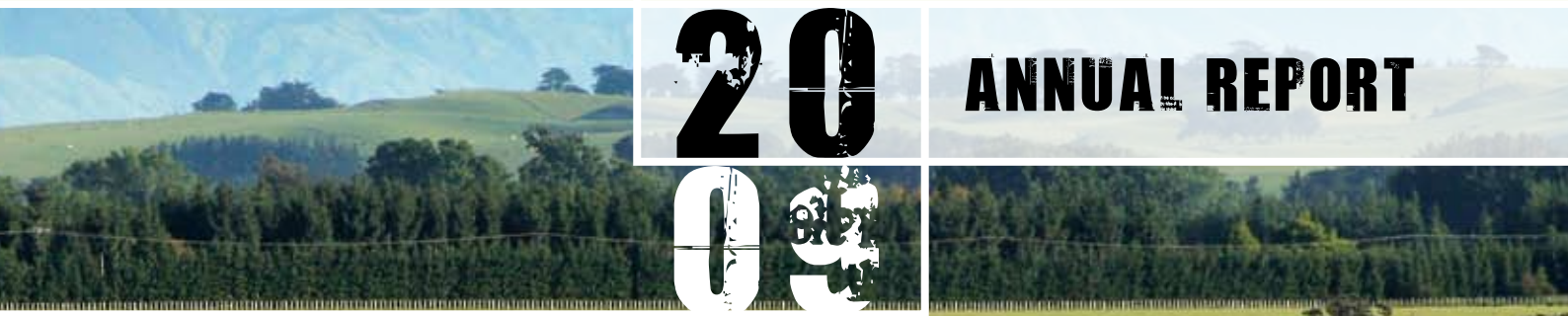




Manawatu District Council  
for the year ended 30 June 2009

20  
09

**ANNUAL REPORT**



  
**Manawatu**  
*Young Heart, Easy Living*

  
**Manawatu District Council**



2009



Manawatu District Council Annual Report  
for the year ended 30 June 2009

20

09

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## CREDITS

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INTRODUCTION

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PART ONE





2009



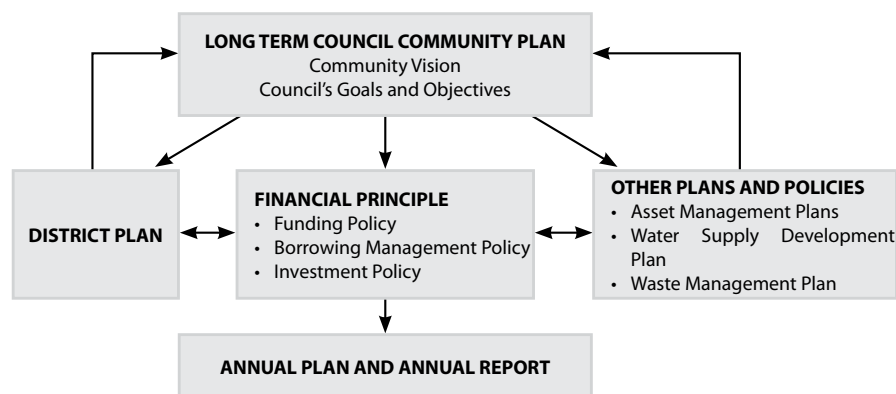
# ROLE OF THE ANNUAL REPORT

This report has been prepared under section 98 of the Local Government Act 2002 (and includes the provisions of schedule 10, part 3). It compares Council's actual performance against what was forecast for the 2008/09 financial year in the 2006-2016 Long Term Council Community Plan (LTCCP).

## The Annual Report

- reports against the Manawatu District Council's key activities, performance indicators and budgets outlined in the 2006-2016 LTCCP – we are reporting against what we said we would do in the 2008/09 financial year
- reports against Council policies such as the Funding Policy and Borrowing Management and Investment Policies
- outlines how Council has spent money collected from ratepayers, residents, financial institutions and government agencies

The Annual Report includes both financial and non-financial information. The following diagram illustrates where the report fits in terms of Council's plans and policies:



## The report is broken into four sections:

### Section One:

Introduction Gives an overview of the 2008/09 year including key highlights and financial statements.

### Section Two:

Groups of Activities Summarises what Council has achieved in each activity group, including performance indicators.

### Section Three:

Policy Reports Reports against Funding Policy, Borrowing Management and Investment Policies and Development of Maori to Contribute to Decision-Making. Also reports on remuneration of Councillors and Chief Executive.

### Section Four:

Other Information Other information, including summary information about the Manawatu District Council, elected representatives, staff and grants.

# INTRODUCTION

## FROM THE MAYOR AND CHIEF EXECUTIVE

2008/09 was the final year of Manawatu District Council's 2006-2016 Long Term Council Community Plan (LTCCP) – the first full LTCCP since the introduction of the Local Government Act in 2002. This legislation provides that each local authority must report on actual activities and performance as set out in the plan for that year. This annual report sets out the Council's performance and overall financial position for the year ended 30 June 2009.

The following pages in this introductory section set out the highlights of the year's operations. The main body of the report details each activity, or group of activities, undertaken by council. Programmes put in place under the LTCCP continued to progress, and financially another successful year has been completed. Key financial indicators are presented in part three of the report.

Last year was a busy time for Council. The 2009-2019 LTCCP was adopted on 18 June. A record 366 submissions were received, compared to 97 when the LTCCP last went out to public consultation in 2006, and 61 individuals, businesses and organisations presented their proposals during three days of hearings.

The public consultation phase this year was boosted by the appearance of six "Nice to Have" projects, with the community having the opportunity to prioritise the proposed initiatives - broadband, Leisureville-Makino Park, Leisureville-Makino Aquatic Centre, Kowhai Park aviary, Feilding CBD redevelopment and pathway development.

We continued to build on successful relationships with our neighbours, particularly Palmerston North City, with joint building services, and Rangitikei District Council, with joint assets management services. Delivery of emergency management activities (including rural fire) via Horizons Regional Council is also working very well.

It is expected that discussions around cross-boundary issues, especially in relation to growth pressures, will be considerably progressed in the next year. Council also began to see the tangible benefits to come from its involvement in an umbrella company to foster joint projects (with six other local authorities in the Manawatu-Wanganui region).

The State of Environment Report, which provides an important snapshot of key environmental indicators, was adopted by Council in April.

The report is a culmination of investigation, consultation and data gathering over the past five years to enable Manawatu District Council to report on those environmental matters that affect its communities. This report, along with other significant work, monitoring and evaluation, will contribute to the review of the District Plan, which will commence at the end of the year.

The 2008/09 year concluded with the retirement of long-serving chief executive Rod Titcombe and the appointment of Lorraine Vincent as Council's second CE in 20 years.



Ian McKelvie  
MAYOR



Lorraine Vincent  
CHIEF EXECUTIVE



# THE YEAR IN REVIEW

## 2009-2019 Long Term Council Community Plan

MANAWATU District Council's lengthy process regarding its 2009-2019 Draft Long Term Council Community Plan came to a close when councillors formally adopted the plan on 18 June. A record 366 submissions were received this year, compared to 97 when the LTCCP last went out to public consultation in 2006, and 61 individuals, businesses and organisations presented their proposals during three days of hearings.

The public consultation phase this year was boosted by the appearance of six "Nice to Have" projects, with the community having the opportunity to priority list the proposed initiatives - broadband, Leisureville-Makino Park, Leisureville-Makino Aquatic Centre, Kowhai Park aviary, Feilding CBD redevelopment and pathway development.

Strategic Planner, Philip Bronn, said broadband had proven popular and the \$40,000 set aside in 2010/11 to progress the project remained in the LTCCP.

"The desire to keep up with modern technology and ensure there is adequate telecommunications infrastructure for local businesses were some of the reasons cited for support," he said.

The proposed redevelopment of the Feilding CBD was also popular with submitters feeling it would keep the town moving forward.

"Many consider that it is the CBD which makes Feilding attractive, with some also pointing out that a greater proportion of the cost of redevelopment falls on CBD businesses."

The Leisureville components in Makino Park have remained, with a concept plan to be developed over the next year including topographical surveys, engineering design works, a timeline of work and possible funding sources.

The hydroslide has been left out of the Makino project, though the water playground, spa and learner and lap pool proposals are to remain.

The pathway development has remained in the LTCCP: Council is to allocate \$57,000 per annum to develop walkways and cycleways in line with the Manawatu Active Transport Strategy.

No funding was allocated to the Kowhai Bird aviary, with many feeling the work should be sponsored by a service group.

## New CEO at MDC

Manawatu District Council experienced a change in leadership in July when Lorraine Vincent succeeded Rod Titcombe as the organisation's Chief Executive.

Ms Vincent, the Community and Environment Group Manager, replaced Mr Titcombe who retired after heading the council since its formation in 1989.

Mr Titcombe's retirement ended a distinguished 39-year career in local government.

He said it was time to consider other options after 47 years in the work force and, while he retained good health, the opportunity to enjoy a leisurely retirement had its appeal.

After finishing his secondary education at Palmerston North Boys' High School, Mr Titcombe spent eight years with the Audit Department in Wellington before entering local government in 1970 as the Assistant Town Clerk/Accountant for the Feilding Borough Council.

He was the council's Town Clerk and Chief Executive from 1985 until appointed MDC's Chief Executive in 1989. An active interest in the New Zealand Society of Local Government Managers resulted in Mr Titcombe serving on the national executive for 11 years and as the society's president from 2003 to 2005.

Mr Titcombe received a MNZM (Member of the New Zealand Order of Merit) in the 2006 New Year's Honours List for his contribution to local government. He was appointed a Justice of the Peace in 1988.

Manawatu born and raised, Ms Vincent entered local government in 1996 as the council's Community Services Group Manager, becoming responsible for the management of the Makino Aquatic Centre, Feilding Public Library and community libraries, Civil Defence, Housing for the Elderly, recreation and leisure services.

She added the strategic planning portfolio in 2006 and took on the environmental responsibilities of health, district planning and building two years ago.

Before joining council, Ms Vincent worked as a journalist at the Manawatu Standard, becoming the newspaper's Sports Editor from 1985 to 1990, and then entered the freelance market as a communications advisor.

Ms Vincent was Sport Manawatu's Chief Executive from 1991 to 1996 before joining local government. She is currently a board member on Sport Manawatu and Netball Manawatu and is a former Central Districts and Manawatu cricket captain and New Zealand under 25 representative.

She felt honoured and privileged when offered the position and appreciated the faith Council had put in her.

## **Voice for Manawatu Youth**

Manawatu youth welcomed the opportunity throughout 2008 to make changes in the community with the introduction of a new initiative that sought their thoughts on what would make Feilding and the surrounding district friendlier and safer.

The feedback followed the inaugural meeting of Manawatu Youth Voice, a forum aimed at encouraging ongoing discussion with local youth to ensure they had a voice in decision-making.

Manawatu Youth Voice is supported by the Manawatu District Council, Te Manawa Services RAP - Respect All People Whakamana Tangata project and local youth organisations and services, with local schools sending delegates to a series of meetings twice a term.

MDC Community and Strategic Development Officer, Tracey Hunt, said the meeting had been successful and the project group was appreciative of the number of schools that were represented.

In the first forum a delegation from Awahou School

presented a "photo-voice" project (using digital cameras) highlighting some of the areas in their community causing concern, while facilitators Andrew Dever-Tod and Lisa Foggin, of Te Manawa Services, said the children found the forum a "comfortable space to work in."

Other schools at the meeting included Feilding Intermediate, Feilding High School and Hato Paora College, as well as representatives from Salvation Army Employment Training Group, Manchester House, Neighbourhood Support, police, truancy and churches. The forum has continued to meet throughout the year with many schools taking up the opportunity to present their "photo voice" projects.

## **Council purchase prime Sanson site**

A prime location in Sanson - the former Junction Hotel on the intersection of State Highways 1 and 3 - was purchased by the Manawatu District Council in 2008.

Council had long recognised the strategic importance of Sanson as an important link to the rest of Manawatu, Palmerston North and southern North Island and the town's close proximity to New Zealand's primary air force base at Ohakea.

The Council was also mindful of the need for satisfactory public facilities in the area to service the travelling public and funding had been set aside for the upgrading of the toilet block at the rear of the building.

## **Feilding support for Library Week**

A series of initiatives, including the introduction of a new inter-active service for readers, was introduced by the Feilding Public Library last August to celebrate National Library Week 2008.

Library Week, which started more than 35 years ago, acknowledges libraries and librarianship in New Zealand and offers users a chance to learn more about the many services libraries offer and the important role they play in the community.

Library Manager, Simon Johnson, said the inter-active service offered members of the public the chance to submit reviews or recommendations of their favourite books onto the library's own webpage at

“Library staff put their reviews on the website and it seems foolish that we don’t take advantage of those people who read the most books, our library users,” said Mr Johnson. “They borrow books they are enthusiastic about and now here’s a chance for them to pop their views onto the webpage.”

An amnesty on overdue books that were not subject to any existing fines was introduced for a four-week period. Those benefiting from the amnesty were asked to consider a goodwill gesture and in lieu of the fine donate a can of non-perishable food to the local food bank.

The library also promoted the Library Week theme of “What’s Your Story” by placing a reply box at the issues desk for any reader wanting to share the importance of libraries in their lives.

## Historic library restored

Kimbolton’s historic library was re-dedicated during a special community day in September 2008 following a major dual restoration programme. Kimbolton School pupils and members of the Kimbolton Community Committee had started work three months before to reinstate the 117-year-old former settler’s cottage as one of the most appealing libraries in New Zealand.

Feilding Public Library Manager, Simon Johnson, said the library was an important asset for the community as well as one of the few two-room cottages left in the area.

“The children have done a great job in getting the community behind them on this worthwhile project,” he said.

Many of the town’s businesses and organisations celebrated the occasion and the library’s role in the community and funds collected on the day went towards refurbishing the building’s interior and school library books.

The restoration project later won international recognition for the school.



# COMMUNITY OUTCOMES

## What are community outcomes?

Community outcomes are the things that are important to our community.

*In the Manawatu District this means:*

**A vital community that is cohesive and characterised by community involvement. This includes:**

- Strong leadership: leadership which is accountable and visionary, taking a long-term view
- Caring communities: taking care of the more vulnerable members of the community through a range of services
- Employment opportunities: attracting high quality professionals and trades people to the district
- Youth participation: youth involvement in decision making; employment opportunities for youth; and a greater variety of leisure resources

**A community that has access to effective services. This includes:**

- Effective long-term planning of infrastructural services
- Easy access to services – both in terms of availability and affordability
- Ease of mobility round the district: a well-maintained network of roads, cycleways and walkways

**A self-sufficient environment that preserves, values and develops our natural environment. This includes:**

- Environmental responsibility
- Promoting alternative energy and energy efficiency; organisations taking responsibility for their own waste
- Preserving the natural assets of the District, in particular district reserves
- Promotion of sustainable land-use: managing land effectively to achieve community goals, whilst

taking a long-term view of development that takes the needs of future generations into account.

- Tourism development: taking advantage of the potential for tourism in this district.

**People are able to go about their business and leisure any time of the day or evening without fear for their safety. This includes:**

- People feel safe as they go about their business
- Increased police presence in rural communities
- Faster police response times
- Communities free of drugs
- Better control of 'boy racers'

## Where did they come from?

The community decided our community outcomes. During 2005/06 the Council with the help of others, facilitated a Community Outcomes Process.

The Community Outcomes Process involved extensive consultation with the community, including public meetings and attendance at community events such as the Fielddays and the Manfeild Park Garden Festival.

The aim was to get as much community input as possible so we asked everyone from kids on the street to people in government and local organisations. We featured in the local newspaper, the Feilding Herald, on the council website and even in the Feilding Christmas Parade! We ended up with over 3000 ideas. We looked carefully at all of the ideas and summarised them into the community outcomes.

## Achieving the Community Outcomes

While Council facilitated the process to identify the Community Outcomes they do not belong to the Council. The Community Outcomes belong to the Community. They are for everybody, organisations, groups and individuals, to work towards. They will only be achieved if everybody

works towards them. Council is committed to playing its part; the Long Term Council Community Plan 2009-2019 shows how we will do this.

**All the organisations, including the Council, work towards the outcomes in various ways:**

- by doing our 'day-to-day work', eg, MidCentral Health provides health services, schools provide education and sports clubs offer recreation opportunities
- by working together on particular projects, eg, the Council and Ministry of Justice jointly fund Neighbourhood Support, Horizons Regional

Council and Manawatu District Council work in partnership to look after Totara Reserve Regional Park.

- by working together through networks and 'umbrella groups', such as the Regional Interagency Network (central and local government agencies) and Social Issues Network Council of Social Services.
- A report, which measures progress towards meeting community outcomes, will be available by the end of the year. The report will be available online at **[www.mdc.govt](http://www.mdc.govt)**.



# DISTRICT PROFILE

## Who Are We? Where Are We Going?

We are a district with a population of 28,254. Our major town, Feilding, has a population of 13,887. Feilding has won the 'Most Beautiful Town' award 14 times.

Our district was established on 1 November 1989 when the five former authorities of Oroua, Kiwitea, Pohangina, Manawatu and Feilding amalgamated. It stretches from Rangiwahia in the north to Himatangi Beach and Palmerston North in the south. The western boundary is the Rangitikei River and the eastern boundary the Ruahine Ranges.

Manawatu district comprises three wards: Kiwitea-Pohangina (northern part of the district); Kairanga (southern part of the district); and Feilding.

## We have beautiful natural features

A range of natural features exist from the peaks of the Ruahine Ranges to the beautiful Pohangina Valley to the windswept West Coast beaches and dunes.

## We have a diverse economy

- In 2007, there were 8,900 Full-Time-Equivalents (FTEs) employed in the Manawatu district in 4,030 businesses, generating \$712 million in GDP
- Agriculture – mainly dairy and cattle farming, and livestock and cropping farming – is the key driver industry in the Manawatu district economy
- Manufacturing, mainly food processing, accounts for around 13% of employment in the district
- The district also has a large defence industry at Ohakea, which makes up around 8% of employment
- The importance of these industries is reflected in their large levels of employment
- Feilding acts as a service centre to the surrounding rural community, with several rural based

businesses, including the Feilding stock saleyards. It has a thriving central business district, with significant national retailers. Smaller communities around the district act as local service centres, with tourism and visitor industries increasingly prominent, for example, B&Bs, cafes and rural homestays

- Manawatu district is centrally located with significant regional operations nearby including Palmerston North Airport, Massey University, Linton Army Camp, Palmerston North Hospital and the Universal College of Learning (UCOL)

## We have extensive infrastructure

- The district is serviced with 1,428 km of roads, of which 1,033 km is sealed and 395 km is unsealed
- There are 272 bridges within the district
- State Highways 1 and 3 run through the south western part of the district
- There are nine waste water treatment plants and nine water supply schemes – five urban and four rural
- Most small towns outside Feilding are serviced with water supply, wastewater and stormwater disposal
- A number of rural communities are also connected to water supplies and drainage systems
- There are a number of parks, reserves and sportsgrounds throughout the district including three urban parks, six playground reserves, 31 open spaces, 10 sportsgrounds, five bush reserves and six riverside reserves
- There are eight libraries within the district. The main library is located in Feilding on the corner of Stafford and Bowen Streets. There are community libraries at Himatangi Beach, Kimbolton, Pohangina, Sanson, Rongotea, Tangimoana and Waituna West

- There are 28 public halls and community centres within the district, including the Te Kawau Centre in Rongotea and the Feilding Civic Centre

### **Ethnicity**

- 78% of our population class themselves as European, compared to 68% for New Zealand
- 14% of our population class themselves as Maori, compared to 15% for New Zealand
- 15% of our population class themselves as New Zealanders – a relatively new classification. This is higher than for the rest of New Zealand at 11%

### **Education**

- 35% of our population, aged 15 and over, has a post-school qualification, compared to 40% for New Zealand
- A greater proportion of the Manawatu district, aged 15 and over, have no formal qualifications (31%) compared to 25% for the rest of New Zealand

### **We have a relatively young population**

- We have a slightly higher proportion of under-19 year olds (31%) compared to the rest of New Zealand (28%)

- However, we have less 20-34 year olds (15%) compared to the rest of New Zealand (20%)

### **We are a growing population**

- In the next 25 years our population is estimated to grow approximately 12% (6,800)

### **However, we are an ageing population**

- The bulk of this growth will occur within the over 65s
- It is estimated that by 2031 the number of over 65s will have more than doubled
- At the same time it is estimated that the number of 40-64 year olds will fall, perhaps by as much as 10-20%
- The worse case scenario is that by 2031 every age group under 64 will decline by between 10% and 20%, while the number of over 65s will double!
- The growth in over 65s will accelerate from 2011, as the baby-boomers begin to retire
- Manawatu District is not alone in this: local authorities and regions across New Zealand face similar increases. Similar trends are occurring in other countries

# STATEMENT OF COMPLIANCE AND RESPONSIBILITY

## Compliance

The Council and management of Manawatu District Council confirm that all the statutory requirements of section 98 of the Local Government Act 2002 have been complied with.

## Responsibility

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

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

DATE: 15 October 2009



Ian McKelvie  
MAYOR



Lorraine Vincent  
CHIEF EXECUTIVE





# AUDIT REPORT

## To the readers of Manawatu District Council and Group's Financial Statements and Performance Information for the year ended 30 June 2009

The Auditor-General is the auditor of Manawatu District Council (the District Council) and group. The Auditor-General has appointed me, Bede Kearney, 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 23 to 164:

- 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 23 to 108 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 15th 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

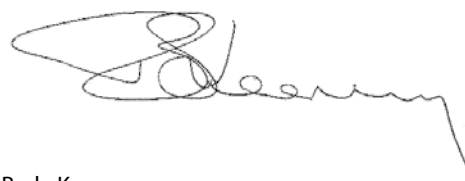
Schedule 10 and including that information in the annual report. The Council's responsibilities arise from Section 98 and Schedule 10 of the Local Government Act 2002.

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.



Bede Kearney  
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 Manawatu District Council and group for the year ended 30 June 2009 included on Manawatu District Council and group's website. The Manawatu District Council and group's Council is responsible for the maintenance and integrity of Manawatu District Council and group's website. We have not been engaged to report on the integrity of Manawatu District Council and group'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 15 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.



GROUPS OF ACTIVITIES

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09

PART TWO





2009



# GUIDE TO SECTION 2

This section summarises results from the 2008/09 financial year for Council's Groups of Activities.

## Groups of Activities

In 2008/09, Council provided various services organised into nine Groups of Activities. These are:

- Community Facilities
- Democracy
- District Development
- Emergency Management
- Environmental and Regulatory
- Leisure Resources
- Rooding
- Waste
- Water

Each Group Activity summary includes the following information:

### Overall Goal(s)

Explains the overall aims for each activity.

### Description

The nature and scope of the activity.

### Why is Council involved?

Summarises the reasons for Council involvement in each activity, including the key outcomes the activity will contribute towards.

### Links to Community Outcomes

Describes the links between the activity groups and Manawatu District's community outcomes.

## The effects Council's activities have had on community wellbeing

Describes the effects Council's activities have had on community wellbeing during the 2008/09 financial year.

According to the Local Government Act 2002, local authorities are expected to promote the current and future social, economic, environmental and cultural wellbeing of their communities.

Local authorities are therefore required to take account of all four aspects of wellbeing when making decisions.

Local Government New Zealand (2002) defines social, economic, environmental and cultural wellbeing:

#### Social –

this might encompass those factors that enable individuals, their families, hapu and communities to set goals and achieve them – these include factors such as education, health, the strength of community networks and associations, financial and personal security, rights and freedoms of equity.

#### Economic –

this might encompass those factors relating to the capacity of the economy to generate the employment wealth necessary to provide many of the prerequisites for social well-being, such as health services.

#### Environmental –

this might encompass factors that relate ultimately to the capacity of the natural environment to support, in a sustainable way, the activities that constitute community life.

## Cultural –

**this might encompass the shared beliefs, values, customs, behaviours and identities reflected through language, stories, experiences, visual and performing arts, ceremonies and heritage.**

Over the past year Council has undertaken activities that contribute towards the social, economic, environmental and cultural wellbeing of the community. The effects are summarised either at the group or activity level.

### **What Council has achieved in 2008/09**

Summarises key work programmes, capital developments and special projects during the 2008/09 financial year.

## **How Council has measured its performance**

Summarises how performance within each activity has been measured, including community opinion, response times, deadlines and compliance with regional standards.

### **Financial Summary**

Presents the actual costs and sources of funding for the 2008/09 financial year for each activity. For comparison purposes, the first column contains actual data for 2007/08 and the last column contains budget information for 2008/09.





# COMMUNITRAK

## SURVEY RESULTS

### Background

The National Research Bureau (NRB) undertakes an annual community survey, known as Communitrak, for the Manawatu District Council. The survey measures satisfaction with Council services, and asks questions on Council policy and direction, rates issues, contact with Council, information and representation. The survey also compares Council performance against a peer group of Councils and national survey of 1,004 interviews conducted in December 2008.

### Methodology

The survey interviewed 401 people throughout the district with respondents randomly selected from the telephone directory. Communitrak surveys are scientifically based on a random probability sample. Weightings were applied to the sample data to reflect the actual ward/gender/age proportions in the area as determined by Statistics New Zealand 2001 Census data. At a 95% level of confidence,

the margins of error are  $\pm 4.9\%$  based on a 50/50 split on an issue and  $\pm 3.9\%$  based on an 80/20 split.

### Highlights

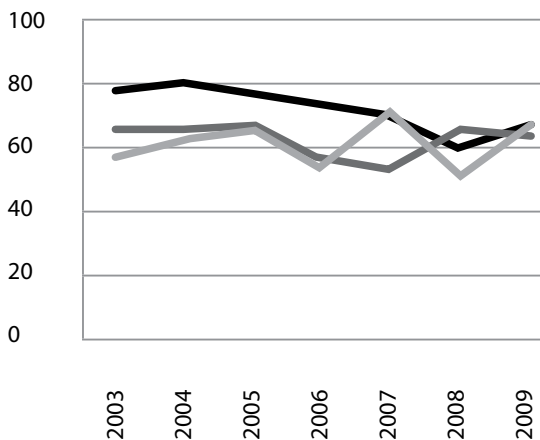
Highlights from the 2009 Communitrak survey are:

- 77% of residents are satisfied with parks and reserves within the District (2008: 75%).
- 76% of residents are satisfied with the control of dogs within the district (2008: 56%).
- Manawatu District Council compares well with both the peer group and national averages in relation to services provided by Council.

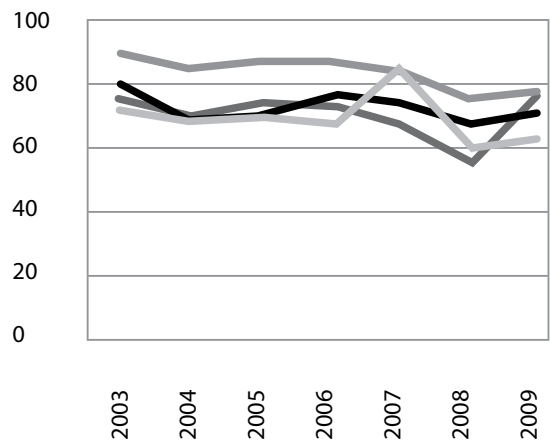
The graphs below indicate the six-year trends for **overall satisfaction** figures for selected Council services\*. Please note that the balance is made up of people dissatisfied with the service or unable to comment.

\*Note: For more detailed information, please refer to the Council services pages in this section.

### Overall Satisfaction – Selected Services 2003-2009



— Civil Defence      — Economic Development  
— Footpaths



— Dog Control      — roads  
— library services      — parks and reserves

# COMMUNITY FACILITIES

## CEMETERIES

*The community has asked for:*

**A community that has access to effective services**

*In response to this Council aims to:*

**Ensure there are facilities for the burial of deceased persons in accordance with the Burial and Cremation Act 1964 by:**

- Meeting the social and cultural requirements for the provision of cemeteries in the community
- Providing and maintaining cemeteries

- Ensuring that the Manawatu District cemeteries are something of which the community can be proud

**The following effects on community wellbeing have been identified:**

**Environmental, social and cultural wellbeing:**

While the Burial and Cremation Act 1964 requires local authorities to provide cemeteries to maintain public health and safety, provision of cemeteries is also of social and cultural significance providing a historical resource for the district and important places for burial and remembrance.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
A cemetery service that meets social and cultural requirements and maintains human respect and dignity	73% overall satisfaction with cemeteries as measured in Communitrak survey	52% overall satisfaction	Very/Fairly satisfied 52% Not very satisfied 5% Don't know 43% Please note that the overall satisfaction rating was low due to the high percentage of 'don't knows'
A cemetery service that meets social and cultural requirements and maintains human respect and dignity	93% visitor satisfaction with cemeteries as measured in Communitrak survey	85% visitor satisfaction	Very/Fairly satisfied 85% Not very satisfied 10% Don't know 5%
A cemetery service that meets social and cultural requirements and maintains human respect and dignity	Monthly monitoring of cemetery maintenance contract outputs shows that outputs meet contract requirements	Target met	Monthly monitoring shows that outputs are meeting contract requirements

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
A cemetery service that meets social and cultural requirements and maintains human respect and dignity	Cemetery management and maintenance complies 100% with Burial and Cremation Act 1964	100%	
Continued beautification of the Council-maintained cemeteries in Feilding, Rongotea, Sanson, Halcombe, Kimbolton, Rangiwahia, Waituna West and Pohangina	Beautification programme carried out within specified timeframe and budget	Target met	Beautification is being achieved within specified timeframes and budgets
Continued beautification of the Council-maintained cemeteries in Feilding, Rongotea, Sanson, Halcombe, Kimbolton, Rangiwahia, Waituna West and Pohangina	73% overall satisfaction with cemeteries as measured in Communitrak survey	52% overall satisfaction	Very/Fairly satisfied 52% Not very satisfied 5% Don't know 43%
Continued beautification of the Council-maintained cemeteries in Feilding, Rongotea, Sanson, Halcombe, Kimbolton, Rangiwahia, Waituna West and Pohangina	93% visitor satisfaction with cemeteries as measured in Communitrak survey	85% visitor satisfaction	Very/Fairly satisfied 85% Not very satisfied 10% Don't know 5%

### **Operating and Capital Work Programme for 2008/2009**

<b>Significant Operations/Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Continued beautification of the Council-maintained cemeteries in Feilding, Rongotea, Sanson, Halcombe, Kimbolton, Rangiwahia, Waituna West and Pohangina	0	0	This cost is met under the current operational budget.

