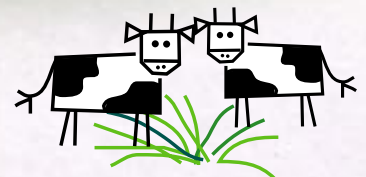


*Tasman District Council*



**Annual Report  
30 June 2007**



# Annual Report 2007

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# Directory

Tasman District Council is one of only five councils in New Zealand which have responsibility for both regional and territorial functions. Councils with this dual role are commonly known as “Unitary Authorities”.

District and regional responsibilities have been substantially integrated and are outlined in detail under Committees and Responsibilities.

Tasman District Council is the local government authority for this District. Its power is primarily derived from the Local Government Act 2002 and many other Acts and Statutory Regulations that are referred to throughout this document.

Council is responsible for ensuring that its various functions and activities are properly managed. It does this through a Chief Executive who is responsible for all Council staff.

## Main Office

Street Address: 189 Queen Street, Richmond 7020  
Postal Address: Private Bag 4, Richmond 7050  
Telephone: 03 543 8400  
Fax: 03 543 9524  
e-mail: [info@tdc.govt.nz](mailto:info@tdc.govt.nz)

## Motueka Office

Street Address: 7 Hickmott Place, Motueka 7120  
Postal Address: P O Box 123, Motueka 7143  
Telephone: 03 528 2022  
Fax: 03 528 9751

## Golden Bay Office

Street Address: 78 Commercial Street, Takaka 7110  
Postal Address: P O Box 74, Takaka 7142  
Telephone: 03 525 0020  
Fax: 03 525 9972

## Murchison Office

Street Address: 92 Fairfax Street, Murchison 7077  
Postal Address: 92 Fairfax Street, Murchison 7077  
Telephone: 03 523 1013  
Fax: 03 523 1012

# Membership of Council

For the year ended 30 June 2007

The Tasman District Council has an elected Mayor, plus thirteen elected Councillors. Elected members are:

## Tasman Mayor

Mayor John Hurley  
ph 03 528 9384  
fax 03 528 9124  
mob 025 201 3179

## Golden Bay Ward

Cr Noel Riley  
ph 03 525 9164  
fax 03 525 7164

Cr Stuart Borlase  
ph 03 525 8477  
fax 03 525 8477

## Moutere/Waimea Ward

Deputy Mayor  
Cr Tim King  
ph 03 542 3849  
fax 03 542 3849

Cr Trevor Norriss  
ph 03 526 8859  
fax 03 526 8809

Cr Michael Higgins  
ph 03 541 8629  
fax 03 541 8897

## Richmond Ward

Cr Richard Kempthorne  
ph 03 544 8082  
fax 03 544 8081

Cr Elaine Henry  
ph 03 544 8452  
fax 03 544 8452

Cr Gordon Currie  
ph 03 544 5655  
fax 03 544 5655

## Lakes/Murchison Ward

Cr Ted O'Regan  
ph 03 523 9086  
fax 03 523 9086

Cr Stuart Bryant  
ph 03 522 4357  
fax 03 522 4359

## Motueka Ward

Cr Eileen Wilkins  
ph 03 528 9139  
fax 03 528 0139

Cr Jack Inglis  
ph 03 528 8949  
fax 03 528 8949

Cr Patricia O'Shea  
ph 03 526 6161  
fax 03 526 6161

# Community Boards

## For the year ended 30 June 2007

Community Boards are separately elected advisory bodies and are not Council Committees. There are two Community Boards in the District, namely the Golden Bay Community Board serving the Golden Bay Ward and the Motueka Community Board serving the Motueka Ward. Membership of the Boards is as follows:

### Golden Bay

Joe Bell (Chair)  
ph 03 524 8146  
fax 03 524 8047  
mob 027 626 2880

Leigh Gamby  
ph 03 525 9744  
fax 03 525 9744  
mob 027 407 0274

Carolyn McLellan  
ph 03 524 8132  
fax 03 524 8900

Mik Symmons  
ph 03 525 9525  
fax 03 525 8051

### Motueka

Cliff Satherley (Chair)  
ph 03 528 8996  
fax 03 528 8996

Barry Dowler  
ph 03 528 7129  
fax 03 528 7129

Tony Fry  
ph 03 528 9301  
fax 03 528 9301

Stuart Bean  
ph 03 528 6700  
fax 03 528 4092  
mob 027 439 7112

In addition to the elected members, the Council is required to appoint two Councillors to each Community Board, making a board of six in total.

The appointed members of the Golden Bay Community Board are Cr Noel Riley and Cr Stuart Borlase.

The appointed members of the Motueka Community Board are Cr Eileen Wilkins and Cr Jack Inglis.

Lakes/Murchison, Richmond, and Moutere/Waimea Wards have established community associations which maintain a working relationship with Ward Councillors and Council staff in a manner that is proving to be mutually beneficial and cost effective.

# Committees and Responsibilities

For the year ended 30 June 2007

There are four standing Committees of Council each having delegated powers to handle their affairs. All Councillors have membership on these four committees. Mayor Hurley is an ex officio member of all committees. Standing committees normally meet six weekly.

## Engineering Services Committee

This Committee has responsibility for roads, bridges, water supplies, refuse collection and disposal, wastewater disposal and treatment, drainage, rivers, ports and wharves (excluding Port Tarakohe), and aerodromes (excluding Motueka Aerodrome). This committee is chaired by Cr T E Norriss.

## Community Services Committee

This Committee has responsibility for community recreation and development, parks and reserves, sports grounds, public halls, libraries, walkways, camping grounds, cemeteries, community and cultural facilities, property management, rural fire, grants and community housing. This committee is chaired by Cr P K O'Shea.

## Environment and Planning Committee

This Committee has responsibility to develop, approve, implement and monitor Council policy in relation to the Tasman Resource Management Plan, strategic planning reviews and Council's response to climate change. This committee is chaired by Cr R G Kempthorne.

## Corporate Services Committee

This Committee is responsible for providing financial and administrative services to the Council and other departments, including rate collection and financial management. This committee is chaired by Cr T B King.

## CEO Review

(reporting to Council) – Mayor J C Hurley, Crs T B King, R G Kempthorne.

## Subcommittees

In addition to these standing committees, Council also has a number of special purpose subcommittees. These have delegated powers and only meet as required. Their function is to examine specific areas of Council operations and then make recommendations to their parent committee or full Council. The current subcommittees are:

### *Environment & Planning Consent Hearings Subcommittee*

(reporting to Environment & Planning Committee) – Crs E M O'Regan (Convenor) plus minimum of two other Councillors.

### *Council Enterprises Subcommittee*

(reporting to Corporate Services Committee) – Crs S G Bryant (Chair), E E Henry, M J Higgins, N Riley, J L Inglis.

### *Communications Subcommittee*

(reporting to Corporate Services Committee) – Crs E E Henry (Chair), P K O'Shea, R G Kempthorne.

### *Creative Communities Subcommittee*

(reporting to Community Services Committee) – Crs E E Henry (Chair), S Borlase, plus Community Representatives.

### *Audit Subcommittee*

(reporting to Corporate Services Committee) – Crs M J Higgins (Chair), R G Currie, E M O'Regan.

### *Grants and Community Facilities Subcommittee*

(reporting to Community Services Committee) – Crs P K O'Shea (Chair), S G Bryant, E E Henry, T B King, N Riley.

### *Heritage Subcommittee*

(reporting to Environmental and Planning Committee) – Crs P K O'Shea (Chair), E J Wilkins.

### *Tenders Subcommittee*

Cr T E Norriss, S G Bryant and M J Higgins and Chief Executive.

## Regional Committees

### *Nelson Regional Arts Council*

Cr E E Henry

### *Nelson Regional Sewerage Business Unit*

Cr M J Higgins, Mr J C Rogers

### *Regional Land Transport*

Crs S G Bryant, T E Norriss

### *Nelson Airport Ltd*

Council Director Mayor J C Hurley

### *Port Nelson Ltd*

Council Director Cr T B King

### *Nelson Tasman Business Trust*

Cr R G Currie

### *Tasman Regional Sports Trust*

Cr R G Kempthorne

### *Combined Shareholders*

Mayor J C Hurley, Cr T B King,  
P Wylie, M W Staite

# Councillor Representatives

## For the year ended 30 June 2007

### *Golden Bay Patriotic Welfare Committee*

Cr N Riley

### *LGA Zone 5*

Mayor J C Hurley and Cr T B King

### *Suter Gallery*

Cr E E Henry

### *Patriotic Council*

Cr R G Currie

### *Talking Heads*

Cr E E Henry

# Councillor Portfolios

For the year ended 30 June 2007

## *Civil Defence/Emergency Management*

Mayor J C Hurley and Cr M J Higgins

## *Aquaculture*

Cr E M O'Regan

## *Energy*

Mayor J C Hurley

## *Friendly Towns*

Cr E J Wilkins

## *Healthy Communities*

Cr E E Henry

## *Heritage*

Cr P K O'Shea

## *Liquor Licensing*

Cr E M O'Regan

## *Maori Liaison/Ethnic Affairs*

Mayor J C Hurley and Cr P K O'Shea

## *Regional Animal Health*

Cr S J Borlase

## *Rural Services*

Cr T E Norriss

## *Strategic Water Resources*

Cr R G Kempthorne

## *Total Mobility*

Cr R G Currie

## *Women's Affairs*

Cr E J Wilkins

# Management Staff

## *Chief Executive Officer*

P Wylie

## *Environment and Planning Manager*

D C Bush-King

## *Corporate Services Manager*

M W Staite

## *Engineering Services Manager*

P W Thomson

## *Community Services Manager*

L L Kennedy

## *Bankers*

ASB Bank Ltd  
Queen Street, Richmond

## *Solicitors*

Fletcher Vautier Moore  
2 Cambridge Street, Richmond

## *Auditors*

Audit New Zealand, on behalf of the Office of the  
Auditor-General



# Mayor's Introduction

It is pleasing to look back over the achievements of the past year, in the paradise in which we live. 2006/2007 was another busy year with its share of challenges and opportunities, which we have accepted head-on.

A significant achievement by Council was the production of our Long Term Council Community Plan. Whilst this huge undertaking took an enormous resource, the result is a document, and a process, which gives much clarity to our direction for the entire community. A document we can be proud of.

The net assets of Council continue to grow, presenting a sound platform for the future.

On reflection of the times in which we live, as much is accomplished so more is asked. Council has seen a 10% rise in the number of Resource Management consents issued, the value of building consents rose by 21% to \$135 million, and over 500 licences for various activities were issued. Significant work on upgrading water supply and wastewater networks is being undertaken. We continue to foster the development of community initiatives which enhance the wellbeing of all residents.

These are exciting times for Tasman District, and I am pleased to report on the impressive achievements we have made thus far, but there remains more to accomplish. Council is committed to continue to drive improvements in

areas of customer services delivery, especially in shortening processing timeframes. We have a collective responsibility to provide first-rate facilities for all residents, present and future, the Lee Dam proposal being one such example. Planning for population growth now requires additional focus as the district continues to attract a greater number of residents, both national and international. These are positive challenges, providing Council with opportunities for further avenues for development.

I wish to pass on my personal appreciation to elected members, management, and staff for their industrious and positive manner in which they have carried out their responsibilities for Council. Having just completed the triennial election of Council representatives, I would like to thank the previous Council for their commitment to the planning and decision-making that has led to such a successful work programme. A particular thank you to John Hurley, Ted O'Regan, Elaine Henry and Pat O'Shea.

We are privileged to live in such a beautiful part of the country, not only the magnificent natural features we enjoy, but also the warmth and caring nature of people in our community. This report reflects that enthusiasm and progressive approach we all share for our District.

**Richard Kempthorne**  
Mayor



# Chief Executive Officer's Overview

It is my pleasure to present the 2006/2007 Annual Report. Since commencing in April of this year I have been pleased with the manner in which opportunities have been embraced by Council and staff alike. I wish to acknowledge the leadership and direction provided by Council's former Chief Executive Bob Dickinson. Bob's 17 years with the Council has left Tasman in good heart.

In financial terms, Council has finished the year in a strong position with a surplus, highly influenced by extraordinary items, of \$11.5 million, a positive working capital position, and net asset totalling \$926.9 million.

Significant highlights of the year in review include; the acceptance of a tender for the construction of a purpose-built Library in Takaka, and progress made toward the Lee Valley water supply dam.

Growth of the District continues to provide land use demands, particularly with Eastern Golden Bay, the Richmond West development plan, and a review of zoning in Richmond South. These are positive issues to be facing, and it is rewarding to witness Council rise to the challenges and provide solutions and management to the benefit of all ratepayers.

Other noteworthy capital projects carried out during the year include; a new stock effluent facility at Murchison, a major upgrade of the Takaka sewer system, and the new urban water supply to the Mapua township. Major work continues at Saxton Field with the construction of the cricket oval and athletics field. Council has also purchased 3,000 temporary seats for use at Trafalgar Park and other public events.

A key component in building the Tasman community is the promotion of all social groups within the region. Council is pleased to be able to foster cultural activities by approving

a large number of grants and sponsorships to individuals and community groups within the District. In consultation with the Ministry of Youth Development, Council launched Jam Magazine, which aims at training and mentoring young people in the development of the magazine. Council is a strong advocate for healthy living, actively promoting Bike Wise Week, Conservation Week, Children's Day and Push Play Month across the region with community events and activities.

A very successful Arts Expo was held in May 2007, where artists from the top of the South Island were introduced to gallery owners and other commercial entities.

Contrary to comment by some sections of the community, Tasman District Council has continued to work closely throughout the year with its sister unitary council, Nelson City. During the year the two councils cooperated on more than 40 different projects and processes, all intended to promote greater efficiency and effectiveness across the wider region. It is regrettable that these success stories are not more widely recognised. While the two councils may not agree on every issue, the common good of the ratepayers has been well served during the last year.

In conclusion, I wish to record my appreciation to all those who work for the Council and with the Council, for their enthusiasm and hard work in ensuring Tasman District remains the choice of destination for an increasing number of citizens.

**Paul Wylie**  
*Chief Executive Officer*



# Community Outcomes

Council's 2006-2016 LTCCP was prepared around the four community wellbeing indicators being Environmental, Social, Cultural and Economic. Underlying these wellbeing indicators were eight community outcomes (see table page 11). These outcomes were developed after considerable consultation with the wider Tasman community. During the draft 2007-2008 annual plan process, the outcomes were ranked in order of priority and the community was asked for comment.

The Local Government Act 2002 requires Council to report on the progress towards their outcomes at least every three years. The Tasman District Council and Nelson and Marlborough District Councils, together with the Nelson-Marlborough District Health Board, Ministry of Social Development, Department of Labour and Nelson-Marlborough Institute of Technology and other partners have established a working party to develop a framework for monitoring these outcomes. The working party has decided on 80 indicators and these have been reviewed by Statistics New Zealand. The data is now being gathered and is expected to be produced in the first half of 2008.

The Local Government Act 2002 requires Council to report at a group of activity level the results of any measurement undertaken during the year on progress versus outcomes. As noted above the data to report progress versus outcomes is not yet available.

Community Wellbeing	Community Outcomes	Council Objectives	Council Groups of Activities
<b>Environmental wellbeing</b>	Our built urban and rural environments are functional, pleasant, safe, and sustainably managed	To ensure sustainable management of natural and physical resources and security of environmental standards	Environment and planning
	Our unique and special natural environment is bountiful, healthy, clean and protected		
	Our transport and essential services are sufficient, efficient and sustainably managed	To sustainably manage infrastructural assets relating to Tasman District	Transportation Sanitation, drainage and water supply
<b>Social and Cultural Wellbeing</b>	Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs	To enhance community development and the social, natural, cultural and recreational assets relating to Tasman District	Cultural services and grants
	Our community understands regional history, heritage and culture		Recreation and leisure
	Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services. Our participatory community contributes to District decision-making and development		Community support services
<b>Economic Wellbeing</b>	Our growing and sustainable economy provides opportunities for us all in the Tasman District	To implement policies and financial management strategies that advance and promote sustainable economic development in the Tasman District	Council enterprises

(Source: Tasman District Council Long Term Council Community Plan 2006-2016, Volume 1, page 39)

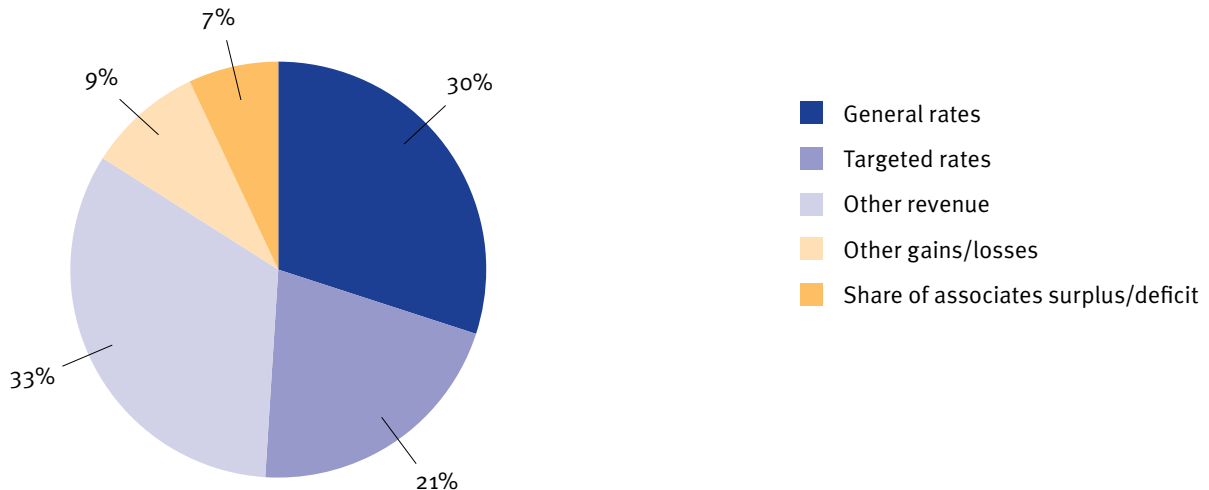
# Tasman District Council Financial Highlights

## Council's Five Year Financial Performance Summary

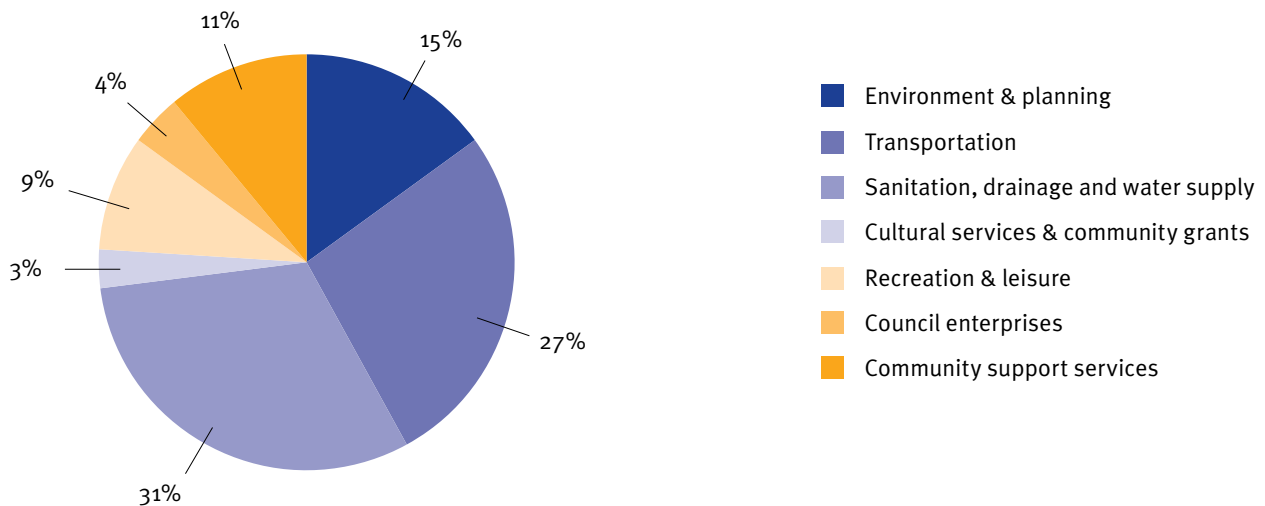
	2007 \$(000's)	2006 \$(000's)	2005 \$(000's)	2004 \$(000's)	2003 \$(000's)
District General Rates	22,339	20,767	19,182	17,804	15,953
Net Surplus/Deficit	11,536	6,083	4,440	13,401	9,467
Working Capital	4,986	-14,900	-2,367	209	309
Public Debt	77,985	69,368	57,497	44,207	35,236
Current Ratio	1.24	0.42	0.89	1.01	1.02

Note: The 2003-2005 figures are not comparable with 2006 and 2007 as the 2006 and 2007 financial information was prepared in accordance with NZ IFRS.

### Source of Revenue 2006/2007



### Council 2006/2007 Operating Expenditure by Activity



# Employment Policy Statement

## Equal Employment Opportunities

### Charter

In accordance with Schedule 7, Part 1, Clause 36 of the Local Government Act 2002, the Tasman District Council has a policy of Equal Employment Opportunity for all workers and regards the identification and elimination of any discrimination and the provision of equal opportunities as essential principles in the management of its staff resources.

The Council affirms this commitment through a policy of positive action by adopting constructive policies and practices for equal opportunities in all aspects of employment, including recruitment and selection, training and development, education, career path planning and promotions. The objective of this policy is to ensure that for any given position, the best available person gets the job.

### Application

This Charter shall apply equally to all employees of the Tasman District Council. No employee, or potential employee, shall be discriminated against by reason of their race, colour, national or ethnic origin, union membership, age, sex, marital status, religious or political beliefs, physical disability where these are not related to the person's ability to carry out the job.

### Executive Responsibility

It is the responsibility of the Chief Executive, through each manager and supervisor, to promote this policy. All employees are invited to contribute suggestions for ongoing action under this programme.

The various elements in this policy, while compiled to meet the requirements of the Local Government Act 2002, are all to be consistent with:

- Good personnel policy and practices
- Human Rights Act 1993
- Other legislation concerning employment
- Race Relations Act 1971
- Privacy Act 1993
- Health and Safety Act 1992
- Employment Relations Act 2000

During this financial year, Council encouraged staff to attend a series of training courses, both in-house and externally, with the specific intention of providing work place situations, and enhancing staff knowledge for the benefit of Council's customers. In many instances these course have been provided, and attended, in response to new legislative requests such as LTCCP preparation and the Rates Rebate Scheme.

# Glossary of Terms

To further assist readers of these financial statements, the following definitions of other terms used in the document are set out below:

## Operating Costs

These expenses, which are included in the Statement of Financial Performance, are the regular costs of providing ongoing services and include salaries, maintaining assets, depreciation and interest. The benefit of the cost is received entirely in the year of expenditure.

## Capital Expenditure

This expenditure relates to the purchase or creation of assets that are necessary to assist in the provision of services. They have useful lives in excess of one year and are therefore included in the Statement of Financial Position. Capital expenditure includes the creation of assets that did not previously exist or the improvement or enlargement of assets beyond their original size and capacity.

## Cost of Services

The cost of services relate to the activity, not the organisational departments. The Local Government Act 2002 requires the annual report to be expressed by activity. The cost of the activity includes the direct and the indirect costs that have been allocated to the activity. Indirect costs include interest on public debt, cost of support services and depreciation allowances.

## Major Goals

These highlight specific significant outcomes of the activity and what is intended to be achieved. The objectives are, in some cases, encompassing more than just the current financial year but are considered important enough in terms of providing an overall picture to be included in the plan.

## Performance Targets

These are the measures that will be used to assess whether the performance has been achieved.

## Income

This includes fees and licences charged for Council's services and contributions towards services by outside parties.

## Infrastructural Assets

These are those public facilities which provide for the delivery of services and a sustained standard of living. They primarily comprise the Council's fixed utility systems including roads and footpaths, the water and wastewater reticulation systems, the stormwater system, bridges and culverts.

Infrastructural assets are deemed to have the following attributes:

- They are large networks constructed over several generations.
- They have long useful economic lives.
- They have a high initial cost and a value which is difficult to determine.
- They provide a benefit and/or a social service rather than a commercial service, ie the assets are used by, or for, the community as a whole, servicing all the District's residents and visitors.
- The assets are not usually capable of subdivision for ready disposal because of legal or other restrictions, and consequently are not readily disposable within the commercial market place.

## Depreciation

The decline in service potential of an asset spread over the useful life of the asset.

# Tasman District Council Vision Statement

An interactive community living safely in the garden that is Tasman District

*He rohe Whakaarotahie  
Noho ora ana I runga I te  
Whenua ataahua  
Ko te rohe o Tahimana*

# Tasman District Council Mission Statement

To enhance community wellbeing and quality of life

- Objective 1 To implement policies and financial management strategies that will yield competitive advantage to the people of Tasman District.
- Objective 2 To ensure sustainable management of natural and physical resources, and security of environmental standards.
- Objective 3 To sustainably manage infrastructural assets relating to Tasman District.
- Objective 4 To enhance community development and the natural, cultural and recreational assets relating to Tasman District.
- Objective 5 To promote sustainable economic development in the Tasman District.



# Maori participation in Decision-Making Processes

As required by Schedule 10, Part 3, Clause 21 of the Local Government Act 2002 Council reports on the process undertaken to provide Maori with opportunities to contribute to decision-making in the Council. Council recognises its obligations to Maori under various enactments, and has in place mechanisms to provide for Maori input into decision-making.

Council acknowledges Manawhenua (Iwi), meaning specifically those people claiming customary and ancestral ties to this land in Tasman District. They are:

Ngati Rarua  
Te Ati Awa  
Ngati Koata  
Ngati Kuia  
Ngati Apa  
Ngati Tama  
Kati Waewae, Te Koti

Council attends regular liaison meetings with Maori groups in the community, including attendance at the Tiakina Te Taiao meetings. This and other meeting attendances enable service delivery issues and other matters of concern to be identified and fed back into the organisation to be considered and addressed at the appropriate level.

Council also has a formal arrangement with iwi in regard to the review of resource management consent applications and actively works with the various iwi concerned in regard to planning issues.

In order to support its work, Council has within its workforce, policy and liaison expertise to enable it to respond to issues raised by the Maori community.

Council continues to liaise with iwi in regard to enhancing relationships and involvement in appropriate issues.

# The role of the Annual Report and Financial Statements

The Tasman District Council is required to produce an Annual Report each year to account for the money provided to it by ratepayers, financial institutions and other governmental agencies.

The Annual Report is also an important tool for showing how Tasman District Council's community goals are being achieved. This document, therefore, also represents an opportunity to provide interested parties with a range of additional information to give a more complete picture of the District's affairs.

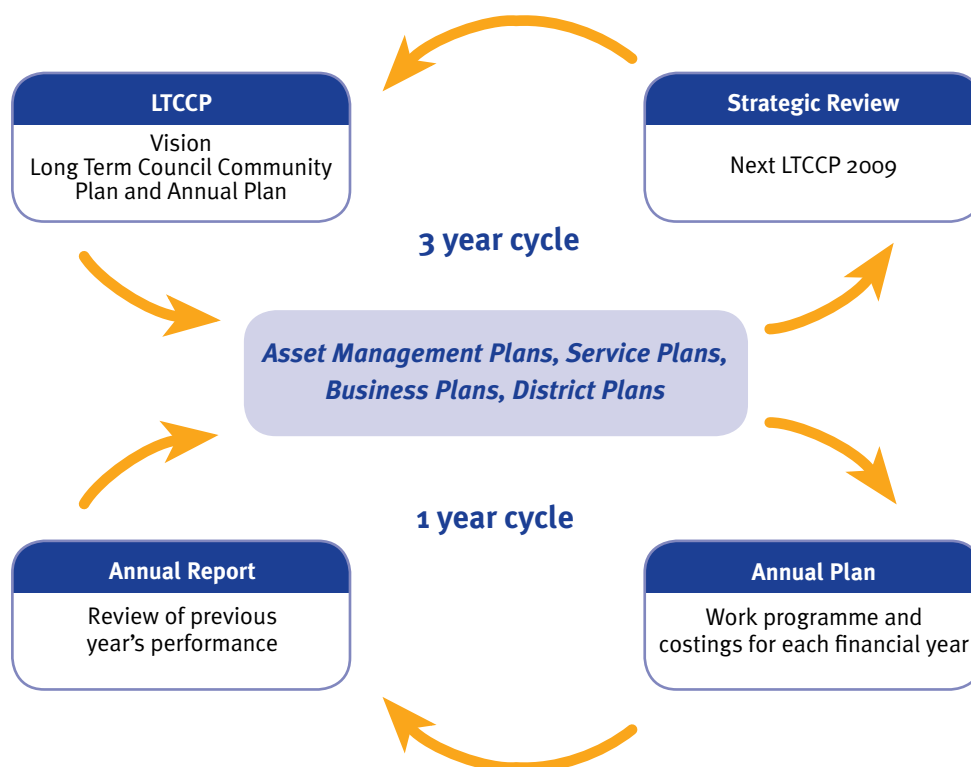
The contents of this Annual Report will make reference to the District strategies and plans, including the Long Term Council Community Plan, which was adopted by Council on 30 June 2006, after considerable consultation over the previous year with ratepayers and interested others. Many of the ways in which this information is presented are

governed by legislation and standard accounting practices. However, the Tasman District Council recognises that the readers of this report are from diverse backgrounds and steps have been taken to present the information in an accessible and understandable form.

The reports from the Mayor and Chief Executive Officer provide commentary on some of the year's key strategies, objectives, highlights and challenges. The Financial Statements and Statements of Service Performance look at the District affairs in greater detail.

The Tasman District Council thanks you for your interest in its activities and its leadership role in developing Tasman District.

## How the Annual Report fits into Council's overall planning framework



# Statement of Compliance and Responsibility

## Compliance

- 1 The Council and management of the Tasman District Council confirm that all the statutory requirements of the Local Government Act 2002 in relation to the Annual Report have been complied with.

## Responsibility

- 2 The Council and management of Tasman District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.
- 3 The Council and management of Tasman District Council accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- 4 In the opinion of the Council and management of Tasman District Council, the annual financial statements for the year ended 30 June 2007 fairly reflect the financial position and operations of Tasman District Council.



**RG Kempthorne**  
*Mayor*



**P Wylie**  
*Chief Executive Officer*



**M W Staite**  
*Corporate Services Manager*

Date: 31 October 2007

# Audit Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## TO THE READERS OF TASMAN DISTRICT COUNCIL'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2007

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

### Unqualified Opinion

In our opinion:

- The financial statements of the Council on pages 22 to 70:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect :
    - the Council's financial position as at 30 June 2007; and
    - the results of its operations and cash flows for the year ended on that date.
- The service provision information of the Council on pages 71 to 159 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 31 October 2007, and is the date at which our opinion is expressed.

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

### Basis of Opinion

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

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

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

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

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;

# AUDIT NEW ZEALAND

Mana Arotake Aotearoa

- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

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

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

## Responsibilities of the Council and the Auditor

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

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

## Independence

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

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



**S M Tobin**

*Audit New Zealand*

On behalf of the Auditor-General  
Christchurch, New Zealand

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

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

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 31 October 2007 to confirm the information included in the audited financial statements presented on this web site.

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

# Financial Statements

## Introduction

- 1 The **Statement of Financial Performance** (page 32) summarises all income received including that from rates, the significant activities and Council's associates and joint ventures.

From the total of this income is deducted the gross cost of services brought forward from the statements of cost of service, together with expenditure not related to any of the significant activities.

- 2 The **Statement of Movements in Equity** (page 35) provides a breakdown of the movements in total equity.
- 3 The **Statement of Financial Position** (page 33) shows the assets and liabilities of the Tasman District Council.
- 4 The **Statement of Cashflows** (page 34) summarises the cashflow for the year.
- 5 The individual **Statements of Cost of Service** of Council's significant activities (pages 72 – 159) record Council's objectives, targets and achievements for the year, together with the costs associated with the provision of each service.
- 6 The **Financial Statements** should be read in conjunction with the "Notes to the Financial Statements".

### Relationship to the 2006 – 2016 Long Term Council Community Plan (LTCCP)

Efforts have been made to structure this annual report to follow as closely as possible the assumptions, objectives, policies, measures and statements format used in the LTCCP.

# Statement of Accounting Policies

## Reporting Entity

Tasman District Council was formed in 1989 as a result of the Local Government Commission's Final Re-organisation Scheme. The resultant Tasman District Council is an amalgamation of the former Waimea County Council, Richmond Borough Council, Motueka Borough Council and Golden Bay County Council.

In 1992 Council assumed the responsibilities of the former Nelson Marlborough and West Coast Regional Councils within its boundaries to become a Unitary Authority.

Council's land area of jurisdiction covers 9,665 square kilometres with a population base of approximately 47,700 (2006 Census). Under our coastal jurisdiction, Council's area extends out to the 20 kilometre territorial waters boundary, covering 4,886 square kilometres.

Tasman District Council (TDC) is a unitary local authority governed by the Local Government Act 2002.

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

The financial statements of TDC are for the year ended 30 June 2007. The financial statements were authorised for issue by Council on 31 October 2007.

## Basis of preparation

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

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

This is the first set of financial statements prepared using NZ IFRS and comparatives for the year ended 30 June 2006 have been restated to NZ IFRS accordingly. Reconciliations of equity and net surplus/(deficit) for the year ended 30 June 2006 under NZ IFRS to the balances reported in the 30 June 2006 financial statements are detailed in note 1 along with reconciliations for the transitional 1 July 2005 Statement of Financial Position.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS statement of financial position as at 1 July 2005 for the purposes of the transition to NZ IFRS.

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

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

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

### *Standards and interpretation issued and not yet adopted*

There are no standards, interpretations, and amendments that have been issued, but are not yet effective, that TDC has not yet applied other than NZ IFRS 7 Financial Instruments Disclosures. Council has applied NZ IAS 32 Financial Instruments Presentation.



## 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 operations TDC 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 in accordance with NZ IAS 31 – Interests in Joint Ventures.

The entities disclosed below are treated as joint ventures.

### *Nelson Regional Sewerage Business Unit.*

Based on the terms of an agreement between Tasman District Council and Nelson City Council that was signed during the 1993/1994 financial year, Council has a 50% interest in this entity. The most recent unaudited financial statements (June 2007) have been used to determine Council's interest.

### *Nelson Tasman Combined Civil Defence Organisation.*

Council has a 50% interest in this entity. The most recent unaudited financial statements (June 2007) have been used to determine Council's interest.

## Associated Organisations

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

If TDC's share of deficits of an associate equals or exceeds its interest in the associate, TDC discontinues recognising its share of further deficits. After TDC's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that TDC has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, TDC will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

TDC's share in the associates surplus of deficits resulting from unrealised gains on transactions between TDC and its associates are eliminated.

The entities disclosed below are treated as associates.

### *i) Port Nelson Ltd*

Council was vested a 50% shareholding in this entity at the date of its inception (1 October 1988).

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent audited statement of financial position (June 2007) has been equity accounted.

### *ii) Nelson Airport Ltd*

Council has a 50% shareholding in this Company which commenced trading on 1 April 1999.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent unaudited statement of financial position (June 2007) has been equity accounted.

### *iii) Tourism Nelson Tasman Ltd*

Council has a 50% shareholding in this Company.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value, the most recent unaudited statement of financial position (June 2007) has been equity accounted.

### *iv) Tasman Bays Heritage Trust Inc*

The Tasman Bays Heritage Trust Inc commenced on 1 July 2000. Council has a 50% interest in this entity.

In accordance with NZ IAS 28, the equity method has been used for accounting purposes. To arrive at a fair value the most recent unaudited statement of financial position (June 2007) has been equity accounted.

