

I hereby give notice that an ordinary meeting of the Corporate Services Committee will be held on:

**Date:** Wednesday 16 May 2012  
**Time:** 9.30 am  
**Meeting Room:** Tasman Council Chamber  
**Venue:** 189 Queen Street  
Richmond

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## **Corporate Services Committee**

### **ATTACHMENTS**

**ATTACHMENTS UNDER SEPARATE COVER**

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# **TASMAN DISTRICT COUNCIL**

## **SIX MONTHLY REPORT**

**31 December 2011**

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## Directory

Tasman District Council is one of only six 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.

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## 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 surplus or deficit, 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, the improvement or enlargement of assets beyond their original size and capacity, or the replacement of assets/renewals.

### 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.

## Financial Statements Introduction

- 1 The **Statement of Comprehensive Income** (page 17) 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.  
  
Comprehensive income also summarises the change in equity of the Council from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. Therefore, it also includes such items as revaluations of property, plant and equipment.
- 2 The **Statement of Financial Position** (page 18) shows the assets and liabilities of the Tasman District Council.
- 3 The **Statement of Cashflows** (page 19) summarises the cashflows for the six month period to 31 December 2011.
- 4 The **Statement of Changes in Equity** (page 20) provides a breakdown of the movements in total equity.
- 5 The individual **Statements of Cost of Service** of Council's significant activities (pages 27 - 103) record Council's objectives, and achievements for the six month period to 31 December 2011, 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 2009 – 2019 Ten year Plan (TYP)

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

## Statement of Accounting Policies

### REPORTING ENTITY

Tasman District Council was formed in 1989 as a result of the Local Government Commission's Final Reorganisation 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 9,786 square kilometres with a normally resident population base of approximately 44,616 (2006 Census). Under our coastal jurisdiction, Council's area extends out to the 20 kilometre territorial waters boundary, covering 4,896 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, Council has designated itself as a public benefit entity for the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of Council are for the period ended 31 December 2011. This six monthly report are not interim financial statements as defined by NZ IFRS. They are for internal purposes only.

### Basis of preparation

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

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

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative 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 Council is New Zealand dollars.

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

### *Changes in accounting policies*

There have been no changes in accounting policies during the six month period to 31 December 2011.

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

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Council include:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. Council has not yet assessed the effect of the new standard and expects it will not be early adopted.



## 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 Council recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture 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 audited financial statements (June 2011) 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 audited financial statements (June 2011) have been used to determine Council's interest.

## Associated Organisations

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

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

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

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

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 2011) 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 audited statement of financial position (June 2011) 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 audited statement of financial position (June 2011) has been equity accounted.

### iv) Tasman Bays Heritage Trust Inc

The Tasman Bays Heritage Trust Inc commenced on 1 July 2000. Council has significant influence over the trust.

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 2011) has been equity accounted. Council has equity accounted for 50% of this entity.

## Revenue Recognition

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

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 month end accrued on an average usage basis.
- Council receives government grants from the New Zealand Transport Agency, which subsidises part of Council's costs in maintaining the local roading infrastructure. New Zealand Transport Agency revenue is recognised on entitlement when conditions pertaining to eligible expenditure are fulfilled.
- Development contributions and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service

that gave rise to the charging of the contribution. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

- 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 Council 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.
- Infingements are recognised when the fine is issued.

#### **Borrowing costs**

The Council and group has elected to defer the adoption of NZ IAS 23 Borrowing Costs (Revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

#### **Grant expenditure**

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

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

#### **Taxation**

Income tax expense in relation to the surplus or deficit, and deferred tax have not been calculated for this six monthly report.

#### **Leases**

##### **Finance leases**

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the

minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

##### **Operating lease**

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

##### **Cash and cash equivalents**

Cash and cash equivalents includes cash-in-hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of 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 Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

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

##### **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 31 December. It includes the cost of direct materials, direct labour and overheads.

## Financial Assets

Council 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 comprehensive income. 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 surplus or deficit.

Purchases and sales of investments are recognised on trade-date, the date on which Council 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 Council 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. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- Financial assets at fair value through surplus or deficit.  
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 surplus or deficit.

Currently, Council holds interest rate swaps 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 surplus or deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Council 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 Council has the positive intention and ability to hold to maturity.

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

Council currently has other financial assets in this category.

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

This category encompasses:

- Investments that Council intends to hold long-term but which may be realised before maturity; and
- Shareholdings that it holds for strategic purposes.

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

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

On derecognition the cumulative gain or loss previously recognised in equity is recognised in the surplus or deficit.

## Impairment of financial assets

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

### Loans and other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that Council will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

### Quoted and unquoted equity investments

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) is removed from equity and recognised in the surplus or deficit. Impairment losses recognised in the surplus or deficit on equity investments are not reversed through the surplus or deficit.

## Accounting for derivative financial instruments and hedging activities

Council uses derivative financial instrument to hedge exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are

subsequently remeasured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

Council has elected not to hedge account for its interest rate swaps

Council's associate Port Nelson Limited has applied hedge accounting to its interest rate swaps.

Certain derivatives designated as hedged derivatives can either be:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
- hedges of highly probable forecast transactions (cash flow hedge).

The full fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non-current.

### Fair value hedge

The gain or loss from remeasuring the hedging instrument at fair value, along with the changes in the fair value on the hedged item attributable to the hedged risk, is recognised in the surplus or deficit. Fair value hedge accounting is only applied for hedging fixed interest risk on borrowings. If the hedge relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the surplus or deficit over the period to maturity.

### Cash flow hedge

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recognised in the surplus or deficit as part of finance costs. If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised in other comprehensive income are reclassified into the surplus or deficit in the same period or periods during which the asset acquired or liability assumed affects the surplus or deficit. However, if it is expected that all or a portion of a loss recognised in other comprehensive income will not be

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recovered in one or more future periods, the amount that is not expected to be recovered is reclassified to the surplus or deficit.

When a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the associated gains and losses that were recognised in other comprehensive income will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised, or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that has been recognised in other comprehensive income from the period when the hedge was effective is reclassified from equity to the surplus or deficit.

#### 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 surplus or deficit.

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 Council and the cost of the item can be measured reliably.

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

#### Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

#### Subsequent Costs

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

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 2010.

#### 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 Council 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, Solid Waste, Water Supply, Stormwater, Ports and Wharves, and Airfields

Wastewater, solid waste, water supply, stormwater and port and wharves have been valued at optimised depreciated replacement cost by MWH New Zealand Ltd as at 30 June 2009. From 1 July 2008 Council has ceased revaluing its airfield assets. These assets are now recorded at deemed cost, being the value at the point the decision was made to cease revaluing.

### 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 2009.

### 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 two-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.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

### 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 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 30 June 2010.

#### 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 Council, 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 surplus or deficit.

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

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silvicultural costs and takes into consideration environmental, operational, and market restrictions.

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 surplus or deficit.

The costs to maintain the forestry assets are included in the surplus or deficit when incurred.

#### Investment property

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

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

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

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

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

#### Impairment of property, plant, and equipment and intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. 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 service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the Council or group would, if deprived of the asset, replace its remaining service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

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

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

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

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

#### **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 surplus or deficit. 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 Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

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

Council 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 Council

anticipates it will be used by staff to cover those future absences.

Council 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.

###### ***Presentation of employee entitlements***

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

##### ***Superannuation schemes***

###### ***Defined contribution schemes***

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

##### **Provisions**

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

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

##### ***Creditors and other payables***

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.



### Financial guarantee contracts

A financial guarantee contract is a contract that requires Council 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 Council will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if Council 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.

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

### 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 and 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 Cashflows.

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 those approved by the Council in its Annual Plan 2011/2012. 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.

Council 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 Council 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 Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modeling are also carried out regularly as part of the Council's asset management planning activities, which gives Council 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 Council's accounting policies for the period ended 31 December 2011.

### Classification of property

Council 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 Comprehensive Income**  
**For the Six Months ended 31 December 2011**

June 11 Actual \$(000's)		December 11 Actual \$(000's)	June 12 Budget \$(000's)	% of Budget
	<b>Income</b>			
27,835	General Rates	14,891	29,779	50%
24,646	Targeted Rates	13,639	26,644	51%
40,532	Other revenue	18,911	37,005	46%
457	Finance Income	154	384	40%
1,005	Other gains	16	531	3%
2,610	Income of joint ventures	1,601	3,203	50%
3,926	Share of associates surplus/deficit	1,361	2,322	59%
101,011	<b>Total Operating Income</b>	48,573	99,868	49%
	<b>Expenditure</b>			
	Operating Costs of Activities			
12,344	Environment & planning	6,457	13,470	48%
51,682	Engineering	29,020	55,863	52%
15,698	Community Services	8,221	17,169	48%
2,347	Council enterprises	1,892	3,353	56%
3,995	Governance	1,917	3,914	49%
2,666	Other losses	5,284	-	-
2,911	Expenditure of joint ventures	1,201	2,403	50%
91,643	<b>Total Expenditure</b>	53,992	96,172	56%
9,368	<b>Surplus before Taxation</b>	(5,419)	3,696	-147%
-	Tax expense	-	-	-
9,368	<b>Net Surplus</b>	(5,419)	3,696	-147%
	<b>Other comprehensive Income</b>			
1,838	Gain on asset revaluations	-	27,029	-
(650)	Asset Impairment Loss	-	-	-
516	Equity Adjustment Port Nelson	-	-	-
1,704	<b>Total other comprehensive Income</b>	-	27,029	0%
11,072	<b>Total comprehensive Income</b>	(5,419)	30,725	-18%

Comment:

Asset revaluations are undertaken at year end. Assets to be revalued this year are wastewater, solid waste, water supply, stormwater, ports and wharves, and river protection assets.

Other revenue includes vested assets. Vested assets to 31 December 2011 were \$76,847 (full year budget \$3,577,000).

Other losses relate to a loss on revaluation of Council's interest rate swap portfolio as at 31 December 2011. December 2011 was a low point for swap rates, and we anticipate this situation to improve for the March and June quarters.

(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 31 December 2011**

June 11 Actual \$(000's)		December 11 Actual \$(000's)	June 12 Budget \$(000's)
	<b>CURRENT ASSETS</b>		
5,813	Cash and cash equivalents	3,905	1,497
14,431	Trade and other receivables	13,172	10,198
4,614	Other financial assets	4,659	5,060
-	Non current assets held for resale	-	-
24,858		21,736	16,755
	<b>CURRENT LIABILITIES</b>		
15,591	Trade and other payables	18,126	13,103
1,654	Employee Benefit Liabilities	1,653	996
2,317	Derivative Financial Instruments	7,801	706
49,677	Current portion of borrowings	8,417	8,417
69,239		35,797	23,222
(44,381)	<b>WORKING CAPITAL</b>	(14,061)	(6,467)
	<b>NON CURRENT ASSETS</b>		
83,438	Investments in associates	83,463	83,000
1,984	Other financial assets	3,968	2,178
941	Computer Software	941	814
95	Trade & other receivables	95	118
18,740	Forestry Assets	18,740	18,833
1,730	Investment property	1,730	1,896
1,115,042	Property, plant and equipment	1,122,315	1,183,969
1,221,970		1,231,252	1,290,808
	<b>NON CURRENT LIABILITIES</b>		
89,910	Term borrowings	134,931	144,899
630	Employee benefit liabilities	630	569
587	Provisions	587	553
91,127		136,148	146,021
1,086,462	<b>TOTAL NET ASSETS</b>	1,081,043	1,138,320
	<b>EQUITY</b>		
487,952	Accumulated equity	483,724	489,502
13,055	Reserve funds	11,865	11,046
585,455	Revaluation reserves	585,454	637,772
1,086,462	<b>TOTAL EQUITY</b>	1,081,043	1,138,320

**Comment:**

The current portion of term loans balance reflects the amount that we physically intend to repay in the 2011/2012 financial year.

Trade and other payables include \$6.5m of rates received in advance as at 31 December 2011.

(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 Six Months ended 31 December 2011**

June 11 Actual \$(000's)		December 11 Actual \$(000's)	June 12 Budget \$(000's)
	<b>Cashflow From Operating Activities</b>		
	Cash was Provided From:		
32,885	Fees and charges	18,331	35,004
52,477	Rates revenue	34,685	55,929
2,114	Dividends received	1,800	2,322
505	Interest received	151	384
-	Net GST received	0	482
87,981		54,967	94,121
	Cash was Disbursed To:		
(60,941)	Payments to suppliers & employees	(37,986)	(68,035)
(7,897)	Interest paid	(3,373)	(9,031)
(452)	Net GST paid	(165)	-
(69,290)		(41,524)	(77,066)
<b>18,691</b>	<b>Net Cashflow From Operating</b>	<b>13,443</b>	<b>17,055</b>
	<b>Cashflow From Investing Activities</b>		
	Cash was Provided From:		
1,492	Proceeds from sale of assets	16	-
1,596		16	-
	Cash was Disbursed To:		
(38,911)	Purchase of assets	(17,074)	(32,136)
-	Purchase of investments	(2,054)	(192)
(38,911)		(19,128)	(32,328)
<b>(37,315)</b>	<b>Net Cashflow From Investing</b>	<b>(19,112)</b>	<b>(32,328)</b>
	<b>Cashflow From Financing Activities</b>		
	Cash was Provided From:		
30,671	Loans raised	13,967	22,179
	Cash was Disbursed To:		
(6,965)	Loan principal repayments	(10,206)	(9,241)
<b>23,706</b>	<b>Net Cashflow From Financing</b>	<b>3,761</b>	<b>12,938</b>
<b>5,082</b>	<b>Total Net Cashflows</b>	<b>(1,908)</b>	<b>(2,335)</b>
731	<b>Opening Cash Held</b>	5,813	3,832
<b>5,813</b>	<b>Closing Cash Balance</b>	<b>3,905</b>	<b>1,497</b>
	<b>Represented By:</b>		
5,813	Cash and cash equivalents	3,905	1,497
<b>5,813</b>		<b>3,905</b>	<b>1,497</b>

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

Proceeds from sale of assets relate to vehicle sales, and the purchase of investments is mainly due to the purchase of \$2m worth of shares in the NZ Local Government Funding Agency.

(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 Changes in Equity  
For the Six Months ended 31 December 2011**

June 11 Actual \$(000's)		December 11 Actual \$ (000's)	June 12 Budget \$ (000's)
1,075,390	Equity at the start of the year	1,086,462	1,107,595
11,072	Total comprehensive income	(5,419)	30,725
1,086,462	Equity at the end of the year	1,081,043	1,138,320

(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).

<b>STATEMENTS OF OBJECTIVES AND SERVICE PERFORMANCE</b>
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### 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:

	Page
<b>Environment and Planning</b>	22
<b>Engineering</b>	37
<b>Community Services</b>	61
<b>Governance</b>	86
<b>Council Enterprises</b>	89

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 2012. 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 and or accredited hearing commissioners. 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 processes outlined in legislation and established public consultation procedures.

- **Maintenance Works**

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

- **Legislative and Financial Compliance**

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

- **Asset Management Planning**

A common process we undertake for all outputs is the development of asset/activity management plans for Council's activities and infrastructural assets, including asset identification, valuation, condition rating, service levels, performance measures and future maintenance and development plans, as appropriate.

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 2000-2019 TYP Council included survey measures as a measure of progress toward the achievement of Council objectives and checking residents levels of satisfaction with the services Council provides. Council reports on these measures using data from the annual Communitrak survey. These performance measures were not commented on for the Six Monthly Report to 31 December 2011.

## 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) Environmental 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.

Jun-11 Actual \$	ENVIRONMENT & PLANNING	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
1,249,901	Resource Policy	821,299	1,375,854	45%
1,956,088	Environmental Information	896,917	2,370,064	38%
2,927,967	Resource Consents & Compliance	1,597,757	3,474,881	46%
2,104,176	Environmental Education, Advocacy and Operatic	1,200,844	2,225,909	54%
4,105,483	Regulatory Services	2,139,815	4,023,181	53%
12,343,615	TOTAL COSTS	6,456,632	13,469,689	48%



## ENVIRONMENT AND PLANNING

### RESOURCE POLICY

#### What We Do

This activity involves the analysis and development of policy and plans required under the Resource Management Act and the Biosecurity Act and the provision of policy advice on matters of national importance affecting Tasman District. It involves responding to new environmental issues that emerge from time to time and where Council considers a policy response is warranted, including where a response is needed to information received through monitoring undertaken in the Environmental Information Activity.

#### Why We Do It

Council is required by law and community expectation to manage the environment of Tasman District and the consequences of human activity. The Tasman community has told us that planning for the future is important. This is so we can meet the needs of communities and manage those activities which might otherwise undermine the character and resource values which are special to Tasman.

#### Our Goal

We aim to provide an appropriate policy framework for identifying and responding to resource management policy issues which lead to sustainably managing the District's natural and physical resources including biosecurity risks.

#### How this activity contributes to the Community Outcomes

- Having in place policies and plans that promote sustainable management of natural and physical resources and, where necessary, regulating activities which would over time degrade the environment or place resources under pressure, keeps Tasman District special
- The activity ensures that living environments are pleasant, safe, and that the activities of others do not adversely impact on citizens' lives. By ensuring resources are well managed, the activity contributes to the development of the district in appropriate locations and scale.
- Effective resource policy planning ensures infrastructure needs are appropriate, efficient, and available to meet the demands of the community.
- This activity safeguards the community's health and well-being by ensuring resource use and human activities affecting resources do not adversely affect quality of life or community well-being.
- This activity identifies heritage values of significance to the district and has in place a framework for protecting and enhancing these values, including sites which are important to iwi.
- Public participation is provided for in the processes of development of policies and plans under the Resource Management and Biosecurity Acts.
- Policies and plans identify opportunities for economic development and potential hazards and constraints affecting such opportunities.

#### Our levels of service

We will develop and maintain an appropriate policy framework which effectively promotes the sustainable management of the District's natural and physical resources by:

- identifying and responding to resource management policy issues and biosecurity risks; and
- providing a sound and appropriate policy planning framework that will protect and enhance our unique environment and promote healthy and safe communities; and
- ensuring that plan development systems are administered in a way which meets the expected environmental outcomes identified in policy statements and plans.

<b>ENVIRONMENT AND PLANNING</b>
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**Major Activities**

Undertake strategic development planning for urban and rural areas in the District and process associated plan changes and resolve any appeals, including current work on Richmond West, Richmond East, and work on Richmond CBD (2010 to 2012), Motueka West (current to 2012), Mapua (current to 2012), Eastern Golden Bay (current to 2012), Wakefield/Brightwater (2012).	Advanced draft plan change on Motueka West, heard submissions and made decisions on Change 22 for Mapua Ruby Bay. Continued to mediate on appeals concerning Richmond West rezoning. Heard submissions and notified decisions on Richmond East; two appeals; one resolved. Two hazard risk changes (Change 21, 31) heard and decided with no appeals. Released for discussion flood risk information from Takaka Flood Model and assessment of response options. Commenced review of rural land use and subdivision policies and rules.
In response to settling appeals on landscape matters, undertake Western Golden Bay Strategic Development Study (current - 2011) and Kina to Marahau (2011/2012).	Assessment of landscape values and risks in Golden Bay continued in consultation with community working group
Complete Part IV of the Tasman Resource Management Plan - Rivers and Lakes	Decisions on Part IV notified 16 July 2011 - two appeals received; one resolved
Review water management provisions, process associated plan changes, and resolve any appeals, Motueka Water Management Zone (current), Takaka Water Management Zone (2011 to 2012), Waimea Water Management Zone (2012 to 2013).	Involved in Environment Court mediation of appeals to Motueka water management provisions, without resolution. Hearings scheduled for February 2012. Prepared plan amendments to respond to Government regulations on water metering
Respond to any plan change requests and to administer other parts of the Tasman Resource Management Plan as required.	None received Regional coastal plan with aquaculture amendments made by the RMA Amendment Act (No 2) 2011 after government collaboration with Council
Investigate the merger of the Tasman Regional Policy Statement with the Tasman Resource Management Plan.	This project has been deferred by Council. It is unlikely to commence before November 2012.
Provide policy advice to Council on legislative and other significant resource management initiatives requiring Council response.	Responded further to proposed National Environmental Standard (NES) on Plantation Forestry, NES on soil contamination, and the Productivity Commission's report on Affordable Housing.
Review and administer the Regional Pest Management Strategy (RPMS) in conjunction with Nelson City Council.	Continued involvement in a Joint Marine Biosecurity committee with Nelson City and Marlborough District Councils and Biosecurity New Zealand. Review of RPMS held over because of changes to the Biosecurity Act - awaiting national policy direction.

<b>ENVIRONMENT AND PLANNING</b>
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Jun-11 Actual \$	Resource Policy	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
1,181,295	General Rates	616,884	1,233,767	50%
27,188	Fees and Recoveries	1,303	18,623	7%
114,633	Sundry Income	59,675	119,350	50%
1,323,116	<b>TOTAL INCOME</b>	677,862	1,371,740	49%
	<b>OPERATING COSTS</b>			
2,017	Regional Policy Statement	168	17,996	1%
1,085,276	TRMP	514,279	1,236,628	42%
86,241	Policy Advice	58,964	53,795	110%
73,317	Pest Management Strategy	45,931	63,321	73%
3,050	Depreciation	1,957	3,914	50%
1,249,901	<b>TOTAL OPERATING COST</b>	621,299	1,375,654	45%
(73,215)	<b>NET COST OF SERVICE (SURPLUS)</b>	(56,563)	3,914	-1445%
	<b>TOTAL FUNDS REQUIRED</b>			
(73,215)	Net Cost of Service (Surplus)	(56,563)	3,914	-1445%
(73,215)		(56,563)	3,914	-1445%
	<b>SOURCE OF FUNDS</b>			
(76,265)	General Funds	(58,520)	-	-
(76,265)		(58,520)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
3,050	Depreciation to be funded at income statement level	1,957	3,914	50%
(73,215)		(56,563)	3,914	-1445%

**Comment:**

Fees and recoveries are down on budget due to a \$3,184 refund of a plan change fee. [Original fee of \$5,218 received in the 2010/2011 financial year].

Policy advice and pest management strategy costs are up on six monthly budget due to more resources being required in these areas, mainly due to government regulations.

**ENVIRONMENT AND PLANNING**

**ENVIRONMENTAL 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.

**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.

**Our Goal**

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

**How this activity contributes to the Community Outcomes**

- By monitoring and investigating the state of the environment and the trends, risks, and pressures it faces, we can make better decisions and have in place policies and plans that promote sustainable management of natural and physical resources, and where necessary, that regulate activities which over time would degrade the environment or place resources under pressure.
- By monitoring and investigating the state of the environment and the trends, risks, and pressures it faces, we can make better decisions and have in place policies and plans that contribute to this outcome.
- Our flood warning system and work to identify contamination risks are designed to promote safety of people and community well-being.
- We make environmental information available and work with groups in the community to help them make environmentally sound decisions.
- Resource information identifies opportunities for economic development in the use and development of resources of benefit to current and future generations, and potential hazards and constraints affecting such opportunities.

