



**CARTERTON DISTRICT COUNCIL
ANNUAL REPORT**

For the year ended 30 June 2007

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Directory

<p>Elected Members</p> <p>His Worship the Mayor Gary McPhee</p> <p>Deputy Mayor Cr. W (Bill) Knowles</p> <p>Councillors</p> <p>Cr. Michael Blundell Cr. Richard Booth Cr. Elaine Brazendale Cr. Ruth Carter Cr. Jill Greathead Cr. David Lowes Cr. Brian Poulsen</p>	<p>Senior Staff</p> <p>Chief Executive Colin Wright</p> <p>Manager Planning & Regulatory Milan Hautler</p> <p>Manager Support Services Julie Hallam</p> <p>Manager Operations Garry Baker</p> <p>Manager Recreation & Community Services Brian McWilliams</p>	<p>Financial Advisors PricewaterhouseCoopers Paul Lynskey</p> <p>Resource Management & Engineering Consultants Opus International Consultants NZ Environmental Technologies Ltd</p> <p>Auditors Audit New Zealand Laurie Desborough</p> <p>Solicitors Wollerman, Cooke & McClure Mark Hinton</p> <p>Bankers Bank of New Zealand Noel Fussell</p>
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Mayor's and Chief Executive Officer's Report

We have pleasure in introducing the Carterton District Council's Annual Report for the 2006/07 financial year.

The Council achieved an operating surplus for the financial year of \$154,000, \$236,000 below the budget. This was a good result when compared to the operating deficit in the previous year of \$594,000, and particularly so when the effects of the severe flooding in July 2006 are taken in to account.

Rainfall during July was the highest recorded in many parts of the District. The resulting damage to our rural roading network cost over \$500,000 to repair. There were also a number of significant drainage issues throughout the District that had to be responded to. The additional expenditure for these roading repairs and other flooding related works was neither anticipated nor budgeted for.

The Council's balance sheet has improved during the year with total equity now being nearly \$112 million, an improvement of about \$3 million from the previous year. Total borrowing is just \$562,000 which puts the Council in a good position for the future.

The 2006 census showed that the population in the Carterton District had grown noticeably since the previous census. Applications for subdivisions and building consents have continued at high levels during the past year placing considerable pressure on both councillors and staff. However, this is part of the challenge of managing a district that has many positive features.

Details relating to the Council's finances and activities for the year are recorded in the following pages of this annual report. We would particularly mention some highlights as follows.

- The year 2007 marks the 150th anniversary of the establishment of the town of Carterton or Three Mile Bush as it was originally called. Several well supported community events have been held to celebrate this jubilee year and more are to be held in the second half of 2007.
- A significant project during the year was the preparation of an amended Long Term Council Community Plan (LTCCP). This amended Plan replaced the 2006 LTCCP because of shortcoming with the earlier version. The project included preparation of updated asset management plans for our main infrastructural assets, substantial changes to Council's financial systems, amended policies, and completely revised operating and capital expenditure budgets. This LTCCP, which will guide the Council's decision making for the next few years, received an unqualified audit opinion from Audit NZ.
- There has been much discussion during the year related to a proposed new community facility building. The Council considers that something needs to be done to extend the library and to replace the now obsolete Phoenix Theatre and Municipal Hall. There is also a need to provide better facilities for youth groups and meeting spaces for various community groups. In short, the Council believes a new facility is needed to serve the District for the next 50 to 75 years. Council has committed to progress the concept of a new facility, but

has made no decisions relating to the actual plans or details.

- Stage one of the central business area revitalisation was completed with the upgrading of Memorial Square. While this work took longer than anticipated because of the unusually wet weather, the end result has received many complimentary remarks and the Square looked magnificent for the annual Anzac Day parade.
- A fourth groundwater bore was constructed at the Lincoln Road pumping station as part of the programme of giving Carterton a reliable supplementary water supply to the Kaipaitangata Stream system. This supplementary supply is used during times of heavy demand on the supply system, low summer flows in the Kaipaitangata Stream, or when storms produce very dirty stream flows.
- The programme to install water meters to all properties connected to the town water supply was continued during the year. This programme will be completed during 2007/08 as the Council intends to introduce charging for high water usage properties from the following year.
- The wetlands and discharge to land system at the Wastewater Treatment Plant generally performed well during the summer months when discharge to the Mangaterere River is prohibited. The resource consent for this system was renewed until June 2009.
- The new system of transporting the waste from our Dalefield Road transfer station to the Manawatu began in October 2006. This was the course of action recommended by Waste Management Wairarapa, a joint committee of the three district councils in the Wairarapa. The total volume of waste in the Wairarapa is insufficient to justify a modern landfill being built here. A

weighbridge was installed at the transfer station and new charging for waste disposal introduced.

- Harvesting was continued at the Council's Kaipaitangata forestry block. The proceeds from the logging were such that all remaining loans from the original establishment of the forest were able to be repaid. Loans totalling \$624,000 were extinguished during the year. Future logging will therefore give additional funds for Council in subsequent years with the forest now being debt free.
- The Proposed Combined Wairarapa District Plan was notified for public submissions in August 2006. This project is being carried out jointly with the other two Wairarapa councils and is the first example of a combined district plan in New Zealand. The hearing and consideration of the many submissions is continuing and it is expected that the decisions will be finalised before the end of 2007.
- The installation by Council of security cameras in the CBD area has resulted in an 80% reduction in reported crime and vandalism making Carterton a safer community.
- The Council has continued work with the other two Wairarapa councils on a number of joint projects including actioning the Wairarapa Physical Activity Plan and the Healthy Eating, Healthy Action Programme.
- Resealing was undertaken on 17 kilometres of the roading network and footpaths were upgraded in several Carterton streets.
- As a member of the Communities for Climate Protection Programme, the Council has completed Milestone 3 of this programme as a good start to making Carterton a more sustainable district.

In conclusion, we acknowledge and thank all the many volunteers who work alongside Council or with other groups in the community. Your efforts help to make the Carterton District a great place to live.

A handwritten signature in blue ink, appearing to read 'G. McPhee', enclosed in a light blue rectangular box.

Gary McPhee
Mayor

A handwritten signature in blue ink, appearing to read 'C. Wright', positioned to the right of the Mayor's signature.

Colin Wright
Chief Executive

District Vision



From the Mountains to the Sea – A Vibrant and United District with a Flowering Future

The Council logo above represents a graphic image of the vision and is explained as follows:

- Daffodil – District symbol/sun/health/vibrant/positive/events/arts
- Peaks – Recreation/tourism/environment/forestry/performance
- Circle – Unity/wholesome/safety/continuity/communication/quality of life
- Flower Stem – Rivers/road/rail/infrastructure/nurturing/growth/support
- Sea – Change/renewal/limitless horizons/nourishment/vitality/exploration

Council's Mission Statement

"To maintain and where possible enhance the quality of life and provide amenities and services within the Carterton District for the benefit of residents and visitors."

