1,099)	1,099	-	(143)	-	1,332	(1,211)	121
Library Stocks	1,528	(1,367)	161	54	-	-	-	(67)	-	1,582	(1,434)	148
Breakwaters & Wharves	4,722	(1,991)	2,731	14	-	-	-	(279)	-	4,736	(2,270)	2,466
Aerodrome	1,753	-	1,753	9	-	-	-	(37)	-	1,762	(37)	1,725
Parking Developments	295	(73)	222	16	-	-	-	(6)	-	311	(79)	232
Forest Holdings	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	715	(79)	636	137	-	-	-	(36)	-	852	(115)	737
Heritage Assets	985	(100)	885	44	-	-	-	(20)	-	1,029	(120)	909
	35,832	(7,911)	27,921	10,213	(1,981)	1,965	-	(1,106)	-	44,064	(7,052)	37,012
	301,423	(10,459)	290,964	17,875	(3,621)	2,190	-	(6,721)	-	315,677	(14,990)	300,687

Group 2009

	Cost/ revaluation 01-Jul-08	Accumulated depreciation and impairment charges 01-Jul-068	Carrying amount 01-Jul-08	Current year additions	Current year disposals	accumulated depreciation on disposals	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-09	Accumulated depreciation and impairment charges 30-Jun-09	Carrying amount 30-Jun-09
INFRASTRUCTURAL ASSETS												
Roading Network	136,079	-	136,079	3,619	-	-	-	(3,974)	-	139,698	(3,974)	135,724
Land Under Roads	68,727	-	68,727	-	-	-	-	-	-	68,727	-	68,727
Stormwater	16,219	-	16,219	335	-	-	-	(431)	-	16,554	(431)	16,123
Flood Protection System	5,300	(954)	4,346	-	-	-	-	(53)	-	5,300	(1,007)	4,293
Sewerage	22,525	-	22,525	2,417	-	-	-	(583)	-	24,942	(583)	24,359
Water Supply Systems	12,145	-	12,145	376	-	-	-	(380)	-	12,521	(380)	12,141
Landfill Site	3,109	(1,594)	1,515	-	(225)	225	-	(194)	-	2,884	(1,563)	1,321
Work in progress	1,487	-	1,487	915	(1,415)	-	-	-	-	987	-	987
	265,591	(2,548)	263,043	7,662	(1,640)	225	-	(5,615)	-	271,613	(7,938)	263,675
OTHER FIXED ASSETS												
General Land	7,870	-	7,870	-	-	-	-	-	-	7,870	-	7,870
Other Land	2,861	-	2,861	-	-	-	-	-	-	2,861	-	2,861
Buildings	9,880	-	9,880	9,729	-	-	-	(391)	-	19,609	(391)	19,218
Plant & Machinery	2,168	(1,808)	360	172	(882)	866	-	(118)	-	1,458	(1,060)	398
Furniture & Fittings	368	(326)	42	4	-	-	-	(9)	-	372	(335)	37
Computer Equipment	2,397	(2,167)	230	34	(1,099)	1,099	-	(143)	-	1,332	(1,211)	121
Library Stocks	1,528	(1,367)	161	54	-	-	-	(67)	-	1,582	(1,434)	148
Breakwaters & Wharves	4,722	(1,991)	2,731	14	-	-	-	(279)	-	4,736	(2,270)	2,466
Aerodrome	1,753	-	1,753	9	-	-	-	(37)	-	1,762	(37)	1,725
Parking Developments	295	(73)	222	16	-	-	-	(6)	-	311	(79)	232
Forest Holdings	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Board Assets	290	-	290	-	-	-	-	-	-	290	-	290
Sports fields and Parks	715	(79)	636	137	-	-	-	(36)	-	852	(115)	737
Heritage Assets	985	(100)	885	44	-	-	-	(20)	-	1,029	(120)	909
	35,832	(7,911)	27,921	10,213	(1,981)	1,965	-	(1,106)	-	44,064	(7,052)	37,012
	301,423	(10,459)	290,964	17,875	(3,621)	2,190	-	(6,721)	-	315,677	(14,990)	300,687

Council 2008

	Cost/ revaluation 01-Jul-07	Accumulated depreciation and impairment charges 01-Jul-07	Carrying amount 01-Jul-07	Current year additions	Current year disposals*	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-08	Accumulated depreciation and impairment charges 30-Jun-08	Carrying amount 30-Jun-08
INFRASTRUCTURAL ASSETS											
Roading Network	119,724	(6,513)	113,211	2,432	-	-	(3,226)	23,662	136,079	-	136,079
Land Under Roads	68,725	-	68,725	2	-	-	-	-	68,727	-	68,727
Stormwater	14,346	(658)	13,688	162	-	-	(383)	2,752	16,219	-	16,219
Flood Protection System	5,300	(901)	4,399	-	-	-	(53)	-	5,300	(954)	4,346
Sewerage	22,390	(807)	21,583	3,902	-	-	(464)	(2,496)	22,525	-	22,525
Water Supply Systems	11,701	(665)	11,036	1,292	-	-	(378)	195	12,145	-	12,145
Landfill Site	3,106	(752)	2,354	3	-	-	(842)	-	3,109	(1,594)	1,515
Work in progress	1,729	-	1,729	1,270	(1,512)	-	-	-	1,487	-	1,487
	247,021	(10,296)	236,725	9,063	(1,512)	-	(5,346)	24,113	265,591	(2,548)	263,043
OTHER FIXED ASSETS											
General Land	6,072	-	6,072	-	-	-	-	1,798	7,870	-	7,870
Other Land	2,894	-	2,894	15	(48)	-	-	-	2,861	-	2,861
Buildings	8,636	(368)	8,268	193	-	-	(417)	1,836	9,880	-	9,880
Plant & Machinery	1,987	(1,696)	291	182	(1)	-	(112)	-	2,168	(1,808)	360
Furniture & Fittings	363	(318)	45	5	-	-	(8)	-	368	(326)	42
Computer Equipment	2,339	(2,002)	337	58	-	-	(165)	-	2,397	(2,167)	230
Library Stocks	1,479	(1,293)	186	49	-	-	(74)	-	1,528	(1,367)	161
Breakwaters & Wharves	4,691	(1,683)	3,008	31	-	-	(308)	-	4,722	(1,991)	2,731
Aerodrome	1,563	(118)	1,445	14	-	-	(48)	342	1,753	-	1,753
Parking Developments	289	(67)	222	6	-	-	(6)	-	295	(73)	222
Forest Holdings	52	-	52	-	(52)	-	-	-	-	-	-
Reserve Board Assets	290	-	290	-	-	-	-	-	290	-	290
Sports fields and Parks	501	(58)	443	214	-	-	(21)	-	715	(79)	636
Heritage Assets	985	(80)	905	-	-	-	(20)	-	985	(100)	885
	32,141	(7,683)	24,458	767	(101)	-	(1,179)	3,976	35,832	(7,911)	27,921
	279,162	(17,979)	261,183	9,830	(1,613)	-	(6,525)	28,089	301,423	(10,459)	290,964

* disposals are recorded net of accumulated depreciation

Group 2008

	Cost/ revaluation 01-Jul-07	Accumulated depreciation and impairment charges 01-Jul-07	Carrying amount 01-Jul-07	Current year additions	Current year disposals*	Current year impairment charges	Current year depreciation	Revaluation surplus	Cost/ revaluation 30-Jun-08	Accumulated depreciation and impairment charges 30-Jun-08	Carrying amount 30-Jun-08
INFRASTRUCTURAL ASSETS											
Roading Network	119,724	(6,513)	113,211	2,432	-	-	(3,226)	23,662	136,079	-	136,079
Land Under Roads	68,725	-	68,725	2	-	-	-	-	68,727	-	68,727
Stormwater	14,346	(658)	13,688	162	-	-	(383)	2,752	16,219	-	16,219
Flood Protection System	5,300	(901)	4,399	-	-	-	(53)	-	5,300	(954)	4,346
Sewerage	22,390	(807)	21,583	3,902	-	-	(464)	(2,496)	22,525	-	22,525
Water Supply Systems	11,701	(665)	11,036	1,292	-	-	(378)	195	12,145	-	12,145
Landfill Site	3,106	(752)	2,354	3	-	-	(842)	-	3,109	(1,594)	1,515
Work in progress	1,729	-	1,729	1,270	(1,512)	-	-	-	1,487	-	1,487
	247,021	(10,296)	236,725	9,063	(1,512)	-	(5,346)	24,113	265,591	(2,548)	263,043
OTHER FIXED ASSETS											
General Land	6,072	-	6,072	-	-	-	-	1,798	7,870	-	7,870
Other Land	2,894	-	2,894	15	(48)	-	-	-	2,861	-	2,861
Buildings	8,636	(368)	8,268	193	-	-	(417)	1,836	9,880	-	9,880
Plant & Machinery	1,987	(1,696)	291	182	(1)	-	(112)	-	2,168	(1,808)	360
Furniture & Fittings	363	(318)	45	5	-	-	(8)	-	368	(326)	42
Computer Equipment	2,339	(2,002)	337	58	-	-	(165)	-	2,397	(2,167)	230
Library Stocks	1,479	(1,293)	186	49	-	-	(74)	-	1,528	(1,367)	161
Breakwaters & Wharves	4,691	(1,683)	3,008	31	-	-	(308)	-	4,722	(1,991)	2,731
Aerodrome	1,563	(118)	1,445	14	-	-	(48)	342	1,753	-	1,753
Parking Developments	289	(67)	222	6	-	-	(6)	-	295	(73)	222
Forest Holdings	52	-	52	-	(52)	-	-	-	-	-	-
Reserve Board Assets	290	-	290	-	-	-	-	-	290	-	290
Sports fields and Parks	501	(58)	443	214	-	-	(21)	-	715	(79)	636
Heritage Assets	985	(80)	905	-	-	-	(20)	-	985	(100)	885
	32,141	(7,683)	24,458	767	(101)	-	(1,179)	3,976	35,832	(7,911)	27,921
	279,162	(17,979)	261,183	9,830	(1,613)	-	(6,525)	28,089	301,423	(10,459)	290,964

*disposals are recorded net of accumulated depreciation

Valuation

Other fixed assets:- general land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations, and the valuation is effective as at 30 June 2008.

Other fixed assets:- aerodrome

Improvements - **At fair value determined on a depreciated replacement cost basis by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM** and independently reviewed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations. The valuation is effective as at 30 June 2008.

Land - At fair value as determined by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ANZIV, Registered Valuer of Coast Valuations, and the valuation is effective as at 30 June 2008.

Infrastructural asset classes: land, sewerage, water, stormwater, and roads

At fair value determined on a depreciated replacement cost basis by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM and independently reviewed by John Vessey, Senior Advisor, Opus International Consultants Limited. The valuation is effective as at 30 June 2008.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by **Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDipBusAdmin ADEM MIPENZ AFNZIM**, effective 30 June 2005. On transition to NZ IFRS Grey DC elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

Total fair value of property, plant and equipment valued by each valuer

	Council 2008 \$000	Group 2008 \$000
MD Sutherland, Grey DC	190,542	190,542
P J Hines, Coast Valuations	18,850	18,850

No classes of property plant and equipment were revalued in 2009

Impairment

Nil impairment losses have been recognised for plant and equipment (2007/2008 nil)

14 investments

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
NON-CURRENT INVESTMENTS				
Held to maturity investments	500	2,308	500	2,308
Available-for-sale financial assets	102	101	102	101
Investments in subsidiary	-	-	-	-
Total non-current investments	602	2,409	602	2,409
CURRENT INVESTMENTS				
Held to maturity investments	1,300	-	1,300	-
Short term investments > 3 -12 months	1,592	6,244	1,592	6,244
Total current investments	2,892	6,244	2,892	6,244

The fair value approximates the carrying value for investments.

15 trade and other payables

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Trade payables	2,298	2,015	2,298	2,015
GST Payable	-	96	-	96
Sundry Creditors	517	351	517	351
Directors fee payable	-	-	-	-
Amounts due to related parties	22 7	15	7	15
Total trade and other payables	2,822	2,477	2,822	2,477

16 employee benefit liabilities

	council		group	
	Actual	Last Year	Actual	Last Year
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Accrued pay	116	113	116	113
Annual leave	354	324	354	324
Long service leave	39	31	39	31
Retirement gratuities	213	172	213	172
	722	640	722	640
COMPRISING:				
Current	519	410	519	410
Non-current	203	230	203	230
Total employee benefit liabilities	722	640	722	640

17 provision for closed landfills

	council		group	
	Actual	Last Year	Actual	Last Year
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Landfill aftercare provision	792	750	792	750
Total provision for closed landfills	792	750	792	750
	council		group	
	Actual	Last Year	Actual	Last Year
	2009	2008	2009	2008
	\$000	\$000	\$000	\$000
Balance 01 July	750	740	750	740
Additional provisions made in the year	116	20	116	20
Amounts used in the year	(20)	(10)	(20)	(10)
Unused amounts reversed	(54)	-	(54)	-
Balance at 30 June	792	750	792	750

Landcare aftercare provision

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

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

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

The cash outflows for landfill post-closure are expected to occur between 2010 and 2047. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 7%.

18 borrowings

	Note	council		group	
		Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
CURRENT					
Secured loans		6,535	5,052	6,535	5,052
Total current borrowings		6,535	5,052	6,535	5,052
NON-CURRENT					
Secured loans		2,790	2,823	2,790	2,823
Total non-current borrowings		2,790	2,823	2,790	2,823

LOAN NAME	Maturity date	council		group		
		Interest rate	Balance at 30 Jun 08	Balance at 30 Jun 09	Balance at 30 Jun 09	Balance at 30 Jun 08
BNZ Cash Advance Loan 1	17 Aug 08	3.24%	3,031,186	3,012,516	3,012,516	2,020,720
BNZ Cash Advance Loan 2	19 Aug 08	3.22%	2,020,720	2,007,587	2,007,587	3,031,186
BNZ Cash Advance Loan 3	01 Jul 09	3.86%	-	1,514,442	1,514,442	-
Westpac Multi Option Cash Loan	22 Sep 10	6.90%	1,266,674	1,266,913	1,266,913	1,266,674
Westpac Multi Option Cash Loan	17 Jul 11	7.45%	1,029,135	1,001,152	1,001,152	1,029,135
Westpac Multi Option Cash Loan	17 Jul 11	7.45%	249,974	247,242	247,242	249,974
Westpac Multi Option Cash Loan	22 Sep 12	8.40%	277,088	275,063	275,063	277,088
			7,874,777	9,324,915	9,324,915	7,874,777
Portion of Term Debt repayable within One year			5,051,906	6,534,545	6,534,545	5,051,906
Portion of Term Debt repayable in One to Two years			-	1,266,913	1,266,913	-
Portion of Term Debt repayable in Two to Five years			2,822,871	1,248,394	1,248,394	2,822,871
Portion of Term Debt repayable in Five years or more			-	275,063	275,063	-
Total Term Debt repayable			7,874,777	9,324,915	9,324,915	7,874,777

All loans are secured by way of a separate rate in the dollar on the land value of the district.