# COMMUNITY FACILITIES

## PUBLIC CONVENIENCES

*The community has asked for:*

**A community that has access to effective services**

*In response to this Council aims to:*

**Provide and maintain public conveniences to standards that enhance community well-being and maintains public health and safety by:**

- Providing and maintaining public conveniences to

established criteria and standards – open 24 hours a day, 7 days a week

- Meeting health requirements and community demand for public conveniences
- Ensuring public conveniences are safe and attractive
- Monitoring demand for public conveniences on tourist, bus and key arterial routes and where appropriate meet demand

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Asset Management Plan implementation – replacement of obsolete components as indicated in plan	70% overall satisfaction with the toilets as measured in Communitrak survey	51% overall satisfaction	Very/Fairly satisfied 51% Not very satisfied 20% Don't know 29% Please note that public conveniences were identified as needing more work in the levels of service consultation recently undertaken
Asset Management Plan implementation – replacement of obsolete components as indicated in plan	88% user satisfaction with the toilets as measured in Communitrak survey	71% user satisfaction	Very/Fairly satisfied 71% Not very satisfied 27% Don't know 2%
Toilets are regularly maintained and cleaned	There are no safety incident reports. The above satisfaction levels remain in line with targets	Ongoing	No safety incidents. Toilets are maintained and cleaned within agreed Level of Service
Service provision of toilets	70% overall satisfaction with the toilets as measured in Communitrak survey	51% overall satisfaction	Very/Fairly satisfied 51% Not very satisfied 20% Don't know 29%

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Service provision of toilets	88% user satisfaction with the toilets as measured in Communitrak survey	71% user satisfaction	Very/Fairly satisfied 71% Not very satisfied 27% Don't know 2%
Exterior security lighting is used at night	Ongoing	100% security light provision at night	Exterior lighting is being maintained

### Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
TOTAL	0	0	

Capital Works	Actual (Year to Date)	Budget	Explanation of Variance/Update
Sanson Public Toilets Upgrade	0	200,000	A prime location in Sanson, occupied by the Junction Hotel, was purchased by Council in October 2008. Council was mindful of the need for satisfactory public facilities in the area to service the travelling public and had recently set aside funding for the upgrading of public toilets. Council will assess the best use of this and other council sites with a view to rationalising community facilities in the township. This funding has been carried over to 2009/10
New Rongotea Toilets	36,504	60,000	Toilet work is complete
<b>TOTAL</b>	<b>36,504</b>	<b>260,000</b>	

# COMMUNITY FACILITIES

Funding Summary | for the period ended 30 June 2009

Actual 2008		Actual 2009	Budget 2009	%
\$000		\$000	\$000	
<b>Operating Costs</b>				
664	Housing for the Elderly and Disabled	10,148*	0	
146	Cemeteries	155	190	82%
69	Public Conveniences	84	106	79%
43	Interest	0	0	
490	Depreciation	17	26	65%
129	Support Costs	44	30	147%
<b>1,541</b>	<b>Total Operating Costs</b>	<b>10,448</b>	<b>352</b>	<b>2968%</b>
<b>Capital Costs</b>				
9	New Work	194	266	73%
92	Renewal Work	0	0	
17	Loan Repayments	0	0	
<b>118</b>	<b>Total Capital Costs</b>	<b>194</b>	<b>266</b>	<b>73%</b>
<b>1,659</b>	<b>TOTAL COSTS</b>	<b>10,642</b>	<b>618</b>	<b>1722%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
253	Targeted Rates	314	306	103%
951	User Fees	69	87	79%
<b>1,204</b>	<b>Total Operating Revenue</b>	<b>383</b>	<b>393</b>	<b>97%</b>
<b>Capital Funding</b>				
2	Transfers from Investments	165	200	83%
490	Funding from Non Cash Items	10,069	26	38727%
<b>492</b>	<b>Total Capital Funding</b>	<b>10,234</b>	<b>226</b>	<b>4528%</b>
<b>1,696</b>	<b>TOTAL FUNDING</b>	<b>10,617</b>	<b>619</b>	<b>1715%</b>
<b>37</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(25)</b>	<b>1</b>	

\* On the 1 July 2008, the Council gifted its housing for the elderly & disabled property portfolio to the Manawatu Community Trust. This gifting resulted in an asset write-off expense of \$10.44m in Council's income statement. The housing portfolio remains within the Group, so this asset write-off is eliminated within the Group income statement. (The remaining \$4,000 relates to some minor maintenance costs that were incurred during Council's ownership.)

# DEMOCRACY

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

*In response to this Council aims to:*

**Provide for effective local democratic governance and efficiently, effectively and fairly respond to community present and future needs by:**

- Assisting the community in identifying the expectations and priorities for the future (community outcomes)
- Ensuring Council's strategic direction aligns with community aspirations
- Meeting the Council's planning and reporting responsibilities
- Advocating on the district's behalf to other agencies, including central and regional government, on various issues

- Increasing awareness of Council's activities and decisions which affect the community
- Providing for effective, democratic local government
- Seeking to increase Maori involvement in local decision-making

**The following effects on community wellbeing have been identified:**

**Community wellbeing:**

This activity, through the underlying democratic process and development of policies relating to all activities and functions of Council, contributes to all aspects of community wellbeing; social, economic, environmental and cultural wellbeing.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Monitor progress against meeting community outcomes.	A monitoring framework is in place which accurately gauges progress towards meeting community outcomes	Ongoing	A monitoring framework is now in place and can be found in the LTCCP 2009-19. The first Community Outcomes Monitoring report is currently being developed, due in 2009
Timely and efficient production of planning and reporting requirements	All plans and reports are 100% compliant with local government legislation (Council Records/Audit NZ opinions)	Target met	Council has now adopted the 2009-19 LTCCP. An unqualified audit opinion was issued

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Respond to community needs as and when they arise and, where appropriate, make representations to central government and other authorities and organisations	70% community satisfaction with Mayor and Councillors as measured in Communitrak survey	87% community satisfaction	71% of respondents rated the Mayor and Councillors as very/fairly good and 16% as acceptable
Consult on major decisions and expenditure facing particular communities, in accordance with Council's Significance Policy	70% community satisfaction with Mayor and Councillors as measured in Communitrak survey	87% community satisfaction	71% of respondents rated the Mayor and Councillors as very/fairly good and 16% as acceptable
Consult on major decisions and expenditure facing particular communities, in accordance with Council's Significance Policy	70% community satisfaction with level of communication and information from Council as measured in Communitrak survey	83% community satisfaction	60% of respondents rated the level of information from Council as very/fairly good and 23% as acceptable
Work with the Marae Consultative Committee to explore means of attaining wider Maori participation	There are effective means by which Maori can contribute to local decision making	Target met	The Marae Consultative Committee and Manawatu District Council have developed a contacts list of Maori groups and individuals within the Manawatu district. The list will be used, alongside other communication methods, to involve those Maori groups and individuals in any consultation which is of relevance to them

## **Operating and Capital Work Programme for 2008/2009**

Not applicable for this activity.



# DEMOCRACY

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
398	Mayor & Members	394	413	95%
79	Other Council	87	45	193%
65	Public Relations	62	63	98%
186	Strategic Planning*	0	445	0%
92	Secretariat*	0	202	0%
87	Elections	0	0	
354	Support Costs	418	267	157%
<b>1,261</b>	<b>Total Operating Costs</b>	<b>961</b>	<b>1,435</b>	<b>67%</b>
<b>1,261</b>	<b>TOTAL COSTS</b>	<b>961</b>	<b>1,435</b>	<b>67%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
1,589	Targeted Rates	1,502	1,496	100%
<b>1,631</b>	<b>Total Operating Revenue</b>	<b>1,502</b>	<b>1,496</b>	<b>100%</b>
<b>1,631</b>	<b>TOTAL FUNDING</b>	<b>1,502</b>	<b>1,496</b>	<b>100%</b>
<b>370</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>541</b>	<b>61</b>	

\*In the Democracy Funding Statement, Strategic Planning and the Secretariat were included as separate line items in the Annual Plan. This has been now incorporated in Support Costs.

# DISTRICT DEVELOPMENT

## COMMUNITY FUNDING AND DEVELOPMENT

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement.**

*This is achieved through:*

- The provision of community funding, which supports local community groups, activities and events
- The provision of Economic Development, which benefits the whole community through support of urban and rural business, enhancing the economic potential of the district, promoting the district to potential investors and increasing the pride and well-being of the residents
- Providing a functional and effective streetscape within the Feilding central business district that facilitates community activities whilst catering for the needs of traffic and pedestrians

**People are able to go about their business and leisure any time of the day or evening without fear for their safety**

*This is achieved through:*

- Council working in partnership with other community agencies working towards a safer community, and where appropriate supporting safety initiatives
- Enhancing safety and security for people going about their business and leisure by providing an open and well-lit central business district

*The following effects on community wellbeing have been identified:*

### **Social and cultural wellbeing:**

Applications for Community Development Funding (\$195,000 per annum) are required to demonstrate how projects primarily contribute towards the social and cultural wellbeing and secondarily to the economic and environmental wellbeing of the community. Organisations funded include Neighbourhood Support, Manchester House Social Services, Te Manawa, Social Issues Network Council of Social Services, Manawatu Rural Support and the Feilding and Districts Youth Board.

## What has Council achieved in 2008/2009?

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Maintain effective operation of Feilding and Districts Information Centre via Destination Manawatu contract with Feilding Promotion	There is an increase on past 3-year average for visitor enquiries, foot traffic, bookings and sales	Target met	The data collection of visitor numbers through Feilding and District Information Centre is recorded manually by the staff when an enquiry is made at the front counter. An automatic system is to be implemented for 2009/10 where a more accurate record will be available

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Allocation of Community Development Funds, including Creative Communities and Trust funds	100 % of grants approved meet Council criteria	Target met	All grants approved meet Council criteria
Contributions to regional facility projects	Assessed on a project-by-project basis	Ongoing	Manawatu District Council is a partner in the Regional Sport and Active Recreation Strategy (RSARS). One aspect of this strategy is the ongoing coordination and development of regional sports facilities. Other projects include Sanson Facility Development and the Regional Archives Facility
Continued involvement in Creative Communities New Zealand Scheme allocation	100% of grants approved meet Scheme criteria	Target met	All grants approved meet funding criteria
Activity programmes delivered as per agreement with Sport Manawatu (including joint funding of an event co-ordinator position with Palmerston North City Council)	Activities and programmes carried out within specified timeframe – work programme reported against six-monthly	Target met	This target was part of Sport Manawatu's 12-month report to the Strategic Planning and Policy committee following collective presentations to funders. This target is reported against via Feilding Promotion's 12-month reporting process September 2009
Carry out work programme as specified in the District Leisure Plan (and provide support for other initiatives)	Annual work programmes carried out within specified timeframe – work programme reported against two-yearly	Annual work programmes carried out within specified timeframes - work programme reported on two yearly	The Leisure Plan Monitoring Report provides information on the progress made against targets. The next report is due in 2009

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Safety projects (via funding sourced from Crime Prevention Unit) including Youth Anger Management Programme, Neighbourhood Support, Community Patrol	Projects are carried out within specified timeframe and budget	To date all projects are carried out within specified timeframe and budget	Funded organisations reported back to the Crime Prevention Unit via MDC in July 2009. All programmes are meeting specified outcomes

### Operating and Capital Work Programme for 2008/2009

<b>Significant Operations/Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Community Development Funding	197,659	204,360	
Sport Manawatu funding annual grant - service agreement agreed through to June 2009	63,038	63,037	
Events Coordinator - this position is jointly funded with the Palmerston North City Council	10,505	10,506	
24-hour security – for the provision of 24-hour security in the town centre	63,036	63,037	
Leisureville	10,381	13,510	Funding has been used to further develop the Leisureville concept plan. Illustrations of what Leisureville could look like, along with indicative costs and possible funding sources, have been included in the LTCCP. Further concept development work will take place in 2009/10
<b>TOTAL</b>	<b>344,619</b>	<b>354,450</b>	

# DISTRICT DEVELOPMENT

## ECONOMIC DEVELOPMENT

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

*In response to this Council aims to:*

**Assist and encourage the sustainable economic development of Manawatu district urban and rural communities through partnerships by:**

- Supporting provision of services related to economic development through appropriate agencies
- Encouraging the District Plan to protect land suitable for economic development
- Providing support for ongoing implementation of Regional Economic Development Strategy
- Supporting promotion of the district as a quality

destination for tourists and visitors

- Promoting Feilding and the district as a quality place to live with excellent facilities and infrastructure

**The following effects on community wellbeing have been identified:**

**Economic wellbeing:**

The whole community benefits from Economic Development through support of urban and rural business, enhancing the economic potential of the district, promoting the district to potential investors and increasing the pride and wellbeing of the residents. A healthy district economy is vital to the present and future viability of the community. Specific activities that contribute toward economic wellbeing include the development of Manfeild Park, work undertaken by key agencies Vision Manawatu, Destination Manawatu, Sport Manawatu and Feilding Promotion.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Broker central government support and investment in the region for Manawatu Economic Priority Sectors (via contract with Vision Manawatu)	\$300,000 per annum of central government funding is obtained	\$589,670	Government grants investment significantly exceeded target in the region totalling \$589,670
Implementation of marketing campaigns to grow the domestic international leisure market (via contract with Destination Manawatu)	The number of visitor arrivals, bed nights and expenditure increases on the past three-year average		The visitor arrivals and bed nights data contained in Destination Manawatu's 12-month report relating to this measure were circulated to Councillors as part of the September 2009 collective presentations

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Increase Feilding's business capacity through organising bi-monthly business networking functions and seminars that assist and encourage businesses to grow (via contract with Feilding Promotion)	Six functions are held each year	10 Functions	In the year ending 30 June 2009 the following functions were held: Seven Business After 5.30s; three seminars - Maximising your Market, Sales Jolts, The people you don't Sell to when they visit your Business, plus promotion of all the VM and NZ retailers seminars Other events: Excellence in Business Awards Dinner, Cocky of the Year, Business Gumboot Relay, Shop to Win launch, our CD field days site, two retailers forums
Increase Feilding's business capacity through organising bi-monthly business networking functions and seminars that assist and encourage businesses to grow (via contract with Feilding Promotion)	There is an average of 20 attendees	There is an average of 20 attendees	This target is reported against via Feilding Promotion's 12-month reporting process
Increase Feilding's business capacity through organising bi-monthly business networking functions and seminars that assist and encourage businesses to grow (via contract with Feilding Promotion)	80% satisfaction with the seminars	Feilding Promotion's annual report suggests that the 80% satisfaction measure has been reached	This target is reported against via Feilding Promotion's 12-month reporting process
Increase Feilding's business capacity through organising bi-monthly business networking functions and seminars that assist and encourage businesses to grow (via contract with Feilding Promotion)	82% overall community satisfaction of economic development in the district as measured in Communitrak survey	65% overall community satisfaction	Very/Fairly satisfied 65% Not very satisfied 5% Don't know 30%

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Broker central government support and investment in the region which develop the supporting sectors of the Regional Economic Development Strategy	\$700,000 of funding per annum is obtained from central government	Target not achieved - \$623,670	\$623,670 was gained from Central Government Funding. There are two main changes to how Central Government allocated funding: 1. FoRST restructured their technology investment and larger amounts are now awarded through Wellington. 2. NZTE cut their enterprise training programme budgeted by 26%
Broker central government support and investment in the region which develop the supporting sectors of the Regional Economic Development Strategy	80% satisfaction with enterprise training programmes	Tracking	Target achievements (including activities and programmes) will be reported on via Vision Manawatu's 6 and 12-month reporting regime. Vision Manawatu presented its 6-month (first period) collective presentation to funders on 18 March 2009, with the formal six-month report (from 1 July 2009 to 31 December 2009) presented to the Strategic Planning and Policy Committee on 19 March 2009
Development of tourist and visitor activities (via contract with Destination Manawatu)	Development of tourist and visitor activities (via contract with Destination Manawatu)	Tracking	Examples were contained in 12-month collective presentations to funders in September 2009
Positive promotion of Feilding and the district to key markets (facilitated by Feilding Promotion)	A promotion programme is implemented within timeframe and budget	Tracking	Promotion examples were noted during the presentation of Feilding Promotion's 12-month report to the Strategic Planning and Policy committee in September 2009 as well as the formal reports from Vision Manawatu, sport Manawatu and Destination Manawatu

## Operating and Capital Work Programme for 2008/2009

Significant Operations/ Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Vision Manawatu funding Three-year agreement in place	157,594	157,594	
Destination Manawatu funding (three-year agreement in place)	230,858	230,862	
Feilding Promotion funding (this amount does not include the additional \$66,356 information services funding received via Destination Manawatu) Service agreement agreed through to June 2009	147,612	147,613	
Economic Development – Internal	52,505	58,835	Expenditure includes the following: 1. Sanson investigation work 2. Broadband 3. BERL Economic Forecast 4. Food Innovation project 5. Economic Impacts of Events report
Regional initiatives – allows Manawatu District Council to meet its joint commitments with Palmerston North City Council	0	5,253	No joint commitments undertaken this financial year
Manfeild Park Trust - community investment. This is an annual community investment contribution towards the operation of Manfeild Park	262,656	262,656	
The Bio Commerce Centre - Grant for 2008/09	30,000	30,000	Grant provided to Bio Commerce for the 2008/09 financial year
<b>TOTAL</b>	<b>881,225</b>	<b>892,813</b>	



# DISTRICT DEVELOPMENT

## FEILDING CBD DEVELOPMENT

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Upgrade the Feilding Central Business District so that an environment for revitalisation and growth is created for the benefit of the Manawatu District in which commercial activity is enhanced, community use is promoted and a greater sense of ownership and pride is generated. This will be achieved by:**

- Continuing to develop a vibrant, viable and character retail shopping centre
- Encouraging the protection and restoration of designated heritage aspects of the Feilding CBD

- Ensuring the CBD is safe, attractive and used by the community
- Promoting and beautifying other small village centres in the Manawatu district

**The following effects on community wellbeing have been identified:**

**Social, cultural and economic wellbeing:**

There are significant benefits for social, cultural and economic wellbeing associated with the development of an attractive business centre. Feilding CBD provides the main retail business area in the Manawatu district. A redeveloped CBD contributes to a sense of civic pride, promotes the district, creates a positive atmosphere, a place for community gatherings and celebration and is available to everyone. It helps maintain the attractiveness of the area for retail and provides business and employment opportunities.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Allocation of the Heritage Incentive Strategy Fund	100% of grants approved meet Council criteria	Ongoing	No requests received as at 30 June 2009
Events, incorporating use of the CBD where appropriate, are delivered as per agreement with Feilding Promotion	Contract outcomes satisfy KPIs – in six-month report	Target met	This target was reported on via Feilding Promotion's 6-month reporting process and presented to Strategic Planning and Policy Committee on 19 March 2009

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Ensure pavers and street furniture are kept clean and tidy	Record non compliances from the maintenance reports – no more than one non-compliance every two years	Target met	Pavers were washed once during the year and minor isolated spots cleaned as required. No non-compliances were recorded
Develop programmes for revitalisation as requested by respective communities	Programmes developed on request	Ongoing	As at 30 June 2009 beautification work has been undertaken at Rangiwahia, Bunnythorpe, Sanson and Rongotea

### Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Manfeild Park – Possible realignment of entranceway and road into Manfeild Park together with possible partial upgrade of Fergusson Street	27,089	300,000	The \$300,000 for Manfeild Park realignment has been carried over to 2009/10. The \$27,089 expenditure related to wrought iron feature on Bowen Street/ Manchester Street corner
<b>TOTAL</b>	<b>27,089</b>	<b>300,000</b>	

# DISTRICT DEVELOPMENT

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
462	Community Funding	454	432	105%
146	Community Development	88	101	87%
608	Economic Development	645	672	96%
250	Manfeild Park Development	263	263	100%
62	CBD - Security	63	63	100%
209	Interest	341	450	76%
5	Depreciation	5	5	100%
79	Support Costs	152	106	143%
<b>1,821</b>	<b>Total Operating Costs</b>	<b>2,011</b>	<b>2,092</b>	<b>96%</b>
<b>Capital Costs</b>				
306	New Work	27	300	9%
121	Loan Repayments	103	217	47%
<b>427</b>	<b>Total Capital Costs</b>	<b>130</b>	<b>517</b>	<b>25%</b>
<b>2,248</b>	<b>TOTAL COSTS</b>	<b>2,141</b>	<b>2,609</b>	<b>82%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
206	Targeted Rates	206	212	97%
1,723	General Rates	1,832	1,726	106%
147	Manfeild Park Development	177	188	94%
79	Subsidies	91	23	396%
18	User Fees	79	4	1975%
<b>2,173</b>	<b>Total Operating Revenue</b>	<b>2,385</b>	<b>2,153</b>	<b>111%</b>
<b>Capital Funding</b>				
1,708	New Loans Raised	0	150	0%
143	Transfers from Investments	124	309	40%
5	Funding from Non Cash Items	5	5	100%
<b>1,856</b>	<b>Total Capital Funding</b>	<b>129</b>	<b>464</b>	<b>28%</b>
<b>4,029</b>	<b>TOTAL FUNDING</b>	<b>2,514</b>	<b>2,617</b>	<b>96%</b>
<b>1,781</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>373</b>	<b>8</b>	

# EMERGENCY MANAGEMENT

## CIVIL DEFENCE

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

*In response to this Council aims to:*

- Provide leadership during an emergency situation by promoting a resilient community capable of responding
- Co-ordinate efficient and effective emergency management through partnership and community co-operation
- Reduce risk and minimise the adverse effects of natural and manmade disasters on people, the environment, infrastructure and property
- Ensure that there is an effective district-wide emergency management capability to respond to and recover from natural and manmade events

- Promote community awareness of hazards and emergency management, to create a resilient and prepared community

**The following effects on community wellbeing have been identified:**

### **Social and economic wellbeing:**

The provision of Emergency Management (both civil defence and rural fire) services contributes towards social and economic wellbeing through minimising risk to life and property. Emergency Management is responsible by statute to ensure that the community is capable of responding and recovering from the aftermath of disaster. This includes both natural (e.g. earthquakes, floods) and manmade events (e.g. chemical spills) as well as rural fires, e.g. vegetation fire.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Train Civil Defence volunteers	Volunteers continue to be retained (present level of 76 volunteers)	35 volunteers active in Civil Defence Emergency Management training	Review to be undertaken as part of emergency service agreement with Horizons Regional Council
Training Council staff in CDEM procedures particularly Emergency Operations Centre (EOC) staff	Staff are judged competent in simulated emergency event, or actual event	Ongoing	New training regime to be instigated as part of emergency service agreement with Horizons Regional Council

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Produce a Civil Defence Emergency Management Plan	Plan accepted by Manawatu District Council	Plan accepted	Civil Defence Emergency Management Group (CDEMG) Plan currently being reviewed
Train emergency services personnel in level two and four Co-ordinated Incident Management System (CIMS)	Ongoing training takes place as required	Training continues	Staff briefed on new 18-month training schedule in April 2009
Increased integration within the Horizons Region, utilising public awareness programme	Communitrak surveys indicate greater public awareness (see Communitrak target below)	64% community satisfaction	Very/Fairly satisfied 64% Not very satisfied 5% Don't know 31%
Apply appropriate processes and effectively manage local emergency events through District Emergency Management Committee	Emergency situations managed successfully – effectively is defined as: there is no loss of life, infrastructure is restored as soon as practicable	Ongoing	No emergency situation requiring Manawatu District Emergency Management Committee (EMC) response has occurred
Staff to be trained in CIMS	EOC and community emergency staff are deemed competent by regional assessment team	Ongoing	Review to be undertaken as part of emergency service agreement with Horizons Regional Council
Emergency Management Committee for the Manawatu formed and meeting regularly to develop response plans	EOC and community emergency staff are deemed competent by regional assessment team	Ongoing	The Manawatu District Emergency Management Committee (EMC) has developed activation procedures and a communications protocol that is consistent with the regional Civil Defence Emergency Management Group (CDEMG) Plan, and since tested by February 2004 events. EMC meetings are held on a quarterly basis

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Recovery system, following natural disaster, fits with the requirements of CDEM Group Recovery Plan	75% community satisfaction with Civil Defence as measured in Communitrak survey	64% community satisfaction	Very/Fairly satisfied 64% Not very satisfied 5% Don't know 31%
Promotion and education through advertising in local media	75% community satisfaction with Civil Defence as measured in Communitrak survey	64% community satisfaction	Very/Fairly satisfied 64% Not very satisfied 5% Don't know 31%
Continue meetings and plan tabletop exercises	Linkages to CDEM group are demonstrated through individual service links eg radio communications	Ongoing	Linkages to Civil Defence Emergency Management Group (CDEMG) are mostly achieved through Council representation at Coordinating Executive Group (CEG) and Joint Committee levels

## Operating and Capital Work Programme for 2008/2009

Not applicable for this activity.



# EMERGENCY MANAGEMENT

## RURAL FIRE

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

*In response to this Council aims to:*

- Provide leadership during an emergency situation by promoting a resilient community capable of responding
- Minimise the risk to people and property through the provision of effective emergency management before, during and after an event, consistent with the Civil Defence Emergency Management Group (CDEMG) Plan

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Monitor rural fire conditions and keep public informed through the Council's website and media	Public updated through website/newspaper/Bulletin page/radio	Ongoing	Rural fire conditions monitored as appropriate to conditions
Issue rural fire permits	Fire permits issued in a timely and professional manner – within 24 hours of request	Ongoing	Permits issued according to the fire season

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Provide rural fire public education	Reduction in non-permitted fires in rural area during restricted fire season	Ongoing	Rural fire public education achieved through a number of initiatives including Council website, one-on-one meetings, and rural fire pamphlets delivered to the rural community. This is generally completed before the summer fire season starts
Implementation of rural fire plan	Fire plan approved by Manawatu District Council	Approved October 2007	Manawatu District Rural Fire Plan operative until 2010

### Operating and Capital Work Programme for 2008/2009

Not applicable for this activity.





# EMERGENCY MANAGEMENT

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
99	Civil Defence	141	121	117%
69	Rural Fire	117	48	244%
3	Depreciation	3	6	50%
74	Support Costs	99	84	118%
<b>245</b>	<b>Total Operating Costs</b>	<b>360</b>	<b>259</b>	<b>139%</b>
<b>Capital Costs</b>				
0	Renewal Work	0	6	0%
<b>0</b>	<b>Total Capital Costs</b>	<b>0</b>	<b>6</b>	<b>0%</b>
<b>245</b>	<b>TOTAL COSTS</b>	<b>360</b>	<b>265</b>	<b>136%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
184	Targeted Rates	198	195	102%
54	General Rates	60	60	100%
5	Subsidies	38	8	475%
23	User Fees	0	0	
<b>266</b>	<b>Total Operating Revenue</b>	<b>296</b>	<b>263</b>	<b>113%</b>
<b>Capital Funding</b>				
3	Funding from Non Cash Items	3	6	50%
<b>3</b>	<b>Total Capital Funding</b>	<b>3</b>	<b>6</b>	<b>50%</b>
<b>269</b>	<b>TOTAL FUNDING</b>	<b>299</b>	<b>269</b>	<b>111%</b>
<b>24</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(61)</b>	<b>4</b>	

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## ANIMAL CONTROL

*The community has asked for:*

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Provide effective animal control that involves dealing with animals, especially dogs that pose a danger to people, stock, domestic animals and protected wildlife in the district by:**

- Enforcing the Impounding Act and existing bylaws relating to Animal Control including dogs and wandering stock
- Providing specified areas for exercising dogs
- Rewarding dog owners for effective control of dogs through an incentive system and review where necessary

- Providing (where appropriate) or facilitating the provision of education programmes for animal owners, particularly dog owners

### Environmental wellbeing:

The activities undertaken by this group make a significant contribution to the community's environmental wellbeing. Animal Control, Building Control, Environmental Health, General Inspection and Liquor Licensing activities assist to safeguard public and environmental health and safety through effective regulatory controls, education and other methods. District Planning services ensure a healthy environment through appropriate development, sustainable land use and protection of environmental resources.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Provide via contract a 24 hour, 7 day a week animal control service	80% user satisfaction with Council's control of dogs as measured by the Communitrak Survey	74% user satisfaction	Very/Fairly satisfied 74% Not very satisfied 23% Don't know 3%
Review dog policy and bylaws	75% community satisfaction with Council's control of dogs as measured by the Communitrak Survey	76% overall satisfaction	Very/Fairly satisfied 76% Not very satisfied 10% Don't know 14%

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Respond within 15 minutes to verbal notification of an animal attack	90% of verbal notifications responded to within 15 minutes	100%	50 animal attacks were responded to within the 15 minute timeframe for the year ending 30 June 2009
Provision of sixteen areas for exercising dogs	Sixteen exercise areas are available for dogs (subject to review)	Target met	Sixteen exercise areas provided, and documented in the current by-law
"Preferred owner" system rewards responsible dog owners via lower registration fees	Number of preferred owners – ongoing	Target no longer relevant	Because of the new fee structure owners of neutered dogs are automatically charged the same as preferred owners
Delivery of dog education programmes	Dog education programmes take place in one-third of the District's primary and intermediate school classes each year	Tracking	14 classes visited, with 275 children going through the programme

### **Operating and Capital Work Programme for 2008/2009**

Not applicable for this activity.