## Revenue Recognition

Revenue is recognised on an accrual basis and is measured at the fair value of consideration received.

The following particular policies apply:

- Rates are recognised on instalment notice and are set annually by a resolution from Council and relate to a financial year.
- Water billing revenue is recognised on an accrual basis with unread meters at year end accrued on an average usage basis.
- TDC receives government grants from Land Transport New Zealand, which subsidises part of TDC's costs in maintaining the local roading infrastructure. Land Transport revenue is recognised on entitlement when conditions pertaining to eligible expenditure are fulfilled.

- Development and financial contributions. The recognition point for development and financial contributions is at point that will give rise to a requirement for a development or financial contribution under the legislation.
- Interest is recognised using the effective interest method.
- Dividends 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 TDC are recognised as revenue when control over the asset is obtained.
- Government grants are recognised as revenue to the extent of eligibility for grants established by the grantor agency, or when the appropriate claims have been lodged.
- Infringements are recognised when the fine is issued.

### Borrowing costs

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 the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where TDC has no obligation to award on receipt of the grant application. TDC recognises these grants as expenditure when a successful applicant has been notified.

### Taxation

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

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

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable

profits will be available against which the deductible temporary differences or tax losses can be utilised.

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

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

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

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

### Leases

#### Finance leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the assets are transferred to the Council, are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets are depreciated over the period the Council is expected to benefit from their use.

#### Operating lease

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased item, are charged as expenses in the periods in which they are incurred.

#### 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.

Bank overdrafts are shown in current liabilities in the statement of financial position.

## Trade and other receivables

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

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

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

## Inventories

Inventories are stated at the lower of cost, determined on a first-in first-out basis, and net realisable value.

## Works in Progress

Valuation is on the basis of cost of work completed at 30 June. It includes the cost of direct materials, direct labour and overheads.

## Financial Assets

TDC classifies its financial assets 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 the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

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

Purchases and sales of investments are recognised on trade-date, the date on which TDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the TDC has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the Statement of Financial Position 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. TDC 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.

The four categories of financial assets are:

- 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 unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the Statement of Financial Performance.

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

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

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Financial Performance. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

TDC currently has trade and other receivables and other financial assets in this category.

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

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

TDC currently has other financial assets in this category.

- 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 TDC intends to hold long-term but which may be realised before maturity; and

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

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

On derecognition the cumulative gain or loss previously recognised in equity is recognised in the statement of financial performance.

TDC has other financial assets in this category.

## Impairment of financial assets

At each Statement of Financial Position date TDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of financial performance.

## Accounting for derivative financial instruments and hedging activities

TDC does not use derivative financial instrument to hedge exposure to foreign exchange and interest rate risks arising from financing activities.

## 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 statement of financial performance.

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

It is Council's intention to revalue all assets with the exception of vehicles, computers, plant, libraries and office equipment, no more than every three years.

Property, plant and equipment consist of:

*Operational Assets* - These include land, buildings, computers and office equipment, building improvements, library books, plant and equipment, forestry and motor vehicles.

*Restricted Assets* - Assets owned or vested in Council which cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

*Infrastructural Assets* - Infrastructural assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function, eg sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment is 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 future economic benefits or service potential associated with the item will flow to TDC 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 its 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 disposal are included in the Statement of Financial Performance. When revalued assets are sold, the amounts in the asset revaluation reserves in respect of those assets are transferred to retained earnings.

### Subsequent Costs

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

Values included in respect of assets are as follows:

**Vested Assets** - Certain infrastructural assets and land have been vested in the Council as part of the subdivision consent process. Vested infrastructural assets have been valued by calculating the cost of providing identical quantities of infrastructural components.

### i) Roads and Bridges

These have been categorised as urban/rural, sealed/metalled and valued at fair value using optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2006.

### ii) Land under Roads

Land under roads has been valued at average land sales throughout the District by MWH New Zealand Ltd as at 1 July 2003. Under NZ IFRS TDC has elected to use the fair value of land under roads as at 1 July 2003 as deemed cost. Land under roads is no longer revalued.

### iii) Wastewater, Refuse, Water Supply, Stormwater, Ports and Wharves, and Airfields

These have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2007.

### iv) River Protection Assets

River protection assets consist of stop banks, rock protection and riparian protection.

Stop bank assets were valued for inclusion in Council's financial statement at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2007.

### Depreciation

Depreciation is provided on a straight line basis on all assets at rates which will write off the cost (or valuation) of the assets to their estimated residual values, over their useful lives.

These assets have component lives that have been estimated as follows:

• Land	Not Depreciated
• Buildings (including fit out)	10 – 100 years
• Plant and Equipment	5 – 10 years
• Motor Vehicles	5 – 10 years
• Library Books	5 – 10 years

### Infrastructure Assets

• Bridges	50 – 100 years
• Roads	2 – 80 years
• Formation	Not Depreciated
• Sub-base (sealed)	Not Depreciated
• Basecourse (sealed)	65 - 75 years
• Surfaces	2 - 50 years
• Car Parks - formation	Not Depreciated
• Car Parks –components	8 - 45 years
• Footpaths	5 - 50 years
• Pavement base(unsealed)	Not Depreciated
• Drainage	15 - 80 years
• Wastewater	
• Oxidation Ponds	Not Depreciated
• Treatment	9 -100 years
• Pipe	50 - 80 years
• Pump Stations	20 - 80 years
• Water	
• Wells and Pumps	10 - 80 years
• Pipes/Valves/Meters	15 - 80 years
• Stormwater	
• Channel/Detention Dams	Not Depreciated
• Pipe/Manhole/Sumps	80 - 120 years
• Ports and Wharves	7 - 100 years
• Airfields	10 - 80 years
• Refuse	15 - 100 years
• Rivers	
• Stop banks	Not Depreciated
• Rock Protection	Not Depreciated
• Willow Plantings	Not Depreciated
• Gabion Baskets	30 years
• Railway irons	50 years
• Outfalls	60 years

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

### Revaluation of Assets

With the exception of vested assets at the initial point of recognition, all valuations are carried out or reviewed by the Council's Engineering Manager or by independent qualified valuers and it is intended that valuations be carried out on a three-yearly cycle. The carrying values of revalued items are reviewed at each balance date to ensure that these values are not materially different to fair value. Where materially different, Council will revalue at an earlier point. Revaluations are carried out on an asset class basis. Forestry valuations are carried out annually.

Increases in the value of assets are credited to the asset revaluation reserve where appropriate.

Where appropriate, decreases in the value of assets have been debited to the appropriate asset revaluation reserve. Where this would have resulted in debit balance in the asset revaluation reserve, this balance

would be expensed in the Statement of Financial Performance.

### **Library Books**

This asset is recorded at the latest valuation conducted by Duke and Cooke Ltd, registered valuers, as at 30 June 1999.

During the 2002 income year Council ceased further revaluations and adopted deemed cost.

Donated books are assigned a value based on current replacement cost, less an allowance for age and condition. Additions are valued at cost less depreciation.

Library books are not revalued.

Library books are depreciated on a straight-line basis over the following estimated life:

Adult and technical books	10 years
Children's books	5 years
CD's and Talking books	2 years

### **Furniture and Fittings**

Furniture and fittings were recorded at valuation. The latest valuation was conducted by Duke and Cooke Ltd, registered valuers as at 31 October 2000, using the assessed market value in situ. Furniture and fittings are not revalued and are now treated as deemed cost. Additions are recorded at cost.

### **Land and Buildings**

At fair value as determined by market-based evidence by an independent valuer. The most recent valuation was performed by QV Valuations and the valuation is effective 1 July 2005.

### **Heritage Assets**

Heritage assets comprise Council assets that are subject to an Historic Places protection order and are identified as such in the Resource Management Plan.

Heritage assets were identified and introduced at 30 June 2002 at a fair market value as determined by QV Valuations, registered valuers. The fair market values have been adopted as deemed cost. Subsequent additions are at cost or independently determined fair market value which is adopted as deemed cost.

### **Intangible assets**

#### **Software acquisition and development**

Acquired computer software licenses 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 TDC, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

### **Easements**

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

### **Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows: Computer software 3 years 33%

### **Forestry Assets**

Forestry assets are independently revalued annually at fair value less estimated point-of-sale costs. Fair value is determined based on the present value of expected net post-tax cash flows discounted at a current market determined post-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs are recognised in the statement of financial performance.

The costs to maintain the forestry assets are included in the statement of financial performance.

### **Investment property**

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

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

After initial recognition, TDC measures all investment property at fair value as determined annually by an independent valuer.

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

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

## Impairment

When an item of property, plant and equipment is impaired, Council assesses the recoverable amount and the asset is written down to that amount. If the asset belongs to a class of assets that has been revalued, the value of the impairment is recognised against the relevant asset revaluation reserve. If the revaluation reserve is lower than the value of the impairment, the balance of the write-down is recognised in the Statement of Financial Performance. For assets that have not been revalued, the impairment is recognised in the Statement of Financial Performance.

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

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

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

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

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

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance. For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the statement of financial performance.

## Properties intended for Resale/Investment Properties

Properties that fall within the accounting definition of investment properties are revalued annually at net current

value by an independent registered valuer. The result of the revaluation is credited or debited to the Statement of Financial Performance. There is no depreciation on investment properties.

Properties intended for resale are valued at the lower of cost or net realisable value.

## Employee Entitlements

### Short-term benefits

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

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

TDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that TDC anticipates it will be used by staff to cover those future absences.

TDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### Long-term benefits

#### Long service leave and retirement leave

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

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

### Superannuation schemes

#### Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the statement of financial performance as incurred.

### Provisions

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

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

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

### Financial guarantee contracts

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

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability TDC will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

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

### Borrowings

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

### Equity

Equity is the community's interest as measured by total assets less total liabilities. Public equity is disaggregated and classified into a number of reserves. The components of equity are:

- Accumulated Funds
- Restricted Reserves
- Council Created Reserves
- Asset Revaluation Reserve

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

### Restricted and Council created reserves

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or third party. Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### 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 statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

### Contract Retentions

Certain contracts entitle Council to retain amounts to ensure the performance of contract obligations. These retentions are recognised as a liability and are then used to remedy contract performance or paid to the contractor at the end of the retention period.

### Overheads

Indirect overheads have been apportioned on an activity basis, using labour cost of full-time staff employed in those specific output areas.

Indirect costs not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

### Budget Figures

The budget figures are those approved by the Council at the beginning of the year, after a period of consultation with the public as part of the Annual Plan process. The budget figures are consistent with the accounting policies adopted by the Council for the preparation of the financial statements at the time the budget was prepared.



## Statement of Cash Flows

*Cash and cash equivalents* means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests, as part of its day-to-day cash management.

*Operating activities* include cash received from all income sources and record the cash payments made for the supply of goods and services.

*Investing activities* are those activities relating to the acquisition and disposal of non-current assets.

*Financing activities* comprise the change in equity and debt capital structure of the Council.

## Cost of Service Statements

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

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

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

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

## Critical accounting estimates and assumptions

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

### Landfill aftercare costs

As operator of the Eves Valley and Murchison landfills, the Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure. The landfill post-closure provision is recognised in accordance with NZ IFRS 37 Provisions, Contingent Liabilities and Contingent Assets. This provision

is calculated on the basis of discounting closure and post-closure costs into present-day value.

The calculations assume no change in the legislative requirements for closure and post-closure treatment.

## Infrastructural assets

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

- the physical deterioration and condition of an asset, for example 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 modeling 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 TDC could be over or under estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk TDC'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 modeling are also carried out regularly as part of the TDC's asset management planning activities, which gives TDC further assurance over its useful life estimates.

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

## Critical judgement in applying Council's accounting policies

Management have exercised the following critical judgement in applying the TDC's accounting policies for the period ended 30 June 2007

### Classification of property

TDC owns a number of properties which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives. These properties are accounted for as property, plant and equipment.

# Tasman District Council

## Statement of Financial Performance

For the year ended 30 June 2007

June 06 Actual \$(000's)		Notes	June 07 Actual \$(000's)	June 07 Budget \$(000's)
	<b>INCOME</b>			
20,767	General Rates	2	22,339	22,149
12,319	Targeted Rates	2	15,468	14,878
22,032	Other revenue	3	23,099	24,420
5,377	Other gains/losses	4	6,950	3,385
2,144	Share of associates surplus/deficit	18	6,141	-
964	Net income/expenditure of joint ventures	19	842	-
63,603	<b>TOTAL INCOME</b>		<b>74,839</b>	<b>64,832</b>
	<b>EXPENDITURE</b>			
	Operating Costs of Activities	5 - 8		
9,226	Environmental & planning		9,661	8,616
13,825	Transportation		16,674	14,967
17,043	Sanitation, drainage and water supply		19,295	18,047
1,999	Cultural services		2,083	2,033
6,076	Recreation and leisure		5,998	6,102
2,252	Council enterprises		2,426	2,437
7,099	Community support services		7,166	6,500
57,520	<b>TOTAL EXPENDITURE</b>		<b>63,303</b>	<b>58,702</b>
6,083	<b>SURPLUS BEFORE TAXATION</b>		<b>11,536</b>	<b>6,130</b>
-	Tax expense	9	-	-
6,083	<b>NET SURPLUS</b>	34	<b>11,536</b>	<b>6,130</b>

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

# Tasman District Council

## Statement of Financial Position

As at 30 June 2007

June 06 Actual \$(000's)		Notes	June 07 Actual \$(000's)	June 07 Budget \$(000's)
	<b>CURRENT ASSETS</b>			
-	Cash and cash equivalents	10	453	3,900
6,031	Trade and other receivables	11	7,298	3,918
4,564	Other financial assets	12	17,741	4,666
331	Non current assets held for resale	13	23	-
10,926			25,515	12,484
	<b>CURRENT LIABILITIES</b>			
2,223	Bank Overdraft	10	-	-
9,325	Trade and other payables	20	11,092	11,391
886	Employee Benefit Liabilities	22	960	-
13,392	Current portion of borrowings	23	8,477	4,841
25,826			20,529	16,232
(14,900)	<b>WORKING CAPITAL</b>		4,986	(3,748)
	<b>NON CURRENT ASSETS</b>			
76,068	Investments in associates	18	67,477	56,926
1,617	Other financial assets	12	1,715	2,275
307	Computer Software	15	375	292
299	Trade and Other Receivables	11	239	-
14,173	Forestry Assets	16	18,305	12,537
1,578	Investment property	17	1,640	1,265
850,042	Property, plant and equipment	14	902,595	816,298
944,084			992,346	889,593
	<b>NON CURRENT LIABILITIES</b>			
55,976	Term borrowings	23	69,508	68,003
1,985	Trade and other payables	20	-	-
518	Employee Benefit Liabilities	22	560	-
295	Provisions	21	319	-
58,774			70,387	68,003
870,410	<b>TOTAL NET ASSETS</b>		926,945	817,842
	<b>EQUITY</b>			
453,600	Accumulated equity	25	450,393	446,902
8,938	Reserve funds	26	23,681	11,900
407,872	Revaluation reserves	24	452,871	359,040
870,410	<b>TOTAL EQUITY</b>		926,945	817,842

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

# Tasman District Council

## Statement of Cashflows

For the year ended 30 June 2007

June 06 Actual \$(000's)	Notes	June 07 Actual \$(000's)	June 07 Budget \$(000's)
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>			
Cash was Provided From:			
23,639	Fees and charges	19,674	24,813
32,938	Rates revenue	37,825	37,027
-	Dividends received	9	2,030
566	Interest received	1,035	423
-	Net GST received	226	285
57,143		58,769	64,578
Cash was Disbursed To:			
(43,764)	Payments to suppliers & employees	(41,605)	(40,665)
(3,769)	Interest paid	(4,972)	(5,159)
103	Net GST paid	-	-
(47,430)		(46,577)	(45,824)
9,713	<b>NET CASHFLOW FROM OPERATING</b>	12,192	18,754
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Cash was Provided From:			
399	Proceeds from sale of assets	243	-
2,855	Proceeds from sale of investments	15,980	-
3,254		16,223	-
Cash was Disbursed To:			
(27,213)	Purchase of assets	(21,080)	(29,501)
(5,822)	Purchase of investments	(13,276)	(4,666)
(33,035)		(34,356)	(34,167)
(29,781)	<b>NET CASHFLOW FROM INVESTING</b>	(18,133)	(34,167)
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
Cash was Provided From:			
16,435	Loans raised	12,425	17,881
Cash was Disbursed To:			
(4,564)	Loan principal repayments	(3,808)	(4,075)
11,871	<b>NET CASHFLOW FROM FINANCING</b>	8,617	13,806
(8,197)	<b>TOTAL NET CASHFLOWS</b>	2,676	(1,607)
5,974	OPENING CASH HELD	(2,223)	5,507
(2,223)	CLOSING CASH BALANCE	453	3,900
REPRESENTED BY:			
-	Cash and cash equivalents	453	3,900
(2,223)	Bank Overdraft	-	-
(2,223)		453	3,900

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 Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

# Tasman District Council

## Statement of Movements in Equity

For the year ended 30 June 2007

June 06 Actual \$(000's)	Notes	June 07 Actual \$(000's)	June 07 Budget \$(000's)
755,175	EQUITY AT THE START OF THE YEAR	870,410	799,871
6,083	Net surplus (deficit) for the year	11,536	6,130
109,152	Inc (dec) in asset revaluation reserves 24	44,999	11,841
115,235	TOTAL RECOGNISED REVENUES AND EXPENSES FOR THE PERIOD	56,535	17,971
870,410	EQUITY AT THE END OF THE YEAR	926,945	817,842

(The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these financial statements).

# Tasman District Council

## Statement of Commitments

As at 30 June 2007

### Contractual Commitments

These are commitments for which a formal contract has been entered at 30 June 2007.

June 06 \$(000's)		June 07 \$(000's)
608	Stormwater	1,356
4,575	Road Maintenance	7,776
6,359	Refuse Operations	3,813
1,450	Water Supply Maintenance	6,357
1,926	Wastewater Reticulation Maintenance	3,364
3,586	River Maintenance	2,326
275	Parks and Reserves Programmed Maintenance	284
72	Aerodromes	36
-	Ports and Wharves	263
57	Main Office Redevelopment	-
53	ASB Bank Aquatic Centre	604
52	Parks and Reserves	6,357
19,013		32,536

### Operating leases as lessee

TDC 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 made under non-cancellable operating leases are as follows:

### Non Cancellable Operating Lease Commitments

June 06 \$(000's)		June 07 \$(000's)
6	No later than one year	6
6	Later than one year, not later than two years	4
4	Later than two years, not later than five years	1
-	Later than five years	-
16		11

# Statement of Contingent Assets and Liabilities

## As at 30 June 2007

### a) Guarantees

Council has agreed to act as guarantor for the following loan:

June 06 \$		June 07 \$
20,000	Motueka Promotions Association	20,000
20,000		20,000

This is in the form of a guarantee for the loan to Westpac. The probability of liability is considered remote and hence no estimate of possible liability has been made.

The value of guarantees disclosed as contingent liabilities reflects TDC's assessment of the undiscounted portion of financial guarantees that are not recognised in the statement of financial position.

### b) Other Contingent Liabilities

Council has contingent liabilities of \$20,000 (30 June 2006 \$30,000). Council has no contingent claims against other parties (30 June 2006 Nil).

A Civil claim against Council by a third party for damages for an alleged joint venture arrangement exists at balance date. The matter is being handled by Council's legal representatives, who advise that there is no quantifiable amount to report as at 30 June 2007.

Seven claims have been lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2007. These claims relate to weather tightness issues of homes in the Tasman district and name Tasman District Council as well as other parties. It is not certain whether these claims are valid and whom will be liable for any proven building defects, therefore, TDC is unable to assess its exposure to the claims lodged with the WHRS. The excess on the Council insurance is \$10,000 per claim. TDC has been informed of three of the claims and have provided for two in the contingent liabilities amount above.

# Tasman District Council

## Notes to the Financial Statements

For the year ended 30 June 2007

### Note 1: Explanation of transition to NZ IFRS

TDC financial statements for the year ended 30 June 2007 are the first financial statements that comply with NZ IFRS. TDC has applied NZ IFRS 1 in preparing these financial statements

TDC's transition date is 1 July 2005. TDC prepared its opening NZ IFRS Statement of Financial Position as at that date. The reporting date of these financial statements is 30 June 2007. The TDC's NZ IFRS adoption date is 1 July 2006.

In preparing these financial statements in accordance with NZ IFRS 1, TDC has applied the mandatory exceptions and certain optional exemptions from full retrospective application of NZ IFRS.

#### Exemptions from full retrospective application elected by TDC

TDC has elected to apply the following optional exemptions from full retrospective application.

##### *Business combination exemption*

TDC has applied the business combinations exemption in NZ IFRS 1. It has not restated business combinations that took place prior to the 1 July 2005 transition date.

##### *Fair value as deemed cost exemption*

TDC has elected to measure land under roads at fair value as at 1 July 2003 and use that fair value as the deemed cost at that date.

TDC is required to make the following mandatory exception from retrospective application.

##### Estimates exception

Estimates under NZ IFRS at 1 July 2005 are consistent with estimates made for the same date under previous NZ GAAP.



## Reconciliation of equity

	Note	Previous NZ GAAP 1 July 2005	Council Effect on transition to NZ IFRS 1 July 2005	NZ IFRS 1 July 2005	Previous NZ GAAP 30 June 2006	Council Effect on transition to NZ IFRS 30 June 2006	NZ IFRS 30 June 2006
<b>CURRENT ASSETS</b>							
Cash and cash equivalents	a	1,468	-	1,468	(2,223)	-	(2,223)
Trade and other receivables		6,342	-	6,342	6,031	-	6,031
Other financial assets	b	4,506	-	4,506	4,564	-	4,564
Non current assets held for resale	c	736	(736)	-	1,467	(1,136)	331
		13,052	(736)	12,316	9,839	(1,136)	8,703
<b>CURRENT LIABILITIES</b>							
Trade and other payables	d	9,362	24	9,386	9,283	42	9,325
Employee benefit liabilities	e	758	31	789	856	30	886
Borrowings	f	4,508	-	4,508	4,636	8,756	13,392
		14,628	55	14,683	14,775	8,828	23,603
<b>WORKING CAPITAL</b>		(1,576)	(791)	(2,367)	(4,936)	(9,964)	(14,900)
<b>NON CURRENT ASSETS</b>							
Investments in associates	k,l	56,926	10,360	67,286	73,067	3,001	76,068
Investment property	g	1,194	37	1,231	1,515	63	1,578
Forestry assets	h	13,444	-	13,444	12,537	1,636	14,173
Intangible assets	i	292	-	292	307	0	307
Other financial assets	j	1,054	(64)	990	1,957	(340)	1,617
Trade and other receivables	b	450	(33)	417	405	(106)	299
Property, plant and equipment	g,i	728,582	736	729,318	848,906	1,136	850,042
		801,942	11,036	812,978	938,694	5,390	944,084
<b>NON CURRENT LIABILITIES</b>							
Borrowings	f	52,989	-	52,989	64,732	(8,756)	55,976
Trade and other payables	m	2,144	(305)	1,839	2,144	(159)	1,985
Employee benefit liabilities	e	334	-	334	518	-	518
Provisions	m	274	-	274	295	-	295
		55,741	(305)	55,436	67,689	(8,915)	58,774
<b>TOTAL NET ASSETS</b>		744,625	10,550	755,175	866,069	4,341	870,410
<b>EQUITY</b>							
Accumulated equity	n	437,415	1,243	438,658	445,858	7,742	453,600
Reserve funds		12,447	-	12,447	8,938	-	8,938
Revaluation reserves	k,l	294,763	9,307	304,070	411,273	(3,401)	407,872
<b>TOTAL EQUITY</b>		744,625	10,550	755,175	866,069	4,341	870,410

## Explanatory notes – Reconciliation of equity

### a. Cash and cash equivalents

Those bank deposits with maturity date of 90 days or less have been reclassified to cash and cash equivalent.

### b. Other financial assets

Under previous NZ GAAP community loans had been valued at the original loan principal amount, less any loan repayments made. NZ IAS 39 requires receivables to be initially recognised at fair value and subsequently measured at amortised cost. In accordance with NZ IAS 39 community loans have been valued at the net present value of expected future repayments, using market interest rates for instruments with a similar credit rating as the discount factor. Those bank deposits with maturity dates of more than 90 days and less than 12 months have been included in Other Financial Assets.

### c. Property held for sale

TDC does not actively pursue land intended for resale nor does it have a plan of sale in hand. The Council resolution is more of an intention to sell that may or may not be realised. Therefore land intended for resale has been reclassified as property, plant and equipment.

### d. Trade and other payables

An adjustment has been made under NZ IAS 18 to account for Rural 3 development contributions on a percentage completion basis.

### e. Employee benefit liability

Sick leave was not recognised as a liability under previous NZ GAAP. NZ IAS 19 requires TDC to recognise employees unused sick leave entitlement that can be carried forward at balance date, to the extent that TDC anticipates it will be used by staff to cover future absences.

### f. Borrowings

Under NZ IFRS the actual loans repayable during the next financial year must be classified as current even if the loans may be 'rolled over'.

### g. Investment property

Investment property was measured at fair value less the costs of disposal under previous NZ GAAP. NZ IAS 40 requires investment property to be measured at its fair value with no deduction allowed for disposal costs. The change in the measurement basis of investment property on transition to NZ IFRS has been an increase in the

value of investment property due to the adding back of disposal costs. Investment property has also be classified separately from Property, Plant and Equipment under NZ IFRS.

### h. Forestry assets

Forestry was classified as part of property, plant and equipment under previous NZ GAAP. The fair value of forestry reclassified as forestry assets on transition to NZ IFRS is \$13,444,000 and at 30 June 2006 is \$14,173,000.

### i. Intangible assets

Computer software  
Computer software was classified as part of property, plant and equipment under previous NZ GAAP. The net book value of computer software reclassified as an intangible asset on transition to NZ IFRS is \$292,000 and at 30 June 2006 is \$307,000.

### j. Investments

Under NZ GAAP loans to related parties had been valued at the original loan principle amount less any loan repayments. In accordance with NZ IAS 39 the interest free loan to Tasman Bays Heritage Trust has been valued at the net present value of expected future repayments.

### k. Port Nelson assets revaluation reserve

An adjustment has been made by Port Nelson Ltd to their asset revaluation reserve under NZ IFRS.

### l. Aerodrome assets revaluation reserve

In line with Council's policy to report assets at their most current valuation Council has brought in the latest revaluation of the runway, taxiways, and apron at Nelson Airport Limited.

### m. Mapua Decontamination

In accordance with NZ IFRS the monies held as payable to the Ministry of Environment on satisfactory completion of the Mapua Decontamination project have been recorded at fair value.

### n. Equity

Equity has been adjusted for the IFRS transitional changes. The adjustments taken to equity relate to the Port Nelson Asset Revaluation Reserve, the removal of the heritage asset and furniture & fittings asset revaluation reserves, and the IFRS adjustments relating to the surplus for the year.

## Reconciliation of surplus for the year ended 30 June 2006

	Note	Previous NZ GAAP 30 June 2006	Council Effect on transition to NZ IFRS 30 June 2006	NZ IFRS 30 June 2006
<b>INCOME</b>				
District general rates		20,767	-	20,767
Targeted rates		12,319	-	12,319
Dividends		3	-	3
Bank interest		566	-	566
Transfund subsidy		6,242	-	6,242
Fees and recoveries	a	16,098	47	16,145
Share of associates surplus/deficit		2,144	-	2,144
<b>TOTAL OPERATING INCOME</b>		<b>58,139</b>	<b>47</b>	<b>58,186</b>
<b>EXPENDITURE</b>				
Operating Costs of Activities				
Environmental & planning	b	9,067	159	9,226
Transportation		13,825	-	13,825
Sanitation, drainage and water supply		17,043	-	17,043
Cultural services		2,497	-	2,497
Recreation and leisure		6,076	-	6,076
Council Enterprises	d	3,151	(899)	2,252
Community support services	e	6,201	400	6,601
		57,860	(340)	57,520
<b>SURPLUS BEFORE VESTED ASSETS, TAXATION AND OTHER ITEMS</b>		<b>279</b>	<b>387</b>	<b>666</b>
<b>PLUS</b>				
Assets vested in council		2,518	-	2,518
Unrealised gain on investment property	c	321	26	347
Unrealised gain on forestry assets	d	-	736	736
Previously unrecognised assets		852	-	852
		3,970	1,149	5,119
Net income / expenditure of joint ventures		964	-	964
<b>NET SURPLUS</b>		<b>4,934</b>	<b>1,149</b>	<b>6,083</b>

## Explanatory notes – Reconciliation of surplus

### a. Community loans

Under NZ IFRS community loans are subsequently measured at amortised cost using the effective interest method. The effective interest method allocates interest income over the life of the loan to the statement of financial performance. No interest was recognised on loans at nil interest under previous NZ GAAP.

### b. Mapua Decontamination

In accordance with NZ IFRS the monies held as payable to the Ministry of Environment on satisfactory completion of the Mapua Decontamination project have been recorded at fair value.

### c. Investment property valuation

Investment property was measured at fair value less the costs of disposal under previous NZ GAAP. NZ IAS 40 requires investment property to be measured at its fair value with no deduction allowed for disposal costs. The gain on revaluation has increased due to the adding back of disposal costs.

### d. Forestry assets valuation

Forestry valuation movements were debited or credited to the forestry assets revaluation reserve where there was a credit balance. NZ IFRS requires revaluation movements to be recognised in the statement of financial performance. There was an adjustment to the forestry valuation under the IFRS methodology.

### e. Loans to related parties

Under NZ IFRS loans to related parties (Tasman Bays Heritage Trust) have been valued at the net present value of expected future repayments.

## Explanatory notes – Effect of NZ IFRS on the Statement of Cashflows

Short term deposits with maturities of 91 to 365 days are classified as other financial assets and are not included in the IFRS Statement of Cashflows.

### Note 2 RATES REVENUE

June 06 \$(000's)	June 07 \$(000's)
20,767 GENERAL RATES	22,339
TARGETED RATES ATTRIBUTABLE TO ACTIVITIES	
244 Environment Education, Advocacy & Operations	337
81 Roading	5
1,452 Stormwater	1,606
785 Refuse	1,454
2,644 Water	3,513
4,447 Wastewater	5,158
914 Facilities	1,349
17 Coastal Structures	17
154 Governance	157
1,581 Rivers	1,872
12,319	15,468
33,086	37,807
33,214 TOTAL RATES REVENUE	38,144
128 RATES REMISSIONS	337
33,086 RATES REVENUE NET OF REMISSIONS	37,807

In accordance with 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 wastewater, water, refuse and sanitation. Non rateable land does not constitute a remission under Council's rates remission policy.

### Note 3 OTHER REVENUE

June 06 \$(000's)		June 07 \$(000's)
6,242	Land Transport NZ government grants	6,401
87	Rental income from investment properties	90
39	Infringements & fines	51
91	Government subsidies	89
304	Petrol tax	331
566	Interest income for financial assets not at fair value through profit & loss	1,035
-	- Bad Debts recovered	6
3	Dividend income	6
1,537	Development contributions	1,736
2,086	Reserve Financial contributions	1,508
1,876	Forestry Harvesting income	2,212
3,429	Sales	3,753
1,634	Application Fees	2,226
1,192	Sundry Fees & recoveries	1,265
2,946	Other	2,390
22,032		23,099

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

### Note 4 OTHER GAINS/(LOSSES)

June 06 \$(000's)		June 07 \$(000's)
852	Previously unrecognised assets	-
2,518	Vested assets	2,664
26	Gain on disposal of property plant and equipment	91
1,635	Gain on changes in fair value of forestry	4,133
346	Gain on changes in fair value of investment property	62
5,377		6,950

### Note 5 EXPENDITURE

June 06 \$(000's)		June 07 \$(000's)
3,753	Finance Costs	5,172
9,592	Employee Benefit Expenses	10,443
11,015	Depreciation and amortisation	14,501
33,160	Other Expenses	33,187
57,520		63,303

### Note 6 EMPLOYEE BENEFIT EXPENSES

June 06 \$(000's)	June 07 \$(000's)
9,310 Salary & Wages	10,327
282 Increase/(Decrease) in employee benefit liabilities	116
9,592	10,443

### Note 7 OTHER EXPENSES

June 06 \$(000's)	June 07 \$(000's)
2 Bad debts written off	119
(3) Movement in Bad Debts Provision	(4)
78 Audit fees - Annual Report	81
49 Audit fees - LTCCP	1
- Audit fees - IFRS Transition	6
10 Donations	14
103 Impairment of property plant & equipment	283
115 Minimum lease payments under operating leases	148
32,806 Other expenses	32,539
33,160	33,187

### Note 8 FINANCE COSTS

June 06 \$(000's)	June 07 \$(000's)
INTEREST EXPENSE	
3,731 Interest on bank borrowings	5,016
22 Provisions: discount unwinding	156
3,753	5,172

## Note 9 TAX

June 06 \$(000's)		June 07 \$(000's)
RELATIONSHIP BETWEEN TAX EXPENSE & ACCOUNTING PROFIT		
6,083	Net surplus	11,536
2,007	Prima facie tax at 33%	3,807
(1,315)	Non deductible expenditure	(1,811)
(708)	Share of Associates net (surplus)/deficit (tax effect)	(2,027)
63	Tax loss not recognised	-
(47)	Prior year adjustment	31
-	Tax expense	-

June 06 \$(000's)		June 07 \$(000's)
COMPONENTS OF TAX EXPENSE		
-	Current tax expense	-
-	Adjustments to current tax in prior years	-
-	Deferred tax expense	-
-	Income tax expense	-
-		-

June 06 \$(000's)		June 07 \$(000's)
DEFERRED TAX ASSETS/(LIABILITIES)		
-	Balance at 1 July 2005	-
-	Charged to profit & loss	-
-	Charged to equity	-
-	Balance at 1 July 2006	-
-	Charged to profit & loss	-
-	Charged to equity	-
-	Balance at 1 July 2007	-

A deferred tax asset has not been recognised in relation to unused tax losses of \$3,018,444 (2006: \$2,760,075) with a tax effect of \$905,533 (2006: \$910,824) which are available to carry forward.



## Note 10 CASH AND CASH EQUIVALENTS

June 06 \$(000's)		June 07 \$(000's)
(2,223)	Cash at bank and in hand	453
-	- Short term deposits maturing three months or less from date of acquisition	-
(2,223)		453
	Disclosed as:	
-	- Cash and Cash Equivalents	453
(2,223)	Bank Overdraft	-

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

## Note 11 TRADE & OTHER RECEIVABLES

June 06 \$(000's)		June 07 \$(000's)
612	Rates receivables	763
5,661	Other receivables	6,844
299	Term Receivables (At fair value)	239
6,572		7,846
(242)	Less provision for doubtful debts	(309)
6,330		7,537
	Comprising:	
6,031	Current	7,298
299	Non-current	239
6,330	Total trade and other receivables	7,537

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

There is no concentration of credit risk with respect to receivables.

TDC 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.

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

June 06 \$(000's)	June 07 \$(000's)
245 At 1 July	242
(3) Additional provisions made during the year	92
- Recoverables written off during period	(25)
242	309

## Note 12 OTHER FINANCIAL ASSETS

June 06 \$(000's)	June 07 \$(000's)
<b>CURRENT PORTION</b>	
<i>Loans and receivables</i>	
371 Current portion of community loans	189
<i>Held to maturity</i>	
2,029 Disaster funds	2,462
596 Self Insurance Fund	607
- Port Nelson Share Buyback Funds	12,913
1,568 Other short term deposits with maturities of 4-12 months	1,570
4,564 Total Current Portion	17,741
<b>NON-CURRENT PORTION</b>	
<i>Loans and receivables</i>	
545 Community Loans	612
800 Loans to Related Parties	817
<i>Fair value through equity</i>	
67 Shares - NZ LG Insurance	74
<i>Held to maturity</i>	
205 Monies administered for organisations	212
1,617	1,715

The fair value of the shares in the New Zealand Local Government Insurance Corporation Limited have been determined by calculating Tasman District Council's share of total equity based on shares held.

