

## **Wanganui District Council and Group**

Summary Annual Report

For the year ended 30 June 2009

This Summary Annual Report cannot be expected to provide as complete an understanding as provided by the Annual Report. The information contained in this Summary Annual Report is extracted from the Wanganui District Council Annual Report approved by Council on 30 October 2009. The Annual Report has been audited and received an unqualified audit opinion. This report has been examined by the same auditors for consistency with the Annual Report. The Council is a public benefit entity and the Annual Report is prepared in accordance with generally accepted accounting practice and complies with NZIFRS. The accounting policies used in this report remain unchanged from the prior period. The Summary Annual Report complies with FRS-43. The Council's financial statements are for Wanganui District Council as a separate legal entity and the consolidated financial statements are for the Council, Wanganui District Council Holdings Limited (100%), Wanganui Inc (100%), Sarjeant Gallery Trust Board (100%) and Cooks Gardens Trust Board (100%). Wanganui District Council Holdings Limited in turn owns 100% of Wanganui Gas Limited. The financial statements are presented in New Zealand dollars. This Summary Annual Report was authorised for issue on 20 November 2009 by the Mayor, Michael Laws and Chief Executive, Kevin Ross. Copies of the Wanganui District Council's Annual Report are available from the Council's website [www.wanganui.govt.nz](http://www.wanganui.govt.nz) or the Council offices at 101 Guyton Street, Wanganui or by phoning 06 349 0001.

## **Message from the Chief Executive**

This year has seen many projects come to fruition after previous periods of reassessment, organisational change and strategic planning.

The Council mission to make Wanganui an attractive place for families and to ensure a quality of life for all was borne out of its family-friendly vision. Council has aligned its programme to achieving this vision.

Council's economic strategy and priorities have evolved over the year as the change of service delivery from Wanganui Inc to in-house service delivery has taken effect. Council has focussed on developing relationships with the business community, improving our image and developing our visitor strategy.

A conference bureau was established to encourage organisations to hold conferences in Wanganui, a Wanganui Conference Guide was published and the War Memorial Hall rebranded as the War Memorial Conference and Convention Centre.

The Wanganui.com website was revamped as the primary visitor portal for Wanganui and investigations into the relocation of the i-Site were initiated. Nearly 60% of voters in the Referendum held in May 2009 supported moving the i-Site to the riverfront area.

Council got serious about community safety with a zero tolerance approach to anti-social behaviour. The Gang Insignia Local Bill became an Act achieving Royal assent on 9 May 2009. This Act allowed Council to make a new bylaw – the Wanganui District Council (Prohibition of Gang Insignia) and came into force on 31 August 2009.

Council has continued to work to improve the wellbeing of youth through its support of the Taskforce on Youth Wellbeing, the Youth Committee and employment of a Youth Services Coordinator.

The Council entered into a ground-breaking partnership with the health sector to create the Gonville Café Library in the Gonville Centre, which also includes a health practice and a community meeting room. The Centre was officially opened on 31 August 2009.

The integration of Council with its outlying services at Queens Park has continued to strengthen.

Restoration of the Krupp Gun was completed in May 2009. The Wanganui Krupp Gun is a rare surviving example of its type, the only one known to exist in New Zealand.

Improving our natural and physical environment has also been a key element of Council's programme, including environmental restoration programmes, the development of strategies and capital works to enhance the community's enjoyment of our natural environment.

The Council took an innovative approach to improving the water quality at Virginia Lake with the use of solar-bee technology and other restoration methods. Other improvements were undertaken around the lake and the development of a Management Plan was initiated.

The development of a Waste Management and Minimisation Strategy will inform future decisions on waste management including recycling which is an important issue for the community. Funding from the Ministry for the Environment was also secured to provide public recycling bins.

The Council has continued to canvas community opinion to help its decision-making and the development of plans. In 2008 the Council facilitated a review of the community outcomes,

conducted a referendum to canvass community views on key issues, developed the 10-Year Plan 2009-19 and undertook a national survey on Perceptions of Wanganui.

We have strived to offer excellent customer service to the community and I congratulate our staff on their hard work throughout the year and dedication to the community we serve.

I also acknowledge our elected representatives for the leadership they have provided through their governance role. To be able to meet the outcomes the community desires, it is essential for governance, management and staff to work closely together and this has been achieved throughout the year.

A handwritten signature in black ink, appearing to read "Kevin Ross". The signature is stylized with a large, looping initial 'K'.

Kevin Ross  
Chief Executive

## Explanation of major variances to budget

### Income

Rates revenue is 0.8% higher due to growth in the rating base. Finance income is 35% lower due to lower than predicted investment interest rates during the year, as the OCR rate reduced from 8.25% to 2.5%. Other revenue is 11% higher due to more New Zealand Transport Agency subsidies received as a result of mostly flood damage capital works being carried forward from last year, giving additional subsidy of \$2.7M. Losses on revaluations of \$114K were not budgeted.

### Expenditure

Depreciation and amortisation expense is 29% higher due to large revaluations of Infrastructure assets in June 2008, not included in the Annual Plan model. Finance costs are 14% lower due to the lower cost of borrowing and proactive interest rate risk management. Other expenses are 19% or \$5.2M higher. \$4.9M of the increase relates to non-cash devaluations of property, plant and equipment, forestry, and derivative financial instruments not budgeted for. The remaining increase of \$300K is contributed to by energy cost rises and inflationary rises for contract payments. Operating expenditure variances were reforecasted during the year.

The variance of \$4.5M between the budgeted surplus of \$4.0M and the actual deficit of \$0.5M is mainly due to non-cash devaluation items processed as expenditure at year end, partially offset by increased New Zealand Transport Agency subsidies received.

### Assets

Cash and cash equivalents are \$6.3M higher due to borrowings taken in advance and invested in the money market at favourable rates. Property, plant and equipment have been revalued leading to the \$103M variance. Forestry assets and investment property were devalued due to market conditions.

### Liabilities

Borrowings were higher than budget by \$2.0M. This was mainly due to the Water Softening project being brought forward following the bore failure mid-year.