**Our levels of Service**

We will provide environmental monitoring and resource investigations services in a professional and scientifically valid manner to ensure our natural and physical resources are sustainably managed

**Major Activities**

Revise and continue implementing the State of the Environment Monitoring and Reporting Strategy.	Council continues to implement the State of the Environment Monitoring and Reporting Strategy. Pesticides in Groundwater report submitted July 2011. Air Quality Report submitted October 2011.
Prepare and distribute annually issue based reports (Surface Water, Air, Groundwater, Coastal, Land) on the State of the Environment.	The Health of Freshwater Fish Communities in Tasman was released August 2011.
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.	The monitoring, collection and maintenance of resource data/records is ongoing. The data is reported in real-time and, in some cases, is available on-line.  Undertook preliminary assessment of Seismic Liquefaction Risk in Tasman District.

**ENVIRONMENT AND PLANNING**

<p>Initiate and respond to flood warnings and continue water resource investigations in the Waimea, Buller, Golden Bay, Moutere and Motueka catchments.</p>	<p><u>Hydrology:</u></p> <ul style="list-style-type: none"> <li>- Flood warnings were issued on a number of occasions, the most significant being in December 2011 which resulted in landslip problems in the Pohara/Ligar Bay area and behind Richmond.</li> <li>- The telemetry system continues to perform well during all weather alerts, except equipment was lost in the December 2011 event.</li> <li>- Contract hydrology services are provided to Nelson City Council.</li> <li>- The TDC 'Flowphone' and web page continue to be widely used by anglers, canoeists and others.</li> </ul> <p><u>Targeted Water Resource Investigations:</u></p> <ul style="list-style-type: none"> <li>- Ongoing effort has continued into the Waimea Water Augmentation project.</li> </ul>
<p>Conduct investigations into pollution and contamination related issues.</p>	<p>Maintained and updated Council's Site Contamination Register. Continued work with landowners in managing the effects of historic sheep dips.</p>

## ENVIRONMENT AND PLANNING

Jun-11 Actual \$	Environmental Information	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
2,105,860	General Rates	957,290	1,914,580	50%
411,745	Fees and Recoveries	218,346	452,545	48%
88,029	Sundry Income	45,826	91,854	50%
2,605,634	<b>TOTAL INCOME</b>	1,221,462	2,458,779	50%
	<b>OPERATING COSTS</b>			
575,329	Water Resource Investigations	220,381	645,633	34%
1,171,398	Environmental Monitoring	494,277	1,469,914	34%
78,220	Flood Management	100,423	91,878	109%
90,418	Pollution Investigations	54,910	106,814	51%
11,496	Loan Interest	4,476	10,926	41%
29,227	Depreciation	22,450	44,899	50%
1,956,088	<b>TOTAL OPERATING COST</b>	896,917	2,370,064	38%
(649,546)	<b>NET COST OF SERVICE (SURPLUS)</b>	(324,545)	(88,715)	366%
	<b>TOTAL FUNDS REQUIRED</b>			
(649,546)	Net Cost of Service (Surplus)	(324,545)	(88,715)	366%
135,873	Capital	18,245	121,776	15%
12,473	Loan Principal Repaid	7,637	11,838	85%
(501,200)		(298,663)	44,899	-665%
	<b>SOURCE OF FUNDS</b>			
(539,217)	General Funds	(321,113)	-	-
(530,427)		(321,113)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
29,227	Depreciation to be funded at income statement level	22,450	44,899	50%
(501,200)		(298,663)	44,899	-665%

Comment:

Flood management costs are above the six monthly budget due to an increase in staff requirements from the December 2011 rainfall event.

Water resource investigations, and environmental monitoring are down on budget due to a decrease in consultancy costs, and also the timing of the projects with most work being performed over the December/January period. Some projects have not been completed due to reasons such as weather problems and the unavailability of specialist consultants.

<b>ENVIRONMENT AND PLANNING</b>
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**RESOURCE CONSENTS & COMPLIANCE****What We Do**

This activity involves the assessment and processing of resource consent applications for the development and use of land, air, water or coastal resources, and related compliance monitoring and enforcement.

**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 in order to achieve sustainable management of natural and physical resources. There is also an expectation from the community that we will respond to, and resolve, environmental and nuisance complaints.

**Our Goal**

We aim to see development of the District's resources that achieves high standards within sustainable limits set by Council's plans and with minimum environmental impact and to provide excellent customer service in processing consents.

**How this activity contributes to the Community Outcomes**

- The consent process seeks to ensure that the development and use of the environment promotes sustainable management of natural and physical resources. Where necessary, conditions can be imposed (and monitored) that regulate activities which over time would degrade the environment or place resources under pressure.
- The activity ensures that living environments are pleasant, safe, and that the activities of others do not negatively impact on citizens' lives. By ensuring resources are well managed and adverse effects of resource use properly considered, the activity contributes to the development of the District in appropriate locations and scale.
- Effective planning ensures infrastructure needs are appropriate, efficient, and available to meet the demands of the community.
- This activity safeguards the community's health and well-being by ensuring resource use and human activities affecting resources do not adversely affect quality of life or community well-being.
- This activity can identify and protect heritage values of significance to the district, including sites which are important to iwi.
- Public participation is provided for in the consent process under the Resource Management Act. This can be either by way of consultation by resource consent applicants or full public notification of applications whereby the public have the opportunity to lodge submissions and appear in front of hearings committees.
- Resource consents can facilitate economic development opportunities and compliance monitoring can ensure fair and equal opportunities for all.

**Our levels of service**

We will process resource consent applications in a professional and timely manner to ensure our natural and physical resources are sustainably managed.

We will monitor and enforce compliance with consent conditions in a firm and fair manner and respond to complaints about activities adversely affecting people or the environment.

**ENVIRONMENT AND PLANNING**

**Major Activities**

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
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 continues to carry out consent compliance monitoring in accordance with the Compliance Monitoring Strategy. Submitted Annual Dairy Effluent Discharge in July 2011 and Water Metering Reports in August 2011. Annual Compliance and Enforcement report released November 2011. Reviewed Council Enforcement Policy.

Jun-11 Actual \$	Resource Consents & Compliance	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
1,512,727	General Rates	805,869	1,611,739	50%
1,277,616	Fees and Recoveries	669,655	1,764,440	38%
86,327	Sundry Income	44,940	89,881	50%
2,876,670	<b>TOTAL INCOME</b>	1,520,464	3,466,060	44%
	<b>OPERATING COSTS</b>			
1,990,692	Resource Consent Processing	1,169,448	2,429,943	48%
930,400	Compliance Monitoring	423,899	1,036,117	41%
6,875	Depreciation	4,410	8,821	50%
2,927,967	<b>TOTAL OPERATING COST</b>	1,597,757	3,474,881	46%
51,297	<b>NET COST OF SERVICE (SURPLUS)</b>	77,293	8,821	876%
51,297	<b>TOTAL FUNDS REQUIRED</b>	77,293	8,821	876%
	<b>SOURCE OF FUNDS</b>			
44,422	General Funds	72,883	-	-
44,422		72,883	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
6,875	Depreciation to be funded at income statement level	4,410	8,821	50%
51,297		77,293	8,821	876%



<b>ENVIRONMENT AND PLANNING</b>
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**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 and also the undertaking of works and services in conjunction with land owners. In particular undertake catchment stabilisation, riparian protection, and habitat enhancement work and pest management operations. This activity also involves follow-up monitoring at the former Fruitgrowers Chemical Company site at Mapua and civil defence and emergency management functions. It also includes Council's environment education function and associated events like, Ecofest, Enviroschools and Environment Awards.

**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. Council undertakes civil defence responsibilities as required by the Civil Defence Emergency Management Act 2002 in conjunction with Nelson City Council to ensure community awareness of, and preparedness to respond to, emergency events.

**Our Goal**

The Environmental Education, Advocacy, and Operations activity goals are to:

1. See improved practices in the use, development, and protection of the District's resources and to minimise damage to the environment through inappropriate practices or the incidence of pests and other threats to the quality of the environment we enjoy.
2. Build a resilient community where the potential effects of "all hazards" have been minimised and the community is ready to respond in the face of natural hazard events and emergencies.

**How this activity contributes to the Community Outcomes**

- By managing animal and plant pests, working with landowners and others to protect biodiversity, soil and water sustainability, and encouraging responsible environmental behaviours, we seek to ensure Tasman remains special.
- By encouraging and working with industries, community groups, and the public we seek to manage risks to, and effects on, Tasman's urban and rural environments.
- By promoting best practice and efficiency measures in the design and use of important utility services.
- Our civil defence and emergency management system is designed to promote safety of people and a resilient community.
- By promoting an appreciation of culture and heritage through the annual Environment Awards and targeted funding to heritage and waimaori projects.
- Participation in headline activities like Sea Week, Enviroschools, and Ecofest allows different sections of the community to participate learn and teach each other about matters relating to community well-being.
- We encourage people to be involved in making preparations in the event of a civil emergency and work with landowners to take responsibility for their actions that might have negative environmental consequences.
- We encourage people to adopt best practice in relation to their use of resources such as land, water, air, and the coast.

**Our levels of service**

We will work with resource users, stakeholder groups and the public to promote environmentally responsible behaviour, to encourage soil conservation and riparian planting, to maintain and enhance biodiversity.

We will contribute the regional share of funding to support the efforts of the Animal Health Board in managing the spread of Bovine Tb in the District

We will provide pest management services in Tasman, and under contract to Nelson City, to ensure the incidence of pests does not threaten the economic performance of our productive sector or place at risk the quality of the environment we enjoy.

We will have in place a civil defence and emergency management system that is designed to promote safety of people and a resilient community in the event that emergencies may occur.

<b>ENVIRONMENT AND PLANNING</b>
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**Major Activities**

Identify and promote opportunities for achieving sustainable management of natural and physical resources through implementing Council's Environmental Education Strategy and education and advocacy for sustainable environmental management practices, including working with EnviroSchools and other community groups.	<p>A very successful Environmental Festival "Ecofest" was held in August 2011 and Environmental Awards programme was run in November 2011.</p> <p>The EnviroSchools programme is continuing and the programme has been extended to involve pre-schools. Other work includes the establishment of community gardens with community groups, which has been assisted by funding from the District Health Board.</p>
Undertake soil conservation, land management, biodiversity and stream protection works in conjunction with affected landowners.	Soil conservation, land management and stream protection works in conjunction with affected landowners continues in accordance with the approved programme. Provided ongoing assistance to the Tasman Environmental Trust and the Tasman Natural Areas Enhancement Group
Undertake pest management operations including control of designated plants in sites of high public value in accordance with criteria in the Regional Pest Management Strategy and to contribute towards the Animal Health Board bovine Tb vector control programme.	<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 (released November 2011).</p> <p>Council continues to provide funds as a contribution to the Animal Health Board's Bovine Tb Vector Management programme.</p>
Monitor the environment around the former Fruitgrowers Chemical Company site at Mapua.	Ongoing monitoring undertaken with results showing a continued reduction in contaminant residues.
Review and implement the Nelson Tasman Civil Defence Emergency Management Group Plan.	Ongoing. A draft Nelson Tasman Civil Defence Emergency Management Group Plan was released in August 2011. Civil Defence responded to a heavy rainfall event in December 2011 which resulted in a State of Emergency being declared.

<b>ENVIRONMENT AND PLANNING</b>
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Jun-11 Actual \$	Environmental Education, Advocacy and Operations	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
1,290,424	General Rates	685,364	1,370,728	50%
321,773	Targeted Rates	158,885	306,485	52%
510,344	Fees and Recoveries	384,670	487,540	79%
176,899	Sundry Income	92,100	184,178	50%
2,299,440	<b>TOTAL INCOME</b>	1,321,019	2,348,931	56%
	<b>OPERATING COSTS</b>			
187,541	Land Management	108,766	248,210	44%
656,754	Promotion of Good Practice	395,835	539,337	73%
596,499	Plant Pest Management	338,635	533,565	63%
241,769	Animal Pest Management	98,222	257,760	38%
290,813	Emergency Management	186,890	364,207	51%
(110,875)	less share of NTCCDO Joint Venture income	-	-	-
104,341	Loan Interest	40,622	98,779	41%
133,707	Mapua	29,547	179,397	16%
3,627	Depreciation	2,327	4,654	50%
2,104,176	<b>TOTAL OPERATING COST</b>	1,200,844	2,225,909	54%
(195,264)	<b>NET COST OF SERVICE (SURPLUS)</b>	(120,175)	(123,022)	98%
	<b>TOTAL FUNDS REQUIRED</b>			
(195,264)	Net Cost of Service (Surplus)	(120,175)	(123,022)	98%
-	Transfer to Restricted Reserves	-	22,293	0%
107,383	Loan Principal Repaid	53,691	107,383	50%
(86,294)		(66,484)	6,654	-999%
	<b>SOURCE OF FUNDS</b>			
(89,921)	General Funds	(68,811)	-	-
(89,921)		(68,811)	2,000	-3441%
	<b>NON- FUNDED DEPRECIATION</b>			
3,627	Depreciation to be funded at income statement level	2,327	4,654	50%
(86,294)		(66,484)	6,654	-999%

**Comment:**

Promotion of Good Practice is over budget due to the timing of projects with Ecofest being held in August.

Fees and Recoveries at 79% due to an unbudgeted Top of the South Marine Biodiversity contribution of \$60,000 (expenditure as at 31 December 2011 is \$33,000) and \$215,000 received from the Ministry for the Environment towards monitoring fees for the Mapua Decontamination.

## ENVIRONMENT AND PLANNING

### REGULATORY SERVICES

#### What We Do

This activity involves the provision of advice and discharging statutory functions in the areas of public health, building, sale of liquor, hazardous substances, animal control, rural fire, parking and maritime administration. It involves assessing and processing 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 requirements. There is also an expectation from the community that we will uphold and administer these requirements in the interests of health and safety.

#### 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 and to provide excellent customer service in providing information on development opportunities and in processing permits and licences.

#### How this activity contributes to the Community Outcomes

- Managing risk from use of hazardous substances in public areas, rural fire, and ensuring recreational boating is safe keeps Tasman special.
- The activity ensures that living environments are safe, and that the activities of others do not negatively impact on citizen's lives. Through ensuring buildings are well constructed, safe and weather tight, the activity contributes to the development of the District, and also ensures that the resale value of the community's assets are protected.
- Parking control ensures parking facilities are available to ensure public access to urban retailers and services.
- This activity safeguards the community's health and well-being by ensuring standards of construction, food safety, and registered premises operation are met and that liquor consumption and nuisances from dogs and stock, and risk from fire do not adversely affect quality of life.
- Safe boating and providing such things as ski lanes ensures community access to the coastal waters of Tasman. □

#### Our levels of service

We will manage the storage and use of Hazardous Substances to ensure, to the extent possible, that risks from hazardous substances are properly minimised and managed.

We will provide building control services in a professional and timely manner to ensure building work is safe and in accordance with the NZ Building Code.

We will provide parking control services to facilitate the public's access to urban retailers and services, respond to any misuse of disabled parking, and remove reported abandoned vehicles.

We will provide Maritime administration services to ensure Tasman's harbour waters are safe and accessible and that all known commercial operators are registered.

We will provide a sale of liquor regulatory service in association with other agencies to foster the responsible sale and consumption of liquor.

We will provide public health services to ensure that food provided for sale is safe, free from contamination and prepared in suitable premises; that other public health risks are managed through the appropriate licensing of premises and operations; and to reduce where possible the occurrence and spread of communicable diseases.

We will develop and administer appropriate bylaws designed to ensure that certain activities are administered in a timely and proficient manner with the aim of safeguarding health and safety.

We will provide Animal Control services to minimise the danger, distress, and nuisance caused by dogs and wandering stock and ensure all known dogs are recorded and registered.

<b>ENVIRONMENT AND PLANNING</b>
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For Rural Fire, to safeguard life and property by the prevention, detection, restriction and control of fire in forest and rural areas.

**Major Activities**

Respond to enquiries and undertake inspectorial responsibilities under the Health Act, Building Act, Sale of Liquor Act, and the Hazardous Substances and New Organisms Act, and associated Council bylaws.	Inspectorial responsibilities under the Health, Building, and Sale of Liquor Acts and Council bylaws continue to be carried out by professionally-trained and qualified staff and contractors.
Carry out Harbour Board functions including implementation of the Joint Oil Spill Contingency Plan (with Nelson City Council).	Harbourmaster Annual report for 2010 submitted August 2011. Another busy summer in 2011 where maritime responsibilities were carried out. Staff assisted in responding to the <i>Rena</i> oil spill event in Tauranga.
Carry out animal control responsibilities.	The Council continues to administer the Dog Control Bylaw with service delivery being undertaken by Control Services (Nelson) Ltd.
Carry out parking control responsibilities under Council's Parking Bylaw.	Parking enforcement responsibilities are carried out under contract by Control Services (Nelson) Ltd.
Ensure fire risk in the District is effectively managed through supporting rural fire parties and the Waimea Rural Fire Committee.	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.
New capital expenditure on replacement fire appliances to the approximate value of \$34,000. Council will be seeking subsidies from the National Rural Fire Authority towards the purchase of fire equipment and appliances.	A replacement ute has been purchased for the rural fire network. Some of the funds will be required to replace a flood damaged fire engine as insurance costs won't quite cover the replacement. These funds are not expected to be fully spent for the year.

## ENVIRONMENT AND PLANNING

Jun-11 Actual \$	Regulatory Services	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
919,527	General Rates	530,521	1,061,042	50%
2,790,374	Fees and Recoveries	1,383,547	2,900,833	48%
1,724	Interest Received	782	-	-
78,681	Sundry Income	40,960	81,920	50%
3,790,308	<b>TOTAL INCOME</b>	1,955,810	4,043,795	48%
	<b>OPERATING COSTS</b>			
2,389,821	Building Control	1,227,354	2,299,210	53%
511,119	Liquor/Health/Registered Premises	265,181	554,640	48%
365,618	Animal Control	191,917	401,177	48%
457,170	Rural Fire	256,607	382,351	67%
345,219	Maritime, Parking & Hazardous Substances	180,905	348,218	52%
20,800	Loan Interest	8,084	20,051	40%
15,736	Depreciation	9,767	19,534	50%
4,105,483	<b>TOTAL OPERATING COST</b>	2,139,815	4,023,181	53%
315,177	<b>NET COST OF SERVICE (SURPLUS)</b>	184,005	(20,614)	-893%
	<b>TOTAL FUNDS REQUIRED</b>			
315,177	Net Cost of Service (Surplus)	184,005	(20,614)	-893%
100,850	Capital	12,433	35,398	35%
77,982	Transfer to Restricted Reserves	12,412	-	-
21,064	Loan Principal Repaid	12,898	18,745	69%
515,073		221,748	33,529	661%
	<b>SOURCE OF FUNDS</b>			
499,337	General Funds	211,981	-	-
499,337		211,981	13,995	1515%
	<b>NON- FUNDED DEPRECIATION</b>			
15,736	Depreciation to be funded at income statement level	9,767	19,534	50%
515,073		221,748	33,529	661%

Comment:

Rural Fire operating costs are at 67% of full year budget due to the timing of the Rural Fire Levy, Fire Management Services being paid one month in advance, and Upper Takaka appliance repairs.

<b>ENGINEERING</b>
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**Policy and Objective**

The objective of Engineering activities is to maintain and enhance the Council-owned roading, aerodrome, harbour, water, wastewater, stormwater, solid waste and river infrastructure of the District.

**Nature and Scope**

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

**a) Land Transportation**

**Subsidised Land Transportation** – maintenance and improvement of the roading network in the Tasman District Council area which is subsidised by New Zealand Transport Agency.

**Non Subsidised Land Transportation** – maintenance and development of the roading, footpath and car park infrastructure which is not subsidised by New Zealand Transport Agency.

**b) Coastal Structures** – covers the maintenance and development of ports and wharves under Council control within the Tasman District.

**c) Aerodromes** – operation of aerodromes under Council control within the Tasman District.

**d) 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.

**e) Wastewater** – maintenance and development of a wastewater disposal and treatment infrastructure within the Tasman District.

**f) Stormwater** – maintenance and development of a stormwater infrastructure within the Tasman District.

**g) Solid Waste** – operation of collection services, transfer stations and landfill sites. The development of landfill sites to a minimum District standard.

**h) Rivers** – establishment and maintenance of river and flood management within the Tasman District.

Jun-11 Actual \$	ENGINEERING	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
14,871,091	Subsidised Land Transportation	7,855,310	14,497,554	54%
6,726,301	Non Subsidised Land Transportation	3,982,463	7,650,235	52%
1,087,381	Coastal Structures	883,656	1,348,752	66%
206,456	Aerodromes	108,604	243,553	45%
8,608,894	Water Supply	4,353,738	9,451,108	46%
8,762,830	Wastewater	4,967,893	10,416,676	48%
3,418,437	Stormwater	1,619,938	3,590,904	45%
5,562,892	Solid Waste	3,409,725	6,521,163	52%
2,437,692	Rivers	1,838,613	2,143,238	86%
51,681,974	<b>TOTAL COSTS</b>	29,019,940	55,863,183	52%

## ENGINEERING

### LAND TRANSPORTATION

#### What We Do

Tasman District Council is responsible for the management of a transportation network that comprises approximately 1,700km of roads, (944km sealed and 757km unsealed), 475 bridges (including footbridges), 234km of footpaths, cycleways and walkways, 23 carparks, 2,723 streetlights, 9,241 traffic signs and 8,771 culvert pipes. Each road in the transportation network has been categorised into a transportation hierarchy based on the road's purpose and level of use.

The Tasman District transportation network encompasses and requires:

- Ownership or authority to use the land under roads.
- Road pavements and surfacings 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 cycleways to provide for the needs of pedestrians and cyclists.
- Street lighting to provide safe and comfortable movement of vehicular and pedestrian traffic at night.
- Carparking facilities where on-road carparking is not able to be provided adjacent to traffic lanes.

#### Why We Do It

The provision of transport services is considered to be a core function of local government and is something that the Council has done historically. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of the Transportation network. Transportation assists in promoting the economic, social, environmental and cultural well-being of the District's communities, by helping to facilitate the safe and efficient movement of people and goods throughout the District.

#### Our Goal

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

#### How this activity contributes to the Community Outcomes

- All road construction activities use best practice in the use of the District's natural resources.
- Our network of roads, footpaths, cycleways and carparks are safe, uncongested and maintained cost-effectively.
- Our urban communities have a means of travel for pedestrians, cyclists and commuters that is safe and efficient.
- Our rural communities have safe and effective access to our transportation network.

#### Subsidised and non-subsidised transport activities

The Government provides funding assistance for many of Council's roading activities, referred to as a 'subsidy', through the New Zealand Transport Agency (NZTA).