There were no impairment provisions for other financial assets.

The total value of other financial assets that can only be used for a specific purpose is \$3,281,000 (2006: \$2,830,000).

The loan to related parties is at a nil interest rate. (2006: Nil)

Interest rates receivable on community loans range from nil to 7.97%, with an average rate of 5.89% (2006: 5.8%)

### Note 13 PROPERTY HELD FOR RESALE

June 06 \$(000's)	June 07 \$(000's)
331 Buildings	23
331	23

The TDC owned building on Oxford Street, Richmond has been presented as held for sale. Tenders were invited for the purchase and removal of the residence located at Oxford St in June 2007, with removal to be before 15 August 2007.

## Note 14 Property, plant and equipment

2007	Cost / Revaluation 1 July 2006 \$(000's)	Acc Depn & Impairment 1 July 2006 \$(000's)	*NBV 1 July 2006 \$(000's)	Current Year Additions \$(000's)	Current Year Disposal \$(000's)	Current Year Impairment \$(000's)	Current Year Depreciation \$(000's)	Revaluation Surplus \$(000's)	Cost / Revaluation 30 June 2007 \$(000's)	Acc Depn & Impairment 30 June 2007 \$(000's)	*NBV 30 June 2007 \$(000's)
<b>FIXED ASSETS</b>											
Land	101,915	-	101,915	1,173	(157)	-	-	-	102,931	-	102,931
Buildings	414,460	(2,033)	39,427	1,952	(255)	-	(2,203)	(172)	42,985	(4,236)	38,749
Furniture and Fittings	1,705	(1,112)	593	154	-	-	(209)	-	1,859	(1,321)	538
Motor Vehicles	1,952	(1,536)	416	387	(13)	-	(176)	-	2,326	(1,712)	614
Plant	1,199	(645)	554	215	(4)	-	(85)	8	1,418	(730)	688
Office Equipment	4,008	(3,339)	669	350	(4)	-	(430)	-	4,354	(3,769)	585
Library Books	3,929	(3,055)	874	221	-	-	(199)	-	4,150	(3,254)	896
Heritage Assets	1,800	(141)	1,659	-	-	-	(35)	-	1,800	(176)	1,624
Finance Lease	38	(31)	7	-	-	-	(3)	-	38	(34)	4
	158,006	(11,892)	146,114	4,452	(433)	-	(3,340)	(164)	161,861	(15,232)	146,629
<b>INFRASTRUCTURAL ASSETS</b>											
Roading	402,667	-	402,667	8,653	-	-	(5,312)	-	411,320	(5,312)	406,008
Bridges	49,467	-	49,467	342	-	-	(1,017)	-	49,809	(1,017)	48,792
Land Under Roads	60,217	-	60,217	842	-	-	-	-	61,059	-	61,059
Stormwater	43,971	(833)	43,138	1,546	-	-	(524)	9,504	53,664	-	53,664
Wastewater	57,029	(2,796)	54,233	3,715	(1)	-	(1,871)	16,640	72,716	-	72,716
Refuse	2,563	(224)	2,339	342	-	-	(152)	(32)	2,497	-	2,497
Water	57,427	(2,660)	54,767	3,278	-	(168)	(1,943)	10,122	66,056	-	66,056
Rivers	27,519	(34)	27,485	537	-	-	(29)	3,794	31,787	-	31,787
Ports & Wharves	8,965	(454)	8,511	219	-	-	(267)	3,695	12,158	-	12,158
Aerodromes	1,217	(113)	1,104	20	-	-	(46)	151	1,229	-	1,229
	711,042	(7,114)	703,928	19,494	(1)	(168)	(11,161)	43,874	762,295	(6,329)	755,966
<b>TOTAL</b>											
Fixed Assets	158,006	(11,892)	146,114	4,452	(433)	-	(3,340)	(164)	161,861	(15,232)	146,629
Infrastructure Assets	711,042	(7,114)	703,928	19,494	(1)	(168)	(11,161)	43,874	762,295	(6,329)	755,966
	869,048	(19,006)	850,042	23,946	(434)	(168)	(14,501)	43,710	924,156	(21,561)	902,595

\* NBV - Net Book value

2006	Cost /	Acc Depn &	*NBV	Current Year	Current Year	Revaluation	Cost /	Acc Depn &	*NBV
	Revaluation	Impairment	1 July 2005	Disposal	Impairment	Surplus	Revaluation	Impairment	30 June 2006
	1 July 2005	1 July 2005	1 July 2005	Disposal	Impairment	Surplus	30 June 2006	30 June 2006	30 June 2006
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
<b>FIXED ASSETS</b>									
Land	58,557	-	58,557	(88)	-	41,903	101,915	-	101,915
Buildings	34,608	(3,761)	30,847	(28)	-	4,706	41,460	(2,033)	39,427
Furniture and Fittings	1,414	(930)	484	-	-	(210)	1,705	(1,112)	593
Motor Vehicles	1,870	(1,386)	484	(37)	-	(150)	1,952	(1,536)	416
Plant	1,016	(540)	476	-	-	(65)	1,199	(645)	554
Office Equipment	3,682	(2,947)	735	(7)	-	(392)	4,008	(3,339)	669
Library Books	3,718	(2,915)	803	-	-	(140)	3,929	(3,055)	874
Heritage Assets	1,800	(106)	1,694	-	-	(35)	1,800	(141)	1,659
Finance Lease	132	(28)	104	(94)	-	(3)	38	(31)	7
	106,797	(12,613)	94,184	(254)	-	46,609	158,006	(11,892)	146,114
<b>INFRASTRUCTURE ASSETS</b>									
Roading	354,617	(7,775)	346,842	-	-	(3,591)	402,667	-	402,667
Bridges	48,083	(1,493)	46,590	-	-	(757)	49,467	-	49,467
Land Under Roads	60,069	-	60,069	-	-	-	60,217	-	60,217
Stormwater	41,435	(406)	41,029	-	-	(427)	43,971	(833)	43,138
Wastewater	49,749	(1,324)	48,425	(20)	-	(1,472)	57,029	(2,796)	54,233
Refuse	2,473	(123)	2,350	-	-	(101)	2,563	(224)	2,339
Water	54,253	(1,314)	52,939	(56)	-	(1,346)	57,427	(2,660)	54,767
Rivers	27,063	(17)	27,046	-	-	(17)	27,519	(34)	27,485
Ports & Wharves	8,947	(227)	8,720	(27)	-	(227)	8,965	(454)	8,511
Aerodromes	1,180	(56)	1,124	-	-	(57)	1,217	(113)	1,104
	647,869	(12,735)	635,134	(103)	-	7,995	711,042	(7,114)	703,928
<b>TOTAL</b>									
Fixed Assets	106,797	(12,613)	94,184	(254)	-	(3,020)	158,006	(11,892)	146,114
Infrastructure Assets	647,869	(12,735)	635,134	(103)	-	(7,995)	711,042	(7,114)	703,928
	754,666	(25,348)	729,318	(357)	-	(11,015)	869,048	(19,006)	850,042

\* NBV - Net Book value

### Note 15 COMPUTER SOFTWARE

	June 06 \$(000's)	Additions	Amortisation charge	June 07 \$(000's)
Cost	726	215		941
Accumulated amortisation and impairment	(419)		(147)	(566)
Carrying amount	307	215	(147)	375

	June 05 \$(000's)	Additions	Amortisation charge	June 06 \$(000's)
Cost	552	174		726
Accumulated amortisation and impairment	(299)		(120)	(419)
Carrying amount	253	174	(120)	307

### Note 16 FORESTRY ASSETS

June 06 \$(000's)		June 07 \$(000's)
13,444	Balance at 1 July	14,173
870	Gains/(losses) arising from changes in fair value attributable to log price changes	1,383
(1,670)	Gains/(losses) arising from changes in fair value attributable to loss of stocked area to harvesting and replanting	(940)
-	Gains/(losses) arising from changes in fair value attributable to tending and harvest management costs	(120)
1,529	Gains/(losses) arising from changes in fair value attributable to physical changes	1,292
-	Gains/(losses) arising from changes in fair value attributable to discount rate changes	2,517
14,173		18,305

The Gains/(losses) arising from changes in fair value are unrealised.

TDC owns 2,447 hectares of planted pinus radiata forest, which are at varying stages of maturity ranging from 1 to 32 years. TDC also owns 222 hectares of planted Douglas Fir, and 22.4 hectares of planted Cupressus Species trees.

Harvesting was centred entirely at the Rabbit Island forest. Total harvested volume during the period was 23,962 tonnes. (2006 25,218 tonnes harvested at Rabbit Island)

Independent registered valuers PF Olsen and Company Ltd have valued forestry assets as at 30 June 2007. A post-tax discount rate of 7% has been used in discounting the present value of expected post-tax cash flows. (2006: A post-tax discount rate of 8% was used)

TDC also owns a small stand of timber through its share of the Nelson Regional Sewerage Business Unit joint venture.

#### Financial risk management strategies

TDC is exposed to financial risks arising from changes in timber prices. TDC 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. TDC reviews its outlook for timber prices regularly in considering the need for active financial risk management.

## Note 17 INVESTMENT PROPERTY

June 06 \$(000's)		June 07 \$(000's)
1,232	Balance at 1 July	1,578
346	Gain on changes in fair value of investment property	62
1,578	Balance at 30 June	1,640

TDC's investment property is valued annually at fair value effective 30 June based on open market evidence. The valuation was performed by Duke and Cooke Ltd, registered valuers.

## Note 18 INVESTMENT IN ASSOCIATES

	June 06 Opening Book Value (\$000's)	June 07 Share of Surplus (\$000's)	June 07 Dividend Received (\$000's)	June 07 Movement in Reserves (\$000's)	June 07 Share Buyback (\$000's)	June 07 Closing Book Value (\$000's)
Port Nelson Ltd	64,244	5,077	(3,300)	1,281	(12,500)	54,802
Nelson Airport Ltd	5,061	429	(180)	-	-	5,310
Tourism Tasman Nelson Ltd	24	(24)	-	-	-	-
Tasman Bays Heritage Trust Inc	6,739	659	-	(34)	-	7,365
	76,068	6,141	(3,480)	1,247	(12,500)	67,477

In accordance with NZ IAS 28, Council discloses on an aggregate basis its share of the following in regard to its associates.

	\$(000's)
Capital Commitments	324
Contingent Liabilities	-
Contingent Assets	-
Operating Surpluses	10,625
Tax expense attributed to the operating surplus	3,445

## Differences in Accounting Policies

With the exception of the policy noted below all policies adopted by Council's associates are consistent with the policies adopted by Council.

### Assets

Council applies depreciation on a straight line whereas Nelson Airport Ltd has adopted the following policy in regard to certain classes of assets

- Furniture, fittings and floor coverings	Diminishing values
- Vehicles	Diminishing values
- Parking Meters	Diminishing values
- Equipment	Diminishing values

The effect of these differences in accounting policy are not significant in Council's Financial Statements

The runway, taxiways, and apron at Nelson Airport Ltd have been revalued as at 30 June 2006. Nelson Airport Ltd has not reported this revaluation in their financial statements. In line with Council's policy to report assets at their most current revaluation, Council's portion of this increase in value is now being recorded in the Asset Revaluation Reserve (Note 24) This is the first time the assets have been revalued under IFRS rules. There was an increase to the revaluation reserve of \$3,001,000.



## List of Associates

Name of Entity:	i) Port Nelson Ltd	iii) Tourism Nelson Tasman Ltd
Principal Activity:	Port Operator	Tourism Promotion
Ownership:	50% (2005 50%)	50% (2005 50%) and advance
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June
Name of Entity:	ii) Nelson Airport Ltd	iv) Tasman Bays Heritage Trust Inc
Principal Activity:	Airport Operator	Museum Operator.
Ownership:	50% (2005 50%)	50% (2005 50%)
Owner:	Nelson City Council and Tasman District Council	Nelson City Council and Tasman District Council
Control:	Self administered	Self administered
Balance Date:	30 June	30 June

## Performance Measures

### i) Port Nelson Ltd

	Target	2007	2006	2005	Target Met?
Lost Time Injury Frequency Rate *	<1.5	3.3	4.1	1.7	No
Debt Equity Ratio	<66.7%	36.3%	12.9%	19.4%	Yes
Dividend (includes 2005 Dividend Reserve)	\$3.9m	\$3.9m	\$5.3m	\$3.4m	Yes
Cargo Throughput (Cargo tonnes)	2.55m	2.64m	2.522m	2.624m	Yes
Shipping Tonnes (Gross tonnes)	9.9m	9.0m	8.6m	8.4m	No
Ships Visits	1005	997	1012	1178	No
Revenue	\$29.9m	30.02m	\$29.6m	\$27.7m	Yes
Return on average Shareholders Funds	9.0%	5.6%	6.1%	5.4%	No
Return on Funds Employed	7.0%	8.3%	8.8%	7.9%	Yes
Capital Expenditure	<\$7.0m	\$4.0m	\$2.9m	\$7.3m	Yes
Incidents Leading to Pollution of Harbour	NIL	3	NIL	NIL	No
Compliance With All Resource Consent Conditions	FULL	FULL	FULL	FULL	Yes
Compliance with NZ Maritime Safety Standards	FULL	FULL	FULL		Yes

\* Lost Time Injury Frequency Rate =  $\frac{\text{Lost Time Injuries}}{\text{Hours Worked in Period}} \times 100,000$

## ii) Nelson Airport Ltd

Target Measure	Actual Performance
To ensure all new projects comply with the Company's land use plans.	All new projects complied with the Company's land use plans.
To hold regular meetings of the Nelson Airport Noise Environment Advisory Committee and provide this Committee with the appropriate monitoring information.	Met with NANEAC on 10 August 2006, 12 October 2006, 14 December 2006, 8 February 2007 (cancelled as quorum not reached) and 5 April 2007.
Review company's Aerodrome Certification Exposition.	Achieved. The Airport Emergency Plan review has been completed and the Operating Standards review commenced.
Review projected repairs and maintenance analysis to provide a long term planning schedule by September 2006.	Achieved. The Maintenance and Renewal forecast was completed in April 2006. (Note: Performance targets were set in February 2006.)
Implement the recommendations of the Airport Environmental Management Plan by December 2008.	Achieved. The implementation of recommendations is on schedule with the exception of the Stormwater management plan which has been delayed at the request of Nelson City Council.
Complete Stage One of the northern General Aviation development by December 2006.	Partly achieved. Stage One is underway but commencement was delayed due to resource consent issues. Completion is now scheduled for August 2007.
Build a hangar to accommodate Nelson Helicopters Limited at the airport by September 2006.	Achieved. Nelson Helicopters hangar was occupied in late November 2006.
Undertake a survey of passengers by 1 December 2006 to establish passenger needs on which to base future terminal and service development.	Achieved. A passenger survey was undertaken in October 2006.
Complete a review of all landing charges by December 2006.	Achieved. The landing charges were reviewed by December 2006 and consultation in respect of new charges is nearing completion.
Ensure company complies with all employment related legislation.	Partially achieved. All employment contracts were reviewed and all but one complied. The remaining contract is currently being updated to comply.
To pass all Civil Aviation certification audits at a satisfactory standard.	Achieved. Civil Aviation Authority (CAA) undertook a safety audit in January 2007 and a security audit in December 2006. No findings were made against Nelson Airport Limited.
Financial targets to be achieved: \$3,061,000 Gross revenue \$ 735,000 Profit before tax	Financial achievements: \$3,741,000 Gross revenue \$1,295,000 Operating expense Financial Targets achieved.

## iii) Tourism Nelson Tasman Ltd

Target Measure	Actual Performance
Delivery of annual tactical plan of destination marketing projects covering international and domestic marketing, research and monitoring, marketing tools (brochures, displays and internet), communications and branding, and Visitor Information Centre Operations.	Achieved. The tactical plan was delivered covering all operational areas during the year. A detailed breakdown of activity is contained in the Tourism Nelson Tasman Ltd 2007 Annual Report.
Financial performance compared to budget so that turnover and operating expenses meet budget.	Not achieved. The company operated at a variance of \$26,895 over budget.
Tourism industry relations measured by periodic independent survey(s) or extent of industry contact.	Not fully achieved. No surveys were undertaken during the period, but extensive industry contact was carried out throughout the year, full details of which are included in the Tourism Nelson Tasman Ltd 2007 annual report.
Tourism industry investment in marketing programmes and visitor centre operations, measured against budget.	Achieved. An investment of \$938,407 by the regional tourism sector in Latitude Nelson marketing and operations, just above the budget of \$922,738.
Involvement in destination management for the region measured by participation in planning management projects during the year.	Achieved. Activity included development of a Regional Tourism Strategic Plan, assistance with Conservation Department planning and management for Abel Tasman National Park and the operation of a Sustainable Tourism Charter.

Benchmarking international visitor growth rates against the national growth rate and comparative regions:

Nelson/Tasman	+3%
Northland	+7%
Hawkes Bay	+3%
Marlborough	+2%
Dunedin	+3%
New Zealand	+4%

According to the Department of Statistics International Visitor Survey for the year ended March 2007 Nelson/Tasman received 1.9 million international visitor nights, Northland received 1.81 million, Hawkes Bay received 1.08 million, Marlborough 0.8 million and Southland 1.03 million international visitor nights.

#### iv) Tasman Bays Heritage Trust Inc

##### Financial Performance

The Trust was expected by its shareholding Councils to make progress towards achieving a more sustainable financial basis during the 2006/2007 year. While this was not fully achieved, there was considerable progress made to reduce expenditure while at the same time positioning the museum to attract growing visitor numbers.

Additional one-off funding of \$106,000 was requested from the two Councils in February 2007 to cover specific items where it had not been possible to cut costs quickly enough to stay within the 2006/2007 budgets. This funding was provided by the Nelson City and Tasman District Councils.

The Trust is expected to be on a firmer financial footing by the end of the 2007/2008 financial year.

##### Performance Measures

The reporting is based on the information provided in the Quarterly Report for March 2007, with some figures updated to the end of the financial year.

Target Measure	Actual Performance
Build a sense of community ownership and pride	Partly achieved. Visitor numbers were below the annual target of 75,000, with 30,546 in total to 30 June 2007. Of these, 21,501 visitors were from the Nelson/Tasman region. Just over 4,000 were from NZ, and 4,500 from overseas. Sponsorship and additional grant income was \$241,595 for the 12 months to 30 June. The Trust was represented on both the TDC Heritage Subcommittee and the Nelson Heritage Advisory Group.
Maintain and strengthen relationship with Tangata Whenua	Achieved. The Iwi Liaison Kōmiti met three-monthly, with Trust staff in attendance. A Memorandum of Understanding with Tangata Whenua was signed on 14 April 2007.
Finance and Management	Partly achieved. Retail sales at 30 June 2007 were \$21,171 and total retail, research and commission sales at 30 June were \$53,000. The digitisation project is on target subject to second year funding confirmation with Lotteries. Grant applications and approvals are on target.  Exhibition income is below target – charges for entry to exhibitions met resistance and will only be applied for major touring exhibitions. However, entry donations at 31 March 2007 were \$32,000 against the budget of \$9,000.
Collections and Research	Internal operational targets will be included in the Annual Report.
Exhibitions	Achieved. Internally-sourced exhibitions were on track, with four developed to 31 March 2007. Two external exhibitions and over 12 window exhibitions had taken place to that date.
Development	The development targets will be included in the Annual Report.
Programmes	Generally achieved. Learning Experiences Outside the Classroom achieved the target pupil figure during May 2007. Events and community programmes were generally on track to meet targets.

### Note 19: INTEREST IN JOINT VENTURE

Council has a 50% interest in the Nelson Regional Sewerage Business Unit and Nelson Tasman Combined Civil Defence Organisation

Financial Performance	June 07 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Net Income	3,079	133	3,212
Net Expenditure	2,246	124	2,370
Net surplus/(deficit)	833	9	842
Includes:			
Depreciation	548	13	561

Financial Position	June 07 \$(000's)		
	NRSBU	NTCCDO	TOTAL
The Council's share of assets and liabilities proportionately consolidated is:			
<b>CURRENT ASSETS</b>			
Cash at Bank	858	-	858
Receivables	8	82	90
	866	82	948
<b>NON CURRENT ASSETS</b>			
Infrastructure-Wastewater	14,489	-	14,489
Forestry	137	-	137
Freehold Land	970	-	970
Buildings	120	3	123
Motor Vehicles	-	1	1
Plant & Equipment	28	30	58
Office Furniture and Equipment	-	3	3
	15,744	37	15,781
<b>CURRENT LIABILITIES</b>			
Trade Creditors	267	1	268
Current Portion of Term Loans	1,000	-	1,000
	1,267	1	1,268
<b>NON CURRENT LIABILITIES</b>			
Term Loans	4,500	-	4,500
Net Assets contributed by the Joint Venture	10,843	118	10,961

Comparative figures for 2005/06 are as follows:

Financial Performance	June 06 \$(000's)		
	NRSBU	NTCCDO	TOTAL
Net Income	3,240	95	3,335
Net Expenditure	2,287	84	2,371
Net surplus/(deficit)	953	11	964
Includes:			
Depreciation	540	15	555

Financial Position	June 06 \$(000's)		
	NRSBU	NTCCDO	TOTAL
The Council's share of assets and liabilities proportionately consolidated is:			
<b>CURRENT ASSETS</b>			
Cash at Bank	82	67	149
Receivables	346	-	346
	428	67	495
<b>NON CURRENT ASSETS</b>			
Infrastructure-Wastewater	13,896	-	13,896
Forestry	138	-	138
Freehold Land	970	-	970
Buildings	-	5	5
Motor Vehicles	-	4	4
Plant & Equipment	-	36	36
Office Furniture and Equipment	-	1	1
	15,004	46	15,050
<b>CURRENT LIABILITIES</b>			
Trade Creditors	210	1	211
Current Portion of Term Loans	800	-	800
	1,010	1	1,011
<b>NON CURRENT LIABILITIES</b>			
Term Loans	5,500	-	5,500
Net Assets contributed by the Joint Venture	8,922	112	9,034

## Note 20 TRADE AND OTHER PAYABLE

June 06 \$(000's)		June 07 \$(000's)
5,180	Trade creditors	4,818
3,264	Sundry accruals	3,186
338	Sundry deposits	444
1,337	Mapua decontamination	1,444
648	Mapua decontamination - Contract Retention	700
543	Other	500
11,310		11,092
	Comprising:	
9,325	Current	11,092
1,985	Non-current	-
11,310	Total trade and other payables	11,092

## Note 21 PROVISIONS

June 06 \$(000's)		June 07 \$(000's)
	TERM	TERM
274	Opening Balance	295
21	Unwinding of discount	24
295		319

### Provision for landfill aftercare costs

TDC gained resource consents in 1989 to operate Eves Valley and Murchison Landfills. TDC has a responsibility under the resource consents to provide ongoing maintenance and monitoring of the landfill after the site is closed.

The management of the landfill will influence the timing of recognition of some liabilities - for example, the current Eves Valley landfill will operate in two stages. A liability relating to stage two will only be created when this stage is commissioned and when refuse begins to accumulate in this stage.

- The estimated remaining lives are 44 years for the Eves Valley landfill and 14 years for the Murchison Landfill.
- Estimates of the life have been made by TDC's engineers based on historical volume information.

The cash outflows for landfill post-closure are expected to occur for 5 years after each site has been decommissioned. 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 8%

## Note 22 EMPLOYEE BENEFIT LIABILITIES

June 06 \$(000's)	EMPLOYEE BENEFIT LIABILITIES	June 07 \$(000's)
232	Accrued pay	240
574	Annual leave	639
28	Long service leave	28
540	Retirement gratuities	583
30	Sick leave	30
1,404	<b>TOTAL EMPLOYEE BENEFIT LIABILITIES</b>	1,520
	Comprising:	
886	Current	960
518	Non-current	560
1,404	<b>TOTAL EMPLOYEE BENEFIT LIABILITIES</b>	1,520

## Note 23 BORROWINGS

June 06 \$(000's)	June 06 \$(000's)		June 07 \$(000's)	June 07 \$(000's)
		a) SECURITY		
		All loans are secured by rates over the rateable properties of the Tasman District Council designated area except the investment property building which is secured by rent.		
TERM	CURRENT		TERM	CURRENT
50,471	12,590	Tasman District Council	65,006	7,474
5,500	800	Joint Venture	4,500	1,000
5	2	Finance Lease	2	3
55,976	13,392		69,508	8,477
		Tasman District Council also has a Multi Option Credit Line Facility with a limit of \$19.5m.		
		b) REFINANCING		
		TDC 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 TDC's Long Term Council Community Plan.		

## c) INTEREST RATES

Interest rates payable range from 5.56% to 8.53% with an average rate of 7.16% (June 06 6.79%)

TDC June 06 \$(000's)	JV June 06 \$(000's)	d) Repayable Period of Loans	TDC June 07 \$(000's)	JV June 07 \$(000's)
12,590	800	Repayable: Within 1 year	7,474	1,000
7,000	1,500	Within 1-2 years	2,525	1,000
43,471	4,000	Within 2-5 years	62,481	3,500
50,471	5,500	Non Current Portion	65,006	4,500
63,061	6,300	Total Loans	72,480	5,500

The majority of Council's borrowings span over a 20 year term. However, the longest period that the banks will lend fixed term loans for is 5 years. Under NZ IFRS Council must disclose the actual loans repayable during the above periods even if the loans may be 'rolled over'. Therefore, the repayable within 1 year portion of the loans is higher than that which will physically be repaid.

June 06 \$(000's)	e) Finance Lease	June 07 \$(000's)
2	Repayable: Within 1 year	3
3	Within 1-2 years	2
2	Within 2-5 years	-
5		2
7	Total Finance Leases	5



## Note 24 REVALUATION RESERVE

June 06 \$(000's)		Inc (Dec) \$(000's)	June 07 \$(000's)
34,136	Port Nelson Limited	1,281	35,417
3,525	Nelson Regional Sewerage Business Unit	1,079	4,604
41	NZ Local Government Insurance Corporation	7	48
598	Tasman Bay Heritage Trust	(34)	564
67,758	Land	-	67,758
6,679	Buildings	(197)	6,482
261,760	Roads	-	261,760
3,001	Aerodromes	151	3,152
-	Rivers	3,795	3,795
560	Coastal Structures	3,695	4,255
355	Refuse	(31)	324
3,354	Wastewater	15,628	18,982
13,742	Stormwater	9,504	23,246
12,363	Water	10,121	22,484
407,872		44,999	452,871

## Note 25 ACCUMULATED EQUITY

June 06 \$(000's)		June 07 \$(000's)
438,658	OPENING BALANCE	453,600
6,083	Surplus	11,536
(672)	Transfers to reserves	(18,571)
	TRANSFERS FROM	
5,350	Revaluation reserve	-
4,181	Reserves	3,828
453,600		450,393

## Note 26 RESERVE FUNDS

June 06 \$(000's)		June 07 \$(000's)
12,447	OPENING BALANCE	8,938
	Transfers to:	
(4,181)	Accumulated funds	(3,828)
	Transfers from:	
672	Accumulated funds	18,571
8,938	CLOSING BALANCE	23,681
	RESTRICTED FUNDS CONSIST OF	
8,938	Other funds	23,681
8,938		23,681

Other funds consist of funds relating to donations and bequeaths provided to Council by various people for specific projects, along with funds relating to general disaster funds and funds set aside for specific purposes in the future.

## Note 27 CASH FLOW RECONCILIATION

June 06 \$(000's)		June 07 \$(000's)
6,083	Operating (Surplus)/Deficit	11,536
	Add Non Cash Items:	
11,015	Depreciation & amortisation	14,501
(2,144)	Share of associate surplus	(6,141)
103	Asset writedown	283
(2,518)	Vested assets	(2,664)
(321)	Unrealised gain on investment property	(62)
(1,635)	Revaluation of forestry assets	(4,133)
	Movements in Working Capital Items:	
247	Accounts receivable	(1,581)
(2,862)	Accounts payable	402
	Other:	
(69)	Gain (loss) on sale included in Investing Activities	(91)
1,382	Movement in fixed asset related payables	(250)
330	Movement in Term Employee entitlements	42
102	Net GST	350
9,713	Net Cash In(Out)flow From Operating Activities	12,192

## Note 28 RELATED PARTY TRANSACTIONS

June 06 \$(000's)		June 07 \$(000's)
2,500	a) PORT NELSON LTD i) Received from: Share of Dividends	1,850
-	SHARE BUYBACK	12,500
20	Directors Fees	23
35	b) NELSON REGIONAL SEWERAGE BUSINESS UNIT i) Received from: Rates	36
2,223	ii) Paid to: Operational funding	1,877
-	iii) Accounts Receivable	20
329	iv) Accounts Payable	-
357	c) TASMAN BAYS HERITAGE TRUST i) Paid to: Operational Funding	698
1,200	Capital Funding	-
-	d) NELSON AIRPORT LTD Received from Dividends	186
7	Directors Fees	10
2	e) TOURISM NELSON TASMAN LTD i) Received from: Payroll, Staff Training	-
7	Loan Repayment	2
300	ii) Paid to: Operational Funding	307
11	Grants	3
2	Accounts Receivable	-
84	f) NELSON TASMAN COMBINED CIVIL DEFENCE ORGANISATION i) Paid to: Operational Funding	120

### Key management personnel

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

Salaries and other short-term employee benefits paid to key management personnel for 2006/2007 were \$1,667,279 (2005/2006: \$1,467,800).

Key management personnel include the Mayor, Councillors, Chief Executive, and Management Team.

### Note 29 SEVERANCE PAYMENTS

In accordance with Schedule 10, Part 3, Clause 19, Local Government Act 2002, Council declares that there have been no individual severance payments made during this financial year. (2005/06 \$Nil).

## Note 30 REMUNERATION

### Former Chief Executive

The Chief Executive of Tasman District Council, appointed under Section 42 of the Local Government Act 2002, resigned on 31 December 2006. During this time the former Chief Executive received a total salary of \$144,407 (being salary of \$97,695 plus annual leave paid of \$46,712). (2005/06 Total salary of \$175,909).

For the year ending 30 June 2007, the total annual cost, including fringe benefit tax, to the Tasman District Council of the remuneration package being received by the former Chief Executive is calculated at \$250,023 (2005/06 \$206,008).

In terms of his contract, the former Chief Executive also received the following additional benefits:

June 06 \$		June 07 \$
27,354	Superannuation	24,732
2,745	Other	466
-	Sabbatical leave	14,622
-	Retirement Gratuity	65,796

## Note 31 FINANCIAL INSTRUMENT RISKS

Tasman District Council is party to financial instrument arrangements as part of its everyday operations. The Council is risk averse and seeks to minimise exposure arising from its treasury activities. The Council has established a Treasury Policy specifying what transactions can be entered into. These financial instruments include bank balances, accounts receivable, accounts payable, loans, guarantees and investments.

### a) Credit Risk

Financial instruments which are potentially subject to credit risk consist of cash, bank balances, accounts receivable and short term deposits.

Maximum exposures to credit risk at balance date are:

June 06 \$(000's)		June 07 \$(000's)
(2,223)	Cash and cash equivalents	453
6,031	Trade and other receivables	7,298
4,564	Other financial assets	17,741

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above accounts.

### New Chief Executive

The new Chief Executive of Tasman District Council, appointed under Section 42 of the Local Government Act 2002, was appointed on 2 April 2007, with a total annual remuneration package of \$250,000. For the year ended 30 June 2007 he received \$55,589.

### b) Currency Risk

Tasman District Council has no currency risk as any financial instruments it deals with are all in New Zealand dollars. (2005/06 Nil).

### c) Interest Rate Risk

Council has exposure to interest rate risk to the extent that it borrows or invests for a fixed term at fixed rates.

### d) Financial Guarantees

Council has guarantees to various organisations which may subject it to credit risk. Maximum exposure to credit risk at balance date was \$20,000 as detailed in the Statement of Contingent Liabilities. (2005/06 \$20,000).

It is not practical to estimate the fair value of the financial guarantees with an acceptable level of reliability.

## Note 32 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. Ratepayers' 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. 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 funding and financial policies in the Council's LTCCP.

TDC has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

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

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

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

## Note 33 URBAN PORTIONS OF THE STATE HIGHWAY NETWORK

The ownership of urban portions of the state highway network is unclear, although there is legal opinion indicating that the ownership rests with local authorities. Transit New Zealand maintains these highways in their entirety without any costs accruing to local authorities.

As a consequence, even if ownership resides with local authorities, in practice, Transit New Zealand controls the

economic resources. Pending clarification of ownership and further consideration of the accounting issues which may arise, Tasman District Council has not recognised the urban portion of the state highway network as an asset in these financial statements. The estimated distance of highway involved is 16.7 kilometres.

### Note 34 SIGNIFICANT VARIANCES COMPARED TO THE LONG TERM COUNCIL COMMUNITY PLAN (LTCCP)

The Council made a net surplus of \$11.536 million (budgeted surplus of \$6.130 million).

Explanations for major variations from the budget are as follows:	
Revenue and expenditure	\$(000's)
2007 LTCCP SURPLUS	6,130
Increases/(reductions)	
General Rates	190
Targeted Rates	590
Other Gains/(Losses)	3,565
Share of Associates	6,141
Other increases in revenue	(1,321)
Environmental and planning	(1,045)
Transportation	(1,707)
Sanitation, drainage and water supply	(1,248)
Community support services	(666)
Other Expense variances	65
Joint ventures	842
	5,406
2007 ANNUAL REPORT SURPLUS	11,536

The major reasons for the variance between actual and estimated net surplus were:

Other increases in revenue were up on budget for a variety of reasons. The major variances are as follows:

- Interest received was up \$612,000 on budget. This was due to the unbudgeted Port Nelson share buy-back funds of \$12,500,000 being invested.
- Development contributions income was down \$1,336,000 on budget due to the timing of new developments.
- There was an increase in forestry revenue over budget of \$403,000 due to an increase in log prices for the majority of the year. There was a forestry revaluation increment of \$4,133,000 which under IFRS is now required to go directly into the Statement of Financial Performance.
- Assets vested in Council were \$721,000 less than expected.
- Land Transport Subsidies were \$412,000 higher than budgeted due to increased transportation expenditure from increased raw material costs.
- Fees and recoveries in Regulatory Services was \$477,000 over budget due to higher charges being passed on to customers from the extra building control costs incurred by Council.

Environmental and Planning expenditure increased due to extra staff hours required in processing consents and the new Building Act requirements, increased legal fees due to several court cases, and additional consultancy fees.

Transportation expenditure increased due to increased raw material costs resulting from increased fuel costs. These have been partially offset by an increase in Land Transport subsidies. There has also been an increase in depreciation expense over budget resulting from the roading revaluation which was undertaken at the end of the previous financial year.

Sanitation, drainage and water supply expenditure was up on budget due to increased expenditure in Refuse and Water Supply. Refuse was up due to greater than expected increases in fuel and plant costs. Water Supply expenditure was up due to increased maintenance being required on the urban water network, as well as increased raw materials costs.