### Statement of financial performance For the year ended 30 June 2009

	Budget	Council		Group	
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
Total income	58,468	60,650	59,110	112,342	103,668
Finance costs	5,587	4,824	4,550	6,173	5,687
Other operating expenditure	48,876	57,104	54,437	110,959	97,780
Total operating expenditure	54,463	61,928	58,987	117,132	103,467
Share of associate surplus/(deficit)	-	1	(9)	1	(9)
Income tax expense	-	(341)	(32)	(1,665)	(1,818)
Surplus/(deficit) after tax	4,005	(936)	146	(3,124)	2,010
<b>Attributable to:</b>					
Wanganui District Council	4,005	(936)	146	(3,124)	2,010
Minority interest	-	-	-	-	-
	<b>4,005</b>	<b>(936)</b>	<b>146</b>	<b>(3,124)</b>	<b>2,010</b>

**Statement of financial position**  
As at 30 June 2009

	Budget	Council		Group	
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
<i>Total current assets</i>	8,191	14,625	20,151	22,312	25,763
<i>Total non-current assets</i>	767,024	864,134	806,395	887,800	829,456
<i>Total current liabilities</i>	7,005	18,252	21,215	31,747	31,012
<i>Total non-current liabilities</i>	70,966	69,622	59,720	85,461	74,378
<b>Net assets</b>	<b>697,244</b>	<b>790,885</b>	<b>745,611</b>	<b>792,904</b>	<b>749,829</b>
<b>Total equity</b>	<b>697,244</b>	<b>790,885</b>	<b>745,611</b>	<b>792,904</b>	<b>749,829</b>

**Statement of changes in equity**  
For the year ended 30 June 2009

	Budget	Council		Group	
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1 July</b>	638,239	745,611	638,238	749,829	639,930
<b>Amounts recognised directly in equity</b>					
Financial assets at fair value through equity	-	29	21	18	(34)
Revaluation gains/(losses)	55,000	46,181	107,674	46,181	107,899
<i>Net income recognised directly in equity</i>	55,000	46,210	107,695	46,199	107,865
Surplus/(deficit) for the year	4,005	(936)	146	(3,124)	2,010
<i>Total recognised income and expense</i>	59,005	45,274	107,841	43,075	109,875
<b>Attributable to:</b>					
Wanganui District Council	59,005	45,274	107,841	43,075	109,875
Introduction of equity from CCO's	-	-	(468)	-	24
Movements in minority interest	-	-	-	-	-
<b>Balance at 30 June</b>	<b>697,244</b>	<b>790,885</b>	<b>745,611</b>	<b>792,904</b>	<b>749,829</b>

	Budget	Council		Group	
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
<b>Equity is represented by:</b>					
Retained earnings	649,023	523,917	524,971	525,751	528,991
Restricted reserves	48,221	64,891	64,774	64,891	64,774
Revaluation reserves	-	201,770	155,588	201,995	155,813
Investment revaluation reserve	-	307	278	267	251
	<b>697,244</b>	<b>790,885</b>	<b>745,611</b>	<b>792,904</b>	<b>749,829</b>

**Statement of cash flows**  
For the year ended 30 June 2009

	Budget	Council		Group	
	2009	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000
<i>Net cash from operating activities</i>	14,258	15,045	16,053	14,290	16,998
<i>Net cash from investing activities</i>	(20,649)	(25,537)	(27,282)	(27,197)	(28,329)
<i>Net cash from financing activities</i>	6,020	5,886	16,254	8,372	16,646
<b>Net (decrease)/increase in cash and cash equivalents</b>	(371)	(4,606)	5,024	(4,535)	5,315
<i>Cash and cash equivalents at the beginning of the year</i>	1,372	11,967	6,943	13,153	7,838
<b>Cash and cash equivalents at the end of the year</b>	<b>1,001</b>	<b>7,361</b>	<b>11,967</b>	<b>8,618</b>	<b>13,153</b>

## Other information

### Events after the balance date

Council are progressing a local bill initiative that may affect the future policy of the Sea port activity.

There were no other significant events after balance date.

### Capital commitments and operating leases

Group balance as at 30 June 2009 \$7,844,000.

### Prior period error disclosure

WDC recognised an error in treatment of a property transaction in the 2007/08 financial statements. An amount of \$1,675,000 relating to a property transaction was held in deposits at 30 June 2008. The gain on sale, vested assets income was not recognised in the correct reporting period.

Under NZ IAS 8 paragraph 42 (a) where a material prior period error is discovered, the entity shall correct the prior period error by restating the comparative amounts of the prior period.

To correct the prior period error in the 2008/09 financial statements:

- The gains recognised in the 2007/08 statement of financial performance have been increased by \$851,000 and other income recognised in the 2007/08 statement of financial performance has been increased by \$640,000, increasing total income to \$59,111,000 (Group \$103,667,000) and the surplus before tax to \$114,000 (Group \$191,000) and after tax to \$146,000 (Group \$2,009,000).
- The comparatives for Surplus/(deficit) for the year in the statement of changes in equity, will increase by \$1,491,000 to \$146,000 (Group \$2,009,000).
- The net surplus included in retained earnings for 2007/08 has been increased by \$1,491,000 increasing the closing 2007/08 retained earnings balance to \$524,971,000 (Group \$528,991,000).
- Deposits and bonds for 2007/08 have been reduced by \$1,675,000 to 2,139,000 (Group \$2,139,000)
- Plant, property and equipment for 2007/08 have been reduced by \$224,000 to \$782,097,000 (Group \$809,839,000)
- Revaluation reserves for 2007/08 have been reduced by \$40,000 to \$201,770,000 (Group \$201,994,000)

## Progress made towards the achievement of the Community Outcomes

The Local Government Act 2002 requires the Council to report on progress towards achieving the Community Outcomes at least once every three years. A Community Outcomes Survey was undertaken in December 2006 and a report on progress towards the achievement of the outcomes was provided in June 2007.

This report was tasked with detailing:

- The work that the Council and other participating key stakeholders had undertaken in an effort to best meet the outcomes specific to the Wanganui community;
- Measuring the state of Wanganui's current social, cultural, environmental and economic wellbeing; and
- Forecasting planned projects and priorities that may impact on Community Outcomes into the future.

In order to accurately monitor this progress, each outcome was assigned a number of monitoring indicators. The indicators are a mixture of qualitative and quantitative measures and were developed in consultation with key stakeholders as part of the action planning process. Data collection has been an ongoing process and is recorded in Council's Interplan database. The reporting for this Annual Report is based upon both the updated statistics gathered and the contribution Council has made through its work programmes.

During 2008 the Community Outcomes were reviewed and in 2009 these new outcomes were incorporated into the 10-Year Plan 2009-19.

An ongoing process of reviewing and revising monitoring procedures is necessary to ensure the required outcomes are being met. Monitoring over time will confirm the appropriateness of the existing activities, or may identify the need to make changes in order to improve their effectiveness.

Ongoing review of Council's partner organisations in the Community Outcomes process will also be undertaken to ensure effective practices of community collaboration and to most broadly reflect the achievements of the Wanganui District.

The following statements show the cost of service by each group of activities.