Carrying values are approximately equal to fair value

19 derivative financial instruments

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Interest rate swaps - fair value	594	118	594	118
	594	118	594	118

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$6,500,000 (2008 \$9,500,000). At 30 June 2009, the fixed interest rates of cash flow interest rate swaps vary from 7.71% to 8.37% (2008 7.64% to 8.37%).

	note	council		group	
		Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
RATEPAYERS EQUITY					
Opening balance	34	198,200	195,445	198,278	195,232
Plus net surplus/(deficit) for the year		1,709	3,264	1,662	3,555
Net transfer from/(to) Special Funds		3,181	(569)	3,181	(569)
Net transfer from/(to) Trusts & Bequests		15	60	15	60
Closing balance		203,105	198,200	203,136	198,278
SPECIAL FUNDS					
Opening balance		19,097	18,528	19,097	18,528
Plus interest (transfer from ratepayer equity)		797	963	797	963
Other transfers from ratepayers equity		2,010	3,437	2,010	3,437
Transfer to ratepayers equity		(5,988)	(3,831)	(5,988)	(3,831)
Closing balance		15,916	19,097	15,916	19,097
TRUSTS, BEQUESTS & OTHER RESERVES					
Opening balance		589	649	589	649
Transfer from ratepayers equity		15	23	15	23
Transfer to ratepayers equity		(30)	(83)	(30)	(83)
Closing balance		574	589	574	589
REVALUATION RESERVES*					
Opening balance		82,454	54,350	82,454	54,350
less transfer to ratepayers equity		-	15	-	15
plus increase in revaluation		-	28,089	-	28,089
Closing balance		82,454	82,454	82,454	82,454
TOTAL EQUITY		302,049	300,340	302,080	300,418
*REVALUATION RESERVES ARE MADE UP OF THE FOLLOWING					
Land & Building Revaluation Reserve		14,243	14,243	14,243	14,243
Roading Revaluation Reserve		50,207	50,207	50,207	50,207
Water Revaluation Reserve		1,775	1,775	1,775	1,775
Investment Revaluation Reserve		52	52	52	52
Drainage & Sewerage Revaluation Reserve		16,177	16,177	16,177	16,177
		82,454	82,454	82,454	82,454

reconciliation of operating surplus to net cash inflows from operating activities

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
Surplus from operations	1,709	3,264	1,662	3,555
ADD/(LESS) NON CASH ITEMS				
Depreciation	6,721	6,525	6,721	6,525
Vested assets	-	-	-	-
Unrealised landfill aftercare costs	42	10	42	10
Debt forgiven	-	(165)	-	(165)
Assets written off	-	-	-	-
	6,763	6,370	6,763	6,370
MOVEMENTS IN WORKING CAPITAL				
(Increase)/decrease in accounts receivable	(719)	(194)	(665)	(248)
(Increase)/decrease in interest receivable	258	(114)	258	(114)
Increase/(decrease) in accounts payable	345	9	345	12
Increase/(decrease) in interest payable	(19)	3	(19)	3
Increase/(decrease) in income in advance	(2)	12	(2)	12
Increase/(decrease) in employee entitlements	82	77	82	77
	(55)	(207)	(1)	(258)
LESS ITEM CLASSIFIED AS INVESTING ACTIVITY				
Net (gain)/loss sale of PPE & non-current assets held for sale	(386)	(1,603)	(386)	(1,603)
Impairment of investment in subsidiary	-	912	-	-
Change in fair value of interest swap	476	118	476	118
	90	(573)	90	(1,485)
Net cash flow from operations	8,507	8,854	8,514	8,182

related party transactions

council members

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

Councillor	Business in which an interest is held	transaction type	Amount paid to	Amount payable	Amount paid to	Amount payable
			the business 2009	2009	the business 2008	2008
			\$	\$	\$	\$
Cummings	I.M. Tasman Tyres	Tyre purchases	3,229	-	7,157	-
Cummings	I.M. Amalgamated Mining Ltd	General Contracting	893	-	1,988	1,004
Cummings	I.M. Management Processing	Road contracting	-	-	-	-
Haddock	P.R. Westland Engineering	Engineering Services	284	41	1,219	262
Haddock	P.R. Greymouth Equipment Cen	General Supplies	3,612	-	1,351	1,400
Hamilton	K.F. Future Knowledge Ltd	Consultancy - economic development	-	-	-	-
Hamilton	K.F. WestReap	Community Services	87	-	2,020	-
Kokshoorn	A.F. Greymouth Evening Star	Printing and advertising	32,169	3,923	40,194	6,079
Kokshoorn	A.F. West Coast Times	Printing and advertising	-	-	460	-
Sandrey	C.R. Cliff Sandrey Contracting	General Contracting	1,628	-	-	1,832
Truman	D.J. Central Paper Plus	Office supplies	17,519	3,227	7,334	4,101
			59,421	7,191	61,723	14,678

tourism west coast

Amounts paid to the organisation 2009	Amount payable 30-Jun-09	Amounts paid to the organisation 2008	Amount payable 30-Jun-08
\$	\$	\$	\$
83,200	-	83,200	-

port westland ltd

Amounts received from the organisation 2009	Amount receivable 30-Jun-09	Amounts received from the organisation 2008	Amount receivable 30-Jun-08
\$	\$	\$	\$
-	-	22,452	-
Amounts paid to the organisation 2009	Amount payable 30-Jun-08	Amounts paid to the organisation 2008	Amount payable 30-Jun-08
\$	\$	\$	\$
274	-	627,621	-

west coast rural fire trust

Amounts paid to the organisation 2009	Amount payable 30-Jun-09	Amounts paid to the organisation 2008	Amount payable 30-Jun-08
\$	\$	\$	\$
10,028	-	9,000	-

key management personnel

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

No debts involving a related party have been written off or forgiven during the year. (2008 – Nil) There are no transactions that have taken place at nil or nominal value that have not already been mentioned above.

key management personnel compensation

	Total 2009	Total 2008
	\$	\$
Salaries and other short term employee benefits	744,957	784,086
Employer superannuation contributions	27,022	32,896
Termination benefits	17,720	-
Total compensation	789,699	816,982

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

23 greymouth floodwall

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

operating leases as lessee

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

non cancellable operating leases as lessee

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
OFFICE EQUIPMENT				
Not later than one year	41	39	41	39
Later than one year and not later than two years	40	38	40	38
Later than two years but not later than five years	2	30	2	30
Later than five years	-	-	-	-
	83	107	83	107
LAND LEASES				
Not later than one year	140	107	140	107
Later than one year and not later than two years	138	105	138	105
Later than two years but not later than five years	413	306	413	306
Later than five years	802	504	802	504
	1,493	1,022	1,493	1,022
Total non-cancellable operating leases	1,576	1,129	1,576	1,129

other contracts

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

Westroads Ltd

- Maintenance of Parks & Reserves, Cemeteries & Public Conveniences To 31 August 2012
- Utilities Maintenance To 30 June 2010
- Maintenance and Operation of the Greymouth Flood Scheme To 30 June 2010
- McLeans Landfill Operating and Maintenance To 30 June 2010

Provision of Services for Civil Defence

Tied in to Contracts

Northern Southland Ltd

- Refuse Collection & Disposal, Litterbins Maintenance & Disposal To 31 August 2012

Fergusons Industrial Division

- Roothing Maintenance Works To 30 June 2011 *

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

* There is a right of renewal for this contract to 30 June 2013 subject to Councils approval.

capital commitments approved and contracted

During its annual planning process for the 2009/2010 financial year, Council approved \$11,800,000 to be spent on Capital Works (2007/2008 - \$17,927,000) associated with Council's **various assets and functions**. A **detail of the works to be** carried out is included in the 2009 – 2019 Long term Community Outcomes Plan which was adopted by Council on 30 June 2009 and released to the public.

Council approved budget carryforwards for work not completed during 2008/2009 of \$2,724,425.

25 contingent liabilities

Defined benefit superannuation scheme

The Council is a participating employer in the **National Provident Fund's Defined Benefit Plan Contributors Scheme (the scheme)** which is a multi-employer defined benefit scheme. If the other participating employers ceased to participate in the scheme, the Council could be responsible for the entire deficit of the scheme (see note 27). Similarly, if a number of employers ceased to participate in the scheme, the Council could be responsible for an increased share of the deficit. The Council estimates that during the next financial year the Council's **contribution** to the scheme will be approximately \$6,000 (2008: \$6,000).

rates penalties

Council's rating resolution for the 2003/2004 year omitted to include penalties for unpaid rates, per section 57 of the Local Government (Rating) Act 2002. Council has provided for a liability of \$89,375 which is contingent upon a ratepayer challenging in the High Court the validity of penalties imposed. Penalties imposed are payable unless such proceedings are initiated. This has not happened during 2008/2009.

26 contingent assets

financial contributions – resource consents

Council has entered into a number of bonding arrangements with various subdividers, whereupon the financial contributions payment to Council is delayed until the sale of each individual lot. The actual contributions are adjusted based on relative price indices, and are underwritten by a third party guarantor. As at 30 June 2009 the payments to be made to Council in the future totalled \$344,000 (2008 \$374,000).

27 defined benefit superannuation scheme

As outlined in note 25, the Council contributes to a multi-employer defined benefit superannuation scheme (the scheme), operated by the National Provident Fund. The funding level (solvency ratio) of the Scheme is the ratio of the net assets available to pay benefits to the value of the past service liabilities. The Actuary has estimated the funding level, as at 31 March 2009, as 107% (110% as at 31 March 2008). This funding level is an estimate based on the valuation results and membership data as at 31 March 2008, and allows for the investment return for the year ended 31 March 2009.

The actuary to the scheme has recommended the employer contribution remains at **1.0 times contributors' contributions** to 1.0 times contributor contributions. The 1.0 times is inclusive of specified superannuation contribution withholding tax..

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

		Honorarium	Meeting Fees	Travel Allowance	Total 2009	Total 2008	Group 2009	Group 2008
		\$	\$	\$	\$	\$	\$	\$
MAYOR								
Kokshoorn	A.F*	58,930	n/a	-	58,930	57,994	70,930	69,994
COUNCILLOR								
Berry	P.F	16,124	3,220	479	19,823	18,782	19,823	18,782
Brown	K.R	16,124	3,215	14	19,353	12,430	19,353	12,430
Cummings	I	16,124	2,100	-	18,224	17,526	18,224	17,526
Haddock	P.R	16,124	2,800	-	18,924	12,835	18,924	12,835
Hamilton	K.F	16,124	3,770	35	19,929	18,080	19,929	18,080
Moer	W	-	-	-	-	4,689	-	4,689
Osborne	M.J	16,124	2,520	118	18,762	12,902	18,762	12,902
Sandrey	C.R	16,124	2,100	18	18,242	16,634	18,242	16,634
Stratford	E	-	-	-	-	4,540	-	4,540
Thomas	M.A	-	-	-	-	4,273	-	4,273
Truman	D.J	22,063	1,960	-	24,023	23,129	24,023	23,129
		193,861	21,685	664	216,210	203,814	228,210	215,814
NWCB								
Burnett	O	-	-	-	-	1,754	-	1,754
Butler	R	-	-	-	-	1,754	-	1,754
Coram	W	-	-	-	-	1,754	-	1,754
Noble	A.F.C	-	-	-	-	2,551	-	2,551
		-	-	-	-	7,813	-	7,813
Total elected members remuneration		193,861	21,685	664	216,210	211,627	228,210	223,627

* the Mayor is chair of Port Westland Ltd and also received director fees of \$12,000 (2008 \$12,000).

29 chief executive officer's remuneration

	Total 2009	Total 2008
	\$	\$
Salary	181,766	162,068
Employer Superannuation Contributions	9,853	9,370
Telephone rental	638	650
Car - Full Use	10,280	9,059
Professional Allowances/Fees	260	200
Total Chief Executive Officer's remuneration	202,797	181,347

30 reserve boards

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

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

	council	
	Actual 2009	Last Year 2008
	\$000	\$000
Income	38	24
Expenditure	(48)	(29)
Net surplus (deficit) for the year	(10)	(5)

31 bonds receivable and bonds payable

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

32 ratepayers and residents association disclosure requests

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

salaries and wages paid

Total Salaries and Wages paid during 2008/2009 amounted to \$3,439,000 (2007/2008 \$3,096,000).

consultancy fees paid

Council, during 2008/2009, paid consultancy fees of \$855,111 (2007/2008 \$1,325,982). Consultants provided specialist services for projects such as the:

	\$000
Greymouth Sewerage Scheme	\$29
Road legalisations	\$49
Building Consenting	\$68
Staff Recruitment	\$24
Resource Consenting	\$63
Cost of Land Sales	\$40
New Greymouth Aquatic Centre	\$226
Runanga swimming pool	\$67
Civic Chambers extension	\$29

motor vehicles

Council's motor vehicle fleet consists of 9 cars, 12 utility vehicles, and 1 van. Six utilities are taken home by staff who are on emergency call while four managers are provided with cars as part of their contract of employment with Council, which includes after hours commitments on behalf of Council. All vehicles are used operationally by staff as part of their normal day-to-day duties, where those duties require field work to be carried out.

The total vehicle book value at 30 June 2009 was \$339,323 (2008 \$275,819) which gives an average book value for vehicles of \$15,424 (\$11,492 last year)

33 severance payments

For the year ended 30 June 2009 Grey DC made one severance payment, total value of \$17,720 (2008 nil).

34 correction of prior period error

Council is the responsible authority for eight reserve boards (which were vested to the Grey District Council as part of the 1989 re-organisation of local government). As part of the accountability process, Council is required to incorporate these reserve boards into the Annual Report.

Council did not fully account for the income and expenditure and cash balances for all the reserve boards since the 2005/2006 financial year. The result was an under representation of Council income (statement of comprehensive income), cash and cash equivalents (balance sheet) and ultimately ratepayers equity (balance sheet).

The subsequent effect on 2007/2008 accounts which effects last years comparatives, and 2008/2009 opening balances is as follows:

FINANCIAL REPORT LINE ITEM / BALANCE AFFECTED	council			group		
	Actual 2007	Correction	Corrected Actual 2007	Actual 2007	Correction	Corrected Actual 2007
	\$000	\$000	\$000	\$000	\$000	\$000
Balance Sheet extract						
Cash and cash equivalents	12,296	165	12,461	12,308	165	12,473
Total current assets	17,578	165	17,743	17,590	165	17,755
Total assets	280,886	165	281,051	280,680	165	280,845
Retained earnings	195,280	165	195,445	195,067	165	195,232
Total equity attributable to the Council	268,807	165	268,972	268,594	165	268,759

FINANCIAL REPORT LINE ITEM / BALANCE AFFECTED	council			group		
	Actual 2008	Correction	Corrected Actual 2008	Actual 2008	Correction	Corrected Actual 2008
	\$000	\$000	\$000	\$000	\$000	\$000
Balance Sheet extract						
Cash and cash equivalents	8,353	165	8,518	8,377	165	8,542
Total current assets	18,377	165	18,542	18,455	165	18,620
Total assets	312,137	165	312,302	312,215	165	312,380
Retained earnings	198,035	165	198,200	198,113	165	198,278
Total equity attributable to the Council	300,175	165	300,340	300,253	165	300,418

35 events subsequent to balance date

There were no significant events after balance date.

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

The accounting policies for financial instruments have been applied to the line items below:

	council		group	
	Actual 2009 \$000	Last Year 2008 \$000	Actual 2009 \$000	Last Year 2008 \$000
FINANCIAL ASSETS				
Loans and receivables				
Cash and cash equivalents (net)	7,366	8,518	7,397	8,542
Short term investments > 3 -12 months	1,592	6,244	1,592	6,244
Trade and other receivables	3,757	3,038	3,757	3,092
	12,715	17,635	12,746	17,713
Held to maturity investments				
Local authority stock	1,800	2,308	1,800	2,308
	1,800	2,308	1,800	2,308
Available for sale				
Investment in subsidiary (Port Westland Ltd)	-	-	-	-
Unlisted shares (Civic Assurance)	102	101	102	101
	102	101	102	101
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
Trade and other payables	2,822	2,477	2,822	2,477
Secured loans	9,325	7,875	9,325	7,875
	12,147	10,352	12,147	10,352
Fair value through statement of comprehensive income				
Derivative financial instruments (interest rate swap)	594	118	594	118
	594	118	594	118

Market risk

Currency risk

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

Interest rate risk

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

Fair value interest rate risk

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

If interest rates on cash and cash equivalents, short term investments and held to maturity investments at 30 June 2009 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the fair value through the statement of comprehensive income by \$52,130 (2008:\$48,000).

Based on financial instrument discloses at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2009 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$46,625 (2008: \$39,000) as a result of higher/lower interest expense on floating rate borrowings.

Cash flow interest rate risk

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

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

Credit risk

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

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

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

Liquidity risk

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

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

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

Council has a maximum amount that can be drawn down against its overdraft facility of \$550,000 (2008: \$500,000) plus available credit on a credit line facility with Westpac of \$2,910,000 (2008 \$1,634,000). There are no restrictions on the use of this facility.

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

37 capital management

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

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

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

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

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

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

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

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

38 explanation of major variances against budget

Explanations for major variations from Council's estimated figures in the 2008/2009 Annual Plan are as follows (note variances at the activity level are explained in more detail under each relevant 'group of activity' statement further in this document:

income statement

Other revenue

- The actual being higher than budget (\$2,524,000) mainly relates to:
 - Sponsorship/Donations/Grants received towards the new Greymouth Aquatic Centre being higher than accounted for in the 2008/2009 Annual Plan
 - Additional New Zealand Transport Authority (NZTA) subsidies received due to some projects being carried forward from the 2007/2008 financial year
 - Actual includes port revenue that was not included in budget due to it being anticipated at the time that functions would be transferred to Port Westland Limited. This did not happen (refer to [f] council controlled organisations page 153 for further detail)

Other expenses

- Actual is \$1,033,000 higher than budget. Mainly due to:
 - actual port expenditure being included that was not included in budget due to it being anticipated at the time that functions would be transferred to Port Westland Limited. This has not occurred (refer to [f] council controlled organisations page 153 for further detail.
 - Roading expenditure was \$503,000 higher than estimates due to emergency works, budget carryovers and some operating expenditure offset by reductions in renewal expenditure.

Finance costs

- **Actual result higher than budget by \$342,000 due to the fair value recognition of Council's interest rate swap arrangements** (refer note 19). This movement in value is not a cash expense, and is essentially the cost to Council if Council elected to exit the agreements as at balance date. Given the nature of the borrowings Council is unlikely to elect to exit the agreements early.

balance sheet

Assets

- Cash and cash equivalents/Short-term investments:-
 - Overall balance higher than budget. Mainly due to Greymouth Aquatic centre construction being later than anticipated in budgets. Given a large amount of internal financing Council retained more funds (contract payments were still due after balance date).
 - Due to classification of line items in budgets, and timing of investment maturities on a line by line basis these vary from budget.
- Trade and other receivables
 - Overall higher than budget by \$1,980,000. The New Zealand Transport Agency receivable (NZTA) makes up a large portion (\$1,424,000, refer note 11). This is a result of The last two claims made by Council for work undertaken in 2008/2009 being made after balance date.