**Explanations for major variations from the budget are as follows:**

Statement of Financial Position	Actual \$(000's)	LTCCP \$(000's)	Variance \$(000's)
The carrying values of the following items vary significantly from those forecast in the LTCCP			
Cash and cash equivalents	453	3,900	(3,447)
Other financial assets	17,741	4,666	13,075
Forestry Assets	18,305	12,537	5,768
Property, plant and equipment	902,595	816,298	86,297
Reserve funds	23,681	11,900	11,781
Revaluation reserves	452,871	359,040	93,831

The major reasons for the variance between actual and estimated Statement of Financial Position values were:

Cash and cash equivalents are down mainly due to the mix of assets purchased and the corresponding funding requirements as well as the reduction in development contributions received due to the timing of new developments.

Other financial assets have increased due to the \$12,500,000 received from the share buy-back from Port Nelson Ltd as well as the interest on these funds which has been reinvested.

The property, plant and equipment asset increase is primarily due to the effect of the utility asset revaluations undertaken during the year. These revaluations resulted in an increase of \$42,863,000. [The actual opening balance at

the beginning of the 2006/2007 year was also higher than that estimated at the time of preparing the 2006 Long Term Council Community Plan mainly due to the roading, land and buildings revaluations undertaken last year].

Reserve funds have increased primarily due to the \$12,500,000 received from the share buy-back from Port Nelson Ltd as well as the interest on these funds which has been reinvested being held as a special reserve.

Revaluation reserves are up primarily due to the effect of the utility asset revaluations undertaken during the year. These revaluations resulted in an increase of \$42,863,000. [The actual opening balance at the beginning of the 2006/2007 year was also higher than that estimated at the time of preparing the 2006 Long Term Council Community Plan mainly due to the roading, land and buildings revaluations undertaken last year].

### **Note 35 EVENTS OCCURRING AFTER BALANCE DATE**

No other significant events have occurred since balance date that affect these financial statements.

### Note 36 ELECTED REPRESENTATIVES

In accordance with Schedule 10, Part 3, Clause 18 of the Local Government Act 2002, the total remuneration and value of other non-financial benefits received by, or payable to, the Mayor and other Councillors for the year were as follows:

	TDC SALARY	CONSENT HEARINGS	TOTAL COST	ASSOCIATES DIRECTOR FEES	TOTAL
	\$	\$	\$	\$	\$
HURLEY J	90,263	-	90,263	7,353	97,616
KING T B	34,518	3,978	38,496	11,500	49,996
BORLASE S J	25,889	2,584	28,473	-	28,473
BRYANT S G	25,889	1,054	26,943	-	26,943
CURRIE R G	25,889	1,428	27,317	-	27,317
HENRY E E	25,889	2,040	27,929	-	27,929
HIGGINS M J	25,889	2,448	28,337	-	28,337
INGLIS J L	25,889	-	25,889	-	25,889
KEMPTHORNE R G	34,518	4,522	39,040	-	39,040
O,REGAN E M	25,889	12,410	38,299	-	38,299
O,SHEA P K	34,518	1,054	35,572	-	35,572
NORRISS T E	34,518	340	34,858	-	34,858
RILEY N	25,889	1,734	27,623	-	27,623
WILKINS E J	25,889	2,278	28,167	-	28,167
	461,336	35,870	497,206	18,853	516,059

Mayor Hurley is a Director of Nelson Airport Limited. Tasman District Council was paid director fees of \$10,000 for the year, of which \$7,353 was paid to Mayor Hurley. (2006: \$7,000).

Mr T B King is a Director of Port Nelson Limited and received director fees from Port Nelson of \$11,500 during the year. (2006: Nil).

### Note 37 ACQUISITIONS AND REPLACEMENTS OF ASSETS

Under the Local Government Act 2002 [Schedule 10, Part 3, Clause 15(f)], Council is required to describe any significant acquisitions or replacements undertaken during the financial year. Council has not made any acquisitions or replacements during the year which would be deemed significant. The

Statements of Objectives and Service Performance for each of Council's significant activities provide details of acquisitions and replacements made during the year. These statements also detail projects not undertaken during the year and the reasons.



# Statements of Objectives and Service Performance

## Introduction

The service goals and objectives form the basis of Council's operations in the provision of works and services for the District. Council departments reporting to the Chief Executive for servicing the Tasman District may be broadly categorised as follows:

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Environment and Planning	72
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Engineering Services	90
• Transportation	
• Sanitation, Drainage and Water Supply	
Community Services	119
• Cultural Services	
• Recreation and Leisure	
• Council Enterprises	
• Community Support Services	

The service goals, objectives and performance indicators have been listed for each of Council's significant activities (where applicable). These are followed by a statement of the level of achievement.

Each significant activity area as a whole incorporates elements of quality, quantity, timeliness, cost and location (where applicable). Unless otherwise noted, all tasks are to be completed by 30 June 2007. Quality processes (which affect the quality of the output) are also a standard feature of the internal management control systems. In particular:

- **Preparation of Internal Report**  
Internal reports are prepared by suitably qualified and experienced staff. Significant reports are subject to peer review process/consultation review.
- **Capital Works**  
Capital works are constructed to design specifications. Inspections of works are undertaken by suitably qualified and experienced engineers.
- **Resource Management**  
These functions are performed by appropriately qualified staff. This is one mechanism by which Council assures

the quality of service given to the public. In relation to policy investigations and the development of regional and District plans, the Council follows established public consultation procedures.

- **Maintenance Works**

Maintenance works are undertaken by employees or by contract under the supervision of suitably qualified and experienced engineers and monitored thereafter in accordance with the maintenance programme.

- **Legislative Compliance**

In all instances, Council strives to act within the relevant statutory requirements and within approved budget levels.

- **Asset Management Planning**

A common performance indicator for all engineering outputs is the development of asset management plans for Council's infrastructural assets, including asset identification, valuation, condition rating and future maintenance and development plans.

Sufficient maintenance has been programmed and performed on all infrastructural assets during this financial year to ensure that the service potential of assets has not deteriorated.

- **Performance Measures**

In many cases in preparing its 2006-2016 LTCCP Council included survey measures as a measure of progress towards the achievement of Council objectives. The intention was to report on these measures on a three-yearly basis using data from the tri-annual Communitrak survey.

The next Communitrak survey is not expected until the end of the 2008 financial year. Where measures within this annual report include information from the Communitrak survey the latest survey information (2005/2006) has been used.

# Environment and Planning

## Policy and Objective

To promote the sustainable management of natural and physical resources and to safeguard the District's environmental qualities.

## Nature and Scope

These output classes involve the development of resource policy and plans under the Resource Management Act and related legislation, the associated processing and monitoring of resource consents, improving the understanding of the District's environment through investigations and promoting improved environmental performance by resource users, and undertaking Council's regulatory responsibilities.

There are five significant areas under which this activity is performed by Council.

- a) **Resource Policy** – The analysis and development of resource policy and plans to satisfy the Council's responsibilities under the Resource Management Act and related legislation.
- b) **Resource Information** – Establishing and maintaining an efficient resource database to allow Council to properly discharge its resource management functions and to provide advice to the public on environmental issues affecting the District. Investigating, monitoring and analysis of significant environmental issues affecting or likely to affect the District.
- c) **Resource Consents and Compliance** – The assessment and processing of resource consent applications for the development and use of land, air, water or coastal space, and related monitoring and enforcement.
- d) **Environmental Education, Advocacy and Operations** – Encouraging good environmental outcomes through education and advocacy and other non-regulatory methods and also undertaking of works and services in conjunction with land owners.
- e) **Regulatory Services** - Provision of advice and discharging statutory functions in the areas of public health, building, sale of liquor, hazardous substances, animal and parking control, and maritime administration. Assessing and processing permit and registration applications, the administration of bylaws, and associated monitoring and enforcement action.

## Activities

The Council Activities within this Group are:

- Resource Policy
- Resource Information
- Resource Consents and Compliance
- Environmental Education, Advocacy and Operations
- Regulatory Services

It is important to note that while policy development is a separate activity, its implementation often appears as a cost under one of the other activities. For instance, Council has a policy framework for managing air quality determined by legislation and its own Tasman Resource Management Plan (TRMP). Monitoring air quality is a cost against Resource Information, discharges to air and monitoring air discharge consents are a cost against Resource Consents and Compliance and education initiatives are a cost against Environmental Education, Advocacy and Operations.

## Contribution of these activities to the Community Outcomes

- Our built urban and rural environments are functional, pleasant, safe, and sustainably managed.
- Our unique and special natural environment is bountiful, healthy, clean, and protected.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational, and recreational services.
- Our growing and sustainable economy provides opportunities for us all.

In terms of environmental wellbeing the Tasman Regional Policy Statement and Tasman Resource Management Plan together identify the significant environmental management issues facing the District. Each issue has associated with it objectives and policies which address the issues. Anticipated environmental results and performance monitoring indicators are also identified in respect of each policy.

Council is legally obliged to observe and enforce the observance of its statutory planning documents. In this way we will be able to measure our performance against the environmental outcomes sought.

The TRMP is a combined district and regional plan. It has been prepared in accordance with the Resource Management Act 1991 (the Act). The purpose of the Plan is to assist Council in carrying out its functions in order to achieve the purpose of the Act. The purpose of the Act is to promote the sustainable management of natural and physical resources.

## Functions

The main functions of the Council that are addressed in the TRMP are as follows:

- a) control of the effects of land use, development and protection, including soil conservation, water quantity and hazardous substances
- b) control of the effects of land subdivision
- c) control of noise emissions
- d) control of the effects of activities on the surface lakes and rivers
- e) control of the effects of activities (except for fishing) in the coastal marine area
- f) control of the taking, using, damming and diversion of water
- g) control of the discharge of contaminants

The Plan states objectives, policies and methods to achieve integrated management of various natural and physical resources in Tasman District.

Performance level measures to achieve these functions include:

- a) The Council will maintain a current database relating to the natural and physical resources of the District to

provide information on the state of the environment that will assist the Council in undertaking its functions under the Act.

- b) The Council will establish key performance monitoring indicators for each objective and group of related policies in the Plan, and report on these indicators at regular intervals (at least three yearly).
- c) The Council will maintain its record of resource consents and monitor these to ensure compliance with consent conditions and ensure timely processing. It will also investigate complaints on adverse effects of activities and monitor the type and frequency of complaints as required by the Act.
- d) To reduce the number of times water flows or levels decrease below stated minimum flows or levels and the frequency that rationing triggers are reached.
- e) Increase the information and confidence of the information accuracy about quantity of water in water bodies and interconnections with other water bodies.
- f) Manage the numbers of consents issued for water taking, damming or diverting, new afforestation, and gravel extraction to protect water flows.

## Assets required by the group of activities

The assets required for this group of activities primarily include skilled staff, vehicles, office buildings and information technology.

June 06 Actual \$	Environment and Planning	June 07 Actual \$	June 07 Budget \$	% of Budget
1,080,686	Resource Policy	1,148,846	985,647	117%
1,591,541	Resource Information	1,690,773	1,806,698	94%
2,734,235	Resource Consents & Compliance	2,754,999	2,375,294	116%
1,340,678	Environmental Educational, Advocacy & Operations	1,340,064	1,229,321	109%
2,478,260	Regulatory Services	2,726,043	2,218,665	123%
9,225,400	Total Costs	9,660,725	8,615,625	112%

## Resource Policy

### What We Do

Our activities involve the analysis and development of policy and planning provisions required under the Resource Management Act and the Biosecurity Act.

The Tasman Resource Management Plan (TRMP) is the main environmental planning document used by Council. It currently comprises land, coastal, water, and discharge chapters.

Council has prepared a Regional Pest Management Strategy (RPMS) under the Biosecurity Act.

All the policy planning we are involved in is aimed at sustainable management of the natural and physical resources in Tasman District and identifying and managing values, areas, and sites that are important to the people of Tasman District.

### Why We Do It

Council is required by law and by community expectation to sustainably manage the environment of Tasman District and the consequences of human activity. This requires sound analysis and robust policy development.

### Our Goal

We aim to provide an appropriate policy framework for identifying and responding to resource management policy issues. Our policy framework will lead to sustainable management of the District’s natural and physical resources including biosecurity risks.

### Our levels of service

Resource Policy is an integral part of the planning process that aims to ensure the sustainable management of the District’s natural and physical resources.

In turn this contributes to the wellbeing of people and communities on a variety of levels. We strive to deliver a resource policy service that:

- Maintains excellent professional standards of assessments, advice, and process
- Achieves high levels of satisfaction from informed stakeholders to the resource and biosecurity policy issues

### How we measure progress

<p>The level of community support for Council’s policy and plan initiatives. The progress benchmark is 75% satisfaction level achieved for process and results, but acknowledging that communities may be diverse in their valuation of planning results.</p>	<p>The most recent public satisfaction survey records Tasman District Council residents as having a response level of 40% to policy decisions they disapprove of. This is in line with the national average.</p>
<p>Completing programmed work on time and within budget</p>	<p>With regards to completing programmed works on time please refer to comments under “Major Activities”. The activity was not within budget for the year. Extra staff time responding to Government policy papers, additional consultant costs, and legal fees associated with the Buller River Water Conservation Order and plan appeals have contributed to the over expenditure. Income was less than budgeted because of lower than expected plan purchases.</p>

## Major Activities 2006-2007

To undertake strategic development planning for urban and rural growth areas in the District.	Submissions were received in October 2006 on the Takaka - Eastern Golden Bay Development Study and a Plan variation was released in July 2007. Council has reviewed the development options for Richmond West and a concept plan was released on 22 November 2006. Submissions closed on 28 February 2007 and following consideration, with some delay because of a resource consent hearing affecting Richmond West, directed the preparation of a Plan variation to be notified in October 2007. Decisions on rezoning proposals in Richmond South were released in July 2007. Work commenced on a joint investigation with Nelson City Council into development options in Richmond East/Nelson South and intensification options in the Nelson-Richmond urban area.
To finalise the aquaculture provisions in the Tasman Resource Management Plan (TRMP) Part III.	Council is still awaiting a decision from the Chief Executive, Ministry of Fisheries before the provisions can become operative. (Application lodged 19 January 2006).
To finalise policy decisions on the draft TRMP Part IV: Rivers and Lakes and proceed to notify as a TRMP variation.	A policy report was considered by Council in August 2006. Further work on this policy has been delayed because of other priorities.
To review the rural zoning regime and refine the Rural 1 and 2 zones and rules.	This project will commence in 2008 following operative status of Part II Land.
To develop programmes and a TRMP variation to manage Richmond's air quality problem. A draft variation for public discussion is to be released by August 2006.	A discussion paper was considered by Council in October 2006 and changes to the TRMP were notified in January 2007 and decisions released in July 2007.
To consider or review issues and options for water allocation in the Waimea, Motueka Central Plains zone (by June 2007), and Takaka catchments (by December 2008) and to develop appropriate TRMP variations.	Following an investigation report into the deep Moutere groundwater considered in August 2006, a policy options report on deep Moutere groundwater allocation was considered by Council in August 2007 and a proposed Variation was considered and prepared for notification in October 2007. Waimea allocation options were discussed with water users in December 2006 and changes to the TRMP were notified in January 2007. A small number of submissions were received and preliminary work on reviewing allocation limits in Motueka Central plains Zone commenced.
To develop amendments to the TRMP on a number of administration issues requiring review.	A number of administrative amendments to land use provisions were notified in July 2007.
To complete policy analysis on stormwater management (by October 2006) and on-site wastewater management options (by March 2007) and undertake appropriate amendments to the TRMP.	A policy paper was presented to the Environment and Planning Committee meeting in December 2006 and a Variation introducing new standards notified in July 2007.
To finalise appeals and make operative parts of the TRMP.	Progress continues to be made on resolving outstanding references; the total number of live references stands at 19 at 30 June 2007 (cf 46 at 1 July 2006). This progress included resolving outstanding appeals concerning natural heritage protection together with an agreed memorandum of understanding with the parties, that will result in a collaborative investigation into significant natural areas with landowners and the community. The live appeal on rural subdivision remains to be heard, thus delaying the operative status of Part II Land of the Plan.
To review and administer the Regional Pest Management Strategy in conjunction with Nelson City Council.	36 submissions had been received on the Regional Pest Management Strategy by the closing date of 6 October 2006. Hearings were held in December 2006, changes made and the Strategy became operative 1 July 2007.

June 06 Actual \$	Resource Policy	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
2,292	Regional Policy Statement	1,465	14,835	10%
905,598	TRMP	981,944	861,814	114%
89,657	Policy Advice	101,848	46,487	219%
71,903	Pest Management Strategy	51,035	50,212	102%
11,236	Depreciation	12,554	12,299	102%
1,080,686	TOTAL OPERATING COSTS	1,148,846	985,647	117%
	INCOME			
19,250	Fees and Recoveries	5,708	18,000	32%
19,250	TOTAL INCOME	5,708	18,000	32%
1,061,436	NET COST OF SERVICE (SURPLUS)	1,143,148	967,647	118%
1,061,436	TOTAL FUNDS REQUIRED	1,143,148	967,647	118%
	SOURCE OF FUNDS			
840,547	General Rates	858,224	850,925	101%
118,211	Sundry Income	102,827	104,423	98%
91,442	General Funds	169,533	-	-
1,050,200		1,130,584	955,348	118%
	NON-FUNDED DEPRECIATION			
11,236	Depreciation to be funded at income statement level	12,564	12,299	102%
1,061,436		1,143,148	967,647	118%

## Resource Information

### What We Do

This activity involves establishing and maintaining an efficient resource information base to allow Council to properly discharge its resource management functions and to provide advice to the public on environmental conditions and issues affecting the District. It also involves investigation, monitoring, and analysis of significant environmental issues affecting or likely to affect the District.

### Current activities include:

- Monitoring of air quality in Richmond and, equipment permitting, other areas of the District
- Hydrology monitoring network covering river flows, rainfall and groundwater levels
- Water quality testing of freshwater and marine coastal water
- Investigating natural hazard risk (earthquakes, erosion, flooding etc)
- Updating the District's resource information eg soil maps, water availability
- Responding to contamination risks within the environment

### Why We Do It

Council is required by law and community expectation to monitor the state of the environment of Tasman District and to undertake resource investigations that allow us to better understand and manage the effects of resource use and changes in the quality and quantity of our land, water, air, and coastal resources.

### How we measure progress

Progress is measured by the level of community support and awareness for the information collected and released. Surveys are undertaken with a target of 75% of residents rating their satisfaction as fairly satisfied or better.	A public satisfaction survey seeking this information was not undertaken during the financial year.
Council is to monitor, collect and maintain resource data/records and report on environmental resources condition and trends as provided for in Council's State of the Environment Monitoring strategy on an annual basis.	The monitoring, collection and maintenance of resource data/records is ongoing. Most hydrology, meteorology and air quality data is reported in real-time, along with one river water quality site. In some cases this data is available on-line. The State of the Environment Monitoring Strategy was revised and reported to Council in August 2006. Further details can be found under "Major activities".
Ensuring our hydrometric network is available 99.5% of the time for regional hazard management	The objective has been achieved. There were no failures. The network was always functional except for occasional outages for individual sites.
Timely reporting of air quality data with the aim of having no more than one exceedance by 2013	Council's real time monitoring of air quality recorded 21 exceedances of the National Environmental Standard for particulate material less than 10 um. This is approximately half of the expected number for Richmond. Council has indicated to the Ministry for the Environment that it is probable that this objective will be met by 2013.
Timely reporting of recreational bathing water quality with the aim of having no beach or swimming hole closures	Four of the regions most popular beaches were monitored for recreational bathing water quality. There were no closures and only 3 out of the 80 samples taken required repeat sampling.

### Our Goal

We aim to achieve a robust and cost-effective approach to environmental monitoring and resource investigations which will provide a good understanding of the District's resources, an ability to assess environmental trends and manage risks to the environment.

### Our levels of Service

We contribute by monitoring and investigating the state of the environment and providing information to better understand the environmental trends and risks facing the District. We also contribute by investigating opportunities to use and develop resources for the benefit of current and future generations.

Council will continue to manage this activity in a sustainable manner giving due regard to the demands of growth and emerging environmental trends.



## Major Activities 2006-2007

To revise and continue implementing the State of the Environment Monitoring and Reporting Strategy.	The State of the Environment Monitoring Strategy was revised and reported to Council in August 2006.
To prepare and distribute annually issue-based reports (Surface Water, Air, Groundwater, Coastal, Land) on the State of the Environment.	Reports on the state of the environment in respect of air quality, surface and groundwater quality in the Motupipi Catchment, water temperature in Reservoir Creek, groundwater quality in Golden Bay settlements, and a freshwater fish survey were completed. Several of these reports are available on the website, <a href="http://www.tasman.govt.nz">www.tasman.govt.nz</a> .
To monitor, collect and maintain resource data/records and report on environmental resources condition and trends as provided for in Council's State of the Environment Monitoring Strategy.	<ul style="list-style-type: none"> <li>• The monitoring, collection and maintenance of resource data/ records is ongoing. Most hydrology, meteorology and air quality data is reported in real-time, along with one river water quality site. In some cases this data is available on-line.</li> <li>• River water and groundwater quality data is collected quarterly involving field visits to sites around the region. In addition to this groundwater nitrate is surveyed in major at-risk aquifers every 5 years.</li> <li>• Inventories of contaminated sites, dam integrity, wetlands, and fish passage barriers are regularly updated and maintained. It is intended to undertake freshwater fish surveys every 18 months. Soil health and soil integrity information is collected approximately every 5 years. Monitoring of the health of Tasman's major estuaries also occurs approximately every five years.</li> <li>• Transforming Council's flood map records into digital form and incorporation of these records into the GIS system is nearing completion. Council's river cross section survey programme continued with the 8-yearly resurvey of the Wai-iti river network.</li> </ul>
To initiate and respond to flood warnings and continue water resource investigations in the Waimea, Buller, Golden Bay, Moutere and Motueka catchments.	<p><b>Hydrology</b></p> <ul style="list-style-type: none"> <li>• Flood warnings were issued on a number of occasions during winter but no major problems were encountered in what was a dryish winter.</li> <li>• The telemetry system is nearing the end of its useful life although it still performed well during all weather alerts.</li> <li>• Flow and rainfall monitoring commenced for the Lee Valley Dam project</li> <li>• Contract hydrology services were provided to Nelson City Council.</li> <li>• The TDC 'Flowphone' and web page continue to be widely used by anglers, canoeists and others.</li> <li>• Another dry summer was experienced with considerable effort put into monitoring and managing water resources through the dry spell.</li> </ul> <p><b>Targeted Water Resource Investigations</b></p> <ul style="list-style-type: none"> <li>• Major effort has continued into the Waimea Water Augmentation project with effort being concentrated on the Lee Valley catchment, scoping and initial site recommendations for augmentation in the Motupiko catchment and follow-up work on the Wai-iti water augmentation project.</li> <li>• Concluded a drilling exercise in the Dovedale area but found no additional water resource at depth, the potential of a limited shallow water resource will be followed up in 2007/2008.</li> <li>• Technical work on deep groundwater resources in the Moutere Catchment has been completed and is being used to develop further enhancements to water allocation and management in the Moutere Catchment.</li> </ul>
To conduct investigations into pollution and contamination related issues.	Maintained Council's Site Contamination Register and monitored the soil testing required in the areas affected by residual historic orchard sprays. Collaborated with owners of Hazardous Facilities that required upgrades and consents to ensure discharges do not adversely affect the environment.

June 06 Actual \$	Resource Information	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
670,321	Water Resource Investigations	666,177	551,882	121%
774,673	Environmental Monitoring	820,628	1,060,106	77%
38,163	Flood Management	29,302	47,186	62%
65,307	Pollution Investigations	126,682	100,555	126%
6,324	Loan Interest	6,919	6,736	103%
36,753	Depreciation	41,065	40,233	102%
1,591,541	TOTAL OPERATING COSTS	1,690,773	1,806,698	94%
	INCOME			
481,014	Fees and Recoveries	587,097	491,044	120%
481,014	TOTAL INCOME	587,097	491,044	120%
1,110,527	NET COST OF SERVICE (SURPLUS)	1,103,676	1,315,654	84%
	TOTAL FUNDS REQUIRED			
1,110,527	Net Cost of Service (Surplus)	1,103,676	1,315,654	84%
90,843	Capital	52,671	-	-
5,212	Loan Principal Repaid	3,092	5,300	58%
1,206,582		1,159,439	1,320,954	88%
	SOURCE OF FUNDS			
1,157,440	General Rates	1,211,315	1,201,012	101%
90,772	Sundry Income	78,963	80,188	89%
(78,383)	General Funds	(171,904)	(479)	35888%
1,169,829		1,118,374	1,280,721	87%
	NON-FUNDED DEPRECIATION			
36,753	Depreciation to be funded at income statement level	41,065	40,233	102%
1,206,582		1,159,439	1,320,954	88%

## Resource Consents and Compliance

### What We Do

We assess resource consent applications as required under the Resource Management Act and the Tasman Regional Management Plan for the development and use of land, air, water, or coastal resources. Our activities also involve related compliance monitoring and enforcement.

The processing of applications involves coming to an understanding of the application, the location, and the likely effects. It also involves balancing the requirements of the law with the aspirations of the applicant and the views and concerns of affected parties.

Once a consent is issued, Council monitors its implementation and the ongoing operation. We also respond to any concerns raised.

### Why We Do It

Council is required by law to receive and process resource consent applications and to monitor and enforce compliance with plan rules and conditions of consent. There is also an expectation from the community that we will respond to environmental and nuisance complaints.

### Our Goal

We aim for high standards in the development of the District’s resources. All development must be within sustainable limits set by Council’s plans and with minimum environmental impact. We aim to provide excellent customer service in processing consents.

### Our levels of service

Resource Consents and Compliance contributes by processing and enforcing resource consents in a manner that allows the sustainable development and protection of natural and physical resources for the social, cultural, and economic wellbeing of individuals and communities.

Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

### How we measure progress

80% of applications are processed within statutory timeframes where specified.	66% of the 1,055 resource consent applications were processed within the statutory timeframes (cf 73% of 872 in 2005/2006). However, for the month of June 2007 we managed to process 89% of consent applications within the statutory timeframes.
Target of 75% of residents rating their satisfaction with this function as “fairly satisfied” or better in annual surveys.	A public satisfaction survey seeking this information was not undertaken during the financial year.

## Major Activities 2006-2007

To respond to enquiries and undertake the necessary consultation, analysis and processing of resource consent applications related to Council's resource management functions.

Council continues to respond to enquiries and all other aspects of resource consent applications on an ongoing basis (see Appendix 1 for details). Staff serviced, by way of providing reports and attending, 34 Consent hearings held during the year (30 Consent Committee and 4 Commissioner hearings). 12 appeals against 7 Council decisions were received with 1 withdrawn and 5 settled by Consent Order. Of the 26 appeals pending resolution as at 1 July 2006, 18 were settled by consent, 2 withdrawn and 1 determined in favour of the Council by the Environment Court and 1 determined against the decision of Council, with the balance still awaiting resolution. The consent workload involved some significant projects for the District including some major rural 3 subdivisions with private wastewater discharges, a major residential subdivision of rural 1 land, commercial developments in Richmond and industrial development in Brightwater.

To implement monitoring programmes on resource consents that have potentially significant resource and environmental impacts, and to undertake post-consent and rule compliance monitoring and necessary enforcement including responding to environmental nuisance complaints. To ensure that this monitoring is fed back into the policy development process.

The Compliance Monitoring team has carried out consent compliance monitoring in accordance with the Compliance Monitoring Strategy with reports available. Staff responded to written and verbal complaints and maintained a file of complaints with record of actions taken. Water meter monitoring was undertaken prior to and during the irrigation season and reported following the season's completion. Completed dairy effluent discharge monitoring and permitted activity compliance related to effluent disposal on all of the district's dairy farms with reporting on achievement of the Clean Streams Accord targets indicating we are well ahead of target. Revised Council's Enforcement Protocol.

Received and responded to complaints. The following breakdown records the type of complaints received over the year.

Noise	767
Land Use	203
Water	27
Discharges	294
Coastal	10
Rubbish	91
Abandoned vehicles	227
Other	<u>158</u>
	1777
(cf 1478 2005/2006)	

83 abatement notices (cf 56 in 2005/2006) and 39 infringement notices were issued during the year (cf 43 in 2005/2006.) One prosecution and one Enforcement Order were granted for two dairy farms.

June 06 Actual \$	Resource Consents & Compliance	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
1,791,135	Resource Consent Processing	1,687,450	1,620,171	104%
917,774	Compliance Monitoring	1,039,255	727,402	143%
25,326	Depreciation	28,294	27,721	102%
2,734,235	TOTAL OPERATING COST	2,754,999	2,375,294	116%
	INCOME			
782,287	Fees and Recoveries	1,007,561	1,036,496	97%
782,287	TOTAL INCOME	1,007,561	1,036,496	97%
1,951,948	NET COST OF SERVICE (SURPLUS)	1,747,438	1,338,798	131%
1,951,948	TOTAL FUNDS REQUIRED	1,747,438	1,338,798	131%
	SOURCE OF FUNDS			
1,186,247	General Rates	1,243,014	1,232,442	101%
89,023	Sundry Income	77,433	78,635	98%
651,352	General Funds	398,697	-	-
1,926,622		1,719,144	1,311,077	131%
	NON- FUNDED DEPRECIATION			
25,326	Depreciation to be funded at income statement level	28,294	27,721	102%
1,951,948		1,747,438	1,338,798	131%

Note: Compliance Monitoring costs have exceeded budget because of two legal proceedings, with costs expected to be recovered from one. Legal fees and additional consultant costs have also contributed to over expenditure

## Environmental Education, Advocacy and Operations

### What We Do

This activity involves those Council activities that seek to encourage good environmental outcomes through education and advocacy and other non-regulatory methods. We also undertake works and services in conjunction with landowners involving catchment stabilisation, riparian protection, pest management and habitat enhancement.

Our current programme of activities includes:

- Promotion of the Eco-Fest programme that showcases good environmental behaviours and the latest eco-friendly technologies and practices.
- We work in schools and run environmental education programmes to promote best practice behaviour.
- We run a variety of soil conservation works focusing on soil health, riparian management, and responsible nutrient management.
- We are actively involved in eradicating and controlling plant and animal pests including providing funding for the bovine TB vector control programme.
- Regular promotion and awareness in Council's fortnightly newsletter, Tasman Newline, the Mag.

### Why We Do It

Council is keen to promote good environmental outcomes by non-regulatory means where this is cost-effective and in those situations where active involvement in work programmes yields community support and involvement.

### Our Goal

We aim to see improved practices in the use, development, and protection of the District's resources and minimise damage to the environment through inappropriate practices or the incidence of pests and other threats to the environment.

### Our levels of service

This activity contributes by working with individuals and groups to adopt good environmental behaviours and to undertake works that manage risks to the environment.

Council will respond to and report against annual performance measures contained within the regional pest management operational plan.

Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

### How we measure progress

Progress is measured by the level of community support and awareness for educational projects and events. Surveys are undertaken with a target of 75% of residents rating their satisfaction as "fairly satisfied" or better.	No public satisfaction survey seeking this level of information was undertaken during the financial year.	
Value for money spent on Tb control is measured by ensuring the number of cattle and deer herds infected with bovine Tb or on movement control, reduces each successive year.	2005/2006	2006/2007
	Infected Herds	9
		7
Plant pest eradication programmes are measured and reported on in our annual Regional Pest Management Annual Report required under the Biosecurity Act.	The 2005/2006 report was published in October 2006.	

## Major Activities 2006-2007

<p>To identify and promote opportunities for achieving sustainable management of natural and physical resources through implementing Council's Environmental Education Strategy including sector codes of compliance, and education and advocacy for sustainable environmental management practices.</p>	<p>Completed a wide range of education and advocacy initiatives including:</p> <p>A very successful Environmental Festival "Ecofest" was held in August 2006. Planning underway for the 2007 event.</p> <p>The annual Environmental Awards programme was run in November 2006. The entries were of a high standard and well over 100 people attended the awards ceremony. Planning for the 2007 Awards is now underway.</p> <p>Smart Living Month (March 2007) was very successful; Construction of a Smart Home to showcase ways to save money and resources. The smart home is a shipping container-sized model of a home with many of the latest technologies to make the home efficient and environmentally friendly. The home is relocatable and will be used at a wide range of events.</p> <p>Reservoir Creek restoration, focusing on Hill Street to the Waimea Inlet, is finishing and has been strongly supported by the community and schools. Information panels are nearing completion. Stage 2 (above Hill Street) is being planned.</p> <p>The Sustainable Living programme continues to be delivered. This programme is run through seminars around the district and gives people ideas about how to reduce power and resource consumption and save money.</p> <p>The Enviroschools programme is being extended into more Tasman schools. This programme is achieving great results with 5 schools signed up so far.</p> <p>General environmental publicity through Newsline, Ecobuzz (schools) and a weekly radio slot, published various articles and brochures to targeted audiences. Continued collaborative work with Nelson City</p>
<p>To undertake pest management operations, including control of designated plants in sites of high public value in accordance with criteria specified in the Nelson Tasman Regional Pest Management Strategy.</p>	<p>Pest management operations were carried out on an ongoing basis in accordance with the Operational Plan prepared under the Nelson Tasman Regional Pest Management Strategy. A separate and more detailed annual report is available for review at Council offices.</p> <p>Council continues to provide funds as a contribution to the Animal Health Board's Bovine TB Vector Management programme, with the management being contracted to Southern Pest Management Services.</p>
<p>To undertake soil conservation, land management and stream protection works in conjunction with affected landowners.</p>	<p>Soil conservation, land management and stream protection works in conjunction with affected landowners continues in accordance with the approved programme. Applications for assistance were over-subscribed with an increasing demand for advice from landowners evident. Provided ongoing assistance to the Tasman Environmental Trust and the Tasman Natural Areas Enhancement Group</p>
<p>To work with the Ministry for the Environment to ensure the successful clean up of the former Fruitgrowers Chemical Company site at Mapua.</p>	<p>Council continues to work with the Ministry for the Environment on this project. This project is scheduled to be completed in October 2007.</p>

June 06 Actual \$	Environmental Education, Advocacy and Operations	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
136,703	Land Management	145,769	166,762	87%
275,861	Promotion of Good Practice	365,369	286,490	128%
432,846	Plant Pest Management	469,683	337,730	139%
228,377	Animal Pest Management	236,735	238,340	99%
211,362	Loan Interest	56,453	161,633	35%
42,173	Mapua	51,128	23,742	215%
13,356	Depreciation	14,927	14,624	102%
1,340,678	<b>TOTAL OPERATING COST</b>	1,340,064	1,229,321	109%
	<b>INCOME</b>			
45,500	Interest Received	45,500	-	-
319,135	Targeted Rates	337,075	339,984	99%
106,559	Fees and Recoveries	236,270	174,996	135%
471,194	<b>TOTAL INCOME</b>	618,845	514,980	120%
869,484	<b>NET COST OF SERVICE (SURPLUS)</b>	721,219	714,341	101%
	<b>TOTAL FUNDS REQUIRED</b>			
869,484	Net Cost of Service (Surplus)	721,219	714,341	101%
56,542	Loan Principal Repaid	33,542	123,000	27%
926,026		754,761	837,341	90%
	<b>SOURCE OF FUNDS</b>			
610,281	General Rates	654,544	648,977	101%
173,956	Sundry Income	151,314	153,663	98%
128,433	General Funds	(66,024)	20,077	-329%
912,670		739,834	822,717	90%
	<b>NON- FUNDED DEPRECIATION</b>			
13,356	Depreciation to be funded at income statement level	14,927	14,624	102%
926,026		754,761	837,341	90%



## Regulatory Services

### What We Do

This activity involves receiving and processing a range of licence applications, giving advice and performing statutory functions in the areas of public health, building, sale of liquor, hazardous substances, animal control, rural fire, parking and maritime administration.

We assess and process permit and registration applications, the administration of bylaws and associated monitoring and enforcement action.