### Cost of Service Statements For the year ended 30 June 2009

	Community facilities		Community support		Governance		Investments	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Total income	2,761	3,838	3,071	3,545	1	72	2,416	1,749
Total operating expenditure (excluding depreciation)	12,871	12,984	7,728	7,996	1,463	1,461	2,899	3,497
Total capital expenditure	2,007	7,461	218	270	25	56	968	490
Total capital funding	917	5,344	(604)	(143)	170	(37)	1,977	1,026
<b>Cost of service</b>	<b>11,200</b>	<b>11,263</b>	<b>5,479</b>	<b>4,864</b>	<b>1,317</b>	<b>1,482</b>	<b>(526)</b>	<b>1,212</b>

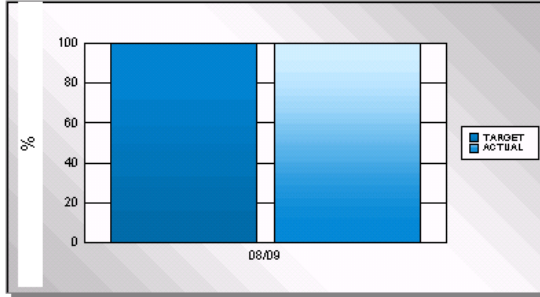
	Land transport		Water		Corporate management	
	2009 \$000	2008 \$000	2009 \$000	2008 \$000	2009 \$000	2008 \$000
Total income	12,084	9,335	3,609	3,243	760	1,109
Total operating expenditure	7,198	7,226	11,529	10,652	364	29
Total capital expenditure	10,857	8,475	12,849	12,329	642	457
Total capital funding	721	174	7,378	6,436	(253)	(250)
<b>Cost of service</b>	<b>5,250</b>	<b>6,192</b>	<b>13,391</b>	<b>13,302</b>	<b>499</b>	<b>(373)</b>

## Statement of service performance – highlights per activity

### Community Facilities Group

#### Cemeteries

*KPI: The Ministry of Culture and Heritage are satisfied with war graves' maintenance.*



**RESPONSIBLE OFFICER:**

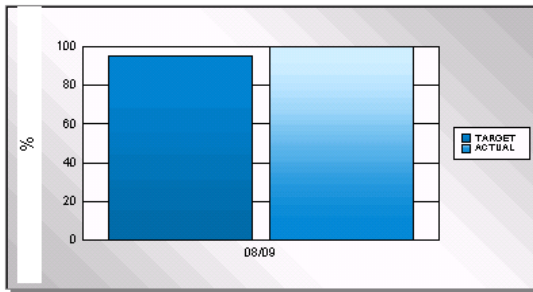
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of a satisfactory annual report was achieved. There were no issues raised during the year by the Ministry of Culture and Heritage.

#### Central Business District services

*KPI: Reported damage will be repaired or isolated within 24 hours.*



**RESPONSIBLE OFFICER:**

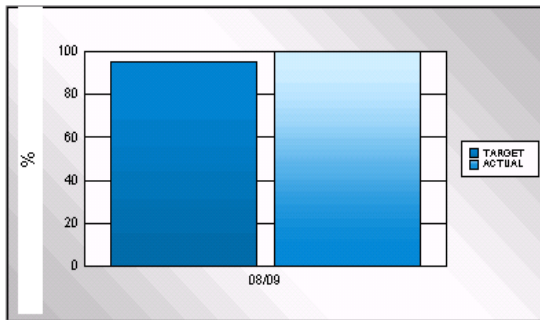
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 95% was exceeded. The actual result was 100% repair or isolation of reported damage within 24 hours.

#### Community buildings and rural halls

*KPI: The Ladies Rest Building will be available for use five days a week Monday - Friday.*



**RESPONSIBLE OFFICER:**

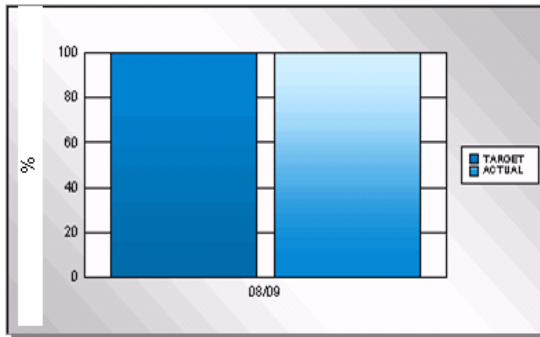
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 95% was exceeded. The actual result was 100% availability of the Ladies Rest Building during normal opening hours.

## Cooks Gardens

**KPI:** *Cooks Gardens ground maintenance will meet all contract specifications on all inspections.*



**RESPONSIBLE OFFICER:**

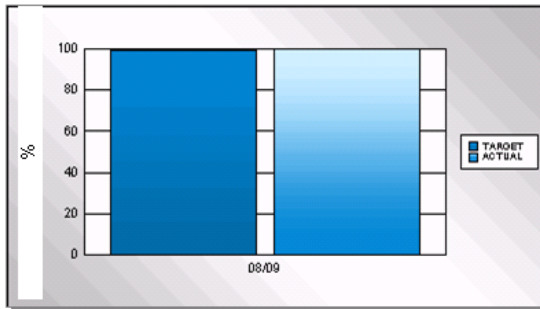
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 100% was achieved. There were 12 inspections undertaken and ground maintenance met all contract specifications on all inspections.

## Library

**KPI:** *A library website, public internet access and search facilities will be provided. (Operating Services)*



**RESPONSIBLE OFFICER:**

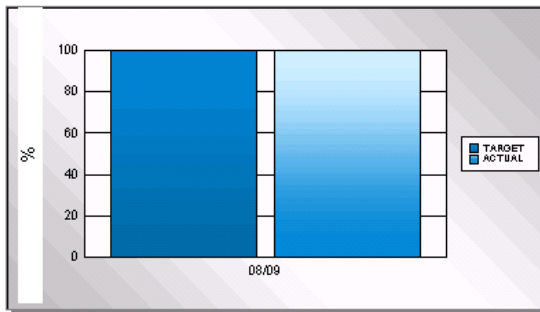
Donna Todd  
Network Administrator

**LATEST COMMENTS:**

The target of 99% was exceeded. The actual result saw the library website, public internet access and search facilities provided 99.75% of the time.

## Minor transport

**KPI:** *Runway maintenance, security, safety, emergency and management systems will meet the requirements of the annual Civil Aviation Authority Part 139 Certification. (Airport)*



**RESPONSIBLE OFFICER:**

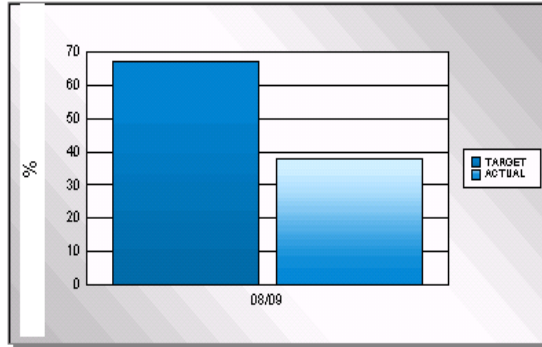
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 100% compliance was achieved. Runway maintenance, security, safety, emergency and management systems met all the requirements necessary for Part 139 certification.

## Parks and reserves

**KPI:** Users of parks and reserves grounds and associated facilities will be very satisfied with the quality.



**RESPONSIBLE OFFICER:**

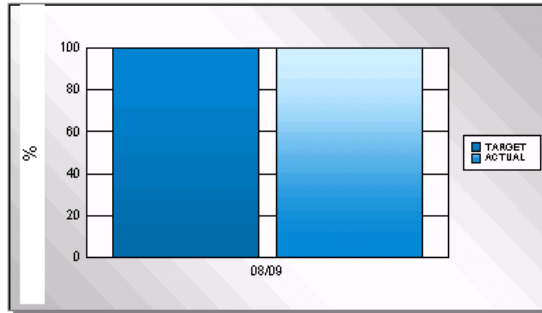
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The satisfaction target of 67% was not met. The actual result was 38% of users were 'very satisfied'. However, an additional 50% were 'satisfied', meaning that overall 88% of users were fairly or very satisfied with parks and reserves grounds and associated facilities.