Liabilities

- Derivative financial instruments
 - **\$594,000 higher** The fair value of Council's interest swap arrangements was not estimated in the budget (refer comments above regarding finance costs).

Equity

- Variances as noted above are reflected in equity.

[d] group of activity statements

[1] roading

[1.1] council's involvement

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

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

[1.2] activities included in this group

- **Roading**

Rationale for grouping

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

[1.3] performance indicators and link to community outcomes

Efficient and responsible management of the roading activity

<p>Outcome:</p> <ul style="list-style-type: none"> ▪ A District enjoying quality affordable essential services. ▪ An attractive District where residents want to be. ▪ Law, order, personal and property safety. 	<p>How affected?</p> <ul style="list-style-type: none"> ▪ Roothing is an important essential service. ▪ Good roading contributes to an attractive living/working environment. ▪ Safe roads especially contribute to personal safety.
--	--

Safety of users

<p>Outcome:</p> <ul style="list-style-type: none"> ▪ A thriving local economy creating opportunities. ▪ An attractive District where residents want to be. ▪ Law, order, personal and property safety. 	<p>How affected?</p> <ul style="list-style-type: none"> ▪ Safe roads are a requirement for economic growth. ▪ Safe roads contribute to an attractive living/working environment. ▪ Safe roads contribute to personal safety in particular.
--	--

Outputs:	Measurement:	Achievement:
<p>Po-active identification, assessment, prioritisation and costing of District roading needs.</p>	<ul style="list-style-type: none"> ▪ Maintaining a current ten year District needs plan. ▪ Applying for New Zealand Transport Authority (NZTA) funding on time and complying with the application requirements. ▪ Attending to non-subsidised roading projects within the limitations of available budgets. 	<ul style="list-style-type: none"> ▪ Existing Activity Management Plan (AMP) was reviewed, updated and expanded to an Advanced AMP as an input to the 2009-2019 LTCCP. ▪ All funding was applied for and approved in a timely basis. Flood damage is applied for when it occurs. ▪ Footpaths and Bus Shelters all had work carried out within budget. Some projects delayed due to other commitments, most notably new footpath development for

Outputs:	Measurement:	Achievement:
	<ul style="list-style-type: none"> ▪ Decision-making for capital works and/or significant changes to service delivery to be based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community. 	<p>Kaiata.</p> <ul style="list-style-type: none"> ▪ Cost benefit part of New Zealand Transport Authority (NZTA) requirement, these works also peer reviewed by consultants for Camp Creek Bridge replacement and Atarau Road strengthening widening capital expenditure
<p>Emergency Work</p> <ul style="list-style-type: none"> ▪ Arterial and Major Collector Roads ▪ All Other Roads 	<ul style="list-style-type: none"> ▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site ▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site 	<ul style="list-style-type: none"> ▪ Monitoring of contracts by Council staff confirm that emergency work was responded to within one hour plus normal travelling time during the 2008/2009 year ▪ Monitoring of contracts by Council staff confirm that all emergency work on all other roads was responded to within two hours plus normal travelling time during the 2008/2009 year
<p>Drainage Channels Maintenance</p>	<ul style="list-style-type: none"> ▪ Within 14 days of issues being identified 	<ul style="list-style-type: none"> ▪ Done within 14 days of being programmed which means confirmation that work is required and can be carried within budget.
<p>Cleaning and Repair of Stormwater Structures</p> <ul style="list-style-type: none"> ▪ Maintenance ▪ Blockages 	<ul style="list-style-type: none"> ▪ Within 10 days of need being identified ▪ Within 2 days of blockage being identified 	<ul style="list-style-type: none"> ▪ Done within 10 days of being programmed. ▪ Blockage repaired as required 50% within 2 days (urgent) and rest down within 10 days (non-urgent).
<p>Pothole Repairs</p> <ul style="list-style-type: none"> ▪ Arterial and Major Collector Roads ▪ All Other Roads 	<ul style="list-style-type: none"> ▪ Within 3 days of being noticed/reported ▪ Within 8 days of being noticed/reported 	<ul style="list-style-type: none"> ▪ 70% compliance. Wet weather will hamper repairs ▪ 70% Compliance. Wet weather will hamper repairs
<p>Notice of planned closures for work.</p>	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas 	<ul style="list-style-type: none"> ▪ There were 2 planned closed both notified more than 24 hours prior to the closure
<p>Completion of roading upgrades associated with the Pike River Coal Company development.</p>	<ul style="list-style-type: none"> ▪ 100% in compliance with agreement between Council and Pike River Coal Company and within budgeted amounts*. Of note: <ul style="list-style-type: none"> ○ In Year 1 - Logburn Rd Upgrade, within budget of \$624,413. ○ In Year 2 – Moonlight Creek bridge strengthening, upgrade of bridge at Kumukau and Lees Stream, and edge widening and strengthening of Atarau Rd: within budget of \$1,361,806 ○ In Year 3 - Edge widening and strengthening of Blackball/Taylorville Rd, and Stillwater railway overbridge upgrade: within budget of \$1,053,416. <p>*Note: subject to confirmation of transport route from</p>	<ul style="list-style-type: none"> ▪ The transport route changed from Logburn Road to Greymouth and is now from Logburn Road to Ikamatua (rail). Projects are on track and within budgets, council will not be holding up Pike River Coal Company. ▪ Logburn seal extension complete 15th May 2007 budget was \$1,054,000 (over 2 years). ▪ Moonlight Creek bridge deferred, refer to LTCCP on the expected timing of these projects. ▪ Atarau Road Strengthening underway and programmed over 2008/09 and 2009/10. ▪ Blackball/Taylorville Road and Stillwater Overbridge deferred, refer to LTCCP on the expected timing of these projects.

Outputs:	Measurement:	Achievement:
	mine terminal to port	
Controlling total costs within available budgets	<ul style="list-style-type: none"> +/- 5% 	<ul style="list-style-type: none"> Achieved for 2008/2009 year
Contribution from developers for new capital	<ul style="list-style-type: none"> For upgrades of existing assets a linear contribution calculated on the increased traffic volume that will be generated as set through the resource consent process. New assets per the financial policy under the District Plan. 	<ul style="list-style-type: none"> Contribution from developers are dealt with as part of subdivision consent from Council All new assets where added where done in accordance with the financial policy in the District Plan. Some new assets are still in the developer's maintenance period.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating 	<ul style="list-style-type: none"> No satisfaction survey was undertaken over the period.
Safety of users as a prime focus area in management of users.	<ul style="list-style-type: none"> Road conditions contributing to accidents less than 5% 	<ul style="list-style-type: none"> Crash data for 2003 to 2007 * confirms that for local urban roads 4% of crashes were assessed as having road contributing factors and for local rural roads 12%. For All NZ local roads the figures for urban and rural roads are 8% and 22% respectively. <p>* Grey District Road Safety Report 2003 to 2007 published by Land Transport New Zealand April 2008. Note to enable the analysis of statistical information by NZTA and to produce reports there is a time lag.</p>

Convenience of users

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Convenience as a prime focus area in management of roads.	<ul style="list-style-type: none"> 90% of properties to have access to a Council maintained road within 1 km of their boundary. 	<ul style="list-style-type: none"> 90% of properties to have access to a Council maintained road within 1 km of their boundary.

Outputs:	Measurement:	Achievement:
Emergency Work <ul style="list-style-type: none"> ▪ Arterial and Major Collector Roads ▪ All Other Roads 	<ul style="list-style-type: none"> ▪ Delays of no longer than 1 hour plus normal travelling time from depot to site ▪ Delays of no longer than 2 hours plus normal travelling time from depot to site 	<ul style="list-style-type: none"> ▪ Achieved 100% of time. Monitoring of contracts by Council staff confirm that emergency work was responded to within one hour plus normal travelling time during the 2008/2009 year ▪ Achieved 100% of time. Monitoring of contracts by Council staff confirm that emergency work on all other roads was responded to within two hours plus normal travelling time during the 2008/2009 year.
Maintenance	<ul style="list-style-type: none"> ▪ Minimum 60% of sealed roads with a measured roughness of less than 80 NAASRA¹ counts. ▪ Maximum 10% of sealed roads with a measured roughness of greater than 150 NAASRA counts. ▪ Unsealed roads graded once per year if required. 	<ul style="list-style-type: none"> ▪ 52% of sealed roads have a roughness less than 80 NAASRA counts. ▪ 12% of sealed roads have a roughness greater than 150 NAASRA. The average roughness of urban roads is 142 NAASRA counts. The average roughness of rural roads is 93 NAASRA counts ▪ All unsealed roads maintained by Council were graded at least once in the 2008/2009 year Roughness information sourced from latest RAMM Database information.
Pothole Repairs <ul style="list-style-type: none"> ▪ Arterial and Major Collector Roads ▪ All Other Roads 	<ul style="list-style-type: none"> ▪ Within 3 days of being noticed/reported ▪ Within 8 days of being noticed/reported 	<ul style="list-style-type: none"> ▪ 70% compliance. Wet weather will hamper repairs ▪ 70% compliance. Wet weather will hamper repairs
Notice of planned closures for work.	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas 	<ul style="list-style-type: none"> ▪ There were 2 planned closed both authorised more than 24 hours prior to the closure
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating 	<ul style="list-style-type: none"> ▪ No satisfaction survey was carried out for the period.

¹ NAASRA

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

Encouraging active transport practices

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Consider the provision of safe cycling, running or walking opportunity in the planning and maintenance of roads and footpaths in line with New Zealand Standard 4404:2004.	<ul style="list-style-type: none"> ▪ 60% of roads/footpaths in built up areas meeting the requirements of NZS 4404:2004. 	<ul style="list-style-type: none"> ▪ Output is considered and is provided for, for any new footpaths and roads. Also considered for maintenance and renewal of footpaths, however existing budgets only allow replacement of like with like.
Design must allow for the safe introduction of cycle lanes where required by NZS 4404:2004.	<ul style="list-style-type: none"> ▪ All new roads ▪ All new reseals 	<ul style="list-style-type: none"> ▪ New road comply with NZS 4404 ▪ Not possible with reseals as existing budgets only allow for resealing of the existing road widths.
Footpaths must be constructed to no more than the maximum gradients required in NZS 4404:2004.	<ul style="list-style-type: none"> ▪ All new footpaths ▪ 60% of existing footpaths 	<ul style="list-style-type: none"> ▪ All footpaths comply ▪ Existing footpath not measured for output
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating 	<ul style="list-style-type: none"> ▪ No satisfaction survey was carried out for the period.

[1.4] cost of service statement

ROADING INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(100)	(199)	(64)
Operating & maintenance costs	(2,867)	(2,255)	(2,802)
Interest expense	-	(12)	-
Depreciation	(3,975)	(3,973)	(3,226)
	(6,942)	(6,439)	(6,092)
Revenue:			
User charges	257	182	36
Other revenue	189	350	284
Subsidies/donations	3,683	3,430	3,113
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	2,231	2,202	2,055
Rates - Targeted	-	-	-
	6,360	6,164	5,488
Net Surplus/(Deficit)	(582)	(275)	(604)

ROADING CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(2,408)	(3,020)	(1,932)
New capital	(1,071)	(743)	(474)
Assets vested	-	(350)	-
Debt principal repayments	-	(6)	-
Funding of reserves	(25)	-	29
Internal transfers	-	-	-
	(3,504)	(4,119)	(2,377)
Funded by:			
add new loans raised	-	145	-
add funding from reserves	305	276	23
Transfer from Ratepayer Equity	-	-	-
add depreciation	3,975	3,973	3,226
add/(deduct) Surplus/(Deficit) carried forward	(582)	(275)	(604)
Net funding surplus / (deficit)	194	-	268

[1.5] major asset acquisitions or replacements

ROADING SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
	\$000	\$000
ITEM / PROJECT		
General Renewals	2,156	2,530
Camp Creek Bridge Replacement	245	345
Atarua Rd strengthening and widening	613	218
Minor capital improvements	313	313
Upgrade Te Kinga Boat Ramp	-	58
Sealing of North and South Breakwaters	2	76

[1.6] variations from budget

Operating and maintenance costs

- Emergency works \$45,000 above budget due to the amount of weather resultant damage to Council's roading network. The majority of this was eligible for financial assistance from New Zealand Transport Agency.
- Other financially assisted roading maintenance \$478,000 above budget due to the programme required. This was mostly offset by a reduced renewal programme.

Interest expense/Principal repayment/New loans raised

- Council has included in its forecasts an amount to contribute to the Otututu bridge upgrade (costs shared between Grey DC and Buller DC) to cater for increased traffic volumes as part of the coal transport route resulting from Pike River mine. This work has not yet been undertaken, and therefore no borrowing costs incurred.

Subsidies and Donations

- New Zealand transport Agency (NZTA) financial assistance higher due to increased capital programme compared with forecast. These were previously approved projects from prior years.

Other Revenue/Vested Assets

- No roading assets vested in the 2008/2009 financial year, which reduced other income by \$350,000. The timing of this is difficult to predict exactly, and figures budgeted in the LTCCP were based on an average over years.

New capital

- Refer above table, most notably the Atarau Rd widening and strengthening work, which Council had approved in prior years.

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

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

[2] stormwater and flood protection

[2.1] council's involvement

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

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

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

[2.2] activities included in this group

- Stormwater
- Flood Protection

Rationale for grouping

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

[2.3] performance indicators and link to community outcomes

Efficient management of the stormwater activity.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Po-active identification, assessment, prioritisation and costing of District stormwater needs.	<ul style="list-style-type: none"> ▪ Developing and maintaining a ten year District needs plan by December 2007. ▪ Removing one remaining area of surface water ponding p.a. 	<ul style="list-style-type: none"> ▪ Existing Activity Management Plan (AMP) was reviewed, updated and expanded to an Advanced AMP as an input to the 2009-2019 LTCCP. ▪ Council mitigated one known surface water ponding area in the Milton Road Area - Greymouth
Ensuring that private drains in the District are maintained.	<ul style="list-style-type: none"> ▪ Identification of private drains by December 2007. ▪ Implementation of an effective monitoring programme by July 2008. 	<ul style="list-style-type: none"> ▪ Private drains are shown on Council's property files as part of building consents. ▪ The responsibility for maintaining private drains rests with the owner of the private drain. ▪ There is no delegated responsibility to staff or budgets to monitor the maintenance of private drains. where issues arise Council has limited powers of enforcement.

Outputs:	Measurement:	Achievement:
Stormwater and public drains. <ul style="list-style-type: none"> ▪ Emergency work. ▪ Major blockages/Failures. ▪ Incidents of ponding (rain events within design capacity). ▪ Properties flooded (rain events within design capacity). ▪ Buildings flooded (rain events within design capacity). 	<ul style="list-style-type: none"> ▪ Attended within 3 hours of report. ▪ Attended within 1 day of report. ▪ 15 p.a. and reducing. ▪ Less than 5 p.a. ▪ Nil. 	<ul style="list-style-type: none"> ▪ Contract monitoring confirms that emergency work was attended to within 3 hours of reports and major blockages/failures were fixed within 1 day of being reported. ▪ 10 ponding events on roads were reported. ▪ Over 100 properties were affected by surface flooding ▪ 30 buildings were flooded. <p>For the last 3 bullet points ponding and flooding occurred during significant storm events in April and May 2009. These events were greater than the normal design capacity of stormwater systems. The actual capacity of stormwater systems in the affected areas is being investigated to assess where improvements can be made. Council has budgeted funds in 2009-2012 for improvement works in built up areas.</p>
<ul style="list-style-type: none"> ▪ Service provision where secondary flow paths exist. ▪ Service provision where secondary flow paths do not exist. 	<ul style="list-style-type: none"> ▪ All new and renewed stormwater systems provided to cope with a 1 in 5 year return period storm, with the exception of the Greymouth CBD stormwater system which is designed to cope with an annual return period storm (The Greymouth CBD stormwater system is designed to be compatible with the maximum pumping capacity of the Greymouth Flood Protection Scheme flood pumps). ▪ All new and renewed stormwater systems provided to cope with a 1 in 100 year return period storm. 	<ul style="list-style-type: none"> ▪ Yes ▪ Secondary flow path are generally roadways and usually comply with 1:100 event
Control over total cost.	<ul style="list-style-type: none"> ▪ 100%. 	<ul style="list-style-type: none"> ▪ Costs exceeded total budget (refer cost of service statement). This was primarily due to significant storm events in April and May 2009 that required immediate actions and reinstatement of stormwater systems.
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> ▪ Minimum 90%. 	<ul style="list-style-type: none"> ▪ For stormwater 100% of renewal works done, but only 3% of capital works programme completed. Only significant project was stormwater improvements for Blackball was deferred to 2009/10 so that the project could be combined with additional funding available. (One contract let instead of two). ▪ For flood protection 100% of renewal works were done, however no capital works work completed as staff resource was redeployed on an unplanned improvement work in Cobden – (Limestone Arch Replacement).
Notice of planned closures for work.	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas. 	<ul style="list-style-type: none"> ▪ All potentially affect areas where notified of planned closures.
Separation of stormwater reticulation from sewerage reticulation in Greymouth, Cobden, and Blaketown: <ul style="list-style-type: none"> ▪ Separation of sewerage and stormwater reticulation 	<ul style="list-style-type: none"> ▪ Completed by 30 June 2014. Stages completed in line 	<ul style="list-style-type: none"> ▪ Ongoing. On target to complete by 2014

Outputs:	Measurement:	Achievement:
<p>schemes.</p> <ul style="list-style-type: none"> Discharges of sewerage into stormwater. 	<p>with Greymouth sewerage upgrade action plan.</p> <ul style="list-style-type: none"> Properties to separate discharges no later than separate reticulation schemes available for them to connect to. 	<ul style="list-style-type: none"> Require Council resolution to required connection by property owners
Notice of planned closures for work.	<ul style="list-style-type: none"> 24 hours notice to affected areas. 	<ul style="list-style-type: none"> Achieved
Maintain drainage systems in accordance with resource consents.	<ul style="list-style-type: none"> All systems to comply 100% with relevant consents. 	<ul style="list-style-type: none"> West Coast Regional Council function. There have been no reported breaches for those in the name of Grey District Council in the 2008/09 year.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> No satisfaction survey was carried out over the period.