Community Outcomes

The following community outcomes were adopted by Council after extensive public consultation.

- Access to transport and communication systems that best meet the diverse needs of the district.
- Clean land, water and air for present and future generations.
- A buoyant local economy.
- A safe, healthy and educated community.

Report on Four Wellbeing Areas

Section 15(d) Schedule 10 of the Local Government Act 2002 requires Council to describe any identified effects that any activity has had on the social, economic, environmental or cultural wellbeing of the community.

Active Wairarapa Strategy

During the year Council along with its neighbouring local authorities, REAP, Wairarapa DHB, Iwi, health and education providers and a number of other agencies and organisation have been working on the implementation of the Active Wairarapa Strategy adopted in July 2005.

The purpose of the plan is to develop a strategy to increase the level of physical activity in the Wairarapa. This project is being funded by SPARC, Wairarapa DHB, REAP and the three Wairarapa local authorities and in late 2006 the Active Wairarapa Planning Facilitator was employed to prioritise the goals and targets in the Strategy and begin the implementation of the Plan.

The Active Wairarapa Planning Facilitator is located at REAP in Masterton.

This project is enhancing the social and cultural wellbeing of the Carterton community.

Wairarapa Arts, Culture & Heritage Strategy – Social & Cultural Wellbeing

The Wairarapa Arts, Culture & Heritage Strategy was adopted in August 2005.

A Lead Group comprising representatives from the three Wairarapa local authorities, the Director of Aratoi and a representative from He Kahui have been working on implementation of the Strategy.

The recommended actions in the Strategy included the appointment of an Arts, Culture & Heritage Co-Ordinator and a part-time Maori Arts Co-Ordinator.

Funding has been obtained by the Wairarapa Cultural Trust from Te Papa National Services which along with the funding provided from the three local authorities has provided sufficient funding to employ two part-time people for a total of 45 hours per week for one year.

The responsibilities of the Wairarapa Arts, Culture & Heritage Co-Ordinator will be to achieve the following:

- A stocktake on the proposals in the Arts, Cultural & Heritage Strategy that includes identification of the extent that proposals are being implemented and current strengths and opportunities for growth.
- A proposal for a governance structure and the resource required for oversight of activities, monitoring of progress.
- Preparation and implement a One Year Action Plan to implement the Strategy.

The responsibilities of the Maori Arts Co-Ordinator will be to achieve the following:

- A Maori Arts, Culture & Heritage Collective/Society.
- A database of Maori Arts, Culture & Heritage groups and individuals.
- A resource pack for Maori artists including processes for Toi Iho registration and art exhibitions.
- A Maori Arts Festival/Expo and/or Maori based Arts, Culture and Heritage programmes and exhibitions.
- Inclusion of a Maori perspective on the governance structure.
- Promotion of Te Rae Maori, pronunciation and bi-lingual signage.
- Initiatives to promote or display Maori history.
- A needs analysis of Maori Tourism ventures.
- Two hui for the Maori Arts, Culture and Heritage community.

At the end of the financial year the Maori Arts, Culture & Heritage Co-Ordinator had been appointed and negotiations were underway for the appointment to the other position.

This project is enhancing the social and cultural wellbeing of the Carterton community and has the potential to positively enhance the economic wellbeing of the community.

Tertiary Education Scholarships

Council continues to provide an annual scholarship to a Carterton person attending Wairarapa UCOL and the Taratahi Agricultural Training Farm.

The World War II Memorial Trust of which Council is a member along with the Carterton RSA awarded grants of \$247.00 each to 17 Carterton students undertaking tertiary education.

These activities contribute to the social and cultural wellbeing of the community.

Wairarapa Healthy Homes Steering Group

Council provided the Wairarapa Healthy Homes Steering Group with a grant of \$6000.00. The purpose of the project is to insulate homes of people who have been identified as having a health need which would be improved by living in an insulated home.

This project in the first instance contributes to the social wellbeing of the individuals whose homes are insulated but has an overall benefit for the whole community in that housing stock in the Carterton district is of a higher standard.

Roading

The roading network allows for the efficient movement of people, goods and services throughout the district. The Council also provided funding to the Wairarapa Road Safety Council whose responsibility is to promote road safety.

Continual improvement to the roading network ensures that the economic and social wellbeing of the community is maintained.

CBD Re-Vitalisation

Stage 1, Memorial Square of the three stage CBD Re-Vitalisation project was completed during the year.

This project is enhancing the social and economic wellbeing of the Carterton district by making the central business area an attractive and welcoming destination for residents and visitors.

District Promotion & Development

Council along with its neighbouring local authorities and Government provided Go Wairarapa with funding to progress the Major Regional International Cuisine School initiative to be located in Martinborough.

Council increased its involvement with the Carterton Information & Gallery assisting them to relocate into the Council owned building in Holloway Street and by increasing its funding to enable the employment of a part-time employee.

These activities enhance the social, cultural and once the cuisine school is operational the economic wellbeing district and region.

Wellington Regional Strategy

During the year the Wellington Regional Strategy was adopted. The Strategy was developed by the authorities in the greater Wellington region to provide:

- Leadership and partnerships to deliver the Strategy's outcomes, and investment in growing the region's economy.

Regional EDA Ltd is the new agency that will implement the regional economic development initiatives in the Wellington Regional Strategy and commenced business on 2 July 2007. They will also take over responsibility for economic development in the Wairarapa including progressing the Cuisine School initiative.

As from 1 July 2007 the regional funding rate levied on all ratepayers took effect.

This project will enhance the economic wellbeing of the Wellington region by developing a co-ordinated and integrated approach to economic development.

Wairarapa Proposed District Plan

The Wairarapa Proposed District Plan was notified for public submissions on 26 August 2006 with hearing on submissions being held June to September 2007.

The South Wairarapa, Carterton and Masterton District Councils have chosen to prepare a combined District Plan so that consistent policies and methods will be used to address the Wairarapa's significant resource management and cross boundary issues.

Development of the Wairarapa Proposed District Plan contributes to all four wellbeing areas by ensuring that a sustainable approach is taken to development in district and Wairarapa as a whole.

EnviroSchools

Council continued to support the EnviroSchools programme by funding Carterton School's participation in the programme. The EnviroSchools programme is a whole of school approach to environmental educations and encourages the school and students to create a sustainable school.

This project contributes to the social and environmental wellbeing of the district by teaching our youth how to sustainably manage their futures.

Graffiti – Social & Environmental Wellbeing

During the year Council's Recreation & Community Services Department established a Graffiti Register. All tags are record for identification purposes to assist in apprehending offenders. Graffiti is removed from Council property as soon as it comes to the attention of the Council.

This initiative contributes to the social and environmental wellbeing of the district by discouraging graffiti in public places and making our surrounds unattractive to residents and visitors.