## Pensioner housing

**KPI:** Pensioner housing will be self funding, apart from asset replacements.



**RESPONSIBLE OFFICER:**

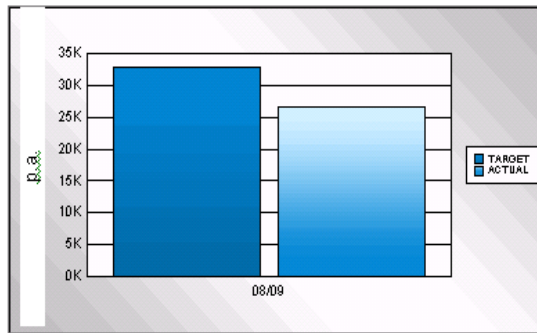
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 100% was met. The Pensioner Housing activity made a small surplus of \$6,000 for the year. This will be applied to the loan associated with the portfolio.

## Regional Museum

**KPI:** Visitors to exhibitions and events will be increased. (Exhibitions and public programmes visitor services)



**RESPONSIBLE OFFICER:**

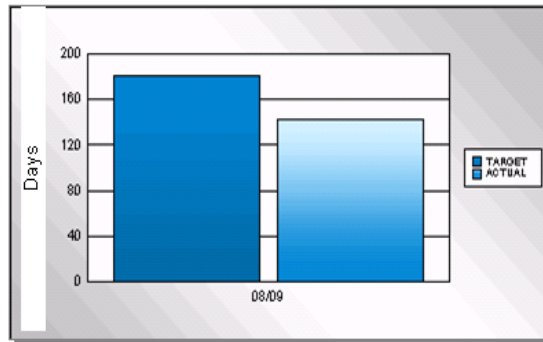
Pete Gray  
Deputy Cultural and Community Manager

**LATEST COMMENTS:**

The target of 32,782 was not met. The actual result was 26,725 visitors to exhibitions and events. This drop in visitor numbers could be attributed to the introduction of an entry fee for local adults as well as to a general downturn in visitors as a result of global economic conditions.

## Royal Whanganui Opera House

**KPI:** The number of days the Opera House is used increases.



**RESPONSIBLE OFFICER:**

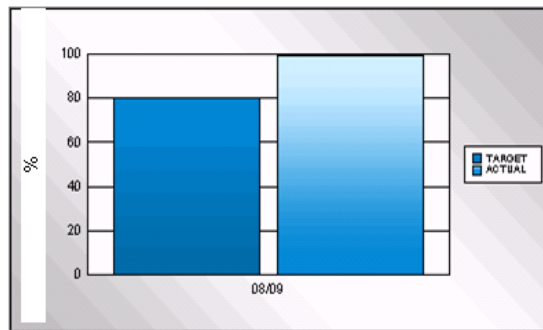
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 181 days usage was not achieved. The actual result was 143 days. However, this figure does represent an increase on previous usage (131 days in 2007/08).

## Sarjeant Gallery

**KPI:** Visitors will be fairly or very satisfied with the Gallery.



**RESPONSIBLE OFFICER:**

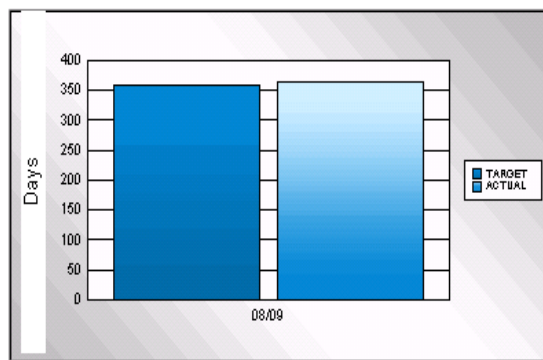
Carmen Toyne  
Visitor Services Coordinator

**LATEST COMMENTS:**

The target of 80% was exceeded. The actual result was 99%. Satisfaction levels have increased as a result of more accurate and direct data gathering through visitor services at the gallery.

## Sportsgrounds

**KPI:** Floodlit sports grounds will be available for use, 365 days per year.



**RESPONSIBLE OFFICER:**

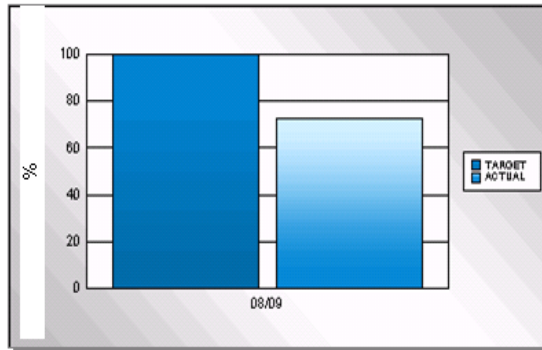
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 98% availability (357.70 days) was exceeded. The actual result was floodlit sports grounds were available every day of the year.

## Swimming pools

**KPI:** *The Splash Centre main pool water temperature will be maintained at 29° +/- 2°.*



**RESPONSIBLE OFFICER:**

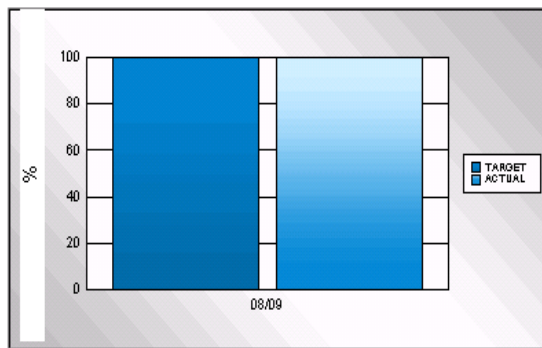
Greg Morris  
Deputy Property Manager

**LATEST COMMENTS:**

The target of 100% was not achieved. The actual result was pools met the target temperatures 72.25% of the time. This result was due to ongoing problems with the new pool heating system.

## War Memorial Hall

**KPI:** *Physical work on the building structure will comply with the Historic Places Act classification.*



**RESPONSIBLE OFFICER:**

Greg Morris  
Deputy Property Manager

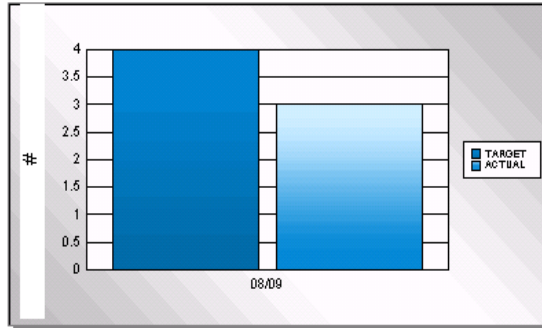
**LATEST COMMENTS:**

The target of 100% was met. Compliance with the Historic Places Act was achieved at all times.