Effective flood protection.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Ensuring that the Greymouth Blaketown/Cobden floodwalls are maintained to a high standard and that it remains capable of preventing flooding of the adjacent areas.	<ul style="list-style-type: none"> Full participation on the Joint Floodwall Committee. Maintaining the level of the floodwalls to withstand floods of 1:50 years with 600mm of freeboard. 	<ul style="list-style-type: none"> Yes. Assets Manager and/or Manager Support Services Structural integrity and height of the floodwall the responsibility of the WCRC. WCRC have investigated and consulted on options and costs to raise flood wall to at least a 50 year average return period flood (2% Annual Exceedance Probability) event with a 600 millimetre freeboard (extra height above the 50 year return period flood level).
In co-operation with the WCRC implement a protocol to deal with the land drainage function outside built-up areas.	<ul style="list-style-type: none"> Agreement with WCRC by July 2006 and appropriate public disclosure. 	<ul style="list-style-type: none"> WCRC have confirmed that unless a rating district has been established for flood protection works in rural areas, the responsibility for flood protection rests with individual landowners.
In cooperation with the WCRC, endeavour to implement a coastal protection scheme for Rapahoe.	<ul style="list-style-type: none"> Application for funding to the Crown by 30 July 2006. 	<ul style="list-style-type: none"> Formal requests to the Crown for funding assistance to

Outputs:	Measurement:	Achievement:
	<ul style="list-style-type: none"> ▪ Feedback to the community on options by October 2006. 	<ul style="list-style-type: none"> ▪ date have not been successful. ▪ No new coastal protection schemes have been presented to the Rapahoe Community.
Operational:		
Attendance of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> ▪ 100% 	<ul style="list-style-type: none"> ▪ Yes. Assets Manager and/or Manager Support Services
Frequency of Joint Floodwall Committee meetings.	<ul style="list-style-type: none"> ▪ Minimum once p.a. 	<ul style="list-style-type: none"> ▪ One meeting was held in 2008/09.
Attendance to Council responsibilities re land drainage. <ul style="list-style-type: none"> ▪ Emergency. ▪ Other. 	<ul style="list-style-type: none"> ▪ Attended within 3 hours of report. ▪ Attended within 1 day of report. 	<ul style="list-style-type: none"> ▪ Monitoring of contracts by Council staff confirm performance measure was met.
Notice of planned road closures for work.	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas. 	<ul style="list-style-type: none"> ▪ No planned closures for this output
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was undertaken during 2008/09.

[2.4] cost of service statement

STORMWATER & FLOOD PROTECTION INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(100)	(66)	(84)
Operating & maintenance costs	(249)	(236)	(177)
Interest expense	-	(27)	-
Depreciation	(484)	(432)	(436)
	(833)	(761)	(697)
Revenue:			
User charges	1	-	-
Other revenue	-	23	-
Subsidies/donations	-	64	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	517	503	504
Rates - Targeted	-	-	-
	518	590	504
Net Surplus/(Deficit)	(315)	(171)	(193)

STORMWATER & FLOOD PROTECTION CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(330)	(202)	(155)
New capital	(5)	(320)	(18)
Assets vested	-	(23)	-
Debt principal repayments	-	(12)	-
Funding of reserves	(17)	-	-
Internal transfers	(4)	-	(7)
	(356)	(557)	(180)
Funded by:			
add new loans raised	-	187	-
add funding from reserves	142	109	116
Transfer from Ratepayer Equity	-	-	-
add depreciation	484	432	436
add/(deduct) Surplus/(Deficit) carried forward	(315)	(171)	(193)
Net funding surplus / (deficit)	(45)	-	179

[2.5] major asset acquisitions or replacements

STORMWATER & FLOOD PROTECTION SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
	\$000	\$000
ITEM / PROJECT		
General renewals and upgrades	263	137
Culvert stormwater drains in Blackball	2	63
Runanga flood mitigation	-	114
Contribution to Incbonnie stopbank upgrade	-	104

- There were no significant works signalled in the LTCCP for 2008/2009 that were not carried out

[2.6] variations from budget

Other Revenue/Vested Assets

- No stormwater assets vested in the 2008/2009 financial year. The timing of this is difficult to predict exactly, and figures budgeted in the LTCCP were based on an average over years.

Depreciation

- Depreciation expense \$52,000 greater than budget. This is a effect of most recent valuations (June 2008), the exact impact of which was not known at the time of preparing the 2008/2009 budget.

Renewal/Capital Expenditure

- Renewal expenditure \$128,000 above budget due to prior years work being carried forward (with Council approval).
- New capital expenditure \$315,000 less than budget due to projects signalled (refer above table) not commencing in 2008/2009. These projects were to be funded from loans/external financial assistance, which subsequently was not required in the 2008/2009 year.

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

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

[3] sewerage

[3.1] council's involvement

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

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

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

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

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

[3.2] activities included in this group

- Sewerage

Rationale for grouping

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

[3.3] performance indicators and link to community outcomes

Efficient management of the sewerage activity.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Po-active identification, assessment, prioritisation and costing of District sewerage needs.	<ul style="list-style-type: none"> ▪ Maintaining a current ten year District needs plan. ▪ Consulting with urban communities without water-borne systems on community systems. 	<ul style="list-style-type: none"> ▪ Existing Activity Management Plan (AMP) was reviewed, updated and expanded to an Advanced AMP as an input to the 2009-2019 LTCCP. ▪ Communities of Kaiata, Dobson and Taylorville were consulted over proposed community systems over the period with an application to the Ministry of Health. The Taylorville community was successful in gaining preliminary approval.
Optimal use of Government subsidies under SWSS.	<ul style="list-style-type: none"> ▪ Timely application for SWSS funding for community sewerage schemes. 	<ul style="list-style-type: none"> ▪ Ongoing
Sewerage systems. <ul style="list-style-type: none"> ▪ Emergency Work (outages, broken pipes) ▪ Blockages. ▪ New connections. ▪ Availability of service. ▪ Overflow events. 	<ul style="list-style-type: none"> ▪ Attended within 1 hour of report. ▪ Attended within 3 hours of report. ▪ Within 10 days of request. ▪ 100%. ▪ Maximum of 10 per annum in 2006/07 and reducing thereafter. 	<ul style="list-style-type: none"> ▪ Monitoring of contracts by Council staff confirm that emergency work were responded to within 1 hour of report and other works within 3 hours of report. ▪ This performance criteria cannot be measured. Developers complete connections and notify council when they are completed. ▪ Service was available 100% of the time ▪ Overflow events increased and have exceeded 10 per year due to higher than usual intensity rain events. A large part of the discharge is due to a number of properties still to separate their stormwater and sewerage. Council has not yet set a date by which all properties must be separated for the greater Greymouth area.
Connection of properties using on-site disposal systems, where able to be connected to a Council sewerage reticulation scheme.	<ul style="list-style-type: none"> ▪ All applicable properties in Paroa/South Beach 	<ul style="list-style-type: none"> ▪ 70% of properties connected as at 30 June 2009 based

Outputs:	Measurement:	Achievement:
	connected by 30 June 2008.	on Geographical System Records.
Upgrade Greymouth sewerage scheme.	<ul style="list-style-type: none"> ▪ Completed by 30 June 2014. ▪ Budgeted Capital Works per annum completed to within 15%. 	<ul style="list-style-type: none"> ▪ Ongoing and on track to complete by 2014. ▪ Yes within 15%
Construct new reticulated sewerage schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> ▪ Blackball – by 30 June 2007. ▪ Te Kinga – by 30 June 2007. ▪ Boddytown – by 30 June 2007. ▪ Dobson and Kaiata – by 30 June 2009. ▪ Rapahoe – by 30 June 2011. 	<ul style="list-style-type: none"> ▪ Blackall – completed January 2008 ▪ Te Kinga – Completed November 2007 ▪ Boddytown – Completed May 2007 ▪ Did not receive Sanitary Works Subsidy Scheme assistance from the Ministry of Health. – Unlikely that community will consider proceeding without subsidy. ▪ Consultation was carried out with the community in July 2007 for an option of reticulated sewerage. The community was not in favour of this option at the time.
Notice of planned closures for work.	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas. 	<ul style="list-style-type: none"> ▪ All potentially affected areas were notified at least 24 hours prior to planned work.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ Satisfaction survey was not carried out over the period.

Mitigate environmental impacts.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Commitment to mitigate impacts of sewerage activity on the environment.	<ul style="list-style-type: none"> ▪ Design and operations aimed at mitigating environmental effects. 	<ul style="list-style-type: none"> ▪ Achieved through provision of reticulated sewerage schemes for Blackball township, Te Kinga and Boddytown built up areas were previous on site disposal systems were used. ▪ Also achieved through ongoing compliance with resource consent discharges for consented schemes.
Respecting relationship of Maori with water.	<ul style="list-style-type: none"> ▪ Consultation with Maori on the activity and associated environmental protection measures during the resource consent process. 	<ul style="list-style-type: none"> ▪ Always carried out
Environmental compliance per waste treatment scheme. <ul style="list-style-type: none"> ▪ Resource consent compliance regarding effluent discharge quality. ▪ Complaints of odours. ▪ Other complaints. 	<ul style="list-style-type: none"> ▪ More than 90% compliance. ▪ Maximum 5 p.a. ▪ Maximum 20 p.a. 	<ul style="list-style-type: none"> ▪ Greater than 90% compliance was achieved. ▪ Two odour complaints were recorded ▪ There have been greater than 20 complaints due to stormwater surcharge issues due to the higher intensity of rainfall as noted above.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was undertaken during the period.

[3.4] cost of service statement

SEWERAGE INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(108)	(54)	(98)
Operating & maintenance costs	(569)	(440)	(438)
Interest expense	(72)	(81)	(59)
Depreciation	(583)	(588)	(464)
	(1,332)	(1,163)	(1,059)
Revenue:			
User charges	68	429	30
Other revenue	-	11	-
Subsidies/donations	-	-	964
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	1,449	1,465	1,448
	1,517	1,905	2,442
Net Surplus/(Deficit)	185	742	1,383

SEWERAGE CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(172)	(181)	(167)
New capital	(2,245)	(2,374)	(2,536)
Assets vested	-	(11)	-
Debt principal repayments	-	(6)	-
Funding of reserves	(729)	(97)	(6)
Internal transfers	(19)	(79)	(65)
	(3,165)	(2,748)	(2,774)
Funded by:			
add new loans raised	-	177	-
add funding from reserves	2,243	1,242	773
Transfer from Ratepayer Equity	-	-	-
add depreciation	583	588	464
add/(deduct) Surplus/(Deficit) carried forward	185	742	1,383
Net funding surplus / (deficit)	(154)	1	(154)

[3.5] major asset acquisitions or replacements

SEWERAGE SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
	\$000	\$000
ITEM / PROJECT		
General renewals and upgrades	154	163
Contribution to Te Kinga scheme	-	178
Greymouth scheme upgrade	2,235	2,196

- There were no significant works signalled in the LTCCP for 2008/2009 that were not carried out

[3.6] variations from budget

Operating and maintenance expenditure/Support costs

- The actual costs (\$183,000 higher than budget) reflect:
 - \$60,000 of storm damage to Blackball scheme in April 2009
 - Actual costs incurred to provide for ongoing maintenance and operating costs such as electricity

User Charges

- The budgets include a forecast amount to be received from financial contributions (\$140,000) whereas \$20,000 actual was received. The timing of these financial contributions is difficult to accurately predict, and is based on the volume and location of development in the district.
- The budgets include \$228,000 of interest income earned on special fund held for Greymouth sewerage works. Interest earned has all been disclosed under the Democracy activity group. **Interest has been appropriated to all special funds, the Greymouth sewerage reserve "earned" \$200,000.**

Reserve transfers (to and from)

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

▪

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

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

[4] water supply

[4.1] council's involvement

Water is an essential need for individuals whilst it is also an important commodity in local manufacturing. It also has special relevance to the health of any community. The New Zealand Drinking Water Standard (DWS) was set in 2005 and that compliance will be mandatory, however the government has announced a delay of three years to requirements for communities to meet the drinking water legislation.

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

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

[4.2] activities included in this group

- **Water supply**

Rationale for grouping

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

[4.3] performance indicators and link to community outcomes

Efficient management of the water activity.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Pro-active identification, assessment, prioritisation and costing of District water needs.	<ul style="list-style-type: none"> ▪ Maintaining a current ten year District needs plan. ▪ For capital works decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community. 	<ul style="list-style-type: none"> ▪ Existing Asset Management Plan was reviewed and updated to an Advanced AMP level as an input to the 2009-2019 LTCCP. ▪ The Blackball community was consulted on options to upgrade its existing water supply to meet NZ Drinking Water Standards and was successful with a funding application to the Ministry of Health.
Emergency work (pipe breakages, pump outages).	<ul style="list-style-type: none"> ▪ Attended within 2 hours of report. 	<ul style="list-style-type: none"> ▪ Staff monitoring contracts confirm this measure achieved and in many cases attended to sooner than this requirement
Major pipe breaks/leaks.	<ul style="list-style-type: none"> ▪ Attended within 2 hours of report. 	<ul style="list-style-type: none"> ▪ Staff monitoring contracts confirm this measure achieved and in many cases attended to sooner than this requirement
New connections.	<ul style="list-style-type: none"> ▪ Within 5 days of request. 	<ul style="list-style-type: none"> ▪ No longer carried out by Council
Availability of service.	<ul style="list-style-type: none"> ▪ 85%. 	<ul style="list-style-type: none"> ▪ Service was available 100% of the time.
Unaccountable water.	<ul style="list-style-type: none"> ▪ Greymouth area – 10%. ▪ Runanga-Rapahoe – 15%. ▪ Stillwater – 5%. ▪ Dobson-Taylorville – 15%. ▪ Blackball – 5%. 	<ul style="list-style-type: none"> ▪ Greymouth area remains at 10%. ▪ Runanga-Rapahoe less than 15%. ▪ Stillwater remains at 5%. ▪ Dobson-Taylorville less than 15%. ▪ Blackball remains at 5%. <p>Where improvements have occurred this has been achieved through identification and repair of major leaks and/or replacement of existing water mains in</p>

Outputs:	Measurement:	Achievement:
		very poor condition.
Storage capacity.	<ul style="list-style-type: none"> ▪ Greymouth – 12 Hours. ▪ All other schemes – 24Hours. 	<ul style="list-style-type: none"> ▪ While design capacity for Greymouth is 12 hours operational capacity is less – this is being investigated. ▪ All other schemes 24 hours.
Upgrade quality on existing schemes, subject to the standards being mandated by central Government.	<ul style="list-style-type: none"> ▪ Filtration plant on Coal Creek Plant by 30 June 2010. ▪ Filtration on other schemes by 30 June 2011. 	<ul style="list-style-type: none"> ▪ Ministry of Health funding criteria confirms that financial assistance is not available for the Greymouth Scheme (Coal Creek Plant). Council has confirmed in its 2009-2019 LTCCP that it will not proceed without financial assistance. ▪ The Blackball community was consulted on options to upgrade its existing water supply to meet NZ Drinking Water Standards and was successful with a funding application to the Ministry of Health.
Construct new reticulated water schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> ▪ Moana – by 30 June 2007. ▪ Boddytown – by 30 June 2008. 	<ul style="list-style-type: none"> ▪ Moana has not been constructed and has been carried forward into the 2009-2019 LTCCP. ▪ Boddytown – completed May 2007.
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> ▪ Minimum 80%. 	<ul style="list-style-type: none"> ▪ Renewal works were 99% completed ▪ Capital works were 19% completed.
Notice of planned disruptions.	<ul style="list-style-type: none"> ▪ 24 hours notice to affected areas. 	<ul style="list-style-type: none"> ▪ At least 24 hours notification was given of planned works
Capacity of all schemes to be adequate for fire fighting purposes.	<ul style="list-style-type: none"> ▪ Renew Runanga trunk main and main to Rapahoe by 30 June 2007. ▪ Upgrade Blackball scheme by 30 June 2014. 	<ul style="list-style-type: none"> ▪ The renewal of the Runanga trunk main between Coal Creek and Runanga was completed in August 2007. The main between Runanga and Rapahoe has not been renewed yet. Work is programmed to coincide with a subdivision development which has not commenced. ▪ The Blackball scheme upgrade was completed in January 2008.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 80% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was carried out over the period.