Qualifying activities include: road safety education, road maintenance, reseals, pavement rehabilitation, minor improvements (such as corner improvements), installation of right turn bays and pedestrian refuges. Major projects, such as seal extensions, significant intersection upgrades or cycleways may also qualify for a subsidy if certain criteria are met. The provision and maintenance of footpaths are not included.

The financial assistance subsidy rate for Tasman is 49% for most activities with an increase to 59% for approved major works. The subsidy rate depends on the size of the overall programme of work and the assessed ability to pay, which is related to the capital value of the District. Council has, therefore, shown the programme of works as a 'subsidised programme' and 'non-subsidised programme'.

#### Our Levels of Service

- Our transportation activities use best sustainable practices.
- Our network of roads, bridges, footpaths, cycleways and carparks are safe, uncongested and maintained cost-effectively.
- Our transportation network services those that should be serviced.
- Our transportation activities are managed at a level that satisfies the community.
- Faults in the transportation network are responded to and fixed promptly.
- Our systems are built so that failures can be prevented before they occur as much as possible, and if they do occur, can be quickly responded to.



<b>ENGINEERING</b>
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**Major Activities**

	Budget \$	
Sealed Roads Rehabilitation approximately 6km per year.	700,000	A tender has been let for \$560,000. The work has been delayed due to wet weather. There has been \$65,221 spent on this project to 31 December 2011.
Minor Safety Improvements.	941,960	Work has been completed or is committed as at 31 December 2011. The budget will be fully spent this year. An under spent budget of \$148,486 has also been carried forward from the 2010/2011 financial year. There has been \$1,012,066 spent on this project to 31 December 2011.
Kerb, Channel and Footpaths <input type="checkbox"/>	292,976	Work has been completed or is committed as at 31 December 2011. The budget will be fully spent this year.
Road Legalisation - land purchases	300,000	Road legalisation land purchases are undertaken when required. There has been \$30,323 spent on this project to 31 December 2011.
Lower Queen Street - land purchases	400,000	No land purchases have been made in the current financial year. [There was \$476,000 spent on property purchases for the Richmond West project in the last financial year – funding for these purchases was from the current financial year and future financial years].
Turner's Bluff Realignment	255,000	The budget for this project was increased by altering other budgets and work priorities. The work has been awarded and work was estimated to be completed by the end of April 2012. [The work at Turners Bluff has subsequently been suspended due to the discovery of what is considered a significant archaeological find of a Kia Pa site]
Route study at Aniseed Valley.	32,912	This work has been covered off under a previous study.
Tasman Cycle Loop (includes funding of \$1.8 million being provided for this project from the Ministry of Economic Development, plus \$100,000 from Reserve Financial Contributions and \$110,000 from the Nelson Cycleway Trust.)	2,385,882	Two bridges are scheduled to be built in the current financial year – one over the Wairoa River, and the other over the Waimea River.. There has been \$415,642 spent on this project to 31 December 2011.
Bridge Renewals – Yellowpine Creek Bridge on Pakawau-Bush Road and Awaroa Road Bridge 1, Awaroa Road. (Specific bridges subject to funding confirmation).	440,000	A contract for Yellowpine Creek bridge of \$438,000 was awarded mid January 2012, with completion expected by 30 June 2012.

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## ENGINEERING

New Footpath construction district-wide.	109,708	Work has been completed or is committed as at 31 December 2011. The budget will be fully spent this year.
Re-seal Cobb Valley (lower road) <input type="checkbox"/>	117,124	This project is scheduled to be completed by 30 June 2012.
James Road Bridge Replacement	1,200,000	The James Road bridge is scheduled to be officially opened in early February 2012. The budget for this project was revised to \$1.4m. There has been \$1,163,956 spent on this project to 31 December 2011.

Jun-11 Actual \$	Subsidised Land Transportation	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
6,051,833	General Rates	3,134,606	6,269,212	50%
-	Development Contributions	-	138,934	0%
7,614,637	New Zealand Transport Agency Subsidy	3,876,805	8,366,430	46%
345,020	Petrol Tax	165,080	323,000	51%
260,693	Fees and Recoveries	280,163	437,728	64%
447,633	Sundry Income	233,028	466,059	50%
14,719,816	<b>TOTAL INCOME</b>	7,689,682	16,001,363	48%
	<b>OPERATING COSTS</b>			
8,993,584	Maintenance	4,514,057	7,518,826	60%
849,578	Loan Interest	396,993	1,090,207	36%
5,027,929	Depreciation	2,944,260	5,888,521	50%
14,871,091	<b>TOTAL OPERATING COST</b>	7,855,310	14,497,554	54%
151,275	<b>NET COST OF SERVICE (SURPLUS)</b>	165,628	(1,225,941)	-14%
	<b>TOTAL FUNDS REQUIRED</b>			
151,275	Net Cost of Service (Surplus)	165,628	(1,225,941)	-14%
7,990,771	Capital	4,294,464	10,389,924	41%
-	Transfer to Restricted Reserves	-	43,165	0%
899,357	Loan Principal Repaid	624,196	1,110,912	56%
9,041,403		5,084,288	10,318,060	49%
	<b>SOURCE OF FUNDS</b>			
3,831,717	Loans Raised	1,770,766	4,429,539	40%
317,400	Restricted Reserves Applied	-	-	-
(135,643)	General Funds	369,262	-	-
4,013,474		2,140,028	4,429,539	48%
	<b>NON- FUNDED DEPRECIATION</b>			
	Depreciation to be funded at income statement level			
5,027,929		2,944,260	5,888,521	50%
9,041,403		5,084,288	10,318,060	49%

Comment:

Maintenance includes \$684,000 in emergency works (Total budget for the year is \$700,000). Fees and recoveries includes \$237,000 received from the Ministry of Education towards the Arbor-Lea traffic lights.

## ENGINEERING

Jun-11 Actual \$	Non Subsidised Land Transportation	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
2,373,753	General Rates	1,338,154	2,676,306	50%
5,733	Targeted Rates	2,866	5,733	50%
1,483,958	Development Contributions	508,946	654,134	78%
762,748	Fees and Recoveries	850,513	2,486,928	34%
390	Interest Received	129	-	-
217,000	Sundry Income	112,965	225,932	50%
4,843,582	<b>TOTAL INCOME</b>	2,813,573	6,049,033	47%
	<b>OPERATING COSTS</b>			
2,337,880	Maintenance	1,390,494	2,304,119	60%
378,494	Loan Interest	171,971	506,120	34%
4,009,927	Depreciation	2,419,998	4,839,996	50%
6,726,301	<b>TOTAL OPERATING COST</b>	3,982,463	7,650,235	52%
1,892,719	<b>NET COST OF SERVICE (SURPLUS)</b>	1,168,890	1,601,202	73%
	<b>TOTAL FUNDS REQUIRED</b>			
1,892,719	Net Cost of Service (Surplus)	1,168,890	1,601,202	73%
2,933,048	Capital	1,308,591	4,840,653	27%
451,487	Loan Principal Repaid	304,290	853,080	36%
274,191	Transfer to Restricted Reserves	238,288	218,676	109%
5,541,445		3,020,059	7,513,611	40%
	<b>SOURCE OF FUNDS</b>			
1,549,225	Loans Raised	625,915	2,673,615	23%
(17,707)	General Funds	(25,854)	-	-
1,531,518		600,061	2,673,615	22%
	<b>NON- FUNDED DEPRECIATION</b>			
4,009,927	Depreciation to be funded at income statement level	2,419,998	4,839,996	50%
5,541,445		3,020,059	7,513,611	40%

Comment:

Fees and recoveries, and capital costs are down on budget mainly due to the timing of the work on the Tasman Cycle Loop.

Maintenance includes \$185,000 spent on the Nelson City section of the cycleway. This had not been budgeted for as an expense.

## ENGINEERING

### COASTAL STRUCTURES

#### What We Do

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

Assets currently in this activity include:

- Ownership of wharves at Mapua and Riwaka.
- Responsibility for the port at Motueka.
- Jetties (such as at Torrent Bay), boat ramps, navigational aids and moorings.
- Coastal protection works at Ruby Bay and Marahau.
- The navigation aids associated with harbour management
- Port Tarakohe is reported on separately through the Enterprise Sub-Committee of the Council, but is included in this activity for ease of reporting. The aim over time, is for Port Tarakohe to be developed. This development will primarily have a commercial focus, but will also provide social and recreational benefits.

#### 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 is justified because they have a public value. The community preference is for Council to retain management of assets that are important to them. In addition, Council has access to more favourable financing options for this particular activity. The provision of coastal assets and services which have a high community value is considered to be a core function of local government.

#### Our goal

Coastal infrastructure is developed to achieve the visions of both Council and the community.

#### How this activity contributes to the Community Outcomes

- All coastal structures can be managed so their impact does not affect the health and cleanliness of the receiving environment.
- The coastal structures activity ensures our built environments are functional, pleasant and safe by ensuring the coastal structures are operated without causing public health hazards and by providing attractive recreational and commercial facilities.
- The coastal structures activity provides commercial and recreational facilities to meet the community needs at an affordable level. The facilities are also managed sustainably

#### Our Levels of Service

- Our coastal systems are sustainable.
- Our coastal activities are managed at a level that satisfies the community.
- Faults in the coastal assets are responded to and fixed promptly.
- Our navigation aid systems are built so that failures can be prevented. If failures do occur they can be responded to quickly.
- Our coastal structures are built so that failures can be prevented. If failures do occur they can be responded to quickly.

**ENGINEERING****Major Activities***Capital Works*

During the 2011/2012 financial year Council proposes to undertake the following capital works.

Activity	Budget \$	
Mapua Wharf upgrade, including re-roofing wharf sheds and deck and pile replacements, Navigational Aids, and Mapua Pontoon replacement.	\$240,000 (plus \$100,000 to be carried over from 2010/2011).	Tender evaluation is currently being carried out for the pontoon replacement. Other works yet to be committed.

Jun-11 Actual \$	Coastal Structures	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
348,945	General Rates	208,022	416,045	50%
131,754	Targeted Rates	65,958	131,204	50%
621,555	Fees and Recoveries	300,809	761,184	40%
34,813	Sundry Income	18,123	36,246	50%
1,137,067	<b>TOTAL INCOME</b>	592,911	1,344,679	44%
	<b>OPERATING COSTS</b>			
126,643	Motueka	353,426	60,501	584%
99,175	Tarakohe	87,793	175,690	50%
99,490	District Wharves & Boat Ramps	70,281	166,534	42%
376,252	Loan Interest	148,885	499,485	30%
385,821	Depreciation	223,271	446,542	50%
1,087,381	<b>TOTAL OPERATING COST</b>	883,656	1,348,752	66%
(49,686)	<b>NET COST OF SERVICE (SURPLUS)</b>	290,745	4,073	7138%
	<b>TOTAL FUNDS REQUIRED</b>			
(49,686)	Net Cost of Service (Surplus)	290,745	4,073	7138%
204,370	Capital	129,792	429,495	30%
329,861	Loan Principal Repaid	203,800	414,820	49%
51,375	Transfer to Restricted Reserves	26,139	14,222	184%
535,920		650,476	862,610	75%
	<b>SOURCE OF FUNDS</b>			
192,730	Loans Raised	59,849	279,495	21%
61,276	Restricted Reserves Applied	355,553	136,573	260%
(103,907)	General Funds	11,803	-	-
150,099		427,205	416,068	103%
	<b>NON- FUNDED DEPRECIATION</b>			
	Depreciation to be funded at income statement level			
385,821		223,271	446,542	50%
535,920		650,476	862,610	75%

**Comment:**

Motueka operating costs includes \$328,717 of costs relating to the Motueka Endowment area. The majority of these costs relate to consultant fees on the Motueka Groyne, and the Jackett Island geotech wall. The funding of these costs will be part of a future staff report to Council.

Fees and recoveries are down on budget due to the new marina at Port Tarakohe not having being built.

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## ENGINEERING

### AERODROMES

#### What We Do

Tasman District Council's Aerodromes activity comprises the provision and maintenance of the following assets at Motueka and Takaka:

- Ownership and authority to use the land under the runways.
- Runway pavements and surfaces for safe landing, takeoff and taxiing of aircraft.
- Ancillary buildings for administration and housing of associated activities.
- Navigational aids.
- Security fencing and other arrangements for protection of the assets and safety of the users.

#### Why We Do It

Council has no statutory obligation to provide this service. However, Council considers that its involvement is justified because aerodromes have a public value, and the community preference is for Council to retain management of assets that are important to the community.

#### Our Goal

We aim to provide the level of service that the customer wants and is prepared to pay for and in a manner that minimises conflict with the community.

#### How this activity contributes to the Community Outcomes

- All aerodromes can be managed so the impact of the discharges does not affect the health and cleanliness of the receiving environment.
- The aerodromes activity ensures our built urban environments are functional, pleasant and safe by ensuring the aerodromes are operated without causing public health hazards and by providing attractive recreational and commercial facilities.
- The aerodromes provide commercial and recreational facilities to meet the community needs at an affordable level and are available to the whole community. The facilities are also sustainably managed.

#### Our Levels of Service

- Our aerodromes do not pollute or degrade the receiving environment.
- Our aerodromes operate with a minimum of disturbance to the public and adjacent landowners.
- Our aerodromes serve those that should be served.
- Our aerodromes activities are managed at a level that satisfies the community.
- Faults in the aerodromes facilities are responded to and fixed promptly.
- Our systems are built so that failures can be prevented. If failures do occur they can be responded to quickly.

#### Major Activities

Activity	Budget \$	
Council will be reviewing the management of the Motueka aerodrome and will develop emergency plans for the aerodrome.	15,000	The emergency plan is scheduled to be adopted in March 2012. The management plan is expected to be presented to the Corporate Services Committee in April 2012.

## ENGINEERING

Jun-11 Actual \$	Aerodromes	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
8,585	General Rates	6,800	13,600	50%
78,876	Fees and Recoveries	44,815	128,720	35%
4,528	Sundry Income	2,357	4,714	50%
91,989	<b>TOTAL INCOME</b>	53,972	147,034	37%
	<b>OPERATING COSTS</b>			
32,835	Takaka	6,176	33,577	18%
71,371	Motueka	48,607	101,494	48%
5,552	Loan Interest	2,130	5,101	42%
96,698	Depreciation	51,691	103,381	50%
206,456	<b>TOTAL OPERATING COST</b>	108,604	243,553	45%
114,467	<b>NET COST OF SERVICE (SURPLUS)</b>	54,632	96,519	57%
	<b>TOTAL FUNDS REQUIRED</b>			
114,467	Net Cost of Service (Surplus)	54,632	96,519	57%
7,251	Loan Principal Repaid	4,426	6,862	85%
121,718		59,058	103,381	57%
	<b>SOURCE OF FUNDS</b>			
25,020	General Funds	7,367	-	-
25,020		7,367	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
96,698	Depreciation to be funded at income statement level	51,691	103,381	50%
121,718		59,058	103,381	57%

## ENGINEERING

### WATER SUPPLY

#### What We Do

This activity comprises the provision of potable water (ie, water suitable for use and consumption by people) to properties within 16 existing water supply areas in the Tasman District. The Council's network is extensive and growing rapidly. At present the network comprises approximately 659km of pipeline, 34 pumping stations, 11,387 domestic connections and 44 reservoirs and break pressure tanks with a capacity of approximately 18,330 cubic meters of water. In addition Council manages the Wai-iti water storage dam to provide supplementary water into the Lower Wai-iti River and aquifer. Water is supplemented at times of low river flows to allow a sustained water take for land irrigation.

Tasman District Council owns, operates and maintains 10 Urban Water Supply Schemes, three Rural Supply Schemes, and three Community Schemes.

#### Why We Do It

The provision of water supply services is considered to be a core public health function of local government and is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of water supply services in the District.

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 the District. 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 provide and maintain water supply systems to communities in a manner that meets the levels of service.

#### How this activity contributes to the Community Outcomes

- All water in the Council-owned schemes is taken from the environment. This activity can be managed so the impact of the water take does not prove detrimental to the surrounding environment.
- The water supply activity is a service to the community providing water that is safe to drink and is efficiently delivered to meet customer needs. It also provides a means for fire fighting consistent with the national fire fighting standards.
- The water activity is considered an essential service that should be provided to all properties within water supply network areas in sufficient capacity and pressure. This service should also be efficient and sustainably managed.

#### Our Levels of Service

- Our water takes are sustainable.
- Our water is safe and pleasant to drink.
- Our water is efficiently delivered to meet customer needs.
- Our water supply systems provide fire protection to a level that is consistent with the national standard.
- Our water supply systems serve those that should be serviced.
- Our water supply activities are managed at a level that the community is satisfied with
- Our systems are built so that failures can be prevented. If they do occur they can be responded to quickly.

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<b>ENGINEERING</b>
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**Major Activities**

<i>Capital Works</i>		
During the 2011/2012 financial year Council proposes to undertake the following capital works.		
Activity	Budget \$	
CTA/Coastal Pipeline	1,046,665	Investigation, design and land purchase continuing. Project and construction has been deferred in the 2012/2022 LTP. There has been \$100,381 spent on this project to 31 December 2011.
Motueka – Poole Street new water main	300,000	This project is progressing. There has been \$9,138 spent on this project to 31 December 2011.
Richmond Major Projects:		
• Reticulation renewals or upgrades	330,369	Design work is nearing completion. Project is scheduled to be tendered in March 2012. There has been \$5,363 spent on this project to 31 December 2011.
• Re-zoning	535,512	Design work is nearing completion. Project is scheduled to be tendered in March 2012. There has been \$47,999 spent on this project to 31 December 2011.
• Richmond East	130,882	Land purchase has been completed. Design of road formation and reservoir site has been completed. Tendering for earthworks has closed. There has been \$16,268 spent on this project to 31 December 2011.
• Treatment Plant	600,000	Investigation work on the proposed site for the Richmond Water Treatment Plant has been completed. Detailed design continues on the pipe reconfiguration and treatment process. There has been \$288,355 spent on this project to 31 December 2011.
• Lee Valley Dam Contribution <input type="checkbox"/>	250,000	Council continues to support the Waimea Water Augmentation Committee. There has been \$125,000 spent on this project to 31 December 2011.

## ENGINEERING

Activity	Budget \$	
Tapawera pipeline renewals	164,562	Tapawera pipeline renewals have been completed. There has been \$70,519 spent on this project to 31 December 2011. The remaining budget will be used to fund renewals of water laterals and valves.
District meter renewals	512,610	Construction work has commenced. There has been \$97,088 spent on this project to 31 December 2011.

Jun-11 Actual \$	Water Supply	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
102,098	General Rates	50,825	101,650	50%
5,860,527	Targeted Rates	3,621,884	6,453,807	56%
572,686	Development Contributions	484,518	807,028	60%
728,575	Fees and Recoveries	86,751	770,223	11%
132,926	Sundry Income	69,199	138,398	50%
7,396,812	<b>TOTAL INCOME</b>	4,313,177	8,271,106	52%
	<b>OPERATING COSTS</b>			
3,762,898	Urban Water	1,813,283	3,965,066	46%
3,651	Takaka	827	24,164	3%
356,622	Motueka	127,265	195,984	65%
64,654	88 Valley	32,584	61,917	53%
223,158	Dovedale	85,826	163,289	53%
150,622	Redwood Valley	37,564	147,270	26%
4,323	Hamama	1,646	7,573	22%
36,444	Pohara	24,511	36,864	66%
1,079,140	Loan Interest	536,045	1,460,608	37%
2,927,382	Depreciation	1,694,187	3,388,373	50%
8,608,894	<b>TOTAL OPERATING COST</b>	4,353,738	9,451,108	46%
1,212,082	<b>NET COST OF SERVICE (SURPLUS)</b>	40,561	1,180,002	3%
	<b>TOTAL FUNDS REQUIRED</b>			
1,212,082	Net Cost of Service (Surplus)	40,561	1,180,002	3%
5,437,803	Capital	1,555,784	4,216,790	37%
574,023	Transfer to Restricted Reserves	624,071	692,053	90%
1,110,580	Loan Principal Repaid	717,268	1,340,851	53%
8,334,288		2,937,664	7,429,696	40%
	<b>SOURCE OF FUNDS</b>			
334,881	Restricted Reserves Applied	-	133,454	0%
4,956,870	Loans Raised	1,243,477	3,907,869	32%
115,355	General Funds	-	-	-
5,406,906		1,243,477	4,041,323	31%
	<b>NON- FUNDED DEPRECIATION</b>			
2,927,382	Depreciation to be funded at income statement level	1,694,187	3,388,373	50%
8,334,288		2,937,664	7,429,696	40%

**ENGINEERING**

Comment:

Fees and recoveries are down on budget. A government subsidy of \$292,701 for the Murchison Water Treatment Plant was budgeted for (received \$Nil). Also, for the Motueka water scheme, connection charges of \$28,261 have been refunded as they were already charged on the consent last financial year. Also connection charges of \$82,800 (invoiced last financial year) have been refunded for the Brown Acre Development on Parker Street. These will be re-invoiced on an individual basis.

Capital expenditure includes \$934,000 spent on projects carried forward from the last financial year.

## ENGINEERING

### WASTEWATER

#### What We Do

This activity encompasses the provision of wastewater treatment facilities and sewerage collection systems to the residents of 14 Urban Drainage Areas (UDA's) within the Tasman District. The assets used to provide this service include approximately 390km of pipelines, 3,470 manholes, 74 sewage pump stations, seven wastewater treatment plants and the relevant resource consents to operate these assets (plus Council's 50% ownership of the Bell's Island plant, with Nelson City Council).

Tasman District Council owns, operates and maintains 12 sewerage systems conveying wastewater to eight wastewater treatment and disposal plants (WWTPs).

Tasman District Council is a 50 percent owner of the Nelson regional Sewerage Business Unit (NRSBU). Nelson City Council owns the remaining 50 percent. The NRSBU operates the Bells Island treatment plant which treats wastewater from most of Nelson City, Richmond, Mapua, Brightwater, Hope and Wakefield.

#### Why We Do It

The provision of wastewater management services is considered to be a core public health function of local government and is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation, and maintenance of wastewater services in the District.

Territorial Authorities have numerous responsibilities relating to wastewater. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within the District. This implies that, in the case of the provision of wastewater services, 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 provide cost-effective and sustainable wastewater systems in a manner that meets environmental standards and agreed levels of service.

#### How this activity contributes to the Community Outcomes

- All wastewater in the Council-owned schemes is treated and discharged into the environment. This activity can be managed so the impact of the discharges does not adversely affect the health and cleanliness of the receiving environment.
- The wastewater activity ensures our built urban environments are functional, pleasant and safe by ensuring wastewater is collected and treated without causing a hazard to public health, unpleasant odours and unattractive visual impacts.
- The wastewater activity is considered an essential service that should be provided to all properties within the urban drainage areas in sufficient size and capacity. This service should also be efficient and sustainably managed.