## Community Support Group

### Community development

*KPI: "Older People" forums will be facilitated four times per year.*



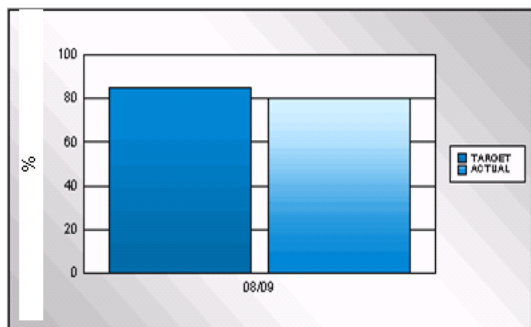
**RESPONSIBLE OFFICER:**

Sally Patrick  
Community and Culture Manager

**LATEST COMMENTS:**

The target of four was not met due to excess workloads. The actual result was three meetings were held over the 2008/09 year.

*KPI: Key stakeholders (eg Police, District Health Board, Community House, youth groups, Iwi, Runanga, Sister City) will be fairly or very satisfied with Community development activity.*



**RESPONSIBLE OFFICER:**

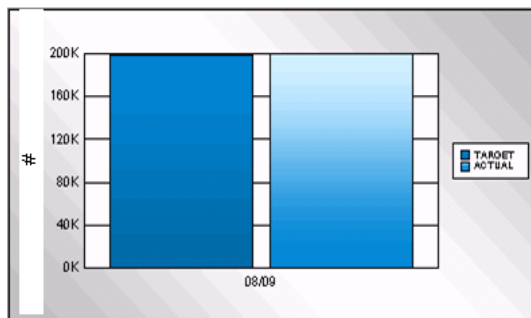
Sally Patrick  
Community and Culture Manager

**LATEST COMMENTS:**

The target of 85% was not achieved. The actual result was 80% of key stakeholders were fairly or very satisfied with community development activity. However, this represents a significant increase on previous results.

### Economic development

*KPI: Visitor numbers (guest nights) will be increased to 203,000. (Economic Development Strategy)*



**RESPONSIBLE OFFICER:**

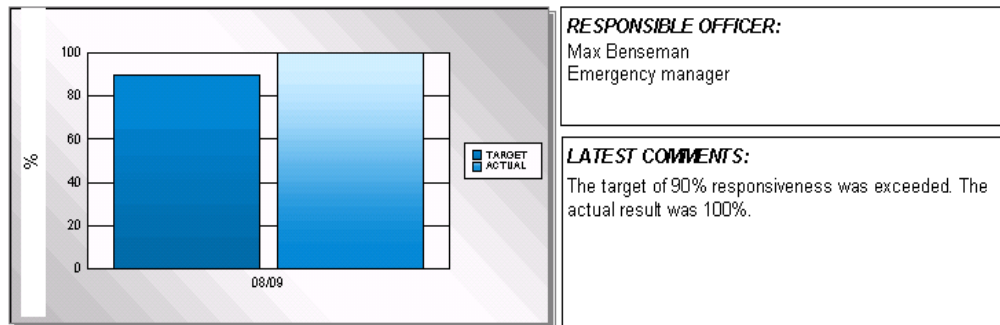
Greg Lincoln  
Economic Development Officer Tourism and Events

**LATEST COMMENTS:**

The target to trend upwards from 199,000 guest nights was exceeded. The actual result was 199,700 guest nights.

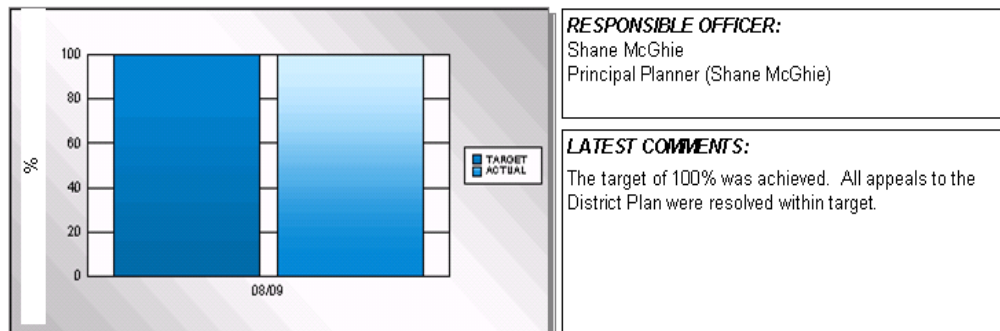
## Emergency management

**KPI:** *A continuous 24-hour Duty Officer response to incidents will be provided. Receipt of calls will be acknowledged within 20 minutes. (Civil Defence Emergency Management)*



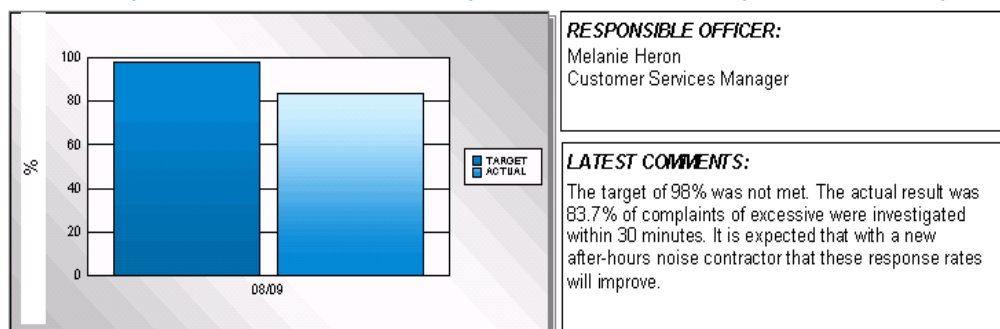
## Environmental policy

**KPI:** *Appeals to the District Plan will be resolved by June 2007 or within two years of their lodgement, whichever is the latter.*



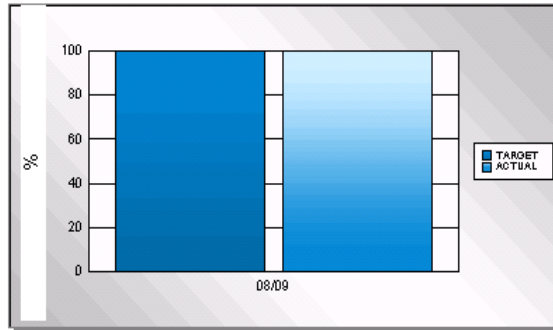
## Regulatory services

**KPI:** *All complaints of excessive noise will be responded to within 30 minutes. (Environmental health)*



## Waste minimisation

**KPI:** *Facilities for domestic hazardous wastes' disposal will be provided at the two transfer stations. (Disposal)*



**RESPONSIBLE OFFICER:**

Stuart Hylton  
Senior Policy Advisor (Stu Hylton)

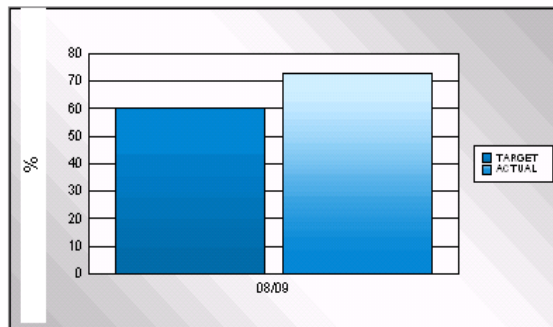
**LATEST COMMENTS:**

The target of 100% was achieved. Facilities for domestic hazardous waste disposal were provided at the two transfer stations.