### Why We Do It

Council is required by law to receive and process licence applications and statutory registration systems, to inspect, monitor, and enforce compliance with these statutory regimes. There is also an expectation from the community that we will uphold and administer these regimes.

### Our Goal

We aim to see development of the District that achieves high standards of safety design and operation with minimum impact and public nuisance. We offer excellent customer service in providing information on development opportunities and in processing permits and licences.

### Our levels of service

This is achieved by processing consents, licences and registration applications that are designed to promote and protect the safety and health of people and communities. In addition we conduct inspections and enforce compliance with standards to ensure people are kept safe.

Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

### How we measure progress

Consents are processed according to industry best practice guidelines with no successful insurance claims against Council.	There was one Weather-tight Homes Resolution Service proceeding where Council was directed to pay compensation.
Process a minimum of 80% of applications within statutory timeframes where specified.	48% of 1,700 building consents were processed within the statutory processing time limit (cf 2005/2006 = 63%). By the end of the financial year we had achieved a 65% compliance rate and additional resources are to be secured. The average processing time was 23 days, in part a reflection of new inspection requirements (cf 2005/2006 = 20).
Targets include carrying out at least one inspection of all licensed premises each year, and carry out random underage tests of liquor premises.	All food premises were inspected. One controlled purchase operation was carried out in conjunction with NZ Police.
To respond to high-priority dog complaints within 30 minutes, 24 hours a day, 7 days a week.	All high-priority complaints were responded to within the target of 30 minutes, 24 hours a day, seven days a week.

## Major Activities 2006-2007

<p>To respond to enquiries and discharge inspectorial responsibilities under the Health Act, Building Act, Sale of Liquor Act, and the Hazardous Substances and New Organisms Act, and associated Council bylaws. We aim to carry out at least one inspection of all licensed premises each year.</p>	<p>Plan checking and inspectorial responsibilities under the Health, Building, and Sale of Liquor Acts and Council bylaws were discharged using professionally trained and qualified staff and contractors.</p> <p>Following much effort to review systems and procedures, we submitted our application to become an accredited Building Consent Authority in April 2007. As required under the Building Act 2004 Council developed policies for Dangerous Dams but approval was held over pending Government passing appropriate regulations.</p> <p>Commenced a review of Council's Gaming Venue Policy in February 2007.</p>
<p>To carry out Harbour Board functions including implementation of the Joint Oil Spill Contingency Plan (with Nelson City Council).</p>	<p>Harbourmaster functions were undertaken over the busy summer period with no major incidents being reported. Revised Navigation and Safety Bylaw in November 2004. Registered 44 commercial operators to operate within Tasman District harbour limits (cf 56 in 2005/2006).</p> <p>The Office of Harbour Master has kept up a regular liaison with the Council's 22 voluntary launch wardens, the Maritime Safety Authority and the Department of Conservation. No oil spills were reported.</p>
<p>Respond to high priority dog complaints within 30 minutes – 24 hours a day, seven days a week.</p>	<p>The Council continues to administer the Dog Control Bylaw with service delivery being undertaken by Control Services (Nelson) Ltd. Council's contractors responded to complaints regarding wandering stock and dogs and impounded animals as required. 242 Dog Control Infringement Notices were issued, 208 of which were for unregistered dogs. (cf 236 in 2005/2006).</p>
<p>To carry out parking control responsibilities under Council's Parking Bylaw.</p>	<p>Parking Enforcement responsibilities were contracted out to Control Services (Nelson) Ltd. 667 infringement notices were issued (cf 2005/2006 = 692) during the year along with other advisory warnings concerning parking. Public assistance continues to be offered while wardens are on duty.</p>
<p>To ensure fire risk in the District is effectively managed through supporting rural fire parties.</p>	<p>Fire risk in the District is being effectively managed by the Waimea Rural Fire Authority through a contract with Rural Fire Network and the ongoing support of rural fire parties.</p>

June 06 Actual \$	Regulatory Services	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
1,481,015	Building Control	1,591,248	1,152,543	138%
197,777	Liquor/Health/Registered Premises	245,468	203,432	121%
524,485	Animal Control, Rural Fire	577,296	560,378	103%
233,322	Maritime, Parking & Hazardous Substances	239,674	244,833	98%
4,190	Loan Interest	16,691	12,198	137%
37,471	Depreciation	55,666	45,281	123%
2,478,260	TOTAL OPERATING COST	2,726,043	2,218,665	123%
	INCOME			
1,747,491	Fees and Recoveries	2,172,573	1,694,612	128%
1,747,491	TOTAL INCOME	2,172,573	1,694,612	128%
730,769	NET COST OF SERVICE (SURPLUS)	553,470	524,053	106%
	TOTAL FUNDS REQUIRED			
730,769	Net Cost of Service (Surplus)	553,470	524,053	106%
326,367	Capital	136,148	55,000	248%
3,135	Loan Principal Repaid	6,417	8,500	75%
1,060,271		696,035	587,553	118%
	SOURCE OF FUNDS			
513,177	General Rates	484,446	480,326	101%
220,000	Loans Raised	-	-	-
81,141	Sundry Income	70,579	71,674	98%
208,482	General Funds	85,344	(9,728)	-877%
1,022,800		640,369	542,272	118%
	NON- FUNDED DEPRECIATION			
37,471	Depreciation to be funded at income statement level	55,666	45,281	123%
1,060,271		696,035	587,553	118%

Note: Extra costs on Building Control, including preparation for BCA accreditation, have been matched by increased income.

# Transportation

## Policy and Objective

The objective of Transportation activities is to maintain and enhance the Council-owned roading, aerodrome and harbour infrastructure of the District.

## Nature and Scope

There are four significant areas under which this activity is performed by Council.

- a) **Subsidised Land Transportation** – maintenance and improvement of the roading network in the Tasman District Council area which is subsidised by Land Transport New Zealand.
- b) **Non Subsidised Land Transportation** – maintenance and development of the roading, footpath and car park infrastructure which is not subsidised by Land Transport New Zealand.
- c) **Coastal Structures** – covers the maintenance and development of ports and wharves under Council control within the Tasman District.
- d) **Aerodromes** – operation of aerodromes under Council control within the Tasman District.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following Community Outcomes:

- Our built urban and rural environments are functional, pleasant, safe and sustainably managed.
- Our unique and special natural environment is bountiful, healthy, clean and protected.
- Our transport and essential services are sufficient, efficient and sustainably managed.
- Our growing and sustainable economy provides opportunities for us all.

June 06 Actual \$	TRANSPORTATION	June 07 Actual \$	June 07 Budget \$	% of Budget
8,272,463	Subsidised Land Transportation	10,087,610	8,879,844	114%
4,637,225	Non Subsidised Land Transportation	5,624,750	5,090,055	111%
814,174	Coastal Structures	859,666	875,501	98%
101,303	Aerodromes	102,428	121,071	85%
13,825,165	TOTAL COSTS	16,674,454	14,966,471	111%

## Land Transportation

### What We Do

Council is responsible for the management of roads and traffic assets.

Council is also responsible for the management of a road network that comprises approximately 1,660 kilometres of roads including 861 kilometres sealed and 799 kilometres unsealed, 470 bridges (including footbridges), 180 kilometres of footpaths, 20 car parks providing 1,200 spaces, street lights, traffic signs and culvert pipes. Each road in the network has been categorised into a road hierarchy based on the road's purpose and level of use. The Tasman District road network encompasses and requires:

- Ownership or agreed use of land under roads.
- Road pavements and surfaces to provide a carriageway for the safe movement of people and goods.
- Culverts, water tables and a stormwater system to provide drainage.
- Signs, barriers and pavement markings to provide road user information and safe transport.
- Bridges to carry traffic over waterways.
- Footpaths, walkways and cycle-lanes to transport pedestrians and cyclists.
- Street lighting to provide safe and comfortable movement of vehicular and pedestrian traffic at night.
- Car parking facilities not able to be provided adjacent to traffic lanes.

Maintenance works are currently carried out under contract in Tasman District by Fulton Hogan Limited. The total value of Land Transportation assets as at 30 June 2007 is \$515,859,000.

### Why We Do It

Council considers that the provision of transport services is a core function of local government. The activity is assessed as having many public benefits that assist in promoting the economic, social, environmental, and cultural wellbeing of the District's communities by helping to facilitate the safe and efficient movement of people and goods throughout the District.

Council does not have an operative passenger transport plan and the majority of public transport is commercially operated. Currently Council does not subsidise a passenger transport service, however, it has recently assisted in sponsoring initiatives to provide late night bus services to our urban areas and is involved in a study of passenger transport for Nelson/Tasman.

### Our Goal

Council will progressively move towards managing all of its transportation responsibilities in a more holistic and integrated way.

The vision for the land transport network of the Tasman District is:

“To maintain and enhance a safe and efficient land transport system while avoiding, remedying and mitigating the adverse effects on the environment.”

### Our Level of Service

- Council will maintain the existing network and new roads vested in Council by subdividers and developers.
- Council will encourage further development of public passenger transport initiatives and facilities for cycling and walking, particularly within urban centres.
- Access to the network will be available at all times, except when roads are closed for planned events, or damage caused by subsidence or slip, accidents etc.
- Council manages the transport services to a level that satisfies the community.
- The community will have sufficient opportunity to provide input on strategic plans for transportation.
- Council will provide a customer service 24 hours a day, seven days a week.
- Council will identify deficiencies in standards and promote upgrades where these are practical and affordable.
- Access to the network at all times, except in the following circumstances:
  - Road closures for planned maintenance / construction
  - Emergency work
- Council will operate all transportation activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consents.

### How we measure progress

Council will maintain the network to not less than the standards and guidelines agreed annually with Land Transport NZ.	Council maintains its network to not less than the standards and guidelines agreed annually with Land Transport NZ. Performance indicators are reviewed on a monthly basis with the contractor and the consultant. Any deviations to standards are rectified. There were a few occasions during the year where the contractor had not met the standards required. These deviations to standards were rectified at the contractors cost.
Council will implement, subject to funding, the 2004 Cycling and Walking Strategy.	Council is implementing the 2004 Cycling and Walking Strategy. Council has adopted a work programme based on the staged implementation of the 2004 Cycle and Walking Strategy through the LTCCP programme. Council has constructed new footpaths and the Staples Street cycleway in accordance with Year 1 of the LTCCP programme.
All land use developments/subdivisions are constructed to Council's Engineering standards including pedestrian, cycling and public transport.	All land use developments/subdivisions are constructed to Council's Engineering standards. Developers are required to obtain a Construction Certificate as set out in the engineering conditions.
Developers to provide for a range of land transport movements (cycleways, walkways) in their developments, either directly or as part of a financial contribution to the network.	Developers continue to provide for a range of land transport movements in their developments through either financial contributions or assets vested from developers.
Council will give priority to restore access to the network following a natural disaster, giving priority to those routes that gives access to communities.	Council will give priority to restore access to the network following a natural disaster. There have been no natural disasters during the financial year.
Capital projects, as set out in the LTCCP, are implemented on time, within budget and to the appropriate standard.	Council endeavours to implement all capital projects on time, within budget and to the appropriate standard. There were some over-runs in projects due to factors beyond Council's control such as cost fluctuations for oil products. The increase in oil prices affected the current work programme by \$1m which was reported to Council. Council has undertaken fully the subsidised roading projects and has reduced some non-subsidised roading to offset these increases. Further details can be found in "Major Activities".
Council's Transportation Activity Management Plan, Regional Land Transport Strategy, other significant strategies and LTCCP are available to the public in all Council libraries and service centres.	These are available to the public in all Council libraries and service centres.
Annual surveys show % of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.

Annual reviews of deficiencies are completed and programmes for improvements completed. Annual programme for minor safety improvements are completed to Austroads / NZ standards	Council's professional services contractor MWH NZ Limited completes annual reviews of deficiencies and improvements. These are incorporated into Council's Annual Plans. Annual programmes for minor safety improvements are completed to Austroads/NZ standards.
All planned road closures are recorded and have approved traffic management plans. Response times in emergency maintenance events met (95% success).	All planned road closures are recorded and have approved plans. There were no emergency maintenance events during the financial year.
No abatement notices for breaches of resource consents. Contracts, Council documents and Council management practices reflect resource consents.	No abatement notices were issued.
Annual surveys show 55% of the community agree that they have satisfactory roading facilities.	Council's public survey show 76% of residents are at least satisfied with Council's work on the roading network.

## Major Activities 2006-2007

Subsidised - Capital		
Activity	Budget \$	
<b>PAVEMENT REHABILITATION</b>		
AREA-WIDE PAVEMENT TREATMENT- 6-8 km sealed plus 2 km unsealed annually	1,450,000	There has been \$1,438,523 spent on this activity to 30 June 2007. Work undertaken included Waiwhero Road and Lee Valley Road. The 2km of unsealed road was completed within the maintenance contract. There was 7.1 kilometres of sealed and 3.2 kilometres of unsealed area-wide pavement treatment undertaken during the year.
MAJOR DRAINAGE CONTROL - new drainage facilities - culverts, kerb and channel	401,000	There has been \$477,187 spent on this activity to 30 June 2007. A culvert has been completed at Paton Road, and new kerb and channel has been completed at Tata Heights.
MAINTENANCE CHIP SEALS - 60- 70 km annually	1,254,000	67 kilometres of maintenance chip seals have been completed at a cost of \$1,504,490. Over-runs in projects were due to factors beyond Council's control such as cost fluctuations for oil products. The increase in oil prices affected the current work programme by \$1m which was reported to Council. Council has undertaken fully the subsidised roading projects and has reduced some non-subsidised roading to offset these increases.
THIN ASPHALTIC SURFACINGS - urban areas usually with high traffic volumes	301,000	There has been \$211,181 spent on this activity to 30 June 2007. Projects undertaken included Champion Road/Hill Street, part of Wensley Road, part of Oxford Street, Tudor Street, and Lower Queen Street in front of the A&P Showgrounds.
SEAL WIDENING where meets economic criteria	300,000	There has been \$300,007 spent on this activity to 30 June 2007. The programme of works undertaken include Teapot Valley Road, Edens Road (Hope), Hau Road, College Street and Kina Beach Road.
<b>ROAD RECONSTRUCTION</b>		
MOUTERE HIGHWAY / GEORGE HARVEY INTERSECTION - Safety Improvements	200,000	This project has been deferred and is included in the 2007/2008 Annual Plan.
MINOR SAFETY IMPROVEMENTS	715,000	There has been \$657,869 spent on this activity to 30 June 2007. Work undertaken includes new pedestrian facilities completed in Queen Street near Washbourn Drive and east of George Street, Wensley Road, the intersection of Hill Street, William Street, and Churchill Avenue. Work has been undertaken at Riwaka-Kaiteriteri and Pinehill Roads.

Subsidised - Capital		
Activity	Budget \$	
SEAL EXTENSION		
CENTRAL ROAD - seal extension 5km	330,000	The seal extension for Central Road was completed in December 2006 at a cost of \$330,003.
OLD HOUSE ROAD - seal extension 1km	170,000	The seal extension was completed in October 2006 at a total cost of \$170,006.
EIGHTY EIGHT VALLEY ROAD - seal extension 5km	330,000	The project was completed in December 2006 at a cost of \$268,000.
CYCLEWAY CONSTRUCTION		
MOTUEKA –STAPLES STREET – cycle way	135,000	This project was completed at a total cost of \$95,367.

### Major Activities 2006-2007

Non-subsidised - Capital		
Activity	Budget \$	
CARPARKS		
MAPUA CARPARK - reconstruction and sealing	10,000	A concept plan has been completed. No physical works were undertaken by 30 June 2007.
LIGHTING UPGRADE CARPARK	10,000	This activity was completed by 31 March 2007 at a cost of \$12,473.
FOOTPATHS & KERB & CHANNEL		
FOOTPATHS REHABILITATION - levelling and resurfacing	100,000	All footpath rehabilitation work was completed by the end of April 2007 at a cost of \$125,911.
NEW FOOTPATHS - Various District wide	100,000	A new footpath was completed in Commercial Street, Takaka as part of Transit NZ's state highway work. New footpaths have also been completed in Grey Street, Murchison and Willow Street, Takaka. A footpath tender has been issued for Parker Street, Motueka. Estimates for other sites are being prepared at present. There was \$148,421 spent on this activity to 30 June 2007.
KERB & CHANNEL - Various District wide	55,000	The work programme of sites was completed in this financial year at a cost of \$21,491.
ROAD RECONSTRUCTION		
WENSLEY ROAD - completion of work from year 2005/2006	200,000	The Wensley Road construction work was completed in the previous financial year and the 2006/2007 budget has been reallocated to the Richmond Town Centre development.
CROUCHER STREET - LAND PURCHASE for DEVIATION	500,000	Land acquisition issues have been resolved and physical works are progressing.
SEAL EXTENSIONS		
SEAL EXTENSIONS - Various Low Traffic roads by agreement	110,000	Council had not received any applications and therefore no physical work was undertaken. Part of this budget was used to fund the Council's share of the Murchison Stock Effluent Facility.



June 06 Actual \$	Subsidised Land Transportation	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
5,600,467	Maintenance	6,364,504	5,649,142	113%
251,152	Loan Interest	390,483	375,022	104%
2,420,844	Depreciation	3,332,623	2,855,680	117%
8,272,463	<b>TOTAL OPERATING COST</b>	<b>10,087,610</b>	<b>8,879,844</b>	<b>114%</b>
	<b>INCOME</b>			
6,242,252	Land Transport Subsidies	6,401,451	5,989,223	107%
304,092	Petrol Tax	331,305	302,002	110%
-	Development Contributions	20,786	20,786	100%
79,471	Fees and Recoveries	88,785	22,500	395%
6,625,815	<b>TOTAL INCOME</b>	<b>6,842,327</b>	<b>6,334,511</b>	<b>108%</b>
1,646,648	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>3,245,283</b>	<b>2,545,333</b>	<b>127%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
1,646,648	Net Cost of Service (Surplus)	3,245,283	2,545,333	127%
7,347,333	Capital	7,392,910	7,089,857	104%
-	Transfer to Restricted Reserves	153,000	68,510	223%
193,429	Loan Principal Repaid	147,398	273,924	54%
9,187,410		10,938,591	9,977,624	110%
	<b>SOURCE OF FUNDS</b>			
4,685,100	General Rates	4,461,888	4,423,938	101%
461,743	Sundry Income	401,525	407,756	98%
927,750	Loans Raised	2,030,571	2,290,250	89%
331,500	Restricted Reserves Applied	-	-	-
360,473	General Funds	711,984	-	-
6,766,566		7,605,968	7,121,944	107%
	<b>NON- FUNDED DEPRECIATION</b>			
2,420,844	Depreciation to be funded at income statement level	3,332,623	2,855,680	117%
9,187,410		10,938,591	9,977,624	110%

Note: Over-runs in projects were due to factors beyond Council's control such as cost fluctuations for oil products. The increase in oil prices affected the current work programme by \$1m which was reported to Council. Council has undertaken fully the subsidised roading projects and has reduced some non-subsidised roading to offset these increases.

June 06 Actual \$	Non Subsidised Land Transportation	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
1,416,925	Maintenance	1,585,955	1,471,839	108%
824,517	Loan Interest	1,042,206	899,189	116%
2,395,783	Depreciation	2,996,589	2,719,027	110%
4,637,225	<b>TOTAL OPERATING COST</b>	5,624,750	5,090,055	111%
	<b>INCOME</b>			
6,370	Targeted Rates	5,160	6,312	82%
854,421	Development Contributions	716,153	341,306	210%
405,300	Fees and Recoveries	536,078	361,760	148%
1,266,091	<b>TOTAL INCOME</b>	1,257,391	709,378	177%
3,371,134	<b>NET COST OF SERVICE (SURPLUS)</b>	4,367,359	4,380,677	100%
	<b>TOTAL FUNDS REQUIRED</b>			
3,371,134	Net Cost of Service (Surplus)	4,367,359	4,380,677	100%
2,085,342	Capital	822,267	1,576,996	52%
858,936	Loan Principal Repaid	705,539	853,534	83%
-	Transfer to Restricted Reserves	360,541	151,306	238%
6,315,412		6,255,706	6,962,513	90%
	<b>SOURCE OF FUNDS</b>			
2,838,880	General Rates	3,033,215	3,007,417	101%
223,873	Sundry Income	194,648	197,669	98%
1,276,727	Loans Raised	997,336	1,038,400	96%
(419,851)	General Funds	(966,082)	-	-
3,919,629		3,259,117	4,243,486	77%
	<b>NON- FUNDED DEPRECIATION</b>			
2,395,783	Depreciation to be funded at income statement level	2,996,589	2,719,027	110%
6,315,412		6,255,706	6,962,513	90%

Note: Council has reduced some of the non-subsidised roading projects to offset the cost over-runs in subsidised roading projects

## Aerodromes

### What We Do

This activity encompasses the management of assets at the aerodrome at Motueka and the aerodrome at Takaka, which is operated and maintained for design airplanes at/or below 5700kg maximum capacity take-off weight. Both aerodromes provide a service for light aircraft and helicopters. The aerodromes are managed with the objective of being financially self-supporting. In addition, available land is leased and occupied with buildings generally associated with aviation.

The total value of aerodrome assets as at 30 June 2007 is \$4,218,000.

### Why We Do It

Council has no legal obligation to provide this service. However, Council justifies this activity because aerodromes have a public value and Council considers that the assets are important to the community.

### Our Goal

We aim to provide the level of service that achieves customer expectations at a reasonable price and in a manner that minimises conflict within the community.

### Our Level of Service

- Council will manage all aerodrome activities in a sustainable manner and in accordance with civil aviation legislation, and Council legislative responsibilities.
- Council will maintain all Council-owned aerodrome assets to an appropriate standard both in terms of operational needs and asset value.
- Adequate facilities are in place to meet the reasonable user demands and future needs are budgeted for on a user pays basis.

### How we measure progress

Council's practices reflect legal requirements.	There have been no instances of Council practices not reflecting legal requirements during the year.
All aerodrome assets, runways, navigational aids access areas will be maintained to TDC and standards agreed with the Civil Aviation Authority (CAA).	TDC and CAA standards have been met.
All matters affecting the operation of the aerodrome are notified in accordance with CAA requirements.	All matters affecting the operation of the aerodrome have been notified in accordance with CAA requirements.

### Major Activities 2006-2007

Capital Works		
During the 2006/2007 financial year Council proposes to undertake the following capital works.		
Activity	Budget \$	
Motueka Airport – Security Camera	7,500	This project had not commenced by 30 June 2007. The project has been put on hold and is currently being reviewed

June 06 Actual \$	Aerodromes	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
6,597	Takaka	3,313	18,786	18%
50,493	Motueka	49,991	54,546	92%
2,949	Loan Interest	3,016	2,565	118%
41,264	Depreciation	46,108	45,174	102%
101,303	<b>TOTAL OPERATING COST</b>	102,428	121,071	85%
	<b>INCOME</b>			
60,971	Fees and Recoveries	63,632	60,000	106%
60,971	<b>TOTAL INCOME</b>	63,632	60,000	106%
40,332	<b>NET COST OF SERVICE (SURPLUS)</b>	38,796	61,071	64%
	<b>TOTAL FUNDS REQUIRED</b>			
40,332	Net Cost of Service (Surplus)	38,796	61,071	64%
36,976	Capital	20,000	7,500	267%
3,476	Loan Principal Repaid	4,778	5,483	87%
80,784		63,574	74,054	86%
	<b>SOURCE OF FUNDS</b>			
12,582	General Rates	23,122	22,925	101%
4,669	Sundry Income	4,061	4,124	98%
22,269	General Funds	(9,717)	1,831	-531%
39,520		17,466	28,880	60%
	<b>NON- FUNDED DEPRECIATION</b>			
41,264	Depreciation to be funded at income statement level	46,108	45,174	102%
80,784		63,574	74,054	86%

## Coastal Structures

### What We Do

This activity comprises the provision and maintenance of some of the District wharves, jetties, and associated buildings, as well as the navigational aids, boat ramps, road access and parking that provide safe access to significant parts of the District coastal facilities for recreation and commercial users. The provision of some of the structures for coastal protection also forms part of this activity.

Some previously District-owned structures have been transferred to other parties such as the wharf at Motueka to Talley Industries and other minor structures such as the wharves at Collingwood, Milnethorpe and Waitapu that belong to the Department of Conservation.

Assets currently in this activity include:

- Ownership of wharves at Tarakohe, Mapua and Riwaka
- Responsibility for ports at Tarakohe and Motueka
- Jetties (such as Torrent Bay), boat ramps, navigational aids, and moorings
- Coastal protection works at Ruby Bay and Marahau
- The navigation aids associated with harbour management

The total value of coastal structure assets as at 30 June 2007 is \$12,158,000.

### Why We Do It

Council has a responsibility as a Regional Authority to manage coastal structures that they own or that have no other identifiable owner/operator. Council has further responsibilities as a Harbour Authority.

Council considers its involvement in the continued ownership and responsibility for the coastal assets justified because their assets and associated activities have a public value, and the community preference is for Council to retain

management of assets that are important to the community. In addition, local government has access to more favourable financing options for this particular activity, and the provision of coastal assets and services that have a high community value is considered to be a core function of local government.

### Our goal

Coastal infrastructure is developed to facilitate the achievement of Council-Community development visions.

### Our Level of Service

- The community will have sufficient opportunity to provide input on strategic plans for coastal activities.
- Council will manage all coastal activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consents.
- Where Council considers a new facility such as coastal protection is needed, Council will proactively sponsor its development.
- Council manages the coastal services to a level that satisfies the community.
- All customers will be treated in a fair, consistent and respectful way.
- Council will provide safe wharves, mooring and access structures that are effective for their intended use.
- Adequate facilities are in place to meet the reasonable user demands.

## How we measure progress

A programme for community consultation (which is consistent with the LGA 2002) is in place and implemented.	A programme for community consultation (such as the Annual Plan and specific project consultation) is in place and implemented.
No abatement notices for breaches of resource consents.	There were no abatement notices issued.
Contracts, Council documents and Council management practices reflect resource consents.	All contracts, Council documents and management practices reflect resource consents.
Feasibility plans for new facilities made available to the community.	Any feasibility plans for new facilities are made available to the public.
Survey shows customers are satisfied with the coastal structure services they receive. Target 70%	No public satisfaction survey seeking this information was undertaken during the financial year.
Surveyed customers are satisfied with the customer service provided in their dealings with the Council. Target 85%	The latest survey data provided to Council records an overall satisfaction rating of 83%.
Structures are maintained at a level that is acceptable for their intended use and where appropriate the Maritime Safety Authority Standards.	All structures are maintained to a level that is acceptable for their intended use and, where appropriate, the Maritime Safety Authority Standards.
Operative risk management in place and planned mitigation measures completed. Closures are notified within 24 hours.	Operative risk management programme is in place and planned mitigation measures are completed.

## Major Activities 2006-2007

<b>Capital Works</b>		
<b>During the 2006/2007 financial year Council proposed to undertake the following capital works.</b>		
<b>Activity</b>	<b>Budget \$</b>	
Port Motueka – Investigation and report on options for draught improvements	50,000	This project had not commenced by 30 June 2007 and has been included in the 2007/2008 Annual Plan.
District-wide – Boat ramp upgrades	15,000	This project had not commenced by 30 June 2007. District-wide boat ramp upgrades are currently under investigation.

Note: The Old Mill Walkway Reserve – Coastal Erosion Protection Stage 1 project which was to commence in the 2007/2008 financial year was brought forward to begin in June 2007. A tender has been awarded for \$333,561 and work had commenced by 30 June 2007.

June 06 Actual \$	Coastal Structures	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
36,476	Motueka	61,859	30,484	203%
75,165	Tarakohe	82,641	63,000	131%
88,559	District Wharves & Boat Ramps	78,076	99,045	79%
374,796	Loan Interest	370,577	421,858	88%
239,178	Depreciation	266,513	261,114	102%
814,174	<b>TOTAL OPERATING COST</b>	859,666	875,501	98%
	<b>INCOME</b>			
17,440	Targeted Rates	17,494	26,167	67%
413,749	Fees and Recoveries	464,513	485,000	96%
431,189	<b>TOTAL INCOME</b>	482,007	511,167	94%
382,985	<b>NET COST OF SERVICE (SURPLUS)</b>	377,659	364,334	104%
	<b>TOTAL FUNDS REQUIRED</b>			
382,985	Net Cost of Service (Surplus)	377,659	364,334	104%
61,091	Capital	184,098	65,000	283%
545,553	Loan Principal Repaid	357,642	248,594	144%
9,351	Transfer to Restricted Reserves	22,603	-	-
998,980		942,002	677,928	139%
	<b>SOURCE OF FUNDS</b>			
139,014	General Rates	351,769	348,777	101%
35,900	Sundry Income	31,228	31,713	98%
243,000	Loans Raised	-	50,000	0%
341,888	General Funds	292,492	(13,676)	-2139%
759,802		675,489	416,814	162%
	<b>NON- FUNDED DEPRECIATION</b>			
239,178	Depreciation to be funded at income statement level	266,513	261,114	102%
998,980		942,002	677,928	139%

# Sanitation, Drainage and Water Supply

## Policy and Objective

The objective of Sanitation, Drainage and Water Supply is to maintain and enhance the Council infrastructure which services dry and wet waste and to minimise the impacts of erosion and flooding. The objective of water supply is to supply potable quality water and maintain and enhance the District's water supply infrastructure.

## Nature and Scope

There are five significant areas under which this activity is performed by Council

- a) **Refuse** – operation of collection services, transfer stations and landfill sites. The development of landfill sites to a minimum District standard.
- b) **Wastewater** – maintenance and development of a wastewater disposal and treatment infrastructure within the Tasman District.
- c) **Stormwater** – maintenance and development of a stormwater infrastructure within the Tasman District.
- d) **Rivers** – establishment and maintenance of river and flood management within the Tasman District.
- e) **Water Supply** – operate and maintain 16 urban and rural water supply schemes throughout the District, the main ones being located in Waimea, Richmond, Brightwater/Hope and Wakefield. Council meters its urban water supply.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our unique and special natural environment is bountiful, healthy, clean and protected.
- Our built urban and rural environments are functional, pleasant, safe and sustainably managed.
- Our transport and essential services are sufficient, efficient and sustainably managed.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our growing and sustainable economy provides opportunities for us all.

June 06 Actual \$	SANITATION, DRAINAGE & WATER SUPPLY	June 07 Actual \$	June 07 Budget \$	% of Budget
3,339,122	Refuse	3,771,917	3,474,093	109%
5,845,400	Wastewater	6,642,171	6,614,503	100%
1,550,879	Stormwater	1,784,716	1,743,339	102%
1,380,142	Rivers	1,355,953	1,458,900	93%
4,927,627	Water Supply	5,740,615	4,756,099	121%
17,043,170	TOTAL COSTS	19,295,372	18,046,934	107%



## Refuse

### What We Do

This activity encompasses the provision of integrated waste management services to all residents in the Tasman District. It includes refuse collection services, disposal services through four Resource Recovery Centres (in Richmond, Mariri, Takaka, and Collingwood) and two landfills (at Eves Valley and Murchison), and waste recycling services through a kerbside collection service and the provision of drop-off facilities. In addition, there are two reuse facilities parks at the Richmond and Takaka Resource Recovery Centres (RRCs).

Council continues responsible management of the District's assets in this activity on behalf of customers and stakeholders and assists with the achievement of strategic goals and statutory compliance.

Following on from the policy direction established in the Waste Management Plan (2003), Council has resolved to deliver the refuse service as follows:

- Asset management services are provided by Council's Engineering Department
- Consultants MWH New Zealand Ltd provide professional services and administers the operations and maintenance contracts
- Solid Waste services are provided by:
  - Refuse Haulage and Landfill Operation
  - Solid Waste Management Operations
  - Greenwaste Processing
  - Murchison Refuse Operations
  - Waste Education

Council's main aim for solid waste management through these contracts is to minimise waste disposal to landfill, and to promote a culture of waste reduction, reuse, and recycling in Tasman District.

The total value of refuse assets as at 30 June 2007 is \$2,497,000.

### Why We Do It

The Local Government Act 2002 (LGA) requires a territorial authority to promote effective and efficient waste management within its District. The LGA also gives the Council the legal authority to be involved in the provision of refuse services.

Council has resolved that the best method of ensuring that waste management services remain available and affordable is for Council to maintain ownership of refuse disposal facilities. The collection of kerbside residual refuse and recyclables by Council from residential properties will be continually reviewed, however, currently it is very much part of a strategy to promote a reduction in the overall amount of waste disposal to landfills. Method 43a in the Tasman District Council Waste Management Plan provides for implementing bylaws and/or licensing of waste collection operators.

### Our Goal

Council's long-term goal for refuse management is to achieve zero waste to landfill or other disposal.

### Our Level of Service

- Solid Waste Asset Management Plan is in alignment with Council's vision.
- The community will have sufficient opportunity to provide input on strategic planning for solid waste.
- Resource consents for all facilities are adhered to and conditions and monitoring requirements complied with.
- Properties within the targeted rating area have access to Council's kerbside recycling and residual refuse bag collection service.
- Council manages the solid waste services to a level that satisfies the community.
- All customers will be treated in a fair, consistent and respectful way.
- Council will provide solid waste services that are clean and efficient.
- Council will operate a reliable collection service.

## How we measure progress

Annual audits confirm that Council's Solid Waste Asset Management Plan (AMP) includes planning for the future that the community strives for.	The Solid Waste AMP was revised in July 2007. The AMP and Waste Management Plan (WMP) were reviewed for progress in June 2006. Some differences were identified which will be addressed in the review of the WMP in 2008.
A programme for community consultation (which is consistent with the LGA 2002) is in place and implemented.	A programme for community consultation (such as the Annual Plan and specific project consultation) is in place and implemented.
95% minimum compliance with all consents and / or operating conditions.	<p>Regular inspections of landfills &amp; RRC sites have been carried out with no significant issues of non compliance with operating conditions being identified.</p> <p>Consents have been obtained for Eves Valley LFS, Richmond RRC, Takaka RTS and Collingwood RTS. Consents are still needed for Mariri and Murchison RTS.</p> <p>95% of consent conditions are being complied with at Collingwood, 89% of consent conditions are being complied with at Takaka and 82% of consent conditions are being complied with at Eves Valley.</p> <p>At Richmond 38% of consent conditions are being complied with, however the remaining 62% of conditions relate to the monitoring of the site and sampling of sediments being discharged from the site. Currently no sediment leaves the site and therefore cannot be collected and analysed. Further review of these conditions will be required over the next year to ensure that ongoing compliance can be measured.</p> <p>Further monitoring is required at Takaka and Richmond to bring compliance up to 95%.</p> <p>Eves Valley LFS monitoring results continue to exceed monitoring criteria; however 90% of the groundwater monitoring results which exceed the monitoring criteria are significantly lower than the background sample. Further review of these conditions will be required over the next year to establish a new baseline for compliance.</p>
Survey shows that 61% of customers are satisfied with the rubbish collection and kerbside recycling services.	Council's latest public survey records the Council as receiving a 71% satisfaction rating for services provided to rubbish collection and kerbside recycling.
Survey shows 65% of customers surveyed are satisfied with the customer service provided in their dealings with Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
All Council RRCs will be audited on a monthly basis and achieve an annual average of 80%.	Resource recovery centre sites are inspected on a monthly basis, except Collingwood and Murchison which are visited on a bi-monthly basis. A specific scoring process has not been fully implemented following disagreement with the contractor over key performance indicators. All sites have shown a steady improvement in appearance and operation during the first three years of the current contract.
Kerbside recycling containers and refuse bags are collected on the scheduled day. Missed collections are responded to within 24 hours of notification.	Collection has occurred on the scheduled day except in exceptional circumstances. The contractor provides electronic evidence of vehicle movements on request of Council. The contractor manages customer requests in the first instance. Customer feedback elevated to Council has averaged one per two months for recycling and one per month for rubbish bag collection. There have been a very small number of isolated problems in servicing particular properties which the contractor is making a significant effort to resolve.
All developed properties within the rating area will be provided with a recycling bin and purchased refuse bags collected in the rating area.	An amended policy providing for free additional and replacement recycling bins was implemented in December 2006. Since then 900 additional bins have been provided. Refuse bags continue to be available for sale at Council offices and retail outlets.