#### Our Levels of Service

- Our wastewater systems do not adversely pollute or degrade the receiving environment.
- Our wastewater systems reliably take our wastewater with a minimum of odours, overflows or disturbance to the public.
- Our wastewater systems serve those who should be serviced.
- Our wastewater activities are managed at a level that satisfies the community.
- Our systems are built so that failures can be prevented. If they do occur, they can be responded to quickly.

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<b>ENGINEERING</b>
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**Major Activities***Capital Works*

During the 2011/2012 financial year Council proposes to undertake the following capital works.

<u>Activity/project</u>	<u>Budget \$</u>	
Treatment Plant Upgrades: • Motueka	500,000	Investigation and trials are ongoing. Specific design is to commence soon. There has been \$151,865 spent on this project to 31 December 2011.
Continue to progress pipeline replacements across all schemes where pipes are failing.	1,477,767	This work is ongoing and will be completed by 30 June 2012. Work is being undertaken in Motueka, Mapua, Richmond and some areas of Murchison. There has been \$743,718 spent on this project to 31 December 2011.
Replacement of significant Motueka mains: • High Street	422,792	Work has been tendered for \$332,987. There has been \$153,267 spent on this project to 31 December 2011.
Kaiteriteri • Upgrade Breaker Bay pumpstation	80,187	This work is ongoing, There has been \$5,295 spent on this project to 31 December 2011.
• Honeymoon Bay pump station electrics	96,642	This work is ongoing, There has been \$5,342 spent on this project to 31 December 2011.

## ENGINEERING

Jun-11 Actual \$	Wastewater	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
8,282,522	Targeted Rates	4,163,324	8,593,832	48%
537,232	Development Contributions	246,211	707,130	35%
1,133,974	Fees and Recoveries	44,205	602,974	7%
(884,454)	less share of NRSBU Owners Distribution	-	-	-
357,478	Sundry Income	186,095	372,193	50%
9,426,752	<b>TOTAL INCOME</b>	4,639,835	10,276,129	45%
	<b>OPERATING COSTS</b>			
6,077,641	Maintenance	3,077,044	6,224,952	49%
(1,127,307)	less share of NRSBU JV income	-	-	-
1,639,858	Loan Interest	671,931	1,753,887	38%
2,172,638	Depreciation	1,218,918	2,437,837	50%
8,762,830	<b>TOTAL OPERATING COST</b>	4,967,893	10,416,676	48%
(663,922)	<b>NET COST OF SERVICE (SURPLUS)</b>	328,058	140,547	233%
	<b>TOTAL FUNDS REQUIRED</b>			
(663,922)	Net Cost of Service (Surplus)	328,058	140,547	233%
4,553,436	Capital	2,525,101	2,720,665	93%
1,651,151	Loan Principal Repaid	1,918,589	2,211,594	87%
192,131	Transfer to Restricted Reserves	-	-	-
5,732,796		4,771,748	5,072,806	94%
	<b>SOURCE OF FUNDS</b>			
420,782	Restricted Reserves Applied	1,322,822	5,766	22942%
3,981,842	Loans Raised	2,230,008	2,629,203	85%
(842,466)	General Funds	-	-	-
3,560,158		3,552,830	2,634,969	135%
	<b>NON- FUNDED DEPRECIATION</b>			
2,172,638	Depreciation to be funded at income statement level	1,218,918	2,437,837	50%
5,732,796		4,771,748	5,072,806	94%

Comment:

Loan principal repaid includes the additional \$884,454 principal repayment made from the NRSBU owners distribution received last year.

Capital expenditure includes \$1,423,000 spent on projects carried forward from the last financial year.

## ENGINEERING

### STORMWATER

#### What We Do

This activity encompasses the provision of stormwater collection, reticulation, and discharge systems in Tasman District. The assets used to provide this service include drainage channels, piped reticulation networks, tide gates, detention or ponding areas, inlet structures and discharge structures.

The stormwater sumps and road culvert assets are generally owned and managed by Council's Transportation Group or by the New Zealand Transport Agency, depending upon whether they are located on local roads or state highways.

Council manages its stormwater activities under 16 Urban Drainage Areas (UDA) and one General District Area. The General District Area covers the entire District outside the UDA. Typically these systems include small communities with stormwater systems that primarily collect and convey road run-off to suitable discharge points. It does not include land drains or river/stream systems. These are either the responsibility of Council under the Rivers Activity Management area or the responsibility of the landowners under the Tasman Resource Management Plan (TRMP).

#### Why We Do It

The Council has no statutory obligation to provide for private stormwater runoff, just as it has no obligation to provide protection against wind or other natural events. This is clear in the Local Government Act (LGA) 2002 where it states that councils do not have to take responsibility for stormwater systems which service only private properties.

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.

The provision of stormwater drainage to urban areas is something that the Council has always provided. The service provides many public benefits and it is considered necessary and beneficial to the community that the Council undertakes the planning, implementation and maintenance of the stormwater services within the urban areas.

#### Our Goal

We aim to achieve an acceptable level of flood protection in each UDA and the remaining General District stormwater areas.

#### How this activity contributes to the Community Outcomes

- Stormwater arising within urban development areas is controlled, collected, conveyed and discharged safely to the receiving environment. This activity can be managed so the impact of the discharges does not adversely affect the health and cleanliness of the receiving environment.
- Our stormwater activity ensures our built urban and rural environments are functional, pleasant and safe by ensuring stormwater is conveyed without putting the public at risk or damaging property, businesses or essential infrastructure.
- The stormwater activity is considered an essential service that should be provided to all properties within urban drainage areas in sufficient size and capacity. This service should also be efficient and sustainably managed.

#### Our Levels of Service

- Our stormwater systems do not adversely pollute or degrade but sustain and nurture the receiving environment.
- Our stormwater systems collect and convey stormwater safely through urban environments, reducing the adverse effects of flooding on people and property.
- Our stormwater activities are managed at a level which satisfies the community.
- We have measures in place to prevent flood damage to property and risk to the community.

## ENGINEERING

## Major Activities

<i>Capital Works</i>		
During the 2011/2012 financial year Council proposes to undertake the following capital works.		
<u>Activity</u>	<u>Budget \$</u>	
Little Kaiteriteri	275,043	This project has been completed. There has been \$59,207 spent on this project to 31 December 2011. This project was completed under budget. Council approval will be sought to transfer the surplus budget towards funding flood damage.
Poole Street/ High Street, Motueka	508,637	This project has been completed. There has been \$251,879 spent on this project to 31 December 2011. . The next section of the project is still to commence.
Main Road, Patons Rock	250,000	Work has been priced and will commence soon. There has been \$16,330 spent on this project to 31 December 2011.
Land Drainage Improvements/Culvert Upgrade, Tasman	150,000	Work on hold pending further funding in the 2012/2022 LTP and land purchase.
Swiftsure Street and Gibbs Road, Collingwood	220,000	Consents to be applied for soon. Work is proposed to be completed by 30 June 2012.



## ENGINEERING

Jun-11 Actual \$	Stormwater	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
2,345,587	Targeted Rates	1,294,027	2,547,610	51%
304,858	Development Contributions	90,289	341,187	28%
14,185	Fees and Recoveries	8,461	5,566	152%
122,417	Sundry Income	63,728	127,456	50%
2,787,047	<b>TOTAL INCOME</b>	1,456,505	3,021,819	48%
	<b>OPERATING COSTS</b>			
992,238	Richmond	337,933	766,723	44%
186,021	Motueka	83,121	231,269	36%
89,319	Mapua/Ruby Bay	46,341	68,257	68%
58,186	Brightwater	24,083	40,170	60%
51,138	Wakefield	25,223	39,673	64%
44,706	Takaka	13,371	39,902	34%
14,487	Murchison	6,259	17,190	36%
119,281	General District	108,989	238,616	46%
635,537	Loan Interest	276,350	752,569	37%
1,227,524	Depreciation	698,268	1,396,535	50%
3,418,437	<b>TOTAL OPERATING COST</b>	1,619,938	3,590,904	45%
631,390	<b>NET COST OF SERVICE (SURPLUS)</b>	163,433	569,085	29%
	<b>TOTAL FUNDS REQUIRED</b>			
631,390	Net Cost of Service (Surplus)	163,433	569,085	29%
1,431,796	Capital	1,347,584	1,604,447	84%
36,978	Transfer to Restricted Reserves	-	229,987	0%
710,609	Loan Principal Repaid	489,775	793,200	62%
2,810,773		2,000,792	3,196,719	63%
	<b>SOURCE OF FUNDS</b>			
1,138,475	Loans raised	1,075,048	1,493,247	72%
131,821	Restricted Reserves Applied	227,476	306,937	74%
312,953	General Funds	-	-	-
1,583,249		1,302,524	1,800,184	72%
	<b>NON- FUNDED DEPRECIATION</b>			
1,227,524	Depreciation to be funded at income statement level	698,268	1,396,535	50%
2,810,773		2,000,792	3,196,719	63%

Comment:

Capital expenditure includes \$900,000 spent on projects carried forward from the last financial year. Council reserves have been used to fund part of this expenditure.

## ENGINEERING

### SOLID WASTE

#### What We Do

The Solid Waste activity encompasses the provision and control of waste management services to residents in the Tasman District by providing:

- Education and promotion of waste minimisation.
- Kerbside recycling and solid waste collection services.
- Drop-off facilities for solid waste, greenwaste, reusable and recyclable materials.
- Bulk transport services for solid waste and greenwaste.
- Greenwaste and recyclable processing.
- Management of operational and closed landfills.

There are five Resource Recovery Centres (RRC), one operational landfill and 22 closed landfills located throughout the District.

#### Why We Do It

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

The Waste Minimisation Act 2008 has transferred some of the provisions of the LGA 1974 and 2002 relating to waste management and has increased the requirement for consideration of waste minimisation in Council's planning. The Act aims to protect the environment from harm by encouraging the efficient use of materials and a reduction in waste - with consequential environmental, social, cultural and economic benefits.

Under this legislation Council is required to carry out a waste assessment and to prepare a Waste Management and Minimisation Plan (WMMP) by 2012. This WMMP will supersede the existing Waste Management Plan.

#### Our Goal

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

#### How this activity contributes to the Community Outcomes

- All material that is collected by the Council's operators or delivered to Council-owned facilities is processed or disposed of in an appropriate and sustainable manner. These activities will be managed to minimise the impact on the receiving environment.
- Our kerbside collections ensure our built urban and rural environments are functional, pleasant and safe by receiving materials from the community and recycling, reusing or disposing of them with a minimum of nuisance and public complaint.
- Solid waste activities are operated in a safe and efficient manner to provide waste and recycling services that the community is satisfied with and which promote the sustainable use of resources.

#### Our Levels of Service

- Our solid waste activities use best sustainable practices.
- Our kerbside services are pleasant, reliable, easy to use and collection areas are kept free of litter.
- Our operations are managed in a safe manner.
- We provide and promote waste minimisation activities and progress within the community.
- Our sites are pleasant, consistent, reliable and operated in a sustainable manner.

**ENGINEERING****Major Activities**

<i>Capital Works</i>		
During the 2011/2012 financial year Council proposes to undertake the following capital works.		
<u>Activity</u>	<u>Budget \$</u>	
Ongoing work with Nelson City Council on a combined Waste Management and Minimisation Plan, to be completed during the 2011/2012 year.		A draft proposal for public consultation was released December. Hearings are scheduled for the third quarter.
<b>Resource Recovery Centres</b>		
• Richmond	647,716	Work on the site development of the Richmond RRC is essentially complete, with some pavement failures requiring further work in the third quarter. This, combined with additional pavement construction has resulted in additional expenditure. Two additional compactor bins have been purchased for delivery in the fourth quarter due to significant wear to existing bins.
• Mariri	284,264	A tender was accepted in the second quarter to construct a recycling loop at this site. This work is scheduled for the third quarter.
• Takaka	66,154	Modifications to the existing compactor and provision of hazardous goods receptacles commenced in the second quarter. Further work on the compactor and signage is scheduled for the third quarter.
• Collingwood	53,823	New signage is scheduled for the third quarter. Remaining work will be considered in the fourth quarter.
• Murchison	68,069	New signage and a security camera are scheduled for the third quarter. Remaining work will be considered in the fourth quarter.
<b>Eves Valley Landfill</b>	311,728	Stormwater works committed in the last financial year were substantially completed in the second quarter, but require further work following rain events. Work commenced on the leachate pump station upgrade and is scheduled to be completed in the third quarter. Preparatory work for the resource consent continued, but further consent and landscape work is likely to be deferred until a decision on long-term use of the site is made.
<b>Closed Landfills</b>	100,000	Erosion protection for this site is currently being reconsidered in the light of flood events of December and the potential for the site to be used for debris management.

## ENGINEERING

Jun-11 Actual \$	Solid Waste	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
242,894	General Rates	104,076	208,152	50%
1,809,294	Targeted Rates	998,701	1,989,748	50%
4,608,618	Fees and Recoveries	2,068,264	4,394,527	47%
(1,009,021)	less internal charges	-	-	-
196,996	Sundry Income	102,551	205,104	50%
5,848,781	<b>TOTAL INCOME</b>	3,273,592	6,797,531	48%
	<b>OPERATING COSTS</b>			
1,915,388	Kerbside Collection	973,991	1,913,495	51%
136,552	Waste Minimisation	95,298	152,164	63%
1,140,384	Landfills	564,634	899,648	63%
2,874,384	Resource Recovery Parks	1,469,953	2,820,251	52%
233,423	Loan Interest	139,928	403,762	35%
(1,009,021)	less internal charges	-	-	-
271,782	Depreciation	165,921	331,843	50%
5,562,892	<b>TOTAL OPERATING COST</b>	3,409,725	6,521,163	52%
(285,889)	<b>NET COST OF SERVICE (SURPLUS)</b>	136,133	(276,368)	-49%
	<b>TOTAL FUNDS REQUIRED</b>			
(285,889)	Net Cost of Service (Surplus)	136,133	(276,368)	-49%
2,685,498	Capital	1,435,882	1,636,608	88%
369,526	Loan Principal Repaid	329,819	559,999	59%
-	Transfer to Restricted Reserves	-	4,329	0%
2,769,135		1,901,834	1,924,568	99%
	<b>SOURCE OF FUNDS</b>			
97,349	Restricted Reserves Applied	101,695	-	-
2,366,148	Loans Raised	1,634,218	1,592,725	103%
33,856	General Funds	-	-	-
2,497,353		1,735,913	1,592,725	109%
	<b>NON- FUNDED DEPRECIATION</b>			
271,782	Depreciation to be funded at income statement level	165,921	331,843	50%
2,769,135		1,901,834	1,924,568	99%

Comment:

Capital expenditure includes \$792,000 spent on projects carried forward from the last financial year.

Loans raised include \$283,000 raised for June 2011 expenditure. Due to accounting rules we are unable to 'accrue' this loan funding at year end, but have to record the loan in the period it is physically raised.

## ENGINEERING

### RIVERS

#### What We Do

Tasman District Council maintains 285 kilometres of the region's rivers in order to carry out its statutory roles to promote soil conservation and mitigate damage caused by floods. These rivers are "classified" and funded by a differential river rating system. The rivers are on private, Council and Crown (Department of Conservation, Land Information New Zealand) lands. The associated river protection works such as stopbanks, rock and willows are owned, maintained and improved by Council.

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

#### Why We Do It

The provision of river management services is considered to be a core function of local government. Prior to 1992 rivers were managed by the Nelson Catchment Board followed by the Nelson-Marlborough Regional Council. In 1992 the functions of a catchment board under the Soil Conservation and Rivers Control Act 1941 were transferred to Tasman District Council.

The service provides many public benefits such as a level of flood protection to dwellings in the flood plain for selected rivers, river management and river maintenance. It is considered necessary and beneficial to the community that the Council undertakes the planning, implementation, and maintenance of these river services in the District in accordance with their respective legislative requirements and responsibilities.

#### Our Goal

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

#### How this activity contributes to the Community Outcomes

- Our river protection and flood mitigation activities are carried out so that the impacts on the natural river environments are minimised to a practical but sustainable level, and use best practices in the use of the District's natural resources.
- Our river protection works and flood control structures protect our most "at risk" communities and rural areas from flooding and are maintained in a safe and cost-effective manner.
- Our river protection and flood mitigation structures are maintained in an environmentally sustainable manner to a level supported by the community.

#### Our Levels of Service

- Our river protection and flood mitigation activities are carried out so that the impacts on the natural river environments are minimised to a practical but sustainable level, and use best practices in the use of the District's natural resources.
- We provide flood protection to a level that the community is prepared to fund.
- We manage the river alignment to minimise bank erosion up to an annual event in the X and Y rating areas.
- In River Z rating areas we provide technical support and funding assistance when available.
- Existing access to the rivers are maintained in a safe and efficient manner.
- River works are planned with community input and professionally implemented.
- Enquires relating to our river systems are responded to promptly.
- There are adequate measures in place to know when flooding may occur and to provide a limited response during a flood event.

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<b>ENGINEERING</b>
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**Major Activities**

Activity	Budget \$	
Lower Motueka Stopbank (Investigation 2009-2012, construction from 2012/2013)	153,591	Council has approved the preferred option which is to be included in the draft 2012/2022 Long Term Plan. There has been \$84,650 spent on this project to 31 December 2011.

Jun-11 Actual \$	Rivers	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
3,594	General Rates	2,636	5,272	50%
2,312,829	Targeted Rates	1,439,294	2,784,451	52%
603,290	Fees and Recoveries	782,632	166,513	470%
43,859	Interest Received	27,610	-	-
77,551	Sundry Income	40,372	80,744	50%
3,041,123	<b>TOTAL INCOME</b>	2,292,544	3,036,980	75%
	<b>OPERATING COSTS</b>			
2,383,172	Classified/General District	1,806,271	2,078,480	87%
24,398	Loan Interest	15,825	31,724	50%
30,122	Depreciation	16,517	33,034	50%
2,437,692	<b>TOTAL OPERATING COST</b>	1,838,613	2,143,238	86%
(603,431)	<b>NET COST OF SERVICE (SURPLUS)</b>	(453,931)	(936,242)	48%
	<b>TOTAL FUNDS REQUIRED</b>			
(603,431)	Net Cost of Service (Surplus)	(453,931)	(936,242)	48%
1,227,015	Capital	323,238	1,127,273	29%
10,096	Loan Principal Repaid	7,715	12,512	82%
78,030	Transfer to Environment & Planning	39,015	-	-
106,626	Transfer to Rivers Disaster Fund	-	-	-
4,765	Transfer to Restricted Reserves	613,357	8,487	7227%
823,101		529,394	212,030	250%
	<b>SOURCE OF FUNDS</b>			
410,573	Restricted Reserves Applied	428,227	25,405	1686%
382,406	Loans raised	84,650	153,591	55%
792,979		512,877	178,996	287%
	<b>NON- FUNDED DEPRECIATION</b>			
30,122	Depreciation to be funded at income statement level	16,517	33,034	50%
823,101		529,394	212,030	250%

Comment:

Classified/General District operating costs includes \$1,070,565 of emergency river works expenditure relating to the Aorere flood event in December 2010. This expenditure has been funded by the Ministry of Civil Defence and Emergency Management (60%), and by transfer from the Rivers Disaster Fund (40%).

<b>COMMUNITY SERVICES</b>
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### Policy and Objective

The objective of Community Services activities is to fund projects which are aimed at enhancing and enriching the education and cultural environment of the District, and enhance and enrich the recreational environment of the District,

### Nature and Scope

There are five 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.
- c) **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.
- d) **Community Facilities, Parks & Reserves, and Camping Grounds**

**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.

**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.

**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.
- e) **Community Housing** – provision of rental accommodation for elderly and disabled persons.

Jun-11 Actual \$	COMMUNITY SERVICES	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
2,447,106	Libraries	1,146,583	2,415,199	47%
646,996	Cultural Services and Community Grants	489,237	620,876	79%
765,134	Community Recreation	470,258	817,637	58%
6,938,290	Parks and Reserves	3,556,295	7,261,785	49%
4,047,921	Community Facilities Rate	2,075,547	5,042,641	41%
374,670	Camping Grounds	194,254	468,372	41%
477,889	Community Housing	288,738	543,013	53%
15,698,006	<b>TOTAL COSTS</b>	<b>8,220,912</b>	<b>17,169,523</b>	<b>48%</b>

## COMMUNITY SERVICES

### LIBRARIES

#### What We Do

Tasman District Libraries provide quality services to the community, promoting lifelong learning and creative use of leisure. The libraries provide access to information and leisure as well as space for our communities to interact. Access to information is in a variety of formats including books, electronic databases and other media. An information service is available during all opening hours with qualified staff to help users to find the information they are seeking. Children's services include a variety of activities in all the libraries. Outreach services to the homebound as well as to preschools, and other organisations are provided by the libraries.

Service is to all residents of the District through libraries in Richmond, Motueka, Takaka and Murchison. Electronic resources are provided via the Council Libraries website and in the libraries. The Richmond Library is also the District library, providing services throughout the District.

Link libraries that provide limited book stock only. These operate in Wakefield, Tapawera, Mapua, Collingwood and Dovedale.

#### Why We Do It

The Council is required by law and community expectation to promote the well-being of the community. Libraries develop an informed community whose members are literate and inspired.

#### Our Goal

- We provide access to information and leisure through a variety of media.
- We create social capital by providing safe public space for the use of the community in a variety of ways.
- We connect users to the world at large through traditional (print) and newer information technologies.

#### How this activity contributes to the Community Outcomes

- Libraries provide safe space for our community to interact. Libraries provide resources which enrich quality of life for all.
- Libraries collect and preserve local heritage materials. Libraries are involved in regional history/heritage projects which will increase access to the local historical/cultural information and materials.
- Libraries provide access to a wide range of materials in a variety of formats to support the recreational, educational, cultural, social, and business needs of the community.
- Libraries are open to all in the community and freely provide unbiased access to all information; as such libraries are an integral part of a strong democracy at local and national levels.

#### Our Level of Service

- Access to information and leisure sources that satisfy the needs of the community, delivered within the libraries and through outreach programming.
- Access to special collections, and other media as well as professional help to find regional and heritage information.
- Access to a variety of information, leisure, social resources, and services to support those with special needs, via the libraries in Richmond, Motueka, Takaka and Murchison.