## Governance Group

### Governance and democracy

**KPI:** *The community will be satisfied that Council has responded very well or well to community needs and issues.*



**RESPONSIBLE OFFICER:**

Malcolm Hunt  
Governance services manager

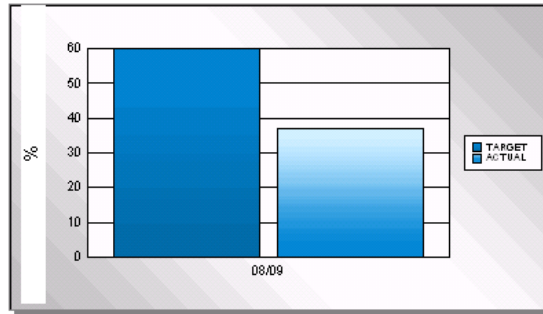
**LATEST COMMENTS:**

The satisfaction target of 60% was exceeded. The actual result was 73% as measured by the Community Views Survey.

## Land Transportation Group

### Pathways

**KPI:** *Users of footpaths will be fairly or very satisfied with footpath surface and smoothness. (Footpaths and berms)*



**RESPONSIBLE OFFICER:**

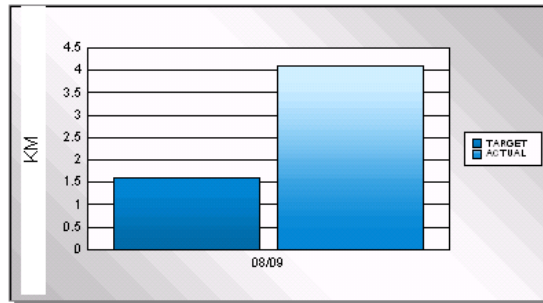
Rui Leitao  
Roading engineer

**LATEST COMMENTS:**

The satisfaction target of 60% was not achieved. The actual result was 37% of the community were fairly or very satisfied with footpath surface and smoothness.

### Roading

**KPI:** *Pavement strengthening and smoothing will be carried out annually to reduce longer-term maintenance costs and to improve ride quality. (Road smoothness)*



**RESPONSIBLE OFFICER:**

Rui Leitao  
Roading engineer

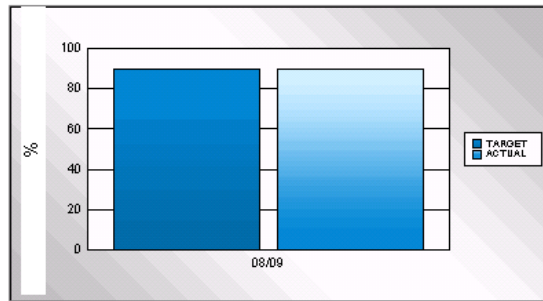
**LATEST COMMENTS:**

The target of >1.6km pavement strengthening was exceeded. The actual result was 4.1km; this figure includes work undertaken on Whangaehu Valley Road and Morikau Road.

## Water Group

### Stormwater

**KPI:** *High priority repairs will commence within six hours of notification (Stormwater).*



**RESPONSIBLE OFFICER:**

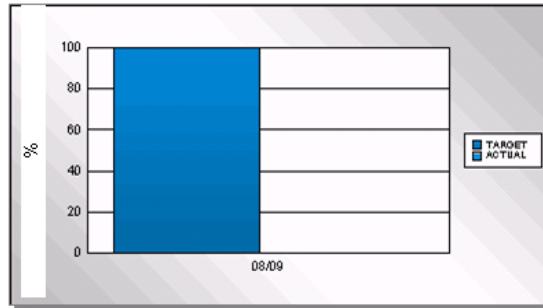
Robert van Bentum  
Senior Water and Wastewater Engineer

**LATEST COMMENTS:**

Achievement of the 90% target was unknown. This is because although Council's policy is to respond to high priority repairs within six hours of notification, there is currently no formal system for measuring this. It is estimated that 90% of repairs were commenced within the specified timeframe.

## Wastewater

**KPI:** *Horizons Regional Council consent to not allow discharge into the river upstream of the Cobham bridge after 30 June 2007 will be complied with.*



**RESPONSIBLE OFFICER:**

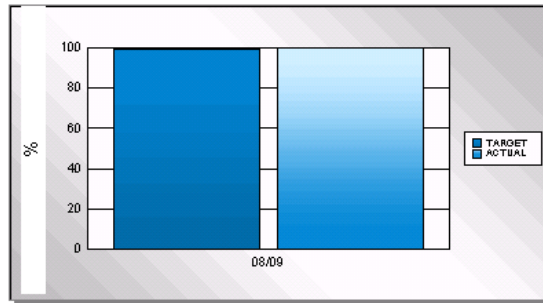
Robert van Bentum  
Senior Water and Wastewater Engineer

**LATEST COMMENTS:**

Achievement of this target was not able to be accurately measured. There were instances during 2008/09 where blockages caused discharge of effluent or where stormwater flows in Durie Hill caused overflows to the river. There are plans to install level monitoring equipment to ensure accurate recording in the future.

## Water supply

**KPI:** *Water will be available to serviced properties at all times.*



**RESPONSIBLE OFFICER:**

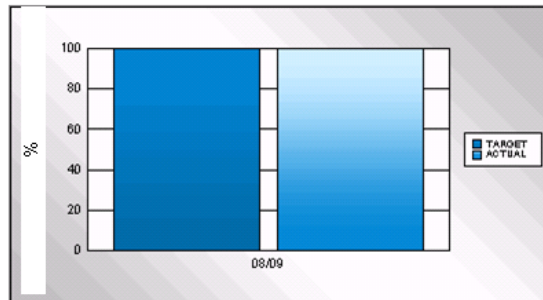
Srian Fonseka  
Senior Engineer

**LATEST COMMENTS:**

The target of 99% was exceeded. The actual result was water was available to serviced properties 99.9% of the time.

## Waterways and natural drainage

**KPI:** *Warnings of flood events from the Whanganui River will be given 12 hours in advance.*



**RESPONSIBLE OFFICER:**

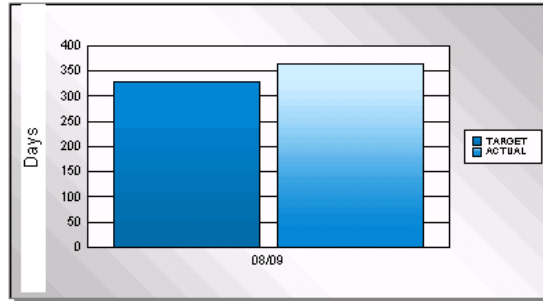
Robert van Bentum  
Senior Water and Wastewater Engineer

**LATEST COMMENTS:**

The target of 100% was achieved. There were no flood events for the Whanganui River.