Solid Waste Management

During the year Council made modifications to the Transfer Station to cater for the exporting out of waste to the Manawatu which commenced on October 2006. Commencement of this activity means that the Dalefield Road landfill site is now closed. In addition recycling activities divert waste from the landfill.

This activity contributes to the social and environmental wellbeing of the district by ensuring that our waste is managed efficiently and sustainably.

Communities for Climate Change

Council has achieved Milestones 1, 2 and 3. Under Milestone 1, Council undertook an inventory of Council and community greenhouse gas emissions. Milestone 2 involved setting targets and methods to reduce our greenhouse gas emissions and Milestone 3 involved implementing Milestone 2 and is ongoing. Milestone 3 involves two areas of focus being Corporate and Community. For the Community section Carterton worked together with Masterton & South Wairarapa District Councils' to produce a local community action plan. This plan involves making the community aware of climate change and energy efficiency/sustainability. The Corporate section involves Council looking and setting targets for Council activities to work towards, eg. waste minimisation. Council has commenced on Milestone 4 which involves reporting on progress.

This project contributes to the social, economic and environmental wellbeing of the district by teaching the community the manage resources in a sustainable and cost effective manner.

Statement of Compliance and Responsibility

Compliance

1. The Council and Management of the Carterton District Council certify that all the statutory requirements in relation to the annual report have been complied with.

Responsibility

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



G H McPhee
Mayor



Colin Wright
Chief Executive Officer

AUDIT REPORT

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

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

Unqualified Opinion

In our opinion:

- The financial statements of the District Council on pages 14 to 114:
 - fairly reflect:
 - the District Council's financial position as at 30 June 2007; and
 - the results of its questions and cash flows for the year ended on that date.
- The service provision information of the District Council on pages 47 – 114 fairly reflects the levels of service provision as measured against the intended levels of service provision adopted, as well as the reasons for any significant variances, for the year ended on that date; and
- The Council has complied with other requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report (the "other requirements").

The audit was completed on 10 October 2007, and is the date at which our opinion is expressed.

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

Basis of Opinion

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

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

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

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

Audit procedures generally include:

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

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

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

Responsibilities of the Council and the Auditor

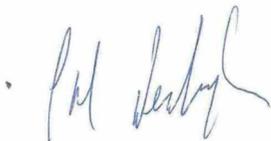
The Council is responsible for preparing the financial statements with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the District Council as at 30 June 2007. They must also fairly reflect the results of its operations and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

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

Independence

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

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



Laurie Desborough
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand

Matters relating to the electronic presentation of the audited financial statements

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

The audit report refers only to the financial statement named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 10 October 2007 to confirm the information included in the audited financial statements presented on the website.

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

Statement of Accounting Policies

Reporting Entity

Carterton District Council is a territorial local body governed by the Local Government Act 2002.

The Carterton District Council is a separate legal entity and does not have any subsidiaries.

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

The financial statements of the Carterton District Council are for the year ended 30 June 2007. The financial statements were authorised for issue by Council on 10 October 2007.

Basis of Preparation

The financial statements of the Carterton District 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.

This is the first set of financial statements prepared using NZ IFRS and comparatives for the year ended 30 June 2006 have been restated to NZ IFRS accordingly. Reconciliations of equity and net surplus/ (deficit) for the year ended 30 June 2006 under NZ IFRS to the balances reported in the 30 June 2006 financial statements are detailed in note 31.

Accounting Policies

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

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

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Carterton District Council is New Zealand dollars.

Standards and Interpretations Issued and not yet Adopted

There are no standards, interpretations and amendments that have been issued, but are not yet effective, that Carterton District Council has not yet applied.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Carterton District Council receives government grants from Land Transport New Zealand, which subsidises part of Carterton District Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Carterton District Council are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recorded net of imputation credits.

Development contributions

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.

Borrowing Costs

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

Grant Expenditure

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

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

Income Tax

The Carterton District Council has no income liable for income tax.

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, the Carterton District Council recognises finance leases 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 amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Carterton District Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

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

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 within borrowings 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 the Carterton District 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 the expected future cash flows of the loan is recognised in the statement of financial performance as a grant.

A provision for impairment of receivables is established when there is objective evidence that the Carterton District 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 (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost. The valuation includes allowance for slow moving and obsolete items.

The write down from cost to current replacement cost is recognised in the statement of financial performance.

Financial Assets

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

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

Purchases and sales of investments are recognised on trade-date, the date on which the Carterton District 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 Carterton District 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 balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Carterton District 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 profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. 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 balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on remeasurement are recognised in the statement of financial performance.

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

- Loans and receivables

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

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

- Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Carterton District 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 statement of financial performance.

Investments in this category include: local authority and government stock and bank term deposits.

- Financial assets at fair value through equity

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

This category encompasses:

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

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

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

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

Impairment of Financial Assets

At each balance sheet date Carterton District 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 statement of financial performance.

Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

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

Property, Plant and Equipment

Property, plant and equipment consists of:

Operational assets

These include land, buildings, landfill post closure, water races, library books, plant and equipment, and motor vehicles.

Restricted assets

Restricted assets are parks and reserves owned by the Carterton District Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets

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

Heritage Assets

Heritage assets are assets owned by the Carterton District Council which are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historical places Act 1993 have been recorded as heritage assets.

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

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

Disposals

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

Subsequent costs

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

Depreciation

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

Motor vehicles	5 years
Plant and equipment	10 to 15 years
Roads, bridges & footpaths*	2 to 123 years
Water systems*	2 to 100 years
Stormwater systems*	39 to 79 years
Sewerage systems*	2 to 97 years
Buildings	5 to 63 years
Library collections	7 years

Office equipment	5 to 10 years
Fixtures and fittings	10 years
Heritage assets	18 to 70 years

In relation to infrastructural assets marked * (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by Council's engineers and independent registered valuers.

A summary of these lives is detailed above.

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

Revaluation

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

Operational land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ) and Max Meyers (MBA, M.Prop.Studs, ANZIV, SPINZ) of Quotable Value New Zealand, and the valuation is effective as at 30 June 2007. The landfill liner and water races have not been revalued for the 2007 year and are currently valued using the deemed cost option under NZ IFRS 1. Heritage assets are included in this category and are revalued to fair value annually. Additions are recorded at cost.

Restricted land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, ANZIV, SNZPI) of Quotable Value Limited, and the valuation is effective as at 30 June 2007. Additions are recorded at cost.

Infrastructure asset classes – Roads, bridges & footpaths, water systems, sewerage systems and stormwater systems

At fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date the Carterton District Council assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent valuation was performed by John Vessey (BE (Civil), BA (Economics), Reg Eng (MIPENZ)) of Opus International Consultants, and the valuation is effective as at 1 July 2005. All infrastructure asset classes carried at valuation were valued. Additions are recorded at cost.