Maintaining high quality of water.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Meeting legislative requirements.	<ul style="list-style-type: none"> ▪ Full compliance with legislative requirements re health and aesthetic quality. 	<ul style="list-style-type: none"> ▪ There were no reported health and safety issues or transgressions from the New Zealand Drinking Water Standards. Aesthetic quality issues were recorded for the Stillwater, Council approved a new intake supply to mitigate the issue.
Meeting public requirements.	<ul style="list-style-type: none"> ▪ 80% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was carried out over the period.
Integrating private schemes into district water supply profile.	<ul style="list-style-type: none"> ▪ Annual assessment of private water supplies in keeping with the water and wastewater review. 	<ul style="list-style-type: none"> ▪ Private schemes are included in the Assessment of water and wastewater services, ▪ No annual review has been undertaken however Ministry of Health hold information on all private water supply schemes providing water to the public and this information is available on request.
Compliance with Drinking Water standards (refer table below for water grading).	<ul style="list-style-type: none"> ▪ Greymouth area -Ab (after filtration upgrade). ▪ Runanga-Rapahoe- Bc. ▪ Stillwater – Bc. ▪ Dobson-Taylorville – Bb. ▪ Blackball – Bb. 	<ul style="list-style-type: none"> ▪ Greymouth area - Ec ▪ Runanga-Rapahoe - Ed ▪ Stillwater - Eb ▪ Dobson-Taylorville - Eb ▪ Blackball - Ec ▪ During the 2008/09 year Council through its draft 2009-2019 LTCCP advised that it will not consider fully complying with Drinking Water Standards unless financial assistance is available from the Ministry of Health and the community agrees to fund the difference between the total cost and the level of assistance likely to be provided.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 80% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was carried out over the period.

Source & Treatment Plant Grading	Distribution System Grading	Risk Level	Means
A1	NA	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.

[4.4] cost of service statement

WATER SUPPLY INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(136)	(82)	(120)
Operating & maintenance costs	(798)	(777)	(694)
Interest expense	(428)	(310)	(339)
Depreciation	(380)	(405)	(378)
	(1,742)	(1,574)	(1,531)
Revenue:			
User charges	37	-	4
Other revenue	-	11	-
Subsidies/donations	-	-	2
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	1,543	1,582	1,411
	1,580	1,593	1,417
Net Surplus/(Deficit)	(162)	19	(114)

WATER SUPPLY CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(357)	(362)	(913)
New capital	(19)	(100)	(66)
Assets vested	-	(11)	-
Debt principal repayments	-	(45)	-
Funding of reserves	(19)	(6)	(21)
Internal transfers	6	-	(42)
	(389)	(524)	(1,042)
Funded by:			
add new loans raised	-	100	-
add funding from reserves	-	-	608
Transfer from Ratepayer Equity	-	-	-
add depreciation	380	405	378
add/(deduct) Surplus/(Deficit) carried forward	(162)	19	(114)
Net funding surplus / (deficit)	(171)	-	(170)

[4.5] major asset acquisitions or replacements

WATER SUPPLY SIGNIFICANT CAPITAL EXPENDITURE	Actual 2009 \$000	Budget 2009 \$000
ITEM / PROJECT		
General renewals	283	285

- There were no significant works signalled in the LTCCP for 2008/2009 that were not carried out

[4.6] variations from budget

Support costs

- Actual costs incurred higher than forecast due to the actual quantum of work involved by in-house staff.

Interest Expense

- Actual result higher than budget by \$118,000 due to the fair value recognition of Council's interest rate swap arrangements (refer note 19 to accounts). This movement in value is not a cash expense, and is essentially the cost to Council if Council elected to exit the agreements as at balance date. Given the nature of the borrowings Council is unlikely to elect to exit the agreements early.

New capital

- Various minor capital works (totalling \$81,000) not commenced due to other commitments. Have been scheduled for 2009/2010.

Debt principal repayment

- No debt facilities relating to water supply repaid during the year. Where funding available funds are transferred to a debt repayment reserve for future retirement of debt.

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

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

[5] refuse collection and disposal

[5.1] council's involvement

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

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

[5.2] activities included in this group

- Refuse Collection and disposal

Rationale for grouping

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

[5.3] performance indicators and link to community outcomes

Efficient management of the refuse activity.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Efficient management of the activity.	<ul style="list-style-type: none"> ▪ Decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community. 	<ul style="list-style-type: none"> ▪ Existing Asset Management Plan was reviewed and updated to an Advanced AMP level and prepared as an input to the 2009-2019 LTCCP. ▪ Two specific workshop were held by Council between Dec 2008 and Feb 2009 on future recycling options with Council's preferred future approaches presented and consulted on in its draft 2009-2019 LTCCP.
Implementation of closed landfill remediation schemes.	<ul style="list-style-type: none"> ▪ An action plan developed by 30 September 2009. 	<ul style="list-style-type: none"> ▪ Cobden Landfill remediation is ongoing with a specific landscape plan being prepared and progressively implemented.
Collection <ul style="list-style-type: none"> ▪ Bags collected. ▪ Frequency of service. ▪ Availability of service. 	<ul style="list-style-type: none"> ▪ 2 per property. ▪ Once per week, except Greymouth central business district which is twice per week. ▪ Once per week on designated days. 	<ul style="list-style-type: none"> ▪ Each property is issued with 104 ties per year (2 bags per week). Further ties are available for purchase at Council offices. ▪ The rubbish collection operated all areas of the district once a week except in the CBD. The CBD rubbish collection operated twice a week during the year ended 30 June 2009 ▪ Service was available on all designated days throughout the year.
Disposal. <ul style="list-style-type: none"> ▪ McLeans Landfill open during consented hours. 	<ul style="list-style-type: none"> ▪ 100%. 	<ul style="list-style-type: none"> ▪ The consent allows the landfill to be open Monday – Saturday 8am – 6pm and Sunday 1pm – 5pm. The landfill operating hours are Monday – Saturday 8am – 5pm and Sunday 2pm – 5pm

Outputs:	Measurement:	Achievement:
General <ul style="list-style-type: none"> ▪ % of budgeted capital programme completed within budget year. ▪ Complaints about the service. 	<ul style="list-style-type: none"> ▪ Minimum 80%. ▪ Maximum 50 p.a. 	<ul style="list-style-type: none"> ▪ There were no capital programmes planned for the 2008/2009 year ▪ There were 30 complaints about the service. These generally relate to overflowing refuse bins in the peak tourism season.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was undertaken over the period.

Managing environmental effects.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
A commitment to reducing environmental impacts associated with refuse collection and disposal.	<ul style="list-style-type: none"> ▪ Design and operations aimed at reducing environmental effects. 	<ul style="list-style-type: none"> ▪ McLean's landfill and closed landfills generally remained within consent conditions throughout the period.
Complaints re spillage during collection and transport to McLeans Landfill.	<ul style="list-style-type: none"> ▪ Maximum 15 p.a. 	<ul style="list-style-type: none"> ▪ No complaints were recorded regarding collection and transport. Some complaints are recorded for factors outside the collection control mainly dogs ripping open refuse bags to be collected.
Compliance with discharge permit conditions for closed landfills.	<ul style="list-style-type: none"> ▪ 80%. 	<ul style="list-style-type: none"> ▪ 80% compliance was achieved.
Compliance with discharge permit conditions for McLeans Landfill.	<ul style="list-style-type: none"> ▪ 100%. 	<ul style="list-style-type: none"> ▪ 98% compliance was achieved.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was undertaken over the period.

[5.4] cost of service statement

REFUSE COLLECTION & DISPOSAL INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(64)	(59)	(52)
Operating & maintenance costs	(1,032)	(882)	(878)
Interest expense	(166)	(161)	(161)
Depreciation	(197)	(149)	(844)
	(1,459)	(1,251)	(1,935)
Revenue:			
User charges	330	229	211
Other revenue	-	-	-
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	328	311	321
Rates - Targeted	676	662	638
	1,334	1,202	1,170
Net Surplus/(Deficit)	(125)	(49)	(765)

REFUSE COLLECTION & DISPOSAL CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(14)	(9)	(11)
New capital	(1)	(10)	(8)
Assets vested	-	-	-
Debt principal repayments	(31)	(70)	(28)
Funding of reserves	(89)	(11)	(56)
Internal transfers	-	-	-
	(135)	(100)	(103)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	16	-	122
Transfer from Ratepayer Equity	-	-	-
add depreciation	197	149	844
add/(deduct) Surplus/(Deficit) carried forward	(125)	(49)	(765)
Net funding surplus / (deficit)	(47)	-	98

[5.5] major asset acquisitions or replacements

NIL

- There were no significant works signalled in the LTCCP for 2008/2009 that were not carried out

[5.6] variations from budget

Depreciation

- Actual \$48,000 higher than budget. The majority of depreciation is associated with McLeans landfill, and is based on the estimated remaining useful life of McLeans landfill cell 2

Debt principal repayment

- A small amount of debt facilities relating to McLeans landfill repaid during the year. Where funding available funds are transferred to a debt repayment reserve for future retirement of debt.

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

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

[6] rural fire authority

[6.1] council's involvement

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

[6.2] activities included in this group

- Rural Fire Authority

Rationale for grouping

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

[6.3] performance indicators and link to community outcomes

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

- | | |
|--|---|
| <p>Outcome:</p> <ul style="list-style-type: none"> ▪ A thriving local economy creating opportunities. ▪ An attractive District where residents want to be. ▪ Law, order, personal and property safety. | <p>How affected?</p> <ul style="list-style-type: none"> ▪ The ability to effectively manage fires in rural areas is a prerequisite for local investment and economic growth in such areas. ▪ Good fire services in outlying areas add to quality of life. ▪ The availability of competent fire services directly relates to this. |
|--|---|

Outputs:	Measurement:	Achievement:
Efficient joint management of the activity.	<ul style="list-style-type: none"> ▪ Active participation in West Coast Rural Fire Authority (WCRFA) activities and decision-making. 	<ul style="list-style-type: none"> ▪ Council appointed representatives attended all meetings and has acted as the Chairperson over the period.
Maintaining an operational ability to fight rural fires.	<ul style="list-style-type: none"> ▪ Response planning through the WCRFA. 	<ul style="list-style-type: none"> ▪ While there was a change in contractor, the contractors staff were trained in rural fire suppression to maintain an operational ability and were coordinated through the WCRFA.
<p>Joint Management.</p> <ul style="list-style-type: none"> ▪ Attendance of WCRFA meetings. ▪ Frequency of meetings. ▪ Availability of service. 	<ul style="list-style-type: none"> ▪ 100%. ▪ Four times a year. ▪ 85%. 	<ul style="list-style-type: none"> ▪ Yes ▪ Yes ▪ 100%
<p>Response.</p> <ul style="list-style-type: none"> ▪ Response performance. ▪ Response times from receipt of call-out to mobilisation, from mobilisation to actual arrival at the fire scene and from arrival at fire scene to time taken to declare fire out. 	<ul style="list-style-type: none"> ▪ 100%. ▪ 20 minutes from receipt of call to mobilisation. ▪ 40 minutes from mobilisation to arrival at fire scene for first fire suppression response. ▪ 6 hours from first fire suppression response to suppression and declare fire out. 	<ul style="list-style-type: none"> ▪ Yes ▪ Yes ▪ Yes ▪ Yes
<p>General</p> <ul style="list-style-type: none"> ▪ % of budgeted capital programme completed within budget year. ▪ Complaints about the service. ▪ Numbers of permits issued annually and an assessment of where and what permits are being 	<ul style="list-style-type: none"> ▪ Minimum 80%. ▪ Maximum 20 p.a. ▪ Minimum 500 permits. 	<ul style="list-style-type: none"> ▪ No renewal or capital works were required over the period ▪ No complaints ▪ 449 permits were issued for 2008/2009 year

Outputs:	Measurement:	Achievement:
<p>issued for, (e.g. vegetation clearance, back yard fires, bonfire fires (on the beach), other).</p> <ul style="list-style-type: none"> ▪ Number of wild fires with lives, property and other values injured, threatened or destroyed respectively; how fire suppressed, location, extent and probable cause plus costs of suppression. ▪ Number of permitted fires that have got out of control, lives, property and other values injured, threatened or destroyed respectively, extent of fire, how fire suppressed and probable cause, plus costs of suppression. 	<ul style="list-style-type: none"> ▪ Maximum 12 wild fires. ▪ Maximum 3 out of control permitted fires. 	<ul style="list-style-type: none"> ▪ There was 1 wild fire in 2008/2009 year. ▪ There was no out of control fires in 2008/2009 year
<p>Compliance with public expectations.</p>	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ No satisfaction survey was undertaken over the period.

[6.4]

cost of service statement

RURAL FIRE INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(16)	(17)	(20)
Operating & maintenance costs	(39)	(55)	(61)
Interest expense	-	-	-
Depreciation	-	(3)	-
	(55)	(75)	(81)
Revenue:			
User charges	-	-	43
Other revenue	-	-	-
Subsidies/donations	-	4	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	80	72	80
Rates - Targeted	-	-	-
	80	76	123
Net Surplus/(Deficit)	25	1	42

RURAL FIRE CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	-	-	-
New capital	-	(2)	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(30)	(2)	-
Internal transfers	-	-	-
	(30)	(4)	-
Funded by:			
add new loans raised	-	-	-
add funding from reserves	-	-	-
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	3	-
add/(deduct) Surplus/(Deficit) carried forward	25	1	42
Net funding surplus / (deficit)	(5)	-	42

[6.5] major asset acquisitions or replacements

Nil

[6.6] variations from budget

Operating and maintenance costs

- Actual costs can vary from year to year depending on the number of events required to respond to. Less costs were incurred in 2008/2009, and these funds have been set aside for future years where additional expenditure may be required.

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

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
▪ Continued leadership role ensures safety of rural communities which is positive.	▪ Good quality services POSITIVE for attractive living and investment environment.	▪ Quality services POSITIVE for community spirit.	▪ Service POSITIVELY reduces risk of fire damage to properties and wider natural environment.

[7] economic development

[7.1] council's involvement

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

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

[7.2] activities included in this group

- **Economic Development Facilitation and Youth**

Rationale for grouping

This activity is essentially a stand-alone focus area, even though virtually every other activity of Council and other local and regional promotional agencies add to it. It incorporates action initiated by Council itself and as part of other agencies. The performance measures identified in the developing of oppourtunites for youth have not been reported on in as council no longer contracts Youth Development officer.

[7.3] performance indicators and link to community outcomes

Growing and diversifying the local economy further.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
<p>Creating opportunity.</p> <ul style="list-style-type: none"> ▪ Developer access to Mayor and Chief Executive Officer. ▪ Complaints re restrictive processes/policies. ▪ Review of CBD expansion plan. 	<ul style="list-style-type: none"> ▪ Upon request or within 24 hours. ▪ No more than 50 p.a. ▪ By 30 June 2007. 	<ul style="list-style-type: none"> ▪ The Mayor and CEO are available by appointment during office hours. ▪ There were a number of complaints received within the acceptable range. There remains a level of discontent, which is receiving council's ongoing attention. ▪ The review of the CBD expansion has begun but was not complete as at 30 June 2009.

Working towards strengthening the regional economy

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Regional economic development. <ul style="list-style-type: none"> ▪ Attendance of Mayors' forum meetings. ▪ Compliance with Triennial Agreement. 	<ul style="list-style-type: none"> ▪ 100%. ▪ 100%. 	<ul style="list-style-type: none"> ▪ The mayor, Tony Kokshoorn attended all mayors forums held during the 2008/2009 year. ▪ Council fully complied with the triennial agreement in the 2008/2009 year.
DWC representation/association. <ul style="list-style-type: none"> ▪ Consultation with DWC on initiatives planned. 	<ul style="list-style-type: none"> ▪ 100%. 	<ul style="list-style-type: none"> ▪ Council consults with DWC on any initiatives planned that will affect the regional economy
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

[7.4] cost of service statement

ECONOMIC DEVELOPMENT INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(60)	(70)	(9)
Support costs	(36)	(40)	(32)
Operating & maintenance costs	(251)	(211)	(241)
Interest expense	-	-	-
Depreciation	-	(2)	-
	(347)	(323)	(282)
Revenue:			
User charges	79	-	79
Other revenue	-	-	-
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	36	35	38
Rates - Targeted	218	201	172
	333	236	289
Net Surplus/(Deficit)	(14)	(87)	7

ECONOMIC DEVELOPMENT CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	-	-	-
New capital	(140)	-	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	-	-	-
Internal transfers	-	-	-
	(140)	-	-
Funded by:			
add new loans raised	-	-	-
add funding from reserves	225	85	11
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	2	-
add/(deduct) Surplus/(Deficit) carried forward	(14)	(87)	7
Net funding surplus / (deficit)	71	-	18

[7.5] major asset acquisitions or replacements

ECONOMIC DEVELOPMENT SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
ITEM / PROJECT	\$000	\$000
Albert Mall Development (conversion to street)	140	-

[7.6] variations from budget

Revenue/Operating expenditure

- Funding received from central government where Council is acting as the funding agency for Young Entrepreneurs Network (YEN) (\$53,000 received 2008/2009). These funds are passed on to an external service provider.