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## BUILDING CONTROL

*The community has asked for:*

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Provide an important service that ensures buildings are sanitary and designed to resist fire and earthquakes and protect the community from poor building practice for future generations.**

**Council will meet legislative requirements and community expectations by:**

- Safeguarding public and environmental health and safety through effective regulatory controls, education and other methods.
- Maintaining public confidence in Council's regulatory services through effective inspection services and education about regulatory functions
- Processing consent applications in a timely, legislatively correct and efficient manner
- Ensuring district construction meets requirements of the Building Act 2004

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Review inspection services, produce education material and organise seminars as required	80% user satisfaction with Council's building services	Tracking	This survey has been put on hold. The BCA Management Team to discuss what is to be achieved from this survey
Compliance with processing deadlines and industry best practice	100% of non commercial building consents processed within 10 working day turnaround (where correct application and building standards are met)	51%	392 of 774 non-commercial building consents issued within 10 working days for the year ending 30 June 2009. Statutory requirements now allow 20 working days for consent turnaround

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Compliance with processing deadlines and industry best practice	100% of commercial building consents processed within 20 working day turnaround (where correct application and building standards are met)	94%	47 of 50 commercial building consents issued within 20 working days (94%) for the year ending 30 June 2009
Inspect building projects and ensure compliance with NZ Building Code and relevant legislation	100% of all district construction, which has been inspected, meets requirements of the Act	100% as at 30 June 2009	No claims received
Council's building consent staff and systems to be registered under the Building Act 2004	Registration will take place by November 2007 and be maintained three-yearly thereafter	Target met	MDC registration/ accreditation achieved March 2008

### Operating and Capital Work Programme for 2008/2009

Significant Operations/ Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Building Accreditation	2,857	5,253	Tracking
<b>TOTAL</b>	<b>2,857</b>	<b>5,253</b>	

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## ENVIRONMENTAL HEALTH

*The community has asked for:*

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Meet legislative requirements and community expectations by helping to safeguard public and environmental health and safety through effective regulatory controls, education and other methods. This is achieved by:**

- Ensuring reasonable levels of noise through effective control of non-compliance
- Promoting and educating appropriate standards for public and environmental health across the district

### What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Monitor levels of environmental noise and response to noise complaints	80% user satisfaction with Council's Environmental Health Services (User Survey)	Ongoing	10 surveys returned from 70 sent out. Of those returned there was 79% satisfaction with the service
Compliance with environmental and regulatory management legislation	80% community satisfaction with the standard of food premises in the district as measured in Communitrak survey	73% community satisfaction	Very/Fairly satisfied 73% Not very satisfied 2% Don't know 25%

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Issuing consents and permits	100% of Environmental Health Licences turned around within 20 working days (where application is complete – from Council records)	85%	138 of 162 licenses were issued within 20 working days for the year ending 30 June 2009
Issuing consents and permits	All food premises with a history of poor performance or a poor history of compliance are inspected twice yearly as a minimum. If poor performance continues premises will be closed	Tracking	Two premises closed, one shut down voluntarily for a day and one was closed using the provisions of the Manawatu District By-Law for several days to clean up
Issuing consents and permits	Ongoing monitoring of trends which impact on environmental health.	Ongoing	Permits issued as required

### Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Domestic Food Review	3,000	40,000	The balance of this funding has been carried over to 2009/10
Grade One Sound Meter	17,000	17,000	Meter purchased, staff trained and equipment in use
<b>TOTAL</b>	<b>20,000</b>	<b>57,000</b>	

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## DISTRICT PLANNING

*The community has asked for:*

**A self-sufficient environment that preserves, values and develops our natural resources**

*In response to this Council aims to:*

**Meet legislative requirements and community expectations by:**

- Ensuring a healthy environment through appropriate development, sustainable use and protection of environmental resources
- Helping to safeguard public and environmental health and safety through effective regulatory controls, education and other methods
- Acknowledging and taking cultural issues into account

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
"Rolling Review" of Manawatu District Plan	Successful reviews undertaken and changes are made to major portions of the District Plan in response to review	A review of the District Plan will commence in September 2009	
Monitor the effect of the District Plan, on district development and act on the negative effects	Legislative requirements are met while ensuring that adverse effects are mitigated – State of Environment report indicates no adverse impact of District Plan rules on development in the district	Target met	State of the Environment report adopted by Council April 2009. Issues arising from the State of Environment report will be incorporated within the District Plan review



<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Regularly monitor district compliance with resource consents, legislation and the District Plan	90% of consent conditions are met at first inspection, and action taken on remainder	Target met	All resource consents were monitored within the year to 30 June 2009. Consent conditions were met on the first inspection
Produce a State of the Environment Report every 5 years	Report is available by November 2008	Target met	State of the Environment report adopted by Council April 2009
State of the Environment reporting also indicates whether the Plan is meeting its aims	Fully compliant District Plan is produced by 2012	Tracking	A review of the District Plan will commence in September 2009
Issuing resource consents as required	80% User satisfaction with resource consent services (user survey)	Target not relevant	Planning department no longer sends out survey forms due to the very low response rates

### **Operating and Capital Work Programme for 2008/2009**

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
District Planning Resource Review	98,000	98,000	Expenditure relates to district planning operational costs
<b>Total</b>	<b>98,000</b>	<b>98,000</b>	

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## LIQUOR LICENSING

*The community has asked for:*

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Ensure bylaw enforcement for public safety benefits. Premises selling liquor which are fully licensed contribute to ensuring responsible drinking habits in the district.**

To meet legislative requirements and community expectations by:

- Helping to safeguard public and environmental health and safety through effective regulatory controls, education and other methods
- Providing efficient and effective services for issuing liquor licences and inspecting premises

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Inspect licensed premises/activities and ensure compliance with relevant legislation	15 day turn-around to process a liquor licence application (Council records)	Target met	All licenses were issued within 15 working days for the period ending 30 June 2009
Issue legislative consents, licences, permits and certificates as required	Liquor Licence Applications – referred to Licensing Authority for determination within 10 days (where external reports received and any other matters satisfied)	Not applicable	There were no licenses referred to the Liquor Licensing Authority (LLA) for the period ending 30 June 2009

## Operating and Capital Work Programme for 2008/2009

Not applicable for this activity.

# ENVIRONMENTAL AND REGULATORY MANAGEMENT

## GENERAL INSPECTION

*The community has asked for:*

**A community where people are able to go about their business and leisure any time of the day or evening without fear for their safety**

*In response to this Council aims to:*

**Meet legislative requirements and community expectations by:**

- Ensuring a healthy environment through appropriate development, sustainable use and protection of environmental resources
- Helping to safeguard public and environmental health and safety through effective regulatory controls, education and other methods

- Enhancing district image by removing and/or disposing of abandoned vehicles and fly-tipping generally
- Provision of efficient general inspection services
- Ensuring that Manawatu District bylaws remain relevant
- Promoting socially responsible attitudes to gambling

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Incentives to encourage responsible disposal of vehicles. Response to incidents of dumping	The number of abandoned incidents decreases (currently around 160 per year) – 10% decrease within six months of incentives being offered	Target not relevant due to scrap metal dealers paying money for vehicles	The number of abandoned vehicle complaints has reduced due to the price being paid for scrap metal. Incentives are not required at this time
Inspect registered premises/ activities and ensure compliance with relevant legislation	All registered premises inspected once a year	Tracking	Target relates to Dangerous Goods licences, which is no longer relevant to Council under the new Hazardous substances and New Organisms (HSNO) regime

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Issue legislative consents, licences, permits and certificates as required	Legislative consents issued as required	Tracking	Permits issued as required
Apply capping policy for gambling machines in district	Number of gambling machines consistent with policy – no more than 150	Target met	138 machines in the district as at 30 June 2009

### **Operating and Capital Work Programme for 2008/2009**

Not applicable for this activity.



# ENVIRONMENTAL AND REGULATORY

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
178	Animal Control	209	183	114%
447	Planning and Scheme	531	298	178%
911	Building Control	756	1,000	76%
190	Environmental Health	217	186	117%
39	General Inspection	24	69	35%
41	Liquor Licensing	34	57	60%
6	Depreciation	3	5	60%
317	Support Costs	306	407	75%
<b>2,129</b>	<b>Total Operating Costs</b>	<b>2,080</b>	<b>2,205</b>	<b>94%</b>
<b>Capital Costs</b>				
0	New Work	17	17	100%
143	Transfers to Investments	32	32	100%
<b>143</b>	<b>Total Capital Costs</b>	<b>49</b>	<b>49</b>	<b>100%</b>
<b>2,272</b>	<b>TOTAL COSTS</b>	<b>2,129</b>	<b>2,254</b>	<b>94%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
142	General Rates	156	410	38%
622	Targeted Rates	699	698	100%
166	Animal Control	169	146	307%
345	Planning and Scheme	186	137	136%
460	Building Control	684	800	86%
39	Environmental Health	47	41	115%
1	General Inspection	2	2	100%
35	Liquor Licensing	34	41	83%
<b>1,810</b>	<b>Total Operating Revenue</b>	<b>1,977</b>	<b>2,275</b>	<b>99%</b>
<b>Capital Funding</b>				
6	Funding from Non Cash Items	3	5	60%
<b>6</b>	<b>Total Capital Funding</b>	<b>3</b>	<b>5</b>	<b>60%</b>
<b>1,816</b>	<b>TOTAL FUNDING</b>	<b>1,980</b>	<b>2,280</b>	<b>99%</b>
<b>(456)</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(149)</b>	<b>26</b>	

# LEISURE RESOURCES

## LIBRARIES AND ARCHIVES

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

**A community that has access to effective services**

*In response to this Council aims to:*

**Support independent, lifelong education and encourage participation in leisure and social activities by:**

- Providing an efficient, up-to-date, accessible library service that supports the development of a knowledgeable and informed community
- Ongoing commitment to provide a safe, multi-use library facility incorporating current technology and facilities
- Providing responsive library services that cope with demand, now and in the future
- Continuing extending and improving opportunities to promote the Maori language

- Providing a quality customer-friendly library service
- Encouraging community participation

*The following effects on community wellbeing have been identified – this applies to all the activities within the Leisure Resources Group:*

### **Social and cultural wellbeing:**

Council acknowledges that leisure, in all its various forms, is an important component of individual and community life. Libraries and archives, local halls and recreation complexes, parks, reserves, sports grounds and the Makino Aquatic Centre provide places for leisure, active recreation, opportunities for education, social gatherings and community celebrations to occur. Quality leisure resources contribute to a sense of civic pride as well as healthy active communities.

## What has Council achieved in 2008/2009?

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Feilding Public Library to be open at specified hours. Community libraries to be open at specified hours and/or by arrangement	80% users are fairly/very satisfied with the opening hours via the Biennial Library Users Survey	Ongoing	
The facilities are managed at the lowest possible cost for the desired levels of service	Cost per capita does not exceed \$26.95 (compared with 5 similar libraries)	Target not met. Cost per capita \$34.26	This figure has increased due to an increase in support costs over the past five years

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Action the recommendations of the 2002 library review	Implementation plan carried out within timeframes and budget	Target met	Recommendations of review now implemented and completed
Buying and providing up-to-date publications, databases and library management software	80% overall satisfaction as measured in Communitrak survey	71% overall satisfaction	Very/Fairly satisfied 71% Not very satisfied 2% Don't know 27%
Buying and providing up-to-date publications, databases and library management software	96% user satisfaction with library service as measured in Communitrak survey	95% user satisfaction	Very/Fairly satisfied 95% Not very satisfied 2% Don't know 3%
Buying and providing up-to-date publications, databases and library management software	Average annual issues per item to exceed 4.5 (figure calculated by dividing total annual issues by total holdings), that is, each item is borrowed an average of 4.5 times a year.	Target met	Average annual issues per item = 5.8
Software and hardware upgrades where appropriate	80% overall satisfaction as measured in Communitrak survey	71% overall satisfaction	Very/Fairly satisfied 71% Not very satisfied 2% Don't know 27%
Software and hardware upgrades where appropriate	96% user satisfaction as measured in Communitrak survey	95% user satisfaction	Very/Fairly satisfied 95% Not very satisfied 2% Don't know 3%
Maintenance of building and assets	Annual work programme carried out within timeframes and budget	Annual work programme carried out within timeframes and budget	
A library collection that is compatible with current and future demand	80% overall satisfaction as measured in Communitrak survey	71% overall satisfaction	Very/Fairly satisfied 71% Not very satisfied 2% Don't know 27%

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
A library collection that is compatible with current and future demand	96% user satisfaction as measured in Communitrak survey	95% user satisfaction	Very/Fairly satisfied 95% Not very satisfied 2% Don't know 3%
Consult with Library users via Library Users Survey	Biennial Library Users survey, sampling no fewer than 150 users	Tracking	Survey completed September 2008 Satisfaction with staff service, collections and facilities all well above 90%. Quality of staff service singled out for comment by large number of respondents
Ensure all major signage in Maori and English	Bilingual signs are installed	Target met	All major signage bilingual
The Library service is customer focused; and Library staff are well informed. Customer needs are valued and where appropriate acted on	80% overall satisfaction as measured in Communitrak survey	71% overall satisfaction	Very/Fairly satisfied 71% Not very satisfied 2% Don't know 27%
Promote Library use among District's children through the provision of reading and school holiday programmes and regular contact with schools	Four to five programmes provided annually (subject to demand)	Target met	School holiday programmes completed – July – September 2008 and April 2009. 'Maths is Fun' programme held in October 2008, Winter Warmers reading programme in July 2008, Summer Reading Programme 'Superheroes Read' had all 300 places filled and 98% completion rate
Promote Library use among District's children through the provision of reading and school holiday programmes and regular contact with schools	400,000 Library issues per annum		Issues July 1 2008 to June 30 2009 = 381,470, an increase of 4.2% over the previous year.



## Operating and Capital Work Programme for 2008/2009

Significant Operations/ Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
<b>TOTAL</b>	<b>0</b>	<b>0</b>	

Renewal Works	Actual (Year to Date)	Budget	Explanation of Variance/Update
Library book purchases	166,149	168,100	
<b>TOTAL</b>	<b>166,149</b>	<b>168,100</b>	

Capital Works	Actual (Year to Date)	Budget	Explanation of Variance/Update
Internet connection for selected community library	0	5,253	Installation of Internet PC at Himatangi Beach community library delayed because broadband still not available in the township. Funding has been carried over to 2009/10
Community Archives	20,000	20,000	The Manawatu Historic Vehicle Collection Trust has uplifted the full amount which was used to fund computer hardware and software as well as shelving for the Community Archives facility
<b>TOTAL</b>	<b>20,000</b>	<b>25,253</b>	

# LEISURE RESOURCES

## LOCAL HALLS AND RECREATION COMPLEXES

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

*In response to this Council aims to:*

**Provide indoor community venues for a range of social, cultural, recreational and educational uses by:**

- Providing and maintaining indoor community venues
- Ongoing implementation of the Manawatu District Hall Management Policy (August 2002), to be reviewed every five years

### What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Provision and maintenance of local halls as per District Hall Management Policy (August 2002)	80% overall satisfaction as measured in Communitrak survey	64% overall satisfaction	Very/Fairly satisfied 64% Not very satisfied 5% Don't know 31%
Provision and maintenance of local halls as per District Hall Management Policy (August 2002)	85% user satisfaction as measured in Communitrak survey	88% user satisfaction	Very/Fairly satisfied 88% Not very satisfied 8% Don't know 4%

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Consultation with Hall Committees regarding suggestions for renewals (included in renewal programme where appropriate)	Annual consultation with hall committees takes place	Target met	Annual hall reports received and renewal suggestions taken into account when preparing three-year project list for LTCCP. Annual Halls Meeting held on 19 March 2009 with good attendance and discussion
Carry out necessary work maintenance programme as per Hall Asset Renewal Programme	Renewal Programme carried out within timeframes and budget	Target met	
Implementation of Hall Management Policy including Hall Annual Report process and Hall Policy reviews	Work programme carried out within timeframes and budget	Target met	22 annual hall reports received and summary report presented to Council in February

### **Operating and Capital Work Programme for 2008/2009**

<b>Significant Operations/Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Feilding Civic Centre Concert Chamber Roof	23,898	25,000	Reroofing completed in January 2009
Himatangi Beach: Surf Life Saving Club Building	0	50,000	Funding for this project has been carried over to 2009/10 as part of the LTCCP process
Himatangi Beach – re-roofing	0	16,605	This funding has been carried over to 2009/10
<b>TOTAL</b>	<b>23,898</b>	<b>91,605</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Apiti – exterior painting	0	6,829	Funding has not been uplifted
Awahuri - kitchen vinyl	0	2,101	Funding has not been uplifted. The committee has undertaken some work by itself
Colyton - main hall interior upgrade	5,253	5,253	Interior upgrade work completed
Kimbolton - exterior painting	2,430	2,101	Work complete
Kairanga - exterior painting	7,572	7,354	Work complete
Mt Biggs – painting maintenance instalments	833	1,269	Work complete
Newbury - interior repaint	6,019	6,304	Interior repainting work completed in January
<b>TOTAL</b>	<b>22,107</b>	<b>31,211</b>	



# LEISURE RESOURCES

## MAKINO AQUATIC CENTRE

*The community has asked for:*

**A vital community that is cohesive and is characterised by community involvement**

**A community that has access to effective services**

*In response to this Council aims to:*

**Provide an efficient, safe and modern aquatic facility that meets the leisure needs of Manawatu district residents through:**

- Activities and programmes that cater for all ages
- Ongoing commitment to review and implement an effective regional marketing strategy
- Quality, customer-friendly service
- Increased use of Makino Aquatic Centre (MAC)

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Meet New Zealand water quality standard NZ 5826:2000	100% compliance	Target met	100% compliance in current reporting period
Carry out necessary work programmes to maintain building and assets	Annual Work Programme carried within timeframes and budget	Completed and met timelines	Maintenance carried out as required. Work programmes all on target for completion
Monitor and maintain a safe facility environment	Health and Safety report (via Council's Human Resource Department) has a satisfactory outcome	Completed	18 minor public accidents over last 12 months. (Mainly running children slipping over.)
The aquatic services are offered as advertised and expected – surprise closures are the exception	85% users are fairly/very satisfied with the opening hours and services offered	Target met	Survey complete overall the rating was good to excellent

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Consultation with MAC users via the MAC survey. Results published in a monthly newsletter and acted on, where appropriate	Number of surveys undertaken: 1 MAC Customer Satisfaction survey per year, sampling no fewer than 150 users	Target met	Survey complete total of 155
Provision of swimming lessons and programmes	Six to seven programmes provided annually, subject to demand	Target met	MAC is currently delivering eight programmes
Continue promotion and marketing strategy for Makino Aquatic Centre	Implementation of marketing strategy, carried out within specified timeframes and budget	Completed	Marketing programme is ongoing
A service that includes general friendliness and cheerfulness. Fairness and competence will be shown in enforcing pool rules and diligence and care exhibited in responding to special requests	85% of users are fairly/very satisfied with the staffs' customer service (MAC Customer Satisfaction Survey)	Target met	Met 85% of satisfaction. However, area of lifeguards to improve level of customer service
Increase use of MAC by community	Increase in revenue against previous three year average	Ongoing	Revenue is 12% higher against previous three-year average

## Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Investigate installation of water playground – investigation only	0	0	Investigation part of the Leisureville project
Paint outdoor pools	68,717	46,771	Pools were painted prior to summer opening. The cost overrun was due to the fact that all pools had to be sandblasted prior to painting to ensure integrity of the final job

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Provide shade over outdoor grandstand	5,533	2,500	The work for this project was completed over two financial periods at a total cost of \$7,719. Additional cost was due to extra concrete which had to be used to re-enforce footings and a slightly higher cost on shade-sails
<b>TOTAL</b>	<b>74,250</b>	<b>49,271</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Small vacuum cleaner	10,800	10,506	Vacuum cleaner purchased
Outdoor pipe work	23,500	21,012	Work has been completed - slightly over budget due to a couple of minor variations that arose during construction
Replace outdoor pool deck	16,754	15,759	Work has been completed - slightly over budget due to a couple of minor variations that arose during construction
Pumps	0	6,304	Look to replace pump during the 09/10 year
Provide shade and sheltered area outdoor BBQs	10,850	10,507	Work completed. Five individual umbrellas purchased which can be moved to various locations around the facility
<b>TOTAL</b>	<b>61,904</b>	<b>64,088</b>	

# LEISURE RESOURCES

## PARKS, RESERVES AND SPORTS GROUNDS

*The community has asked for:*

**A self-sufficient environment that preserves, values and develops our natural resources**

*In response to this Council aims to:*

**Provide parks, reserves and sports grounds for active and passive leisure pursuits with the aim of enhancing community wellbeing and overall pleasantness of the district by:**

- Managing Parks and Reserves with future generations in view

- Managing leisure opportunities in fragile areas (eg beaches, coastlines) in ways that minimise environmental damage
- Providing and maintaining good quality parks, reserves and sports grounds for all
- Developing appropriate parks and reserves as educational facilities for residents of the Manawatu district
- Ensuring parks, reserves and sports grounds are responsive and maintained as local 'community spaces'

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Development of Strategic Management Plans for district parks, reserves and sports grounds	Plans are completed within timeframe and budget	Target met	Development plans for Himatangi Beach completed
Implementation of Strategic Management Plans	Annual work plan carried out within timeframe and budget	Target met	Kowhai Park plans completed
Development programmes including coastal plantings, etc	Annual work plan carried out within timeframe and budget	Target met	Carried out at both Himatangi Beach and Tangimoana Beach
Necessary work programmes to maintain parks, reserves and sports grounds to established criteria and standards in asset management plans and contracts	Annual work plan carried out within timeframe and budget	Tracking	Contract working well. Asset Management Plan updated and Implementation Plan finalised



<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Necessary work programmes to maintain parks, reserves and sports grounds to established criteria and standards in asset management plans and contracts	95% user/visitor satisfaction with parks and reserves	90% user satisfaction	Very/Fairly satisfied 90% Not very satisfied 6% Don't know 4%
Necessary work programmes to maintain parks, reserves and sports grounds to established criteria and standards in asset management plans and contracts	90% overall satisfaction with parks and reserves	77% overall satisfaction	Very/Fairly satisfied 77% Not very satisfied 5% Don't know 18%
Necessary work programmes to maintain parks, reserves and sports grounds to established criteria and standards in asset management plans and contracts	95% user/visitor satisfaction with sports grounds and playgrounds	90% user satisfaction	Very/Fairly satisfied 90% Not very satisfied 7% Don't know 3%
Necessary work programmes to maintain parks, reserves and sports grounds to established criteria and standards in asset management plans and contracts	85% overall satisfaction with sports grounds and playgrounds	72% overall satisfaction	Very/Fairly satisfied 72% Not very satisfied 7% Don't know 21%
Provide educational information including signage and brochures and website information	Relevant up-to-date information is provided	Ongoing	Looking to update website and information brochures. Totara Reserve Regional Park brochure updated. Work on updating Kowhai Park brochure has started
Consultation with local communities regarding suggestions for local community spaces and renewals (included in renewal programme where appropriate)	Consultation with local communities completed every three years	Target met	Community consultation completed as part of draft LTCCP discussion

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Carry out annual renewal programme for parks, reserves and sports grounds	Renewal programme carried out within timeframe and budget	Target met	
Response to emergency maintenance requests within specified contract times	95% of requests responded to within specified contract times	Target met	

### Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
TOTAL	0	0	

Renewal Works	Actual (Year to Date)	Budget	Explanation of Variance/Update
Bunnythorpe - development of playground and public conveniences	2,647	75,000	Budget spent on fees for new toilet plans. Remaining funds have been carried over to 2009/10
Himatangi Beach – Recreational Project	15,750	20,000	Project approved in LTCCP
Kitchener Park – continued development	32,459	10,506	While there appears to be a budget overrun here please note that Horizons will also be contributing to this development
Himatangi Beach - continued development	29,062	21,012	Costs were higher than budgeted due to some unanticipated work - the removal of concrete from under grass and rebuilding of some fences
Upgrade district toilets - continued development	30,545	42,025	Toilet completed for Rongotea

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Kimbolton Domain - upgrade main entrance	3,054	4,202	Work complete
District Playgrounds – play equipment replacement	29,512	21,012	Budget spend to date against new playground equipment for Totara Reserve Regional Park. The additional amount of play equipment, which was installed at the request of the local community, cost a little more than anticipated
<b>TOTAL</b>	<b>143,029</b>	<b>193,757</b>	

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/ Update</b>
Walkways – Feilding/Kitchener Park link	111,928	105,062	Work complete
Johnston Park - upgrade roadway and fences (Reserve Management Plan)	13,418	15,062	Fence upgrade work has been completed
Tree replacement Kimbolton Road	69,182	63,037	Tree replacement work completed
Parks and Reserves expenditure to cater for growth – funded from development contributions	7,779	71,889	Funding to be used as future demand dictates the need and will be provided from Development Contributions
<b>TOTAL</b>	<b>202,307</b>	<b>255,050</b>	

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Purchase railway land	250,000	350,000	Land has been purchased
<b>TOTAL</b>	<b>250,000</b>	<b>350,000</b>	

# LEISURE RESOURCES

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
1,409	Parks & Reserves	1,575	1,246	126%
76	Local Halls & Recreational Complexes	103	171	60%
491	Library	531	489	109%
848	Makino Aquatic Centre	956	857	112%
192	Asset Management	209	200	105%
30	Interest	54	0	
849	Depreciation	907	892	102%
416	Support Costs	616	460	134%
<b>4,311</b>	<b>Total Operating Costs</b>	<b>4,951</b>	<b>4,315</b>	<b>115%</b>
<b>Capital Costs</b>				
171	New Work	512	677	76%
395	Renewal Work	434	439	99%
0	Loan Repayments	0	6	0%
20	Transfers to Investments	0	88	0%
<b>586</b>	<b>Total Capital Costs</b>	<b>946</b>	<b>1,210</b>	<b>78%</b>
<b>4,897</b>	<b>TOTAL COSTS</b>	<b>5,897</b>	<b>5,525</b>	<b>107%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
3,145	Targeted Rates	3,594	3,528	102%
250	Parks & Reserves	255	211	121%
85	Library	120	37	324%
394	Makino Aquatic Centre	354	285	124%
1	User Fees	1	2	50%
<b>3,875</b>	<b>Total Operating Revenue</b>	<b>4,324</b>	<b>4,063</b>	<b>106%</b>
<b>Capital Funding</b>				
269	Transfers from Investments	192	602	32%
849	Funding from Non Cash Items	907	892	102%
<b>1,118</b>	<b>Total Capital Funding</b>	<b>1,099</b>	<b>1,494</b>	<b>74%</b>
<b>4,993</b>	<b>TOTAL FUNDING</b>	<b>5,423</b>	<b>5,557</b>	<b>98%</b>
<b>96</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(474)</b>	<b>32</b>	

# ROADING

*The community has asked for:*

**A community that has access to effective services**

*In response to this Council aims to:*

**Develop and maintain a roading network appropriate to community usage, demand and ability to fund by:**

- Providing a quality\*, safe\* roading network
- Providing a cost-effective\* roading network
- Providing a roading network that is efficient\* and responsive to community need
- Providing quality, safe bridges which provide continuous all-weather roads over rivers, streams and uneven terrain
- Providing quality, safe footpaths
- Providing a safe and efficient network of cycle and walkways

**Definitions**

- Quality is defined as meeting the required standard to ensure maximum performance is achieved throughout its lifetime

- Safety is defined as maximising the wellbeing of road users by minimising risks and danger
- Cost effective is defined as achieving the best outcome for the investment incurred
- Efficient is defined as achieving an outcome with minimum effort

*The following effects on community wellbeing have been identified:*

**Economic and social wellbeing:**

Well-maintained roads are an integral means of ensuring access around and beyond the district and are essential for the economic and social wellbeing of the district.

**The roading and footpaths network provide significant benefits to the community, including:**

- connections to other transportation networks
- access and mobility for people, goods and services
- locality and property identification
- separation of pedestrians from main flow of traffic (i.e. footpaths)

**What has Council achieved in 2008/2009?**

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Carry out regular safety inspections and maintenance, where necessary, of existing roads to specified standards	Annual Work Programme carried out within specified timeframe and budget	Target met	
Carry out regular safety inspections and maintenance, where necessary, of existing roads to specified standards	100% compliance with Safety and Technical (Quality) Audits	Target met	No non-compliance identified in Technical Report

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Carry out regular safety inspections and maintenance, where necessary, of existing roads to specified standards	80% user satisfaction with district roads as measured in Communitrak survey	63% user satisfaction	Very/fairly satisfied 63% Not very satisfied 33% Don't know/unable to say 4%
Carry out regular safety inspections and maintenance, where necessary, of existing roads to specified standards	Reported injury crashes continues to decline	Target unable to be measured	Data is no longer available
Carry out 1 km seal extension of unsealed roads in accordance with priority and specified standards	1 Kilometre of seal extension per year	Target not met	Five sites were evaluated in terms of economic viability and funding criteria These being: Main South Road, Makoura Road, No.4 Line, Port St and Roots St Feilding Criteria to obtain subsidised funding not met and no seal extensions undertaken
Carry out crash reduction studies and strategy studies	1 strategy annually	Target met	Strategy study completed February 2009. A GAP analysis conducted to review earlier identified works also included as part of study
Road Safety Programme, including 11,620 police hours per annum spent on enforcing road safety, is delivered as per agreement	11,620 hours per annum sourced through Quarterly and Annual Reports from Police	Target unable to be measured	Data is no longer available
Provide street lighting levels to enable safe and efficient traffic movement	90% compliance with NZ Standard by 2025	Target met	

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Procurement of works and services either by tender in accordance with competitive pricing procedures or by other means to achieve a best-value outcome	A 100% compliant tender evaluation analysis for all works and services tendered using CPP	Target met	Five contracts tendered to date using CPP Annual Reseal contract, Aorangi and Nannestad AWPT contract, Himatangi area AWPT contract, Halcombe Road Passing Lane Rehabilitation and Feilding intersection upgrades
Procurement of works and services either by tender in accordance with competitive pricing procedures or by other means to achieve a best-value outcome	100% due diligence compliance for all works and services procured by other means to achieve a best-value outcome	Target met	No procurement using alternative procedures to date as we are an "approved organisation" involved in piloting a new Land Transport Procurement Manual
Assess and monitor traffic flow on district roads to ensure roads optimum traffic flow	200 traffic counts completed annually	Target met	316 total traffic counts completed during period
Carry out improvements to enhance traffic movements	Annual work Programme carried out within specified timeframe and budget	Target met	Minor Improvement Projects identified from crash reduction studies completed
Carry out improvements to enhance traffic movements	100% compliance with Technical and Safety Audits	Target met	No non-compliances identified in technical audits or project safety audits
Ensure traffic signs and marker posts meet specified standards (includes removal of unauthorised signs)	Annual work programme carried out within specified timeframe and budget	Target met	

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Ensure traffic signs and marker posts meet specified standards (includes removal of unauthorised signs)	100% compliance with Technical and Safety Audits	Target met	No non-compliances identified in technical audits or project safety audits
Grass berms and vegetation are maintained to specification	Annual work programme carried out within specified timeframe and budget	Target met	
Grass berms and vegetation are maintained to specification	100% compliance with Technical and Safety Audit	Target met	No non-compliances identified in technical audits or project safety audits
Carry out detailed structural inspections on 20% of the bridges annually	20% of bridges with detailed structural inspections completed	Target met	43 detailed bridge inspections completed
Carry out routine inspections on all bridges annually	100% of routine inspections completed	Target met	447 regular bridge inspections completed
Continue maintenance, renewal and construction of footpaths in accordance with the Council's Footpath Management Plan	Annual Work Programme carried out within specified timeframe and budget	Target met	Maintenance ongoing Renewal work completed in Haggitt Street and Kimbolton Road New footpath constructed in Phillips Street, Sanson
Continue maintenance, renewal and construction of footpaths in accordance with the Council's Footpath Management Plan	100% compliance with Technical (Quality) and Safety Audit	Target met	No non-compliances identified in technical audits or project safety audits
Continue maintenance, renewal and construction of footpaths in accordance with the Council's Footpath Management Plan	65% user satisfaction with footpaths as measured in Communitrak survey	65% user satisfaction	Very/Fairly satisfied 65% Not very satisfied 21% Don't know 14%



What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Develop and implement a walkway/ cycleway strategy (Manawatu Active Transport Strategy)	Annual work programme carried out within specified timeframe and budget	Target not met	Development and implementation work continuing. Scoping report completed and technical details in process of development

### Operating and Capital Work Programme for 2008/2009

Significant Operations/ Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Sealed pavement maintenance	1,203,126	1,344,000	Target met
Unsealed pavement maintenance	599,465	569,000	Target met. Additional pavement maintenance work offset by combining with drainage and structures maintenance which shows the offset
Routine drainage and structures	336,918	565,000	Target met. Additional pavement maintenance work offset by combining with drainage and structures maintenance which shows the offset
Environmental maintenance	473,446	471,000	Target met
Traffic services and level crossing maintenance	363,170	453,515	Target met. Reduction in level crossing maintenance which is managed by Ontrack. 50/50 cost agreements in place
Network and asset management	846,957	681,000	Target met. More maintenance undertaken than outlined in the Annual Plan
<b>TOTAL</b>	<b>3,823,082</b>	<b>4,083,515</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Unsealed road metalling	209,996	314,000	Target met
Sealed road resurfacing	2,218,166	2,368,775	Target met
Drainage and structures renewals	407,806	512,000	Target met
Pavement rehabilitation	2,729,917	3,738,269	Four contracts awarded and completed. One project to be carried over to 2009/10 (\$262,179)
Traffic service and associated improvements	171,810	243,275	Target met. Identified renewals completed as programmed
District footpaths renewals	0	105,062	Reporting includes capital project not shown in capital category below
<b>TOTAL</b>	<b>5,737,695</b>	<b>7,281,381</b>	

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Road studies	21,026	52,531	Target met. Report completed
Seal extension – subsidised	11,051	210,125	Evaluation of four sites completed. No sites meet NZTA subsidised funding criteria assistance
Bridge renewals	0	700,000	Copane bridge renewals not commenced

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Seal extension – unsubsidised. No allowance has been made for unsubsidised seal extension in 2008/09	0	0	
Minor improvements	495,929	934,000	Target met. Underspend is due to the fact that less projects were identified than originally anticipated
Rural walkway construction	0	5,253	The remaining section of Sanson walkway to be completed next year
Reconstruction of carriageway, kerb and footpaths	107,268	262,656	Design options and evaluation continuing for Denbigh Street and Pharazyn Street
Carparks	0	10,506	Previous year's reseal has meant that carpark construction was not necessary in 2008/09
Cycleway improvements	19,664	153,781	Scoping report completed. Looking at route options. Technical design work to commence 2009/10
Strategic Roding Networks - year two of a five year programme	15,549	2,128,000	Awaiting outcome of environment court decision in terms of Milson Line closure to determine direction for strategic roding options
Emergency fund for storm damage - no allowance has been made for this	1,250,203	0	Emergency fund for storm damage - no allowance has been made for this
District footpaths (new)	55,912	36,772	Programme completed in conjunction with renewal programme
<b>TOTAL</b>	<b>1,976,602</b>	<b>4,493,624</b>	

# ROADING

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
5,513	Subsidised Roothing	4,791	3,863	124%
29	Flood 04	20	0	
208	Non-Subsidised Roothing	271	315	86%
108	Interest	104	184	57%
186	Asset Management	171	306	56%
4,921	Depreciation	5,784	4,602	126%
40	Support Costs	249	48	519%
<b>11,005</b>	<b>Total Operating Costs</b>	<b>11,390</b>	<b>9,318</b>	<b>122%</b>
<b>Capital Costs</b>				
857	New Work	733	1,826	40%
5,849	Renewal Work	6,283	9,327	66%
234	Loan Repayments	462	1,295	36%
0	Transfers to Investments	0	105	0%
<b>6,940</b>	<b>Total Capital Costs</b>	<b>7,478</b>	<b>12,553</b>	<b>58%</b>
<b>17,945</b>	<b>TOTAL COSTS</b>	<b>18,868</b>	<b>21,871</b>	<b>85%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
7,341	Targeted Rates	6,862	6,883	100%
6,463	Subsidies	5,983	7,906	76%
576	User Fees	167	400	42%
755	Vested Assets	0	0	
<b>15,135</b>	<b>Total Operating Revenue</b>	<b>13,012</b>	<b>15,189</b>	<b>86%</b>
<b>Capital Funding</b>				
240	New Loans Raised	0	809	0%
289	Renewal Loans Raised	0	821	0%
115	Transfers from Investments	425	452	94%
4,921	Funding from Non Cash Items	5,784	4,602	126%
<b>5,565</b>	<b>Total Capital Funding</b>	<b>6,209</b>	<b>6,684</b>	<b>93%</b>
<b>20,700</b>	<b>TOTAL FUNDING</b>	<b>19,221</b>	<b>21,873</b>	<b>88%</b>
<b>2,755</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>353</b>	<b>2</b>	

# WASTE

## SOLID WASTE

*The community has asked for:*

**A community that has access to effective services; and**

**A self-sufficient environment that preserves values and develops our natural resources**

*In response to this Council aims to provide:*

### Waste Management –

to deliver efficient and cost effective solid waste services to customers while safeguarding public health, taking into account cultural issues and minimising adverse effects on the environment.