## Major Activities 2006-2007

Capital Works		
During the 2006/2007 financial year Council proposed to undertake the following capital works.		
Activity	Budget \$	
Provision of commercial recyclable collection containers	30,000	This project had not commenced by 30 June 2007. These funds are proposed to part-fund the construction of glass handling facilities at the Richmond RRC, which will commence in 2007/2008.
Weighbridge and swipe-card system	75,000	A request for tenders was issued in March 2007 and a final tender awarded in June 2007. Work is scheduled to be complete in first quarter 2007/2008.
REFUSE STATION SITE DEVELOPMENT: Collingwood Resource Recovery Centre	11,200	Work on improved access and recycling facilities commenced in October 2006 and is complete. There has been \$10,127 spent on this activity to 30 June 2007.
Takaka Resource Recovery Centre	39,200	There has been \$20,212 spent on this activity to 30 June 2007, with kiosk improvements and ablutions completed.
Mariri Resource Recovery Centre	170,240	There has been \$93,757 spent on this activity to 30 June 2007. Construction of a new kiosk, oil storage facilities and pavement and drainage improvements were completed. Further improvements around the pit area have been delayed to coincide with the weigh-bridge installation in 2007/2008.
Richmond Resource Recovery Centre	81,800	There has been \$49,016 spent on this activity to 30 June 2007. Tenders for site improvements (glass handling, improved load-out, drainage and traffic layout) were called in the fourth quarter but all tenders were declined due to cost. A revised schedule of work is proposed for 2007/2008.
Murchison Landfill new cell construction, site development and flood protection works	97,440	There has been \$58,896 spent on this activity to 30 June 2007. Tender documents were prepared for construction of either two new landfill cells or transfer station works. The tenders closed after 30 June 2006 and the works are proposed in the 2007/2008 year.
Murchison Landfill Resource Consent	60,000	This project had not commenced by 30 June 2007. A decision on the long-term use of the landfill will be made after evaluation of the above tenders.
Eves Valley landfill site development	9,000	Physical works to support the next 'lift' at the landfill were completed. There has been \$33,538 spent on this activity to 30 June 2007.
Closed landfill improvement and protection works	39,200	Site improvements at the Hault Valley site were completed. Council took legal possession of the former landfill site on Waiwhero Road in the third quarter. Further works at the Waiwhero Road and the Rototai sites were completed in the fourth quarter. There has been \$21,952 spent on this activity to 30 June 2007.

June 06 Actual \$	Refuse	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
2,884,470	Kerbside and Resource Recovery Parks	2,734,278	2,084,061	131%
173,611	Waste Minimisation	148,161	268,969	55%
52,459	Landfills	601,393	871,235	69%
124,710	Loan Interest	135,772	123,242	110%
103,872	Depreciation	152,313	126,586	120%
3,339,122	<b>TOTAL OPERATING COST</b>	<b>3,771,917</b>	<b>3,474,093</b>	<b>109%</b>
	<b>INCOME</b>			
784,843	Targeted Rates	1,453,546	1,466,148	99%
1,296,955	Fees and Recoveries	1,641,386	1,341,614	122%
2,081,798	<b>TOTAL INCOME</b>	<b>3,094,932</b>	<b>2,807,762</b>	<b>110%</b>
1,257,324	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>676,985</b>	<b>666,331</b>	<b>102%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
1,257,324	Net Cost of Service (Surplus)	676,985	666,331	102%
80,182	Capital	307,501	642,280	48%
152,566	Loan Principal Repaid	90,389	182,415	50%
1,490,072		1,074,875	1,491,026	72%
	<b>SOURCE OF FUNDS</b>			
598,445	General Rates	642,954	637,485	101%
203,143	Sundry Income	176,704	179,446	98%
-	Loans Raised	217,340	587,240	37%
584,612	General Funds	(114,436)	(39,731)	288%
1,386,200		922,562	1,364,440	68%
	<b>NON- FUNDED DEPRECIATION</b>			
103,872	Depreciation to be funded at income statement level	152,313	126,586	120%
1,490,072		1,074,875	1,491,026	72%

## Wastewater

### What We Do

This activity encompasses the provision of wastewater treatment facilities and wastewater collection systems to the residents of 15 wastewater systems within the region of Tasman District. The assets used to provide this service includes 300 kms of pipelines, 1,704 manholes, 76 wastewater pump stations and seven wastewater treatment plants.

Tasman District Council and Nelson City Council are equal joint owners of the Nelson Regional Sewerage Business Unit (NRSBU). The treatment plant which is located at Bell's Island treats sewage from Wakefield, Brightwater, Richmond, and Mapua/Ruby Bay.

The total value of wastewater assets as at 30 June 2007 is \$72,716,000.

### Why We Do It

Council is required by law and community expectation to maintain existing wastewater network services for the purposes of safeguarding community health and promoting community wellbeing.

### Our Goal

The Council aims to provide cost-effective and sustainable wastewater systems to the District's communities in a manner that meets environmental standards and the agreed levels of service.

### Our Level of Service

- Council wastewater AMP in alignment with Council's vision and forward plans.
- The community will have sufficient opportunity to provide input on strategic plans for wastewater.
- Council will operate all wastewater supply activities in a sustainable manner in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consent.
- To provide the reticulation necessary for every rateable property inside urban drainage areas to connect to the wastewater system.
- Council manages the wastewater services to a level that satisfies the community.
- All customers will be treated in a fair, consistent and respectful way.
- All treatment plants and discharges into the environment are properly consented and complying with consent conditions.
- Adequate facilities are in place to avoid service faults.

### How we measure progress

Public outreach for community involvement has occurred.	A programme for community consultation (such as the Annual Plan and specific project consultation) is in place and implemented.
Council's Wastewater Activity Management Plan, Water and Sanitary Services Assessment and LTCCP are available to the public in Council libraries and service centres.	Council's Wastewater Activity Management Plan, Water and Sanitary Services Assessment and LTCCP are available to the public in all Council libraries and service centres.
The level of overflows into the environment from wastewater pumping stations and treatment facilities will be kept to below a sustainable level.	Overflows are monitored via Council's confirm database to ensure that the overflows do not exceed the level of service as stated in Council's Activity Management Plan. There were 56 incidents of overflows during the year (cf 68 in 2005/2006). Target of 40 per Activity Management Plan.
Record any properties that are unable to connect to the wastewater systems by gravity. Target 95% connection	All new residential lots within subdivisions are designed to accommodate gravity reticulation to all properties.
Survey shows 80% of customers are satisfied with the wastewater service they receive.	Current public survey data reports Council as attaining an 85% level of residents being "at least satisfied".
Surveys show 65% of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
All discharges consented	Council monitors its individual discharge consents particular to each site. All discharges are consented with no abatement notices being issued during the year in regard to non-compliance.
50% of pump stations have telemetry to allow automatic communication of failures.	This target has been met with 57% of the pump stations having telemetry.

## Major Activities 2006-2007

Capital Works		
During the 2006/2007 financial year Council proposed to undertake the following capital works.		
Location and Description	Budget \$	
TREATMENT PLANT UPGRADES: Collingwood	233,400	Council is currently pursuing a resource consent for the upgrade and desludging with the consent expected to be obtained before 31 December 2007. As a result no desludging will occur during the 2006/2007 year. There has been \$5,737 spent on this activity to 30 June 2007.
Motueka	302,700	Council is currently working through the issues of obtaining a resource consent. There has been \$79,526 spent on this activity to 30 June 2007.
Takaka	1,804,500	Five new bores have been installed at the wastewater treatment plant (WWTP). These bores were tested over the Christmas 2006 period (maximum loading). Will continue in the remainder of year to get resource consent with the upgrade commencing in the 2007/2008 financial year. There has been \$136,614 spent on this activity to 30 June 2007.
Tapawera	135,500	Council is reviewing the entire Tapawera WWTP upgrade options. Budgets have been included in the 2007/2008 Annual Plan to undertake work.
Upper Takaka	180,000	Council has now gained a resource consent. Minor upgrading will be completed during the 2007/2008 financial year. There has been \$29,769 spent on this activity to 30 June 2007.
Continue to progress pipeline replacements across all schemes where pipes are failing.	543,499	The CCTV contract has been completed. CCTV work in Motueka highlighted pipework replacements in the Courtney Street area. This work was completed in July 2007 with \$105,561 spent on this activity to 30 June 2007.
Upgrade the pumping system and storage at Collingwood	83,000	Design work on this project is underway and \$20,344 has been spent on this activity to 30 June 2007.
Motupipi Street, Takaka upgrade	263,000	This project was completed in May 2007 at a cost of \$392,258 and was undertaken in conjunction with the Takaka sewer upgrade.
The Pohara/Tata Beach reticulation and pump station upgrade to be undertaken in stages over the 10 year period and associated pipelines. The first five pump stations will be addressed within the first three years.	380,000	Land acquisition is complete and the work will be tendered with the Cassidy Corner upgrade. There has been \$70,464 spent on this activity to 30 June 2007.
Completion of the Brightwater to Richmond trunk main upgrade: Three Brothers Corner – Jubilee Park	700,000	This project has been completed at a cost of \$703,495.

June 06 Actual \$	Wastewater	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
4,384,147	Maintenance	4,217,682	4,677,789	90%
466,357	Loan Interest	1,088,873	767,097	142%
994,896	Depreciation	1,335,616	1,169,617	114%
5,845,400	<b>TOTAL OPERATING COST</b>	6,642,171	6,614,503	100%
	<b>INCOME</b>			
187,568	Development Contributions	542,783	1,342,872	40%
655,066	Fees and Recoveries	50,420	604,320	8%
4,445,907	Targeted Rates	5,158,612	5,198,030	99%
5,288,541	<b>TOTAL INCOME</b>	5,751,815	7,145,222	80%
556,859	<b>NET COST OF SERVICE (SURPLUS)</b>	890,356	(530,719)	-168%
	<b>TOTAL FUNDS REQUIRED</b>			
556,859	Net Cost of Service (Surplus)	890,356	(530,719)	-168%
6,448,384	Capital	2,713,517	5,400,723	50%
536,156	Loan Principal Repaid	468,884	717,481	65%
-	Transfer to Restricted Reserves	668,056	119,181	561%
7,541,399		4,740,813	5,706,666	83%
	<b>SOURCE OF FUNDS</b>			
368,634	Sundry Income	320,657	325,633	98%
6,565,260	Loans Raised	3,084,540	4,211,416	73%
(387,391)	General Funds	-	-	-
6,546,503		3,405,197	4,537,049	75%
	<b>NON- FUNDED DEPRECIATION</b>			
994,896	Depreciation to be funded at income statement level	1,335,616	1,169,617	114%
7,541,399		4,740,813	5,706,666	83%

## Stormwater

### What We Do

Council focuses on directing the rain runoff from properties, buildings and road reserves into a combination of open or closed channels, pipes and reservoirs, whilst also considering the bigger picture, including natural waterways, the environment and community needs.

The total value of stormwater assets as at 30 June 2007 is \$53,664,000.

### Why We Do It

The Council has no statutory obligation to provide for private stormwater runoff. However, Council does have a duty of care to ensure that any runoff from its own properties is remedied or mitigated. Because most of its property is mainly in the form of impermeable roads in developed areas, this generally means that some level of reticulation system is constructed. The presence of this system then becomes the logical network for private stormwater disposal. Consequently, the stormwater systems in the Tasman District are a mixture of private and public drains.

### Our Goal

We aim to provide an acceptable level of flood protection in each of the 10 Urban Drainage Areas (UDAs) and the remaining district stormwater areas.

### Our Level of Service

- Council stormwater AMP in alignment with Council's vision and forward plans.
- The community will have sufficient opportunity to provide input on strategic plans for stormwater.
- The community is involved in decision-making on development of new UDAs or the extension of existing UDAs.
- Council will operate all stormwater activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their respective resource consents.
- Where significant investment is needed outside urban drainage areas, Council will consult with the community on the development of an urban drainage area or alternative mechanism to secure funding.
- Council manages the stormwater services to a level that satisfies the community.
- All customers will be treated in a fair, consistent and respectful way.
- Reticulation systems to prevent surface ponding / flooding of private property in all storms up to and including a 1 in 5 year event.
- Systems are maintained such that the hydraulic capacity is retained for the life of the assets. A proactive maintenance regime is undertaken to extend the life of the assets and to minimise.

### How we measure progress

Does Council Stormwater AMP adequately forecast growth and include plans to provide infrastructure to adequately service new development areas.	The areas defined by growth have been allowed for within the LTCCP. Areas outside of these growth areas have meant some revision.
A programme for community consultation (which is consistent with the LGA 2002) is in place and implemented.	A programme for community consultation (such as the Annual Plan and specific project consultation) is in place and implemented.
Special consultative procedures are followed to support decision-making on new or extended UDAs.	New or extended UDAs are identified in the Annual Plan. There were no new or extended UDAs during the current financial year.
No abatement notices for breaches of resource consents.	No abatement notices were issued. (2005/2006: Nil)
Where a community or Council identify such a need, Council will consult on the need for a UDA.	No new UDAs have been identified.
Survey shows 80% of customers are satisfied with the stormwater service they receive.	Most recent public survey data records Council as receiving an 85% rating of "at least satisfied" with the stormwater services residents received.
Survey shows 65% of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
Hydraulic analysis, catchment modelling, flood inspection and catchment planning investigations show that the system can drain a 1 in 5 year event without surface flooding.	Hydraulic modelling is complete for Richmond and progressing for Motueka. This modelling in time will be extended throughout the District. The results of the modelling reflect the limitations of the old Borough design criteria (ie a Q2 storm event) or a 1:1 year event. These limitations to the existing network will be addressed in future LTCCPs.
Operative risk management in place and planned mitigation measures completed	Operative risk management plan has not been completed. Council will endeavour to include this as part of the next review of the Activity Management Plans.



## Major Activities 2006-2007

<b>Capital Works</b>		
<b>During the 2006/2007 financial year Council proposed to undertake the following capital works.</b>		
<b>Location and Description</b>	<b>Budget \$</b>	
Widen Borck's Creek along Headingly Lane	740,000	Land required for this project has recently been purchased. A tender has recently been let for \$174,224 for the middle section of Borck's Creek.
New channel from Poutama Street to Borck's Creek to divert stormwater away from the Gladstone Road system.	468,000	Land acquisition issues need to be resolved for this project to continue. This project has been deferred and is included in the 2007/2008 Annual Plan.
Diversion pipe work and channel to relieve flooding in Hunt/Lowry Street.	297,500	This project had not commenced by 30 June 2007 and will not be undertaken until the next financial year due to land acquisition issues. This project has been deferred and is included in the 2007/2008 Annual Plan.
Upgrade Jeffries Creek and construct detention storage.	600,000	No work has progressed due to land entry issues. The project is on hold subject to the Motueka growth strategy report.
New cut-off drain in West Motueka area.	131,500	Consultation with community and landowners has commenced.
Improve and widen the causeway outfall structure in Mapua.	124,400	Work commenced on this project in September 2006 and is ongoing. There has been \$73,007 spent on this activity to 30 June 2007.

June 06 Actual \$	Stormwater	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
297,831	Richmond	466,192	417,806	112%
117,584	Motueka	91,329	93,021	98%
59,540	Mapua/Ruby Bay	47,026	131,602	36%
136,742	Brightwater	78,861	133,955	59%
28,828	Wakefield	24,222	23,455	103%
39,819	Takaka	19,210	24,259	79%
9,519	Murchison	12,023	13,005	92%
252,008	General District	197,732	118,544	167%
191,384	Loan Interest	323,863	306,051	106%
417,624	Depreciation	524,258	481,641	109%
1,550,879	<b>TOTAL OPERATING COST</b>	<b>1,784,716</b>	<b>1,743,339</b>	<b>102%</b>
	<b>INCOME</b>			
81,624	Development Contributions	126,519	306,144	41%
16,248	Fees and Recoveries	20,938	5,004	418%
1,452,295	Targeted Rates	1,606,378	1,539,768	104%
1,550,167	<b>TOTAL INCOME</b>	<b>1,753,835</b>	<b>1,850,916</b>	<b>95%</b>
712	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>30,881</b>	<b>(107,577)</b>	<b>-29%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
712	Net Cost of Service (Surplus)	30,881	(107,577)	-29%
1,513,645	Capital	1,075,584	2,452,400	44%
-	Transfer to Restricted Reserves	1,041,290	66,539	1565%
254,788	Loan Principal Repaid	196,598	357,954	55%
1,769,145		2,344,353	2,769,316	85%
	<b>SOURCE OF FUNDS</b>			
1,230,184	Loans raised	1,710,287	2,176,163	79%
126,377	Sundry Income	109,808	111,512	98%
(5,040)	General Funds	-	-	-
1,351,521		1,820,095	2,287,675	80%
	<b>NON- FUNDED DEPRECIATION</b>			
417,624	Depreciation to be funded at income statement level	524,258	481,641	109%
1,769,145		2,344,353	2,769,316	85%

## Rivers

### What We Do

Many thousands of kilometres of rivers are located within Tasman District. The rivers activity encompasses the operations and maintenance of 290 kilometres of these rivers, providing protection works to a minimum standard. Council adopts a differential rating system on the land value of rateable property for the purpose of management of riverworks. The level of maintenance works are based on the river sections rating class.

Three Classes have been adopted, namely Classes X, Y and Z:

- Class X being property to receive a direct benefit and protected by stopbanks designed to a minimum standard (75.7 km).
- Class Y being property to receive a direct benefit but not protected by stopbanks (214 km).
- Class Z being the balance of the Tasman District (considered to receive an indirect benefit).

Council involvement in rivers outside the classification scheme is limited to carrying out river and soil conservation works which have some definable community benefit. These are not Council-owned assets as the landowner takes over ownership and ongoing responsibility to maintain the asset. However these works are an integral part of the river control system.

The total value of river assets as at 30 June 2007 is \$31,799,000.

### Why We Do It

Council is required by law to manage the river network, promote soil conservation and mitigate damage caused by floods.

### Our Goal

We aim to maintain river systems in a cost-effective manner in such a way that the communities and individual landowners are provided with protection and management systems to a level acceptable to that community taking into account affordability.

### Our Level of Service

- Where Council has development plans in place, there is a complementary river protection and flood mitigation plan in place where the need exists.
- The community will have sufficient opportunity to provide input on strategic plans for river protection and flood mitigation programmes.
- Council will operate all rivers activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consents.
- To ensure that adverse effects of river maintenance works are avoided, mitigated or remedied to a level that achieves 100% compliance with resource consents.
- Existing schemes are maintained in accordance with design levels of service as far as practicable.
- Council manages the river maintenance programme to a level that satisfies the community.
- Council will provide a customer service 24 hours a day, 7 days a week.
- Prevention of flooding to the level of service stated in the scheme design.
- Systems are maintained such that the hydraulic capacity is retained in accordance with the design level of service.

## How we measure progress

Investigations complete and plans prepared in a timely manner in accordance with need.	Three small projects were held up by Resource Management Act (RMA) requirements. These will be completed in the 2007/2008 financial year.
Special consultative procedures are followed to support decision-making on new or extended river management and flood control schemes.	River rating review experienced problems with data analysis. New procedures are being developed during the 2007/2008 financial year.
Contracts, Council documents and Council management practices reflect resource consents and appropriate best environmental practices.	All work is carried out in accordance with NN010109 and weed spray RMA consents.
Monitoring of works as required by resource consents.	MWH NZ Ltd audit Sicon Contracting monthly for compliance of contract conditions. There were no breaches during the year.
Council prepares and administers an appropriate River Maintenance Contract to achieve the level of service.	Contracts 666 (Sicon Physical Works) and 461 (MWH Professional Services) have been prepared and administered to achieve the level of service. Council assess once a month (using a scoring system) with MWH NZ Ltd whether the levels of service requirements have been met.
Council manages the river management rating funds within 10% of budget.	Council has satisfied this objective with both income and operating costs being within 10% of budget.
Survey shows 85% of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
Hydraulic analysis, catchment modelling, flood inspection and catchment planning investigations show flood mitigation schemes perform in accordance with the design level of service.	There were no failures of flood defences during the year.
Operative risk management in place and planned mitigation measures completed.	Formal flood mitigation schemes are under review and renewals are being planned.

June 06 Actual \$	Rivers	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
1,356,652	Classified/General District	1,327,269	1,432,361	93%
23,490	Depreciation	28,684	26,539	108%
1,380,142	<b>TOTAL OPERATING COST</b>	1,355,953	1,458,900	93%
	<b>INCOME</b>			
190,857	Fees and Recoveries	175,542	151,000	116%
94,612	Interest Received	67,640	60,000	113%
1,580,761	Targeted Rates	1,871,564	1,758,662	106%
1,866,230	<b>TOTAL INCOME</b>	2,114,746	1,969,662	107%
(486,088)	<b>NET COST OF SERVICE (SURPLUS)</b>	(758,793)	(510,762)	149%
	<b>TOTAL FUNDS REQUIRED</b>			
(486,088)	Net Cost of Service (Surplus)	(758,793)	(510,762)	149%
451,578	Capital	536,805	433,356	124%
-	Transfer to E&P	75,000	75,000	100%
219,612	Transfer to Restricted Reserves	167,640	100,000	168%
185,102		20,652	97,594	21%
	<b>SOURCE OF FUNDS</b>			
148,002	Sundry Income	69,564	70,643	98%
-	Restricted Reserve Applied	-	780	0%
13,610	General Funds	(77,596)	(368)	21086%
161,612		(8,032)	71,055	-11%
	<b>NON- FUNDED DEPRECIATION</b>			
23,490	Depreciation to be funded at income statement level	28,684	26,539	108%
185,102		20,652	97,594	21%

## Water Supply

### What We Do

This activity encompasses the provision of potable water, that is water suitable for use and consumption by humans, to properties within 17 existing and two new water supply areas in the District. The Council's network is extensive and rapidly growing. At present the network comprises approximately 600km of pipeline, 37 pumping stations, 9000 domestic connections, and several reservoirs with a capacity of approximately 12,500 cubic metres of water.

The total value of water assets as at 30 June 2007 is \$66,056,000.

### Why We Do It

Territorial Authorities have numerous responsibilities relating to the supply of water. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that, in the case of the provision of potable water, councils have the obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

### Our Goal

We aim:

- To ensure that adequate potable supplies of water are provided (by either private or public means) for all residential, commercial and industrial buildings (other than single buildings on a single property).

- To ensure that adequate water supplies are available for fire-fighting purposes; and
- To encourage the sustainable use of the limited water resources for agricultural, horticultural, commercial and industrial, and domestic purposes, and to discourage waste,

### Our Level of Service

- Council's water AMP in alignment with Council's vision and forward plans.
- The community will have sufficient opportunity to provide input to strategic plans for water supply.
- Council will operate all water supply activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consents.
- All properties inside Council Water Supply Areas can be connected to a water supply scheme.
- Council manages the water supplies services to a level that satisfies the community.
- All customers will be treated in a fair, consistent and respectful way.
- Council will provide safe and pleasant tasting and looking water that meets the national industry standards and legislative requirements for supply of drinking water.

### How we measure progress

Council water AMP adequately forecasts growth and includes plans to provide infrastructure to satisfactorily service new development areas.	The areas defined by growth have been allowed for within the LTCCP. Areas outside of these growth areas have meant some revision in the LTCCP will be needed.
A programme for community consultation (which is consistent with the LGA 2002) is in place and implemented.	A programme for community consultation (such as the Annual Plan and specific project consultation) is in place and implemented.
Council will operate all water supply activities in a sustainable manner and in accordance with national environmental legislation (Resource Management Act), District Plans (TRMP) and their resource consents.	Council has operated all water supply activities in a sustainable manner and in accordance with environmental legislation, district plans and resource consents.
Number of water supply systems able to service new water supply connections. Target 100%	A moratorium has been placed on all of Council's rural water schemes due to their hydraulic capacity to deliver more water.
Survey shows 83% of customers are satisfied with the water supply service they receive.	Latest information rates Council as having an 85% satisfaction level for services provided to water supply facilities.
Surveys show 65% of customers are satisfied with the customer service provided in their dealings with the Council.	The latest survey data provided to Council records an overall satisfactory rating of 83%.
Monthly testing confirms that water meets the Drinking Water Standards NZ.	All testing was done and recorded in the WINS database. During the course of the year Council had eleven microbiological transgressions. (cf 7 in 2005/2006).

## Performance Targets 2006-2007

<b>Capital Works</b>		
<b>During the 2006/2007 financial year Council proposed to undertake the following capital works.</b>		
<b>Location and Description</b>	<b>Budget \$</b>	
Increase level of storage in various schemes: Brightwater	690,000	Land and entry issues were completed in August 2007. Design work for the new reservoir has commenced, with work going out to tender in August 2007. There has been \$83,347 spent on this activity to 30 June 2007. The original project called for two separate reservoirs to be constructed with the first reservoir scheduled for this financial year and the second reservoir scheduled outside the LTCCP timeframe. As a result of zoning and land issues one large reservoir is now recommended at an additional cost of \$700,000. This project has been included in the 2007/2008 Annual Plan.
Construct elements of the Coastal Pipeline to add a source of supply (Motueka), serve the newly-zoned Coastal Tasman Area (CTA) and improve water storage and delivery to the Mapua/Ruby Bay area.	400,000	There has been \$294,813 spent on this activity to 30 June 2007. A consent for water extraction and borefield has been lodged.
Coastal pipeline/CTA water reticulation.	82,000	The review of reservoir sites on this pipeline has commenced and will be ongoing. There has been \$55,688 spent on this activity to 30 June 2007.
Mapua water supply augmentation.	750,000	This project involves the pipeline from Best Island to Rabbit Island. A tender was awarded for \$433,322 in April 2007. The work was completed in August 2007. There has been \$387,360 spent on this activity to 30 June 2007.
Major pipe work and telemetry upgrades: Telemetry upgrades.	60,000	This project was completed by 30 June 2007 at a cost of \$76,363.

June 06 Actual \$	Water Supply	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
2,466,016	Urban Water	2,619,520	1,994,804	131%
4,817	Takaka	15,871	8,820	180%
124,889	Motueka	159,152	117,897	135%
64,545	88 Valley	46,170	42,437	109%
113,861	Dovedale	158,978	115,241	138%
124,686	Redwood Valley	96,529	95,445	101%
7,646	Hamama	2,772	7,100	39%
18,213	Pohara	15,438	22,735	68%
464,086	Loan Interest	683,621	594,425	115%
1,538,868	Depreciation	1,942,564	1,757,195	111%
4,927,627	<b>TOTAL OPERATING COST</b>	<b>5,740,615</b>	<b>4,756,099</b>	<b>121%</b>
	<b>INCOME</b>			
2,643,940	Targeted Rates	3,512,872	3,018,258	116%
413,427	Development Contributions	329,797	1,060,400	31%
574,731	Fees and Recoveries	336,745	209,191	161%
3,632,098	<b>TOTAL INCOME</b>	<b>4,179,414</b>	<b>4,287,849</b>	<b>97%</b>
1,295,529	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>1,561,201</b>	<b>468,250</b>	<b>333%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
1,295,529	Net Cost of Service (Surplus)	1,561,201	468,250	333%
3,040,992	Capital	3,175,718	3,527,080	90%
-	Transfer to Restricted Reserves	-	947,741	0%
292,953	Loan Principal Repaid	341,540	441,476	77%
4,629,474		5,078,459	5,384,547	94%
	<b>SOURCE OF FUNDS</b>			
91,358	General Rates	91,777	90,996	101%
137,183	Sundry Income	119,235	121,085	98%
120,000	Restricted Reserves Applied	152,763	169,891	90%
1,868,651	Loans Raised	2,772,120	3,245,380	85%
873,414	General Funds	-	-	-
3,090,606		3,135,895	3,627,352	86%
	<b>NON- FUNDED DEPRECIATION</b>			
1,538,868	Depreciation to be funded at income statement level	1,942,564	1,757,195	111%
4,629,474		5,078,459	5,384,547	94%



# Cultural Services

## Policy and Objective

The objective of Cultural Services activities is to fund projects which are aimed at enhancing and enriching the education and cultural environment of the District.

## Nature and Scope

There are two significant areas under which this activity is performed by Council.

**a) Library Services** – the provision of library services to all residents of the Tasman District, through a District Library in Richmond, Branch Libraries in Motueka, Murchison and Takaka, and Link Libraries in Collingwood, Dovedale, Mapua, Tapawera and Wakefield. Library services contribute towards the intellectual and commercial development of the District by assisting people in the process of life-long learning through the use of lending and information services. Reading library books is also a leading recreational activity for all ages.

**b) Cultural Services and Community Grants** – Council will allocate funds from its annual general rate income by way of grants to organisations which predominantly provide community services for the cultural enrichment of residents of the District. In addition, Council also acts as an agent for the distribution of the Creative New Zealand Grants.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.
- Our participatory community contributes to District decision making and development.
- Our built urban and rural environments are functional, pleasant, and safe.

June 06 Actual \$	CULTURAL SERVICES	June 07 Actual \$	June 07 Budget \$	% of Budget
1,688,522	Libraries	1,723,658	1,612,961	107%
310,869	Cultural Services and Community Grants	359,368	420,227	86%
1,999,391	TOTAL COSTS	2,083,026	2,033,188	102%

## Libraries

### What We Do

The role of public libraries is to provide quality services which enrich the life of the community by promoting life-long learning and the creative use of leisure. Tasman District Council provides library services to all residents in the Tasman District through its District Library in Richmond and Branch Libraries in Motueka, Takaka, and Murchison. Council also has Link Libraries in Collingwood, Dovedale, Mapua, Tapawera, and Wakefield.

Services currently provided by the Libraries include:

- Providing a full range of books, talking books, magazines and newspapers, local history information, electronic resources, reference and research books, music CDs, public internet access, telephone directories
- Reserve and inter-loan services
- Children and young adult services including special collections at each library and programmes to support the development of reading skills and enjoyment of reading
- Providing access to information and assistance with finding information
- Providing self-service photocopiers
- Providing display space for community notices
- Providing Tasman District Council information and documents
- Providing work spaces for customers in our libraries
- Providing areas for relaxation and reading in our libraries
- Providing a repository for the written history of the community

### Why We Do It

Council is required by law and community expectation to promote the wellbeing of the communities in the District. This involves developing an informed community whose members are literate and inspired.

### Our Goal

We aim to provide and support services which promote life-long learning and the creative use of leisure.

### Our Level of Service

- We aim to expand on the current level of 56% of the community as active library members and provide a service that is able to meet their library needs.
- We will continue to provide a full range of books, magazines, newspapers, and access to research material.
- Connection to global information via online databases.
- Provide access to a wide range of print and electronic resources and a reference and information service.
- Increase materials budget by 5% per annum until LIANZA Standards for New Zealand Public Libraries are met for collection size.
- Increase capacity to deliver electronic information sources directly to customers, including regular review and upgrade of the library website.
- Council will continue to manage this activity in a sustainable manner giving regard to the demands of growth.

### How we measure progress

The number of items borrowed	Items borrowed at Council's libraries during the 2006/2007 year amounted to 641,554 (2005/2006: 640,219)									
The number of people entering the library buildings	People entering Council's libraries during the 2006/2007 year were 325,724 (2005/2006: 334,170)									
The size of collections and increase in the number of items in the collection	Council's library collection at 30 June 2007 amounted to 129,422 items. (2005/2006: 125,927)									
The use made of value-added services such as the reference service, reservations and inter-library services	Value-added services were well utilised during the year <table border="1"> <thead> <tr> <th></th> <th>2006/2007</th> <th>2005/2006</th> </tr> </thead> <tbody> <tr> <td>Reservations</td> <td>23,433</td> <td>21,185</td> </tr> <tr> <td>Information Services</td> <td>16,472</td> <td>14,656</td> </tr> </tbody> </table>		2006/2007	2005/2006	Reservations	23,433	21,185	Information Services	16,472	14,656
	2006/2007	2005/2006								
Reservations	23,433	21,185								
Information Services	16,472	14,656								

## Major activities 2006/2007

Allow a budget of \$500,000 for either extension of the existing Takaka Library or construction of a new library.	Council accepted a tender of \$692,617 for the design and build of a new library building at Reilly Street, Takaka in March 2007 and the contract with the builder has now been signed. The working drawings are being prepared and work commenced in September 2007.
Upgrade District Library building to deliver services more effectively, using information technology.	The matter is still under consideration as at 30 June 2007.

June 06 Actual \$	Libraries	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
248,344	District Operations	261,827	233,818	112%
653,869	District Library	636,709	637,150	100%
346,177	Motueka Library	344,205	324,786	106%
204,273	Takaka Library	219,807	220,940	99%
3,956	Murchison Library	4,324	5,785	75%
1,399	Link Libraries	1,130	1,895	60%
9,052	Tapawera Library	14,430	13,982	103%
221,452	Depreciation	241,226	174,605	138%
1,688,522	<b>TOTAL OPERATING COST</b>	<b>1,723,658</b>	<b>1,612,961</b>	<b>107%</b>
	<b>INCOME</b>			
256,527	Fees and Recoveries	256,586	250,454	102%
256,527	<b>TOTAL INCOME</b>	<b>256,586</b>	<b>250,454</b>	<b>102%</b>
1,431,995	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>1,467,072</b>	<b>1,362,507</b>	<b>108%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
1,431,995	Net Cost of Service (Surplus)	1,467,072	1,362,507	108%
211,164	Capital	221,263	218,200	101%
1,643,159		1,688,335	1,580,707	107%
	<b>SOURCE OF FUNDS</b>			
1,322,723	General Rates	1,321,427	1,310,188	101%
108,576	Sundry Income	94,448	95,914	98%
(9,592)	General Funds	31,234	-	-
1,421,707		1,447,109	1,406,102	103%
	<b>NON- FUNDED DEPRECIATION</b>			
221,452	Depreciation to be funded at income statement level	241,226	174,605	138%
1,643,159		1,688,335	1,580,707	107%

## Cultural Services and Community Grants

### What We Do

The role of this activity is strengthening communities by providing the resources for community initiatives and community organisations through:

- **Grants:** Council involvement in this activity is to provide resources to enable community groups to achieve their objectives. Grants include School Swimming Pool Subsidy (\$50,000), Community Grants (\$155,000), Tasman \$200 Ships (\$2,000), Mature Person Scholarships (\$5,000), Creative Communities (\$30,000) on behalf of Creative NZ and the SPARC Rural Travel Fund (\$11,207) on behalf of SPARC.
- The community is invited to apply for grants. Applications are available from Council offices and libraries. A special Council committee considers applications.
- **Bishop Suter Art Gallery:** Council will provide an operational grant of \$60,000 in the 2006/2007 financial year and \$70,000 for each of the next nine years identified in this document.
- Following consideration of submissions received during the 2006-2016 LTCCP, Council has decided to increase the funding to the Tasman Bays Heritage Trust (the Museum) by \$143,000 per annum. This amount will be adjusted each year to allow for inflation. This funding represents one-third of the additional funding requested by the Trust, with an expectation that the Nelson City Council also fund \$143,000 and the Trust absorbs or raises the balance. This funding was subject to a number of conditions including a statement of intent and strategic plan being approved by both Councils by 31 October

2006. Council also decided to acknowledge in this plan the long term need for some type of regional storage facility. It is considered that the storage facility at Isel Park will address the medium-term needs covered by the 10 year scope of this plan.