Land under roads

Land under roads, was valued based on fair value of adjacent land determined by John Vessey (BE (Civil), BA (Economics), Reg Eng (MIPENZ)) of Opus International Consultants, effective 30 June 2002. Under NZ IFRS, the Carterton District Council has elected to use the fair value of land under roads as at 30 June 2002 as deemed cost. Land under roads is no longer revalued.

Vested assets

At the actual costs or the current cost of providing identical services.

Library collections

At depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of New Zealand in May 2002. Library valuations are performed by Richard Hollier of Maunsell Limited, and the valuation is effective as at 30 June 2006.

Accounting for Revaluations

Carterton District Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of financial performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Intangible Assets

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by Carterton District Council, are recognized 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 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 an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognized in statement of financial performance.

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

Computer software	10 years	10%
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Forestry Assets

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

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

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

Investment Property

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

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

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

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

Impairment of Non-Financial Assets

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

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

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

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

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

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

previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

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

Employee Benefits

Short-term benefits

Employee benefits that the Carterton District Council expects to be settled within twelve 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, long service leave entitlements expected to be settled within twelve months, and sick leave.

The Carterton District 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 earning 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 the Carterton District Council anticipates it will be used by staff to cover those future absences.

The Carterton District 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

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

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

- The present value of the estimated future cash flows. A discount rate of 7.36%, and an inflation factor of 3.00% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Superannuation schemes

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

Provisions

The Carterton District 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.

Borrowings

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

Equity

Equity is the community's interest in the Carterton District Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Public equity – accumulated funds
- Restricted reserves
- Other reserves – trust funds
- Asset revaluation reserves

Restricted and Council Created Reserves

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

Restricted reserves are those subject to specific conditions accepted as binding by the Carterton District Council and which may not be revised by the Carterton District Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

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

The Carterton District Council's objectives, policies and processes for managing capital are described in note 29.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

The budget figures are those approved by the Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Carterton District Council for the preparation of the financial statements. The budget figures have been reclassified to enable comparison with NZ IFRS compliant actual figures.

Cost Allocation

The Carterton District Council has derived the cost of service for each significant activity of the Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a 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, the Carterton District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision

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

Infrastructural assets

There are a number of assumptions and estimates used when performing 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 minimized by Council performing a combination of physical inspections and condition modeling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset;
- 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 the Carterton District Council could be over and under estimating the annual depreciation charge recognised as an expense in the statement of financial performance. To minimise this risk, Carterton District Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modeling are also carried out regularly as part of the Carterton District Council's asset management planning activities, which gives the Carterton District Council further assurance over its useful life estimates.

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

Critical Judgements in Applying the Carterton District Council's Accounting Policies

Management has exercised the following critical judgements in applying the Carterton District Council's accounting policies for the period ended 30 June 2007:

Classification of property

Carterton District 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 as part of the Carterton District Council's social housing policy. These properties are accounted for as property, plant and equipment.

Statement of Cash Flows

Cash 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 cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows because they flow through the Council's main bank account.

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

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

Cost of Service Statements

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

Transition to NZ IFRS

Carterton District Council's financial statements for the year ended 30 June 2007 are the first financial statements that comply with NZ IFRS. Carterton District Council has applied NZ IFRS 1 in preparing these financial statements.

Carterton District Council's transition date is 1 July 2005. Carterton District Council prepared its opening NZ IFRS balance sheet at that date. The reporting date of these financial statements is 30 June 2007. The Carterton District Council's NZ IFRS adoption date is 1 July 2006.

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

Exemptions from full retrospective application elected by Carterton District Council

Carterton District Council has elected to apply the following optional exemptions from full retrospective application:

- Fair value as deemed cost exemption

Carterton District Council has elected to measure property, plant and equipment at fair value as at 30 June 2005 and use that fair value as the deemed cost at that date.

- Designation of financial assets and financial liabilities exemption

Carterton District Council designated various securities as financial assets at fair value through equity at the date of transition to NZ IFRS.

Carterton District Council is required to make the following mandatory exception from retrospective application:

- Estimates exception

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

Reconciliation of Equity

Note 31 shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2005 and 30 June 2006.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 30 June 2006 \$	Note	Actual 30 June 2007 \$	Budget 30 June 2007 \$
<u>OPERATING INCOME</u>			
4,212,092		4,892,931	4,882,413
43,699		45,220	33,000
280,864		227,898	259,480
750,523		1,057,976	672,115
955,110		1,412,031	1,251,808
64,775		55,616	60,000
32,417	1	35,988	82,130
179,772		180,352	170,046
115,665	2	138,098	36,060
72,547		342,088	10,000
32,719		34,881	31,000
44,950		43,250	41,600
354,614		-	-
146,589		840,880	149,341
3,291		-	-
7,289,627		9,307,209	7,678,993
<u>OPERATING COSTS</u>			
643,561		631,513	539,337
2,247,246		2,927,322	2,198,470
678,582		736,296	663,683
183,823		197,434	191,600
671,790		797,610	604,680
512,585		616,526	539,082
102,519		624,092	40,042
1,549,028		1,625,861	1,575,037
866,260		1,083,608	605,961
-		-	330,480
7,455,394		9,240,262	7,288,372
(165,767)		66,947	390,621
(428,489)	5	87,380	-
(594,256)	3	154,327	390,621
Note: Operating costs include the following expenses:			
1,657,362		1,773,048	1,820,789
84,721		73,871	72,206

The accompanying accounting policies and notes form part of these financial statements.

**STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 30 June 2006 \$		Actual 30 June 2007 \$	Budget 30 June 2007 \$
109,566,257	Equity at start of year	109,095,482	110,310,626
(594,256)	Net surplus/(deficit) for the year	154,327	390,621
<u>123,481</u>	Increase/(decrease) in revaluation reserve	<u>2,638,244</u>	<u>(410,018)</u>
(470,775)	Total recognised revenues and expenses for the period	2,792,571	(19,397)
<u><u>109,095,482</u></u>	Equity at end of year	<u><u>111,888,053</u></u>	<u><u>110,291,229</u></u>

The accompanying policies and notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2007**