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<b>COMMUNITY SERVICES</b>
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**Major Activities**

Ongoing management of Council libraries and delivery of library services to the community.	This is an ongoing function being performed to target.
Replacement of the library management software (LMS). Request for Proposal (RFP), selection and purchase of a new LMS will be undertaken in 2011/2012.	Tasman District Libraries joined the Kotui consortium in 2011. The consortium provides fully supported and updated library management software. The Libraries migrated to the new LMS in November 2011.
Increase in book numbers – district wide.	Tasman District Libraries purchased 9386 new items for the libraries during July-December 2011. At the end of December 2011 the libraries held 137,817 items. This achieves 82% of the current recommended standard for New Zealand libraries (based on 2011 estimated population figures).
Increase digital collections (e.g. digital editions of newspapers, digital downloadable audio books, premium lending collection).	Tasman District Libraries is part of a South Island consortium which provides downloadable audio books and electronic books to library members. The service was launched in October 2011.  In July 2011 the Library launched a new service which provides access to digital editions of newspapers. Access is available within the libraries and via the library website.
Complete renovation of the website so it can function as the fifth branch – with e-commerce enabled and functionality to allow for the delivery of digital services.	Work on this project was progressed throughout 2011. The renovated website will be launched during the last quarter of 2011/12.
Growth of services in line with population driven demand.	An investigation of the options for extending the Motueka Library was carried out in 2011. Funding for redevelopment of the library has been included in the draft 2012-22 Long Term Plan.  Work has begun on establishing a Maori non-fiction collection. The collection will support Richmond's new Kura Kaupapa Māori.

<b>COMMUNITY SERVICES</b>
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Jun-10 Actual \$	Libraries	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
2,102,543	General Rates	1,104,335	2,208,669	50%
280,298	Fees and Recoveries	136,097	306,016	44%
105,294	Sundry Income	54,814	109,627	50%
2,488,135	<b>TOTAL INCOME</b>	1,295,246	2,624,312	49%
	<b>OPERATING COSTS</b>			
336,092	District Operations	194,894	274,360	71%
1,016,369	District Library	472,342	1,169,075	40%
442,954	Motueka Library	229,654	482,560	48%
288,349	Takaka Library	157,412	301,614	52%
6,364	Murchison Library	4,575	9,081	50%
4,054	Link Libraries	983	3,051	32%
11,274	Tapawera Library	8,276	18,565	45%
341,650	Depreciation	78,447	156,893	50%
2,447,106	<b>TOTAL OPERATING COST</b>	1,146,583	2,415,199	47%
(41,029)	<b>NET COST OF SERVICE (SURPLUS)</b>	(148,663)	(209,113)	71%
	<b>TOTAL FUNDS REQUIRED</b>			
(41,029)	Net Cost of Service (Surplus)	(148,663)	(209,113)	71%
330,906	Capital	147,377	366,006	40%
289,877		(1,286)	156,893	-1%
	<b>SOURCE OF FUNDS</b>			
(51,773)	General Funds	(79,733)	-	-
(51,773)		(79,733)	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
341,650	Depreciation to be funded at income statement level	78,447	156,893	50%
289,877		(1,286)	156,893	-1%

<b>COMMUNITY SERVICES</b>
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**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 to enable them to achieve their objectives by way of grants. Grants are predominately for 'not for profit' community and voluntary groups working for the benefit of Tasman District communities.

These are the various contestable funding streams provided by Council in 2011/12: School Swimming Pool Subsidy (\$52,121), Community Grants (\$168,647), Tasman \$200 Ships (\$3,284), Mature Person Scholarships (\$5,474), Creative Communities (\$32,845) on behalf of Creative NZ, Council's Community Development Fund (\$20,000) and the Sport NZ (formerly SPARC) Rural Travel Fund (\$18,612) on behalf of Sport NZ (formerly SPARC). These are inflation adjusted each year.

In addition to the contestable funds the Council allocates annual grants to various cultural services including: the Provincial Museum, Motueka and Golden Bay Museums and The Suter art gallery.

The community is invited to apply for grants subject to eligibility criteria. Application forms are available from Council offices, libraries and on-line. A special Council Committee considers applications.

The Council also supports the work of the International Safe Communities "Safe at the Top" group and provides it with in-kind support. They mayor has endorsed the project and Council's Community Recreation Advisor is on the project's Steering Group.

**Why We Do It**

Council is required by community expectation to promote the well-being 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, and to enable communities to lead initiatives to help themselves.

**How this activity contributes to the Community Outcomes**

- Supports and funds 'not for profit' organisations and individuals who deliver services in our district that contribute to Council's Community Outcomes.
- Assists community-led facilities, projects and initiatives to deliver benefits across the broader community.
- Enabling organisations to work with Council to deliver benefits across the community.

**Our Level of Service**

- Provide grants to community groups to deliver services and facilities that enhance community well-being.

**Major Activities**

Allocation of contestable grants.	The first rounds of funding for the contestable funds have been completed. The Grants and Community Facilities Rate subcommittee met in September and November to discuss and allocate these funds.
Ongoing allocation of funding to cultural services, e.g. Museums and The Suter art gallery.	Memoranda of Understandings have been received from the Museums and The Suter. The Suter art gallery annual funding of \$80,990 has been paid. Local museum funding allocated to 31 December 2011 includes \$40,500 going to Golden Bay museum and \$40,500 to Motueka District museum.

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**COMMUNITY SERVICES**

Annual review of grants funding criteria and process.	The Annual Review is undertaken at the end of the financial year.
Continuing the new Community Development Fund.	The Community Development Fund is continuing for the 2011/12 year. The first round closed on 30 October 2011 with \$8,450 of funding allocated.

Jun-11 Actual \$	Cultural Services & Community Grants	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
419,207	General Rates	219,082	438,164	50%
221,602	Sport & Recreation NZ	93,136	87,000	107%
57,830	Fees and Recoveries	41,020	77,443	53%
3,133	Interest Received	1,478	-	-
17,547	Sundry Income	9,135	18,269	50%
719,319	<b>TOTAL INCOME</b>	363,851	620,876	59%
	<b>OPERATING COSTS</b>			
316,753	Council Grants	288,668	386,847	75%
221,603	Sport & Recreation NZ Grants	93,135	87,000	107%
25,718	Creative NZ Grants	21,444	32,845	65%
4,000	Community Sports Fund	5,000	5,474	91%
78,922	Museums	80,990	80,990	100%
-	Loan Interest	-	27,720	0%
646,996	<b>TOTAL OPERATING COST</b>	489,237	620,876	79%
(72,323)	<b>NET COST OF SERVICE (SURPLUS)</b>	125,386	-	-
	<b>TOTAL FUNDS REQUIRED</b>			
(72,323)	Net Cost of Service (Surplus)	125,386	-	-
-	Advances to community organisations	-	120,000	0%
(72,323)		125,386	120,000	104%
	<b>SOURCE OF FUNDS</b>			
4,310	Advances Repaid	2,243	-	-
-	Loans raised	-	120,000	0%
(76,633)	General Funds	123,143	-	-
(72,323)		125,386	120,000	104%

Comment:

The advance to community organisations budgeted of \$120,000 relates to the Motueka Community Hospital. This advance has yet to be requested, therefore, the corresponding loan to be raised has not be drawn down.

Sport & Recreation NZ grants are for ongoing projects usually over a number of financial years. The grant funds are received in instalments and are included in income as monies are expended against the project. Any funds received but not yet spent are held as a current liability as grants received in advance.

<b>COMMUNITY SERVICES</b>
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**COMMUNITY RECREATION****What We Do**

The Community Recreation activity provides for the recreational and cultural needs of the communities of the Tasman District. This is done via projects that support and develop the community engagement with recreation, sports, arts and heritage. The activity requires working collaboratively with community and government agencies to ensure sustainability of programmes. Where gaps exist in services that should be provided, there is a role to advocate and work on behalf of the community.

**Why We Do It**

Active and involved communities are sustainable and healthy communities. Recreation and leisure activities contribute to the regions prosperity and identity. The Community Recreation Activity is an essential component of Council's business in terms of:

- How it relates to the communities.
- How it strengthens its communities.
- How it supports its communities.
- How it maintains an accurate picture of community opportunities and challenges.

**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.

**How this activity contributes to the Community Outcomes**

- Encouraging low impact engagement with and enjoyment of the natural environment.
- The activity provides information to encourage safe use of the environment with activities that do not cause negative impact.
- Advising planners to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable relevant and enjoyable activities life long.
- Promotion and celebration of our history and diverse cultures.
- Promotion and delivery of recreational services that reflect the diversity of the Tasman District.
- Ensuring communication to communities encourages engagement.
- Working in partnership with community, business, government and professional groups to strengthen and grow the economy.

**Our Level of Service**

- The activity provides information to encourage use of our environment and that the activities of others do not cause negative impact.
- Work with user groups and advocates to ensure active transport is included in Council's provision of transport services.
- Providing and supporting quality recreational services which enable participation in suitable, relevant, and enjoyable activities and environments lifelong.
- Promotion and celebration of our history and cultures.
- Support of facilities and services that house our regions stories, artefacts and arts.
- Promotion and delivery of events and recreational services that reflect the diversity of the District.
- Community development is supported with staff advice and funding support.

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<b>COMMUNITY SERVICES</b>
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**Major Activities**

Support of community development via advice, grants and partnership arrangements. Particularly Way2Go, a Nelson Tasman Active Communities project. The aim of the Way2Go programme is to break down barriers to physical activity by providing programmes and information about achievable physical activity and/or active recreation opportunities in local communities.	The Way2Go programme is continuing with funding available to 30 June 2013.
Support of regional recreation programmes.	Recreational programmes have been run across the region, and Council also supports local initiatives with funding and advice. Examples include In Your Neighbourhood, Tasman Skatepark Tour, and Bikewise.
Provision of community events and activities including promotion via website, Mudcakes and Roses, Boredom Busters, JAM Magazine, Newslines, Found Directory, Bike/Walk Tasman, Hummin in Tasman and other media.	This is ongoing and being achieved to target. Community events are supported and promoted through Council's website. JAM Magazine is no longer physically produced and is now solely as a website. 20,000 copies of the summer guide were produced and positive feedback has been received.
Facilitate the Youth Council with regional Recreation Coordinators.	There was a successful wrap-up of the previous Youth Council in November. Currently recruiting for 2012.
Consider implementing actions identified as priorities in the Nelson Tasman Regional Arts Strategy.	There is an allocation for public art. Currently working with some proposals from Nelson Sculpture Trust. The Kaka Beak sculpture for Motueka is complete and will be installed in High Street shortly.
Completion of a youth strategy.	This project is currently on hold awaiting the availability of senior staff resources for final analysis and completion of the draft.
Undertake projects that support and develop community engagement with recreation, sport, arts and heritage.	Received funding from Sport NZ (formerly SPARC) for the Get Moving programme. This is focused on walking, running and cycling.

<b>COMMUNITY SERVICES</b>
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Jun-11 Actual \$	Community Recreation	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
614,045	General Rates	341,334	682,668	50%
97,731	Fees and Recoveries	105,541	108,856	97%
24,625	Sundry Income	12,819	25,637	50%
736,401	<b>TOTAL INCOME</b>	459,694	817,161	56%
	<b>OPERATING COSTS</b>			
689,334	Community Advisory Service	418,322	725,626	58%
33,490	Boredom Busters	10,272	31,203	33%
41,939	School Swimming Pool Subsidies	41,426	52,121	79%
-	Walk Tasman Booklets	-	8,211	0%
371	Depreciation	238	476	50%
765,134	<b>TOTAL OPERATING COST</b>	470,258	817,637	58%
28,733	<b>NET COST OF SERVICE (SURPLUS)</b>	10,564	476	2219%
	<b>TOTAL FUNDS REQUIRED</b>			
28,733	Net Cost of Service (Surplus)	10,564	476	2219%
28,733		10,564	476	2219%
	<b>SOURCE OF FUNDS</b>			
28,362	General Funds	10,326	-	-
28,362		10,326	-	-
	<b>NON- FUNDED DEPRECIATION</b>			
371	Depreciation to be funded at income statement level	238	476	50%
28,733		10,564	476	2219%

**Comment:**

Fees and recoveries include \$28,787 received from the Ministry of Justice towards graffiti/vandalism and \$18,000 received towards the Richmond Rugby World Cup festival. These had not been budgeted for.

## COMMUNITY SERVICES

### PARKS & RESERVES

#### What We Do

Tasman District Council manages 595 hectares of reserve land comprising a range of parks, reserves, open spaces and recreational facilities (including 41 playgrounds) 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:

- 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.

#### 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 well-being.

Council recognises it plays a key role in creating the environment in which communities can prosper and enjoy improved health and well-being. 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 more active more convenient, easy, safe and enjoyable.

#### Our Goal

We aim to provide parks, reserves and recreational facilities that promote the physical, psychological, environmental and social well-being of communities in Tasman District.

#### Key changes to the Ten Year Plan

There are no key changes from the Ten Year Plan in the community facilities and parks and reserves activity over the coming year.

#### How this activity contributes to the Community Outcomes

- Protection of the natural environment and ecologically significant areas.
- Provision and enhancement of open space.
- Vegetation enhancement and awareness.
- Enhanced community involvement in conservation and restoration work.
- Protection and enhancement of coastal and riparian areas.
- Provision and enhancement of open space and an interconnected open space network.
- Provision of neighbourhood and community parks within walking distance of homes.
- Provision of open space and recreation facilities that cater for and promote active lifestyles. This includes casual activities such as walking and cycling, and organised sports and recreation activities.
- Reserves and facilities are designed and managed to ensure users safety and cater for the needs of the whole community.
- Provision of high quality open space, recreation and cultural facilities that provides a range of leisure and cultural opportunities.

#### Our Level of Service

- Interconnected open space network and recreation facilities that provide a range of leisure opportunities and meet the needs of users and the community.

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<b>COMMUNITY SERVICES</b>
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**Major Activities**

	Budget \$	
Prepare a Reserves Strategy.		The growth model for the District has been finalised. The Reserve Strategy is to commence shortly.
Review reserve management plans that are 10 years old and have not had an interim review.		The review of reserve management plans has commenced.
Designing and constructing township entrance signage. [New signage and landscaping at District State Highway entrances].	21,856	A cross-departmental Council team has been set up for this project. The project has been put on hold due to other work priorities.
Treasured Pathway – upgrading signage and promotional materials (working with other agencies). [Joint project with DOC, NCC and MDC].	16,392	A cross-departmental Council team has been set up for this project. The project has been put on hold due to other work priorities.
Amenity planting in Tasman District. [Tree policy, town street planting].	5,464	Currently awaiting staff to be allocated to project.
Waimea Inlet enhancement (working with other agencies). [Ongoing development of walkway linkages].	8,196	Outside groups are currently working on obtaining external funding to contribute to this project. Awaiting the results of this before the project commences.
Waimea River Park – enhancing walking, cycling, swimming and native replanting. [Confluence of Waimea, Wairoa and Wai-iti Rivers].	20,000	Working on extending Waimea Stopbank Walkway from Livingston Road to Waimea West Road adjacent to the road bridge.

## COMMUNITY SERVICES

### CEMETERIES

#### What we do

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

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

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. Natural burials are provided for in the Motueka cemetery and will be provided for in Rototai and Spring Grove cemeteries (subject to suitability) during 2011.

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, except for Richmond.

Long term there is a requirement to provide land for an alternative to the existing Richmond Cemetery. Due to social issues and the time it takes to develop cemeteries, it is preferable to purchase suitable land and to publicise the intended use well before any actual need.

We provide a small amount of funding for maintenance of privately managed cemeteries (e.g. Urupa and trustee cemeteries).

#### Why we do it

Cemeteries are provided for the following reasons:

- Public health.
- Comply with the requirements of the Burial and Cremation Act 1964.

#### Our goal

We aim to provide an attractive and peaceful environment for the burial, memorial and remembrance of the deceased.

#### How this activity contributes to the Community Outcomes

- Provision of attractive and functional cemeteries.

#### Our levels of service

- Cemeteries that offer a range of burial options and adequate space for future burial demand.

**COMMUNITY SERVICES**

**Major Activities**

Ongoing management and maintenance of Council cemeteries.	This is an ongoing target being performed to target.
No projects have been identified, although opportunities for the purchase of land for a new cemetery in Richmond need to be considered.	Suitable areas for land purchase have been identified by a soil scientist. Land coming available for sale in these areas will be considered.

## COMMUNITY SERVICES

### PUBLIC CONVENIENCES

#### What we do

Council provides and maintains public conveniences throughout the District to meet community and visitor needs.

Currently there are a total of 64 toilet buildings located throughout the district. This includes seven in Richmond, 16 in Moutere/Waimea, 19 in Motueka, six in Lakes/Murchison, and 16 in Golden Bay. Most of the toilets have modern sanitary systems with a mix of reticulation, septic tank or containment systems.

Public conveniences have been divided into three categories as outlined in the Sanitary Services Assessment 2005:

- 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 visitor routes or at visitor attractions, predominantly to serve visitor groups.

Existing toilets appear to be meeting current demand and most are in good to excellent condition.

#### 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 by the public.
- For users of parks and reserves.
- For visitors to town centres.
- For the travelling public.

The private sector provides limited numbers of public conveniences, therefore provision by local government, as a public good, is required.

#### Our goal

We aim to provide clean public toilet facilities to meet community and visitor needs, in appropriate locations.

#### Our levels of service

- Public Conveniences at appropriate locations that meet the needs of users and are pleasant to use and maintained to a high standard of cleanliness.

**COMMUNITY SERVICES**

**Major Activities**

Ongoing management, maintenance and renewal of Council public conveniences.	This is an ongoing function being performed to target.
There are new or replacement toilets planned in Golden Bay, and at Waterfront Park in Mapua.	A resource consent has been applied for toilets at Rototai. Plans are currently being drawn up for the Waterfront Park.

## COMMUNITY SERVICES

### SWIMMING POOLS

#### What we do

The Council owns and contracts out the management of the ASB Aquatic Centre in Richmond which is a modern, all year operation, indoor 25 metre pool with additional leisure features. The new learners pool was opened during the 2010/2011 year, and a fitness centre was built and opened to the public on 10 June 2011.

Two other small community outdoor pools are provided at Rockville and Upper Takaka, which are managed by the local communities. Funding assistance is also provided by Council to secure community access to some school pools.

#### Why we do it

Public swimming pool provision provides recreation facilities with wide ranging benefits:

- Learn to swim programmes which are considered a vital public service given our coastal and river environment and high rate of accidental drowning in New Zealand.
- Physical recreation activity to promote health and well-being.
- Sports and competitive activity.
- Leisure and play activity beneficial to families and children.
- A recreation activity available to all ages, gender and ability.

#### Our goal

We aim to provide swimming pools that assist in meeting the community demand for aquatic activities.

#### Our levels of service

- Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.

#### Major Activities

Continue to provide funding for the ASB Aquatic Centre.	Funding is provided for as part of the ASB Aquatic Centre management contract.
Continue to provide funding for school pools to ensure public access.	Council continues to provide funding for this activity. The first funding round for this financial year has been completed with 70% of funding allocated.
Investigate and plan for a pool for Motueka to be built in 2012/2013.	The local swimming pool committee have continued their investigations. Funding for this project will be reconsidered as part of the draft 2012/2022 Long Term Plan.

## COMMUNITY SERVICES

### 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 24 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.

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

Other facilities, like the Motueka Recreation Centre, have had the management of them contracted out. A few like the Pohara hall are managed directly by Council.

The financial data for this activity also incorporates all the projects funded by the Facilities Rate.

#### 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 well-being.

#### Our goal

We aim to provide buildings that assist in meeting the community demand for indoor activities and recreation spaces.

#### Our levels of service

- Buildings that assist in meeting the community demand for indoor activities and recreation spaces.

### Major activities

Ongoing management and maintenance of Council public halls and community buildings, some of which are managed in association with volunteer committees.	This is an ongoing function being performed to target.
Undertake the capital works programme.	Capital expenditure programme is underway.
Investigate the need for a community facility at Golden Bay.	Local community groups have continued their investigations. Funding for this project will be reconsidered as part of the draft 2012/2022 Long Term Plan.
Complete a Community Halls Strategy.	This will commence after the Reserve Strategy has been finalised.
Investigate the development and upgrade of the Wakefield Village Hall and Brightwater Public Hall.	These projects will be reconsidered as part of the draft 2012/2022 Long Term Plan.

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<b>COMMUNITY SERVICES</b>
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Assist the Mapua community with funding up to \$65,000 for the specific purpose of preparing plans for the replacement of this hall, up to the tendering stage in 2011/2012.	The hall committee (private trust) are continuing their investigations. Funding is expected to be in Year One of the draft 2012/2022 Long Term Plan.
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Jun-11 Actual \$	Parks and Reserves	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
4,621,426	General rates	2,428,010	4,856,021	50%
1,725,510	Reserve Financial Contributions	500,764	970,000	52%
775,346	Fees and Recoveries	232,489	498,871	47%
272,563	Sundry Income	141,891	283,785	50%
7,394,845	<b>TOTAL INCOME</b>	3,303,154	6,608,677	50%
	<b>OPERATING COSTS</b>			
269,883	Cemeteries	122,333	331,131	37%
534,152	Public Conveniences	299,506	630,089	48%
906,429	Urban Open Space & Amenity Reserves	467,650	851,214	55%
12,000	Gateway Projects	-	49,176	0%
192,065	Trees, Plots and Verges	86,393	207,252	42%
158,711	Formal Parks & Gardens	75,909	197,800	38%
49,538	Special Interest sites	28,687	88,518	32%
525,937	Sports Grounds	293,328	565,941	52%
372,239	Rabbit Island	195,711	381,255	51%
397,885	Rural Recreation & Esplanade Reserves	176,964	453,037	39%
179,649	Walkways	91,463	195,297	47%
149,393	Miscellaneous	62,646	134,754	46%
1,369,775	Asset Management	579,895	1,080,587	54%
543,604	Special Purpose Committees	317,508	543,312	58%
166,725	Loan Interest	67,693	191,798	35%
848,275	Reserve Financial Contributions Maintenance	514,096	1,007,598	51%
262,030	Depreciation	176,513	353,026	50%
6,938,290	<b>TOTAL OPERATING COST</b>	3,556,295	7,261,785	49%
(456,555)	<b>NET COST OF SERVICE (SURPLUS)</b>	253,141	653,108	39%
	<b>TOTAL FUNDS REQUIRED</b>			
(456,555)	Net Cost of Service (Surplus)	253,141	653,108	39%
1,916,382	Capital	621,286	945,132	66%
207,028	Loan Principal Repaid	108,037	309,676	35%
1,666,855		982,464	1,907,916	51%
	<b>SOURCE OF FUNDS</b>			
234,317	General Funds	840	-	-
286,052	Loans raised	-	500,000	0%
405,654	Allocation from Camping, Comm Housing & Forestry	217,790	450,176	48%
460,945	Restricted Reserves Applied	584,821	604,712	97%
17,857	Advances Repaid	2,500	-	-
1,404,825		805,951	1,554,890	52%
	<b>NON- FUNDED DEPRECIATION</b>			
262,030	Depreciation to be funded at income statement level	176,513	353,026	50%
1,666,855		982,464	1,907,916	51%

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<b>COMMUNITY SERVICES</b>
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**COMMUNITY FACILITIES**

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, the Moutere Hills Community Centre, ASB Aquatic Centre, the Grandstand at Sports Park Motueka, Motueka Recreation Centre upgrade, purchase of Sportsfield land at Motueka, the Murchison Sport, Recreation and Cultural Centre, the Tasman Tennis Centre upgrades and new courts, a contribution to the Maruia Hall, the purchase of 3000 temporary seats for use at various sporting and other events, contributions under an agreed funding formula for ongoing developments at Saxton Field, and contributions to the upgrade of the Theatre Royal and to the upgrade of the Trafalgar Centre.