### Waste Minimisation –

to promote waste reduction towards zero waste through education, development and implementation of recycling, reuse and recovery methods.

*These objectives will be met by:*

- Moving towards a zero waste management philosophy
- Providing efficient and cost-effective solid waste management to an appropriate level

- Working in co-operation with other local authorities towards development of cost-effective regional solid waste services and facilities
- Providing education about waste minimisation opportunities
- Advocating to central government for reductions in waste packaging through Local Government New Zealand

**The following effects on community wellbeing have been identified:**

### Environmental wellbeing:

The waste activity includes reducing, collection, disposal and recycling of solid waste and the management of wastewater. Council strives to provide waste management services that are sustainable, both environmentally and economically. Recycling and sustainable land-use are important elements in minimising waste volumes and managing waste well; making significant contributions towards achieving environmental wellbeing.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Carry out landfill monitoring - obtain resource consents for Feilding Landfill post closure	100% compliance with resource consent conditions	Achieved	Monitoring is in progress. A consent has been granted for the use of the closed landfill for cleanfill storage
Review Waste Management Plan	Review Waste Management Plan	Initial review undertaken so partly achieved	Waste Management and Minimisation Plan review is currently in progress

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Formulate education plan (waste minimisation) on a regional basis and implement	Formulate education plan (waste minimisation) on a regional basis and implement	Not achieved	Waste Minimisation has been considered as part of the new Waste Management Plan. This is considered at a regional level
Review Asset Management Plan to ensure that efficient and cost-effective solid waste management is provided in the Manawatu district to an appropriate level of service	80% user satisfaction with refuse bag collections as measured in Communitrak survey	66% user satisfaction	Very/fairly satisfied 66% Not very satisfied 6% Don't know/unable to say 28%  Reasons for the low satisfaction will be addressed in the Waste Management Plan when the detailed report becomes available
Review Asset Management Plan to ensure that efficient and cost-effective solid waste management is provided in the Manawatu district to an appropriate level of service	80% user satisfaction with recycling services as measured in Communitrak survey	83% user satisfaction	Very/fairly satisfied 83% Not very satisfied 15% Don't know/unable to say 2%
Collection of household/business refuse bags	100% towns included in Council collections	Target met	Bag collection service is available on all major routes and communities
Collection of household/business refuse bags	90% of residents are within 50km of a refuse transfer station	Target met	Transfer stations are within the reach of all residents within 50km
Provision of recycling facilities for the collection and depositing of recyclable materials	1,000 tonnes of recyclables diverted from landfill per annum	Target met	Approximately 1,700 tonnes of recyclables have been diverted from landfill. This figure excludes greenwaste

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Provision of recycling facilities for the collection and depositing of recyclable materials	2,000 tonnes green waste diverted from landfill per annum	Target not met	730 tonnes of greenwaste has been diverted from landfill. The figure is lower than projected because there is another company in Feilding which collects greenwaste at a lower cost than Council
Provision of waste handling and disposal facilities where appropriate, eg refuse transfer stations, bulk collections, litter bins	No more than three complaints per year pertaining to odours and nuisances	Target not met	There have been no complaints regarding the Feilding Transfer Station
Provision of waste handling and disposal facilities where appropriate, eg refuse transfer stations, bulk collections, litter bins	No more than 10 complaints per year pertaining to fly tipping	Target not met	There were 208 complaints of fly-tipping this year. Council is addressing this issue through new Waste Management Plan
Liaise with the Marae Consultative Committee	Maori/local Iwi are consulted on matters which affect them (Marae Consultative Committee minutes)	Target met	No issues have been raised with local Iwi to date
Tender refuse bag collection service. Council to consider extension of service	80% user satisfaction with waste collection services as measured in Communitrak survey	66% user satisfaction	Very/fairly satisfied 66% Not very satisfied 6% Don't know/unable to say 28%  Reasons for the low satisfaction will be addressed in the Waste Management Plan when the detailed report becomes available

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Feilding Landfill capping and closure	100% compliance with resource consent conditions	Target met	Landfill is capped and all consent conditions have been met
Consider entering a contract with private enterprise for provision of refuse transfer station services in Feilding	80% user satisfaction with transfer station services as measured in Communitrak survey	65% user satisfaction	Very/fairly satisfied 65% Not very satisfied 34% Don't know/unable to say 1%  Reasons for not meeting the target will be addressed in the Waste Management Plan
Consider joint provision of recycling, resource recovery, hazardous waste and education services and facilities - participate in regional waste officers group	Hazardous Waste and Education policy formulated on a regional basis: education on recycling being met across region. Hazardous wastes being recovered on a regular basis	Not achieved	This is being considered in the Waste Management Plan
Provide an education programme about waste minimisation	2,000 tonnes of green waste diverted from landfill	Not achieved	Council is developing further waste minimisation programmes for the public. This is considered in the Waste Management and Minimisation Plan currently under review
Provide facilities and services for recycling, garden waste and scrap metal recovery	Increased recycling and scrap steel recovery by 1,000 tonnes per annum	Not achieved	Facilities are available for recycling. Only 50 tonnes of metal has been recovered so far. Because merchants are paying for scrap metal, residents take them directly to the merchants



What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Make submissions to relevant government policies and programmes	Waste packaging accords signed with leading manufacturers leading to reduction in waste to landfill	Not achieved	The Government has passed the Waste Minimisation Act and Council is working towards achieving the requirements of the Act by reviewing the Waste Management Plan
Clean fill disposal area developed at Feilding landfill	500 m <sup>3</sup> of clean fill to Feilding landfill/annum	Not achieved	Council has obtained a certificate from HRC for permission to use the closed Feilding landfill for cleanfill storage

### Operating and Capital Work Programme for 2008/2009

Significant Operations/ Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Refuse Collection Contract (includes collection + disposal + cost of bags)	300,910	399,741	Lower expenditure reflects less waste collected and higher volumes of recycling
Kerbside Recycling Feilding	243,361	137,317	Recycling quantities have increased due to public awareness and education. This is reflected in reduction of waste to landfill
Transfer Station operation (includes rural and recycling centres)	409,698	375,388	The increase in expenditure is due to a back payment for greenwaste disposal 2007- 2009
<b>TOTAL</b>	<b>953,969</b>	<b>912,446</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Solid Waste asset renewals	0	36,771	No assets have been renewed this year. The budget has been carried over to 2009/10
<b>TOTAL</b>	<b>0</b>	<b>36,771</b>	



# WASTE

## WASTE WATER

*The community has asked for:*

**A community that has access to effective services; and**

**A self-sufficient environment that preserves values and develops our natural resources**

*In response to this Council aims to provide:*

### Waste Management –

to deliver efficient and cost effective wastewater services to customers while safeguarding public health, taking into account cultural issues and minimising adverse effects on the environment by:

- Collection, treatment and disposal of sewage (including trade wastes) through wastewater schemes within the district
- Meeting requirements of the Resource Management Act 1991 and Regional Plans for discharge of treated effluent to waterways and land

- Ensuring wastewater operations meet good practice and are effective in protecting the health and well-being of people and the environment
- Consulting with Maori/local Iwi on matters which concern them
- Upgrading the Feilding, Kimbolton and Longburn Wastewater Treatment Plant to meet requirements of the Manawatu Catchment Water Quality Regional Plan by 2009
- Encouraging trade waste industries to have waste minimisation and management programme
- Ensuring that customer service is responsive and the service remains reliable

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Treatment and disposal of waste water at each scheme	90% user satisfaction with sewage disposal services as measured by the Communitrak Survey	98% user satisfaction	Very/fairly satisfied 98% Not very satisfied 1% Don't know/unable to say 1%
Upgrade schemes as existing resource consents expire	100% compliance with resource consent conditions	Not achieved	Some non-compliance has occurred in Feilding and with some of the rural schemes: nutrient limit was exceeded

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Monitor wastewater discharges according to resource consent conditions	100% compliance with resource consent conditions	Not achieved	Some non-compliance has occurred in Feilding and with some of the rural schemes: nutrient limit was exceeded
Update Asset Management Plan	Asset Management Plan is up to date	Target met	Asset Management Plans are up to date
Revaluations 3 yearly	Revaluations up to date	Target met	Valuation completed as at 30 June 2008
Level of service consultation planned	Consultation on levels of service has taken place	Target met	Levels of service consultation was undertaken during August 2008. The results show that residents are generally satisfied with the Wastewater activity
Competitively tender reticulation maintenance contracts	There are no unauthorised discharges from wastewater reticulation systems	Two spillages have occurred	There were two minor sewer spillages due to a blockage in the reticulation system. The problems were promptly attended to and addressed accordingly
Competitively tender reticulation maintenance contracts	Contractor performance measures are being met	Target met	Issues are dealt with as they arise
Ongoing liaison with the Marae Consultative Committee	Maori/local Iwi are consulted on matters which affect them (Marae Consultative Committee minutes)	Target met	Maori and Iwi are consulted on matters which affect them

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Upgrade the Feilding Wastewater Treatment Plant	100% compliance with resource consent conditions	A number of non-compliance issues recorded	There have been a number of minor non-compliance issues with resource consent conditions. These are being addressed in the current upgrade underway
Upgrade the Feilding Wastewater Treatment Plant	Long term consent in place for Feilding Waste Water Treatment Plant	Not achieved	A long-term Resource Consent application was lodged with HRC in November 2008. The consent has been notified and Council is currently waiting for submissions
Upgrade the Kimbolton and Longburn wastewater treatment plants	Long-term resource consents in place for Longburn and Kimbolton waste water treatment plants	Target met	Council has a new resource consent for both Kimbolton and Longburn
Introduce New Trade Waste Bylaw	Reduced effluent concentrations from trade waste industries	Target met	Working with industries to reduce trade waste loadings
Introduce New Trade Waste Bylaw	No discharges from trade waste industries above their set limits	Target not met: four trade waste industries exceeded their discharge limits	Some trade waste industries exceeded their discharge limits. The industries have been penalised accordingly for the excess discharges by paying high discharge fees
Regularly review our customer service systems	Respond to high priority faults within 1 hour, 90% of the time	Target met	This is monitored through the Contractor's KPIs and the targets are met

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Implementation of the Asset management data base reporting system, for faults and response times	Respond to written complaints within 10 working days	Cannot be measured	Council has not implemented a system which is able to measure this effectively
Implementation of the Asset management data base reporting system, for faults and response times	A 24 hour, seven day service is available for reporting 99% of the time	Target met	All calls come through the call centre and are addressed accordingly
Implementation of Asset management data base reporting system	All response times are being met	Cannot be measured	Council has not implemented a system which is able to measure this effectively

### **Operating and Capital Work Programme for 2008/2009**

<b>Significant Operations/Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
<b>TOTAL</b>	<b>0</b>	<b>0</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Wastewater asset replacement	531,415	449,596	More work was undertaken than originally anticipated
<b>TOTAL</b>	<b>531,415</b>	<b>449,596</b>	

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Wastewater asset growth	81,908	330,421	Design of various projects is in progress. This project has been rescheduled as part of the LTCCP process
Feilding Waste Water Treatment Plant upgrade	1,350,232	3,250,000	Project is in progress. It is likely work will be delayed until resource consent is obtained. This project has been rescheduled as part of the LTCCP process
Himatangi Beach Sewerage System - this project has been deferred pending confirmation of central government funding and further community consultation	7,093	1,500,000	Project is on hold until government funding becomes available and further consultation undertaken with the community. Funding has been carried over to 2009/10
<b>TOTAL</b>	<b>1,439,233</b>	<b>5,080,421</b>	

# WASTE

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
1,676	Waste Water	1,787	1,445	124%
1,117	Solid Waste	1,124	1,090	103%
419	Interest	574	490	117%
256	Asset Management	203	237	86%
577	Depreciation	655	467	140%
52	Support Costs	109	59	185%
<b>4,097</b>	<b>Total Operating Costs</b>	<b>4,452</b>	<b>3,788</b>	<b>118%</b>
<b>Capital Costs</b>				
937	New Work	1,580	5,080	31%
421	Renewal Work	794	523	152%
935	Loan Repayments	204	338	60%
0	Transfers to Investments	0	40	0%
<b>2,293</b>	<b>Total Capital Costs</b>	<b>2,578</b>	<b>5,981</b>	<b>43%</b>
<b>6,390</b>	<b>TOTAL COSTS</b>	<b>7,030</b>	<b>9,769</b>	<b>72%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
3,245	Targeted Rates	3,571	3,653	98%
867	Waste Water	739	739	100%
298	Solid Waste	285	396	72%
270	Vested Assets	0	0	
0	Interest	0	40	0%
<b>4,680</b>	<b>Total Operating Revenue</b>	<b>4,595</b>	<b>4,828</b>	<b>95%</b>
<b>Capital Funding</b>				
969	New Loans Raised	0	4,750	0%
464	Renewal Loans Raised	0	0	
346	Transfers from Investments	7	(272)	(3%)
577	Funding from Non Cash Items	655	467	140%
<b>2,356</b>	<b>Total Capital Funding</b>	<b>662</b>	<b>4,945</b>	<b>13%</b>
<b>7,036</b>	<b>TOTAL FUNDING</b>	<b>5,257</b>	<b>9,773</b>	<b>54%</b>
<b>646</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(1,773)</b>	<b>4</b>	



# WATER

## URBAN STORMWATER/RURAL LAND DRAINAGE

*The community has asked for:*

**A community that has access to effective services**

*In response to this Council aims to:*

**Manage stormwater so as to minimise the risk to people and property and to minimise adverse environmental effects from stormwater runoff (Stormwater).**

**Maximise the drainage within the land drainage scheme areas in order to maximise rural production efficiency (Land Drainage).**

*These objectives will be achieved by:*

- Achieving reasonable environmental quality standards with stormwater discharge
- Providing safe and effective stormwater services for the district
- Continuing the further development of urban stormwater schemes
- Improving the look of open stormwater drains within urban areas

- Consulting with Maori/local Iwi on matters which concern them

*The following effects on community wellbeing have been identified:*

### Environmental, social and economic wellbeing:

Water is a basic requirement for life and vital to maintain a healthy community. Council's water activities comprise the administration of Urban Stormwater/Rural Land Drainage schemes and Water Supply schemes.

The provision of urban stormwater services provides benefits to the environmental, social and economic wellbeing of the community through decreasing risks from flooding, protecting the community (including people, property and community assets), maintaining the economic productivity of rural land and property values and encouraging residential development. A good water supply contributes to personal health and well-being.

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Ensure that stormwater runoff discharged from Council systems is of adequate quality	100% compliance with Horizons MW discharge consents requirements	Target met	There have been no compliance issues with stormwater discharge quality
Provide and maintain safe and cost effective stormwater services to established criteria	65% community satisfaction with stormwater system as measured in Communitrak survey	62% community satisfaction	Very/fairly satisfied 62% Not very satisfied 14% Don't know/unable to say 24%

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Respond to emergency situations in stormwater systems within specified timeframes	100% of emergency situations responded to within 1 hour of notification	Not applicable	No emergency situations experienced
Continue upgrades in Bunnythorpe, Feilding, Rongotea, Sanson and Longburn where communities can afford the costs	65% user satisfaction with reticulated stormwater systems as measured in Communitrak survey	89% user satisfaction	Very/fairly satisfied 89% Not very satisfied 9% Don't know/unable to say 2%
Develop a Stormwater Management Plan for Feilding	Annual work programme is completed within specified timeframe and budget	This project has not been completed	Project is progressing. Budget for physical works has been included in 2009/10 budgets
Develop open drain maintenance programme for Feilding, Bunnythorpe, Longburn, Sanson and Rongotea to established criteria	65% user satisfaction with open drain networks as measured in Communitrak survey	69% user satisfaction	Very/fairly satisfied 69% Not very satisfied 31% Don't know 0%
Ongoing liaison with the Marae Consultative Committee	Maori/local Iwi are consulted on matters which affect them (Marae Consultative Committee minutes)	Target met	No matters have arisen that have required Maori consultation

## Operating and Capital Work Programme for 2008/2009

Significant Operations/Maintenance	Actual (Year to Date)	Budget	Explanation of Variance/Update
Bunnythorpe stormwater	3,644	3,467	Operational costs at end of year are close to budget

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Feilding stormwater	98,426	77,747	Activity expenditure is above budget due mainly to costs associated with updating the Water and Sanitary Services Assessment (WASSA) report earlier than planned to coincide with LTCCP public consultation
Longburn stormwater	1,212	2,942	Operational costs to date have been below expectation Winter work requirements have been assessed and will be undertaken next financial year
Rongotea stormwater	4,680	4,686	Operational costs at end of year are close to budget
Sanson stormwater	1,534	7,092	Operational costs to date have been below expectation Winter work requirements have been assessed and will be undertaken next financial year
Bainesse land drainage	12,955	4,035	Significant maintenance was undertaken in August. This work exceeded budget. Cost saving measures will be put in place next financial year to recover expenditure
Other stormwater	19,034	10,506	Unplanned works in Tangimoana Beach and Himatangi at State Highway 1 during winter heavy rain events has exceeded planned budget. Separate account balance is \$13,476 in credit
Maire land drainage	50	2,154	Operational costs this year are below budget. This is not unusual in drainage schemes where operational surpluses accumulate for future big jobs

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Makowhai land drainage	0	5,779	Operational costs this year are below budget. This is not unusual in drainage schemes where operational surpluses accumulate for future big jobs
Oroua Downs land drainage	33,565	28,367	Maintenance work exceeded budget by 18%. This is not unusual on drainage schemes. There is over \$17,000 credit in sep A/c to cover extra costs
<b>TOTAL</b>	<b>175,100</b>	<b>146,775</b>	

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Bunnythorpe – 10 year programme to upgrade drain culverts	0	2,626	Budget requested to be carried over to 2010 financial year
Feilding stormwater upgrade – unplanned renewals	687	15,759	Unplanned renewal work is underspent this financial year
Longburn stormwater - unplanned renewals	0	1,051	Unplanned renewal work is underspent this financial year
<b>TOTAL</b>	<b>687</b>	<b>19,436</b>	

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Feilding capital work to cater for future growth and development	223,569	0	An accumulation of costs on approved projects \$140,000 Ranfurly Rd SW \$60,000 Pharazyn Rd Arnott St SW \$7,000 Turners Rd industrial \$14,000 Development Contribution Review

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Feilding – stage 1 of Stormwater Management Plan Completion of Feilding stormwater project	58,979	10,506	Costs include \$46,278 for Glasgow Terrace an unplanned Council approved project
<b>TOTAL</b>	<b>282,548</b>	<b>10,506</b>	

# WATER

## WATER SUPPLY

*The community has asked for:*

**A community that has access to effective services**

*In response to this Council aims to:*

**Provide an efficient, safe water supply that is sustainable, both in terms of delivery and cost to the community, to ensure that the present needs of the community are met without constraining future generations and that the community is encouraged to conserve water. This will be achieved by:**

- Facilities which are managed in a sustainable manner with respect to future generations
- A reliable, responsive service
- Safe, pleasant tasting and looking drinking water
- Consultation with Maori/local Iwi on matters which concern them

## What has Council achieved in 2008/2009?

What we said we'd deliver in 2008/2009	Measure of success (Target)	Target Attained	Comments (if applicable)
Promote water conservation in the Manawatu district through education and initiatives	Better community understanding of efficient sustainable water use	Ongoing	Council has a number of handouts that are supplied to customers from the front counter
Reduce water loss in system reticulation by completing a water loss investigation for each scheme and undertake a cost/benefit analysis for water loss reduction	More efficiently operated schemes: achieve a cost effective reduction in water losses that meets an Asset Management Plan goal	Work has not commenced on this project	Time and budget restraints are delaying progress on this project

<b>What we said we'd deliver in 2008/2009</b>	<b>Measure of success (Target)</b>	<b>Target Attained</b>	<b>Comments (if applicable)</b>
Operate water supply schemes in accordance with conditions of resource consent	100% compliance with conditions of resource consents	Target met where reporting complete	No consented takes have exceeded resource consent compliance Reporting on the Feilding bores is not complete due to data storage problems
Review of Manawatu District Water Supply Development Plan	All development is undertaken in accordance with the plan, and review is completed to schedule – 2008	Work has not commenced on this project	Time constraints have meant that the review date has been rescheduled to 2009
A 24 hour, 7 day per week service is available for reporting problems	Service is available 24 hours a day, 7 days a week	Target met	Contractor Downer EDI works has maintained a 24 hours 7 day per week service
Respond to emergency situations in water systems within specified timeframe	100% of emergency situations responded to within 1 hour of notification	Not applicable	No emergency situations have been experienced
Public Health Risk Management Plans to be completed for water supply schemes	65% user satisfaction with water supplies as measured by the Communitrak Survey	84% user satisfaction	Very/fairly satisfied 84% Not very satisfied 14% Don't know/unable to say 2%
Continue to monitor source and treated water for E.coli and protozoa compliance	100% compliance with E.coli criteria of the Drinking-water standards for New Zealand 2005	100%	One positive E.coli returned from Waituna West RWS. Subsequent sampling was clear and full compliance achieved
Ongoing liaison with the Marae Consultative Committee	Maori/local Iwi are consulted on matters which affect them (Marae Consultative Committee minutes)	Target met	No issues have arisen that have required Maori consultation

<b>Significant Operations/ Maintenance</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Bunnythorpe Water	39,090	37,928	Reticulation maintenance costs have been greater than expected
Feilding Water Treatment Plant	552,550	465,423	An increase in chemical costs has resulted in a \$90,000 cost overrun
Feilding reticulation	410,056	325,379	Activity expenditure was higher than budget due to the following: \$70,000 increase in reticulation maintenance \$8,500 consultant's costs for WASSA review \$6,500 use of consultants due to staff shortages Feilding water scheme sep A/c has credit balance
Himatangi Beach Water	67,836	56,262	There has been more reactive repair work than anticipated
Longburn Water	19,699	21,685	Activity expenditure as planned
Sanson Water	44,682	43,926	Activity expenditure as planned
Stanway/Halcombe Rural Water Scheme - pump station and pipe renewals	117,615	106,322	There has been more reactive repair work than anticipated
Waituna West Rural Water Scheme	46,702	66,714	Expenditure to date is under budget. Favourable winter river conditions have reduced maintenance costs on the water supply intake
<b>TOTAL</b>	<b>1,298,230</b>	<b>1,123,639</b>	



<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Waituna West Rural Water Scheme - storage and reticulation renewals	0	0	There is no budget for this activity
Bunnythorpe - replacement of ageing assets	12,019	15,802	Activity expenditure completed slightly below budget for the year
Feilding - unplanned renewals	31,288	26,266	Unplanned renewal work is reactive to requirements. End of year expenditure is slightly above budget Feilding water scheme sep A/c has a credit balance
Feilding - replacement of old cast iron and asbestos cement watermains	698,625	525,523	Planned works for the year completed. Design work for 2009/10 renewals is underway \$200,000 extra expenditure due to 2007/08 renewal projects being invoiced this financial year. The 2007/08 budget was \$300,000 underspent
Himatangi Beach - unplanned renewals	3,329	2,627	Unplanned renewal work is reactive to requirements.
Himatangi Beach – replacement of Water Treatment Plant aged assets	3,203	2,311	Telemetry renewal costs

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Longburn - unplanned renewals	4,745	2,101	Unplanned renewal work is reactive to requirements. Telemetry renewal costs have exceeded the available budget. Additional funding has come from separate account balance
Longburn – replacement of Water Treatment Plant aged assets	0	0	No budget for this activity in 2008/09
Sanson - unplanned renewals	9,611	1,839	Unplanned replacement of reticulation valves in the system Sanson water scheme sep A/c is \$17,900 in credit
Stanway/Halcombe - unplanned renewals	17,287	45,506	Unplanned renewal work is reactive to requirements
Stanway/Halcombe - replacement of Water Treatment Plant aged assets	5,578	20,000	Planned renewal work unable to be completed due to early wet winter conditions. Work is reprogrammed for summer
Waituna West RWS – telemetry renewal	0	5,253	Funds spent included in cost against unplanned renewals - next page

<b>Renewal Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Waituna West - unplanned renewals	14,300	3,152	Unplanned renewal work is reactive to requirements Replacement of faulty reticulation valves has exceeded budget Waituna water scheme sep account is \$94,000 in credit
Waituna West - replacement of Water Treatment Plant aged assets	12,620	5,989	Upgrade work paid for by new water connection applicant. This has offset the over expenditure
<b>TOTAL</b>	<b>812,605</b>	<b>656,658</b>	

<b>Capital Works</b>	<b>Actual (Year to Date)</b>	<b>Budget</b>	<b>Explanation of Variance/Update</b>
Longburn - investigate options to provide fire fighting capacity to scheme	0	81,949	This project is being deferred until 2012 due to current economic climate
Feilding – development projects as identified in the growth strategy	118,913	0	Growth projects are progressing as planned with council approval Expenditure largely Ranfurly Road water costs
Feilding – installation of Ultra Violet (UV) disinfection at Almadale water treatment plant to achieve 'A' grade water supply	7,103	1,916,750	This project has been postponed due to economic and financial considerations
<b>TOTAL</b>	<b>126,016</b>	<b>1,998,699</b>	

# WATER

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
1,237	Water	1,311	1,124	117%
141	Drainage	175	147	119%
384	Interest	493	373	132%
265	Asset Management	193	253	76%
28	Asset Write Off's	0	0	
1,236	Depreciation	1,365	773	177%
73	Support Costs	125	79	158%
<b>3,364</b>	<b>Total Operating Costs</b>	<b>3,662</b>	<b>2,749</b>	<b>133%</b>
<b>Capital Costs</b>				
372	New Work	455	2,095	22%
432	Renewal Work	849	586	145%
476	Loan Repayments	290	1,067	27%
0	Transfers to Investments	0	255	0%
0	Transfers to Depreciation Funds	0	0	
<b>1,280</b>	<b>Total Capital Costs</b>	<b>1,594</b>	<b>4,003</b>	<b>40%</b>
<b>4,644</b>	<b>TOTAL COSTS</b>	<b>5,256</b>	<b>6,752</b>	<b>78%</b>
<i>Funded By:</i>				
<b>Operating Revenue</b>				
2,689	Targeted Rates	2,822	2,785	101%
62	General Rates	13	63	21%
1,273	Vested Assets	0	0	
534	Water	371	393	94%
54	Drainage	15	99	15%
<b>4,612</b>	<b>Total Operating Revenue</b>	<b>3,221</b>	<b>3,340</b>	<b>96%</b>
<b>Capital Funding</b>				
837	New Loans Raised	0	1,999	0%
631	Renewal Loans Raised	0	678	0%
102	Transfers from Investments	163	(33)	(494%)
1,264	Funding from Non Cash Items	1,365	773	177%
<b>2,834</b>	<b>Total Capital Funding</b>	<b>1,528</b>	<b>3,417</b>	<b>45%</b>
<b>7,446</b>	<b>TOTAL FUNDING</b>	<b>4,749</b>	<b>6,757</b>	<b>70%</b>
<b>2,802</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(507)</b>	<b>5</b>	

# FUNDING IMPACT STATEMENT

Funding Summary | for the period ended 30 June 2009

Actual 2008 \$000		Actual 2009 \$000	Budget 2009 \$000	%
<b>Operating Costs</b>				
20,807	Operating Costs	22,919	19,498	118%
964	Interest Paid	955	1,497	64%
8,500	Depreciation	9,155	6,970	131%
211	Asset Write-Offs	10,144	0	
<b>30,482</b>	<b>Total Operating Costs</b>	<b>43,173</b>	<b>27,965</b>	<b>156%</b>
<b>Capital Costs</b>				
2,666	New Work	4,966	10,261	48%
7,565	Renewal Work	8,862	12,548	71%
2,959	Loan Repayments	2,105	2,974	71%
1,542	Transfers to Investments	236	955	25%
<b>14,732</b>	<b>Total Capital Costs</b>	<b>16,169</b>	<b>26,738</b>	<b>60%</b>
<b>45,214</b>	<b>TOTAL COSTS</b>	<b>59,342</b>	<b>54,703</b>	<b>108%</b>
	Funded By:			
<b>Operating Revenue</b>				
2,230	General Rates	2,739	2,515	109%
19,274	Targeted Rates	19,768	19,631	101%
6,547	Subsidies	6,114	7,937	77%
1,154	Interest & Dividends	899	1,191	75%
5,259	User Fees	3,244	3,964	82%
(223)	Gain/(Loss) on Asset Disposal	(85)	0	
2,579	Other Revenue	2,269	357	636%
<b>36,820</b>	<b>Total Operating Revenue</b>	<b>34,948</b>	<b>35,595</b>	<b>98%</b>
<b>Capital Funding</b>				
0	New Loans Raised	1,519	7,708	20%
0	Renewal Loans Raised	0	1,499	0%
861	Transfers from Investments	1,435	2,925	49%
8,500	Funding from Non Cash Items	19,299	7,016	275%
<b>9,361</b>	<b>Total Capital Funding</b>	<b>22,253</b>	<b>19,148</b>	<b>116%</b>
<b>46,181</b>	<b>TOTAL FUNDING</b>	<b>57,201</b>	<b>54,743</b>	<b>104%</b>
<b>967</b>	<b>CASH SURPLUS/(DEFICIT)</b>	<b>(2,141)</b>	<b>40</b>	<b>(5,353%)</b>







2009



# **FINANCIAL INFORMATION**

**This section of the Annual Report contains  
the following information:**

**Financial Statements**

**Notes to the Accounts**

**Policy reports:**

Revenue and Financing Policy and Liability

Management and Investment Policies

Council Controlled Organisations

# INCOME STATEMENT

For the period ended 30 June 2009

	Note	COUNCIL			GROUP	
		Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>REVENUE</b>						
Rates revenue	3	22,507	22,147	21,504	22,211	21,504
Financial income	4	899	228	1,154	859	1,164
Other revenue	5	11,627	13,172	14,385	12,532	14,506
Other gains/(losses)	6	(85)	0	(223)	(85)	(223)
<b>Total revenue</b>		<b>34,948</b>	<b>35,547</b>	<b>36,820</b>	<b>35,517</b>	<b>36,951</b>
<b>EXPENDITURE</b>						
Personnel costs	7	5,513	5,025	4,593	5,567	4,618
Depreciation and amortisation expense	15,16	9,155	7,260	8,500	9,565	8,558
Finance costs	8	955	1,476	964	955	964
Other expenses	9	17,406	14,208	16,425	17,723	16,421
<b>Total operating expenditure</b>		<b>33,029</b>	<b>27,969</b>	<b>30,482</b>	<b>33,810</b>	<b>30,561</b>
<b>Operating surplus/(deficit) before tax and gifting of assets</b>		<b>1,919</b>	<b>7,578</b>	<b>6,338</b>	<b>1,707</b>	<b>6,390</b>
Gift of Property to the Manawatu Community Trust		10,144	0	0	0	0
Income tax expense	10	0	0	0	0	0
<b>Surplus/(deficit) after tax</b>		<b>(8,255)</b>	<b>7,578</b>	<b>6,338</b>	<b>1,707</b>	<b>6,390</b>

On the 1 July 2008, the Council gifted its housing for the elderly & disabled property portfolio to the Manawatu Community Trust. This gifting resulted in an asset write-off expense in Council's income statement. The housing portfolio remains within the Group, so this asset write-off is eliminated within the Group income statement.