Actual 30 June 2006 \$	Note	Actual 30 June 2007 \$	Budget 30 June 2007 \$	
<u>ASSETS</u>				
<i>Current assets</i>				
2,883,562	Cash and cash equivalents	6	1,277,136	4,401,934
888,090	Special funds	6	1,853,280	-
1,167	Investments	10	1,167	-
446,843	Trade and other receivables	7	1,147,323	1,325,415
17,265	Inventories	8	2,983	-
43,800	Non-current assets held for sale	9	846,100	-
4,280,727	Total current assets	5,127,989	5,727,349	
<i>Non-current assets</i>				
8,446	Investments	10	7,799	1,337,613
1,207,788	Forestry assets	13	814,520	-
46,247	Intangible assets	14	35,344	-
38,807	Shares	11	42,241	-
925,000	Investment property	12	113,300	-
105,161,903	Property, plant & equipment	32	107,897,312	106,269,111
107,388,191	Total non-current assets	108,910,516	107,606,724	
111,668,918	Total assets	114,038,505	113,334,073	
<u>LIABILITIES</u>				
<i>Current liabilities</i>				
967,691	Trade and other payables	15	1,266,916	1,699,025
216,604	Employee benefit liabilities	16	227,918	-
23,418	Funds held on behalf of other entities		-	-
696,913	Borrowings	18	512,658	-
1,904,626	Total current liabilities	2,007,492	1,699,025	
<i>Non-current liabilities</i>				
41,139	Employee benefit liabilities	16	34,006	-
65,069	Landfill aftercare provision	17	58,884	-
562,602	Borrowings	18	50,070	1,343,819
668,810	Total non-current liabilities	142,960	1,343,819	
<i>Equity</i>				
106,614,930	Public equity	19	105,798,609	61,980,153
2,357,071	Restricted reserves	19	3,327,719	1,835,362
123,481	Asset revaluation reserves	19	2,761,725	46,475,714
109,095,482	Total equity	111,888,053	110,291,229	
111,668,918	Total liabilities and equity	114,038,505	113,334,073	

The accompanying policies and notes form part of these financial statements.

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 30 June 2006 \$		Actual 30 June 2007 \$	Budget 30 June 2007 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
<i>Cash was received from:</i>			
4,294,248	Rates	4,951,535	6,913,858
642,390	Regional council rates	692,025	-
987,527	Government grants & subsidies	1,258,359	-
56,144	Petrol tax	55,380	-
1,329,671	Other income	2,096,108	-
280,320	Interest on investments	227,968	259,480
7,590,300		9,281,375	7,173,338
<i>Cash was applied to:</i>			
5,573,287	Payments to suppliers & employees	6,619,480	5,043,021
631,703	Regional council rates	685,743	-
84,542	Interest paid	70,347	72,206
6,289,532		7,375,570	5,115,227
1,300,768	Net cash flow from operating activities	1,905,805	2,058,111
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
<i>Cash was received from:</i>			
33,872	Sale of property, plant & equipment	26,907	1,000,000
-	Term investments & advances	1,167	-
33,872		28,074	1,000,000
<i>Cash was applied to:</i>			
1,888,658	Purchase of property, plant & equipment	1,878,328	2,667,259
40,157	Term investments & advances	-	-
1,928,815		1,878,328	2,667,259
(1,894,943)	Net cash flow from investing activities	(1,850,254)	(1,667,259)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
<i>Cash was received from:</i>			
-	Public debt	-	613,000
<i>Cash was applied to:</i>			
183,223	Repayment of public debt	696,787	319,892
(183,223)		(696,787)	293,108
(777,398)	Net cash flow from financing activities	(641,236)	683,960
4,549,050	Net increase/(decrease) in cash held	(641,236)	683,960
	Add cash at start of year (1 July)	3,771,652	3,717,974
3,771,652	Balance at end of year (30 June)	3,130,416	4,401,934
<u>REPRESENTED BY:</u>			
2,883,562	Cash and cash equivalents	1,277,136	4,401,934
888,090	Special funds	1,853,280	-
3,771,652		3,130,416	4,401,934

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE ACCOUNTS

Note 1: Grants and Subsidies	30 June 2007 \$	30 June 2006 \$
Creative New Zealand	9,109	9,109
SPARC rural travel fund	9,000	7,000
Employment subsidy	6,201	11,325
Internal affairs	1,093	1,093
Civil defence subsidy	1,306	1,060
Summer reading grant	4,279	2,830
Veteran's affairs	5,000	-
	<u>35,988</u>	<u>32,417</u>

Note 2: Miscellaneous Income	30 June 2007 \$	30 June 2006 \$
Dividends	2,032	543
Sundry sales	3,087	4,409
Library income	8,720	-
Daffodil carnival income	3,963	2,823
Keep Carterton Beautiful income	1,000	2,389
Centennial calendar	25,494	2,400
Jubilee income	1,138	-
Donations	240	-
District Plan income	33,670	-
Roading recoveries	-	27,222
Grazing	-	642
Other	58,754	75,237
	<u>138,098</u>	<u>115,665</u>

Note 3: Summary Cost of Services	30 June 2007 \$	30 June 2006 \$
Income		
Governance	7,000	1,222
Roads, streets and bridges	1,487,356	1,047,107
Urban water services	29,726	19,692
Rural water services	-	-
Drainage	54,211	25,249
Waste management	219,558	187,045
Forestry	840,880	155,679
Recreational & community services	384,477	328,375
Resource management and regulatory services	<u>1,053,097</u>	<u>561,120</u>
Total activity income	<u>4,076,305</u>	<u>2,325,489</u>
Rates	4,892,931	4,212,092
Non-activity income	337,973	752,046
Other gains	87,380	-
Total income	<u>9,394,589</u>	<u>7,289,627</u>
Expenditure		
Governance	631,513	643,561
Roads, streets and bridges	2,927,322	2,247,246
Urban water services	736,296	678,582
Rural water services	197,434	183,823
Drainage	797,610	671,790
Waste management	616,526	512,585
Forestry	624,092	102,519
Recreational & community services	1,625,861	1,549,028
Resource management and regulatory services	<u>1,083,608</u>	<u>866,260</u>
Total activity expenditure	<u>9,240,262</u>	<u>7,455,394</u>
Other losses	-	428,489
Total expenditure	<u>9,240,262</u>	<u>7,883,883</u>
Net surplus/(deficit)	<u>154,327</u>	<u>(594,256)</u>

Note 4: Other Revenue and Expenses	30 June 2007	30 June 2006
	\$	\$
Fees to principal auditor:		
Audit fees		
- Financial reporting and systems management	63,274	56,200
- LTCCP 2007-2016	38,091	30,400
- NZ IFRS	21,000	-
	<u>122,365</u>	<u>86,600</u>
Depreciation		
- Motor vehicles	64,474	63,492
- Plant & equipment	70,435	64,442
- Roads, bridges & footpaths	919,037	894,503
- Water systems	203,369	185,623
- Stormwater systems	26,670	25,834
- Sewerage systems	173,582	167,236
- Buildings	170,670	152,913
- Library collections	57,017	30,000
- Office equipment	38,569	46,170
- Fixtures & fittings	24,180	21,168
- Heritage assets	9,441	5,981
	<u>1,757,444</u>	<u>1,657,362</u>
Amortisation – GIS system	15,604	14,939
Councillors' remuneration	149,536	141,136
Interest expense	73,871	84,721
Rates debtors written off	-	-
Change in provision for doubtful debts	2,621	5,042
Rental expense of leased assets	13,619	18,374
Superannuation contributions	64,833	60,036
Fixed assets write off	-	-
Donations	-	-
Impairment of receivables	-	-
Impairment of property, plant & equipment	-	-
Rental income from investment properties	37,000	38,000