## Whanganui River control

**KPI:** Access to the River for coastguard and rescue services will be available 365 days per year.



**RESPONSIBLE OFFICER:**

Rui Leitao  
Roading engineer

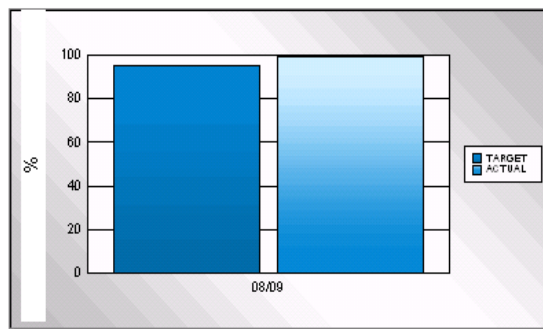
**LATEST COMMENTS:**

The target of 328.50 days was exceeded. The actual result was access to the Whanganui River for coastguard and rescue services was available every day of the year.

## Investments Group

### Investments

**KPI:** The occupancy rates of investment properties will be >90%. (Property)



**RESPONSIBLE OFFICER:**

Greg Morris  
Deputy Property Manager

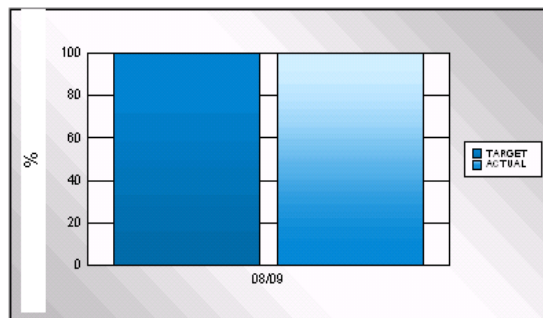
**LATEST COMMENTS:**

The target of 95% occupancy was exceeded. The actual result was 99.5%. Only one of the Council's 89 investment properties was vacant during the second half of the year.

## Corporate Group

### Corporate management

**KPI:** Meetings will be notified, agendas will be distributed and minutes will be recorded for Council and committee meetings in compliance with standing orders. (Elected members' support)



**RESPONSIBLE OFFICER:**

Malcolm Hunt  
Governance services manager

**LATEST COMMENTS:**

The target of 100% was met. All meetings were notified, agendas were distributed and minutes were recorded for Council.

## Community facilities group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Community Facilities Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$	
Cemeteries	Fencing and drainage improvements	30,000	24,880	
	Cemeteries Plan	20,000	20,717	
CBD maintenance	Community under-verandah lighting	10,000	0	
	Tree replacement programme	35,000	0	
Community buildings	Building improvements	38,000	25,524	
Parks and reserves	Laird Park netball courts	41,000	3,285	
	Gateways project	150,000	32,255	
	Bason Botanic Gardens	25,000	35,724	
	Playground equipment, furniture, fences etc	110,000	153,288	
	Archers Bridge	0	24,001	
	Virginia Lake lighting and parking	115,000	6,420	
	Virginia Lake wheelchair access	0	60,447	
	Durie Hill steps and walkway	18,000	0	
	Vehicles	35,000	57,752	
	Sundry projects	41,000	24,822	
	Pensioner housing	Building improvements	41,000	12,819
	Sportsgrounds	Events Centre feasibility study	50,000	84,058
Gonville Domain toilets		78,000	60,071	
Cooks Gardens	Turf replacement	100,000	0	
	Other improvements	10,000	22,590	
Sarjeant Gallery	Exterior improvements – parapets/roof skylights/façade/walls	436,000	384,312	
	Internal improvements - kitchen upgrade/toilet/ramps	79,000	104,544	
	Offsite storage	125,000	0	
	Purchase of Art works	20,000	16,079	
Swimming pools	Splash Centre extension	0	264,938	
Library	Book vote	300,000	300,000	
	Office equipment and computer additions	93,000	4,607	
	Building improvements	106,000	133,600	
Minor transport	Durie Hill elevator	10,000	14,676	
	Drainage and Tower restoration	113,000	13,544	
Regional Museum	Emergency Lighting	19,000	4,769	
War Memorial Hall	Weatherproof exterior cladding	400,000	50,322	
	Repitch slabs on forecourt	16,000	0	
	Windows replacements	40,000	46,000	
	Furniture and Fittings	15,000	25,878	
Opera House	Electrical work	14,000	10,973	

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### **Cemeteries**

Work carried out as programmed.

### **CBD maintenance**

Any work on the community under-verandah lighting project has been deferred in the meantime, until a detailed programme has been established. The \$35,000 budget for tree removal and replacement was transferred to planned maintenance, to match Council's asset policy of not capitalising trees.

### **Community buildings**

The Annual Plan budget was \$18,000, and carry overs from 2007/08 were \$20,000. Actual expenditure at \$26,000 was less than the program of \$38,000, pending decisions on the future of some buildings.

### **Parks and reserves**

Capital replacement and acquisition work in the Annual Plan totalled \$535,000, and with carry overs from 2007/08 of \$320,000, the total programme was \$855,000. Actual expenditure for the year was only \$391,000. The main reasons for the difference of \$464,000 related to Durie Hill steps expenditure being transferred to Footpaths, and carry overs being transferred into next year for the Gateways project of \$192,000, Laird Park drainage work of \$38,000, Archers Bridge of \$111,000, Virginia Lake lighting of \$109,000, and Queens Park of \$15,000. Additional expenditure not budgeted, for wheelchair access at Virginia Lake of \$60,000 and Bason work of \$20,000 were financed from designated special funds.

### **Pensioner housing**

Some expenditure has been reclassified as operating and planned maintenance.

### **Cooks Gardens**

The turf replacement job budgeted at \$100,000 was carried over to next year, because of the Ranfily Shield challenge. Other improvement jobs like new fencing and grandstand upgrading work was carried out.

### **Sportsgrounds**

The Gonville Domain toilets job budgeted at \$78,000 was carried forward from 2007/08. The actual cost came in at \$60,000. The Events Centre feasibility study continued this year, with \$84,000 being spent. This was funded in the first instance from \$50,000 of rates, the balance of costs being covered by a \$55,000 grant from the Ministry of Economic Development. The unspent grant of \$27,000 has been carried forward to next year.

### **Sarjeant Gallery**

Work on exterior improvements for parapets, façade, walls and roof skylights cost \$384,000 for the year, just under the budget of \$436,000. Internal improvements for kitchen upgrade, alarm system and wheelchair ramp cost \$105,000, a little ahead of budget. The \$125,000 budgeted for offsite storage has been carried forward to next year.

### **Swimming pools**

The Splash Centre extension project expenditure for the year was \$265,000, funded from loan funds. This unbudgeted expenditure was due to numerous variations to contract (such as additional heaters and screens, heat pump controls), and higher index figures for contract allowances being published slower than expected.

### **Library**

Council budgets a rolling programme for replacement of library books, to the value of \$300,000. Building improvements work of \$134,000 included toilets, security, and architects fees. It also included expenditure for the start of the new Gonville Branch, to be financed by special funds and accumulated Library surpluses.