Funding from reserves/ New capital

- This relates to a project carried forward from prior year (Albert Mall development) which was funded from reserves (special funds).

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

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

[8] property and housing

[8.1] council's involvement

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

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

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

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

[8.2] activities included in this group

- Property
- Parking
- Retirement Housing

[8.3] performance indicators and link to community outcomes

Efficient management of Council's land holdings

Outcome:

How affected?

- A thriving local economy creating opportunities.
- Making property available for development stimulates growth.

Outputs:	Measurement:	Achievement:
Retaining land with a present or future strategic value. Selling of surplus land.	<ul style="list-style-type: none"> ▪ Full assessment of strategically valuable land ▪ Sale of 40% of surplus land per lists cleared for sale by 30 June 2009. 	<ul style="list-style-type: none"> ▪ An assessment of council's strategically valuable land had not been completed as at 30 June 2009. ▪ All identified surplus land was tendered and sold in July 2006. Council has not performed any subsequent identification of surplus land since that time.
Land sales: <ul style="list-style-type: none"> ▪ Retained land kept neat and tidy. 	<ul style="list-style-type: none"> ▪ 65%. 	<ul style="list-style-type: none"> ▪ All retained land is kept tidy by council's In-House Task Force.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

Convenient parking.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
<p>Available parking:</p> <ul style="list-style-type: none"> ▪ Policing of Greymouth CBD. ▪ Policing of Shakespeare St across from High School. ▪ Policing of Tainui St across from Polytechnic. 	<ul style="list-style-type: none"> ▪ 90% coverage on a weekly basis. ▪ Once per month, or as required. ▪ Once per week, or as required. 	<ul style="list-style-type: none"> ▪ The parking warden covered at least 90% of the CBD on a weekly basis in the year ended 30 June 2009. ▪ This area is still monitored and infringements are issued as required. ▪ This area is still monitored and infringements are issued as required.
<p>General</p> <ul style="list-style-type: none"> ▪ % of budgeted capital programme completed within budget year. ▪ Complaints about the service (excluding infringement appeals). 	<ul style="list-style-type: none"> ▪ 100%. ▪ Maximum 50 p.a. 	<ul style="list-style-type: none"> ▪ 9% of the capital programme was completed. At the time the Annual Plan was produced a parking review was in progress and funds were included for capital works programmes identified in the review. The review had not been completed as at the 30 June 2009 therefore the capital programmes anticipated as part of the review were not undertaken. ▪ There were no written complaints recorded regarding parking in the 2008/2009 year. 2 verbal complaints were received and dealt with at the time of the complaint.
<p>Compliance with public expectations.</p>	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

Safe and comfortable retirement housing.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Occupation rates.	<ul style="list-style-type: none"> ▪ Above 85%. 	<ul style="list-style-type: none"> ▪ Council flats were fully occupied throughout the year ended 30 June 2009.
Complaints about the service.	<ul style="list-style-type: none"> ▪ Maximum 5 p.a. 	<ul style="list-style-type: none"> ▪ There were no complaints recorded regarding the service for the 2008/2009 year.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

[8.4] cost of service statement

PROPERTY & HOUSING INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(32)	(32)	(28)
Support costs	(169)	(246)	(197)
Operating & maintenance costs	(428)	(612)	(527)
Interest expense	(77)	(92)	(79)
Depreciation	(197)	(475)	(183)
	(903)	(1,457)	(1,014)
Revenue:			
User charges	694	723	752
Other revenue/gains	173	308	1,645
Subsidies/donations	25	-	-
Internal recoveries	111	118	84
Rates - UAGC	16	16	8
Rates - General	58	57	53
Rates - Targeted	-	-	-
	1,077	1,222	2,542
Net Surplus/(Deficit)	174	(235)	1,528

PROPERTY & HOUSING CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(9)	(20)	(55)
New capital	(862)	(158)	(146)
Assets vested	-	-	-
Debt principal repayments	-	(23)	(153)
Funding of reserves	(354)	(421)	(1,678)
Internal transfers	-	-	-
	(1,225)	(622)	(2,032)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	884	382	370
Transfer from Ratepayer Equity	-	-	-
add depreciation	197	475	183
add/(deduct) Surplus/(Deficit) carried forward	174	(235)	1,528
Net funding surplus / (deficit)	30	-	49

[8.5] major asset acquisitions or replacements

PROPERTY AND HOUSING	Actual 2009 \$000	Budget 2009 \$000
ITEM / PROJECT		
Civic chambers - Extension*	715	-
Preston Rd industrial land subdivision	120	-

* an additional \$46,000 was spent in 2007/2008.

[8.6] variations from budget

Operating and maintenance costs

- Actual \$184,000 less than budget. Property maintenance costs vary from year to year, and is not spread on a uniform basis over life of assets. Any surplus funds are transferred to special funds for future years expenditure.

Depreciation

- The budget includes depreciation on port operational assets. At the time of preparing budgets the assets were in Council ownership, however the governance of the port was through Port Westland Ltd. (refer [f][1] port westland limited, page 154 for further detail). The actual port depreciation has been included in the port operations activity group.

Other revenue/gains

- This relates to gain on sale of assets (largely freeholding of Council property), and due to the lesser volume differed from budget.

New Capital

- Higher than budget as it includes work (Council building extension) carried forward from previous year budget. This work was funded from reserves (special funds).

Funding of reserves

- Relates to gain on sale of assets, the proceeds of which are transferred to special funds (refer above).

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

SOCIAL	ECONOMIC	CULTURAL	ENVIRONMENTAL
<ul style="list-style-type: none"> ▪ Development of Deferred Rental Scheme POSITIVE as it provides older Lessees with a cheap and non threatening option. ▪ General improvement in condition of Council property POSITIVE for amenity of area. ▪ Increased hours of Parking Warden POSITIVE impact on parking availability and general parking practices but failure to cover all areas regularly still negative . ▪ Focus on creating more parking POSITIVE but long delays in land legalisation negative on public perceptions. ▪ Focus on creating more retirement housing positive. ▪ Continued provision of high standard affordable housing for older residents POSITIVE for community. ▪ Focus on provision of low and middle income housing through private sector initiative positive. 	<ul style="list-style-type: none"> ▪ Good quality services POSITIVE for attractive living and investment environment. ▪ Improved parking availability POSITIVE for commercial development. ▪ Making available of unused Council land for development positive. 	<ul style="list-style-type: none"> ▪ Services POSITIVELY contribute to making community life "whole" 	<ul style="list-style-type: none"> ▪ Consequences of good service delivery i.e. amenity improvement, parking availability POSITIVE for environment.

[9] community services and facilities

[9.1] council's involvement

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

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

[9.2] activities included in this group

- Airport
- Civic Centre
- Libraries
- Reserves
- Rest Rooms and Public Conveniences

- Swimming Baths
- Events and Recreation Management
- Cemeteries
- Council's In-House Task Force
- Arts, Culture and Heritage

Rationale for grouping

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

[9.3] performance indicators and link to community outcomes

A safe airport.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Fee recovery from landing charges at airport	<ul style="list-style-type: none"> ▪ Achieve at least estimated amount of \$18,540. 	<ul style="list-style-type: none"> ▪ \$3,584.80 was received in landing fees for the year ended 30 June 2009. The camera installed to aid in fee recovery has not been operating correctly for part of the year reducing council's ability to charge for landings.
Efficient management of the activity.	<ul style="list-style-type: none"> ▪ Management in full compliance with legal and user requirements. ▪ Implement land/other fee recovery per recommendations of Airport Management Review by December 2006. 	<ul style="list-style-type: none"> ▪ Airport continues to be maintained to meet requirements of a non-certified aerodrome which allows for aircraft to use the airport with less than 30 passengers. ▪ A digital video monitoring system was introduced over the period to improve revenue recovery.
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> ▪ Minimum 90%. 	<ul style="list-style-type: none"> ▪ No capital work carried out in airport just maintenance

Outputs:	Measurement:	Achievement:
Complaints about the service.	<ul style="list-style-type: none"> Maximum 10 p.a. 	<ul style="list-style-type: none"> Asset Management received two verbal complaints about aircraft noise. Aerodrome is designated in District Plan.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> No satisfaction survey was undertaken over the period.

An efficient indoor sports centre.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
General <ul style="list-style-type: none"> Access to facility. Complaints about the service. 	<ul style="list-style-type: none"> 100% of open hours. Maximum 10 p.a. 	<ul style="list-style-type: none"> The Civic Centre was available for bookings at all times throughout the 2008/2009 year. 3 Cancellations were made due to moisture on the floor. There were no recorded complaints regarding the civic centre in the year ended 30 June 2009.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> A satisfaction survey was not completed in the 2008/2009 year.

Convenient, accessible libraries.

Outcome:

- A thriving local economy creating opportunities.

How affected?

- Libraries as available service are a requirement for local investment.

Outcome:

- An attractive District where residents want to be.

How affected?

- Good comfortable libraries contribute to an attractive living/working environment.

Outputs:	Measurement:	Achievement:
Maintain a friendly, helpful and calm atmosphere where users can relax.	<ul style="list-style-type: none"> ▪ Maintain a positive environment inviting users to visit. 	<ul style="list-style-type: none"> ▪ The library continued to receive positive feedback in it's visitors book on the environment it provides for users throughout the 2008/09 year.
Maintain a quality book stock.	<ul style="list-style-type: none"> ▪ 30,000 books of which no more than 25% are older than 7 years. 	<ul style="list-style-type: none"> ▪ As at 30 June 2009 the library had stock of 31,723. 32.5% of this was older than 7 years.
Making Pioneer Library accessible.	<ul style="list-style-type: none"> ▪ Investigate providing a "West Coast" area specifically for local publications and books. 	<ul style="list-style-type: none"> ▪ Work on planning and preparation of the "West Coast" area was continuing as at 30 June 2009.
Number of books.	<ul style="list-style-type: none"> ▪ 30,000. 	<ul style="list-style-type: none"> ▪ Library stock as at 30 June 2009 was 31,723.
Currency of books.	<ul style="list-style-type: none"> ▪ Maximum 25% older than 7 years 	<ul style="list-style-type: none"> ▪ As at 30 June 2009 32.5% of library stock was older than 7 years. The level has decreased 5% from 37% in the 2007/2008 year.
Availability of service.	<ul style="list-style-type: none"> ▪ 95% during advertised hours. 	<ul style="list-style-type: none"> ▪ The Library was open 99% of its advertised hours. The Library was closed for 3 hours on 4 March 2009 for the south islands Librarians conference.
Complaints about the service.	<ul style="list-style-type: none"> ▪ Maximum 15 p.a. 	<ul style="list-style-type: none"> ▪ There were no recorded complaints regarding the library in the 2008/09 year.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

Well maintained parks and reserves.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
----------	--------------	--------------

Outputs:	Measurement:	Achievement:
A rationalisation of Council's parks and reserves portfolio.	<ul style="list-style-type: none"> Review by December 2006. 	<ul style="list-style-type: none"> No rationalisation review was undertaken over the period. The existing AMP was reviewed and updated as in input to the 2009-2019 LTCOP.
Maintaining parks and reserves to acceptable standards.	<ul style="list-style-type: none"> Comply with NZ Standards for playgrounds. 	<ul style="list-style-type: none"> All parks and reserves were maintained to NZ Standards were applicable (e.g. playground equipment).
Complete review.	<ul style="list-style-type: none"> Review by October 2006. 	<ul style="list-style-type: none"> No review was undertaken.
General: <ul style="list-style-type: none"> % of budgeted capital programme completed within budget year. Complaints about the service. 	<ul style="list-style-type: none"> Minimum 80%. Maximum 20 p.a. 	<ul style="list-style-type: none"> 50% of renewals were completed over the period While not all capital works budget was spent actual agreed works for the Moana Foreshore were completed over the period. No complaints were recorded regarding council's parks and reserves.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> No satisfaction survey was undertaken over the period.

Good, inviting rest rooms

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Efficient management of the activity.	<ul style="list-style-type: none"> Maintaining clean and convenient public toilets. 	<ul style="list-style-type: none"> Maintained in accordance with maintenance contract
Frequency of cleaning.	<ul style="list-style-type: none"> Daily when open. 	<ul style="list-style-type: none"> Yes
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> Minimum 80%. 	<ul style="list-style-type: none"> No renewal works were undertaken over the period as not actually required. Budget was \$5,000.
Complaints about the service.	<ul style="list-style-type: none"> Maximum 30 p.a. 	<ul style="list-style-type: none"> Approximately 10 complaints were received.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> <i>No satisfaction survey was undertaken over the period.</i>

Safe and comfortable swimming pools.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Greymouth Baths: <ul style="list-style-type: none"> ▪ Number of incidents involving safety of bathers. ▪ Compliance with Health and Safety regulations. ▪ Frequency of service. ▪ Availability of service. 	<ul style="list-style-type: none"> ▪ No more than 5 p.a. ▪ 100%. ▪ Sept – March. ▪ 100% during advertised hours. 	<ul style="list-style-type: none"> ▪ There were no recorded incidents regarding the safety of bathers in the 2008/09 year. ▪ All Health and Safety regulations were complied with in the year ended 30 June 2009. ▪ The Greymouth Memorial Pool opened for the season on Monday September 22 2008 and closed on Thursday April 9 2009. ▪ The pool was closed for a total of four days during the 2008/09 season. Three days for extra cleaning and one because of a failure in the heating plant
Aquatic centre. <ul style="list-style-type: none"> ▪ Opening of new facility 	<ul style="list-style-type: none"> ▪ By April 2009. 	<ul style="list-style-type: none"> ▪ The Grey District Aquatic Centre opened on the 27 June 2009. The opening was later than anticipated due to unforeseen delays with construction of the facility.
Runanga Baths. <ul style="list-style-type: none"> ▪ New roof and general renewal. 	<ul style="list-style-type: none"> ▪ Completed for opening of the 2009/10 season provided project funding has been secured. (varied from the Long Term Plan, which had a target of June 2008). 	<ul style="list-style-type: none"> ▪ Runanga Swimming Pool Roof was approved to go ahead during the 2007/2008 year. Stage 1 - design and tender is underway. MWH have been appointed to supply an engineering overview for the project. Five builders have been identified to be invited to tender for the project.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

Exciting events and recreational activities.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Events <ul style="list-style-type: none"> ▪ Number of Events provided. 	<ul style="list-style-type: none"> ▪ 10 p.a. 	<ul style="list-style-type: none"> ▪ 13 events were provided by Sport West Coast in the year ended 30 June 2009.
Financial support. <ul style="list-style-type: none"> ▪ Provision on Annual Plans. 	<ul style="list-style-type: none"> ▪ Annually. 	<ul style="list-style-type: none"> ▪ Funding was provided for Sport West Coast in the 2008/2009 Annual Plan.
General <ul style="list-style-type: none"> ▪ Complaints about the service. 	<ul style="list-style-type: none"> ▪ Maximum 10 p.a. 	<ul style="list-style-type: none"> ▪ There were no recorded complaints regarding the events and recreation activities provided to 30 June 2009.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

High quality and aesthetically pleasing cemeteries.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Efficient management of the activity.	<ul style="list-style-type: none"> ▪ Maintain current high standards of maintenance and service delivery. 	<ul style="list-style-type: none"> ▪ Yes

Outputs:	Measurement:	Achievement:
Maintained and mowed to acceptable standard.	<ul style="list-style-type: none"> 90% p.a. 	<ul style="list-style-type: none"> Yes
Complaints about the service.	<ul style="list-style-type: none"> Maximum 50 p.a. 	<ul style="list-style-type: none"> No complaints were recorded for the year ended 30th June 2009
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> No satisfaction survey was undertaken for the period

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

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Response to call-out.	<ul style="list-style-type: none"> Within 48 hours of report. 	<ul style="list-style-type: none"> The In-House Task Force did not receive any call outs during the 2008/2009 year.
Properties maintained.	<ul style="list-style-type: none"> 25 p.a. 	<ul style="list-style-type: none"> Council's In-House Task Force maintained 20 properties during the 2008/09 year.
Other tasks.	<ul style="list-style-type: none"> 300 p.a. 	<ul style="list-style-type: none"> The In-House Task Force performed 301 other tasks during the 2008/09 year.
Complaints about the service.	<ul style="list-style-type: none"> Maximum 50 p.a. 	<ul style="list-style-type: none"> There were no recorded complaints regarding the In-House task force in the 2008/09 year.
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> A satisfaction survey was not undertaken in the 2008/2009 year.