Note 5: Other Gains and Losses	30 June 2007	30 June 2006
	\$	\$
Gain in fair value of forestry assets (note 13)	80,125	(156,880)
Gain in fair value of property, plant and equipment	-	(282,131)
Gain in fair value of investment property (note 12)	3,300	20,200
Gain on changes in fair value of investments	520	-
Gain on changes in fair value of shares (note 11)	3,435	(9,678)
Foreign exchange gains	-	-
Total gains/(losses)	<u>87,380</u>	<u>(428,489)</u>

Note 6: Cash and Cash Equivalents and Special Funds	30 June 2007	30 June 2006
	\$	\$
Cash at bank and in hand	516,501	168,626
Short term deposits maturing three months or less from date of acquisition	760,635	2,714,936
Special fund deposits maturing three months or less from date of acquisition	1,853,280	888,090
Total cash and cash equivalents	<u>3,130,416</u>	<u>3,771,652</u>

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

The total value of cash and cash equivalents that can only be used for a specific purpose as outlined in the relevant trust deeds is \$1,853,280 (2006 \$888,090).

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	30 June 2007	30 June 2006
Cash at bank and in hand	\$ 516,501	\$ 168,626
Short term bank deposits maturing within three months	760,635	2,714,936
Special fund bank deposits maturing within three months	1,853,280	888,090
Bank overdrafts	-	-
Total	<u>3,130,416</u>	<u>3,771,652</u>

Maturity analysis and effective interest rates

The maturity dates for all other financial assets with the exception of equity investments are as follows:

2007

Short term deposits (with maturities of 3 months or less; average maturity 30 days)	1,853,280
<i>Weighted average effective interest rate</i>	7.82%

2006

Short term deposits (with maturities of 3 months or less; average maturity 30 days)	888,090
<i>Weighted average effective interest rate</i>	7.03%

Note 7: Trade & Other Receivables

	30 June 2007	30 June 2006
	\$	\$
Rates receivables	163,425	151,661
Other receivables	573,821	225,130
Goods and services tax	9,523	72,429
Related party receivables	-	-
Amounts due from customers for contract work	-	-
Sundry debtors	346,821	-
Prepayments	76,395	17,665
Loans to related parties	-	-
	<u>1,169,986</u>	<u>466,885</u>
Less provision for impairment of receivables	(22,663)	(20,042)
Total	<u>1,147,323</u>	<u>446,843</u>

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

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

These powers allow the Carterton District Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgment, then the Carterton District Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit. There are no repayment plans in place as at 30 June 2007.

As of 30 June 2007 and 2006, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. The Carterton District Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

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

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

	30 June 2007	30 June 2006
	\$	\$
At 1 July	20,042	15,000
Additional provisions made during the year	2,621	5,042
Receivables written off during the period	-	-
At 30 June	<u>22,663</u>	<u>20,042</u>

Note 8: Inventories

	30 June 2007	30 June 2006
	\$	\$
Works inventory	2,983	3,273
Rubbish bags	-	13,992
	<u>2,983</u>	<u>17,265</u>

The carrying amount of inventories held for distribution that are measured at current replacement cost as at 30 June 2007 amounted to \$2,983 (2006 \$17,265).

The inventories expensed during the year were \$13,992 (2006: \$2,947)

The carrying amount of commercial inventories that are measured at net realisable value is \$nil (2006 \$nil).

The carrying amount of inventories pledged as security for liabilities is \$nil (2006 \$nil).

Note 9: Non-Current Assets Held for Sale

The Carterton District Council owns several properties which have been presented as held for sale following the approval by Council on 23 May 2007 to sell the premises. The Council has approved the sale of the premises, as it will provide no future use to the Carterton District Council. The completion dates of the sales are expected to be by June 2008.

	30 June 2007	30 June 2006
	\$	\$
Non-current assets held for sale are:		
Buildings	-	-
Land	846,100	43,800
Total non-current assets held for sale	<u>846,100</u>	<u>43,800</u>

Note 10: Investment

	30 June 2007	30 June 2006
	\$	\$
Current Portion		
<i>Loans and receivables</i>		
Investments	1,167	1,167
Total current portion	<u>1,167</u>	<u>1,167</u>
Non-Current Portion		
<i>Held to maturity</i>		
Investments	7,799	8,446
Total non-current portion	<u>7,799</u>	<u>8,446</u>

There were no impairment provisions for other financial assets.

The fair value of community loans is \$8,966 (2006 \$9,613). Fair value has been determined using cash flows discounted at a rate based on the recipient's financial risk factors of 7.36% (2006 7.03%).

The face value of community loans is \$13,708 (2006 \$14,875).

The interest rate for the Go Wairarapa loan is 0%.

Note 11: Shares in Companies

	Fair value Book value 30 June 2007 \$	Fair value Book value 30 June 2006 \$
New Zealand Local Government Insurance Corporation Ltd (11,821 shares)	32,862	29,671
Airtel Ltd (8,100 shares)	8,829	8,586
Farmlands Trading Society Ltd (10 shares)	550	550
	<u>42,241</u>	<u>38,807</u>

	Cost 30 June 2006 \$
New Zealand Local Government Insurance Corporation Ltd (11,821 shares)	11,821
Airtel Ltd (8,100 shares)	8,100
Farmlands Trading Society Ltd (10 shares)	522
	<u>20,443</u>

Unlisted shares – valuation

The fair value of the unlisted shares of Airtel Limited and Farmlands Trading Society Limited have been revalued to market value based on advice supplied by the respective companies as there is no active market to determine the value of the shares.

Listed shares – valuation

The fair value of listed shares is determined by reference to published price quotations in an active market. The New Zealand Local Government Insurance Corporation Limited shares have been revalued to market value on an annual basis using the asset backing per share value provided annually at 31 December.

Note 12: Investment Property

	30 June 2007 \$	30 June 2006 \$
Balance 1 July	925,000	904,800
Additions from acquisitions	-	-
Reclassified as properties held for sale	(815,000)	-
Fair value gains/(losses) on valuation	3,300	20,200
Balance 30 June	<u>113,300</u>	<u>925,000</u>

Carterton District Council's investment properties are valued annually at fair value with the latest valuation effective 30 June 2007. All investment properties were based on open market evidence. The valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ) and Max Meyers (MBA. M.PropStuds, ANZIV, SPINZ) of Quotable Value New Zealand.

Contractual obligations in relation to investment properties at balance date but not recognised in the financial statements are minimal and relate to the Waiohine crusher plant. The obligation relates to keeping the area tidy and free from noxious weeds. There are no capital commitments as at 30 June 2007.