*Explanations of significant variances against budget are detailed in note 32.*

*The accompanying notes form part of these financial statements.*

# BALANCE SHEET

As at 30 June 2009

	Note	COUNCIL			GROUP	
		Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents	11	5,052	7,519	5,303	5,382	5,400
Debtors and other receivables	12	3,993	2,469	4,809	4,023	4,811
Other financial assets	13	2,743	0	1,008	2,718	1,008
Non-current assets held for sale	14	0	0	10,881	0	241
<b>Total current assets</b>		<b>11,788</b>	<b>9,988</b>	<b>22,001</b>	<b>12,123</b>	<b>11,460</b>
<b>NON-CURRENT ASSETS</b>						
Property, plant and equipment	15	541,322	478,512	507,311	555,481	521,770
Intangible assets	16	438	432	112	438	112
Forestry assets	17	393	707	465	393	465
Non-current assets held for sale	14	0	241	0	0	0
Other financial assets	13	5,760	6,863	7,876	5,085	7,876
<b>Total non-current assets</b>		<b>547,913</b>	<b>486,755</b>	<b>515,764</b>	<b>561,397</b>	<b>530,223</b>
<b>Total assets</b>		<b>559,700</b>	<b>496,743</b>	<b>537,765</b>	<b>573,519</b>	<b>541,683</b>
<b>LIABILITIES</b>						
Current liabilities						
Creditors and other payables	18	5,275	4,223	4,525	5,352	4,532
Provisions	19	63	0	63	63	63
Employee entitlements	20	680	310	468	684	469
Borrowings	21	2,045	1,297	2,326	2,045	2,326
<b>Total current liabilities</b>		<b>8,063</b>	<b>5,830</b>	<b>7,382</b>	<b>8,144</b>	<b>7,390</b>
<b>NON-CURRENT LIABILITIES</b>						
Provisions	19	623	420	623	623	623
Borrowings	21	8,771	20,057	9,076	8,771	9,076
<b>Total non-current liabilities</b>		<b>9,394</b>	<b>20,477</b>	<b>9,699</b>	<b>9,394</b>	<b>9,699</b>
<b>Total liabilities</b>		<b>17,457</b>	<b>26,307</b>	<b>17,081</b>	<b>17,538</b>	<b>17,089</b>
<b>EQUITY</b>						
Retained earnings	22	471,789	421,944	479,710	482,139	480,129
Other reserves	22	70,454	48,492	40,974	73,842	44,465
<b>Total equity</b>		<b>542,243</b>	<b>470,436</b>	<b>520,684</b>	<b>555,981</b>	<b>524,594</b>
<b>Total Liabilities and Equity</b>		<b>559,700</b>	<b>496,743</b>	<b>537,765</b>	<b>573,519</b>	<b>541,683</b>

The accompanying notes form part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

As at 30 June 2009

	Note	COUNCIL			GROUP	
		Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Balance at 1 July</b>		<b>520,684</b>	<b>454,899</b>	<b>488,072</b>	<b>524,594</b>	<b>488,439</b>
<i>Property, plant and equipment</i>						
Revaluation gains/(losses) taken to equity	22	29,784	7,959	26,274	29,680	29,765
Net income/(expense) recognised directly in equity		29,784	7,959	26,274	29,680	29,765
Surplus/(deficit) for the year		(8,225)	7,578	6,338	1,707	6,390
Total recognised income/ (expense) for the year ended 30 June		21,559	15,537	32,612	31,387	36,155
<b>Balance as at 30 June</b>		<b>542,243</b>	<b>470,436</b>	<b>520,684</b>	<b>555,981</b>	<b>524,594</b>

The accompanying notes form part of these financial statements.

# STATEMENT OF CASH FLOWS

For the period ended 30 June 2009

	COUNCIL			GROUP		
	Note	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from rates revenue		22,160	22,088	21,078	22,160	21,078
Interest received		1,014	1,003	1,106	1,030	1,116
Dividends received		9	0	8	9	8
Receipts from other revenue		13,104	12,447	13,567	14,092	13,694
Payments to suppliers and employees		(22,819)	(18,895)	(22,804)	(23,525)	(22,826)
Interest paid		(901)	(1,334)	(1,020)	(957)	(1,020)
Goods and services tax (net)		288	(82)	(399)	288	(399)
<b>Net cash from operating activities</b>	<b>23</b>	<b>12,855</b>	<b>15,227</b>	<b>11,536</b>	<b>13,097</b>	<b>11,651</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of property, plant and equipment		95	0	265	95	265
Proceeds from sale of forestry assets		(17)	0	0	(17)	0
Purchase of intangible assets		(367)	0	(30)	(367)	(30)
Purchase of property, plant and equipment		(12,669)	(19,990)	(10,035)	(12,688)	(10,162)
Net acquisition of investments		381	749	(62)	381	29
<b>Net cash from investing activities</b>		<b>(12,577)</b>	<b>(19,241)</b>	<b>(9,862)</b>	<b>(12,596)</b>	<b>(9,898)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Proceeds from borrowing		1,519	9,189	0	1,629	0
Repayment of borrowings		(2,048)	(2,974)	(2,781)	(2,148)	(2,781)
<b>Net cash from financing activities</b>		<b>(529)</b>	<b>6,215</b>	<b>(2,781)</b>	<b>(519)</b>	<b>(2,781)</b>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(251)	2,201	(1,107)	(18)	(1,028)
Cash, cash equivalents and bank overdrafts at the beginning of the year		5,303	5,318	6,410	5,400	6,428
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>	<b>11</b>	<b>5,052</b>	<b>7,519</b>	<b>5,303</b>	<b>5,382</b>	<b>5,400</b>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

*The accompanying notes form part of these financial statements.*



# NOTES TO THE FINANCIAL ACCOUNTS

## 1 STATEMENT OF ACCOUNTING POLICIES

### Reporting Entity

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

The group consists of Manawatu District Council and three controlled organisations, The Feilding Civic Centre Trust, the Manawatu Community Trust and Heartland Contractors Ltd (100% owned).

Manawatu District Council owns 1/7th or 14% of Manawatu Wanganui LASS Limited, a company set up in 2008 by seven local councils to investigate possibilities of economies of scale and joint procurement.

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

The balance date of the Council is 30 June annually. The financial statements were authorised for issue by Council on 15 October 2009.

### Statement of Compliance and Basis of Preparation

These financial statements have been prepared in accordance with the requirements of section 111 of the Local Government Act 2002, the Financial Reporting Act and in accordance with generally accepted accounting practice in New Zealand. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. All available reporting exemptions allowed under the framework for PBEs have been adopted.

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

prepared on the basis of the assumptions stated.

The financial statements have been prepared on a historical cost basis, except for assets and liabilities which are recorded at fair value. These are detailed in the specific policies below.

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

### Subsidiaries

A subsidiary is an entity where the Council has the power to control their financing and operating policies, so as to obtain benefits from the activities of that entity. This power exists where the Council controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by the Council, or where the determination of such policies is unable to impact materially on the level of potential ownership benefits that arise from the activities of the subsidiary.

The Council's investment in its subsidiaries is carried at cost in the Council's own "parent entity" financial statements.

### 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 inter-entity balances, transactions, income and expenses are eliminated on consolidation.

### Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled assets the Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

## Budget Figure

The budget figures are those approved by the Council at the beginning of the year as a part of the annual plan. The budget figures were prepared using accounting policies consistent with those used for the preparation of the financial statements.

## Revenue

Revenue is measured at the fair value of consideration received.

- Rates revenue is recognised at the time the rates are invoiced.
- Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.
- Government grants and subsidies are recognised upon entitlement, which is when the conditions pertaining to eligible expenditure have been fulfilled. The most significant government grant is from Land Transport New Zealand, which subsidises part of the costs in maintaining the local roading infrastructure network.
- Revenue from other services is recognised when the service has been rendered to a third party.
- Sales of goods are recognised when the goods are delivered.
- Interest income is accrued on a time basis, by reference to the investment principle and the effective interest applicable.
- Dividends (net of imputation credits) are recognised when the right to receive payment has been established.
- Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.
- Revenue derived through acting as an agent for another party is recognised as a commission or fee on the transaction.
- Development contributions are recognised as revenue when Council provides, or is able to provide, the services that gave rise to the charging of the contribution. Development contributions are classified as part of "Other Revenue".

## Borrowing Costs

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

## Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets a specified criteria. Expenditure is recognised when an application that meets the specified criteria for the grant has been received.

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

## Cost Allocation

Costs directly attributable to an activity are charged directly to that activity. Indirect costs are charged to activities using appropriate cost drivers such as; actual usage, staff numbers and floor area.

## Foreign Currency

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.

## Income Tax

Income tax expense is charged in the Income Statement in respect of the current year's earnings after allowing for permanent differences.

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 arise when the accounting treatment of taxation differs from the Inland Revenue Department's requirements.

## 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.

Commitments and contingencies are disclosed exclusive of GST.

### **Financial Instruments**

The Council is party to financial instruments as part of its normal operations. These include bank accounts, investments, accounts receivable, accounts payables and borrowings. All financial instruments are recognised in the balance sheet and all revenues and expenses in relation to financial instruments are recognised in the income statement.

Unless otherwise covered by a separate policy, all financial instruments are reported at their fair value.

### **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 three months or less, and bank overdrafts. All these deposits are reflected at their fair value.

### **Trade and Other Receivables**

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

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

### **Financial Assets**

Financial assets are categorised into the following four categories: financial assets at fair value through profit or loss; held-to-maturity investments; loans and receivables; and financial assets at fair value through equity. The classification depends on the purpose for which each investment was acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

The fair value of financial instruments traded in active markets is based upon the quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The 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 are used to determine fair value for the remaining financial instruments.

### **Financial Assets at Fair Value through Profit or Loss**

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading. After initial recognition they are measured at their fair values. Gains or losses due to change in fair value are recognised in the income statement.

Currently, the Council does not hold any financial assets in this category.

### **Loans and Receivables**

These are initially recorded at fair value and are subsequently recognised at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the income statement.

Council has provided a number of loans or advances to community-based organisations that have specific conditions attached. In some circumstances these loans are only repayable should the community-based organisation cease to operate in accordance with the loan conditions. Those loans that are not expected to be repaid to Council in the foreseeable future are shown as a contingent asset.

Receivables are classified as "Account Receivables" in the balance sheet. Advances and loans are classified as "Other Financial Assets" in the balance sheet.

### Held to Maturity Investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity, eg Local Government Stock and Bonds

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.

### Financial Assets at Fair Value Through Equity

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 the Council intends to hold long-term, but may be realised before maturity; and
- Shareholdings held for strategic purposes (other than Council's investments in its subsidiary).

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 the income statement even though the asset has not been derecognised. On derecognition the cumulative gain or loss previously recognised in equity is recognised in the income statement.

### 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.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the income statement. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

### Property, Plant and Equipment

Property, plant and equipment consists of:

- Operational assets: include land, buildings, library books, plant and equipment, and motor vehicles.
- Restricted assets: include parks, reserves and associated assets owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other Council restrictions.
- Infrastructure assets: are the fixed utility systems that provide a continuing service to the community and are generally regarded as non-tradeable. 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.

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

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the asset will provide future economic benefits or service potential to the 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.

## Work in Progress

All assets constructed by Council are initially recorded as work in progress. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

## Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which is not depreciated), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year-end.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

<b>Buildings</b>	20 to 80 years	(1%-5%)
<b>Plant and equipment</b>	4 to 10 years	(10-20%)
<b>Motor vehicles</b>	3 to 5 years	(20 to 33%)
<b>Library books</b>	10 years	(10%)
<b>Infrastructural assets</b>		
<b>Roading network</b>		
Top surface (seal)	5 to 18 years	(5.5%-20%)
Pavement (base course)		
Sealed	25 to 60 years	(1.6%-4%)
Unsealed	5 to 15 years	(6.6%-20%)
Formation	-	(not depreciated)
Culverts	50 to 100 years	(1 to 2%)
Footpaths	25 to 70 years	(1.4 to 4%)
Kerbs	50 to 100 years	(1 to 2%)
Signs	13 years	(7.5%)
Streetlights	50 to 70 years	(1.4 to 2%)
Bridges	80 to 120 years	(1% to 1.25%)
<b>Water system</b>		
Pipes	60 years	(1.66%)
Valves, hydrants	60 years	(1.66%)
Pump stations	5 to 25 years	(4 to 25%)
Tanks	50 to 100 years	(1 to 2%)
<b>Sewerage system</b>		
Pipes	60 to 100 years	(1 to 1.66%)
Manholes	60 to 100 years	(1 to 1.66%)
Treatment plant	50 years	(2%)
<b>Drainage network</b>		
Pipes	60 to 100 years	(1 to 1.66%)
Manholes, cesspits	60 to 100 years	(1 to 1.66%)

## Revaluation

Those asset classes that are revalued are valued on either a one-year or a three yearly valuation cycle on the basis described below. 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.

### Operational and Restricted - Land and Buildings

These assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Quotable Value NZ as at 30 June 2008. Council's policy is to revalue land and buildings every three years.

### Infrastructural Asset Classes: Water Reticulation, Sewerage Reticulation and Stormwater Systems

These assets are revalued to fair value on a depreciated replacement cost basis as determined by an independent valuer. At balance date, the Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent valuation was performed internally by engineering staff and certified by C H Jenkins of SPM Consultants Ltd as at 1 July 2008.

All infrastructural asset classes carried at valuation were valued. Council's policy is to revalue these assets every three years.

### Infrastructural Asset Classes: Roads

These assets are revalued annually to fair value on a depreciated replacement cost basis as determined by an independent valuer. The valuation was performed by Mark Sneddon, GHD Limited, as at 1 July 2008.

### Land Under Roads

Land under roads was valued based on fair value of adjacent land determined by Tony Jones of Quotable Value NZ, effective 1 July 2005. Under NZ IFRS, the Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost.

Land under roads is therefore no longer revalued.

### Library Collections

The Library was initially valued at depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of NZ. This is considered deemed cost. All additions and disposals since that valuation are accounted for at cost.

### Accounting for Revaluations

The 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 offsets 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.

### Intangible Assets

#### Software Acquisition and Development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Software is amortised on a straight-line basis over the estimated useful of the asset (usually 5 years).

#### Easements

Easements are not valued.

#### Forestry Assets

The Gordon Kear Forest is a jointly controlled venture between the Council and the Palmerston North City Council, with the Council owning a 23.3% share of the forest crop.

The forestry crop is independently revalued to fair value by Alan Bell of Alan Bell & Associates on the 30 June annually. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate, less estimated point of sale costs. Gains or losses arising from a change in fair value less estimated point of sale costs are recognised in the income statement.

Costs of a capital nature are capitalised each year and the costs to maintain the forestry assets are included in the income statement.

#### **Impairment of Assets**

At each balance date the Council assesses whether there is any objective evidence that any asset has been impaired (unable to provide the intended level of service). Any impairment losses are recognised in the income statement.

#### **Financial Liabilities**

Financial liabilities (trade payables, income in advance, loans/borrowings, bonds and deposits) are initially recognised at their fair value. These are subsequently recorded at amortised cost.

#### **Employee Entitlements**

##### **Short-Term Entitlements**

Provision is made for employee entitlements accumulating as a result of services rendered. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date. Annual leave has been calculated on an actual entitlement basis at current rates of pay. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

##### **Long-Term Entitlements - Superannuation Schemes:**

###### **Defined Contribution Schemes**

Obligations for contributions to Defined Contribution Superannuation Schemes are recognised as an expense in the income statement as incurred.

###### **Defined Benefit Schemes**

The Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is

managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a Defined Contribution Scheme.

#### **Provisions – Landfill Closure and Aftercare Costs**

As the operator of landfills, the Council has a legal obligation to rehabilitate landfill sites post-closure and to provide ongoing maintenance and monitoring services after closure. The costs to meet these post-closure landfill obligations are recognised within the provision.

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.

#### **Leases**

##### **Finance Leases**

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

At the commencement of the lease term, the Council recognises the leased asset and corresponding liability 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 asset is depreciated over the period the Council is expected to gain benefit from the use of the asset.

##### **Operating Leases**

An operating lease is a lease where the lessor effectively retains all the risks and benefits of ownership of an asset. Lease payments under an operating lease are charged as an expense in the period in which they are incurred.

## Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

The components of equity are:

- Retained Earnings
- Restricted and Council Created Reserves
- Asset Revaluation Reserves

## Restricted and Council Created Reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. These reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised without reference to the Courts or a third party.

Transfers from these reserves may be made for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## Critical Accounting Estimates and Assumptions

All judgements, estimates and assumptions are included in the accounting policies. None are considered critical, with the exception of the following:

### Landcare Aftercare Provision

Note 19 presents an analysis of the exposure of Manawatu District 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 Depreciated Replacement Cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example, the 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 Manawatu District Council could be over or under estimating the annual depreciation charge recognised as an expense in the statement of financial performance.

To minimise this risk, Manawatu District 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 the Manawatu District Council's asset management planning activities, which gives Manawatu District Council further assurance over its useful life estimates.

Experienced independent valuers and a certifier perform Council's infrastructural asset revaluations.

## Standards, Amendments, and Interpretations issued but not yet effective and have not been early adopted

### NZ IAS 1:

Presentation of Financial Statements (revised 2007) requires information in financial statements to be aggregated and introduces a statement of comprehensive income. This change is effective for reporting periods beginning on or after 1 January 2009. The Council intends to adopt this standard for the year ending 30 June 2010.

### NZ IAS 23:

Borrowing Costs (revised 2007) requires all borrowing costs to be capitalised if they are directly attributable to the acquisition, construction, or production of a qualifying asset. In October 2008, the mandatory adoption of NZ IAS 23 (revised 2007) by public benefit entities was deferred. The Council has elected to defer the adoption of the revised NZ IAS 23. Accordingly, all borrowing costs continue to be recognised as an expense.

### NZ IFRS 3:

Business Combinations (revised 2008) and the amended NZ IAS 27 Consolidated and Separate Financial Statements are effective for reporting periods beginning on or after 01 July 2009. The Council intends to adopt this standard for the year ending 30 June 2010.

The main changes from revised NZ IFRS 3 and amended NZ IAS 27 related to:

- Partial acquisitions – non-controlling interests are measured either as their proportionate interest in the net identifiable assets or at fair value.
- Step acquisitions – goodwill will be measured, as the difference at acquisition date between the fair value of any investment in the business held before the acquisition, the consideration transferred and the net assets acquired. The requirement to measure at fair value every asset and liability for the purposes of calculating a portion of goodwill has been removed.
- Acquisition-related costs – acquisition related costs will be expensed, rather than included in the cost of the acquisition.
- Contingent consideration – contingent consideration will be recognised and measured at fair value at the acquisition date, and any subsequent changes in fair value will be recognised in accordance with other NZ IFRS's, usually in the income statement (rather than adjusting the cost of acquisition).



## 2 SUMMARY COST OF SERVICES

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
<b>REVENUE</b>			
Community Facilities	383	393	1,204
Democracy	1,502	1,496	1,631
District Development	2,385	2,153	2,173
Emergency Management	296	263	266
Environmental and Regulatory	1,977	2,275	1,810
Leisure Resources	4,324	4,063	3,875
Roading	13,012	15,189	15,135
Waste	4,595	4,828	4,680
Water	3,221	3,340	4,612
<b>Total activity revenue</b>	<b>31,695</b>	<b>34,000</b>	<b>35,386</b>
Other income	3,253	1,547	1,434
<b>Total operating revenue</b>	<b>34,948</b>	<b>35,547</b>	<b>36,820</b>

<b>EXPENDITURE</b>			
Community Facilities	10,448	352	1,541
Democracy	961	1,435	1,261
District Development	2,011	2,092	1,821
Emergency Management	360	259	245
Environmental And Regulatory	2,080	2,205	2,129
Leisure Resources	4,951	4,315	4,311
Roading	11,390	9,318	11,005
Waste	4,452	3,788	4,097
Water	3,662	2,749	3,364
<b>Total activity expenditure</b>	<b>40,315</b>	<b>26,513</b>	<b>29,774</b>
Other expenditure	2,858	1,456	708
<b>Total operating expenditure</b>	<b>43,173</b>	<b>27,969</b>	<b>30,482</b>

Each significant activity is stated gross of internal costs and revenues and includes targeted rates attributable to activities (refer note 3). In order to fairly reflect the total external operations for the Council in the statement of financial performance, these transactions are eliminated in the other income and other expenditure lines.



### 3 RATES REVENUE

	<b>COUNCIL &amp; GROUP</b>	
	<b>Actual 2009</b>	<b>Actual 2008</b>
	<b>\$000</b>	<b>\$000</b>
<b>GENERAL RATES ATTRIBUTABLE TO ACTIVITIES:</b>		
District development	1,832	1,723
Emergency management	60	54
Environmental and regulatory	156	142
Water	13	62
Other	416	5
<b>Total General Rates</b>	<b>2,477</b>	<b>1,986</b>
<b>UNIFORM TARGETED RATES (UTR) AND TARGETED RATES ATTRIBUTABLE TO ACTIVITIES:</b>		
Community facilities	314	253
Democracy	1,502	1,589
District development	206	206
Emergency management	198	184
Environmental and regulatory	699	622
Leisure resources	3,594	3,145
Roading	6,862	7,341
Waste	3,571	3,245
Water	2,822	2,689
<b>Total Uniform Targeted Rates and Targeted Rates</b>	<b>19,768</b>	<b>19,274</b>
<i>Plus Rates Penalties</i>	262	244
<b>Total Revenue from Rates</b>	<b>22,507</b>	<b>21,504</b>

#### Rates Remissions

Rates revenue is shown net of rates remissions. MDC's rates remission policy (as detailed in the LTCCP) allows MDC to remit rates for contiguous and non contiguous properties, additional dwellings, penalties, multi unit properties, and land voluntarily or mandatorily protected for natural, historic or cultural conservation purposes.

	<b>Actual 2009</b>	<b>Actual 2008</b>
	<b>\$000</b>	<b>\$000</b>
Total Rates Revenue	22,655	21,600
Less Rates Remissions	(148)	(96)
<b>Rates Revenue Net of Remissions</b>	<b>22,507</b>	<b>21,504</b>

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 MDC's rates remission policy.

#### 4 FINANCIAL INCOME

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Interest income for financial assets not at fair value through profit and loss	890	1,146	850	1,156
Dividend income	9	8	9	8
<b>Total Financial Income</b>	<b>899</b>	<b>1,154</b>	<b>859</b>	<b>1,164</b>

#### 5 OTHER REVENUE

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
User fees and charges	3,244	4,086	4,049	4,135
Land Transport NZ subsidies	5,983	6,463	5,983	6,463
Other subsidies	131	84	231	84
Petrol tax	185	195	185	195
Vested assets	115	2,298	115	2,298
Development contributions	312	1,098	312	1,098
Other income	1,657	161	1,657	233
<b>Total Other Revenue</b>	<b>11,627</b>	<b>14,385</b>	<b>12,532</b>	<b>14,506</b>

There are no unfulfilled conditions and other contingencies attached to Land Transport NZ subsidies recognised.

#### 6 OTHER GAINS/LOSSES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Gain/(loss) on changes in fair value of forestry assets (note 17)	(72)	(359)	(72)	(359)
Gain/(loss) on disposal of property, plant and equipment	(13)	136	(13)	136
<b>Total Gains/(losses)</b>	<b>(85)</b>	<b>(223)</b>	<b>(85)</b>	<b>(223)</b>

The gain in the fair value of the forestry assets comprises:

- Increase in fair value due to revaluation	(13)	(356)
- Profit made on harvesting	(59)	(3)
	<b>(72)</b>	<b>(359)</b>

## 7 PERSONNEL COSTS

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Salaries and wages	5,182	4,477	5,233	4,502
Employer contributions to defined contribution plans	119	95	119	95
Increase/(decrease) in employee entitlement liabilities	212	21	215	21
<b>Total Personnel Costs</b>	<b>5,513</b>	<b>4,593</b>	<b>5,567</b>	<b>4,618</b>

## 8 FINANCE COSTS

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Interest Expense</b>				
Interest on bank borrowings	912	920	912	920
Provisions: discount unwinding (note 19)	43	44	43	44
<b>Total Finance Costs</b>	<b>955</b>	<b>964</b>	<b>955</b>	<b>964</b>

## 9 OTHER EXPENSES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Audit fees for financial statement audit MDC	90	88	98	88
Audit fees for LTCCP	95	0	95	0
Audit fees for Feilding Civic Centre Trust	0	0	2	2
Audit fees for NZ IFRS transition	0	20	0	20
Impairment of receivables <sup>(Note 12)</sup>	0	39	0	39
Assets written off <sup>(Note 1)</sup>	0	211	0	211
Minimum lease payments under operating leases	80	21	80	21
Other operating expenses	17,141	16,046	17,448	16,040
<b>Total Other Expenses</b> <sup>(Note 2)</sup>	<b>17,406</b>	<b>16,425</b>	<b>17,723</b>	<b>16,421</b>

(Note 1) Assets written off - Council gifted to the Manawatu Community Trust \$10.14m of assets. This asset write-off is shown as a separate line in the Income Statement.

(Note 2) Rates Remitted are deducted from rates revenue rather than treated as an operating expense (as disclosed in Note 3).

## 10 TAX

### Relationship between Tax Expense and Accounting Surplus/(Deficit)

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Surplus/(deficit) before tax	(8,225)	6,338	1,707	6,390
Tax at 30% (2008:33%)	(2,468)	2,092	512	2,109
Non-deductible expenditure	0	0	0	0
Non-taxable income	2,468	(2,092)	(512)	(2,109)
Prior year adjustment	0	0	0	0
Tax Losses Utilised	0	0	0	0
<b>Tax Expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Components of Tax Expense

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Current tax expense	0	0	0	0
Adjustments to current tax in prior years	0	0	0	0
Deferred tax expense	0	0	0	0
<b>Income Tax Expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Heartland Contractors Limited has unrecognised tax losses of \$497,897 (2008 \$497,897) which are available for carry forward in offsetting assessable income in future income years.

A deferred tax asset has not been recognised in relation to unused tax losses of \$497,897.

## 11 CASH AND CASH EQUIVALENTS

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Cash at bank and in hand	605	50	861	71
Short term deposits with a term of three months or less	4,447	5,253	4,521	5,329
<b>Total Cash and Cash Equivalents</b>	<b>5,052</b>	<b>5,303</b>	<b>5,382</b>	<b>5,400</b>

The carrying value of short-term deposits with a term of three months or less approximates their fair value.

The total value of cash and cash equivalents that can only be used for a specified purpose as outlined in the relevant trust funds is \$191,534 (2008 \$189,158). Refer to note 31 for detail of trust funds.

Refer to note 30 for weighted average effective interest rate for cash and cash equivalents.

## 12 DEBTORS AND OTHER RECEIVABLES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Rates receivables	1,097	1,084	1,097	1,084
Land Transport NZ Subsidy	763	1,751	763	1,751
Other receivables	1,720	912	1,763	917
Accrued Revenue	97	249	98	250
GST Receivable	259	602	260	603
Related party receivables	15	5	0	0
Prepayments	73	233	74	233
Less provision for impairment of receivables	(31)	(27)	(32)	(27)
<b>Total</b>	<b>3,993</b>	<b>4,809</b>	<b>4,023</b>	<b>4,811</b>

The carrying value of debtors and other receivables approximates 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.

MDC 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 payments.

These powers allow MDC to commence legal proceedings to recover any rates that remain unpaid 5 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then MDC can apply to the Registrar of the High court to have the judgement enforced by sale or lease of the rating unit.

At balance date each year, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. MDC 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 MDC's pool of debtors. Expected losses have been determined based on an analysis of MDC's losses in previous periods, and review of specific debtors.