Promotion of arts, culture and heritage.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
History House. <ul style="list-style-type: none"> ▪ Number of visitors. ▪ Accessibility of facility. ▪ Quality of collection. ▪ Complaints about the service. ▪ Financial support - provision on annual plan. 	<ul style="list-style-type: none"> ▪ 60 p.m. ▪ 100% during advertised hours. ▪ Maintained and expanded. ▪ Maximum 10 p.a. ▪ Annually. 	<ul style="list-style-type: none"> ▪ History House had an average of 146 visitors per month for the 2008/09 year. ▪ History House was open during all its advertised hours. ▪ History House staff maintained the current collection, and continue to reorganise storage and index the collection. Various photos, books and other materials were donated throughout the year. ▪ There were no recorded complaints regarding History House in the 2008/09 year. ▪ The Support Services Manger budgets for expected expenditure which is funded through the Annual Plan.
Joint Heritage Committee. <ul style="list-style-type: none"> ▪ Meetings. ▪ Attendance 	<ul style="list-style-type: none"> ▪ Council representation at all of scheduled meetings. ▪ 100% 	<ul style="list-style-type: none"> ▪ The Joint Heritage Committee did not meet in the 2008/09 year.
Compliance with public expectations.	<ul style="list-style-type: none"> ▪ 75% satisfaction rating. 	<ul style="list-style-type: none"> ▪ A satisfaction survey was not undertaken in the 2008/2009 year.

[9.4]

cost of service statement

COMMUNITY SERVICES & FACILITIES INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(472)	(539)	(416)
Support costs	(300)	(313)	(249)
Operating & maintenance costs	(1,223)	(1,165)	(1,145)
Interest expense	(307)	(100)	(54)
Depreciation	(347)	(376)	(393)
	(2,649)	(2,493)	(2,257)
Revenue:			
User charges	690	345	1,003
Other revenue	-	-	-
Subsidies/donations*	2,135	595	523
Internal recoveries	-	-	-
Rates - UAGC	837	829	653
Rates - General	976	965	920
Rates - Targeted	-	-	-
	4,638	2,734	3,099
Net Surplus/(Deficit)	1,989	241	842

COMMUNITY SERVICES & FACILITIES CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(57)	(101)	(127)
New capital	(8,554)	(10,015)	(1,437)
Assets vested	-	-	-
Debt principal repayments	-	(15)	-
Funding of reserves	(234)	(138)	(83)
Internal transfers	-	-	(35)
	(8,845)	(10,269)	(1,682)
Funded by:			
add new loans raised	1,500	1,223	-
add funding from reserves	2,039	8,429	434
Transfer from Ratepayer Equity	3,668	-	-
add depreciation	347	376	393
add/(deduct) Surplus/(Deficit) carried forward	1,989	241	842
Net funding surplus / (deficit)	698	-	(13)

* Subsidies/donations includes \$682,000 received from NZ Lotteries for funds towards the Greymouth Aquatic centre

[9.5] major asset acquisitions or replacements

COMMUNITY SERVICES & FACILITIES SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
	\$000	\$000
ITEM / PROJECT		
Moana Foreshore Development	60	110
Greymouth Aquatic Centre*	8,314	9,000
Runanga swimming pool upgrade	69	785
New carpark development	16	158
Library book purchases/replacements	53	53

* an additional \$1,223,000 was spent in 2007/2008.

- There were no significant works signalled in the LTCCP for 2008/2009 that were not carried out

[9.6] variations from budget

User charges/Subsidies/donations

- includes money received towards the new Greymouth Aquatic Centre which was not included in the budget.

Interest Expense

- Actual result higher than budget by \$207,000 due to the fair value recognition of **Council's interest rate swap arrangements (refer note 19 to accounts)**. Council has entered into a long term hedging arrangement for the \$1.5 million loan required for the new aquatic centre. This movement in value is not a cash expense, and is essentially the cost to Council if Council elected to exit the agreements as at balance date. Given the nature of the borrowings Council is unlikely to elect to exit the agreements early.

New capital

- Almost entirely relates to the New Grey District Aquatic Centre. The budget figure represents an estimate prior to the contract being let. Also part of this capital cost was actually incurred in prior financial year.

Funding from reserves

- The budgets reflected that the net funding required for the new aquatic centre would be from reserves (special funds). The actual funding required for 2008/2009 was sourced from a mix of:
 - Reserves (special funds) set aside for the project (\$1.5 million)
 - Loan uplifted (\$1.5 million)
 - Donations/Sponsorship (\$1.8 million)
 - Internal loan (\$3.7 million)

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

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

[10] civil defence

[10.1] council's involvement

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

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

[10.2] activities included in this group

- **Emergency management and civil defence**

Rationale for grouping

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

[10.3] performance indicators and link to community outcomes

A high level of preparedness to respond to disasters.

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
West Coast Emergency Management and Civil Defence (WCEM&CD) Group. <ul style="list-style-type: none"> ▪ Meetings. ▪ Attendance. 	<ul style="list-style-type: none"> ▪ 2 p.a. ▪ 100%. 	<ul style="list-style-type: none"> ▪ The WCEM&CD group had two meetings in the year ended 30 June 2009. ▪ Kevin Beams, Manager Support Services, attended both meetings.
Contact with Volunteers. <ul style="list-style-type: none"> ▪ Meetings. 	<ul style="list-style-type: none"> ▪ 2 p.a. 	<ul style="list-style-type: none"> ▪ All volunteers were contacted informally at least twice by the Civil Defence officer during the 2008/2009 year.
General <ul style="list-style-type: none"> ▪ Training exercises. ▪ Review of Civil Defence Plan and confirming contacts. ▪ School visits 	<ul style="list-style-type: none"> ▪ 1 p.a. ▪ Once p.a. ▪ Schedule a visit to each school in the district at least once every 2 years. 	<ul style="list-style-type: none"> ▪ Co-ordinated Incident Management System (CIMS) Training was provided for staff on the 3rd and 4th of February 2009. ▪ A review of the Civil Defence Plan was undertaken by the Civil Defence Officer in the 2008/2009 year. ▪ All schools were visited at least once with a majority receiving two visits in the year ended 30 June 2009.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

[10.4] cost of service statement

CIVIL DEFENCE INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(27)	(34)	(2)
Support costs	(28)	(32)	(26)
Operating & maintenance costs	(7)	(10)	(3)
Interest expense	-	-	-
Depreciation	(1)	-	(1)
	(63)	(76)	(32)
Revenue:			
User charges	-	-	-
Other revenue	-	-	-
Subsidies/donations	(1)	1	1
Internal recoveries	-	-	-
Rates - UAGC	76	75	49
Rates - General	-	-	-
Rates - Targeted	-	-	-
	75	76	50
Net Surplus/(Deficit)	12	-	18

[10.5] major asset acquisitions or replacements

Nil

[10.6] variations from budget

N/a

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

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

[11] democracy

[11.1] council's involvement

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

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

[11.2] activities included in this group

- Council
- Effective and Open Consultation

Rationale for grouping

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

[11.3] performance indicators and link to community outcomes

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

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Accessibility and responsiveness. <ul style="list-style-type: none"> ▪ Informal contact. ▪ Council forum. ▪ Speaking rights. 	<ul style="list-style-type: none"> ▪ At all reasonable hours. ▪ Monthly upon booking of time. ▪ 10 days notice. 	<ul style="list-style-type: none"> ▪ This was not formally measured but councillors contact details are freely available to the public via the council and its website. ▪ Council forums were offered before all council meetings. The August, October, November, May and June forums were utilized by the public. ▪ While every attempt was made to give 10 days notice of speaking times in some instances this was not possible due to the lateness of the application for speaking rights.
Accountability <ul style="list-style-type: none"> ▪ Audit report to press. ▪ Annual report availability. 	<ul style="list-style-type: none"> ▪ Annually. ▪ Free upon request from local or non-corporate body. 	<ul style="list-style-type: none"> ▪ The Audit report for the 2007/2008 year was released to the press during the 2008/2009 year. ▪ The annual report was available free of charge to any resident who requested it.

Outputs:	Measurement:	Achievement:
<ul style="list-style-type: none"> ▪ Council minutes accessibility (In-open). ▪ Response to written inputs. 	<ul style="list-style-type: none"> ▪ During office hours. ▪ Within 10 days of receipt. 	<ul style="list-style-type: none"> ▪ A copy of the council meeting minutes are published in the following months agenda. Agendas are available at the main counter in the Tainui Street office and the Runanga Service Centre. ▪ 42% of all written inputs received in the year ended 30 June 2009 were responded to within 10 days.
Transparency <ul style="list-style-type: none"> ▪ Decisions in-committee. 	<ul style="list-style-type: none"> ▪ No more than 10%. 	<ul style="list-style-type: none"> ▪ 1-2% of council decisions made to 30 June 2009 were in committee.
Good Order <ul style="list-style-type: none"> ▪ Member compliance with ethical rules. ▪ Notice of meetings. ▪ Following Standing Orders. 	<ul style="list-style-type: none"> ▪ 100%. ▪ 5 days. ▪ 100%. 	<ul style="list-style-type: none"> ▪ There were no breaches of councils code of conduct in the year ended 30 June ▪ All of the 21 Meetings held in the 2008/2009 year were advertised at least 5 days prior to the meeting date. ▪ All standing orders were followed in the 2007/2008 year.
Maori <ul style="list-style-type: none"> ▪ Meetings. 	<ul style="list-style-type: none"> ▪ Per Memorandum of Understanding. 	<ul style="list-style-type: none"> ▪ Consultation with Ngati Wai Wai has been undertaken but progress has been slow on developing means for ongoing consultation.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

[11.4] cost of service statement

DEMOCRACY INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(455)	(517)	(429)
Operating & maintenance costs	(337)	(417)	(392)
Interest expense	-	-	-
Depreciation	-	(3)	-
	(792)	(937)	(821)
Revenue:			
User charges	-	50	65
Other revenue	797	550	1,015
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	1,060	1,050	1,022
Rates - General	-	-	-
Rates - Targeted	-	-	-
	1,857	1,650	2,102
Net Surplus/(Deficit)	1,065	713	1,281

DEMOCRACY CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	-	-	-
New capital	-	-	-
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(962)	(765)	(1,131)
Internal transfers	-	-	-
	(962)	(765)	(1,131)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	15	49	61
Transfer from Ratepayer Equity	-	-	-
add depreciation	-	3	-
add/(deduct) Surplus/(Deficit) carried forward	1,065	713	1,281
Net funding surplus / (deficit)	118	-	211

[11.5] major asset acquisitions or replacements

Nil

[11.6] variations from budget

User charges/other income

- Higher interest returns than budgeted, this money is all transferred to special funds which accounts for the variance in funding of reserves.

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

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

[12] administration

[12.1] council's involvement

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

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

[12.2] activities included in this group

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

Rationale for grouping

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

[12.3] performance indicators and link to community outcomes

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

Outcome:

- All Outcomes.

How affected?

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

Outputs:	Measurement:	Achievement:
Outputs:	Measurement:	
Implementation of Council's policies.	<ul style="list-style-type: none"> ▪ Execution of Council decisions, implementation of Council policies and processes. 	<ul style="list-style-type: none"> ▪ Monthly Council meeting agenda and minutes record council decisions and implementation of decisions and policies.
Quality advice to Council, Council committees/subcommittees.	<ul style="list-style-type: none"> ▪ Providing well researched, considered advice supported by all practicable alternative solutions and likely cost and impacts of each. 	<ul style="list-style-type: none"> ▪ Standard agenda item format ensures consistency of reporting including options, likely costs and effects of each alternative.
Execution of delegated authority.	<ul style="list-style-type: none"> ▪ Always acting positively and responsibly. 	<ul style="list-style-type: none"> ▪ A delegations manual was adopted by council on the 13 August 2007. The delegations Manual was amended in March 2008.
Management of Council assets.	<ul style="list-style-type: none"> ▪ Management of assets with a view to extending their useful life whilst at the same time maintaining high levels of user safety. 	<ul style="list-style-type: none"> ▪ Activity management plans have been developed for all major assets. The activity management plan helps ensure the maximisation of the useful life of council assets and maintain user safety.
The Chief Executive is responsible to Council for all executive aspects of operations.	<ul style="list-style-type: none"> ▪ Compliance with performance measures expected from the Chief Executive Officer. 	<ul style="list-style-type: none"> ▪ The CEO has an annual performance assessment by the staff committee and this covers compliance with performance measures.
Chief Executive Compliance with performance expectations set by Council.	<ul style="list-style-type: none"> ▪ 100%. 	<ul style="list-style-type: none"> ▪ The CEO fully complied with performance expectations set by council.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

[12.4] cost of service statement

ADMINISTRATION INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(2,684)	(2,760)	(2,486)
Support costs	(305)	(381)	(281)
Operating & maintenance costs	(1,271)	(1,442)	(1,345)
Interest expense	-	-	-
Depreciation	(206)	(278)	(267)
	(4,466)	(4,861)	(4,379)
Revenue:			
User charges	334	318	391
Other revenue	7	-	55
Subsidies/donations	61	77	71
Internal recoveries	4,014	4,404	3,814
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	-	-	-
	4,416	4,799	4,331
Net Surplus/(Deficit)	(50)	(62)	(48)

ADMINISTRATION CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(89)	(107)	(116)
New capital	26	(93)	(124)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(192)	(190)	(237)
Internal transfers	-	-	-
	(255)	(390)	(477)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	99	174	258
Transfer from Ratepayer Equity	-	-	-
add depreciation	206	278	267
add/(deduct) Surplus/(Deficit) carried forward	(50)	(62)	(48)
Net funding surplus / (deficit)	-	-	-

[12.5] major asset acquisitions or replacements

nil

[12.6] variations from budget

n/a

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

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

[13] environmental services

[13.1] council's involvement

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

[13.2] activities included in this group

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

Rationale for grouping

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

[13.3] performance indicators and link to community outcomes

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

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Develop the District Plan and supporting environmental policy which: <ul style="list-style-type: none"> ▪ provide clear guidance to residents concerning development within the District. ▪ reflect community expectations for sustainable, harmonious development. 	<ul style="list-style-type: none"> ▪ A District Plan which is couched in plain English and can be understood readily by residents. ▪ Improved community perceptions of departmental performance – per customer satisfaction rating. 	<ul style="list-style-type: none"> ▪ The District Plan is a living document. All changes to the Plan are worded as clearly as possible. ▪ While council did not conduct any workshops in the 2008/09 year. No formal customer satisfaction survey was undertaken, there were numerous enquiries and requests for information which were dealt with promptly and courteously.
Clear, positive, consistent application of the Resource Management Act, 1991 and Council's District Plan.	<ul style="list-style-type: none"> ▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community. 	<ul style="list-style-type: none"> ▪ Effective enforcement included use of negotiations, abatement and infringement notices and prosecution in the courts system. All prosecutions were successful.
RMA and District Plan. <ul style="list-style-type: none"> ▪ Response timelines. ▪ Prompt, courteous and fair enforcement. 	<ul style="list-style-type: none"> ▪ As prescribed in the Act. ▪ Verified complaints max 5 p.a. 	<ul style="list-style-type: none"> ▪ 77% of all consents were processed within the statutory time frames. ▪ There were no verified complaints in the year ended 30 June 2009.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

Effective implementation of the Building Act, 2004

Outcome:

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

How affected?

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

Outputs:	Measurement:	Achievement:
Achieve accreditation as a Building Consent Authority.	<ul style="list-style-type: none"> ▪ Timetable and criteria as laid down in regulations. 	<ul style="list-style-type: none"> ▪ Council received Accreditation as a building consent authority on the 13 August 2008.
Clear, positive, consistent application of the Building Act and Building Code so that buildings within the District are safe, sanitary and fit for purpose.	<ul style="list-style-type: none"> ▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community. 	<ul style="list-style-type: none"> ▪ The assessment of alternatives and cost-benefit analyses for decisions related to the Building Act is completed as part of consent processing.
Building Act: <ul style="list-style-type: none"> ▪ Response timelines. ▪ Enforcement. ▪ Prompt, courteous and fair enforcement. 	<ul style="list-style-type: none"> ▪ As prescribed in the Act. ▪ Prompt, courteous and fair. ▪ Verified complaints max 5 p.a. 	<ul style="list-style-type: none"> ▪ 91% of the 610 building consents/Certificate of Acceptances (COAs) issued to 30 June 2009 were issued within the 20 day limit. ▪ There were no verified written complaints in the year ended 30 June 2009.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

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

Outcome:

- An attractive District where residents want to be.

How affected?

- Good regulation and appropriate enforcement contribute to an attractive living/working environment.

- Law, order, personal and property safety.
- A thriving local economy creating opportunities.
- The activity contributes to a healthy, safe environment.
- It adds to the attraction for local investment.