Note 13: Forestry Assets

	30 June 2007 \$	30 June 2006 \$
Balance 1 July	1,207,788	1,325,033
Increases due to purchases	-	12,580
Gains/(losses) arising from changes in fair value less estimated point of sale costs	80,125	156,880
Decreases due to sales	-	-
Decreases due to harvest	(473,393)	(286,705)
Balance 30 June	<u>814,520</u>	<u>1,207,788</u>

Through its investment in Kaipaitangata Forest, the Carterton District Council owns 207.8 hectares of pinus radiata forest, which are at varying stages of maturity with prospective harvest dates ranging from 2008 - 2035. As at 30 June 2007, 37 hectares await replanting.

Trees valued at \$473,393 have been harvested during the year (2006 \$286,705).

Independent registered valuers Forest Enterprises Limited have valued forestry assets as at 30 June 2007. A pre-tax discount rate of 8% has been used in discounting the present value of expected cash flows.

Financial risk management strategies

The Carterton District Council is exposed to financial risks arising from changes in timber prices. Carterton District Council is a long-term forestry investor and does not

expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. Carterton District Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

Note 14: Intangible Assets

GIS software has been reclassified from property, plant and equipment under IFRS and is the only intangible asset owned by the Council.

	\$
Balance at 1 July 2006	
Cost	146,007
Accumulated amortisation and impairment	(99,760)
Opening carrying amount	<u>46,247</u>
Year ended 30 June 2007	
Additions	4,700
Amortisation charge	(15,604)
Closing carrying amount	<u>35,343</u>
Balance 30 June 2007	
Cost	150,707
Accumulated amortisation and impairment	(115,364)
Closing carrying amount	<u>35,343</u>
Balance at 1 July 2005	
Cost	146,007
Accumulated amortisation and impairment	(94,309)
Opening carrying amount	<u>51,698</u>
Year ended 30 June 2006	
Additions	-
Amortisation charge	(5,451)
Closing carrying amount	<u>46,247</u>
Balance 30 June 2006	
Cost	146,007
Accumulated amortisation and impairment	(99,760)
Closing carrying amount	<u>46,247</u>

Note 15: Trade & Other Payables

	30 June 2007	30 June 2006
	\$	\$
Trade payables	812,087	552,813
Deposits and bonds	94,582	110,315
Accrued expenses	170,461	127,623
Income in advance	84,371	85,788
Rates in advance	105,415	91,152
Total trade and other payables	<u>1,266,916</u>	<u>967,691</u>

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

Note 16: Employee Benefit Liabilities

	30 June 2007	30 June 2006
	\$	\$
Accrued pay	48,708	38,207
Annual leave	157,359	151,434
Long service leave	48,022	62,164
Retirement gratuities	-	-
Time off in lieu	7,835	5,938
Sick leave	-	-
Total employee benefit liabilities	<u>261,924</u>	<u>257,743</u>
Comprising:		
Current	227,918	216,604
Non-current	34,006	41,139
Total employee benefit liabilities	<u>261,924</u>	<u>257,743</u>

Note 17: Provisions

	30 June 2007	30 June 2006
	\$	\$
Provisions are represented by:		
Landfill aftercare provision		
Opening balance	65,069	90,260
Provision expensed for the year	(10,000)	(10,000)
Adjustment to NPV	3,815	(15,191)
	<u>58,884</u>	<u>65,069</u>

Provision for landfill aftercare costs

Carterton District Council gained resource consent to operate the landfill. Carterton District Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site has closed until February 2016.

The cash outflows for landfill post-closure are expected to occur between 2007 and 2016. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a discount rate of 7.36% (2006 7.03%).

Note 18: Borrowings

	30 June 2007	30 June 2006
	\$	\$
Current		
Bank overdraft	-	-
Secured loans	512,658	696,913
Debentures	-	-
Lease liabilities	-	-
Total current borrowings	<u>512,658</u>	<u>696,913</u>
Non-Current		
Secured loans	50,070	562,602
Debentures	-	-
Lease liabilities	-	-
Total non-current borrowings	<u>50,070</u>	<u>562,602</u>

The range of interest rates applying to the above loans is 3.50% to 7.50% with a weighted average of 7.36% (2006 7.03%). Loans are secured by way of rates.

Fixed-rate debt

Carterton District Council's secured debt of \$562,728 (2006 \$1,259,515) is issued at fixed rates of interest.

Security

Carterton District Council's loans are secured over either separate or general rates of the district.

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

Maturity analysis and effective interest rates

The following is a maturity analysis of Carterton District Council's borrowings. There are no early repayment options.

2007

Less than one year	512,658
<i>weighted average effective interest rate</i>	7.36%
Later than one year but not more than five years	48,056
<i>weighted average effective interest rate</i>	7.36%
Later than five years	2,014
<i>weighted average effective interest rate</i>	7.36%

2006

Less than one year	696,913
<i>weighted average effective interest rate</i>	7.03%
Later than one year but not more than five years	536,231
<i>weighted average effective interest rate</i>	7.03%
Later than five years	26,371
<i>weighted average effective interest rate</i>	7.03%

Fair Values of borrowing

The carrying amounts and the fair values of borrowing are as follows:

2007	Carrying amounts	Fair Values
	\$	\$
Secured loans	562,728	562,728
Total	<u>562,728</u>	<u>562,728</u>

2006	Carrying amounts	Fair Values
	\$	\$
Secured loans	1,259,515	1,259,515
Total	<u>1,259,515</u>	<u>1,259,515</u>

Note 19: Equity**Public Equity**

	30 June 2007	30 June 2006
	\$	\$
As at 1 July	106,614,929	108,812,329
Transfers to:		
Special reserves	(2,070,769)	(4,029,277)
Transfers from:		
Special reserves	1,100,122	2,426,133
Surplus / (deficit) for the year	154,327	(594,256)
As at 30 June	<u>105,798,609</u>	<u>106,614,929</u>

Restricted Reserves

As at 1 July	2,357,072	753,928
Transfers to:		
Public equity	(1,100,122)	(2,426,133)
Transfers from:		
Public equity	2,070,769	4,029,277
As at 30 June	<u>3,327,719</u>	<u>2,357,072</u>

Restricted reserves consist of :

Discretionary reserves	192,106	172,727
Restricted reserves	1,505,482	1,376,482
Hall Board reserves	17,339	13,132
Water race reserves	-	1,243
Other reserves	1,542,498	728,148
Trusts	70,294	65,340
Total	<u>3,327,719</u>	<u>2,357,072</u>

Asset Revaluation Reserves

As at 1 July	123,481	-
Revaluation gains / (losses)	2,634,244	123,481
As at 30 June	<u>2,761,725</u>	<u>123,481</u>

Asset revaluation reserves consist of:

<i>Operational assets</i>		
Land	2,088,637	-
Buildings	528,687	-
Landfill	59,234	-
<i>Restricted assets</i>		
Heritage assets	85,167	123,481
Total	<u>2,761,725</u>	<u>123,481</u>

Fair value through equity reserve

As at 1 July	-	-
Valuation gains / (losses) taken to equity	-	-
Transfers to statement of financial performance on disposal	-	-
As at 30 June	<u>-</u>	<u>-</u>

Note 20: Rates Revenue	30 June 2007 \$	30 June 2006 \$
General rates	3,267,741	3,018,764
Targeted rates attributable to activities		
Urban water	596,348	475,116
Rural water	173,674	92,256
Drainage - sewerage	511,286	343,884
Drainage - stormwater	68,047	66,720
Refuse and landfill	<u>275,835</u>	<u>215,352</u>
	1,625,190	1,193,328
Rates penalties	45,220	43,699
Total revenue from rates	<u>4,938,151</u>	<u>4,255,791</u>

Rates Remission

Revenue is shown net of rates remissions and non-rateable land. Under the Council's rate remission policies, the Council allowed remissions of \$16,548 (2006: \$15,130) for the purposes listed below.