**Minor transport**

Airport work for drainage works and tower restoration has begun. Council's half share of these jobs amount to \$113,000. Lift improvement work on the Durie Hill elevator was also carried out.

**Regional Museum**

Expenditure for emergency lights was commenced.

**Opera House**

Electrical work was carried out.

**War Memorial Hall**

Weatherproofing of the exterior cladding was commenced with \$50,000 of the \$400,000 budget being spent, the balance of the funds being carried over to next year. Also carried over is the repitching of slabs on the forecourt budget of \$16,000.

### Community support group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Community Support Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Community development	CCTV cameras	100,000	84,728
	Moutoa Statue	0	16,733
Emergency Management	Civil Defence and rural fire equipment	16,000	1,825
Regulatory services	Vehicles	40,000	0
Waste Minimisation	Goods store, recycling bins and trailer	0	35,311

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

#### Community development

This expenditure continues the programme of installing CCTV cameras within the Central Business District. The expenditure was financed from loans.

The Moutoa Statue expenditure was financed from special funds.

#### Emergency management

Less purchases of sundry equipment as part of budget savings.

#### Regulatory services

The nil expenditure relates to the vehicle budget being transferred to the Administration Activity.

#### Waste Minimisation

Recycling bins and trailer costs of 26K were covered by a Ministry For The Environment grant. The Dangerous Goods Store of 9K was covered by other savings within the Activity.

### **Governance group significant acquisitions or replacements of assets**

The following table shows the significant expenditure on capital acquisitions and replacements for the Governance Group. Significant variations to the Annual Plan are discussed below if necessary.

<b>Activity</b>	<b>Item</b>	<b>Budget \$</b>	<b>Actual \$</b>
Governance	Stained glass windows project	18,000	24,556
	Furniture and Fittings	12,000	0

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

The stained glass work is a ongoing project spread over many years. 7 windows were completed this year. There was no expenditure this year on furniture and fittings. The purchase of a chiller was deferred.

## Land transport group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Land transport Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Roading	Pathways construction	815,000	445,150
	Minor safety projects	670,000	739,491
	Whanganui River Road seal extension	856,000	1,172,350
	Pavement rehabilitation	970,000	309,399
	Pavement Smoothing	260,000	166,459
	Rehabilitation	687,000	0
	Structures components replacements	310,000	179,711
	Emergency management – first response	280,000	429,999
	Flood damage repairs	500,000	0
	Ngaturi Bridge replacement	2,500,000	2,108,711
	Road reinstatement – July 2006 storm event	1,000,000	1,261,789
	Sealed road resurfacing	2,255,000	1,643,032
	Traffic services renewals	173,000	228,157
	Unsealed road metalling	478,000	521,931
	Drainage renewals	1,188,000	1,275,834
Pathways	Replacements	303,000	375,227
CBD Parking	Meters	16,000	83,395

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

As well as the Annual Plan Roading capital budget of \$8.1M, another \$4.8M was carried over from 2007/08, giving a total programme of \$12.9M for the year. Actual expenditure came in under at \$10.5M. The main areas of underspend were mainly in flood damage repairs, pavement and roading rehabilitation, and sealed road resurfacing. Roading capital acquisition expenditure of \$0.9M is to be carried over to next year.

Pathways capital replacement expenditure is above budget. This is mainly due to additional work done for the Durie Hill steps, previously classified as a carry-over Parks job.

CBD Parking capital acquisitions relates to parking pay and display machines, financed from the Parking special fund. The additional expenditure was approved by Council.

## Water group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Water Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
Stormwater	Separation project	5,815,000	5,262,317
	Urban reticulation maintenance	280,000	316,319
Wastewater	Treatment Plant	750,000	1,531,864
	Urban reticulation maintenance	1,694,000	870,749
Waterways and Natural Drainage	Capital acquisition	50,000	28,448
Water Supply	Water softening project	1,500,000	2,778,025
	Urban reticulation replacements	2,093,000	2,061,219

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### Stormwater

The Annual Plan budget included \$4.0M for the Stormwater Separation Project, and there was also a carry over of \$1.8M from 2007/08, giving a total programme of \$5.8M for the year. Actual expenditure came in a little behind at \$5.3M. These figures included \$0.3M for the Virginia Lake job which had just started. Overall the unspent funds of \$0.5M will be carried over to next year.

Expenditure for urban reticulation replacements was a little ahead of budget, after being well behind last year because of delayed Project expenditure.

### Wastewater

The Annual Plan budget included \$0.8M for the Treatment Plant Project. Actual expenditure came to \$1.5M. The additional costs in areas like aerators and electrical services were approved by Council during the year, and it also included some expenditure brought forward.

The capital replacement programme budget was \$0.5M, with \$1.2M being carried over from 2007/08, gave a total programme of \$1.7M for the year. Actual expenditure came in behind at \$0.9M, with the \$0.6M Putiki job being carried over to next year.

### Waterways and natural drainage

Some proposed capital expenditure didn't happen this year.

### Water supply

The Annual Plan budget included \$1.5M for the water softening project. Actual expenditure was \$2.8M, with the project being brought forward mid-year as a result of a water crisis. With actual expenditure not reaching expected levels, \$1.5M has been carried forward to next year, to add to next years Annual Plan budget of \$0.6M.

Urban reticulation replacements were carried out as programmed, with the budget of \$1.9M plus a carry over of \$0.2M, being matched by actual expenditure of \$2.1M.

## Investments group significant acquisitions or replacements of assets

The following table shows the significant expenditure on capital acquisitions and replacements for the Community Facilities Group. Significant variations to the Annual Plan are discussed below if necessary.

Activity	Item	Budget \$	Actual \$
City endowment	JAAG Project (Airport Hangar)	265,000	274,622
	31 Taupo Quay	0	495,816
	Parks Yard	107,000	60,853
	Other capital works	38,000	3,817
Harbour endowment	Gas Building	50,000	83,016
	Other capital works	50,000	48,084
City freehold	125 Guyton Street	21,000	21,808
	Community House	0	3,650
101 Guyton Street	Reroofing of the third floor and capital works	131,000	77,495

Work was planned to maintain the service capacity of the Council facilities and to deal with the expected demands on the service.

### City endowment

The JAAG Project (Airport Hangar) was completed this year. During the year Council purchased the leasehold interest in 31 Taupo Quay with the new Information Centre in mind, and the Parks Yard painting and driveway work was begun. All this expenditure was financed from the City endowment special fund. \$46,000 has been carried forward to next year to complete the Parks Yard work.

### Harbour endowment

The Gas Building work including toilet upgrade, and 507 Heads Road was financed by Harbour Capital and Insurance special funds. \$62,000 has been carried forward to next year to complete the Gas Building work.

### City freehold

Concrete and electrical work was carried out on 125 Guyton Street during the year.

### 101 Guyton Street

The reroof and exterior re-cladding of the Council Building project continued this year. \$60,000 has been carried forward to next year to complete the works.



Mayor  
Michael Laws



Chief Executive  
Kevin Ross

Dated 20 November 2009