In 2005 Council split the Community Facilities Rate into a District Facilities Rate and a Regional Facilities Rate to cover the wide range of projects both within the Tasman District and also in Nelson City. Council proposes to continue with the two Facilities Rates covering both the previous District and Regional Facilities. However the Regional Facilities will be renamed Shared Facilities as this recognises that most of the regional facilities are actually shared facilities that are used by many residents of both districts. Each of these rates is charged on all properties within Tasman District.

Note: All rate figures listed in this section include an allowance for inflation and are exclusive of GST.

Proposed District Facilities Rate Funded Projects	
<p><u>Motueka swimming pool</u></p> <p>In the Ten Year Plan a \$3.5 million allocation was budgeted towards a swimming pool facility in Motueka in 2011/2012. It was proposed that this will be a shared facility with another organisation such as a school or other community group. The project will be loan funded. Council is retaining \$750,000 in the 2011/2012 year as a contribution towards design work. Council has deferred the remaining \$2.75 million until the 2012/2013 year. The rating impact for the 2011/2012 year is likely to be about \$2.75 per rateable property from 1 July 2011.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>The local swimming pool committee have continued their investigations. Funding for this project will be reconsidered as part of the draft 2012/2022 Long Term Plan.</p>
<p><u>Mapua Public Hall</u></p> <p>In the Ten Year Plan an allowance of \$875,864 was made in 2011/2012 towards the cost of a major upgrade or replacement of this community facility. The project will be loan funded. Council has provided in the 2011/2012 budget up to \$65,000 for the specific purpose of preparing building plans to enable the work to go to tender. The remaining funding will be deferred until 2012/2013. This hall is owned by the Mapua Public Hall Society Incorporated.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>The hall committee (private trust) are continuing their investigations. Funding is expected to be in Year One of the draft 2012/2022 Long Term Plan.</p>

<b>COMMUNITY SERVICES</b>
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<b>Proposed Shared Facilities Rate Funded Projects</b>	
<p><u>Saxton Field continued development</u></p> <p>In conjunction with Nelson City Council, Saxton Field is continuing to be developed and this work is expected to continue over the next 8 years as new areas are developed and opened up for public use. The total cost to Tasman District of this work is expected to be approximately \$4.9 million by 2018/2019. The work will be loan funded and the rating impact in 2011/2012 is \$12.42.</p>	<p>Council, in conjunction with Nelson City Council continues to fund infrastructure development at Saxton Field.</p>
<p><u>Motorsport Park</u></p> <p>In the Ten Year Plan an allowance of \$630,500 was made in 2010/2011 towards the cost of providing a motorsport facility within the District. As Council has not yet made a final decision to contribute funding towards a motorsport facility in the District, it is proposing to defer the funding of this project until 2012/2013. The reasons for the deferral are to reduce the overall rates increase for ratepayers in the 2011/2012 year, and because the timing of the project means the funding, if allocated, is more likely to be required in the 2012/2013 year.</p> <p>Funding for this project is a guide only and any final allocation of funds will be subject to Council approval of the project.</p>	<p>The motorsport proposal is currently going through the resource consent stage. Funding will be considered in the draft 2012/2022 Long Term Plan.</p>
<p><u>Rowing/watersports complex</u></p> <p>A proposal for a rowing/watersports venue is currently being investigated by the Tasman Aquatic Multisport Trust for the District.</p> <p>While no funding has been allocated at this time, Council has indicated general support for the concept, recognising the potential economic and recreational benefits for the community. A feasibility study, subject to criteria to the satisfaction of Council, needs to be completed. If satisfied with the feasibility study, Council will undertake public consultation on the proposal and reconsider any funding to be allocated to the project.</p>	<p>A copy of the feasibility study has been received. Funding will be considered in the draft 2012/2022 Long Term Plan.</p>
<p><u>Cycling Track - Saxton Field</u></p> <p>An allowance of \$526,000 has been made in 2011/2012 towards the total costs of constructing a cycling track. This will be loan funded and the rating impact is likely to be about \$0.95 per rateable property from 1 July 2011, increasing to about \$1.95 per rateable property from 1 July 2012.</p> <p>Funding for this project is subject to NCC also providing funding for this project.</p>	<p>Planning/investigation work is currently underway. Construction is proposed to commence in the 2012/2013 financial year.</p>

<b>COMMUNITY SERVICES</b>
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Jun-11 Actual \$	Community Facilities Rate	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
90,556	General Rates	45,484	90,968	50%
3,241,335	Targeted Rates	1,766,681	3,487,753	51%
655,754	Fees and Recoveries	204,443	-	-
3,987,645	<b>TOTAL INCOME</b>	2,016,608	3,578,721	56%
	<b>OPERATING COSTS</b>			
2,623,925	Operational Expenses	1,448,135	3,376,452	43%
1,326,824	Loan Interest	568,479	1,548,323	37%
97,172	Depreciation	58,933	117,866	50%
4,047,921	<b>TOTAL OPERATING COST</b>	2,075,547	5,042,641	41%
60,276	Net Cost of Service (Surplus)	58,939	1,463,920	4%
	<b>TOTAL FUNDS REQUIRED</b>			
60,276	Net Cost of Service (Surplus)	58,939	1,463,920	4%
2,096,150	Capital	306,180	-	-
573,652	Transfer to Restricted Reserves	411,467	-	-
551,284	Loan Principal Repaid	293,704	620,834	47%
3,281,362		1,070,290	2,084,754	51%
	<b>SOURCE OF FUNDS</b>			
183,817	Restricted Reserves Applied	-	143,804	0%
3,000,373	Loans raised	1,011,357	1,823,084	55%
3,184,190		1,011,357	1,966,888	51%
	<b>NON- FUNDED DEPRECIATION</b>			
97,172	Depreciation to be funded at income statement level	58,933	117,866	50%
3,281,362		1,070,290	2,084,754	51%

Comment:

Fees and recoveries relates to grants received towards the Motueka Recreation Centre.

Capital expenditure is mainly comprised of the final costs/retentions for the ASB Aquatic Centre fitness centre and Learn to Swim pool, and the Motueka Recreation Centre.

**COMMUNITY SERVICES**

**CAMPING GROUNDS**

**What We Do**

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

Eventually all the camping grounds will be operated on long-term commercial lease arrangements.

**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 visitor accommodation and deliver a range of benefits including:

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

These reserves 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 holiday opportunities for visitors and residents and that they continue to be commercially viable and provide good financial returns to Council.

**Our Level of Service**

- Camping grounds to provide the opportunity for people to have holidays in the outdoors.

**Major Activities**

Deliver capital expenditure programme.	The capital expenditure programme is being delivered.
Organise long term lease for Collingwood camping ground.	A manager has been appointed. It will probably be at least three years before Council is in a position to organise a long term lease.

<b>COMMUNITY SERVICES</b>
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Jun-11 Actual \$	Camping Grounds	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
610,554	Fees and Recoveries	301,278	691,748	44%
24,625	Sundry Income	12,820	25,640	50%
<b>635,179</b>	<b>TOTAL INCOME</b>	<b>314,098</b>	<b>717,388</b>	<b>44%</b>
	<b>OPERATING COSTS</b>			
26,344	Motueka Top 10 Holiday Park	13,825	42,132	33%
40,031	Pohara Beach Top 10 Holiday Park	18,666	57,132	33%
133,414	Collingwood Motor Camp	74,863	173,457	43%
30,704	Riverview Holiday Park	13,069	31,577	41%
36,082	General	16,570	37,866	44%
56,939	Loan Interest	24,342	60,370	40%
51,156	Depreciation	32,919	65,838	50%
<b>374,670</b>	<b>TOTAL OPERATING COST</b>	<b>194,254</b>	<b>468,372</b>	<b>41%</b>
<b>(260,509)</b>	<b>NET COST OF SERVICE(SURPLUS)</b>	<b>(119,844)</b>	<b>(249,016)</b>	<b>48%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
<b>(260,509)</b>	<b>Net Cost of Service (Surplus)</b>	<b>(119,844)</b>	<b>(249,016)</b>	<b>48%</b>
291,480	Capital	45,005	75,454	60%
234,577	Transfer to Parks & Reserves Account	131,458	262,915	50%
56,730	Loan Principal Repaid	42,748	58,348	73%
<b>322,278</b>		<b>99,367</b>	<b>147,701</b>	<b>67%</b>
	<b>SOURCE OF FUNDS</b>			
140,000	Loans Raised	2,641	-	-
131,122	Restricted Reserves Applied	63,807	81,863	78%
<b>271,122</b>		<b>66,448</b>	<b>81,863</b>	<b>81%</b>
	<b>NON- FUNDED DEPRECIATION</b>			
51,156	Depreciation to be funded at income statement level	32,919	65,838	50%
<b>322,278</b>		<b>99,367</b>	<b>147,701</b>	<b>67%</b>

## COMMUNITY SERVICES

### COMMUNITY HOUSING

#### What we do

This activity involves providing housing predominantly for elderly and other people who comply with the Council's Policy on Pensioner Housing. Council owns 30 cottages in Richmond, seven each in Brightwater and Wakefield, 45 cottages in Motueka and four cottages each in Takaka and Murchison, giving a total of 97. Four additional cottages will be completed in Richmond in 2011/2012.

Housing allocation is carried out as per Tasman District Council's Policy on Pensioner Housing. This policy also sets income and asset limits and eligibility criteria.

This activity is provided for at no cost to the ratepayers, as rental income covers the total operating costs.

#### 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.

Council considers it has a social responsibility to provide affordable cottages for pensioners.

#### Our Goal

To provide housing for elderly and other people who meet the criteria of Council's Policy on Pensioner Housing that is affordable, accessible and appropriate.

#### How this activity contributes to the Community Outcomes

- By providing good quality affordable housing for the elderly and others who meet the criteria of Council's Policy on Pensioner Housing.

#### Our Levels of Service

- Housing that helps meet the needs of the elderly and people with disabilities.

<b>COMMUNITY SERVICES</b>
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**Major Activities**

Completion of four additional cottages in Richmond in 2011.	The four additional cottages in Richmond are scheduled to be completed early February 2012. The contract price was \$324,000 + variations. [Original budget was \$382,393 in the 2009/2010 financial year].
Continue provision and management of existing housing.	This is an ongoing function being performed to target.

Jun-11 Actual \$	Community Housing	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
490,547	Fees and Recoveries	234,668	503,126	47%
38,503	Sundry Income	20,045	40,093	50%
529,050	<b>TOTAL INCOME</b>	254,713	543,219	47%
	<b>OPERATING COSTS</b>			
398,832	General	244,790	457,008	54%
16,806	Loan Interest	5,372	8,853	61%
62,251	Depreciation	38,576	77,152	50%
477,889	<b>TOTAL OPERATING COST</b>	288,738	543,013	53%
(51,161)	<b>NET COST OF SERVICE (SURPLUS)</b>	34,025	(206)	-16517%
	<b>TOTAL FUNDS REQUIRED</b>			
(51,161)	Net Cost of Service (Surplus)	34,025	(206)	-16517%
61,835	Capital	358,635	-	-
26,077	Transfer to Parks & Reserves Account	13,832	27,665	50%
77,614	Loan Principal Repaid	47,377	57,184	83%
114,365		453,869	84,643	536%
	<b>SOURCE OF FUNDS</b>			
52,114	Restricted Reserves Applied	415,293	7,491	5544%
52,114		415,293	7,491	5544%
	<b>NON- FUNDED DEPRECIATION</b>			
62,251	Depreciation to be funded at income statement level	38,576	77,152	50%
114,365		453,869	84,643	536%

Comment:

The four additional cottages in Richmond are being funded out of reserves.

**GOVERNANCE**

**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. It also involves:

- Support for councillors.
- Organising and preparation for Council meetings.
- Preparing Council's strategic plans and annual financial reports.
- Running elections and democratic processes.

**Why We Do It**

We undertake this function to support democratic processes and Council decision-making, while meeting our statutory functions and requirements.

**Electoral process**

Tasman District is divided into five electoral wards – Golden Bay, Lakes/Murchison, Motueka, Moutere/Waimea and Richmond. Councillors are elected by ward. The Mayor is elected from across the District. We have Community Boards in Golden Bay and Motueka.

Elections are held every three years under the Local Electoral Act 2001.

Council comprises a Mayor and 13 Councillors elected as follows:

Ward	Councillors

**Friendly towns**

Tasman District Council enjoys Friendly Town relationships with three cities, two in Japan and one in Holland. Motueka has a relationship with Kiyosato, Japan and Richmond with Fujimi-Machi, Japan. There are regular exchanges of students and adults between the towns. A District-wide friendly town arrangement exists between Grootegaast in Holland and Tasman District. Both parties are using this arrangement to encourage economic and cultural relations between our two districts.

**How this activity contributes to the Community Outcomes**

- The Governance activity contributes to the community outcomes by ensuring democratic processes and strategic planning are undertaken, and by supporting the work of elected members.



<b>GOVERNANCE</b>
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**Our Levels of Service**

- Support for lwi to enable them to be consulted on Council statutory issues.
- Support for economic development in the Tasman District.
- Good strategic and annual planning for the Council.
- Effectively run election processes.

Jun-11 Actual \$	GOVERNANCE	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
3,994,964	Governance	1,916,774	3,913,852	49%
3,994,964	TOTAL COSTS	1,916,774	3,913,852	49%

<b>GOVERNANCE</b>
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Jun-11 Actual \$	Governance	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
3,243,623	General Rates	1,916,558	3,833,115	50%
333,662	Targeted Rates	166,204	343,088	48%
90,293	Fees and Recoveries	130,149	90,955	143%
158,220	Sundry Income	82,366	164,732	50%
<b>3,825,798</b>	<b>TOTAL INCOME</b>	<b>2,295,277</b>	<b>4,431,888</b>	<b>52%</b>
	<b>OPERATING COSTS</b>			
3,298,571	Council and Community Boards	1,687,659	3,434,284	49%
338,112	Community Assistance	101,842	274,239	37%
99,353	Elections	28,550	2,815	1014%
254,684	Economic Development	96,000	197,089	49%
4,244	Depreciation	2,723	5,445	50%
<b>3,994,964</b>	<b>TOTAL OPERATING COST</b>	<b>1,916,774</b>	<b>3,913,852</b>	<b>49%</b>
169,166	<b>NET COST OF SERVICE (SURPLUS)</b>	<b>(378,503)</b>	<b>(518,036)</b>	<b>73%</b>
	<b>TOTAL FUNDS REQUIRED</b>			
169,166	Net Cost of Service (Surplus)	(378,503)	(518,036)	73%
42,650	Transfers to Disaster Fund	269,900	539,800	50%
9,963	Transfer to Restricted Reserves	-	-	-
1,688	Capital	-	-	-
<b>223,447</b>		<b>(108,603)</b>	<b>21,764</b>	<b>-499%</b>
	<b>SOURCE OF FUNDS</b>			
219,203	General Funds	(111,326)	16,319	-682%
219,203		(111,326)	16,319	-682%
	<b>NON- FUNDED DEPRECIATION</b>			
4,244	Depreciation to be funded at income statement level	2,723	5,445	50%
<b>223,447</b>		<b>(108,603)</b>	<b>21,764</b>	<b>-499%</b>

**Comment:**

Fees and recoveries mainly consist of the \$100,000 seed money for the NZ Local Government Funding Agency being returned.

Elections expenditure is over budget due to the Golden Bay by-election.

<b>COUNCIL ENTERPRISES</b>
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**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 around 2,800 planted hectares in seven locations, namely Rabbit Island (Moturoa), Motupiko (Borlase), Wai-iti (Tunncliffe), Richmond Hills (Kingsland), Howard Valley, Sherry River and Eves Valley.

Jun-11 Actual \$	COUNCIL ENTERPRISES	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
1,468,368	Property	810,522	1,637,231	50%
878,738	Forestry	1,081,608	1,716,043	63%
2,347,106	<b>TOTAL COSTS</b>	<b>1,892,130</b>	<b>3,353,274</b>	<b>56%</b>

## COUNCIL ENTERPRISES

### PROPERTY

#### What We Do

This activity encompasses the provision of property related services to the Council. This includes:

- The provision of facilities for Council's properties (libraries and administration offices), their management, maintenance and development.
- The acquisition and disposal of property for Council purposes.
- The management, maintenance and development of 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 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 the Council to meet its on-going property requirements

#### Our Goal

We aim to provide quality and timely services for Council and Council facilities, which satisfy community needs and expectations.

#### How this activity contributes to the Community Outcomes

- We will support the development or sale of Council property where appropriate to provide business or employment opportunities.
- Our offices and Libraries and other public facilities will be accessible for persons with disabilities, and will provide a safe and welcoming environment.
- The activity can be managed so the impact of any property development upon the environment is minimised and any future developments have environment sustainability as an expectation.

#### Our Levels of Service

- Effective management of Council property services to enable other council activities to carry out their functions.
  - Buildings and property services that comply with legislative and resource and building consent requirements.
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<b>COUNCIL ENTERPRISES</b>
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**Major Activities**

Facilities management and maintenance of Council properties and buildings.	Scheduled and unscheduled maintenance is performed as required. Facility management contracts are in place for security, cleaning and painting. All properties needing building warrants of fitness have them.
Maintenance of leases and management of Council properties.	All leases are reviewed monthly. Inspections are undertaken at least on an annual basis.
Property acquisition for asset management.	Property staff meet regularly with asset managers and staff from MWH New Zealand Ltd to update each other on their property acquisition requirements. Individual files are maintained for each project and a separate database is maintained showing progress with each project.
The development, sale or leasing of Tourism Services zoned land at Champion Road Richmond and land at Port Mapua.	These developments are considered in the draft 2012/2022 Long Term Plan.
The proposal to sell the freehold of certain endowment lands.	Negotiations are proceeding on two properties at Redwood Valley. One property on Lansdowne Road has been sold.
Expansion or refurbishment of the Main Office at Richmond to provide for growth.	A contract has been let. Construction is scheduled to be completed by 31 January 2013.

<b>COUNCIL ENTERPRISES</b>
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Jun-11 Actual \$	Property	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
512,848	General Rates	356,446	712,891	50%
936,476	Fees and Recoveries	529,281	1,194,895	44%
29,437	Sundry Income	15,325	30,650	50%
1,478,760	<b>TOTAL INCOME</b>	901,052	1,938,436	46%
	<b>OPERATING COSTS</b>			
571,036	Operational Property	352,215	548,355	64%
595,973	Commercial Property	274,385	514,144	53%
163,813	Loan Interest	119,590	446,068	27%
137,546	Depreciation	64,332	128,664	50%
1,468,368	<b>TOTAL OPERATING COST</b>	810,522	1,637,231	50%
(10,393)	<b>NET COST OF SERVICE (SURPLUS)</b>	(90,530)	(301,205)	30%
	<b>TOTAL FUNDS REQUIRED</b>			
(10,393)	Net Cost of Service (Surplus)	(90,530)	(301,205)	30%
324,740	Capital	504,050	2,153,734	23%
155,267	Loan Principal Repaid	30,549	281,135	11%
469,614		444,069	2,133,664	21%
	<b>SOURCE OF FUNDS</b>			
447,992	Loans raised	479,004	2,005,000	24%
(115,924)	General Funds	(99,267)	-	-
332,068		379,737	2,005,000	19%
	<b>NON- FUNDED DEPRECIATION</b>			
137,546	Depreciation to be funded at income statement level	64,332	128,664	50%
469,614		444,069	2,133,664	21%

<b>COUNCIL ENTERPRISES</b>
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**FORESTRY****What We Do**

This activity involves the management of approximately 2,800 stocked hectares of commercial plantation forest. The current preferred species for the forests is Radiata Pine. Council forests are currently managed under contract by P F Olsen and Company.

**Why We Do It**

- To provide a steady income to offset rates.
- To provide recreational opportunities where appropriate.

**Our Goal**

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.

**How this activity contributes to the Community Outcomes**

- Our plantation forests assist in reducing the carbon footprint for Tasman District.
- We provide walkways and cycleways in our plantation forests where appropriate.
- Plantation forestry assists in providing green space and the retention of rural character.
- We provide business opportunities for planting and tending of forests, plantation management and the logging and sale of logs.
- We endeavour to supply the majority of product to local markets where financially appropriate.

**Our Levels of Service**

- We will responsibly manage liabilities for any carbon credits.
- We will endeavour to provide recreational access where it is appropriate and does not interfere with forestry operations.
- A product which is saleable on local and international markets.
- Our forestry operations will be managed on a commercial basis recognising any component of public good.

**Major Activities**

Planting, tending and harvesting of exotic forests.	For the six month period to 31 December 2011, there have been 14,086 tonnes harvested at Rabbit Island, and 3,570 tonnes harvested at Borlase forests. [A total of 17,656 tonnes has been harvested against a budget total for the year of 24,353 tonnes]. It is expected that all harvesting for the year will be completed by the end of February 2012. No further harvesting will take place until July 2012.
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<b>COUNCIL ENTERPRISES</b>
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Jun-11 Actual \$	Forestry	Dec-11 Actual \$	Jun-12 Budget \$	% of Budget
	<b>INCOME</b>			
455,065	Fees and Recoveries	1,673,326	2,003,051	84%
1,392,265	<b>TOTAL INCOME</b>	1,673,326	2,003,051	84%
	<b>OPERATING COSTS</b>			
283,603	Rabbit Island	630,301	704,071	90%
123,379	Borlase Forest	276,672	589,548	47%
6,818	Tunnickliff Forest	4,207	21,778	19%
108,576	Eves Valley	8,809	5,786	152%
28,010	Howard Valley	16,628	50,886	33%
77,824	Sherry River	11,887	63,081	19%
53,655	Kingsland	24,261	60,229	40%
196,873	General	108,843	220,664	49%
878,738	<b>TOTAL OPERATING COST</b>	1,081,608	1,716,043	63%
(513,527)	<b>NET COST OF SERVICE (SURPLUS)</b>	(591,718)	(287,008)	206%
	<b>TOTAL FUNDS REQUIRED</b>			
(513,527)	Net Cost of Service (Surplus)	(591,718)	(287,008)	206%
145,000	Domain Entitlement	72,500	145,000	50%
276,211	Contribution to General Rates	225,000	450,000	50%
(92,316)		(294,218)	307,992	-96%
	<b>SOURCE OF FUNDS</b>			
(92,316)	General Funds	(294,218)	307,992	-96%
(92,316)		(294,218)	307,992	-96%



## TASMAN DISTRICT COUNCIL

Stormwater, Wastewater, Water, Dogs, Camping Grounds, Rivers, Solid Waste, Reserve Financial Contributions and Community Housing

### CLOSED ACCOUNTS

As at 31-Dec-2011



## INDEX

Introduction  
 Stormwater  
 Wastewater  
 Water  
 Dogs  
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 Rivers  
 Solid Waste  
 Reserve Financial Contributions  
 Community Housing

## Introduction

This booklet has been produced to provide the reader with both financial and non financial knowledge of those selected closed accounts that are operated by Council. In some cases these activities may be funded by targeted rate, in other cases they may be self funding.