Outputs:	Measurement:	Achievement:
Prompt reaction to requests for official information.	<ul style="list-style-type: none"> ▪ Compliance with legislative requirements. 	<ul style="list-style-type: none"> ▪ This performance criteria is unable to be measured accurately. Councils measures its response to all written correspondence of which 42% were responded to within 10 days.
Positive enforcement of bylaws as a mechanism to protect rights.	<ul style="list-style-type: none"> ▪ Implementation of Council Bylaws and Compliance Policy. 	<ul style="list-style-type: none"> ▪ All bylaw enforcements are dealt with on a case on case basis
Responsible health regulation.	<ul style="list-style-type: none"> ▪ Ensuring a high standard of public health. 	<ul style="list-style-type: none"> ▪ All food premises, hairdressers and camping grounds are inspected yearly.
Positive dog and stock control.	<ul style="list-style-type: none"> ▪ Manage the keeping of dogs and wandering stock. 	<ul style="list-style-type: none"> ▪ Council has a full time Animal Control Officer who manages all dogs in the area and deals with reports of wandering stock.
Official Information: <ul style="list-style-type: none"> ▪ Land Information Memorandum (LIM) requests. ▪ Prompt and courteous. 	<ul style="list-style-type: none"> ▪ 10 working days. 	<ul style="list-style-type: none"> ▪ 89% of LIM requests were completed within 10 working days.
Bylaw enforcement: <ul style="list-style-type: none"> ▪ Action. ▪ Amenity improvement. 	<ul style="list-style-type: none"> ▪ Per Council's Enforcement Policy. ▪ Clearance of 6 untidy properties p.a. 	<ul style="list-style-type: none"> ▪ Enforcement Action is taken on a case by case basis as per council guidelines. ▪ 12 properties were cleared through enforcement procedures in the year ended 30 June 2009.
Health Regulation <ul style="list-style-type: none"> ▪ Inspection of hairdresser salons, food premises, gaming machine outlets, camping grounds, funeral parlours and sex premises. ▪ Managing infectious and notifiable diseases in consultation with the District Medical Officer of Health. ▪ Food safety programmes. ▪ Dangerous goods. ▪ Environmental nuisance, i.e. noise. 	<ul style="list-style-type: none"> ▪ Annually or per bylaws. ▪ Per legislation. ▪ Per legislation. ▪ Per legislation. ▪ Per legislation. 	<ul style="list-style-type: none"> ▪ Hairdresser salons, food premises and camping grounds are inspected on an annual basis. Sex premises advertising and locations are regularly checked. The bylaw NZS9201 Part 14 for Cemeteries and Crematoria does not require inspection of funeral parlours. ▪ Council's Health Inspector is notified of any infectious and/or notifiable diseases and action is taken as necessary. ▪ Food safety is dealt with as part of a health premises inspection. ▪ Dangerous goods are now dealt with by Environmental Risk Management Authority (ERMA). ▪ Environmental nuisances are dealt with on a case by case basis under the appropriate bylaw.
Liquor licensing	<ul style="list-style-type: none"> ▪ Per Council Policy and via inspection visits to licensed premises with the Police and Community and Public 	<ul style="list-style-type: none"> ▪ Liquor Licences are issued as per the legislative requirements. Visits to licensed premises are made by Council, Police and Community Public Health when

Outputs:	Measurement:	Achievement:
	Health officials.	licenses are due for renewal..
Animal Control.	<ul style="list-style-type: none"> ▪ Compliance with dog registration - 95%. ▪ Improved dog owner understanding of rights and responsibilities. 	<ul style="list-style-type: none"> ▪ As at 30 June 2009 96% of all known dogs in the district were registered. ▪ There were several pamphlets made available at the Tainui Street counter for dog owners including why dogs should not roam, Dog Owners Handbook, Keeping Our Children Safe Around Dogs.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

[13.4] cost of service statement

ENVIRONMENTAL SERVICES INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(5)	-	(3)
Support costs	(1,453)	(1,648)	(1,323)
Operating & maintenance costs	(384)	(497)	(634)
Interest expense	-	-	-
Depreciation	(37)	(39)	(31)
	(1,879)	(2,184)	(1,991)
Revenue:			
User charges	1,004	1,328	1,403
Other revenue	123	-	226
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	34	34	35
Rates - General	770	761	746
Rates - Targeted	-	-	-
	1,931	2,123	2,410
Net Surplus/(Deficit)	52	(61)	419

ENVIRONMENTAL SERVICES CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	-	-	-
New capital	(138)	(110)	(2)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(151)	(33)	(361)
Internal transfers	-	-	-
	(289)	(143)	(363)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	138	165	2
Transfer from Ratepayer Equity	-	-	-
add depreciation	37	39	31
add/(deduct) Surplus/(Deficit) carried forward	52	(61)	419
Net funding surplus / (deficit)	(62)	-	89

[13.5] major asset acquisitions or replacements

ENVIRONMENTAL SERVICES SIGNIFICANT CAPITAL EXPENDITURE	Actual	Budget
	2009	2009
	\$000	\$000
ITEM / PROJECT		
Vehicle replacements	109	66

[13.6] variations from budget

User charges

- The volume of consents (building and resource) processed was less than budgeted. Part of this was offset by a reduction in expenditure.

Other revenue

- Relates to subdivision reserve contributions that were not included in budget. These funds are transferred to special funds until required to be spent.

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

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

[14] Liaison with other agencies

[14.1] council's involvement

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

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

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

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

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

[14.2] activities included in this group

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

Rationale for grouping

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

[14.3] performance indicators and link to community outcomes

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

Outcome:	How affected?
<ul style="list-style-type: none"> ▪ Affordable access to quality medical health services. ▪ Law, order, personal and property safety. ▪ Affordable access to quality education. 	<ul style="list-style-type: none"> ▪ The WCDHB, St John, doctors and other health service providers are involved in service delivery for this outcome. ▪ The NZ Police and NZ Fire Service provide services for this outcome. ▪ Tai Poutini Polytechnic, Ministry of Education, schools and other education service providers are involved in this outcome.

Outputs:	Measurement:	Achievement:
Reporting on achievement of outcomes.	<ul style="list-style-type: none"> ▪ Annually. 	<ul style="list-style-type: none"> ▪ The completion of the action plans were delayed therefore reporting on achievement of outcomes was unable to be completed.
Compliance with public expectations.	<ul style="list-style-type: none"> • 75% satisfaction rating. 	<ul style="list-style-type: none"> • A satisfaction survey was not undertaken in the 2008/2009 year.

Maintain Government funding for community safety projects.

Outcome:	How affected?
<ul style="list-style-type: none"> ▪ A thriving local economy creating opportunities. ▪ An attractive District where residents want to be. ▪ Law, order, personal and property safety. 	<ul style="list-style-type: none"> ▪ Safer communities are good for economic growth. ▪ Safety builds confidence. ▪ Projects enhance safety.

Outputs:	Measurement:	Achievement:
Funding applications.	<ul style="list-style-type: none"> ▪ Per funder's directive. 	<ul style="list-style-type: none"> ▪ All funding applications complied with any funding directives given at the time of application.
Performance management and report back.	<ul style="list-style-type: none"> ▪ Per funder's directive. 	<ul style="list-style-type: none"> ▪ All funding applications complied with any funding directives given at the time of application.

Outputs:	Measurement:	Achievement:
Compliance with public expectations.	<ul style="list-style-type: none"> 75% satisfaction rating. 	<ul style="list-style-type: none"> A satisfaction survey was not undertaken in the 2008/2009 year.

[14.4] cost of service statement

LIAISON WITH OTHER AGENCIES INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	-	-	-
Support costs	(47)	(54)	(39)
Operating & maintenance costs	(76)	(47)	(94)
Interest expense	-	-	-
Depreciation	-	-	-
	(123)	(101)	(133)
Revenue:			
User charges	34	-	34
Other revenue	-	-	-
Subsidies/donations	37	58	34
Internal recoveries	-	-	-
Rates - UAGC	44	43	40
Rates - General	-	-	-
Rates - Targeted	-	-	-
	115	101	108
Net Surplus/(Deficit)	(8)	-	(25)

[14.5] major asset acquisitions or replacements

Nil

[14.6] variations from budget

Higher operating expenditure reflects

- Relates to projects being carried out in this financial year, where funding was received in previous financial year. Council essentially acts as the funding agency, receiving funds from central government and passing onto the service provider.

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

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

[15] port operations

[15.1] council's involvement

In April 2006 a new company was formed, Port Westland Limited, a 100% Council owned subsidiary (A Council Controlled Organisation). The company is represented by three directors, including one Council representative. The intention was for Port Westland Limited to be responsible for operational management of port activities. Given that this company has been unable to date to secure any viable business to make the operation profitable Council has not transferred assets nor operational responsibilities to the company. Therefore Council continues to directly incur the costs and receive the revenue associated with the port operations of Greymouth.

Overall the port operations of Council encompass the following areas:

Navigation Safety

- To provide for the safety of navigation within the Greymouth Harbour District.

Port Facilities

- To operate, maintain, and where viable, enhance port and harbour facilities within the Greymouth Harbour District and services for, the safe, secure, effective, and efficient movement of cargo by sea transport and the servicing of the fishing industry and recreational vessels, in a manner that enhances the environment or avoids, remedies, or mitigates adverse effects on the environment.
- To promote development of the district and regional economies through provision of viable transport options for West Coast industry.
- In the longer term provide a financial return on the port assets owned by the Grey District community.

Community Services

- To plan, maintain and operate the port as a designated "lifeline utility" in Schedule 1 of the Civil Defence Emergency Management Act 2002, provide harbour works which also contribute to control of sea and river erosion and floods and provide for community use of marine recreational and heritage aspects of the port.

[15.2] activities included in this group

- Port operations

Rationale for grouping

Represents a significant activity on its own

[15.3] performance indicators and link to community outcomes

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

[15.4] cost of service statement

PORT OPERATIONS INCOME STATEMENT	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Operating expenditure:			
Employee costs	(160)	-	(151)
Support costs	(40)	-	-
Operating & maintenance costs	(501)	-	(1,334)
Interest expense	(75)	-	(58)
Depreciation	(314)	-	(302)
	(1,090)	-	(1,845)
Revenue:			
User charges	369	-	1,338
Other revenue	184	-	-
Subsidies/donations	-	-	-
Internal recoveries	-	-	-
Rates - UAGC	-	-	-
Rates - General	-	-	-
Rates - Targeted	-	-	-
	553	-	1,338
Net Surplus/(Deficit)	(537)	-	(507)

PORT OPERATIONS CAPITAL ITEMS & SOURCES OF FUNDS	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Capital items:			
Renewal works	(11)	-	-
New capital	(3)	-	(31)
Assets vested	-	-	-
Debt principal repayments	-	-	-
Funding of reserves	(20)	-	-
Internal transfers	-	-	(576)
	(34)	-	(607)
Funded by:			
add new loans raised	-	-	-
add funding from reserves	134	-	583
Transfer from Ratepayer Equity	-	-	-
add depreciation	314	-	302
add/(deduct) Surplus/(Deficit) carried forward	(537)	-	(507)
Net funding surplus / (deficit)	(123)	-	(229)

[15.5] major asset acquisitions or replacements

Nil:- Significant works, capital and renewal works are kept to a minimum until the future of the facility and governance is secured.

5.a variations from budget

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

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

None identified.

[e] consultation with maori

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

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

[f] council controlled organisations

[1] port westland limited

Port Westland Ltd was formed in April 2006, as a 100% Council owned subsidiary (A Council Controlled Trading Organisation). The company is represented by three directors, including one Council representative. The rationale was that Port Westland Limited would be responsible for operational management of port activities, and initially was responsible for negotiating with third parties for future business opportunities for the port. Due to a large potential cargo volume now committed to rail transport via the Midland Line the transfer of assets and operational responsibilities has not yet happened, and the viability of Port Westland Ltd was revisited in February 2009. After a public consultation period Council accepted the board recommendation that Port Westland Limited be wound up, effective as at 30 June 2009.

Council has assessed the value of its investment in its subsidiary, Port Westland Limited, as nil. Council recognised a loss of \$912,000 in the total investment in the 2008 accounts. There was no further investment by Council in 2009, and therefore no further loss to be recognised.

[1.1] significant policies and objectives

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

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

The core values of Port Westland Ltd were:

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

[1.2] financial summary

Income statement for the year ended 30 June 2009

	Actual 2009 \$000	Last Year 2008 \$000
INCOME		
Revenue	-	-
Total income	-	-
EXPENDITURE		
Employee expenses	-	6
Depreciation	-	-
Other expenses	47	622
Finance costs	-	-
Total operating expenditure	47	628
Net surplus/(loss) before tax	(47)	(628)
Income tax expense	-	-
Surplus/(deficit) after tax attributable to Port Westland Ltd	(47)	(628)

[1.3] key performance targets

Outcome	Strategic Performance Target	Achievement	Variance Explanation
ENVIRONMENTAL CARE:			
To minimise the adverse impact of the company's operations on the environment	<ul style="list-style-type: none"> To ensure compliance with Resource Management Act consents at all times. To remain receptive to inputs from residents in the Port vicinity re operational impact on the immediate living/working environment To monitor potential impacts on a continuous basis. To use energy efficiently and where appropriate recover energy from operational activities. 	<ul style="list-style-type: none"> No transgressions of RMA recorded External inputs encouraged and inputs fully investigated and responded to. Collins St planting completed to replace trees lost in 2005 tornado and provide amenity barrier between port and residential area. Monitoring per the resource consents undertaken Low operational activity. Efficiency pursued at all times. No energy recovered from operational activities. 	<ul style="list-style-type: none"> No appropriate technology available to recover energy from operational activities.
EMPLOYEES, HEALTH and SAFETY:			
To be an industry best workplace.	<ul style="list-style-type: none"> To demonstrate a commitment to best management practice in equal employment opportunities. To take all practical steps to provide employees with safe working conditions that do not detrimentally affect their health and safety and to have no successful prosecutions under the Health and Safety in Employment Act, 1992. 	<ul style="list-style-type: none"> Compliance did not come up as no new staff employed. Majority of fish unloading wharves licensed to Wesfleet Seafoods Ltd and Talleys Group Ltd who assumed Health and Safety in Employment responsibilities. No incidents of unsafe working were recorded in remaining operating areas.. 	
STAKEHOLDER RELATIONSHIPS:			
To be responsive to stakeholder requirements.	<ul style="list-style-type: none"> To work with Users in a positive and collaborative manner. To consult with the community and stakeholders on matters of relevance to them To meet with the West Coast Fishermen's Association at least quarterly. 	<ul style="list-style-type: none"> Maintained positive associations throughout. Continuous meetings with fish receiving operators and potential cargo customers. Met with some other stakeholders. No meetings with WCFA. 	<ul style="list-style-type: none"> Expectation for Port Westland officer to meet with association, however did not occur during the financial year.
CUSTOMER SERVICE COMMITMENT:			
To provide high quality products and meet customer service level requirements.	<ul style="list-style-type: none"> To achieve full compliance with contractual service delivery standards To be accessible to users, both politically and operationally 	<ul style="list-style-type: none"> Poor quality of wharves as result of deferred maintenance forced partial closure and reduced service standard. Low staff numbers also forces us to do only the most necessary work. Fully accessible at all levels, including Board level. 	<ul style="list-style-type: none"> Insufficient income to catch up with deferred maintenance.
ASSET MANAGEMENT:			
To manage and maintain the long-term integrity of assets.	<ul style="list-style-type: none"> To manage all assets in perpetuity. 	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Given the current status no assets have been transferred to the company, nor has the

Outcome	Strategic Performance Target	Achievement	Variance Explanation
			company invested in any new assets
ECONOMIC PERFORMANCE:			
<p>To manage the business efficiently and to operate on a least-cost philosophy subject to fulfilling other environmental, social and legislative requirements.</p>	<ul style="list-style-type: none"> ▪ To investigate and implement efficiency improvement ▪ To not do anything that may impact on the Shareholder's legal position; ▪ Achieve an income ratio to interest of 3.50 times or better. ▪ Renewing / replacing long-term debt facilities at least 6 months before their maturity. ▪ Achieve a net debt to total capitalisation ratio of less than or equal to 60% (excluding the impact of asset revaluations). ▪ Maintain the CPI pricing philosophy. 	<ul style="list-style-type: none"> ▪ Done within limitations of low operational activity. ▪ No such compromise ▪ Not achieved ▪ Matter has not come up. ▪ Not achieved ▪ Many charges increased at rate greater than annual CPI increase. 	<ul style="list-style-type: none"> ▪ Not achieved as a result of nil income. ▪ Not achieved as a result of low income. ▪ To commence recovery of years of charges not adjusted at CPI rate, to adjust income to reflect and better recover costs.

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

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

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

Tourism West Coast: [d][7] economic development, page 101

West coast Rural Fire Authority: [d][6] rural fire authority, page 96

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

Grey District Council
PO Box 382
GREYMOUTH 7840

Tel 03 769 8600
Fax 03 769 8603

www.greydc.govt.nz