**Movements in the provision for impairment of general receivables and community loans are as follows:**

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
As at 1 July	27	17	27	17
Additional provisions made during the year	4	10	5	10
Receivables written off during period	0	0	0	0
<b>As at 30 June</b>	<b>31</b>	<b>27</b>	<b>32</b>	<b>27</b>

As at 30 June 2009, all overdue debtors and other receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

<b>COUNCIL - RATES RECEIVABLES 2009</b>	<b>Gross \$000</b>	<b>Impairment \$000</b>	<b>Net \$000</b>
Not past due - current year - 2009	823	0	823
Past due by 1 year - 2008	152	0	152
Past due by 2 years - 2007	60	0	60
Past due by 3 years - 2006	32	0	32
Past due by 4 years - 2005	13	0	13
Past due by 5 years - prior to 2005	17	0	17
<b>Total</b>	<b>1,097</b>	<b>0</b>	<b>1,097</b>

<b>COUNCIL - OTHER RECEIVABLES 2009</b>	<b>Gross \$000</b>	<b>Impairment \$000</b>	<b>Net \$000</b>
Not past due	2,424	0	2,424
Past due 31-60 days	147	0	147
Past due 60-90 days	183	0	183
Past due >91 days	173	31	142
<b>Total</b>	<b>2,927</b>	<b>31</b>	<b>2,896</b>

### 13 OTHER FINANCIAL ASSETS

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>CURRENT PORTION</b>				
<i>Advances, Loans and Receivables</i>				
Short-term deposits with a term of between 4 to 12 months	0	0	0	0
Community loans - Other	28	7	28	7
Community loan - Manawatu Community Trust	25	0	0	0
Community loan - Manfeild Park	51	0	51	0
Rural Housing Loan Mortgages	1	1	1	1
<i>Held to Maturity</i>				
Other Investments	0	1,000	0	1,000
Local authority stock	2,638	0	2,638	0
<b>Total Current Portion</b>	<b>2,743</b>	<b>1,008</b>	<b>2,718</b>	<b>1,008</b>
<b>NON-CURRENT PORTION</b>				
<i>Held to Maturity</i>				
Community loans - Other	0	27	0	27
Community loan - Manawatu Community Trust	675	0	0	0
Community loan - Manfeild Park	3,673	3,547	3,673	3,547
Rural Housing Loan Mortgages	0	2	0	2
Other Investments	600	600	600	600
Local authority stock	750	3,638	750	3,638
<i>Investments Carried at Cost</i>				
Shares in subsidiary (Heartland Contractors Ltd)	0	0	0	0
NZ Local Government Insurance Corp Ltd	62	62	62	62
<b>Total Non-Current Portion</b>	<b>5,760</b>	<b>7,876</b>	<b>5,085</b>	<b>7,876</b>
<b>Total Other Financial Assets</b>	<b>8,502</b>	<b>8,884</b>	<b>7,802</b>	<b>8,884</b>

#### Community Loans

The fair value of community loans is \$4,451,015 (2008 \$3,580,835). The face value of community loans is \$6,351,015 (2008 \$5,480,835). Some of these community loans are only repayable, should the entity concerned cease to operate for the purpose that the loan was given for.

#### Community Loans at Nil Fair Value

On 30 September 2004 MDC sold all the land and buildings associated with the Feilding racecourse to the Manfeild Park Trust for the sum of \$1,650,000. In return for this Council holds a Community Interest in this Trust to the same value. This investment is only repayable to the Council should the Manfeild Park Trust be wound up. Therefore the fair value of this investment is nil.

The Council has community loans with Manawatu Historical Vehicle Trust totalling \$150,000 which are secured over buildings, but only repayable if the trust ceases to operate a facility for the storage, display and restoration of appropriate historic and vintage vehicles.

The Council has a \$50,000 community loan with Manchester House which is secured over buildings, but only repayable if the trust ceases to operate a facility for social services in the district.

The Council has a \$50,000 community loan with the Feilding & District Steam Rail Society Inc, which is secured over buildings, but only repayable if the society ceases to operate a facility for presentation and storage of steam engines in Feilding.

## Local Authority Stock

The fair value of local authority stock is \$3,529,665 (2008: 3,674,921). The face value of the local authority stock is \$3,388,000 (2008 \$3,638,000). Detail of these loans is provided below.

	Actual 2009 Face Value	Actual 2009 Fair Value	Actual 2008 Face Value	Actual 2008 Fair Value
North Shore City Council			250,000	250,366
Kaipara District Council bond	438,000	448,400	438,000	437,177
Kaipara District Council bond	200,000	204,749	200,000	199,624
Ruapehu District Council bond	2,000,000	2,046,000	2,000,000	2,027,712
<b>Total Current</b>	<b>2,638,000</b>	<b>2,699,149</b>	<b>2,888,000</b>	<b>2,914,879</b>
Horowhenua District Council bond	750,000	830,515	750,000	760,042
<b>Total Term</b>	<b>750,000</b>	<b>830,515</b>	<b>750,000</b>	<b>760,042</b>
<b>Total</b>	<b>3,388,000</b>	<b>3,529,665</b>	<b>3,638,000</b>	<b>3,674,921</b>

There were no impairment provisions for other financial assets.

## 14 NON-CURRENT ASSETS HELD FOR SALE

The assets associated with the housing for the elderly and disabled were gifted to the Manawatu Community Trust on 1 July 2008.

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Non-Current Assets held for sale are:				
Housing for the Elderly and Disabled	0	10,640	0	0
Other Buildings	0	0	0	0
Other Land	0	241	0	241
<b>Total Non-Current Asset Held for Sale</b>	<b>0</b>	<b>10,881</b>	<b>0</b>	<b>241</b>
Current Portion	0	10,881	0	241
Term Portion	0	0	0	0
<b>Total</b>	<b>0</b>	<b>10,881</b>	<b>0</b>	<b>241</b>



## 15 PROPERTY, PLANT AND EQUIPMENT

Movements for each class of plant, property and equipment are as follows:

<b>2009</b>	<b>Cost/ Revaluation 30 June 2009</b>	<b>Accumulated Depreciation and Impairment Charges 30 June 2009</b>	<b>Carrying Amount 30 June 2009</b>
	\$000	\$000	\$000
<b>COUNCIL</b>			
<b>Operational assets</b>			
Land	5,332	0	5,332
Buildings	6,442	(160)	6,282
Library books	1,865	(932)	933
Plant and equipment	177	(138)	38
Office Equipment & Furniture	1,103	(659)	443
Motor vehicles	844	(312)	532
<b>Total operational assets</b>	<b>15,763</b>	<b>(2,201)</b>	<b>13,560</b>
<b>Infrastructural assets</b>			
Land	5,353	0	5,353
Waste	31,832	(673)	31,159
Water	53,085	(1,394)	51,690
Roading network	340,072	(5,784)	334,289
Land under roads	68,170	0	68,170
Work in progress	3,356		3,356
<b>Total infrastructural assets</b>	<b>501,868</b>	<b>(7,851)</b>	<b>494,017</b>
<b>Restricted assets</b>			
Land	17,738	0	17,738
Buildings	15,910	(657)	15,251
Plant and equipment	1,422	(666)	756
Work in progress	0	0	0
<b>Total restricted assets</b>	<b>35,070</b>	<b>(1,323)</b>	<b>33,745</b>
<b>Total Council</b>	<b>552,701</b>	<b>(11,375)</b>	<b>541,322</b>
Other Group Assets	3,726	0	3,726
Housing for the Elderly - Land	10,411	(353)	10,058
Housing for the Elderly - Buildings	1	0	1
Manawatu Housing Trust - Plant & Equip			
Feilding Civic Centre Trust - Furniture, Equip & Leasehold Improvements	513	(230)	284
<b>Total</b>	<b>14,651</b>	<b>(583)</b>	<b>14,069</b>
<b>Group Assets - property, plant and equipment</b>	<b>567,352</b>	<b>(11,958)</b>	<b>555,391</b>

# 2008

	Cost/ Revaluation 30 June 2008	Accumulated Depreciation and Impairment Charges 30 June 2008	Carrying Amount 30 June 2008
	\$000	\$000	\$000
<b>COUNCIL</b>			
<b>Operational assets</b>			
Land	3,978	0	3,978
Buildings	4,826	0	4,826
Library books	1,713	(776)	937
Plant and equipment	157	(136)	21
Office Equipment & Furniture	1,141	(884)	257
Motor vehicles	900	(428)	472
<b>Total operational assets</b>	<b>12,715</b>	<b>(2,224)</b>	<b>10,491</b>
<b>Infrastructural assets</b>			
Land	5,900	0	5,900
Waste	26,161	(1,866)	24,295
Water	50,614	(3,506)	47,108
Roading network	321,672	(4,921)	316,751
Land under roads	68,170	0	68,170
Work in progress	2,006	0	2,006
<b>Total infrastructural assets</b>	<b>474,523</b>	<b>(10,293)</b>	<b>464,230</b>
<b>Restricted assets</b>			
Land	17,799	0	17,799
Buildings	13,884	0	13,884
Plant and equipment	1,414	(662)	752
Work in progress	155	0	155
<b>Total restricted assets</b>	<b>33,252</b>	<b>(662)</b>	<b>32,590</b>
<b>Total Council</b>	<b>520,490</b>	<b>(13,179)</b>	<b>507,311</b>
<b>Other Group Assets</b>			
Housing for the Elderly - Land	3,829	0	3,829
Housing for the Elderly - Buildings	10,302	0	10,302
Feilding Civic Centre Trust - Furniture, Equip & Leasehold Improvements	500	(172)	328
<b>Total</b>	<b>14,631</b>	<b>(172)</b>	<b>14,459</b>
<b>Group Assets - property, plant and equipment</b>	<b>535,121</b>	<b>(13,351)</b>	<b>521,770</b>

<b>2009</b>	<b>Carrying Amount 1/7/08</b>	<b>Revaluation Movement</b>	<b>Additions</b>	<b>Transfer of Property</b>	<b>Deprec Deprec Sold</b>	<b>Deprec Sold</b>	<b>Carrying Amount 30/6/2009</b>
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council</b>							
<b>Operational assets</b>							
Land	3,978	1,154	200	0	0	0	5,332
Buildings	4,826	736	880	0	(160)	0	6,282
Library books	937	0	166	0	(170)	0	933
Plant and equipment	21	0	21	0	(4)	0	38
Office Equipment & Furniture	257	17	277	(266)	(108)	266	443
Motor vehicles	472	(1)	274	(237)	(143)	167	532
<b>Total operational assets</b>	<b>10,491</b>	<b>1,906</b>	<b>1,818</b>	<b>(503)</b>	<b>(585)</b>	<b>433</b>	<b>13,560</b>
<b>Infrastructural assets</b>							
Land	5,900	(547)	0	0	0	0	5,353
Waste	24,295	6,157	1,362	0	(655)	0	31,159
Water	47,108	4,985	968	0	(1,370)	0	51,690
Roading network	316,751	16,278	7,043	0	(5,783)	0	334,289
Land under roads	68,170	0	0	0	0	0	68,170
Work in progress	2,006	2	1,348	0	0	0	3,356
<b>Total infrastructural assets</b>	<b>464,230</b>	<b>26,874</b>	<b>10,721</b>	<b>0</b>	<b>(7,809)</b>	<b>0</b>	<b>494,017</b>
<b>Restricted assets</b>							
Land	17,799	(491)	434	(4)	0	0	17,738
Buildings	13,884	1,403	692	(69)	(659)	0	15,251
Plant and equipment	752	0	67	0	(63)	0	756
Work in progress	155	0	(155)	0	0	0	0
<b>Total restricted assets</b>	<b>32,590</b>	<b>912</b>	<b>1,038</b>	<b>(73)</b>	<b>(722)</b>	<b>0</b>	<b>33,745</b>
<b>Total Council</b>	<b>507,311</b>	<b>29,692</b>	<b>13,596</b>	<b>(576)</b>	<b>(9,114)</b>	<b>433</b>	<b>541,322</b>
<b>Other Group Assets</b>							
Housing for the Elderly - Land	3,829	(109)	6	0	0	0	3,726
Housing for the Elderly - Buildings	10,302	109	0	0	(353)	0	10,058
Manawatu Housing Trust - Plant & Equip	0	0	1	0	0	0	1
Feilding Civic Centre Trust - Furniture, Equip & Leasehold Improvements	328	0	13	0	(57)	0	284
<b>Total</b>	<b>14,459</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>(410)</b>	<b>0</b>	<b>14,069</b>
<b>Group Assets - property, plant and equipment</b>	<b>521,770</b>	<b>29,692</b>	<b>13,597</b>	<b>(576)</b>	<b>(9,525)</b>	<b>433</b>	<b>555,391</b>

Note: the Revaluation Movement is the revaluation surplus from the revaluation of infrastructure assets (as at 1 July 2008) and a correction to the disclosure of the land and buildings from the property revaluation (as at 30 June 2008).

**2008**

	Carrying Amount 1/7/08	Reval Surplus	Additions	Disposal	Impairment Charges/ Gain	Deprec	Carrying Amount 30/6/2008
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council</b>							
<b>Operational assets</b>							
Land	2,345	1,543	0	100	(10)	0	3,978
Buildings	4,215	781	0	0	(46)	(124)	4,826
Library books	934	0	165	0	0	(162)	937
Plant and equipment	30	0	0	(5)	0	(4)	21
Office Equipment & Furniture	288	0	105	0	0	(136)	257
Motor vehicles	449	0	237	(5)	(56)	(163)	472
<b>Total operational assets</b>	<b>8,261</b>	<b>2,324</b>	<b>507</b>	<b>100</b>	<b>(112)</b>	<b>(589)</b>	<b>10,491</b>
<b>Infrastructural assets</b>							
Land	3,612	2,288	0	0	0	0	5,900
Waste	23,995	0	1,146	0	(195)	(651)	24,295
Water	43,587	0	4,715	0	(27)	(1,167)	47,108
Roading network	299,171	12,496	10,005	0	0	(4,921)	316,751
Land under roads	68,170	0	0	0	0	0	68,170
Work in progress	6,397	0	0	(4,391)	0	0	2,006
<b>Total infrastructural assets</b>	<b>444,932</b>	<b>14,784</b>	<b>15,866</b>	<b>(4,391)</b>	<b>(222)</b>	<b>(6,739)</b>	<b>464,230</b>
<b>Restricted assets</b>							
Land	13,678	6,902	0	(2,668)	113	0	17,799
Buildings	19,251	2,264	73	(6,630)	5	(1,069)	13,884
Plant and equipment	1,833	0	102	(1,105)	15	(63)	752
Work in progress	190	0	0	(35)	0	0	155
<b>Total restricted assets</b>	<b>34,952</b>	<b>9,166</b>	<b>175</b>	<b>(10,438)</b>	<b>133</b>	<b>(1,132)</b>	<b>32,590</b>
<b>Total Council</b>	<b>488,145</b>	<b>26,274</b>	<b>16,548</b>	<b>(14,729)</b>	<b>23</b>	<b>(8,460)</b>	<b>507,311</b>
<b>Other Group Assets</b>							
Housing for the Elderly - Land	0	1,161	0	2,668	0	0	3,829
Housing for the Elderly - Buildings	0	2,422	0	7,880	0	0	10,302
Feilding Civic Centre Trust - Furniture, Equip & Leasehold Improvements	259	0	127	0	0	(58)	328
<b>Total</b>	<b>259</b>	<b>3,583</b>	<b>127</b>	<b>(10,548)</b>	<b>0</b>	<b>(58)</b>	<b>14,459</b>
<b>Group Assets - property, plant and equipment</b>	<b>488,404</b>	<b>29,857</b>	<b>16,675</b>	<b>(4,181)</b>	<b>(467)</b>	<b>(8,518)</b>	<b>521,770</b>

## 16 INTANGIBLE ASSETS

	COUNCIL AND GROUP	
	Actual 2009 \$000	Actual 2008 \$000
<b>Balance at 1 July</b>		
Cost	506	475
Accumulated amortisation and impairment	(394)	(394)
<b>Opening carrying amount</b>	<b>112</b>	<b>121</b>
Additions	367	31
Disposals	0	0
Amortisation charge	(41)	(40)
<b>Closing carrying amount</b>	<b>438</b>	<b>112</b>
<b>Balance at 30 June</b>		
Cost	873	506
Accumulated amortisation and impairment	(435)	(394)
<b>Closing carrying amount</b>	<b>438</b>	<b>112</b>

There are no restrictions over the title of Manawatu District Council's intangible assets, nor are any intangible assets pledged as security for liabilities.

### 16a DEPRECIATION AND AMORTISATION EXPENSE

	Actual 2009 \$000	Actual 2008 \$000
Depreciation <sup>(Note 15)</sup>	9,114	8,460
Amortisation <sup>(Note 16)</sup>	41	40
<b>Total Depreciation and Amortisation</b>	<b>9,155</b>	<b>8,500</b>

## 17 FORESTRY ASSETS

	COUNCIL AND GROUP	
	Actual 2009 \$000	Actual 2008 \$000
<b>Balance at 1 July</b>	<b>465</b>	<b>825</b>
Gains/(losses) arising from changes in fair value less estimated point of sale costs attributable to physical changes	0	0
Gains/(losses) arising from changes in fair value less estimated point of sale costs attributable to price changes	(13)	(343)
Decreases due to sales	0	0
Decreases due to harvest	(59)	(17)
<b>Balance at 30 June</b>	<b>393</b>	<b>465</b>

MDC's interest in the Gordon Kear Forest is accounted for as a jointly controlled asset.

Through its interest in the Gordon Kear Forest with the Palmerston North City Council (PNCC), MDC owns 23.3% of 348.1 hectares of pinus radiata forest. Harvesting commenced during the 2006/07 financial year. PNCC owns 100% of the Gordon Kear forestland and site improvements.

Independent registered valuer, Alan Bell has valued forestry assets as at 30 June 2009. A pre-tax discount rate of 10% (2008: 10%) has been used in discounting the present value of expected cash flows.

### Future Commitments

In accordance with the Afforestation Agreement entered into in 1976 MDC has an obligation to meet 23.3% of all future costs associated with the forest and will receive 23.3% of all income.

### Financial risk management strategies

The joint venture is exposed to financial risks arising from changes in timber prices. The joint venture is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. The joint venture reviews its outlook for timber prices regularly in considering the need for active financial risk management.

### Operations during the year

	Actual 2009 \$000	Actual 2008 \$000
Income from harvesting	76	15
Expenses paid	(24)	(89)
Interest capitalised to loan	(19)	(19)
Cost of bush harvested	(59)	(17)
Increase/(decrease) in asset value	(13)	(343)
	(39)	(453)

## 18 CREDITORS AND OTHER PAYABLES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Trade payables	3,426	2,989	3,465	2,994
Deposits and bonds	719	676	720	676
Accrued expenses	541	495	541	497
Amounts due to related parties <sup>(Note 26)</sup>	0	0	15	0
Revenue in advance	589	365	611	365
<b>Total</b>	<b>5,275</b>	<b>4,525</b>	<b>5,352</b>	<b>4,532</b>

Other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

## 19 PROVISIONS

	COUNCIL AND GROUP	
	Actual 2009 \$000	Actual 2008 \$000

Current Provisions are represented by:

Landfill aftercare provision	63	63
<b>Total Current Provisions</b>	<b>63</b>	<b>63</b>

Non-Current Provisions are represented by:

Financial guarantees	0	0
Landfill aftercare provision	623	623
<b>Total Non-Current provisions</b>	<b>623</b>	<b>623</b>

	COUNCIL AND GROUP	
	Actual 2009 \$000	Actual 2008 \$000
Opening balance	686	706
Additional provisions made during the year	0	0
Amounts used during the year	(43)	(64)
Unused amounts reversed during the year	0	0
Discount unwinding <sup>(Note 8)</sup>	43	44
<b>Closing Balance</b>	<b>686</b>	<b>686</b>

### **Provision for Financial Guarantees**

MDC has given a guarantee to Manfeild Park Trust. There is no indication that the guarantee will be called upon and therefore no liability has been recognised.

### **Provision for landfill aftercare costs**

MDC has recognised a provision for the aftercare costs of the Feilding Landfill and two smaller landfills (located at Kimbolton and Tangimoana) which are no longer operational.

### **Feilding Landfill**

The resource consent to operate the Feilding Landfill expired on 28 February 2006. The Council has a responsibility under the conditions of the resource consent to rehabilitate and restore the landfill site upon closure and to provide on going maintenance and monitoring of the site for at least thirty years after closure.

#### **Closure responsibilities include providing for:**

- additional soil cover
- contouring and shaping the site
- grassing

#### **Post Closure costs include providing for**

- monitoring and treatment of leachate
- ground water and surface water monitoring
- on-going management including maintenance of grasscover, drainage systems and fencing

The cash outflows for landfill post-closure are expected to occur from 2006 to 2036 (30 years). 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 using a discount rate of 6.5%. Each year part of the discounted amount will be unwound and recognised as an interest expense in the operating costs while at the same time adding this to the provision.

#### **The following major assumptions have been made in the calculation of the provision:**

- Annual price index 2.5%
- An Annual discount rate of 6.5%
- Aftercare period of 29 Years

### **Other Landfills**

Provision has been made for the ongoing aftercare of the Kimbolton and Tangimoana landfills that are no longer in use. Ongoing monitoring and maintenance expenditure has been allowed for these sites.



## 20 EMPLOYEE ENTITLEMENT LIABILITIES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Accrued pay	225	155	227	155
Annual leave	455	313	457	314
<b>Total Employee Entitlement Liabilities</b>	<b>680</b>	<b>468</b>	<b>684</b>	<b>469</b>
Comprising:				
Current	680	468	680	469
Non-current	0	0	0	0
<b>Total Employee Entitlement Liabilities</b>	<b>680</b>	<b>468</b>	<b>680</b>	<b>469</b>

## 21 BORROWINGS

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Opening Balance of Term Borrowings	11,402	14,179	11,402	14,179
Loans raised during the year	1,500	0	1,500	0
Loans repaid during the year	(2,105)	(2,796)	(2,105)	(2,796)
Loans recognised during the year <sup>note 1</sup>	19	19	19	19
<b>Closing Balance of Term Borrowings</b>	<b>10,816</b>	<b>11,402</b>	<b>10,816</b>	<b>11,402</b>

<sup>Note 1</sup> As at 30 June 2009, the Gordon Kear Forestry Encouragement loans of \$240k, (2008: \$297k) interest expense of \$19k (2008: \$19k) and repayments of \$76k (2008: 15k) for the year, have been recognised (note: forestry loans are repayable to Palmerston North City Council from harvest proceeds)

Current				
Bank overdraft	0	0	0	0
Secured loans	2,045	2,326	2,045	2,326
<b>Total current borrowings</b>	<b>2,045</b>	<b>2,326</b>	<b>2,045</b>	<b>2,326</b>

Non-current				
Secured loans	8,771	9,076	8,771	9,076
<b>Total non-current borrowings</b>	<b>8,771</b>	<b>9,076</b>	<b>8,771</b>	<b>9,076</b>

### Fixed-rate debt

MDC's secured debt is issued at fixed rates of interest.

MDC has established loan redemption funds in respect of loans, with a carrying amount of \$1,622,236. The loan redemption fund investments, together with accumulated interest, will be sufficient to repay the principal of the associated loans on the due date. The funds held are included in other financial assets.

## Security

MDC does not have any overdraft facilities associated with its bank accounts.

MDC's loans are secured over rates of the district.

## Management

MDC 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 the MDC's Long-Term Council Community Plan.

## 22 EQUITY

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Retained Earnings</b>				
As at 1 July	479,710	473,376	480,129	473,745
<i>Transfers to:</i>				
Restricted reserves	(560)	(2,092)	(560)	(2,092)
<i>Transfers from:</i>				
Restricted reserves	864	2,088	863	2,088
Surplus/(deficit) for the year	(8,225)	6,338	1,707	6,390
<b>As at 30 June</b>	<b>471,789</b>	<b>479,710</b>	<b>482,139</b>	<b>480,129</b>
<b>Restricted Reserves</b>				
As at 1 July	5,149	5,145	5,149	5,145
<i>Transfers to:</i>				
Retained earnings	(864)	(2,088)	(864)	(2,088)
<i>Transfers from:</i>				
Retained earnings	560	2,092	560	2,092
<b>As at 30 June</b>	<b>4,845</b>	<b>5,149</b>	<b>4,845</b>	<b>5,149</b>
<b>Asset Revaluation Reserves (ARR)</b>				
As at 1 July	35,825	9,551	35,825	9,551
Revaluation gains/(losses)	29,784	26,274	33,172	29,765
Transfer of revaluation reserve to retained earnings on disposal of property, plant and equipment	0	0	0	0
<b>As at 30 June</b>	<b>65,609</b>	<b>35,825</b>	<b>68,997</b>	<b>39,316</b>
<b>Total Reserves</b>	<b>70,454</b>	<b>40,974</b>	<b>73,842</b>	<b>44,465</b>
<b>Total Equity</b>	<b>542,243</b>	<b>520,684</b>	<b>555,891</b>	<b>524,594</b>

	COUNCIL		GROUP	
RESTRICTED RESERVES CONSIST OF:	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Trust Funds</b>				
Hook Bequest	12	13	12	13
Trewin Bequest	1	1	1	1
Wakerill Trust	1	1	1	1
Robert Dickson Library Trust	3	3	3	3
P A Broad Memorial Trust	5	5	5	5
Historical Trust	3	2	3	2
Children's Welfare Trust	0	0	0	0
Robert Dickson Educational Trust	37	41	37	41
Museum Trust	1	1	1	1
Feilding and District Relief Trust	129	122	129	122
	192	189	192	189
<b>Special Funds</b>				
Land Subdivision	722	726	722	726
General Purpose	2,734	3,214	2,734	3,214
Vehicle Replacement	47	(48)	47	(48)
Emergency	805	758	805	758
Council Community Loans	271	255	271	255
Internal Loans	0	0	0	0
Landfill Closure and Aftercare	0	0	0	0
Heritage Incentive	31	31	31	31
Community Funding General Grants	36	17	36	17
Rongotea Committee	7	7	7	7
	4,652	4,960	4,652	4,960
<b>Total Trust and Special Funds</b>	<b>4,844</b>	<b>5,149</b>	<b>4,844</b>	<b>5,149</b>
<b>Asset Revaluation Reserves consist of:</b>				
<i>Operational assets</i>				
Land	2,695	1,543	2,695	1,543
Buildings	1,515	781	1,515	781
<i>Infrastructural assets</i>				
Land	1,741	2,288	1,741	2,288
Utilities (Water, Stormwater, Wastewater & Solid Waste)	11,146	0	11,146	0
Roading network	38,325	22,047	38,325	22,047
<i>Restricted assets</i>				
Land	6,411	6,902	7,463	8,063
Buildings	3,776	2,264	6,112	4,594
<b>Total</b>	<b>65,609</b>	<b>35,825</b>	<b>68,997</b>	<b>39,316</b>

Restricted reserves relate to:

- trusts and bequest funds that have been provided to MDC by various people for specific projects.
- special funds, are restricted by Council resolution, and may only be applied to the purpose that established the fund.

## 23 RECONCILIATION OF NET SURPLUS/(DEFICIT) AFTER TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Surplus/(deficit) after Tax</b>	<b>(8,225)</b>	<b>6,338</b>	<b>1,707</b>	<b>6,390</b>
<b>Add/(less) Non-Cash items:</b>				
Depreciation and amortisation	9,155	8,500	9,565	8,558
Interest capitalised to loan	19	19	19	19
Asset write-offs	10,229	211	10,229	211
Vested assets	(115)	(2,298)	(10,260)	(2,298)
(Gains)/losses in fair value of forestry assets	14	341	14	341
<b>Add/(less) items classified as Investing or Financing Activities:</b>				
(Gains)/losses on disposal of property, plant and equipment	0	(135)	0	(135)
(Gains)/losses on disposal of investments classified as fair value through equity	0	3	0	3
<b>Add/(less) movements in Working Capital items:</b>				
(Increase)/Decrease in Accounts Receivable	565	513	527	517
Increase (Decrease) in Accounts Payable	713	(1,956)	796	(1,956)
Increase (Decrease) in Provisions	0	(20)	0	(20)
Increase (Decrease) in Employee Benefits	212	20	212	21
Net GST	288	0	288	0
<b>Net cash from Operating Activities</b>	<b>12,855</b>	<b>11,536</b>	<b>13,097</b>	<b>11,651</b>

## 24 CAPITAL COMMITMENTS AND OPERATING LEASES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>Capital Commitments</b>				
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment	1,295	324	1,295	324

### Operating Leases as lessee

MDC leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>PROPERTY &amp; EQUIPMENT</b>				
<b>Non-Cancellable Operating Leases as lessee</b>				
Not later than one year	72	71	72	71
Later than one year and not later than two years	68	51	68	51
Later than two years and not later than five years	41	115	41	115
Later than five years	0	0	0	0
<b>Total non-cancellable operating leases</b>	<b>181</b>	<b>237</b>	<b>181</b>	<b>237</b>

## 25 CONTINGENCIES

	COUNCIL		GROUP	
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>CONTINGENT LIABILITIES</b>				
Building Act claims	0	0	0	0
Guarantees	1,525	1,546	1,525	1,546
Other legal proceedings	0	0	0	0
<b>Total Contingent Liabilities</b>	<b>1,525</b>	<b>1,546</b>	<b>1,525</b>	<b>1,546</b>

### **Risk Pool Insurance**

Manawatu District Council obtains public liability and professional indemnity insurance cover from New Zealand Mutual Liability Risk Pool. This operates as a mutual fund where each member makes an annual contribution to obtain cover however should claims exceed contributions then calls can be made on the members of that fund year for the shortfall amount. Risk Pool have advised that calls may be required for past pool periods. As the amount and timing is uncertain no provision has been made for any future calls.

### **Building Act Claims**

The Building Act 2004 imposes certain obligations and liabilities on local authorities in respect to the issue of building consents and inspect building work done. At the date of this report three matters under that Act had been brought to MDC's attention, but these matters have not progressed sufficiently to be recognised as contingent liabilities or quantified.

### **Guarantees**

The value of guarantees disclosed as contingent liabilities reflects MDC's assessment of the undiscounted portion of financial guarantees that are not recognised in the balance sheet. At this stage MDC is not aware of any circumstances in which the guarantees are likely to be called upon.

### **Other legal proceedings - unquantified claims**

There are no unquantified claims to be recognised at balance date.

## **CONTINGENT ASSETS**

### **Buildings on Reserve Land**

MDC has a number of sports clubs that have constructed facilities (eg club rooms) on reserve land. The clubs control the use of these facilities and MDC will only gain control of the asset if the clubs vacate the facility. Until this event occurs these assets are not recognised as assets in the balance sheet.

### **Community Loans**

A number of loans have been given to community organisations. These loans become repayable only if the organisation ceases to provide a service within the district. At this stage MDC is not aware of any circumstance in which the loan becomes repayable. These loans are recorded at fair value (\$nil) in the balance sheet. These loans total \$1.9m (2008: \$1.9m).

## 26 RELATED PARTY TRANSACTIONS

MDC is the ultimate parent of the group and controls three entities, being Heartland Contractors Ltd, the Feilding Civic Centre Trust, and the Manawatu Community Trust.

The following transactions were carried out with related parties:

	Actual 2009 \$000	Actual 2008 \$000
<b>Heartland Contractors Limited (Non-Trading)</b>	<b>No Transactions</b>	<b>No Transactions</b>
<b>Feilding Civic Centre Trust</b>		
Grant provided by MDC	70	71
Services provided by MDC (Rates)	6	0
Accounts payable to the MDC	0	5
<b>Manawatu Community Trust</b>		
Services provided by MDC	52	0
Services provided by MDC (Rates)	290	0
Accounts payable to the MDC (as at balance date)	15	0
Interest paid to MDC	56	0
Assets gifted by MDC	10,144	0
Loans provided by MDC	800	0
Loans repaid to MDC	100	0
Loan owing to MDC (as at balance date)	700	0

MDC is also a related party in a joint venture forestry asset with Palmerston North City Council. Related party transactions within the joint venture asset have been disclosed in Note 17: Forestry Assets.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2008 \$nil).