The format of the booklet is to commence each activity section with a summary page which is followed by specific financial reports for each separate sub-activity. These reports detail the number of properties contributing to the closed account, the level of revenue and expenditure incurred, loan balances and annual capital payments and finally, the specific closed account balances.

Overall Summary As at 31-Dec-2011	Movement	Account Balance 2011/12	Account Balance 2010/11
Stormwater	(39,357)	587,389	626,746
Wastewater	(1,113,546)	(37,155)	1,076,391
Water	506,394	(185,263)	(691,657)
Dogs	3,936	29,424	25,488
Camping Grounds	(63,808)	(117,363)	(53,555)
Rivers	613,357	541,173	(72,184)
Solid Waste	(101,696)	(365,612)	(263,916)
Reserve Financial Contributions	(594,626)	2,507,579	3,092,407
Community Housing	(415,294)	(125,661)	289,633

**Note:** The format of the closed account summary has changed from previous versions. Surplus balances are now shown as positives and deficit balances as negatives (i.e. Brackets)

Stormwater Summary Overview

<b>Scheme</b>	<b>Rateable Properties 2011/12</b>	<b>Rateable Properties 2010/11</b>	<b>Charges 2011/12</b>	<b>Charges 2010/11</b>	<b>Account Balance 2011/12</b>	<b>Account Balance 2010/11</b>
Stormwater - Combined Urban Drainage Areas	13,469	13,304	0.041c/\$CV	0.038c/\$CV	442,937	496,842
Stormwater - General District	9,162	9,145	0.0041c/\$CV	0.0038c/\$CV	144,452	127,904
<b>Balance</b>					<b>587,389</b>	<b>626,746</b>
<b>Total Loans</b>						<b>11,401,100</b>
<b>Asset Book Value 30 June 2011</b>						<b>95,975,000</b>

Note 1 : Charges are exclusive of GST unless otherwise stated. Account balances are also exclusive of GST

<b>Stormwater-Combined Urban Drainage Areas</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>There are two rates for Stormwater. Those areas covered by a stormwater Urban Drainage Area (UDA) being the Stormwater Combined account, and the remainder of the district being the General District Area (GDA).</p> <p>This account incorporates those areas covered by a Stormwater UDA being Richmond/Hope, Murchison, Motueka, Mapua/Ruby Bay, Brightwater, Wakefield, Takaka, Collingwood, Kaiteriteri, St Arnaud, Tapawera, Tasman, Patons Rock, Ligar Bay, Tata Beach and Pohara.</p>		
<b>Opening Balance</b>	<b>498,842</b>	<b>745,020</b>
Total Rates	1,166,317	2,113,921
Total Recoveries	162,478	441,459
Total Loans	1,075,048	1,138,475
<b>Total Income</b>	<b>2,403,843</b>	<b>3,693,855</b>
Total Operating	(559,988)	(1,171,745)
Total Interest	(274,160)	(626,352)
Total Capital	(1,347,584)	(1,431,796)
Total Principal Repayments	(466,135)	(671,883)
<b>Total Expenditure</b>	<b>(2,647,888)</b>	<b>(3,903,776)</b>
Net Development Contribution Transactions	188,120	(36,257)
<b>Closing Balance Net of Development Contributions</b>	<b>442,937</b>	<b>498,842</b>
<b>Total Loans</b>	<b>11,328,714</b>	
Properties	13,459	13,304
Charges		
— per \$ of capital value	0.041c/\$CV	0.038c/\$CV
<b>Commentary</b>		
<p>The Stormwater-Combined closed account has a large surplus due to the deferral of some major projects. The deferrals are usually due to land acquisition or land entry issues. Once these issues are resolved the projects can be undertaken.</p>		

Stormwater - General District As at 31-Dec-2011	Actuals 11/12	Actuals 10/11
This account incorporates those areas not covered by a Stormwater UDA.		
<b>Opening Balance</b>	<u>127,904</u>	<u>12,836</u>
Total Rates	127,710	231,667
Total Operating	(85,333)	(70,687)
Total Interest	(2,190)	(7,188)
Total Principal Repayments	(23,639)	(38,726)
<b>Total Expenditure</b>	<u>(111,162)</u>	<u>(116,599)</u>
<b>Closing Balance</b>	<u>144,452</u>	<u>127,904</u>
<b>Total Loans</b>	<u>72,386</u>	
<b>Properties</b>	9,182	9,145
<b>Charges</b>		
— per \$ of capital value	0.0041c/SCV	0.0039c/SCV

Wastewater Summary Overview

Scheme	Rateable	Rateable	Charges	Charges	Account	Account
	Properties	Properties	2011/12	2010/11	Balance	Balance
	2011/12	2010/11			2011/12	2010/11
Wastewater-Combined Urban Drainage Areas (First Pan)	12,360	12,218	\$550.92	\$552.15		
Wastewater-Combined Urban Drainage Areas (2nd to 10th Pan)	920	908	\$413.11	\$414.13		
Wastewater-Combined Urban Drainage Areas (11+ Pan)	104	103	\$275.40	\$276.08		
Wastewater-Combined Urban Drainage Areas Total	13,384	13,227			(212,837)	886,284
Wastewater St Arnaud	182	149	\$0.00	\$177.78	79,312	82,934
Wastewater-Pohara	331	204	\$0.00	\$98.67	78,488	88,372
Wastewater Pohara STG 3	36	36	\$222.22	\$222.22	17,882	18,801
<b>Balance</b>					<b>(37,155)</b>	<b>1,076,391</b>
<b>Total Loans</b>						<b>28,048,292</b>
<b>Asset Book Value 30 June 2011</b>						<b>105,434,000</b>

Note 1 : Charges are exclusive of GST. Account balances are also exclusive of GST

<b>Wastewater-Combined Urban Drainage Areas</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This account incorporates the 14 Urban Drainage Areas (UDA) with Tasman District. The 14 UDA's are: Richmond, Waimea Basin (which includes Hope, Brightwater and Wakefield), Mapua, Ruby Bay, Motueka, Tapawera, Murchison, Kaiteriteri, Riwaka, Collingwood, Takaka, Pohara, St Arnaud and Upper Takaka.</p>		
<b>Opening Balance</b>	<b>886,284</b>	<b>(96,235)</b>
Total Rates	4,169,325	8,229,432
Total Recoveries	476,511	2,028,685
Total Loans	2,230,008	3,661,842
<b>Total Income</b>	<b>6,865,844</b>	<b>14,239,959</b>
Total Operating Costs	(3,077,044)	(5,692,221)
Total Interest	(666,396)	(1,625,130)
Total Capital	(2,525,101)	(4,553,436)
Total Principal Repayments	(1,905,699)	(1,625,373)
<b>Total Expenditure</b>	<b>(8,174,240)</b>	<b>(13,696,160)</b>
Net Development Contribution Transactions	209,275	438,720
<b>Closing Balance Net of Development Contributions</b>	<b>(212,837)</b>	<b>886,284</b>
<b>Total Loans</b>	<b>27,831,022</b>	
No of First Pans	12,360	12,218
No of 2nd to 10th Pan	920	906
No of 11+ Pans	104	103
<b>Charges</b>		
— Per First Pan	\$ 550.92	\$ 552.15
— Per 2nd to 10th Pan	\$ 413.11	\$ 414.13
— Per 11+ Pans	\$ 275.40	\$ 276.08
<b>Commentary</b>		
From 1 July 2006, trade waste charges on commercial operations have also been collected from within the above UDA areas.		
The above opening balance includes the \$884,454 distribution from the Nelson Regional Sewerage Business Unit (NRSBU) joint venture with Nelson City Council received for the year ended 30 June 2011. This money was 'tagged' for debt repayment. The debt repayment was made in December 2011.		
Payments to the NRSBU are over budget by \$128,000 for the six months to 31 December 2011. The charge has increased due to the NRSBU asset revaluation undertaken as at 30 June 2011 being higher than forecast. This increased the depreciation charge for the current year for the NRSBU which meant their charges needed to rise.		
An owner distribution from the NRSBU is expected later this financial year.		

Wastewater St Arnaud As at 31-Dec-2011	Actuals 11/12	Actuals 10/11
<p>This account relates to the sewer reticulation treatment and disposal system for the St Arnaud township. The scheme was officially opened in December 1999. This is the residual of the capital account for the non lump sum connected account. The rates income is for the repayment of interest and principal on the outstanding loan balance.</p>		
Opening Balance	<u>82,934</u>	<u>64,251</u>
Total Rates	-	26,848
Total Interest	(1,680)	(4,283)
Total Principal Repayments	(1,942)	(3,892)
<b>Total Expenditure</b>	<u>(3,622)</u>	<u>(8,165)</u>
<b>Closing Balance</b>	<u>79,312</u>	<u>82,934</u>
<b>Loans</b>	<b>\$</b>	
Loan St Arnaud Sewerage	<u>68,401</u>	
<b>Properties</b>	182	149
<b>Charges</b>		
— Per Unit	\$ -	\$ 177.78
— For 2nd & subsequent urinals	\$ -	\$ 122.98
<b>Commentary</b>		
This account has no operating or maintenance costs. All operating and maintenance costs are included in the Wastewater Combined account.		
The rate for this activity was discontinued in the 2011/2012 financial year. The outstanding loan balance will be repaid in the 2011/2012 financial year. The remaining surplus funds in the account will be reviewed and refunded if appropriate.		



<b>Wastewater-Pohara</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This account relates to the sewer scheme servicing the Tata Beach, Ligar Bay, Pohara, Burnside Road and Rototai Road areas. The scheme was complete in 1996. This is the residual of the capital account for the non lump sum connected account. The rates income is for the repayment of interest and principal on the outstanding loan balance.</p>		
<b>Opening Balance</b>	<b>88,372</b>	<b>91,477</b>
Total Rates	-	18,242
Total Interest	(1,875)	(5,330)
Total Principal Repayments	(8,008)	(18,017)
<b>Total Expenditure</b>	<b>(9,884)</b>	<b>(21,347)</b>
<b>Closing Balance</b>	<b>78,488</b>	<b>88,372</b>
<b>Loans</b>	<b>\$</b>	
Loan Takaka Pohara	70,894	
<b>Properties</b>	<b>331</b>	<b>204</b>
<b>Charges</b>		
— per property connected	\$ -	\$ 98.67
— per property serviceable	\$ -	\$ 98.67
— For 2nd & subsequent urinals	\$ -	\$ 65.78
<b>Commentary</b>		
<p>This account has no operating or maintenance costs. All operating and maintenance costs are included in the Wastewater Combined account.</p>		
<p>The rate was discontinued in the 2011/2012 financial year. The outstanding loan balance will be repaid in the 2011/2012 financial year. The remaining surplus funds in the account will be reviewed and refunded if appropriate.</p>		

<b>Wastewater Pohara STG 3</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This account relates to a reticulated sewerage scheme involving the areas of Molupipi, Park Avenue, Three Oaks, Central Takaka Road and Dobson Road. The project was completed in December 2005. This is the residual of the capital account for the non lump sum connected account. The rates income is for the repayment of interest and principal on the outstanding loan balance.</p>		
<b>Opening Balance</b>	<b>18,801</b>	<b>21,795</b>
Total Rates	3,999	7,999
Total Interest	(1,979)	(5,114)
Total Principal Repayments	(2,939)	(5,879)
<b>Total Expenditure</b>	<b>(4,918)</b>	<b>(10,993)</b>
<b>Closing Balance</b>	<b>17,882</b>	<b>18,801</b>
<b>Loans</b>	<b>\$</b>	
Loan Pohara Stage 3	<u>77,975</u>	
<b>Properties</b>	<b>38</b>	<b>38</b>
<b>Charges</b>		
— per property connected	\$ 222.22	\$ 222.22
— per property serviceable	\$ 111.11	\$ 111.11
— For 2nd & subsequent urinals	\$ 74.09	\$ 74.09
<b>Commentary</b>		
This account has no operating or maintenance costs. All operating and maintenance costs are included in the Wastewater Combined account.		

Water Summary Overview

Scheme	Rateable Properties 2011/12	Rateable Properties 2010/11	Charges 2011/12	Charges 2010/11	Account Balance 2011/12	Account Balance 2010/11
Urban			\$1.28/m <sup>3</sup>	\$1.04/m <sup>3</sup>	614,648	196,067
88 Valley Water Scheme	167	167	\$65.00	\$48.09	(113,536)	(107,175)
Dovedale/Neudorf Water Scheme	258	258	\$528.30	\$519.61	(261,035)	(251,721)
Harama Water Scheme	17	16	\$141.49	\$138.72	(6,847)	(12,223)
Takaka Fire Protection	507	507	\$40.00	\$40.00	166,111	163,325
Collingwood Water Scheme	41	41	\$350.22	\$350.22	(103,890)	(100,721)
Wai iti Dam Water Scheme	97	94	\$291.70	\$280.00	(381,315)	(386,276)
Motuoka Water Scheme	3,080	3,075	\$66.97	\$65.66	332,463	256,467
Pohara Water Scheme	51	51	1.28/m <sup>3</sup>	\$1.04/m <sup>3</sup>	(411,886)	(384,785)
Kaiteriteri/Stephens Bay Water Scheme	179	178	\$109.33	\$109.33	(46,648)	(43,436)
Redwood Valley	349	347	\$380.26	\$332.85	28,672	(1,178)
<b>Balance</b>					<b>(185,263)</b>	<b>(691,657)</b>
<b>Total Loans</b>						<b>20,514,859</b>
<b>Asset Book Value 30 June 2011</b>						<b>91,924,000</b>

Note 1 : Charges are exclusive of GST unless otherwise stated. Account balances are also exclusive of GST

Urban	Actuals	Actuals
As at 31-Dec-2011	11/12	10/11
This account incorporates the 10 Urban Water Supply Schemes. The schemes are: Richmond, Hope/Brightwater, Wakefield, Tapawera, Murchison, Mapua/Ruby Bay, Kaiteriteri/Riwaka, Tasman/Kina, Collingwood and Upper Takaka water connections.		
<b>Opening Balance</b>	<b>196,067</b>	<b>(600,622)</b>
Total Rates	2,934,264	4,571,402
Total Recoveries	632,173	1,325,761
Total Loans	1,054,691	3,588,550
<b>Total Income</b>	<b>4,621,128</b>	<b>9,485,713</b>
Total Operating Costs	(1,796,331)	(3,595,488)
Total Interest	(391,934)	(770,205)
Total Capital	(1,354,356)	(3,891,245)
Total Principal Repayments	(542,250)	(809,479)
<b>Total Expenditure</b>	<b>(4,084,871)</b>	<b>(9,066,417)</b>
Net Development Contribution Transactions	(117,675)	277,293
<b>Closing Balance Net of Development Contributions</b>	<b>614,648</b>	<b>196,067</b>
<b>Total Loans</b>	<b>14,715,369</b>	
<b>Charges</b>		
<b>Residential</b>		
— per day connection	\$ 0.4489	\$ 0.3680
— per cubic metre	\$ 1.28	\$ 1.04

<b>88 Valley Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This scheme relies on a source from Parkes Stream in 88 Valley, Wakefield. Like most rural schemes it was designed principally to supply water for stock, but it also provides household water. It is a gravity scheme with no reliance on electricity for pumping the water. The scheme extends from 88 Valley, south of Wakefield to Mt Heslington, which is the rural southeast of Brightwater. A local committee provides management assistance to the Council. The scheme supplies 450 x 1m<sup>3</sup> per day units.</p> <p>Parts of the scheme are at capacity, especially in the northern end, due to greater demand for water than originally required in the area. 51 units in the lower Mt Heslington area are supplied with water from the Brightwater reticulation.</p>		
<b>Opening Balance</b>	<b>(107,175)</b>	<b>(59,263)</b>
Total Rates	23,453	33,987
Total Recoveries	4,952	7,791
Total Loans	-	5,898
<b>Total Income</b>	<b>28,405</b>	<b>47,674</b>
Total Operating	(32,504)	(64,654)
Total Interest	(1,049)	(2,641)
Total Capital	-	(28,049)
Total Principal Repayments	(1,133)	(2,242)
<b>Total Expenditure</b>	<b>(34,766)</b>	<b>(95,586)</b>
<b>Closing Balance</b>	<b>(113,536)</b>	<b>(107,175)</b>
<b>Loans</b>	<b>\$</b>	
88 Valley W/S 2009-10	41,549	
<b>Properties</b>	167	167
<b>Charges</b>		
— Per Unit	\$ 65.00	\$ 48.00
— Per property	\$ 75.00	\$ 55.48
1 unit = 1m <sup>3</sup> per day		
<b>Commentary</b>		
<p>The targeted rate is set to cover both operating and capital costs. The rate was increased in the 2011/2012 financial year to clear the deficit over a period of time.</p>		

<b>Dovedale/Neudorf Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>The source of water for this scheme is Humphrey's Creek at Thorpe. This was the first rural scheme built in the area. Originally all the water was pumped but in 1987 the intake was moved upstream to provide a gravity flow for the first section of the scheme. The scheme is very large, from Dovedale to Upper Moutere and pumps water to very high levels. A local committee provides management assistance to the Council.</p>		
<b>Opening Balance</b>	<b>(251,721)</b>	<b>(225,295)</b>
Total Rates	114,337	216,185
Total Recoveries	1,744	463
Total Loans	97,885	121,014
<b>Total Income</b>	<b>213,766</b>	<b>337,662</b>
Total Operating	(85,826)	(223,156)
Total Interest	(12,902)	(27,938)
Total Capital	(109,141)	(85,170)
Total Principal Repayments	(15,211)	(27,822)
<b>Total Expenditure</b>	<b>(223,080)</b>	<b>(364,086)</b>
<b>Closing Balance</b>	<b>(261,035)</b>	<b>(251,721)</b>
<b>Total Loans</b>	<b>574,717</b>	
<b>Charges</b>		
<b>Properties</b>	258	258
— Number of 1st units	253	253
— 1st unit	\$ 528.30	\$ 519.61
<b>Properties</b>	101	102
— Number of 2nd units	231	232
— 2nd unit	\$ 407.29	\$ 363.54
1 unit = 2 m <sup>2</sup> per day		
<b>Commentary</b>		
<p>There is no water available for additional connections in this water scheme. The rate was increased in the 2011/2012 financial year to clear the deficit over a period of time.</p>		

<b>Hamama Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>The day to day management is in the hands of an elected committee of users who operate the scheme in accordance with a bylaw established by the Golden Bay County Council.</p> <p>This scheme relates to the upgrade costs for the new 100mm diameter main in Hamama Road. The upgrade was completed in 2005. Council sets a targeted rate for the residual of the capital account for the non lump sum connected properties to cover the repayment of interest and principal on the outstanding loan balance. Council also sets a targeted rate to meet the operational costs of the scheme.</p>		
<b>Opening Balance</b>	<b>(12,223)</b>	<b>(15,086)</b>
Total Rates	9,366	16,904
Total Operating	(1,646)	(4,323)
Total Interest	(1,780)	(4,591)
Total Principal Repayments	(2,564)	(5,127)
<b>Total Expenditure</b>	<b>(5,990)</b>	<b>(14,041)</b>
<b>Closing Balance</b>	<b>(8,847)</b>	<b>(12,223)</b>
<b>Loans</b>	<b>\$</b>	
Loan Hamama Pipe Rnl 2005	70,162	
<b>Capital Charges</b>		
Properties	17	16
— Per property Water Connection Rate	\$ 141.49	\$ 138.72
<b>Operational Charges</b>		
Properties	27	26
— rate in the dollar of land value GST Inclusive	\$ 0.0339	\$ 0.0264
<b>Commentary</b>		
<p>The targeted rate is set to cover both operating and capital costs. The rate was increased in the 2011/2012 financial year to clear the deficit over a period of time.</p>		

Takaka Fire Protection As at 31-Dec-2011	Actuals 11/12	Actuals 10/11
Takaka is serviced with a series of fire extraction wells throughout the township.		
<b>Opening Balance</b>	<b>163,325</b>	<b>195,440</b>
Total Rates	63,629	125,233
Total Loans	-	898,156
<b>Total Income</b>	<b>63,629</b>	<b>1,123,389</b>
Total Operating	(827)	(3,651)
Total Interest	(29,296)	(31,712)
Total Capital	-	(1,151,743)
Total Principal Repayments	(30,720)	(25,985)
<b>Total Expenditure</b>	<b>(90,843)</b>	<b>(1,213,091)</b>
Net Development Contribution Transactions	-	57,587
<b>Closing Balance Net of Development Contributions</b>	<b>166,111</b>	<b>163,325</b>
<b>Total Loans</b>	<b>1,161,380</b>	
<b>Capital Charges</b>		
Properties in CBD Area	108	108
— Per property	0.088c/\$CV	0.0867c/\$CV
Properties in Residential Area	394	395
— Per property	\$ 45.33	\$ 45.33
Properties in Ward Area	2,720	2,876
— Per property	\$ 13.33	\$ 13.33
<b>Operational Charges</b>		
Properties	507	507
— Per property(CBD & Residential Area)	\$ 40.00	\$ 40.00
<b>Commentary</b>		
The construction of the Takaka CBD Firefighting Water Scheme has attained practical completion and the fire main was officially opened on 12 July 2011. The targeted rate is set to cover both operating and capital costs of constructing a reticulated fire fighting water supply with the Takaka CBD and residential area.		