- **Other Funding:** Council provides funding support for Summer Festival and Events provision. In addition, Council normally responds to a funding request from Golden Bay Community Workers.

### Why We Do It

Council is required by law and community expectation to promote the wellbeing of the communities in its District. This requires community growth and participation. Community organisations are often staffed by volunteers, but provide a key service throughout the region. These services require support to remain sustainable.

### Our Goal

Our aim is to support quality cultural and community services that enable participation in suitable, relevant, and enjoyable activities and environments.

### Our Level of Service

- Maintain and support a range of community development and cultural services that meet the varied needs of the community.
- Council will continue to manage this activity in a sustainable manner giving regard to the demands of growth.

### Performance Targets 2006-2007

We measure progress by the levels of resident and visitor satisfaction with Tasman District's art, culture, and recreation experiences.	No measures have been undertaken at this stage. All events undertaken have been well supported.
The numbers of applications received from individuals and organisations for funding rounds.	There were 144 applications received for Grants from rates with 117 applications being successful. For the September 2006 funding round of the Creative Community grants there were 19 applications received with 14 applications being successful. A further 20 applications have been received for the March 2007 funding round with 16 applications being successful. There have been 18 grants of \$200 to young people via the Tasman \$200ships.

June 06 Actual \$	Cultural Services & Community Grants	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
209,162	Council Grants	268,612	325,227	83%
30,848	Creative NZ Grants	29,620	30,000	99%
10,859	Community Sports Fund	1,136	5,000	23%
60,000	Museums	60,000	60,000	100%
310,869	TOTAL OPERATING COST	359,368	420,227	86%
	INCOME			
4,721	Interest Received	3,494	-	-
130,521	Fees and Recoveries	88,882	126,207	70%
135,242	TOTAL INCOME	92,376	126,207	73%
175,627	NET COST OF SERVICE (SURPLUS)	266,992	294,020	91%
	TOTAL FUNDS REQUIRED			
175,627	Net Cost of Service (Surplus)	266,992	294,020	91%
175,627		266,992	294,020	91%
	SOURCE OF FUNDS			
687,536	General Rates	273,921	271,591	101%
10,885	Advances Repaid	12,761	-	-
56,100	Sundry Income	22,085	22,429	98%
(578,894)	General Funds	(41,775)	-	-
175,627		266,992	294,020	91%

Note: All transactions relating to the Tasman Bays Heritage Trust have been reclassified to Community Support Services.

# Recreation and Leisure

## Policy and Objective

The objective of Recreation and Leisure activities is to provide services which enhance and enrich the recreational environment of the District.

## Nature and Scope

There are three significant areas under which this activity is performed by Council.

**a) Community Recreation** – provision of an advisory service for recreation and community development which facilitates opportunities for people throughout the District to increase their participation in those activities.

**b) Camping Grounds** – leasing of four major camping grounds at Motueka (Fearon Bush), Collingwood, Pohara and Murchison (Riverview Reserve) for the enjoyment of visitors and residents of the District.

**c) Parks and Reserves** – maintenance and enhancement of sports grounds, parks and gardens, cemeteries, public toilets and other facilities not under the control of locally-elected management committees.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.
- Our community understands regional history, heritage and culture.
- Our participatory community contributes to District decision-making and development.
- Our built urban and rural environments are functional, pleasant and safe.

June 06 Actual \$	RECREATION & LEISURE	June 07 Actual \$	June 07 Budget \$	% of Budget
410,119	Community Recreation	405,876	464,889	87%
400,912	Camping Grounds	449,768	304,404	148%
5,264,953	Parks and Reserves	5,142,067	5,332,580	96%
6,075,984	TOTAL COSTS	5,997,711	6,101,873	98%

## Community Recreation

### What We Do

The role of Community recreation is the provision and promotion of recreational opportunities that meet and enhance the recreational and cultural needs and aspirations of present and future communities in Tasman District. The activity includes:

- Arts, Culture, and Heritage initiatives to increase opportunities to appreciate, participate and support arts and cultural activities.
- Events to enable the community to be engaged and to celebrate and reflect the identity and diversity of the region as well as to attract visitors and support economic wellbeing.
- Promotions to increase development and awareness of recreation and social opportunities.
- Recreation Programmes to provide and support opportunities for public involvement and integration of programmes provided by a wide range of community organisations including community, cultural and youth groups.
- Community Development via funding provision and advice.
- Partnerships with community, business, and government agencies to develop and support projects and facilities.

### Why We Do It

Council is required by community expectation and the Local Government Act 2002 to promote the wellbeing of the communities in the District. Active and involved communities are sustainable and healthy communities. Recreation and leisure activities contribute to the region's prosperity and identity.

### Our Goal

Council's aim is to enhance the quality of life of the community by providing and supporting quality recreational services which enable participation in suitable, relevant, and enjoyable activities and environments lifelong.

### Our Level of Service

- Maintain an appropriate range of recreation and information services to meet the varied needs of the community.
- Planning of promotion and provision of recreation opportunities will include those that can be easily built into daily life or where participation can be flexible.
- Council's role is to ensure that this diversity is included and supported in events, arts, and recreation opportunities. The arts are an identified asset across the District and need to be supported and promoted to flourish.
- The environment lends itself to outdoor activities and pursuits. Tasman has the highest number in the 'active group' with 57% in 2003 research by SPARC. Despite this, more than a third of the population (37%) needs to be more active – this is the target group for increasing uptake of physical activity. Publications recording and encouraging exploration of the region's heritage and environment are published in the Tasman Collection.
- We ensure communities are aware of active transport opportunities (walking and cycling) via promotions, brochures and campaigns to increase safe uptake of active transport.
- Social integration is supported via events, arts and culture, programmes and brochures. The aim is to ensure communities are aware of and able to participate in relevant enjoyable activities.
- Council will continue to work and develop partnerships with community, government and non-government agencies to ensure programmes and events continue to enable the community to be engaged and represented.
- Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

### How we measure progress

The percentage of residents expressing satisfaction with and awareness of Tasman District's recreational events and opportunities.	This information was not sought in Council's latest public satisfaction survey.
The number of recreation programmes and events offered and estimates of attendance.	Council has programmes running nearly every week of the year. Attendances have exceeded or equalled estimates at all events.
The percentage of residents who believe that the quality and quantity of brochures/newsletters printed are good or very good.	Council's latest public satisfaction survey reports that 80% of residents feel there is at least enough information supplied in a written form by Council.
The numbers of applications received for grants.	Grants received during the year totalled 276. (2005/06: 245)

### Performance Targets 2006-2007

Maintain an appropriate range of recreation and information services to meet the varied needs of the community.	Council has produced two editions of Jam – Tasman Youth Mag. The Boredom Buster magazine is also still being produced.
Planning of promotion and provision of recreation opportunities.	Recreation opportunities continue to be planned and provided. Included are such events as the Big Day Out, Push Play Nation month and Bikewise promotion. Assistance was given to 48 holiday programmes.
Ensure that diversity is included and supported in events, arts, and recreation opportunities.	Council ran the Tasman Karaoke Superstar Competition and Council funded the Japanese Drum Team – Kodama, for their concerts in Motueka and Takaka. Other new initiatives are the two migrant programmes – ‘Settling In’ and ‘Settlement Support’. Council is currently investigating holding a soccer tournament for new migrants.
Ensure communities are aware of active transport opportunities (walking and cycling) via promotions, brochures and campaigns.	Motueka and Richmond Urban Links brochures have been released. The Walk Tasman and Bike Tasman series have also been updated and re-published. The cycle forum is being extended to be an active transport forum. There were 23 grants given from the Rural Travel fund.
Ensure communities are aware of and able to participate in relevant enjoyable activities.	Events are advertised on the events website and in Newslines. The Found Community Directory website is being updated and will be launched in September 2007.
Continue to work and develop partnerships with community, government and non-government agencies.	Council continues to work and develop partnerships with community, government and non-government agencies. Council is currently working with a disability advisor about disabled access for events.



June 06 Actual \$	Community Recreation	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
340,488	Community Advisory Service	353,004	405,893	87%
17,228	Walk Tasman Booklets	4,350	7,500	58%
51,035	School Swimming Pool Subsidies	46,996	50,000	94%
1,368	Depreciation	1,526	1,496	102%
410,119	TOTAL OPERATING COST	405,876	464,889	87%
	INCOME			
13,206	Interest Received	-	-	-
41,700	Fees and Recoveries	43,816	38,000	115%
54,906	TOTAL INCOME	43,816	38,000	115%
355,213	NET COST OF SERVICE (SURPLUS)	362,060	426,889	85%
	TOTAL FUNDS REQUIRED			
355,213	Net Cost of Service (Surplus)	362,060	426,889	85%
13,206	Transfer to Restricted Reserves	-	-	-
368,419		362,060	426,889	85%
	SOURCE OF FUNDS			
363,775	General Rates	406,417	402,960	101%
25,394	Sundry Income	22,090	22,433	98%
10,072	Restricted Reserves Applied	8,690	-	-
(32,190)	General Funds	(76,663)	-	-
367,051		360,534	425,393	85%
	NON- FUNDED DEPRECIATION			
1,368	Depreciation to be funded at income statement level	1,526	1,496	102%
368,419		362,060	426,889	85%

## Camping Grounds

### What We Do

Council owns four camping grounds on Reserve land in Collingwood, Motueka, Pohara and Murchison. These campgrounds assist in meeting the demand for camping at popular holiday destinations in Tasman District from both visitors and residents.

Eventually all the camping grounds will be operated on long term commercial lease arrangements – two of them are already on 20-year leases.

Pohara Beach Holiday Park is located on Abel Tasman Drive, nine kilometres from Takaka. This very popular camp is managed under a lease arrangement. The facilities include 150 powered caravan sites, tent sites, tourist cabins, standard cabins, four ablution blocks, manager's house and camp reception, separate shop operated under separate lease, storage and equipment shed, and children's playground.

Collingwood Beach Camp is located on the northern end of Collingwood township overlooking the Aorere River and Collingwood Haven. This seasonal camp has been managed under a lease agreement. The facilities include 30 powered caravan sites, 30 tent sites, a two-bedroom house, a one-bedroom fully self-contained cabin, one ablution block, one kitchen block, manager's residence and reception area, and a boat shed.

Fearon Bush Holiday Park is an increasingly popular camping ground located in Fearon Street on the northern side of Motueka township. It is managed under a lease agreement. The facilities include house and office, garage, workshop, motel units, cabins, kitchen block, laundry block, mower shed, ablution block, boiler room, playground, storage shed, powered sites and tent sites.

The Riverview Motor Camp is located on Chalgrave Street in Murchison. This seasonal camping ground is managed under a lease arrangement. The facilities include house, office, garage, ablution blocks, motel units, cabins, powered sites and tent sites.

### Why Do We Do It

The camping grounds are located on reserve land at popular holiday destinations. They provide an opportunity for low-cost holiday and tourist accommodation and deliver a range of benefits including:

- Providing unique recreation and holiday experiences.
- Providing facilities to cater for visitors to the District.
- Providing low-cost access to riverside and coastal camping.

These reserves are owned by Council and have historically been used as camping grounds - a permitted activity under the Reserves Act 1977. Council recognises that operating camping grounds is not core business and has endeavoured to enter into long-term lease arrangements to limit its involvement in the day-to-day running of these businesses.

### Our Goal

Our aim is to ensure that Council-owned camping grounds provide recreational opportunities for visitors and residents and that they continue to be commercially viable and provide good financial returns to Council.

### Our Level of Service

- We aim to ensure our camping grounds are kept clean, tidy, and appropriately serviced and operated.
- We aim to provide affordable access for residents and visitors alike to coastal and riverside tourism accommodation.
- Our camping grounds provide a safe environment for families to enjoy the District's beaches and rivers.
- Our camping grounds are managed on environmentally sound principles and provide access to areas of natural beauty and environmental significance.

## Performance Targets 2006-2007

Twice-yearly inspections (or a minimum of at least once a year) are carried out to ensure the lessees maintain the assets as defined in the lease agreements.	Inspections were carried out in November and December 2006. All camping grounds have had at least one inspection during the past year. All assets at the Fearon Bush and Pohara Beach Holiday Parks were of a high condition. Collingwood Motor Camp will have ongoing upgrading through to May 2008. Council has identified some issues at Riverview Holiday Park which are being worked through with the lessees.
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## Major Activities 2006-2007

New leases for Collingwood Motor Camp and Riverview Holiday Park will be negotiated during the next three years when current leases expire.	Managers have been appointed by Council at Collingwood Motor Camp until land ownership issues are sorted.
The general condition of the buildings and facilities is considered very high, except for some older ablution blocks and cooking areas, particularly in the Collingwood and Murchison camps. Council still owns the building assets, however, once they are brought up to an acceptable standard the lessees will take over all maintenance.	Work is being undertaken at Riverview Holiday Park and Collingwood Motor Camp to increase the standard of the buildings and facilities.

June 06 Actual \$	Camping Grounds	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
25,508	Motueka Top 10 Holiday Park	12,307	31,978	38%
37,691	Pohara Beach Top 10 Holiday Park	40,582	39,574	103%
47,557	Collingwood Motor Camp	155,272	34,760	447%
10,377	Riverview Holiday Park	31,919	24,058	133%
10,876	Loan Interest	11,269	10,092	112%
268,903	Depreciation	198,419	163,942	121%
400,912	<b>TOTAL OPERATING COST</b>	449,768	304,404	148%
	<b>INCOME</b>			
347,889	Fees and Recoveries	441,319	350,800	126%
347,889	<b>TOTAL INCOME</b>	441,319	350,800	126%
53,023	<b>NET COST OF SERVICE(SURPLUS)</b>	8,449	(46,396)	-18%
	<b>TOTAL FUNDS REQUIRED</b>			
53,023	Net Cost of Service (Surplus)	8,449	(46,396)	-18%
205,093	Capital	82,605	50,000	165%
150,000	Transfer to Parks & Reserves Account	307,260	307,260	100%
17,827	Loan Principal Repaid	10,399	18,129	57%
425,943		408,713	328,993	124%
	<b>SOURCE OF FUNDS</b>			
25,394	Sundry Income	22,088	22,431	98%
131,646	General Funds	188,206	142,620	132%
157,040		210,294	165,051	127%
	<b>NON- FUNDED DEPRECIATION</b>			
268,903	Depreciation to be funded at income statement level	198,419	163,942	121%
425,943		408,713	328,993	124%

## Parks and Reserves

### What We Do

Tasman District Council manages a range of parks, reserves, open spaces, and recreational facilities for and on behalf of the community. Easily accessible parks and open spaces provide active recreation, play, and social opportunities for both residents and visitors. Council's activities in this area aim to assist in the development of healthy, active, functioning communities.

Parks and reserves includes the provision of:

- Cemeteries
- Public conveniences
- Urban open spaces and amenity reserves
- Formal parks and gardens
- Trees, plots and verges
- Sports grounds
- Rabbit Island
- Rural recreation and esplanade reserves
- Walkway Reserves
- Scenic and special interest parks
- Public halls
- Special purpose committees

### Why We Do It

Council is required by law and community expectation to manage the use, development, and protection of land and natural resources in a way that protects environmental standards and promotes community wellbeing.

Council recognises it plays a key role in creating the environment in which communities can prosper and enjoy improved health and wellbeing. The provision of open spaces and recreational facilities influences the way in which people can take part in the life of the community and makes the choice for people to be active more convenient, easy, safe, and enjoyable.

### Our Goal

We aim to provide parks, reserves and recreational facilities that promote the physical, mental, environmental, and social wellbeing on communities in Tasman District.

## Cemeteries

### What we do

A total of 12 cemeteries are provided across the District in the following locations:

- Richmond Cemetery
- Bainham Cemetery, Collingwood
- Collingwood Cemetery
- Fletts Road Cemetery, Lower Moutere
- Kotinga Cemetery
- Motueka Cemetery
- Murchison Cemetery
- Rototai Cemetery, Takaka
- Spring Grove Cemetery
- Waimea West Cemetery, Brightwater
- Marawera Cemetery, Tapawera
- Foxhill Cemetery

Most burial activity occurs at the main cemeteries located in Richmond, Motueka and Takaka. Tasman District Council manages cemeteries throughout the District providing accessible and appropriate sites for burial. All these cemeteries have a significant number of plots available and at current burial rates, there is no demand for additional land within the next 20 years.

Longer term there is a requirement to provide for an alternative to the existing Richmond Cemetery. There is sufficient capacity at the existing Spring Grove Cemetery to meet this future requirement.

The quality of the three main cemeteries is very good with well-developed roading, parking and other infrastructure, together with attractively landscaped grounds. The quality of the minor cemeteries tends to be lower, but this is considered adequate for their location and use.

### How we measure progress

Council's knowledge of customer expectations and preferences is based on feedback from consultations and customer satisfaction levels.

### Why we do it

Cemeteries are provided for the following reasons:

- Public health
- Compliance with the requirements of the Burial and Cremation Act 1964
- Provide a location for bereavement within close proximity to the community

### Our goal

We aim to provide attractive, peaceful, and respectful environments for the memorial and remembrance of the deceased.

### Our levels of service

- We provide quality cemeteries with well-developed roads, parking and other infrastructure, together with attractively landscaped grounds.
- The cemeteries are operated directly by Tasman District Council staff under the control of the Reserves Manager.
- Bookings, record keeping and other administration tasks are undertaken by administration staff at the Council service centres where the cemeteries are located.
- The operation and administration of the cemetery and burial procedures is controlled by the Council's Cemetery Standard Operating Procedures 2006 (yet to be adopted).
- The maintenance of the cemeteries and operation of burial services is carried out under contract as part of the main reserves maintenance contract.
- Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

The latest survey data provided to Council records an overall satisfactory rating of 83%.

## Public Conveniences

### What we do

Council provides and maintains public conveniences throughout the District to meet community, traveller and tourist needs.

Currently there are public conveniences provided at seven locations in Richmond, 15 locations in Moutere/Waimea, 14 locations in Motueka, six locations in Lakes/Murchison, and 13 locations in Golden Bay. The toilets are a mix of septic tank, wastewater system, and long drops. A comprehensive list of locations is contained in Council's "Handbook to Paradise", which is published twice a year.

The provision of public conveniences has been divided into three categories in the Sanitary Services Assessment 2005. These are:

- Toilet facilities in townships, predominantly to serve local shoppers
- Toilet facilities in parks and reserves, predominantly to serve local users of the sport and recreational facilities
- Toilet facilities on main tourist routes or at tourist attractions, predominantly to serve tourist groups. Existing toilets appear to be meeting current demand.

No detailed assessment of building quality has been completed, however the quality of toilets is generally considered to be adequate.

### Why we do it

Public conveniences are provided for the following reasons:

- To comply with the Health Act 1956 to provide sanitary conveniences for use of the public
- For the convenience of users of parks and reserves
- For the convenience of visitors to shopping and business areas
- For the convenience of the travelling public
- To support tourist operations

Public conveniences provide only limited commercial opportunity to the private sector therefore provision by local government, as a public good, is required.

The toilets are generally considered adequate for their location and purpose.

### Our goal

We aim to provide clean and convenient public toilet facilities to meet community, traveller and tourist needs.

Quality of public conveniences is driven by three factors. One is the quality of the building which is determined by its age, design and level of maintenance. No detailed assessment of building quality has been completed, however the quality of toilets is generally considered to be adequate.

The second and probably major factor is cleanliness. The frequency of toilet cleaning is matched to the level of use of the toilet and balanced against the cost of cleaning more than necessary. The effectiveness of the toilet cleaning service can also be a factor.

The third factor is vandalism and graffiti which is a particular problem for public conveniences. Combating vandalism occurring or reducing its impact is a combination of good design, location and rapid responsiveness to any incidents.

## Our levels of service

Council's strategy is to:

- Provide toilet facilities only where a real need can be demonstrated
- Locate toilets strategically to give adequate coverage without undue overlap
- Consider non-asset solutions, such as portable toilets by others to meet peak demand
- Minimise the risk of vandalism

The frequency of toilet maintenance and cleaning is linked to the level of use and balance against the cost and effectiveness of the cleaning.

We aim to combat vandalism and reduce its impact through a combination of good design, location and rapid response to any incidents.

Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

## How we measure progress

Although there has been no formal condition of public toilet asset condition survey, Council is planning to prepare a 10-year building maintenance plan.	Condition assessments have been done on the majority of the toilet assets. This information will be included in the Property Asset Management Plan (which is scheduled to have a draft completed by February 2008).
Progress is measured by the level of ratepayer satisfaction, site inspections, and response times to complaints with a target of 75% satisfaction.	Council's rating for services provided to public toilets is at the 86% level of residents being "at least satisfied."

## Reserves, Parks and Gardens

### What We Do

Council provides and manages parks, reserves and gardens around the District for community use. These provide open spaces and recreational areas that promote outdoor activities, social interaction and active lifestyles, which contribute to overall community wellbeing. They include urban open spaces and amenity reserves, formal parks and gardens, rural recreation and esplanade reserves, and scenic and special interest parks. Council currently manages parks, reserves and gardens in the Richmond, Waimea/Moutere, Motueka, Lakes/Murchison, and Golden Bay areas.

The Reserve areas are grouped into the following categories. The asset database, planning work and financial information are based on these categories.

**Scenic Reserves and Special Interest Sites** – areas of land provided to meet the open space and recreation needs throughout the District as well as the needs of visitors from neighbouring areas and tourists. These are often associated with a natural feature of some significance or are areas that have high recreational value.

**Sports grounds** – Reserves that are primarily used for organised sport and events. They are also used for unstructured recreation activities and provide large areas of open green space.

**Urban Open Space and Amenity Reserves** – Reserves that range from small neighbourhood parks to larger areas that provide open space and amenity within the urban areas and townships. Typically used by local communities for casual recreation, play, relaxation, community activity, links to other areas, or quiet open space.

**Formal Parks and Gardens** – Land that is developed and maintained to provide high quality amenity open spaces. They range from large parks to small garden beautification areas.

**Rural Recreation and Esplanade Reserves** – Open space that may provide for general amenity, conservation, preservation, access or casual recreation use. It is generally undeveloped with minimal facilities and low maintenance requirements.

**Right of Way Reserves** – A sub category for asset inventory purposes is used for land where Council holds some form of access right but do not hold title to the land. These include esplanade strips and public Right of Way easements.

**Trees** – Provision and maintenance of trees on street berms and specimen trees within parks.

**Asset Management** – Provision of staff resources and other services to effectively manage the reserve assets and provide customer services.

**Miscellaneous** – Budget provision for a variety of miscellaneous activities and services that cover a range of reserve categories or are not directly related to reserve assets. These include street banners, Christmas decorations, ANZAC services, Arbor Day plantings, doggy-do dispensers, war memorial maintenance and security cameras.

A total of 594 hectares of reserve land is provided. This equates to 12.97 hectares per 1,000 residents.

A total of 39 playgrounds are provided. This equates to 3.52 playgrounds per 1,000 children under 15. This is consistent with the national average of 3.58.

### Why We Do It

Council provides parks, gardens and reserves to deliver a range of benefits to the community including:

- Open space within urban areas
- Beautification and amenity enhancement
- Opportunities for recreation and sport
- Protection of ecologically important areas
- Children's play

These benefits assist in the enhancement of overall community wellbeing and health. Parks and open spaces also have the potential to attract a wide range of residents and visitors to an area.

Due to limited commercial opportunity, the private sector does not provide a comprehensive range of parks and reserves therefore provision by Council, as a public good, is required.



Reserve land is generally highly valued by the community and many reserves have significant history associated with them. Many of the reserves are strongly protected through legislation, their ownership status and previous Council policies.

A group of questions specifically related to parks and reserves usage and satisfaction was added for the 2005 survey. The following is a summary of the results from these questions:

90% of Tasman residents say they have used a park or reserve in the last 12 months, with 48% saying they have used/visited a park or reserve in the last week.

The main reasons for visiting a park or reserve, mentioned by residents who have used or visited a park or reserve, are:

- 22% – for a walk
- 21% – took kids/play area
- 13% – recreation/relaxing/peace and quiet/time out
- 10% – exercise/running/tramping/cycling
- 9% – for picnic/barbeque/lunch/tea
- 7% – for sport/rugby
- 5% – to look at gardens/flowers/planting
- 4% – take dog/walk the dog
- 4% – family outing/gathering/meeting friends/family

93% of residents who have used or visited a park or reserve are satisfied with the quality of facilities and overall maintenance of the park or reserve, including 62% who are very satisfied. 5% are not very satisfied and 2% are unable to comment.

### Our Goal

We aim to provide easy access to the natural resources of Tasman District for residents and visitors so they may enjoy the benefits offered.

Population growth is reasonably evenly spread over the main residential areas of the District.

The impact of this population growth and results of background investigations indicate the following needs. Demand for open space and reserves will continue to

increase, requiring the:

- Provision of an extra 5 hectares of land on average every year to provide ten hectares per 1,000 residents.
- Acquisition and development of reserves for use as natural areas.
- Development of walkway and cycle tracks to enhance the transport system and improve linkages between and within communities.

Demand for sports grounds will continue during the next ten years, particularly to cater for the high growth areas of Richmond.

Services need to be responsive to the recreational needs of elderly people, who will make up an increasing proportion of the population.

There are likely to be increasing conflicts between different park uses due to the diversification of leisure preferences and the trend towards informal recreation:

- Sporting codes wishing to use the same land
- Youth-orientated activities
- Active and passive users of park land and reserves
- Protection of open space for environmental values versus development for more intensive recreation activities

### Our Level of Service

- Council aims to protect specific natural landscapes and provide a range of recreation experiences appropriate to each particular park or reserve. Our focus is on the retention of the natural character including protection and enhancement of native vegetation or natural environment and the protection of natural ecosystems.
- Council aims to provide open space to enhance and conserve the environment and provide waterway access and a range of casual recreation opportunities.
- Council aims to provide local urban reserves within walking distance of home, providing play opportunities, open space and amenity values. This includes tree and garden planting and providing a range of modern and safe play equipment.

## How we measure progress

At least 90% satisfaction with development and maintenance standards. This is measured by customer satisfaction surveys, audits of contractors to confirm performance specifications of maintenance are being met, and tracks are graded and maintained as per New Zealand standards.	This information was not sought in Council's most recent public satisfaction survey. All new tracks meet New Zealand standards. As funds allow, older tracks are being progressively upgraded to meet standards.
At least 90% satisfaction with the type and supply of facilities such as roads, parking, seats, tables, and toilets. This is measured by customer satisfaction surveys and compliance with the management plan for the site.	The Council's latest public survey data reports 93% of residents are at least satisfied with the quality of council facilities.
At least 90% satisfaction with the protection of natural vegetation and ecosystems.	This information was not sought in Council's most recent public satisfaction survey.
Reserves provided within 500 metres or 10 minutes walk from home in urban areas.	Council has met this objective.
Average provision of 1.7 hectares per 1,000 residents for urban centres of Richmond, Motueka, and Takaka.	The average provision of hectares per ,000 residents of Reserves, Parks and Gardens is as follows: <ul style="list-style-type: none"> <li>• Motueka 6.6 hectares</li> <li>• Takaka 10.4 hectares</li> <li>• Richmond 5.75 hectares</li> </ul>
Provide safe and robust items of park furniture and equipment.	Council ensures that all park furniture is equipment complying with standards for playground equipment both on installation and ongoing maintenance.

## Sports Grounds

### What we do

Council provides and manages sports grounds around the District for community use. Sports ground reserves are primarily used for organised sports and events. They are also used for unstructured recreation activities and provide large areas of open green space.

Council currently manages the following sports grounds:

- Richmond
  - Ben Cooper Park
  - Hope Recreation Reserve
  - Jubilee Park
  - Saxton Field (in conjunction with Nelson City Council)
- Waimea/Moutere
  - Brightwater Recreation Reserve
  - Dovedale Recreation Reserve
  - Lord Rutherford Park
  - Mapua Recreation Reserve
  - Moutere Hills Recreation Reserve and Sports Complex
  - Waimea West Recreation Reserve
  - Wakefield Recreation Reserve
- Motueka
  - Goodman Recreation Reserve
  - Lower Moutere Recreation Reserve
  - Memorial Park
  - Riwaka Memorial Reserve
  - Riwaka Sports Field
  - Sportspark Motueka
- Lakes/Murchison
  - Murchison Recreation Reserve
  - Tapawera Recreation Reserve
- Golden Bay
  - Golden Bay Recreation Park

### How we measure progress

We aim to have a minimum 90% satisfaction with the quality of sports fields turf surface. This will be measured through customer satisfaction surveys and an audit of contractors to confirm performance specifications are being achieved consistently.

We aim to have all sports user groups express a high level of satisfaction with the amount of field facilities available for use. This will be measured by surveying sports user groups.

### Why we do it

The sports grounds and recreation reserves deliver a range of benefits to communities within Tasman District including providing opportunities for sport and recreation, encouraging active and healthy communities, and providing communal places for social interaction.

There is limited scope for private sector investment in sports grounds, therefore, provision by local government is required as a public good.

### Our goal

We aim to provide quality sports grounds and related facilities to the communities of Tasman District in order to promote active and healthy lifestyles.

### Our levels of service

Council provides sports fields and reserve land for recreation facilities that meet the needs of the major field-based sports and other recreation activities. We endeavour to ensure our sports fields are ready for use when required.

Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

Council has achieved an 88% public satisfaction rating regarding the provision of services on recreational facilities. An independent auditor audits Council's contractors every two months. Any issues that arise are required to be rectified within a week by the contractor. There were no outstanding issues at year end.

No survey was undertaken during the financial year. Council has received a number of verbal expressions of satisfaction throughout the year.

## Public Halls and Community Buildings

### What we do

Council provides buildings that assist in meeting the community demand for indoor meeting and recreation spaces. Our current list of Public Halls and Community Buildings includes 23 halls around the District. We provide multi-purpose halls in most small settlements throughout the District. This is a result of historic development and past community needs. In most cases the halls are well used, performing an important community function and are valued assets in the communities. Hall locations and their contact persons are listed in the Council publication 'Handbook to Paradise'.

The quality of the public halls vary dependent on their age and past maintenance and improvement history. In most cases they are maintained to a good standard with the assistance of Hall Management Committees.

Building surveys were completed between 1995 and 1997 on most of the buildings to identify work required in relation to obtaining a building warrant of fitness and to develop a building maintenance plan.

### Why we do it

Public Halls and Community Buildings are provided to deliver a range of benefits including:

- Meeting space for community organisations
- Meeting space for community gatherings
- Indoor space for community events
- Indoor space for recreation and arts activities

The benefits of community buildings are specifically or generally believed to enhance the community's health and wellbeing.

### Our goal

We aim to provide buildings that assist in meeting the community demand for indoor meeting and recreation spaces.

### Our levels of service

- Buildings are maintained on a regular planned cycle to ensure life expectancy is maximised.
- Safety systems are regularly monitored and maintained.
- A range of buildings is provided that meet the needs of the community.

### How we measure progress

A long-term building asset maintenance and management plan is in place and funded annually.	A long-term building asset maintenance and management plan is currently being developed and will be included in the Property Asset Management Plan.
Buildings comply with building code requirements and warrants of fitness kept up-to-date.	All buildings comply with building code requirements and have up-to-date warrants of fitness
At least 90% satisfaction with the provision of community buildings measured through community surveys.	Council has achieved an 88% public satisfaction rating regarding the provision of services on recreational facilities.

## Walkway Reserves

### What we do

Walkway Reserves are principally provided for walkways and cycle tracks. They range from urban paths that provide linkages between destinations to longer tracks in rural areas designed for recreational walking and in some cases also cater for cycling.

Council currently provides and manages walkways and cycle tracks at the following locations:

- Richmond
  - Ben Cooper Park
  - Bill Wilkes Reserve
  - Dellside Reserve
  - Hunter Avenue Walkway
  - Jimmy Lee Walkway
  - Railway Reserve
  - Reservoir Creek Walkway
- Waimea/Moutere
  - Chaytor Reserve
  - Faulkner Bush
  - Langford Drive/Aranui Road Walk
  - Lord Rutherford Park
  - McKee Domain
  - Pinehill Heights Walkway
  - Rabbit Island Recreation Reserve
  - Rough Island Recreation Reserve
  - Railway Reserve (Brightwater and Wakefield)
  - Wakefield Recreation Reserve
- Motueka
  - Alex Ryder Memorial Reserve
  - Brooklyn Recreation Reserve
  - Goodman Pond Reserve
  - Greenwood Street Walkway
  - Motueka Quay
  - Staples Street
  - Trewavas Street Foreshore Reserve
  - York Park

- Golden Bay
  - Cornwall Haven Reserve
  - Cornwall Place Reserve
  - Paton Rock Reserve
  - Selwyn Street, Pohara
  - Rototai Reserve
  - Tata Beach Reserve

### Why we do it

Council recognises that walking and cycling are an important component of the outdoor lifestyle many Tasman District residents enjoy and therefore the aim is to have safe and enjoyable walking and cycling opportunities.

There is limited scope for the private sector to be involved in this activity, therefore Council provides walkways and cycle tracks for the public good.

### Our goal

We aim to make Tasman District an enjoyable place to walk and cycle as a way to encourage more people to be active and healthy.

### Our levels of service

- Council provides walkways and tracks to give access to recreational walking and cycling opportunities consistent with the objectives of the Regional Cycling and Walking Strategy 2004.
- Investigate and enhance public use and access to Waimea River stopbank.
- Council aims to provide land that offers a high level of opportunity in urban areas for off-road walking and cycling and in rural areas where specific opportunities arise. Council will provide a network of walkways that create linkages between desirable destinations.
- The development of walkways and cycle ways around the District will provide alternative transport options.
- Council will continue to manage this activity in a sustainable manner giving regards to the demands of growth.

### How we measure progress

We will undertake an audit of tracks every three years to assess compliance with the relevant standards.	An audit of the tracks is scheduled for the end of the 2008 calendar year.
We aim for a minimum 90% satisfaction with the range of access opportunities, which will be measured by customer satisfaction surveys and three-yearly audits.	The Council's latest public survey data reports 93% of residents are at least satisfied with the quality of council facilities.

## Major Activities 2006-2007

Cemeteries	Budget \$	
Produce a policy document for cemeteries and to develop a cemetery strategy.		This activity is currently underway. A draft policy document is close to completion. Once complete it will be sent to Councillors for review.
Council plans to provide a range of burial options such as burial, ash, and memorial plaques.		Council provides both grave plot and ash plot options at all Council cemeteries.
Cemeteries continue to be operated by Tasman District Council staff under the control of the Reserves Manager. The maintenance of cemeteries and operation of burial services is carried out under contract as part of the main reserves maintenance contract.	203,189	Maintenance of cemeteries and operation of burial services is being carried out as per the contract.
The entrance to Waimea West cemetery is to be upgraded.	15,000	This project had not commenced by 30 June 2007. The project requires the moving of the gates. A public notice was advertised in September 2007 for public input by the end of the month.

Public Conveniences	Budget \$	
The toilets are generally considered adequate for their location and purpose. Currently there is no planned maintenance programme and as a result some of the rural toilets require some improvements to enhance their overall presentation. Two toilet blocks are covered by a long-term external painting maintenance contract.		Ligar Bay, Pohara Hall and Paton Rock public toilets have been painted during the current financial year.
New toilet facilities are planned for Marahau, Awaroa, and Saxton Field (Avery Sportsfield). An upgrade of the public toilets at Sportspark Motueka is planned.	Marahau	The Marahau toilet has been completed with the final cost of project being \$13,820.
	Awaroa 35,000	The Awaroa toilet has been completed with a final cost of \$33,240.
	Saxton Field	Design concept discussion is being undertaken for Saxton Field.
	Sportspark Mot 70,000	Sportspark Motueka is currently sorting through the issues and specifications for the public toilets.