### Elected members and key management personnel

Elected members and key management personnel, as part of a normal customer relationship, were involved in minor transactions with MDC (such as; payment of rates and purchase of rubbish bags etc).

During the year Council had transactions with Ulverscroft Large Print Books Ltd, a company in which Councillor Gregory is an agent. The value of purchases totalled \$19,085. There were no amounts outstanding at balance date. These transactions occurred on normal business terms.

During the year Council had transactions with Focal Point Limited, a company in which Councillor Bell is a Shareholder and Director. The value of purchases totalled \$158. There were no amounts outstanding at balance date. These transactions occurred on normal business terms.

There is no provision recognised for the impairment of receivable for any loans or other receivable to related parties (2008 \$nil).

### Key Management Personnel Compensations

(includes the Mayor, Councillors, the Chief Executive and Senior Management)

	Actual 2009 \$000	Actual 2008 \$000
Salaries and other short term employee benefits	962,543	941,387
Other long term benefits	30,829	24,081
	<b>993,372</b>	<b>965,468</b>

## 27 REMUNERATION

### Elected Members

Remuneration is determined by the Remuneration Authority. Remuneration paid to elected members (including meeting allowances) during the year was:

	Actual 2009 \$000	Actual 2008 \$000
<b>Current Elected members</b>		
Mayor Ian McKelvie	71,610	69,700
Councillor John Baxter	24,117	27,926
Councillor Matt Bell	35,923	37,246
Councillor John Gregory	27,917	33,457
Councillor Prue McBeth	26,064	25,569
Councillor John Salmon	23,964	25,990
Councillor Barbara Cameron	25,409	16,362
Councillor Steve Gibson	23,692	15,988
Councillor Margaret Giles	23,692	15,988
Councillor Alison Short	23,692	15,988
Councillor Howard Voss	25,919	16,753
<b>Elected members to October 2007</b>		
Councillor Kevin Argyle		7,235
Councillor Ross Barnett		7,235
Councillor Mervyn Craw		9,307
Councillor Del Gibb		7,235
Councillor David Stroud		7,235
	<b>331,999</b>	<b>339,214</b>

### Chief Executive

For the year ended 30 June 2009, the total cost of remuneration paid to the Chief Executive was \$182,692 (2008: \$189,167).

## 28 SEVERANCE PAYMENTS

For the year ended 30 June 2009, MDC made no severance payments to employees (in 2008 no severance payments were made).

## 29 EVENTS AFTER THE BALANCE SHEET DATE

There are no events that have occurred between balance date and the date when the financial statements have been authorised that are known to Council that require disclosure.



## 30 FINANCIAL INSTRUMENTS

### Financial instrument categories

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

		COUNCIL		GROUP	
	Note	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
<b>FINANCIAL ASSETS</b>					
<b>Loans and receivables</b>					
Cash and cash equivalents	11	5,052	5,303	5,382	5,400
Debtors and other Receivables	12	3,993	4,809	4,023	4,811
Other financial assets:					
Term deposits	13	0	0	0	0
Community loans	13	4,451	3,581	3,751	3,581
Rural Housing Loan Mortgages	13	1	3	1	3
<b>Total loans and receivables</b>		<b>13,497</b>	<b>13,696</b>	<b>13,157</b>	<b>13,795</b>
<b>Held to maturity</b>					
Other financial assets:					
Other investments	13	600	1,600	600	1,600
Local authority stock	13	3,388	3,638	3,388	3,638
<b>Total held to maturity</b>		<b>3,988</b>	<b>5,238</b>	<b>3,988</b>	<b>5,238</b>
<b>Fair value through equity</b>					
<i>Other financial assets:</i>					
Shares in subsidiary (Heartland Contractors Ltd)	13	0	0	0	0
NZ Local Government Insurance Corp Ltd	13	62	62	62	62
<b>Total fair value through equity</b>		<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
<b>Total financial assets</b>		<b>17,547</b>	<b>18,996</b>	<b>17,207</b>	<b>19,095</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Financial liabilities at amortised cost</b>					
Creditors and other Payables	18	4,686	4,160	4,741	4,167
Borrowings:					
Bank overdraft	21	0	0	0	0
Secured loans	21	10,816	11,402	10,816	11,402
<b>Total financial liabilities at amortised cost</b>		<b>15,502</b>	<b>15,562</b>	<b>15,557</b>	<b>15,569</b>

## **Financial instrument risks**

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

### **Market risk**

#### **Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of Council's investment portfolio in accordance with the limits set out in Council's Investment policy.

#### **Currency risk**

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

### **Interest rate risk**

#### **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 the MDC to fair value interest rate risk. MDC's Liability Management policy outlines the type of borrowing allowed. In addition, investments at fixed interest rates expose the MDC to fair value interest rate risk.

#### **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 MDC to cash flow interest rate risk.

### **Credit risk**

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

MDC 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 A -.

Accordingly, the group does not require any collateral or security to support these financial instruments.

### Maximum exposure to credit risk

Council's maximum credit exposure for each class of financial instrument is as follows:

	Balance as at 30 June		Group	
	Council			
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000
Cash at bank and term deposits	5,052	5,303	5,382	5,400
Debtors and other Receivables	3,993	4,809	4,023	4,811
Community and Rural Housing Mortgagees	4,452	3,584	3,752	3,584
Local authority stock and other investments	4,050	5,238	4,050	5,238
Financial guarantees	1,525	1,546	1,525	1,546
<b>Total credit risk</b>	<b>19,072</b>	<b>20,480</b>	<b>18,732</b>	<b>20,579</b>

The maximum exposure to credit risk for financial guarantees is the maximum amount a Council would have to pay if the guarantee is called on, which may be significantly greater than the amount recognised as a liability.

### Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	Balance as at 30 June		Group	
	Council			
	Actual 2009 \$000	Actual 2008 \$000	Actual 2009 \$000	Actual 2008 \$000

#### COUNTERPARTIES WITH CREDIT RATINGS

Cash at bank and term deposits:

AA Rating	5,052	5,303	5,382	5,400
<b>Total cash at bank and term deposits</b>	<b>5,052</b>	<b>5,303</b>	<b>5,382</b>	<b>5,400</b>

Other investments

AA rating	600	1,600	600	1,600
<b>Total other investments</b>	<b>600</b>	<b>1,600</b>	<b>600</b>	<b>1,600</b>

#### COUNTERPARTIES WITHOUT CREDIT RATINGS

Local authority stock, community and rural housing loans:

Existing counterparty with no defaults in the past	7,840	7,222	7,140	7,222
Existing counterparty with defaults in the past	0	0	0	0
<b>Total local authority stock, community and rural housing loans</b>	<b>7,840</b>	<b>7,222</b>	<b>7,140</b>	<b>7,222</b>

Accounts receivable mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivable, 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.

## **Liquidity risk**

### *Management of liquidity risk*

Liquidity risk is the risk that MDC 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. MDC aims to maintain flexibility in funding by maintaining sufficient short-term investments.

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

MDC 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 the MDC's Long Term Council Community Plan.

### **Contractual maturity analysis of financial liabilities**

The table following analyses Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

<b>Financial Liabilities</b>	<b>Carrying Amount \$000</b>	<b>Contractual Cash Flows \$000</b>	<b>Less than 1 year \$000</b>	<b>1-5 years \$000</b>	<b>More than 5 years \$000</b>
<b>Council 2009</b>					
Creditors and other Payables	4,686	4,686	4,686	0	0
Secured loans	10,816	12,256	2,685	9,571	0
Financial guarantees	0	0	0	0	0
<b>Total</b>	<b>15,502</b>	<b>16,942</b>	<b>7,371</b>	<b>9,571</b>	<b>0</b>
<b>Group 2009</b>					
Creditors and other Payables	4,741	4,741	4,741	0	0
Secured loans	10,816	12,256	2,685	9,571	0
Financial guarantees	0	0	0	0	0
<b>Total</b>	<b>15,557</b>	<b>16,997</b>	<b>7,426</b>	<b>9,571</b>	<b>0</b>
<b>Council 2008</b>					
Creditors and other Payables	4,160	4,160	4,160	0	0
Secured loans	11,402	13,127	2,751	9,520	856
Financial guarantees	0	0	0	0	0
<b>Total</b>	<b>15,526</b>	<b>17,287</b>	<b>6,911</b>	<b>9,520</b>	<b>856</b>
<b>Group 2008</b>					
Creditors and other Payables	<b>4,167</b>	<b>4,167</b>	<b>4,167</b>	<b>0</b>	<b>0</b>
Secured loans	11,402	13,127	2,751	9,520	856
Financial guarantees	0	0	0	0	0
<b>Total</b>	<b>15,569</b>	<b>17,294</b>	<b>6,918</b>	<b>9,520</b>	<b>856</b>

#### Contractual maturity analysis of financial assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

<b>Financial Assets</b>	<b>Carrying Amount \$000</b>	<b>Contractual Cash Flows \$000</b>	<b>Less than 1 year \$000</b>	<b>1-5 years \$000</b>	<b>More than 5 years \$000</b>
<b>Council 2009</b>					
Cash and cash equivalents	5,052	5,052	5,052	0	0
Debtors and other Receivables	3,993	3,993	3,993	0	0
Other financial assets:					
Term deposits	0	0	0	0	0
Community loans	4,451	7,509	424	2,816	4,269
Rural Housing Loan Mortgages	1	1	1	0	0
Other investments	600	953	43	172	738
Local authority stock	3,388	3,706	2,825	881	0
<b>Total</b>	<b>17,485</b>	<b>21,214</b>	<b>12,338</b>	<b>3,869</b>	<b>5,007</b>

Financial Assets	Carrying	Contractual	Less than 1 year	1-5 years	More than 5 years
	Amount	Cash Flows			
	\$000	\$000	\$000	\$000	\$000
<b>Group 2009</b>					
Cash and cash equivalents	5,382	5,382	5,382	0	0
Debtors and other Receivables	4,023	4,023	4,023	0	0
Other financial assets:					
Term deposits	0	0	0	0	0
Community loans	3,751	6,637	347	2,021	4,269
Rural Housing Loan Mortgages	1	1	1	0	0
Other investments	600	953	43	172	738
Local authority stock	3,388	3,706	2,825	881	0
<b>Total</b>	<b>17,145</b>	<b>20,702</b>	<b>12,621</b>	<b>3,074</b>	<b>5,007</b>
<b>Council 2008</b>					
Cash and cash equivalents	5,303	5,303	5,303	0	0
Debtors and other Receivables	4,809	4,809	4,809	0	0
Other financial assets:					
Term deposits	0	0	0	0	0
Community loans	3,581	6,593	975	1,306	4,312
Rural Housing Loan Mortgages	3	3	1	2	0
Other investments	1,600	2,020	1,110	172	738
Local authority stock	3,638	4,215	505	3,710	0
<b>Total</b>	<b>18,934</b>	<b>22,943</b>	<b>12,703</b>	<b>5,190</b>	<b>5,050</b>
<b>Group 2008</b>					
Cash and cash equivalents	5,400	5,400	5,400	0	0
Debtors and other Receivables	4,811	4,811	4,811	0	0
Other financial assets:					
Term deposits	0	0	0	0	0
Community loans	3,581	6,593	975	1,306	4,312
Rural Housing Loan Mortgages	3	3	1	2	0
Other investments	1,600	2,020	1,110	172	738
Local authority stock	3,638	4,215	505	3,710	0
<b>Total</b>	<b>19,033</b>	<b>23,042</b>	<b>12,802</b>	<b>5,190</b>	<b>5,050</b>

## Sensitivity analysis

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

<b>COUNCIL</b>										
<b>2009</b>						<b>2008</b>				
	Footnote	<b>-100bps</b>		<b>+100bps</b>		<b>-100bps</b>		<b>+100bps</b>		
		<b>Other</b>		<b>Other</b>		<b>Other</b>		<b>Other</b>		
		<b>Profit</b>	<b>Equity</b>	<b>Profit</b>	<b>Equity</b>	<b>Profit</b>	<b>Equity</b>	<b>Profit</b>	<b>Equity</b>	<b>Other</b>
		<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>INTEREST RATE RISK</b>										
<b>Financial assets</b>										
Cash and cash equivalents	1	(51)	0	51	0	(53)	0	53	0	
Other financial assets:										
Community loans	2	(45)	0	45	0	(36)	0	36	0	
Rural Housing Loan Mortgages	2	0	0	0	0	0	0	0	0	
Other investments	3	0	0	0	0	0	0	0	0	
Local authority stock	3	0	0	0	0	0	0	0	0	
<b>Financial liabilities</b>										
Secured loans	4	0	0	0	0	0	0	0	0	
<b>Total sensitivity to interest rate risk</b>		<b>(96)</b>	<b>0</b>	<b>96</b>	<b>0</b>	<b>(89)</b>	<b>0</b>	<b>89</b>	<b>0</b>	
<b>EQUITY PRICE RISK</b>										
<b>Financial assets</b>										
Other financial assets:										
NZ Local Government Insurance Corp Ltd	5	0	0	0	0	0	0	0	0	
<b>Total sensitivity to equity price risk</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## **EXPLANATION OF SENSITIVITY ANALYSIS - COUNCIL**

### **Financial Assets**

#### *1 Cash and cash equivalents*

Cash and cash equivalents include deposits at call totalling \$5,052,000 (2008 \$5,303,000) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$50,520 (2008 \$53,030).

#### *2 Community and rural housing loans*

Council has floating rate community advances and a housing mortgage with a principal amount totalling \$4,452,000 (2008 \$3,584,000). A movement in interest rates of plus or minus 1.0% has an effect on interest income of 2009 \$44,520 (2008 \$35,840).

#### *3 Local authority stock and other investments*

Council has fixed rate term bonds and deposits totalling \$3,988,000 (2008 \$5,238,000) that are held to maturity. A movement in market interest rates does not have an impact to interest income on these fixed rate term bonds and deposits.

### **Financial Liabilities**

#### *4 Secured loans*

Council has fixed rate debt with a principal amount totalling \$10,816,000 (2008 \$11,402,000). A movement in market interest rates on fixed rate debt does not have any impact because these secured loans are accounted for at amortised cost using the effective interest method.

### **Equity**

#### *5 Unlisted shares*

Council holds unlisted equity instruments in NZ Local Government Insurance Corp Ltd, which are not traded and will continue to be held by Council. The market value of these shares is difficult to determine, but the net asset backing of this shareholding was \$187,000 in Dec 2007. Council accounts for these shares at cost.



## GROUP

	Footnote	2009				2008				
		-100bps		+100bps		-100bps		+100bps		
		Other		Other		Other		Other		
		Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity	
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
<b>INTEREST RATE RISK</b>										
<b>Financial assets</b>										
Cash and cash equivalents	1	(54)	0	54	0	(54)	0	54	0	
Other financial assets:										
Term deposits	3	0	0	0	0	0	0	0	0	
Community loans	2	(38)	0	38	0	(36)	0	36	0	
Rural Housing Loan Mortgages	2	0	0	0	0	0	0	0	0	
Other investments	3	0	0	0	0	0	0	0	0	
Local authority stock	3	0	0	0	0	0	0	0	0	
<b>Financial liabilities</b>										
Secured loans	4	0	0	0	0	0	0	0	0	
<b>Total sensitivity to interest rate risk</b>		<b>(92)</b>	<b>0</b>	<b>92</b>	<b>0</b>	<b>(90)</b>	<b>0</b>	<b>90</b>	<b>0</b>	
<b>EQUITY PRICE RISK</b>										
<b>Financial assets</b>										
Other financial assets:										
NZ Local Government Insurance Corp Ltd	5	0	0	0	0	0	0	0	0	
<b>Total sensitivity to equity price risk</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## EXPLANATION OF SENSITIVITY ANALYSIS - GROUP

### Financial Assets

#### 1 Cash and cash equivalents

Cash and cash equivalents include deposits at call totalling \$5,052,000 (2008 \$5,310,000) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$50,520 (2008 \$53,100).

#### 2 Community and rural housing loans

The group has floating rate community advances and a housing mortgage with a principal amount totalling \$4,452,000 (2008 \$3,584,000). A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$44,520 (2008 \$35,840).

#### 3 Local authority stock and other investments

The group has fixed rate term bonds and deposits totalling \$3,988,000 (2008 \$5,238,000) that are held to maturity. A movement in market interest rates does not have an impact on interest income on these fixed rate term bonds and deposits.

### Financial Liabilities

#### 4 Secured loans

Council has fixed rate debt with a principal amount totalling \$10,816,000 (2008 \$11,402,000). A movement in market interest rates on fixed rate debt does not have any impact because these secured loans are accounted for at amortised cost using the effective interest method.

### Equity

#### 5 Unlisted shares

Council holds unlisted equity instruments in NZ Local Government Insurance Corp Ltd, which are not traded and will continue to be held by Council. The market value of these shares is difficult to determine, but the net asset backing of this shareholding was \$187,000 in Dec 2007. Council accounts for these shares at cost.

## 31 CAPITAL MANAGEMENT

The 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 the 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 the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future

generations. Additionally, the 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 the 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. In addition, the Act sets out the factors that the 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 Revenue and Financing Policy in the Council's LTCCP.

**MDC has the following Council created reserves:**

- Trust Funds; and
- Special Funds

Special Funds 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.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to the trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated (see note 22).

## **32 EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET**

Detailed below are explanations for major variations from the estimated figures in the 2008/09 Annual Plan.

### **Income Statement**

The net deficit for the year was \$8.2 million against a budgeted surplus of \$7.6 million. This year's deficit is the result of the gifting of the housing for the elderly and disabled property portfolio to the Manawatu Community Trust, totalling \$10.1m. Excluding this item, there was a net surplus of \$1.9 million. The most significant variances are

- Personnel costs have increased by \$920,000 mainly as a result of the Assets Shared Service with Rangitikei District Council. This is offset by the revenue received from Rangitikei District Council as part of the shared service agreement.
- Depreciation increased \$655,000 as a result of the revaluation of infrastructural assets at 1 July 2008 and property assets at 30 June 2008. In the past utilities and property assets were previously revalued on a three yearly cycle.
- There was \$1.2 million of storm damage repairs to the roading network. This is not budgeted for, however, Council received a LTNZ subsidy, which partially offsets this amount.
- Roothing subsidies are \$1.9 million lower than expected as \$4.1 million of capital projects have not been completed. The most significant project is the deferment of the Strategic Roothing Network expenditure until the outcome of the environment court decision (see Roothing Activity).
- External finance costs are \$500,000 lower than budgeted as Council elected to fund most capital work through internal borrowing rather than external sources.
- Due to a reduction in the building activity in the District, Building Control revenue is below budget. This is offset by expenditure also being lower than budget.

## Balance Sheet

The most significant movements

- Council elected to fund capital work and debt repayment from investments, through an internal borrowing regime, rather than new external borrowing. As a result both cash/investments and external borrowings are lower than budget: cash/investments by \$827,000 and external borrowings by \$10.5 million.
- Council revalued its infrastructural assets on 1 July 2008. This resulted in an increase in the asset valuation of \$29.8 million and a corresponding increase in Council equity. In addition, due to the timing of the budget, the budget did not reflect the full impact of the 30 June 2008 revaluation of land and buildings.
- Not all capital work budgeted for was completed during the year, resulting in both property, plant and equipment and the associated borrowing being lower than budget. Individual variations are documented within the individual activity reports.
- Other financial assets include a loan to the Manawatu Community Trust of \$700,000 approved by Council as a part of the transfer of assets to the Trust. This was not included in the budget.

## Statement of Cash Flows

The variances in the cash flow are a direct result of the items mentioned above, with the exception of the gifting of \$10.1m as this is a non-cash item.



# REPORT

## ON REVENUE AND FINANCING POLICY

### INTRODUCTION

Council's current Revenue and Financing Policy was adopted as part of the 2006/2016 LTCCP. The Funding Policy sets out who will pay and how for Council's functions.

Part 6 s 103 (3) of the Local Government Act 2002 specifies that every local authority must provide in its annual report sufficient information about the Revenue and Financing Policy to enable an informed assessment of the extent to which the objectives and provisions of the policy have been met during the year.

This report summarises progress against the policy for the year ended 30 June 2009 and includes:

- Overall performance
- Summary table, including notes on key variations

### Overall Performance

Overall the funding mix proposed by the Funding Policy was achieved. The most significant variation was in Solid Waste Disposal where the planned 50% private contribution was not achieved due to the closure of the Feilding Landfill (nil tip revenue generated).

Significant Activity	ACTUAL		Function	FUNDING POLICY	
	Public	Private		Public	Private
<b>Community Facilities</b>	100%	0%	Public Conveniences	100%	0%
	67%	33%	Cemeteries	60%	40%
<b>Democracy</b>	100%	0%	Democracy and Policy Development	100%	0%
<b>District Development</b>	100%	0%	Community Funding and Development	100%	0%
	100%	0%	Economic Development	100%	0%
	67%	33%	Feilding CBD Redevelopment	65%	35%
	22%	78%	Feilding CBD Security	20%	80%
<b>Emergency Management</b>	100%	0%	Civil Defence	100%	0%
	100%	0%	Rural Fire	100%	0%
<b>Environmental &amp; Regulatory Management</b>	100%	0%	Environmental Policy	100%	0%
	66%	34%	Animal Control – Policy	65%	35%
	0%	100%	Animal Control – Consents	0%	100%
	49%	51%	Animal Control – Monitoring and Enforcement	50%	50%
	16%	84%	Building Consents	20%	80%
	29%	71%	Environmental Health Consents	20%	80%
	63%	37%	General Inspection Consents	60%	40%
	0%	100%	Liquor Licensing Consents	20%	80%
	64%	36%	Planning Consents	50%	50%
	99%	1%	Environmental Monitoring and Enforcement	100%	0%
<b>Leisure Resources</b>	89%	11%	Libraries and Archives	95%	5%
	99%	1%	Local Halls and Recreation Complexes	100%	0%
	99%	1%	Parks and Reserves	95%	5%
	71%	29%	Makino Aquatic Centre	65%	35%
	0%	100%	Parks and Reserves (Development due to growth)	0%	100%
<b>Roading</b>	53%	47%	Roading	55%	45%
	0%	100%	Roading (Development due to growth)	0%	100%
<b>Waste</b>	0%	100%	Wastewater	0%	100%
	83%	17%	Wastewater (Development due to growth)	0%	100%
	13%	87%	Solid Waste Collection	15%	85%
	100%	0%	Solid Waste Disposal	50%	50%
	100%	0%	Recycling	100%	0%
<b>Water Supply</b>	13%	87%	Rural Land Drainage	5%	95%
	34%	66%	Urban Stormwater	20%	80%
	100%	0%	Urban Stormwater (Development due to growth)	0%	100%
	3%	97%	Water Supply	0%	100%
	78%	22%	Water Supply (Development due to growth)	0%	100%

# REPORT

## ON LIABILITY MANAGEMENT AND INVESTMENT POLICIES

### LIABILITY MANAGEMENT POLICY

#### Commentary

During the course of the financial year Council; repaid \$2.105 million of debt, raised \$1.5 million of debt and recognised \$19k of additional borrowings on the Gordon Kear Forestry loan, resulting in a decrease in public debt from \$11.402 million at the start of the financial year to \$10.816 million at 30 June 2009.

KEY STATISTICS			
Actual 2008		Actual 2009	Budget 2009
2.6%	Gross Interest Expense compared to Revenue (not to exceed 10%)	2.7%	5.8%
4.5%	Gross Interest Expense compared to Rates Revenue  (not to exceed 20%)	4.2%	9.7%
13.1	Net Cash flows from operating activities to exceed Gross Interest Expense by 1.5 times	14.1	10.3
2.2	Net Working Capital Ratio  (Current assets compared to current liabilities excluding current portion of debt and Properties for Sale – Target is 1 or greater.)	2.0	2.2
2.1%	Total Debt compared to Total Assets	1.9%	4.3%

Council has complied with all aspects of its Liability Management policy. For further information refer to Note 21.

### INVESTMENT POLICY

Council is a prudent and conservative investor and while seeking to maximise the return from its investments, it realises that its level of short-term investments is comparatively small and not of great significance in the corporate money market. Council's long-term investments are predominantly in nil risk assets such as government or local authority stock and bank bonds.

Council investment money includes funds accumulated with respect to general funds, special funds, loan repayment funds and trust monies.

#### Interest Received

Interest received on investments at \$890k was down on last year's \$1.15m due to a fall in market interest rates.

#### Other Equity Investments

Council has maintained its joint forestry with Palmerston North City Council along with its historical investment in LGIC. Council complied with its Investment Management policy during the year. For further information refer to note 13.

# REPORT

## ON COUNCIL CONTROLLED ORGANISATIONS

### THE MANAWATU COMMUNITY TRUST

The Manawatu Community Trust was formed on 23 June 2008. The purpose of the Trust is the provision of housing for the elderly and disabled of the Manawatu district and the promotion of health and wellbeing services for the residents of the Manawatu district. Following is the income statement for the year ended 2009.

#### Manawatu Community Trust

#### Income Statement for the year ended 30 June 2009

	Note	2009 \$	2008 \$
<b>INCOME</b>			
Rents Received		897,264	-
Interest		9,104	-
Donations		30,000	10
<b>Total income</b>		<b>936,368</b>	<b>10</b>
<b>EXPENDITURE</b>			
Employee benefit expenses		34,368	-
Depreciation		352,987	-
Other expenses		672,590	-
Finance costs		55,565	-
<b>Total operating expenditure</b>		<b>1,115,510</b>	<b>-</b>
<b>Operating Surplus/(deficit)</b>		<b>(179,142)</b>	<b>10</b>
Gifted Assets		13,440,564	
<b>Net Surplus/(deficit)</b>		<b>13,261,422</b>	<b>10</b>

#### Wanganui-Manawatu LASS Limited

This company has been set up in 2008 by seven Local Councils to investigate the possibilities of economies of scale by joint procurement.

As at 30 June 2009 there has been no call on share capital and no financial transactions. Manawatu District Council owns 1/7th or 14% of this Company and has a liability for \$1,000 share capital.





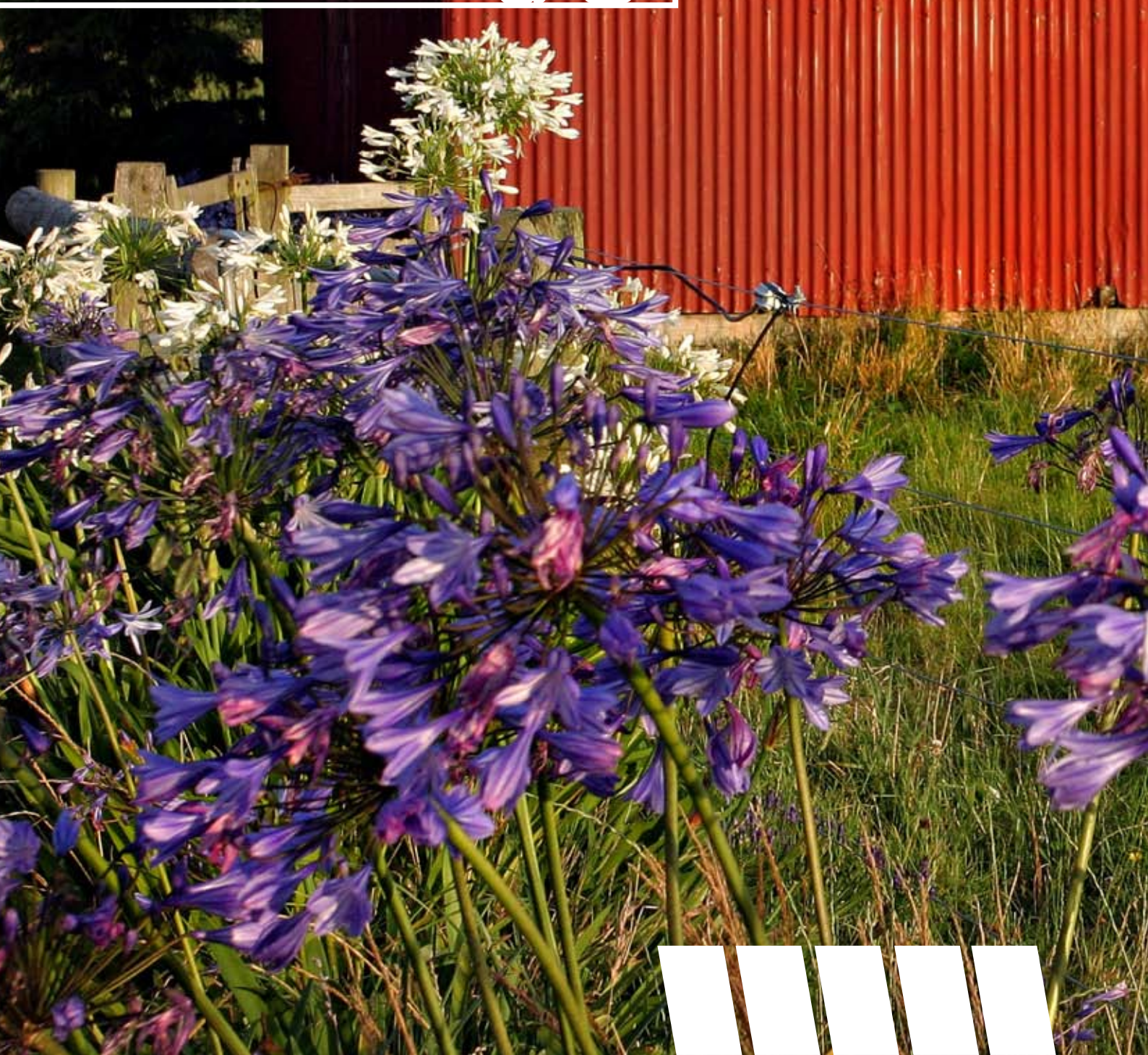


OTHER INFORMATION



20  
09

PART FOUR





2009



# **GUIDE TO OTHER INFORMATION**

**This section of the Annual Report contains the following information:**

**Manawatu District Council: Directory**

**Manawatu District Council: Mayor and Councillors**

**Manawatu District Council : Organisation Structure**

**Manawatu District Council: Activities and Functions**

**Member's Responsibilities**

**Manawatu District Council: Statement of Resources**

**Equal Employment Opportunities Statement**

**Maori Capacity to Contribute to Decision-Making**

**Grants 2008/09**

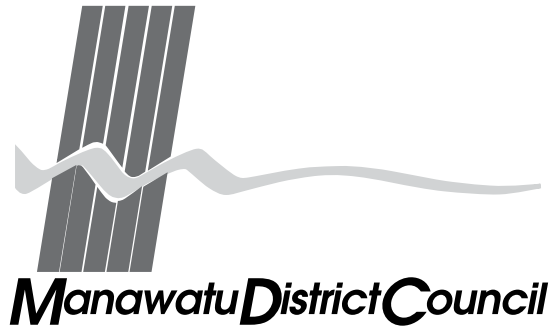
**Glossary**

# MANAWATU DISTRICT COUNCIL

## DIRECTORY

The logo for the Manawatu District Council has a flowing style of "M" endeavouring to give the feeling of the hills that are prominent around this area. The tail of the "M" becomes smoother to indicate the relatively flat plains within the hills. The Manawatu River through the hills is also indicated by the flowing "M".