<b>Collingwood Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This account relates to a reticulated water scheme in the Collingwood area. The project was completed in 2003. This is the residual of the capital account for the non lump sum connected account. The rates income is for the repayment of interest and principal on the outstanding loan balance.</p>		
<b>Opening Balance</b>	<u>(100,721)</u>	<u>(92,072)</u>
Total Rates	7,179	14,359
Total Interest	(3,820)	(9,951)
Total Principal Repayments	<u>(6,528)</u>	<u>(13,057)</u>
<b>Total Expenditure</b>	<u>(10,348)</u>	<u>(23,008)</u>
<b>Closing Balance</b>	<u>(103,890)</u>	<u>(100,721)</u>
<b>Loans</b>	<b>\$</b>	
Loan Collingwood Water Scheme	<u>150,021</u>	
<b>Properties</b>	<b>41</b>	<b>41</b>
<b>Charges</b>		
— Per property	\$ 350.22	\$ 350.22
<b>Commentary</b>		
<p>This account has no operating or maintenance costs. All operating and maintenance costs are included in the Water Urban account.</p>		
<p>The deficit will decline with new connections to the scheme.</p>		

<b>Wai-iti Dam Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>The Wai-iti Valley Community Dam was completed in May 2006, and was officially opened on 5 October 2006. The purpose of the Wai-iti augmentation scheme is to avoid Council-imposed water restrictions by releasing enough water back into the river at times of low flow to maintain flows and provide water for irrigation. The dam is designed to capture and store up to 800,000 cubic metres of rainfall and catchment run-off.</p>		
<b>Opening Balance</b>	<u>(396,276)</u>	<u>(366,495)</u>
Total Rates	159,591	310,412
Total Recoveries	-	900
<b>Total Income</b>	<u>159,591</u>	<u>311,312</u>
Total Operating Costs	(16,952)	(52,058)
Total Interest	(81,833)	(157,348)
Total Principal Repayments	<u>(65,845)</u>	<u>(131,685)</u>
<b>Total Expenditure</b>	<u>(144,630)</u>	<u>(341,093)</u>
<b>Closing Balance</b>	<u>(381,315)</u>	<u>(396,276)</u>
<b>Total Loans</b>	<u>2,450,617</u>	
<b>Properties</b>	97	94
<b>Charges</b>		
— \$ per hectare	\$ 281.70	\$ 280.00
<b>Commentary</b>		
<p>There was a reduction in the principal repayments within the first three years to lower the targeted rate during that period with an acceptance that there will be corresponding incremental increases in the targeted rate from Year 4 to Year 30 to make up for this. The targeted rate increased from Year 4 (2009/2010) to \$280 + GST.</p>		
<p>The targeted rate is set to cover both operating and capital costs. The rate was increased in the 2011/2012 financial year to clear the deficit over a period of time.</p>		

<b>Motueka Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
The sources of water for this scheme are wells at Fearon Street motor camp and the Recreation Centre. Approximately 25% of the town is reticulated. This account services fire pipes and wells in the unreticulated areas of the township		
<b>Opening Balance</b>	<b>256,467</b>	<b>171,032</b>
Total Rates	327,018	450,784
Total Recoveries	(85,734)	94,938
Total Loans	9,138	-
<b>Total Income</b>	<b>250,422</b>	<b>645,722</b>
Total Operating	(127,265)	(356,622)
Total Interest	(14,320)	(36,766)
Total Capital	(10,304)	(24,431)
Total Principal Repayments	(22,537)	(42,465)
<b>Total Expenditure</b>	<b>(174,426)</b>	<b>(460,287)</b>
<b>Closing Balance</b>	<b>332,463</b>	<b>256,467</b>
<b>Total Loans</b>	<b>558,160</b>	
<b>Properties</b>	<b>3,080</b>	<b>3,075</b>
<b>Charges</b>		
— per property even if not connected	\$ 66.97	\$ 85.88
— per m <sup>2</sup> consumed, exclusive of GST	\$ 1,280	\$ 1,280
<b>Commentary</b>		
The total recoveries figure is negative as it includes a connection charges refund of \$28,261 + GST for a development in Sandertane Drive as they had already been charged on the consent. It also includes a connection charges refund of \$82,600 + GST for the Brown Acre Development on Parker Street (these will be re-invoiced on an individual basis).		
The Motueka Urban Water Supply Area rate is proposed to decrease to \$35.55 + GST in the 2012/2013 year. This will go towards reducing the credit balance.		

<b>Pohara Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This scheme was built by Golden Bay Cement Company but was taken over by the Council in 1991. It services urban properties and the motor camp. When the Pohara Valley Road was upgraded, the opportunity was taken to replace the main pipeline. When the Pohara Stage II sewer scheme was constructed, Council installed "dry" pipes from Pohara Motor Camp to Tala Beach. The works had no corresponding income and is the reason for the significant deficit balance of \$411,886.</p>		
<b>Opening Balance</b>	<b>(394,785)</b>	<b>(383,555)</b>
Total Rates	10,392	25,749
Total Loans	7,261	43,030
<b>Total Income</b>	<b>17,653</b>	<b>68,779</b>
Total Operating Costs	(24,511)	(36,444)
Total Interest	(1,584)	(305)
Total Capital	(7,261)	(43,030)
Total Principal Repayments	(1,398)	(230)
<b>Total Expenditure</b>	<b>(34,763)</b>	<b>(80,009)</b>
<b>Closing Balance</b>	<b>(411,886)</b>	<b>(394,785)</b>
<b>Total Loans</b>	<b>81,533</b>	
<b>Properties</b>	<b>51</b>	<b>51</b>
<b>Residential</b>		
— per day connection	\$ 0.4499	\$ 0.4499
— per cubic metre	\$ 1.28	\$ 1.28
<b>Commentary</b>		
<p>A small amount of income is earned from the initial scheme. Consultation has been held with the community to bring a potable water supply for Takaka to service the whole of the Pohara township, Pohara Valley, Tarakohe, Ligar Bay, and Tala Beach areas. This account is proposed to be incorporated in to the urban water account in the draft 2012-2022 Long Term Plan.</p>		

<b>Kaiteriteri/Stephens Bay Water Scheme</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>This account relates to a reticulated water scheme in the Kaiteriteri, Stephens Bay, and Riwaka areas. The scheme was officially opened in December 1998. This is the residual of the capital account for the non lump sum connected account. The rates income is for the repayment of interest and principal on the outstanding loan balance.</p>		
<b>Opening Balance</b>	<u>(43,436)</u>	<u>(34,713)</u>
Total Rates	9,948	20,002
Total Interest	(3,348)	(9,101)
Total Principal Repayments	(9,812)	(19,624)
<b>Total Expenditure</b>	<u>(13,160)</u>	<u>(28,725)</u>
<b>Closing Balance</b>	<u>(46,648)</u>	<u>(43,436)</u>
<b>Total Loans</b>	<u>129,152</u>	
<b>Properties</b>	179	178
<b>Charges</b>		
— Per property	\$ 109.33	\$ 109.33
<b>Commentary</b>		
<p>This account has no operating or maintenance costs. All operating and maintenance costs are included in the Water Urban account.</p>		

<b>Redwood Valley</b> As at 31-Dec-2011	<b>Actuals</b> <b>11/12</b>	<b>Actuals</b> <b>10/11</b>
<p>This scheme is in two parts:            a) Redwood 1 is based on a well in Golden Hills Road and is the original Transport Nelson farm system.            b) Redwood 2 is based on a well near O'Connors Creek Appleby.            In the mid 1980's a further well was developed in River Road on the Tasman District Council nursery site which has link mains to both the original wells. Redwood 1 has difficulty maintaining the summer demand. Additional storage will be provided in this area. A local committee provides management assistance to the Council.</p>		
<b>Opening Balance</b>	<u>(1,179)</u>	<u>39,735</u>
Total Rates	100,854	177,607
Total Recoveries	-	4,334
Total Loans	74,702	205,141
<b>Total Income</b>	<u>175,566</u>	<u>387,082</u>
Total Operating	(37,564)	(150,622)
Total Interest	(14,180)	(28,585)
Total Capital	(74,702)	(216,935)
Total Principal Repayments	(19,259)	(32,854)
<b>Total Expenditure</b>	<u>(145,715)</u>	<u>(427,996)</u>
<b>Closing Balance</b>	<u>28,672</u>	<u>(1,179)</u>
<b>Total Loans</b>	<u>592,179</u>	
<b>Properties</b>	349	347
<b>Charges</b>		
— Per Unit	\$ 380.26	\$ 332.85
1 unit = 2 m <sup>3</sup> per day		
<b>Commentary</b>		
There is no water available for additional connections in this water scheme.		

Dogs	Actuals 11/12	Actuals 10/11
<b>As at 31-Dec-2011</b>		
<p>Dog fees are charged under the Dog Control Act 1996. Under the Act, Council needs to hold a dog register and is allowed to charge a fee to cover the cost of maintaining the register and all associated administration and enforcements under the Act. Council is also required to operate a pound. The Council has continued to administer the Dog Control Bylaw although it has contracted out the service delivery aspects of this function to Control Services (Nelson) Ltd.</p>		
<b>Opening Balance</b>	<b>25,488</b>	<b>(8,317)</b>
Dog Licence Income	172,878	350,511
Infringement Fines	7,747	15,344
Fees/Collars/Permits/Food/Sundry Council Income	27,446	37,472
<b>Total Income</b>	<b>207,871</b>	<b>403,327</b>
Contract Costs	(103,074)	(206,148)
NDD Costs	(5,445)	(5,072)
Staff Costs	(42,566)	(59,443)
Other Costs	(38,522)	(75,292)
Total Interest	(5,456)	(14,056)
Total Principal Repayments	(8,870)	(14,531)
<b>Total Expenditure</b>	<b>(203,935)</b>	<b>(374,522)</b>
<b>Closing Balance</b>	<b>29,424</b>	<b>25,488</b>
<b>Total Loans</b>	<b>213,731</b>	
<b>Registration Fees:</b>		
Urban Dogs	\$ 50.00	\$ 47.00
Rural Dogs	\$ 30.00	\$ 29.00
Seeing Eye and Hearing Dogs	No Charge	No Charge
<b>Number of Dogs:</b>		
Urban Dogs	4,497	4,347
Rural Dogs	5,724	5,782
Seeing Eye and Hearing Dogs	11	13
<b>Debtors, Balances Outstanding</b>		
Dog Account	37,434	
<b>Commentary</b>		
<p>There is now a National Dog Database (NDD) which is a Department of Internal Affairs initiative. The NDD went 'live' from 1 July 2006. The NDD has standardised all the dog register codes. This has required software changes and additional administration time for Council. Council is also now required to update the NDD each night. Council is charged a NDD levy.</p>		
<p>Any overdue dog registrations are taken to Court but it is unlikely that the total balance will be received. The total balance of the dog infringements debtor account is \$32,855. We have provided for \$21,800 of this balance as unlikely to be received.</p>		
<p>Note: Charges are inclusive of GST. Account balances are exclusive of GST.</p>		

Camping Grounds Summary	Actuals 11/12	Actuals 10/11
<p>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.</p> <p>Eventually all the campgrounds will be operated on long term commercial lease arrangements – two of them are already on 20-year leases.</p>		
<b>Opening Balance</b>	<b>(53,555)</b>	<b>77,567</b>
<b>Income</b>		
Collingwood	56,688	135,779
Fearons Bush	97,709	189,947
Pohara	141,851	288,420
Riverview	13,430	34,543
General	4,419	8,490
<b>Total Income</b>	<b>314,097</b>	<b>635,179</b>
<b>Loans Raised</b>		
Collingwood	2,841	-
Pohara	-	140,000
<b>Total Loans Raised</b>	<b>2,841</b>	<b>140,000</b>
<b>Operating Costs</b>		
Collingwood	(74,863)	(133,414)
Fearons Bush	(13,825)	(26,344)
Pohara	(18,866)	(40,031)
Riverview	(13,089)	(30,704)
General	(148,028)	(270,859)
<b>Total Operating</b>	<b>(268,451)</b>	<b>(501,152)</b>
<b>Total Interest</b>	<b>(24,342)</b>	<b>(56,939)</b>
<b>Total Principal Repayments</b>	<b>(42,748)</b>	<b>(58,730)</b>
<b>Total Capital</b>	<b>(45,005)</b>	<b>(291,480)</b>
<b>Total Expenditure</b>	<b>(380,546)</b>	<b>(906,301)</b>
<b>Closing Balance</b>	<b>(117,363)</b>	<b>(63,555)</b>
<b>Total Loans</b>	<b>953,225</b>	
<b>Commentary</b>		
<p>Income is down on budget. This is a timing issue as the major source of income is from the summer period from late December onwards. However, Pohara campground income is likely to be down on budget for the year due to the flooding damage to the area in December 2011.</p> <p>While the deficit has increased through to December it is likely to be neutral by year end.</p>		



<b>Rivers Closed Account</b>	<b>Actuals 11/12</b>	<b>Actuals 10/11</b>
<p>Tasman District Council maintains 285 kilometres of the region's rivers to minimum standard in order to carry out its statutory roles to promote soil conservation and mitigate damage caused by floods. These rivers are classified and funded by a differential river rating system. The rivers are classified as either X, Y or Z.</p> <p>The rivers are on private, Council, and Crown (Department of Conservation, LINZ) lands. The associated river protection works such as stopbanks, rocks and willows are owned, maintained, and improved by Council.</p> <p>Rivers is a closed account from 1 July 2006 per Council resolution</p>		
<b>Opening Balance</b>	<b>(72,184)</b>	<b>393</b>
<b>Income</b>		
Total Rates	1,402,915	2,316,423
Total Recoveries	1,251,231	936,042
Total Loans	84,650	382,406
Accrued Interest Disaster Fund	27,610	43,859
<b>Total Income</b>	<b>2,766,406</b>	<b>3,679,730</b>
<b>Total Operating Costs</b>	<b>(1,808,271)</b>	<b>(2,489,798)</b>
Total Interest	(15,825)	(24,398)
Total Capital Costs	(323,238)	(1,227,015)
Total Principal Repayments	(7,715)	(10,096)
<b>Total Expenditure</b>	<b>(2,153,049)</b>	<b>(3,751,307)</b>
<b>Closing Balance</b>	<b>541,173</b>	<b>(72,184)</b>
<b>Total Loans</b>	<b>667,537</b>	
<b>Disaster Fund Balance</b>	<b>907,710</b>	
<b>Asset Book Value 30 June 2011</b>	<b>39,253,000</b>	
<b>Disaster Fund</b>		
<p>The philosophy behind the Council's disaster funds is to protect the District's ratepayers from any significant rating variation should the need to financially respond to a disaster occurs. The rivers disaster fund is to provide an immediate cash source where no other is available for repairs to the rivers themselves resulting from any major unforeseen event.</p>		
<b>Commentary</b>		
<p>Council sets a targeted rate for river works. This rate is based on the land value of each rating unit and is set differentially based on where the land is situated.</p> <p>The categories of land and the rates (in cents per \$ of land value) are:</p>		
<b>Charges 2011/2012</b>		
X Classification	0.1123c/SLV	Capital and Maintenance
Y Classification	0.1123c/SLV	Capital and Maintenance
Z Classification	0.0237c/SLV	Capital and Maintenance
<b>Charges 2010/2011</b>		
X Classification	0.0943c/SLV	Capital and Maintenance
Y Classification	0.0943c/SLV	Capital and Maintenance
Z Classification	0.0198c/SLV	Capital and Maintenance
<p>Operating costs includes \$1,070,565 of emergency river works expenditure relating to the Aorere flood event in December 2010. This expenditure is funded by the Ministry of Civil Defence and Emergency Management (60%), and by transfer from the Rivers Disaster Fund (40%).</p> <p>Progress has been disappointing with the first six months of the annual operations maintenance programme contract from the new contractor, with the programme presently tracking significantly behind schedule.</p> <p>Note: Charges are exclusive of GST. Account balances are exclusive of GST</p>		

Solid Waste Closed Account	Actuals 11/12	Actuals 10/11
Solid Waste is a closed account from 1 July 2006 per Council Resolution		
<b>Opening Balance</b>	<u>(263,916)</u>	<u>(166,566)</u>
<b>Income</b>		
Refuse Rates	1,102,777	2,052,168
Refuse Recoveries	2,170,815	4,805,613
Loans Raised	<u>1,634,218</u>	<u>2,366,148</u>
<b>Total Income</b>	<u>4,907,810</u>	<u>9,223,949</u>
<b>Operating Costs</b>		
Interest	(3,103,877)	(6,032,852)
Capital Costs	(139,928)	(233,423)
Principal	(1,435,882)	(2,685,498)
<b>Total Expenditure</b>	<u>(5,009,506)</u>	<u>(9,321,299)</u>
<b>Closing Balance</b>	<u>(365,612)</u>	<u>(263,916)</u>
<b>- Refuse/Recycling Rate</b>		
<b>Properties</b>	17,970	17,744
<b>Charges</b>		
— Per property	\$ 111.07	\$ 102.22
<b>- Kaiteriteri Refuse Rate</b>		
<b>Properties</b>	442	338
<b>Charges</b>		
— Per property	\$ 18.10	\$ 16.10
<b>Asset Book Value 30 June 2011</b>	6,966,000	
<b>Total Loans</b>	<u>5,885,000</u>	
Note: Charges are inclusive of GST. Account balances are exclusive of GST		
<u>Commentary</u>		
The Kaiteriteri Refuse rate was introduced in the 2007/2008 financial year. This rate is set for the purposes of meeting costs in respect of the additional summer refuse collection service provided to the Kaiteriteri area.		

	Actuals 11/12	Actuals 10/11
<b>Reserve Financial Contributions Summary Overview</b>		
<p>All new subdivisions are required to pay Reserve Financial Contributions for reserves, roading and other Council Facilities. These are based on 5.5% of the value of all new allotments, less the value of any land taken for reserves or walkways. All Reserve Financial Contributions received must be separately accountable and the Council keeps Reserve Financial Contributions received in five separate accounts being: Golden Bay Ward, Motueka Ward, Moutere/Waimea Ward, Lakes/Murchison Ward, and Richmond Ward. Income in each of these accounts varies considerably from year to year, depending on the demand for new sections, and also the availability of land for development.</p> <p>Note: Reserve Financial Contributions were formerly called Development Impact Levies (DIL's)</p>		
	<b>Account Balance</b>	<b>Account Balance</b>
Financial Contributions - Waimea/ Lakes Murchison	128,670	439,341
Financial Contributions - Golden Bay	626,889	981,966
Financial Contributions - Motueka	1,356,105	1,277,193
Financial Contributions - Richmond	221,466	376,101
Financial Contributions - District Wide	(26,540)	17,806
	<u>2,507,579</u>	<u>3,092,407</u>
<b>Opening Balance</b>	<u>3,092,407</u>	<u>3,553,352</u>
<b>Total Loans</b>		
Total Income	689,902	2,335,373
Total Loans	-	286,052
<b>Total Income</b>	<u>689,902</u>	<u>2,621,425</u>
<b>Total Operating</b>	(514,056)	(848,275)
Total Interest	(66,038)	(182,318)
Total Capital	(591,132)	(1,872,243)
Total Principal Repayments	(103,464)	(199,533)
<b>Total Expenditure</b>	<u>(1,274,730)</u>	<u>(3,082,369)</u>
<b>Closing Balance</b>	<u>2,507,579</u>	<u>3,092,407</u>
<b>Total Loans</b>	<u>2,598,377</u>	

<b>Financial Contributions - Waimea/Lakes Murchison</b>	<b>Actuals 11/12</b>	<b>Actuals 10/11</b>
<b>Opening Balance</b>	<b>439,341</b>	<b>992,049</b>
Total Income	189,628	775,803
Total Loans	-	286,062
<b>Total Income</b>	<b>189,628</b>	<b>1,061,855</b>
Total Operating	(81,150)	(241,947)
Total Interest	(24,003)	(53,176)
Total Capital	(359,897)	(1,256,336)
Total Principal Payments	(35,247)	(63,104)
<b>Total Expenditure</b>	<b>(500,298)</b>	<b>(1,614,563)</b>
<b>Closing Balance</b>	<b>128,670</b>	<b>439,341</b>
<b>Total Loans</b>	<b>945,800</b>	

<b>Financial Contributions - Golden Bay</b>		
<b>As at 31-Dec-2011</b>	<b>Actuals 11/12</b>	<b>Actuals 10/11</b>
<b>Opening Balance</b>	<b><u>981,966</u></b>	<b><u>916,141</u></b>
Total Income	36,425	242,546
Total Operating	(134,316)	(89,585)
Total Interest	(1,557)	(3,865)
Total Capital	(58,736)	(79,365)
Total Principal Repayments	<u>(1,893)</u>	<u>(3,786)</u>
<b>Closing Balance</b>	<b><u>825,889</u></b>	<b><u>981,966</u></b>
<b>Total Loans</b>	<b><u>61,585</u></b>	

<b>Financial Contributions - Motueka</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<b>Opening Balance</b>	<b><u>1,277,193</u></b>	<b><u>1,055,216</u></b>
Total Recoveries	184,355	432,459
Total Operating	(46,626)	(50,348)
Total Interest	(4,175)	(11,580)
Total Capital	(37,912)	(119,097)
Total Principal Repayments	<u>(14,728)</u>	<u>(29,457)</u>
<b>Total Expenditure</b>	<b><u>(103,443)</u></b>	<b><u>(210,482)</u></b>
<b>Closing Balance</b>	<b><u>1,358,105</u></b>	<b><u>1,277,193</u></b>
Total loans	<u>159,621</u>	

<b>Financial Contributions - Richmond</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<b>Opening Balance</b>	<b>376,101</b>	<b>512,629</b>
Total Income	96,526	539,966
Total Operating	(40,361)	(79,836)
Total Interest	(33,548)	(86,366)
Total Capital	(130,839)	(417,443)
Total Principal Repayments	(46,424)	(92,849)
<b>Total Expenditure</b>	<b>(251,172)</b>	<b>(676,494)</b>
<b>Closing Balance</b>	<b>221,455</b>	<b>376,101</b>
<b>Total Loans</b>	<b>1,323,551</b>	

Financial Contributions - District Wide As at 31-Dec-2011	Actuals 11/12	Actuals 10/11
<b>Opening Balance</b>	<b>17,806</b>	<b>77,318</b>
Total Income	180,969	344,599
Total Operating	(211,641)	(396,559)
Total Capital	(5,750)	-
Total Interest	(2,755)	(7,213)
Total Principal Repayments	(5,169)	(10,339)
<b>Total Expenditure</b>	<b>(225,315)</b>	<b>(404,111)</b>
<b>Closing Balance</b>	<b>(26,540)</b>	<b>17,806</b>
<b>Total Loans</b>	<b>107,821</b>	



<b>Community Housing</b>	<b>Actuals</b>	<b>Actuals</b>
<b>As at 31-Dec-2011</b>	<b>11/12</b>	<b>10/11</b>
<p>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.</p> <p>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 adopted a housing policy in 2008.</p> <p>The Community Housing properties are maintained at a very high standard. The average rental over the properties range between \$95-\$140 per week.</p>		
<b>Opening Balance</b>	<b>289,633</b>	<b>341,749</b>
Total Recoveries	254,713	529,049
Total Operating	(258,623)	(424,910)
Total Interest	(5,372)	(18,806)
Total Capital	(358,635)	(61,835)
Total Principal Repayments	(47,377)	(77,614)
<b>Total Expenditure</b>	<b>(670,007)</b>	<b>(581,165)</b>
<b>Closing Balance</b>	<b>(126,681)</b>	<b>289,633</b>
<b>Total Loans</b>	<b>184,536</b>	
<b>Commentary</b>		
<p>Council has purchased land at Hill Street, Richmond and construction commenced in September 2011 for the design and build of four units.</p> <p>The closed account balance is currently showing a deficit. Reserve funds have been used to fund the land purchase and construction of the four units. The original budget was an estimate of the land purchase and construction of three units out of the closed account purchase with the proviso that any shortfall would be reported to Council at the end of the project regarding funding. Four units were subsequently built due to a favourable contract tender price. This report is likely to be considered by the Community Services Committee in May/June.</p>		

**Item 7.7**

**Attachment 2**