Reserves, Parks and Gardens	Budget \$	
Complete the upgrade of facilities and landscaping at Grossi Point Reserve.	10,000	This project had not commenced by 30 June 2007. Council is required to prepare a Historic Site Management Plan before commencing this project. Council has contacted the Historic Places Trust and has been provided with a list of archaeologists to assist with completing the Archaeological Management Plan.
Upgrade the frontage of Mapua Recreation Park.	40,000	This project was completed in September 2007. The upgrade included a new fence and carpark at a cost of \$22,275.
Establish and protect native plants on reserves.		Project is still continuing.
Support Coast Care and revegetation projects.	115,000	Project is still continuing in Golden Bay and Tasman Bay. There has been \$111,976 spent on this activity to date with coast care work carried out on Rabbit Island and in Golden Bay building sand ladders and replanting sand dunes. Revegetation work has been carried out at a number of reserves around the District. Coast Care is currently working on projects in Torrent Bay, Little Kaiteiteri and Rabbit Island.
Develop the Goodman Recreation Reserve car park.	40,000	A concept sketch has been prepared for this project and the plan is currently being prepared. The project has been put on hold while further discussions with the public are held.
Extend Lord Rutherford Park.		Property negotiations are currently underway.
Upgrade the road at Rough Island.	50,000	This project has not commenced. Additional funding has been provided in the 2007/2008 Annual Plan for further Rough Island roading work. This project will be considered in conjunction with this additional funding.
Continue to develop Washbourn Gardens.	10,000	Begonia House extension has been completed at a cost of \$7,000. The Ian Thorn Memorial Begonia Trust also contributed to this project.
Upgrade garden areas at Takaka Information Centre.	10,000	This project has been completed.
Install playground equipment in Tilson Crescent Reserve.	35,000	A public meeting is to be held on site with local residents in September 2007 to finalise plans for this project.
Continue with the upgrade of the Motueka Recreation Centre.	40,000	A report was commissioned on the long term requirements for the Motueka Recreation Centre. A major capital works programme is scheduled for 2008/2009 and a request for \$800,000 from the District Facilities Rate will be considered during the 2009/2009 Annual Plan process. Some minor works will be carried out in 2007/2008 as well as the planning for the work in 2008/2009.

<b>Sports Grounds</b>	<b>Budget \$</b>	
Continue the development of Saxton Field with Nelson City Council.	1,307,004	New cricket oval and athletics development are nearing completion. The next stage of the development of Saxton Field has also commenced.
Upgrade the Pohara Tennis Courts.	60,000	The tennis courts have been completed and a basketball court has also been installed at a cost of \$90,000.
Upgrade the sprinkler system at Jubilee Park.	60,000	Tender and development documents are being prepared.
Improve Murchison Recreation Reserve sports fields.	40,000	Additional land has been purchased and the new sports fields will be formed in 2007/2008.

<b>Public Halls and Community Buildings</b>	<b>Budget \$</b>	
Most of the work on the 10-year maintenance plan has been implemented. As the plan was completed approximately eight years ago, the buildings are due to be surveyed again and a new building maintenance plan developed and implemented.		A survey of buildings has been undertaken. The new building maintenance plan is to be included in the final Property Asset Management Plan.
A contract is in place for three buildings with Programme Maintenance to undertake a cyclic painting programme that includes annual external painting.		Cyclical painting is being undertaken in accordance with the contract. The three buildings painted are Motueka Memorial Hall, Motueka Recreation Centre and Richmond Town Hall.

<b>Walkway Reserves</b>	<b>Budget \$</b>	
Richmond General Walkways/Cycleways	40,000	The new section at Dellside track has been completed along with the walkway bridge on Reservoir Creek. The last section of path between the bridge and Welsh Place has also been completed. There has been \$26,658 spent on this activity during the year.
Estuary	50,000	Headingly Lane to Sandeman Reserve walkway is currently underway. A concept plan is being drawn up for the area of walkway below A&P Showgrounds. \$36,377 has been spent on this activity to 30 June 2007.
Motueka General Walkways/Cycleways	20,000	A new walkway has been completed at Motueka Cemetery. Further developments have been made to the Motueka River walkway. Council is working with Keep Motueka Beautiful on the Courtney Street East Walkway. Stage 1 has been completed and Stage 2 from Courtney Street to Wharf Road is being investigated. The Clare Place Reserve walkway is also being investigated. There has been \$17,209 spent on this activity to 30 June 2007.



Walkway Reserves	Budget \$	
Waimea/Lakes/Murchison General Walkways/Cycleways	25,000	There has been \$17,421 spent on this activity to 30 June 2007. Jobs completed include the re-gravelling of the Edward Baigent to Wakefield Recreation Reserve walkway.
Waimea Rivers Walkways	10,000	Gates have been erected to control unauthorised use on Waimea River walkway at a cost of \$3,386.
Estuary walkway (Mapua end)	15,000	No work has been undertaken and Council is awaiting the final decision on the Mapua Seawall project to ascertain what walkway work will be required.
Golden Bay General Walkways/Cycleways	20,000	There has been \$3,814 spent on this activity to 30 June 2007.
Estuary (Tata Beach) and wetland	15,000	There has been \$3,774 spent on this activity to 30 June 2007. Council has removed the willows and cleaned out the creek. The relocation of a section of the walkway path should be done by the end of October 2007.
Selwyn Street carpark/walkway etc	20,000	The carpark has been completed. Planning is underway for the next stage of the walkway which involves the extension of the walkway from the carpark to Clifton. Quotes for sections of this walkway have been received and Council has considered its options. A site meeting has been held. A staged approach will be undertaken with sections of the walkway being completed in the next financial year.

June 06 Actual \$	Parks and Reserves	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
159,907	Cemeteries	220,238	203,189	108%
279,248	Public Conveniences	429,697	377,369	114%
580,295	Parks and Gardens	609,983	654,776	93%
107,727	Trees, Plots and Verges	138,050	150,690	92%
351,412	Sports Grounds	384,626	377,551	102%
176,802	Rabbit Island	288,514	210,637	137%
243,537	Beach & Esplanade Reserves	269,796	246,184	110%
109,949	Walkways	117,411	174,306	67%
85,947	Miscellaneous	111,414	88,282	126%
94,061	Formal Gardens	113,066	144,415	78%
53,725	Special Interest sites	42,816	73,223	58%
608,791	Asset Management	442,881	768,476	58%
436,793	Special Purpose Committees	493,142	456,203	108%
130,507	Loan Interest	133,817	220,972	61%
884,162	Reserve Financial Contributions Maintenance	563,232	532,765	106%
962,090	Depreciation	783,384	653,542	120%
5,264,953	<b>TOTAL OPERATING COST</b>	<b>5,142,067</b>	<b>5,332,580</b>	<b>96%</b>
	<b>INCOME</b>			
2,086,420	Reserve Financial Contributions	1,507,626	1,399,996	108%
641,297	Fees and Recoveries	458,534	401,554	114%
2,727,717	<b>TOTAL INCOME</b>	<b>1,966,160</b>	<b>1,801,550</b>	<b>109%</b>
2,537,236	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>3,175,907</b>	<b>3,531,030</b>	<b>90%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
2,537,236	Net Cost of Service (Surplus)	3,175,907	3,531,030	90%
1,408,210	Capital	820,407	1,923,816	43%
-	Advances Given	70,000	44,300	158%
66,464	Transfer to Restricted Reserves	289,019	-	-
185,123	Loan Principal Repaid	118,985	188,261	63%
4,197,033		4,474,318	5,687,407	79%
	<b>SOURCE OF FUNDS</b>			
(305,845)	General Funds	(184,569)	-	-
2,794,867	General rates	3,152,118	3,125,308	101%
150,000	Loans raised	-	-	-
281,073	Sundry Income	244,491	248,285	98%
311,349	Allocation from Camping, Comm Housing & Forestry	468,894	468,900	100%
-	Restricted Reserves Applied	-	1,191,372	0%
3,499	Advances Repaid	10,000	-	-
3,234,943		3,690,934	5,033,865	73%
	<b>NON- FUNDED DEPRECIATION</b>			
962,090	Depreciation to be funded at income statement level	783,384	653,542	120%
4,197,033		4,474,318	5,687,407	79%

# Council Enterprises

## Policy and Objective

The activities encompassed within Council Enterprises are operated with a commercial focus, based on providing a desired level of return to Council on the assets employed.

## Nature and Scope

There are two significant areas under which this activity is performed by Council.

- a) Property** – administration of all Council-owned properties and buildings. Assistance and advice on acquisition, development or disposal of Council's property assets.
- b) Forestry** – the management and development of forests owned by Council, principally as a commercial undertaking but with associated recreational and environmental benefits. The forest resource currently totals 2,669 planted hectares in seven locations, namely Rabbit Island (Moturoa), Motupiko (Borlase), Wai-iti (Tunnickliff), Richmond Hills (Kingsland), Howard Valley, Sherry River and Eves Valley.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our growing and sustainable economy provides opportunities for us all.
- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.

June 06 Actual \$	COUNCIL ENTERPRISES	June 07 Actual \$	June 07 Budget \$	% of Budget
999,382	Property	1,217,132	1,008,101	121%
1,252,438	Forestry	1,208,584	1,428,560	85%
2,251,820	TOTAL COSTS	2,425,716	2,436,661	100%

## Property

### What We Do

This activity encompasses the provision of property related services for the Council. This includes:

- The provision of facilities for Council's operational properties (libraries and administration offices), their management, maintenance and development.
- The acquisition and disposal of property for the Council other than property for reserve purposes acquired through land subdivision.
- The management, maintenance and development of the Council's commercial property portfolio.
- The provision of property services to other activities of the Council including lease and rental services, property valuation services, property advisory services and the provision and maintenance of a Council property register.
- Property associated with infrastructural assets.

### Why We Do It

The Council is the owner or custodian of a substantial property portfolio and has identified the need for quality property services and professional expertise within Council to meet its ongoing property requirements.

### Our Goal

We aim to provide quality and timely services for Council and Council operational facilities which satisfy community needs and expectations.

### Our Level of Service

- To render the most appropriate use and value of property on consideration of the requirements of Council and the public.

### How We Measure Progress

Financial – through the Council's reporting and monitoring processes.	Property reports are provided to the Community Services Committee on a regular basis.
Timeliness – by providing services within agreed time frames.	Property responds to service requests throughout the year. All requests were completed within the timeframes agreed with the service recipient.

### Performance Targets 2006–2007

	Budget \$	
Subdivide and develop property adjacent to ASB Bank Aquatic Centre.	50,000	Negotiations are ongoing.
Subdivide and sell Pakawau Property	200,000	A revised plan is being drawn up and the sale is expected in the 2007/2008 financial year.
Allow a budget of \$500,000 for either extension of the existing Takaka Library or construction of a new library	500,000	Council accepted a tender of \$692,617 for the design and build of a new library building at Reilly Street, Takaka in March 2007 and the contract with the builder has now been signed. [Note: The working drawings are being prepared and work commenced in September 2007].
Review accommodation requirements for Murchison Service Centre.		This project had not commenced by 30 June 2007. This project is scheduled to commence in November 2007.
Install air conditioning for Murchison Service Centre.		This project had been completed by 31 March 2007.
Redevelopment of District Library, Richmond within the existing site.	500,000	Redevelopment of the District Library is still under review.
Review accommodation requirements for Motueka Service Centre.		This project has commenced and was completed in January 2007. This project was undertaken by Council staff.
Develop new Property Asset Management Plan		A consultant has been hired to develop the new Property Asset Management Plan. Data collection is scheduled to be finished by the end of September 2007 with a draft Property Asset Management Plan to be completed by February 2008.

June 06 Actual \$	Property	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
471,368	Operational Property	392,880	373,001	105%
327,359	Commercial Property	456,676	372,617	123%
85,713	Loan Interest	108,007	132,340	82%
114,942	Depreciation	259,569	130,143	199%
999,382	TOTAL OPERATING COST	1,217,132	1,008,101	121%
	INCOME			
47,127	Interest Received	-	-	-
520,976	Fees and Recoveries	555,386	806,329	69%
568,103	TOTAL INCOME	555,386	806,329	69%
431,279	NET COST OF SERVICE (SURPLUS)	661,746	201,772	328%
	TOTAL FUNDS REQUIRED			
431,279	Net Cost of Service (Surplus)	661,746	201,772	328%
2,697,291	Capital	692,133	2,060,000	34%
69,858	Loan Principal Repaid	45,030	93,953	48%
3,198,428		1,398,909	2,355,725	59%
	SOURCE OF FUNDS			
221,615	General Rates	210,558	208,767	101%
30,355	Sundry Income	26,405	26,815	98%
2,411,398	Restricted Reserves Applied	-	-	-
203,500	Loans raised	134,182	1,990,000	7%
216,618	General Funds	768,195	-	-
3,083,486		1,139,340	2,225,582	51%
	NON- FUNDED DEPRECIATION			
114,942	Depreciation to be funded at income statement level	259,569	130,143	199%
3,198,428		1,398,909	2,355,725	59%

## Forestry

### What We Do

This activity involves the management of approximately 2800 stocked hectares of commercial plantations. Council forests are managed by an external company, currently PF Olsen and Company Forestry Services Ltd.

### Why We Do It

To provide a steady income stream to offset rates and to provide recreational opportunities.

### Our Goal

Council aims to provide a commercial forestry operation that will contribute towards the enhancement of Council's recreational assets and maximise net returns on a sustainable basis to provide a contribution to rates.

### Our Level of Service

To continue a sustainable forestry programme in conjunction with Council's Forestry Management Plan.

### How we measure progress

An annual budget is set and regularly reviewed at Council's Enterprises Subcommittee meetings.

Council's actual progress against budget is presented and discussed at the Council Enterprise Subcommittee meetings.

### Performance Targets 2006-2007

To harvest 23,000 tonnes of logs from Rabbit Island Forest.	23,962 tonnes have been harvested from Rabbit Island.
To prepare and replant 40 hectares at Rabbit Island.	42.1 hectares have been replanted at Rabbit Island.
To complete 16 hectares of pruning at Sherry, Rabbit Island and Tunnicliff Forests.	25.4 hectares have been pruned. (Rabbit Island 11.6 ha, Tunnicliff Forest 10.3 ha, Kingsland Forest 1.8 ha, Sherry Forest 1.7 ha) .
To complete 55 hectares of thinning at Tunnicliff, Rabbit Island and Borlase Forests.	26.4 hectares have been thinned. (Tunnicliff Forest 4.0 ha, Borlase 9.9 ha, Kingsland Forest 2.7 ha, Sherry Forest 1.7 ha, Rabbit Island 8.1 ha)
Land preparation of 206 hectares at Howard and Rabbit Island Forests.	35 hectares of desiccation and 35 hectares of windrowing was completed at Rabbit Island.

June 06 Actual \$	Forestry	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
861,183	Rabbit Island	851,473	963,190	88%
49,046	Borlase Forest	61,526	100,512	61%
85,986	Tunnickliff Forest	25,722	32,485	79%
2,061	Eves Valley	2,473	4,940	50%
21,421	Howard Valley	34,189	51,200	67%
33,255	Sherry River	29,370	60,720	48%
31,403	Kingsland	28,493	38,360	74%
168,083	General	175,338	177,153	99%
1,252,438	<b>TOTAL OPERATING COST</b>	<b>1,208,584</b>	<b>1,428,560</b>	<b>85%</b>
	<b>INCOME</b>			
736,000	Revaluation Increment	4,133,000	-	-
1,897,789	Fees and Recoveries	2,232,821	1,829,520	122%
2,633,789	<b>TOTAL INCOME</b>	<b>6,365,821</b>	<b>1,829,520</b>	<b>348%</b>
(1,381,351)	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>(5,157,237)</b>	<b>(400,960)</b>	<b>1286%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
(1,381,351)	Net Cost of Service (Surplus)	(5,157,237)	(400,960)	1286%
140,000	Domain Entitlement	140,004	140,004	100%
400,000	General Rate Contribution	200,004	200,004	100%
(841,351)		(4,817,229)	(60,952)	7903%
	<b>SOURCE OF FUNDS</b>			
(841,351)	General Funds	(4,817,229)	(60,952)	7903%
(841,351)		(4,817,229)	(60,952)	7903%

# Community Support Services

## Policy and Objective

The objective of Community Support Services activities is to involve Council where there is a moral or statutory obligation for such involvement.

## Nature and Scope

- a) District Emergency Management** – To provide for planning and preparation for emergencies and for response and recovery in the event of an emergency. Council has a statutory responsibility under the Civil Defence Emergency Act 2002 to carry out emergency management requirements.
- b) Community Facilities** – Council has established a Community Facilities Rate for the purpose of meeting part of the costs of capital funding for new, large, community, recreational, sporting or cultural District or regional projects which have met the relevant criteria and will provide benefit to the citizens of Tasman District.
- c) Community Housing** – provision of rental accommodation for elderly and disabled persons.
- d) Governance** – to serve a dual role in providing information and awareness of general matters affecting the community and the provision to the District's ratepayers of a democratically elected Mayor, Council and Community Boards.

## Contribution of Activities to Community Outcomes

This group of activities primarily contributes to the following outcomes:

- Our vibrant community is safe, well, enjoys an excellent quality of life and supports those with special needs.
- Our community understands regional history, heritage and culture.
- Our diverse community enjoys access to a range of spiritual, cultural, social, educational and recreational services.
- Our participatory community contributes to District decision making and development.
- Our built urban and rural environments are functional, pleasant, and safe.

June 06 Actual \$	COMMUNITY SUPPORT SERVICES	June 07 Actual \$	June 07 Budget \$	% of Budget
3,006,171	Community Facilities Rate	2,676,132	2,227,635	120%
132,405	Emergency Management	160,334	207,225	77%
730,766	Community Housing	616,117	599,710	103%
3,230,044	Governance	3,713,647	3,466,399	107%
7,099,386	TOTAL COSTS	7,166,230	6,500,969	110%



## Community Facilities Rate

Council introduced the concept of a Community Facilities Rate in the 2003/2004 financial year to provide a unique funding source for a wide range of community, recreational, sporting and cultural projects that were being proposed throughout the District, and for the benefit of residents of the District.

Completed projects that have been funded to date by the Community Facilities Rate include the Rotoiti Community Hall, Moutere Hills Community Centre, ASB Bank Aquatic Centre, completed stages of the Tasman Tennis Centre, the grandstand at Sportspark Motueka, a contribution towards the building of the Maruia Hall and contributions under an agreed funding formula for ongoing developments at Saxton Field.

In October 2005 Council reviewed its criteria for the Community Facilities Rate. In doing so, it acknowledged that a wide-range of projects were being proposed to Council both for construction within Tasman District and for construction outside Tasman District but which would be used and enjoyed by residents of Tasman District. As a result of this review, Council has introduced in the 2006-2016 Long Term Council Community Plan document the concept of a District Facilities Rate and a Regional Facilities Rate.

Following the introductory paragraphs to this activity, commentary is provided on each of the proposed projects, including detail of their location, anticipated capital cost, the anticipated construction timetable and the impact each project will have on either the District Facilities Rate or Regional Facilities Rate.

### What We Do

The District Facility Rate and Regional Facilities Rate provide a funding source to meet the costs associated with a wide-range of community facilities that have been proposed by Council.

### Rating Rules

The District Facilities Rate and Regional Facilities Rate are an annual charge levied uniformly on all rating units within Tasman District.

These Facilities Rates are operated as a closed account and are managed by Council's Community Services Department.

## Why We Do It

The objective of these rating sources is to provide a fund to assist with the construction of those facilities that would not normally be included within the bounds of Council's general activities.

## Our Goal

The District Facilities Rate and Regional Facilities Rate are levied to meet part of the costs of capital funding for new, large, community, recreational, sporting or cultural District or Regional projects which have met the relevant criteria and which will provide benefit to the citizens of Tasman District.

## Activities for the Next Three Years

Details of these projects and their current status are as follows:

### Murchison Sport Recreational and Cultural Centre

Following a series of public meetings the Murchison community shown its support for this project. Council gave its support for the project, in principle, in late 2005 with a request that the project cost ceiling be \$2.4 million (\$480,000 of which is to be raised locally) and that the Project Committee reports to Council on its fundraising progress by mid-August 2006. If the project satisfies Council's criteria, it is anticipated that construction will commence during the latter part of the 2006 calendar year. The rating impact of the Council loan required for this project would see the sum of \$8.30 being added to the District Facilities Rate from 1 July 2007.

A project manager was appointed in October 2006. Tenders were accepted on 6 September 2007 and work commenced on 10 September 2007. Completion date is mid 2008.

### Motueka Pool Complex

Council has considered plans and independent quantity survey costs for this proposed project, which has an estimated construction cost of up to \$4.5 million. Council has resolved that a poll of rateable properties within a defined area will be conducted during August 2006 to determine the future of this project. For indicative rating purposes, if Council was to provide a loan of \$2 million for this project, the rating impact would be \$9.20. It is anticipated that this would be an addition to the District Facilities Rate from 1 July 2007.

Early in the 2006/2007 financial year a poll voted against this project. Council has therefore put the project on hold but it could still be considered as a future project.

<p><b>Saxton Field Land Development</b></p> <p>In conjunction with Nelson City Council, Council has completed the Saxton Field development plan which has been adopted by both Councils. Council's share of this work for 2006/2007 is \$700,000. The total project is programmed over a 10-year period. To date Council has contributed the sum of \$1.2 million which has been loan funded. The rate cost associated with this project is \$4.70 per rateable property, increasing successively over the next five years as further development is undertaken on the extended Saxton Field.</p>	<p>The next stage of the Saxton Field development has commenced. The new cricket oval and athletics development is nearing completion.</p>
<p><b>Theatre Royal Funding</b></p> <p>The Nelson Historic Theatre Trust is proposing a three-stage restoration of this Nelson landmark – stage 1, focusing on the upgrade of the back of house, stage 2, focusing on upgrading front of the house and stage 3, the auditorium. Council has agreed to provide the sum of \$195,000. This one-off contribution will be loan funded and charged against the Regional Facilities Rate with an estimated annual rate of \$0.90 per rateable property within Tasman District. This would impact from 1 July 2007.</p>	<p>Council is waiting on the Nelson Historic Theatre Trust to make a decision to proceed.</p>
<p><b>Trafalgar Park Development</b></p> <p>The Nelson Bays Rugby Union is proposing an upgrade to Trafalgar Park so that this facility meets the New Zealand Rugby Union's minimum requirements for the new Premier Division Championship which starts in July 2006. The project cost is \$3.1 million and the Regional Funding Forum has recommended that the Nelson City Council and Tasman District Council's combined contribution should not exceed \$2.2 million. The likely funding split between the two Councils would be Nelson City Council 67% and Tasman District Council 33% (\$720,000). Council's contribution will be loan funded and charged against the Regional Facilities Rate with an estimated annual Regional Facilities Rate of \$3.20 per rateable property within Tasman District. This would impact from 1 July 2007.</p>	<p>Council has purchased 3,000 temporary seats that can be used at Trafalgar Park and other facilities throughout the District.</p>

June 06 Actual \$	Community Facilities Rate	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
2,288,898	Operational Expenses	1,656,387	1,145,670	145%
517,101	Loan Interest	724,461	951,264	76%
200,172	Depreciation	295,284	130,701	226%
3,006,171	TOTAL OPERATING COST	2,676,132	2,227,635	120%
	INCOME			
914,216	Targeted Rates	1,348,515	1,365,788	99%
36,967	Interest Received	27,638	-	-
965,217	Fees and Recoveries	129,178	-	-
1,916,400	TOTAL INCOME	1,505,331	1,365,788	110%
1,089,771	NET COST OF SERVICE (SURPLUS)	1,170,801	861,847	136%
	TOTAL FUNDS REQUIRED			
1,089,771	Net Cost of Service (Surplus)	1,170,801	861,847	136%
2,149,819	Capital	456,121	1,907,004	24%
1,200,000	Advances to Community Organisations	-	-	-
385,025	Loan Principal Repaid	350,316	334,111	105%
4,824,615		1,977,238	3,102,962	64%
	SOURCE OF FUNDS			
615,322	Restricted Reserves Applied	203,185	680,261	30%
3,649,500	Loans raised	1,478,769	2,292,000	65%
359,621	General Funds	-	-	-
4,624,443		1,681,954	2,972,261	57%
	NON- FUNDED DEPRECIATION			
200,172	Depreciation to be funded at income statement level	295,284	130,701	226%
4,824,615		1,977,238	3,102,962	64%

Note: All transactions relating to the Tasman Bays Heritage Trust have been reclassified from Cultural Services and Community Grants

## Emergency Management

### What We Do

This activity involves the delivery of comprehensive emergency management by the Tasman District Council with the Nelson City Council as a joint standing committee under the Local Government Act and as the legally constituted Nelson-Tasman Civil Defence Emergency Management Group (CDEMG) through:

- Implementation of the provisions of the Nelson Tasman Civil Defence Emergency Management Group Plan of 2002 (the Plan); and
- The establishment of a jointly funded Emergency Management Office.

### Why We Do It

The Civil Defence Emergency Act 2002 dictates that both councils provide individually and jointly for their emergency management responsibilities.

### Our Goal

We aim to build resilient communities within the Nelson-Tasman area by encouraging communities to understand their hazards and risks to enable them to provide for their own safety and wellbeing and develop a CDEM Group that enables the community to respond to and recover from emergency events in a timely and integrated manner.

### Our Level of Service

Delivery of comprehensive emergency management to the standard required by the Act and as set out in the current Plan and as per the stated goals and objectives.

### Performance Targets 2006-2007

Running regular group exercises to test the existing operational systems and Management plan.	Combined exercises with Nelson City Council have been ongoing. [There was a major exercise undertaken in September 2007.]
Annual review of the Plan.	The annual review of the plan had not commenced at 30 June 2007. The review is to be organised by the CDEMG during 2007.
Customer satisfaction with the service provided.	No public satisfaction survey was undertaken during the financial year.

June 06 Actual \$	Emergency Management	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
48,605	District	40,334	57,221	70%
83,800	Joint Civil Defence	120,000	150,004	80%
132,405	TOTAL OPERATING COST	160,334	207,225	77%
	INCOME			
2,201	Fees and Recoveries	2,498	1,000	250%
2,201	TOTAL INCOME	2,498	1,000	250%
130,204	NET COST OF SERVICE (SURPLUS)	157,836	206,225	77%
	TOTAL FUNDS REQUIRED			
130,204	Net Cost of Service (Surplus)	157,836	206,225	77%
	SOURCE OF FUNDS			
192,734	General Rates	200,453	198,748	101%
8,464	Sundry Income	7,363	7,477	98%
(70,994)	General Funds	(49,980)	-	-
130,204		157,836	206,225	77%

## Community Housing

### What We Do

This activity involves providing housing predominantly for elderly and/or people with disabilities (subject to the Medical Officer of Health supporting the need). Council owns 30 cottages in Richmond, seven cottages each in Brightwater and Wakefield, 45 cottages in Motueka, and four cottages each in Takaka and Murchison.

Housing allocation is carried out as per the policy of the New Zealand Housing Corporation, that is, the person/s most in need at the time is allocated the cottage. This policy also sets income and asset limits and eligibility criteria. Council is presently developing a housing policy.

### Why We Do It

Prior to 1992 Government provided subsidies and low-interest loans to local authorities to provide housing for the elderly. When these subsidies ceased Council resolved to continue with the provision of housing predominantly for elderly and/or disabled people.

- Facilities and services.
- There is need for retirement housing in areas like Mapua and Ruby Bay.
- The need for affordable housing is becoming increasingly acute as house prices continue to rise around the District.

- Families should be allowed to build granny flats on their properties to care for ageing parents.
- Have housing for the elderly and people with disabilities close to the urban centres.

### Our Goal

To provide an environment for elderly and disabled persons that is affordable, accessible and appropriate.

### Our Level of Service

- Provide a service that meets the needs of the elderly and disabled requiring housing.
- Ensure re-tenanting of houses within four weeks.

### How we measure progress

Number of complaints from tenants.	There were no complaints by tenants received during the year.
Number of requests for redecoration.	There were no requests for redecoration received during the year.

### Major Activities 2006-2007

Develop Council Housing Policy (2006/2007).	A draft policy was approved for public consultation by the Community Services Committee on 29 November 2006. Submissions on the draft policy closed on 28 February 2007 and a hearing was held on 27 June 2007. Further information was requested on market rental rates by the committee. This information will be presented to the committee at the earliest convenience.
Maintain service at a level to ensure rental charges cover costs (excluding depreciation).	Rental charges are covering costs.
Maintain the housing stock at its current high standard.	Housing stock is being maintained at its current high standard.
To provide loan facilities of up to \$50,000 for the proposed Abbeyfield project in Golden Bay.	A loan of \$50,000 was provided to Abbeyfield in July 2006. This was funded from Reserve Financial Contributions.

June 06 Actual \$	Community Housing	June 07 Actual \$	June 07 Budget \$	% of Budget
	OPERATING COSTS			
307,706	General	326,815	338,438	97%
40,383	Loan Interest	42,431	36,875	115%
382,677	Depreciation	246,871	224,397	110%
730,766	TOTAL OPERATING COST	616,117	599,710	103%
	INCOME			
428,350	Fees and Recoveries	433,436	432,600	100%
428,350	TOTAL INCOME	433,436	432,600	100%
302,416	NET COST OF SERVICE (SURPLUS)	182,681	167,110	109%
	TOTAL FUNDS REQUIRED			
302,416	Net Cost of Service (Surplus)	182,681	167,110	109%
45,702	Capital	27,236	-	-
21,345	Transfer to Parks & Reserves Account	21,630	21,630	100%
52,139	Loan Principal Repaid	38,203	64,014	60%
421,602		269,750	252,754	107%
	SOURCE OF FUNDS			
39,697	Sundry Income	34,542	35,078	98%
(772)	General Funds	(11,663)	(6,721)	174%
38,925		22,879	28,357	81%
	NON- FUNDED DEPRECIATION			
382,677	Depreciation to be funded at income statement level	246,871	224,397	110%
421,602		269,750	252,754	107%

## Governance

### What We Do

This activity involves running the electoral process to provide the District with a democratically elected Mayor, Council and Community Boards and the governance of the District by its elected representatives.

### Why We Do It

Tasman District Council as a Unitary Authority has a wide-range of functions and responsibilities under a number of statutes and associated regulations. These statutes define what we are required to do and in many cases, how we must carry out these duties and responsibilities.

### Our Goal

Our goal is to enable democratic local decision-making and to promote the social, economic, environmental and cultural wellbeing of the Tasman District, in the present and in the future.

### Our Level of Service

- This is dictated by the requirements of those statutes Council is required to administer and by the outcomes of public consultation processes.
- Council has recently established a Customer Services Department aimed at enhancing the service provided to Council's customers throughout the District.
- Staff are currently being appointed and training regimes are in place to impart high levels of knowledge to Customer Services staff.
- An internal benefit to the establishment of this Department will be extra productive time created for a wide-range of staff who are currently involved in providing customer service responses.

### Performance Targets 2006-2007

To complete a full representation review by late 2006 within the statutory timeframe for the 2007 local body elections	The Local Government Commission heard submissions to Council's proposal on 20/21 December 2006. A decision was released in April 2007.
To review the costs associated with this activity and ensure that these are aligned with the outcomes to the representation review together with Council's ongoing commitment to effective consultation with resident and ratepayer associations within the District	The costs associated with this activity reflect the work being undertaken to achieve Council's outcomes as noted in the 2006-2016 LTCCP.
To provide funding to enable Iwi consultation with Council on a wide-range of statutory issues	Council continues to provide funding and to engage with Iwi on a wide range of issues.
To provide funding for economic development opportunities within Tasman District	Council has contributed \$10,000 to a review of the Regional Economic Development Strategy.
To effectively manage any variations to this LTCCP document through the 2007/2008 draft Annual Plan consultation process	Council reviewed its LTCCP Year 2 and detailed these variations in its 2007/2008 draft Annual Plan.
Continue to enhance the Customer Services Department through effective training and development of a Frequently Asked Questions module.	Training is undertaken on a regular basis throughout the year.
To act as a good employer in preparing an adequate response plan in the event of a pandemic affecting the District	Council has prepared an effective policy in order to respond to a pandemic or similar event.



June 06 Actual \$	Governance	June 07 Actual \$	June 07 Budget \$	% of Budget
	<b>OPERATING COSTS</b>			
2,678,249	Council and Community Boards	2,777,436	2,514,247	110%
88,012	Customer Service	444,626	433,450	103%
211,580	Community Assistance	291,481	302,439	96%
40,628	Elections	44,229	38,064	116%
185,884	Statutory Compliance	116,917	126,974	92%
15,893	Economic Development	23,943	40,000	60%
9,798	Depreciation	15,015	11,225	134%
3,230,044	<b>TOTAL OPERATING COST</b>	<b>3,713,647</b>	<b>3,466,399</b>	<b>107%</b>
	<b>INCOME</b>			
154,192	Targeted Rates	157,228	158,532	99%
9,088	Fees and Recoveries	12,750	9,996	128%
163,280	<b>TOTAL INCOME</b>	<b>169,978</b>	<b>168,528</b>	<b>101%</b>
3,066,764	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>3,543,669</b>	<b>3,297,871</b>	<b>107%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
3,066,764	Net Cost of Service (Surplus)	3,543,669	3,297,871	107%
200,000	Transfers to Disaster Fund	200,000	200,000	100%
-	Transfer to Restricted Reserves	-	57,004	0%
13,457	Capital	10,000	5,000	200%
3,280,221		3,753,669	3,559,875	105%
	<b>SOURCE OF FUNDS</b>			
2,778,816	General Rates	3,433,730	3,404,525	101%
163,157	Sundry Income	141,923	144,125	98%
328,450	General Funds	163,001	-	-
3,270,423		3,738,654	3,548,650	105%
	<b>NON- FUNDED DEPRECIATION</b>			
9,798	Depreciation to be funded at income statement level	15,015	11,225	134%
3,280,221		3,753,669	3,559,875	105%

# Appendix 1

## Environment and Planning Department Applications Processed – 1 July 2006 to 30 June 2007

1. Resource Management Act		
Type of Consent	Outcomes 2005/06	Outcomes 2006/07
Land Use	557	637
Subdivision	157	175
Title Plans	172	137
Completion Certificates	162	137
Certificates of Compliance	51	45
Water	48	146
Discharge	99	83
Coastal	11	14
Resource Consent Transfers	73	87

2. Building Act				
Type of Consent	2005/06		2006/07	
	No. Issued	Value	No. Issued	Value
Dwelling	276	54.1M	323	79.6M
Commercial	121	28.1M	85	23.8M
Other	1303	29.2M	1292	31.5M
Totals	1700	111.4M	1700	134.9M

3. Licences		
Type	2005/06	2006/07
	No. of Certificates Issued	No. of Certificates Issued
Food Premises	292	304
Hairdressers	37	38
Camping Grounds	33	29
Hawkers/Mobile Shops	25	39
Others	31	49
Commercial Vessel Operators	56	44

4. Sale of Liquor		
Type of Licence	2005/06	2006/07
	No. of Licences Issued	No. of Licences Issued
Manager's Certificate	284	285
On and Off Licence	87	119
Club Licence	6	17
Special Licence	91	82
Temporary Authority Order	55	84

5. Other		
Type	2005/06	2006/07
Land Information Memoranda	660	705
Complaints Received	1478	1777
Abatement Notices Issued	56	83
Infringement Notices Issued	43	39
Enforcement Orders	1	1
Excessive Noise Direction	218	219