The "M" moves over five diagonal bars representing the five former Councils which make up the new district (Feilding Borough Council, KIWITEA County Council, Manawatu District Council, Oroua County Council and Pohangina County Council). The feeling of movement also indicates that the council will be seen as a lively, progressive and forward thinking local authority.



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Council Office:	<b>135 Manchester Street, Feilding</b>
Postal Address:	<b>Private Bag 10-001, Feilding 4743</b>
Telephone:	<b>(06) 323 0000</b>
Fax:	<b>(06) 323 0822</b>
E-mail:	<b>public@mdc.govt.nz</b>
Web:	<b>www.mdc.govt.nz</b>
Auditors:	<b>Audit New Zealand, 45 Pipitea Street, Wellington (on behalf of the Office of the Controller and Auditor General)</b>

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# MANAWATU DISTRICT COUNCIL

## MAYOR AND COUNCILLORS

### MAYOR



**Ian McKelvie**  
Ph: 323 0000 (CI)  
Ph: 324 8446 (Hm)

### FEILDING WARD



**Cr Matt Bell**  
Ph: 323 3147  
(Deputy Mayor)



**Cr Barbara Cameron**  
Ph: 323 5333



**Cr John Gregory**  
Ph: 323 6531



**Cr Alison Short**  
Ph: 328 8768



**Cr Steve Gibson**  
Ph: 323 5533

### KAIRANGA WARD



**Cr Margaret Giles**  
Ph: 324 8987



**Cr John Salmon**  
Ph: 357 6910



**Cr Howard Voss**  
Ph: 356 9779

### KIWITEA - POHANGINA WARD



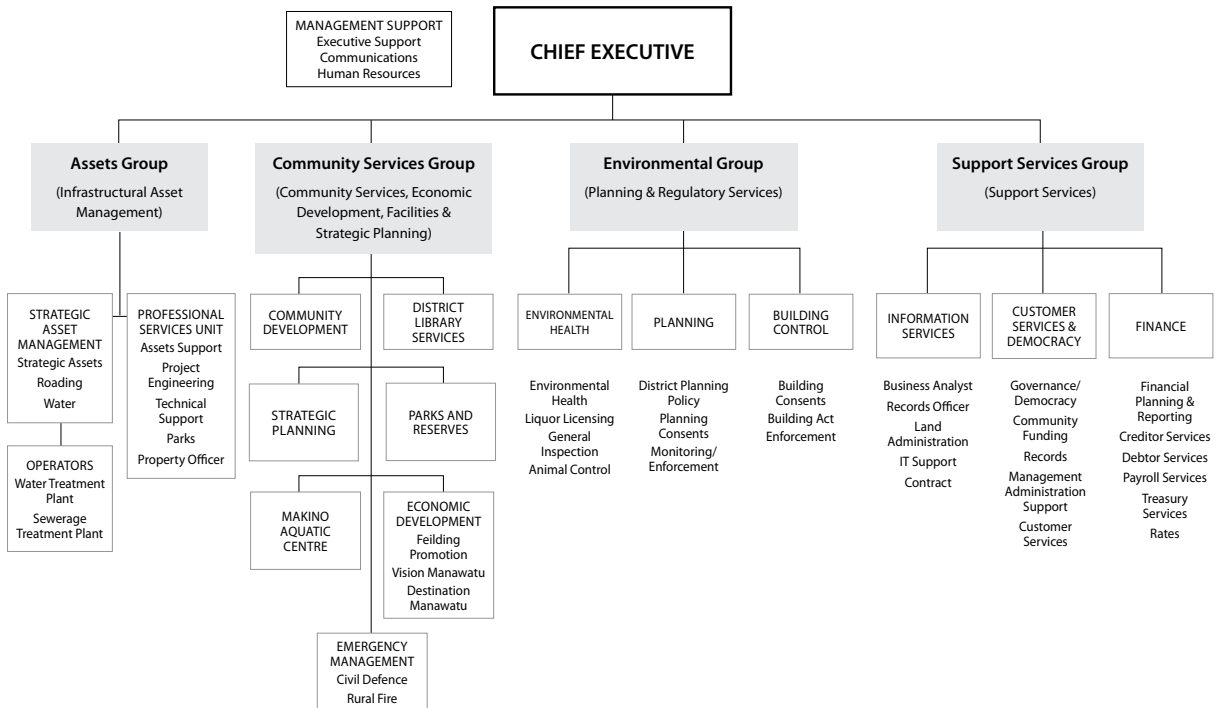
**Cr John Baxter**  
Ph: 328 7019



**Cr Prue McBeth**  
Ph: 328 5839

# ORGANISATION STRUCTURE

## Functional Staff Organisation Chart at 30 June 2009



## MANAGEMENT TEAM



Chief Executive  
**Rod Titcombe**  
(Retired 30 June 2009)



Community and Environment  
Group Manager  
**Lorraine Vincent**  
(Chief Executive from 1 July 2009)



Assets Group Manager  
**Richard Kirby**

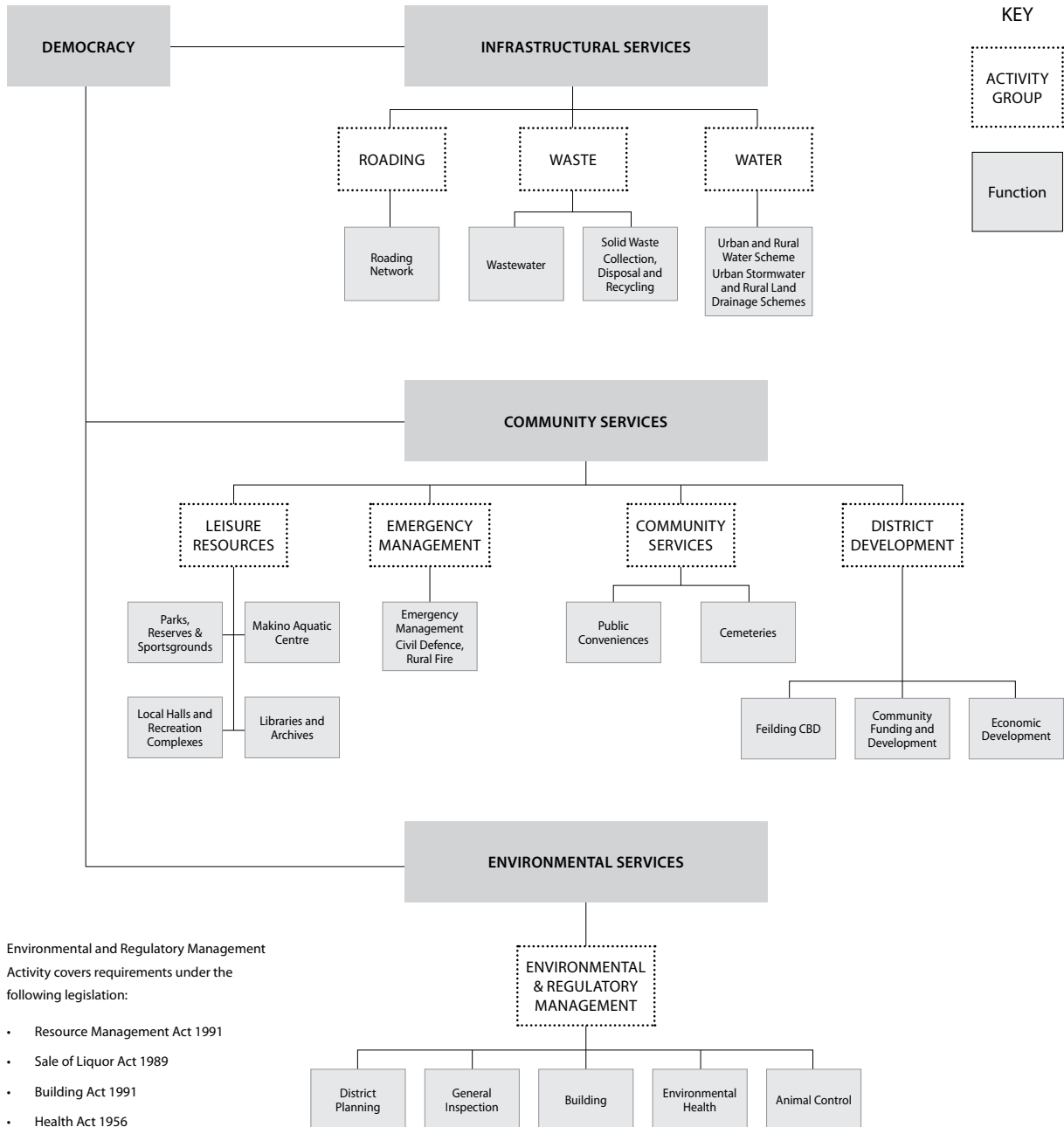


Support Services  
Group Manager  
**Shayne Harris**



Human Resources  
Manager  
**Linda Gordon**

# ACTIVITIES AND FUNCTIONS



# MEMBER RESPONSIBILITIES

## Standing Committee Membership at 30 June 2009

Elected Member	Strategic Planning & Policy	Workshop Meeting Committee	Hearings Committee	Marae Consultative Standing Committee	MDC/ PNCC Joint Strategic Planning Committee
Mayor	✓	✓ (C)		✓ (C)	✓
Cr Baxter	✓	✓	✓ (DC)	✓	
Cr Bell	✓	✓ (DC)	✓ (C)		✓
Cr Cameron	✓	✓	✓		✓
Cr Gibson	✓	✓			
Cr Giles	✓	✓			
Cr Gregory	✓	✓	✓		✓
Cr McBeth	✓	✓			
Cr Salmon	✓	✓	✓		
Cr Short	✓	✓		✓	
Cr Voss	✓	✓	✓		✓

## Subcommittee Membership at 30 June 2009

Elected Member	Community Wellbeing	Chief Executive's Employment
Mayor		✓ (C)
Cr Baxter		
Cr Bell		✓
Cr Cameron		
Cr Gibson		
Cr Giles	✓	✓
Cr Gregory	✓	
Cr McBeth	✓ (C)	
Cr Salmon	✓	(DC)
Cr Short	✓	✓
Cr Voss		✓

### KEY

- ✓ Member of Committee
- (DC) Deputy Chairperson
- (C) Chairperson



# STATEMENT OF RESOURCES

Council uses significant resources to meet its objectives and provide services required by the community. The monetary value of these resources is detailed in the financial statements. Non-financial quantitative information relating to these resources is detailed below:

	30 June 2008	30 June 2009
<b>COMMUNITY SERVICES</b>		
<b>Cemeteries:</b>		
Feilding, Halcombe, Kimbolton, Pohangina, Rangiwahia, Rongotea, Sandon, Waituna West	8	8
Housing for the Elderly and Disabled (units)	208	0
<b>DRAINAGE</b>		
<b>Length of Stormwater Mains (kms)</b>		
Feilding	66.7	66.7
Bunnythorpe	2.2	2.2
Rongotea	1.7	1.7
Sanson	1.7	1.7
	72.3	72.3
<b>LEISURE RESOURCES</b>		
<b>Libraries and Archives:</b>		
Feilding Public Library (also services 7 volunteer community libraries)	1	
Other library buildings	1	
Total book stocks	65,908	65,760
Total issues	365,284	381,470
<b>Local Halls and Recreation Complexes</b>		
Local Halls <sup>Note 1</sup>	19	19
<b>Recreation complexes</b> (Civic Centre and Te Kawau Memorial Recreation Centre)	2	2
<b>Parks and Reserves</b>		
Total reserves for District (ha)	538.4	538.4
<b>Swimming Pools</b>		
Makino Aquatic Centre	1	1
Pohangina old school grounds	1	1
Pakihikura old school grounds	1	1
Rewa old school grounds	1	1

	30 June 2008	30 June 2009
<b>ROADING AND FOOTPATHS</b>		
<b>Length of Roads (km):</b>		
Rural: sealed	906.8	914.3
unsealed	383	374.2
Urban: sealed	126.8	133.1
unsealed	11.7	11.1
	1,428.3	1,432.7
<b>BRIDGES</b>		
	272 (includes culverts with a water area greater than 3.4 m <sup>2</sup> )	290 (new underpass added)
<b>Length of footpaths (km)</b>	135	135.6
<b>Street lighting – lights</b>	1,585	1,589
<b>Street lighting – poles</b>	824	831
<b>Feilding stormwater leads (considered part of the roading asset)</b>	12km	12km
<b>WASTE</b>		
<b>Solid Waste</b>		
Operating landfills	0	0
Transfer stations	4	4
Recycling centres	8	8
Closed landfill sites	3	3
<b>WASTEWATER</b>		
<b>Length of mains (km):</b>		
Feilding	148.5	150.2
Sanson	5.4	5.4
Rongotea	9.1	9.1
Halcombe	6.8	6.8
Longburn	5.0	5.0
Bunnythorpe	12.8	12.8
Kimbolton	6.5	6.5
Cheltenham	2.6	2.6
Himatangi	0.7	0.7
Awahuri	0.6	0.6
	198	199.7
<b>Sewage Treatment Schemes (no.)</b>	9	9

	30 June 2008	30 June 2009
<b>WATER SUPPLY</b>		
<b>Length of mains (km):</b>		
Feilding	142.5	142.5
Sanson	13.5	13.5
Longburn	2.2	2.2
Bunnythorpe	5.7	5.7
Himatangi	9.9	9.9
Kiwitea Rural Water Supply	45.5	45.5
Waituna West Rural Water Supply	45.4	45.4
Stanway/Halcombe Rural Water Supply	106.5	106.5
Oroua No 1 Rural Water Supply	17.3	17.3
	388.5	388.5
<b>Water Supply Schemes (no.):</b>		
Urban	5	5
Rural	4	4
<b>EMPLOYEES (FULL-TIME EQUIVALENT (FTE) POSITIONS) NOTE 2</b>		
Chief Executive's Department	3.6	4.6
Support Services	20.8	23.2
Environmental	6.8	7.8
Assets*	23.2	40.7
Community Services	25.2	26.9
*Please note that shared services arrangements have influenced the staff numbers in the Assets group	79.6	103.2
<b>VEHICLES AND PLANT</b>		
Cars and station wagons	25	27
Utilities	5	5
Construction plant and tractors	0	0
	30	32
<b>BUILDINGS</b>		
Housing - staff and others	7	7
Administration offices	1	1
Camping grounds (both leased out)	2	2
Commercial property (leased out)	0	0
Depots	2	2
Other commercial property	6	6
	18	18

Notes:

Council also helps administer 9 halls that are owned and run by their communities.

Employee numbers shown at 30 June 2009 reflect full-time equivalent positions and are not broken down by full-time, part-time or casual positions. The Council's total salaries and wages expenditure for the year ended 30 June 2009, excluding elected members, was \$5,513,000 (2008: \$4,496,594). In addition to employed Council staff, there are numerous volunteers throughout the district who assist activities provided by the Council. Their support is highly valued and contributes towards the effective provision of services.

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# EQUAL EMPLOYMENT OPPORTUNITIES STATEMENT

The Local Government Act 2002 requires the Council to publish its plans for ensuring equal employment opportunity, and to report on its performance. The Manawatu District Council is committed to developing equal opportunities for current and future employees. The Council believes fair and equitable employment practices are essential for an efficient and effective workforce to be maintained. Staff will be recruited, appointed, trained, remunerated and promoted on the basis of their paid and unpaid work experience, ability, skills and future potential.

An ongoing programme of action is put in place that aims to prevent discrimination because of:

Gender	Religious, cultural or political belief
Race	Disability
Family responsibilities	Age
Marital status	Sexual preference
Employment Status	

The programme is ongoing and is incorporated into our policies and practices. All appropriate Manawatu District Council employment policies reflect our ongoing commitment to EEO with regular reviews and staff education to promote an organisation that values diversity and prevents discrimination. In particular the following policies reflect EEO principles:

- Recruitment policy and procedures
- Remuneration strategy
- Harassment policy

Staff at all levels are expected to foster and contribute to the implementation and ongoing review of the EEO programme and principles.

## Summary of the 2008/09 Equal Employment Opportunities Programme

Training and education was implemented and targeted to areas of greatest need. Management policies were reviewed and amended as appropriate.

# DEVELOPMENT OF MAORI CAPACITY TO CONTRIBUTE TO DECISION-MAKING

In late 2005 members of the Marae Consultative Committee – a standing committee of Council which liaises between Council and the Marae of the district – were given the opportunity to opt for a Maori ward. It was decided that such a ward was not necessary. However, this decision highlighted the need to address wider Maori representation.

At the moment, the Marae Consultative Committee represents the interests of Tangata Whenua – the people of the land. Tangata Whenua are those Maori who belong to the Iwi and Hapu of the Manawatu District. However, they do not represent all Maori, i.e. those who come from elsewhere or simply are unable to trace their whakapapa.

A major focus for the Marae Committee for the next 10 years is to ensure that all Maori of the district are represented, and are able to have a say in Council decision-making.

As one means of achieving this, the Marae Consultative Committee and Manawatu District Council have developed a contacts list of Maori interests within Manawatu district.

The list will be used, alongside other communication methods, to involve those Maori groups and individuals in any consultation which is of relevance to them.

No further action on this has been taken during the 2008/09 financial year.



# GRANTS

## 2008/2009

During 2008/09, Council approved a number of grants from its General Grants Fund. The following schedule is provided for ratepayers' information. These include the following types of grants:

- District grants - for Manawatu based non-profit organisations demonstrating community benefit. A large portion of this covers rates.
- Representative grants - for people participating and representing the Manawatu District in national or international events
- Community Promotions grants - for Manawatu based non-profit organisations towards events located in the Manawatu District Council area.

All figures shown below are GST exclusive

### RATES GRANTS

\$

Grants specially for the purpose of paying rates, made to Manawatu based non-profit organisations demonstrating community benefit.

Apostolic Church Trust Board - 65 Stafford St	2,062.98
Apostolic Church Trust Board - 67 Stafford Street	2,095.94
Apostolic Church Trust Board - 90 Aorangi St	633.92
Baha'i Faith Centre - 45 East Street, Feilding	633.92
Brethren Thames Street Chapel - Rongotea	223.95
Bunnythorpe Gospel Hall Trust Board	631.69
Bunnythorpe Rugby Football Club	398.60
Central Districts Playcentre - Northend Playcentre, 42 North Street, Feilding	926.32
Central Districts Playcentre Association - Te Kawau Playcentre, Rongotea	223.95
Feilding & Districts Art Society	1,498.73
Feilding & Districts SPCA Inc - 4 Awa St	956.29
Feilding and District Steam Rail Society Inc.	1,720.00
Feilding Caledonian Society, Weld Street	987.93
Feilding Golf Club Inc	1,819.83
Feilding Gospel Trust	3,022.27
Feilding Kindergarten - Montgomery Street	1,803.54
Feilding Lawn Tennis Club	782.80
Feilding Methodist Church Trustees - 11 Grey Street, Feilding	1,754.43
Feilding Municipal Band, Manchester Street	539.65
Feilding Playcentre - 254A Kimbolton Road	1,218.73

Feilding Rugby Executive	336.21
Feilding Scout and Guide Hall Committee	3,326.65
Feilding Senior Citizens Association	2,284.50
Halcombe Playcentre - Willoughby Street	520.82
Halcombe Rugby Club	382.02
Kimbolton Playcentre - Lind Street	318.45
Manawatu Historic Vehicle Collection Trust	2,051.64
Manchester House Social Service Society	6,951.88
Manfeild Park Trust	1,192.30
Methodist Church Trustees - 33 Koputara Road, Himatangi	162.94
Riding for the Disabled, 248 Awahuri Road	826.40
Rongotea RSA - 3 Avon Street, Rongotea	364.33
Rongotea Uniting Parish	223.95
Royal NZ Plunket Society (Feilding) Inc - 15 Makoura Road	419.41
Royal NZ Plunket Society (Feilding) Inc - 32-34 Stafford St	2,211.12
Royal NZ Plunket Society (Feilding) Inc - Douglas Sq, Rongotea	647.09
Royal NZ Plunket Society Inc (Halcombe) - 31 Stanway Road	451.85
Ruahine Kindergarten Association - Lethbridge St	1,218.73
Sanson Playcentre	661.45
St John Ambulance Association - Feilding	7,798.01
Steam Traction Society Inc - 76 Maewa Road & Maewa Road	586.54
Stewards Trust of New Zealand Inc. (Warwick Street Gospel Chapel)	2,388.35
Taumata Ote Ra Marae Committee (10 sewerage charges) 50% of services	1,156.97
Te Kawau Bowling Club Inc	378.17
Te Manawa Services Charitable Trust - CLC, 117 Fergusson Street	633.92
Teen Challenge (NZ) Int. Trust - 1650 Kimbolton Rd	1,284.20
Wellington Diocesan Trust Board - Anglican Parishes of the Oroua, Rongotea	286.60
<b>TOTAL</b>	<b>63,000.00</b>

#### **SCHOOL PAN GRANTS** **\$**

Council funds sewerage costs for some districts schools and other organisations. Most of these grants are funded through the specific sewerage accounts.

Bunnythorpe School	3,729.00
Cheltenham School	2,024.00
Feilding High School	17,685.00
Feilding Intermediate School	8,646.00
Feilding Kindergarten School	1,179.00
Halcombe School	2,280.00
Kimbolton School	642.00
Longburn Adventist School	7,866.00
Longburn School	1,863.00
Lytton Street School	11,004.00
Makino Kindergarten School	393.00
Manchester Street School	8,253.00
North Street School	7,074.00



Rongotea School	789.00
Sanson School	1,309.00
St Josephs School	4,716.00
<b>TOTAL</b>	<b>79,452.00</b>

#### URUPA/PRIVATE CEMETERY FUND

Council has a fund to assist with the maintenance of urupa and private cemeteries throughout the district. This is currently funded to the level of \$2,500 per year.

Aorangi Urupa Management Committee	1,130.00
Hikungarara Whanau Trust	730.00
Kiwitea Churchyard Trust	440.00
<b>TOTAL</b>	<b>\$2,300.00</b>

#### PARTNERSHIP FUND

Funds to provide financial assistance to community organisations that undertake programmes that enhance community well-being and improve community outcomes.

Community Archives Project	19,999.96
Feilding and District Steam Rail Inc	3,000.00
Feilding & District Art Society	18,000.00
Feilding & District Pipe Band	4,000.00
Feilding Brass Inc	6,000.00
Feilding Civic Centre Trust	70,000.00
Manawatu Historic Vehicle Collection Trust	3,000.00
Manawatu Rural Support Service	10,000.00
Manawatu Rural Support Service (returned funding)	- 314.67
Manchester House Social Services	20,000.00
Neighbourhood Support - Safer Community	5,000.00
Palmerston North Surf Life Saving	386.78
PN Surf Life Saving Club Inc	12,000.00
Safer Manawatu - Neighbourhood Support	5,000.00
Social Issues Network Council of Social Services	1,200.00
Te Manawa Services	10,000.00
<b>TOTAL</b>	<b>\$157,272.11</b>

#### COMMUNITY FUNDS

Funds to provide financial assistance to community organisations that undertake projects that enhance community well-being and improve community outcomes.

Attitude North Island	450.00
Kimbolton Community Committee	1,000.00
Manawatu Historic Vehicle Collection Trust	1,758.99
Manfeild Park trust - community investment grant	262,656.00

Soul Survivor New Zealand	1,333.33
Sport Manawatu	73,543.00
Supergrans Manawatu Charitable Trust	304.44
Te Manawa Museums Trust	20,000.00
<b>TOTAL</b>	<b>\$361,045.76</b>

### SWIMMING POOL GRANTS

Grants to schools where there is a community use component to the school's pool facility.

Apiti School	175.00
Bunnythorpe School	175.00
Cheltenham School	175.00
Glen Oroua School	175.00
Halcombe School	175.00
Hiwinui School	175.00
Kiwitea School	175.00
Rongotea School	175.00
Sanson School & Community Pool Committee	175.00
Tangimoana School	175.00
<b>TOTAL</b>	<b>\$1,750.00</b>

### REPRESENTATIVE GRANTS

Representative grants are made to people representing the Manawatu district in national and international events

Angela Orr	500.00
Angus Findlay	500.00
Ariana Blackwood	500.00
Chance Warbrick	500.00
John Kendall	500.00
Kimbolton School Community Problem Solving Group	4,444.44
Lara Collins	300.00
Lytton Street School	1,644.44
Michelle Webb	500.00
Philip Spring	500.00
Rangitikei Scots Pipe Band Inc	2,000.00
Stephanie Dickins	500.00
Struan Webb	500.00
<b>TOTAL</b>	<b>\$12,888.88</b>

### COMMUNITY PROMOTIONS GRANTS

Contribution to Manawatu based non-profit organisations who organise and run events that raise the profile of the Manawatu district.

Feilding Promotion Inc (All Aboard)	10,000.00
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Community Action Advisory Group	793.64
Filly SK8 Crew/Troubled Family Krump Crew	969.99
Lions Club of Fitzherbert	1,000.00
Manawatu Children's Day Focus Group - Mainstreet	363.32
Manawatu Garden Festival	2,000.00
Manawatu Garden Festival	2,222.22
Manawatu Pony Club	1,000.00
Manawatu Pottery Society Inc	489.92
Manawatu Striders	509.28
New Zealand Kennel Club	4,444.44
Parklee Bullriding	424.35
Pohangina Complex Users Group	500.00
Rangitikei Scots - returned grant	- 1,777.78
Rotary Club of Feilding	296.00
Tararua Television Charitable Trust	1,500.00
<b>TOTAL</b>	<b>\$24,735.38</b>

#### TRUST FUNDS

Council administers trust funds that have been vested to Council over the years and are available for specific purposes. The total grants allocated from these funds during the 2008/09 years were;

Robert Dickson Trust Fund	6,474.42
Hook Bequest Trust	1,781.07
<b>TOTAL</b>	<b>\$8,255.49</b>

#### COMMUNITY ACCESS GRANT

Grant made to the Manfeild Park Trust for the community access to the park.

Manfeild Park Trust	\$168,100.00
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#### HERITAGE INCENTIVE FUND

Grants to contribute towards the preservation of heritage buildings and structures located within the Manawatu district.

The Feilding Club inc	1,014.80
Feilding Promotion Mainstreet Inc.	1,000.00
<b>TOTAL</b>	<b>\$2,014.80</b>

#### CREATIVE NZ GRANTS

Grants provided by Creative NZ, that Council allocates on their behalf, to arts and cultural activities occurring within the Manawatu district.

Feilding & Districts Art Society Inc	2,302.73
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Feilding Brass Inc	2,749.00
Full James Stewart - Pottery workshop	706.50
Haisman Janet Mary	1,250.00
Manchester Street School	4,400.00
McCall Catherine	295.30
Pastel Artists of New Zealand Inc	2,000.00
Pohangina Complex Users Group	1,000.00
Returned grants from previous years	- 603.38
Te Manawa Services Charitable Trust	2,540.00
<b>TOTAL</b>	<b>\$16,640.15</b>

#### CRIME PREVENTION GRANTS

Contribution to Manawatu based organisations who promote and provide crime prevention initiatives within the Manawatu district.

Feilding Community Patrol	4,000.00
Safer Manawatu	18,028.31
Te Manawa Services Chartable Trust	25,047.50
<b>TOTAL</b>	<b>\$47,075.81</b>

#### YOUTH INITIATIVE GRANTS

Contribution to Manawatu based organisations who promote and provide youth initiatives within the Manawatu district.

Feilding Promotion Mainstreet Inc	1,320.05
New Zealand Defence Force	888.89
<b>TOTAL</b>	<b>\$2,208.94</b>

# GLOSSARY

**Activity** – a good or service provided by or on behalf of a local authority.

**Annual Plan** – a document adopted by a local authority which sets out the budget for the year, and the sources of funding for the year.

**Annual Report** – a document that a local authority prepares each year, which provides the public with information on the performance of the local authority during the year (both in financial and non-financial terms).

**Asset** – assets are land, buildings and facilities owned by Council.

**Asset Management Plan** – plans that detail the future development and maintenance of Council's infrastructural assets to a specified level of service.

**Baby Boomer** – this is a term used to describe a person who was born during the demographic Post-World War II baby boom.

**Community** – a network of people and organisations linked together by common factors. This might refer to a network of people linked by place (that is, a geographic community), common interest or identify (for example, a hapu, a voluntary organisation or society), an administrative community (such as a district).

**Code of Conduct** – a document that sets out members' expectations of their roles and conduct when acting as an elected member.

**Communitrak Survey** – survey which measures satisfaction with Council services, and asks questions on Council policy and direction, rates issues, contact with Council, information and representation. The survey also compares Council performance against a peer group of councils and national survey of 1,004 interviews conducted in December 2008.

**Community Outcomes** – a set of desired states of affairs that the community identified through a process. These outcomes are meant to inform the development of local authority planning, and co-ordinate the activities and planning of all sectors of the community.

**Council Organisation (CO)** – any organisation in which one or more local authorities own or control any proportion of the voting rights or has the right to appoint one or more of the directors, trustees, etc.

**Council-Controlled Organisation (CCO)** – any organisation in which one or more local authorities own or control 50 per cent or more of the voting rights or have the right to appoint 50 per cent or more of the directors of the organisation. The following organisations are specifically excluded from being CCOs: Local Government New Zealand; Civic Assurance; Infrastructure Auckland; Watercare Services; and port, energy or electricity companies.

**Decision** – a resolution or agreement to follow a particular course of action, including an agreement not to take any action in respect of a particular matter.

**Exacerbator Costs** – additional or unplanned costs incurred by Council through deliberate acts of vandalism and other forms of damage.

**Funding Impact Statement (FIS)** – written information that sets out the funding mechanisms that a local authority will use, their level, and the reason for their selection in terms of the principles of financial management. Funding impact statements must be included in a long-term council community plan and in an annual plan.

**Generally Accepted Accounting Practice (GAAP)** – approved financial reporting standards (as defined by section 2(1) of the Financial Reporting Act 1993) in so far as they apply to local authorities or CCOs, or statements that are not approved but which are appropriate to the local authority or CCO and have the authoritative support of the accounting profession in New Zealand.

**Group of Activities** – two or more related activities.

**Long Term Council Community Plan (LTCCP)** – a plan, covering at least ten years, adopted under section 93 of the Local Government Act 2002, that describes the activities the local authority will engage in over the life of the plan, why the local authority plans to engage in those activities and how those activities will be funded.

**Local Authority** – a territorial authority or regional council as defined by the Local Government Act 2002.

**Local Governance Statement** – a collection of information prepared under section 40 of the Local Government Act 2002 that includes information about the ways in which a local authority engages with its community and makes decisions, and the ways in which citizens can influence those processes.

**Private Public Partnership (PPP)** – any arrangement or agreement entered into between one or more local authorities and one or more other persons or organisations engaged in business, not including arrangements or agreements where all of the parties are local authorities or council organisations, or a contract for the supply of goods and services by or on behalf of a local authority.

**Pavement** – in the context of roads, pavement refers to the sealed part of the road that vehicles drive on. This is not to be confused with footpaths which some people refer to as pavements.

**Service Levels** – the defined service parameters or requirements for a particular activity or service areas against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

**Significance** – (in relation to any issue, proposal, decision or other matter that concerns or is before a local authority) means the degree of importance of the issue, proposal, decision or matter, as assessed by the authority, in terms of its likely impact on, and likely consequences for the future social, economic, cultural and environmental well-being of the district.