	30 June 2007 \$	30 June 2006 \$
Total rates revenue	4,921,603	4,270,921
Council policy remissions:		
Sports bodies	5,006	4,822
Other	<u>11,542</u>	<u>10,308</u>
Total remissions	16,548	15,130
Rates revenue net of remissions	<u>4,938,151</u>	<u>4,255,791</u>

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

Note 21: Reconciliation of net surplus/(deficit) to net cash flow from operating activities	30 June 2007 \$	30 June 2006 \$
Surplus/(deficit) after tax	154,327	(594,256)
Add/(less) non-cash items:		
Depreciation and amortisation	1,773,048	1,672,302
Vested assets	-	(354,614)
(Gains)/losses in fair value of forestry assets	(80,125)	156,880
(Gains)/losses in fair value of investment property	(3,300)	(20,200)
(Gains)/losses in fair value of property, plant & equipment	-	282,131
(Gains)/losses in fair value of investments	(3,434)	9,678
(Gains)/losses in fair value of shares	(520)	-
	<u>1,685,669</u>	<u>1,746,177</u>
Add/(less) items classified as investing or financing activities:		
(Gains)/losses on disposal of property, plant and equipment	4,811	5,241
(Gains)/losses on disposal of forestry assets	473,393	-
(Gains)/losses on disposal of investments classified as fair value through equity	-	(17,850)
	<u>478,204</u>	<u>(12,609)</u>
Add/(less) movements in working capital items:		
Trade and other receivables	(703,101)	(16,482)
Inventories	14,282	(14,318)
Trade and other payables	275,807	168,187
Provisions	(3,564)	(20,149)
Employee benefits	4,181	44,218
	<u>(412,395)</u>	<u>161,456</u>
Net cash inflow/(outflow) from operating activities	<u>1,905,805</u>	<u>1,300,768</u>

Note 22: Statement of Commitments

	30 June 2007 \$	30 June 2008 \$	30 June 2009 \$	30 June 2010-2012 \$
Professional services				
Roads	102,979	68,977	-	-
Road maintenance	1,206,000	1,206,000	-	-
Office cleaning	10,668	17,000	-	-
Eftpos terminal	897	793	793	793
Router	5,880	5,880	5,880	5,880
NCS – Software support	13,520	14,748	-	-
NCS – Linux	12,062	12,484	-	-
Photocopier lease	16,908	17,778	-	-
	<u>1,368,914</u>	<u>1,343,660</u>	<u>6,673</u>	<u>6,673</u>

Capital Commitments

Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment - -

Refer to note 12 for capital commitments for investment properties.

Note 23: Contingencies

Contingent liabilities

	30 June 2007 \$	30 June 2006 \$
Guarantees	12,500	-
Other legal proceedings	-	20,000
	<u>12,500</u>	<u>20,000</u>

Note 24: Related Party Transactions

Key management personnel

During the year Councillors and key management, as part of a normal customer relationship, were involved in minor transactions with Carterton District Council (such as payment of rates etc).

In addition, the Council purchased advertising services in the Carterton Crier. Mr B Poulsen, a Councillor, is a part owner in the business. These services were made on commercial terms and amounted to \$1,300 (2006 \$910). The Council also purchased computer accessories amounting to \$39 (2006 \$nil) from Enzed PC Services, which Mrs J Greathead, a Councillor, has an interest in.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2006 \$nil).

Note 25: Remuneration

Chief Executive

The Chief Executive of Carterton District Council appointed under section 42 of the Local Government Act 2002 received a salary of \$101,231 (2006 \$128,355).

In terms of his contract, the Chief Executive also received Superannuation contributions of \$3,877 to 30 June 2007.

For the year ended 30 June 2007, the total annual cost including fringe benefit tax to the Carterton District Council of the remuneration package being received by the Chief Executive is calculated at \$105,108 (2006 \$128,355).

Milan Haulter was the Acting Chief Executive from 18 May 2006 until the appointment of Colin Wright on 7 August 2006 and received a salary of \$11,009 during this period.

<i>Elected representatives</i>	30 June 2007 \$	30 June 2006 \$
G McPhee	46,779	45,800
W Knowles	17,144	15,902
D Lowes	17,144	15,902
M Blundell	17,144	15,902
R Booth	10,265	9,526
B Poulsen	10,265	9,526
E Brazendale	10,265	9,526
R Carter	10,265	9,526
J Greathead	10,265	9,526
	<u>149,536</u>	<u>141,136</u>

Note 26: Severance Payments

For the year ended 30 June 2007 Carterton District Council made 1 (2006: 0) severance payment to an employee totalling \$6,911 (2006: Nil).

Note 27: Events After Balance Date

There were no significant events after balance date.

Note 28: Financial Instrument Risks

Carterton District Council has a series of policies providing risk management for interest rates and the concentration of credit risk. The Council is risk adverse and seeks to minimise exposure from its treasury activities. The Council has established an Investment Policy specifying what transactions can be entered into. The policy does not allow any transactions that are speculative in nature to be entered into.

Interest Rate Risk

The interest rates on the Council's investments are disclosed in note 10 and on the Council's borrowings in note 18.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose the Council to fair value interest rate risk. Council's Investment Policy outlines the level of borrowing that is to be secured using fixed rate instruments.

Investments were made only with those counter-parties specified in the Investment Policy.

Cash flow interest rate risk

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

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Council has no exposure to currency risk.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Council, causing the Council to incur a loss.

The maximum amount of credit risk for each class is the carrying amount in the statement of financial position. Carterton District Council has minimal credit risk in its holdings of various financial instruments. These financial instruments include bank balances, local authority stock and receivables.

Council invests funds only with registered banks and in local authority stocks. It limits the amount of credit exposure to any one institution or organisation. Accordingly, the Council does not require any collateral or security to support the financial instruments with organisations it deals with.

Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties, in an arms length transaction.

The fair value of financial instruments is approximately equivalent to the carrying amount disclosed in the Statement of Financial Position.

Liquidity Risk

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

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

Council manages borrowings in accordance with its funding and financial policies, which includes an Investment Policy document. This policy has been adopted as part of the Council's Long Term Council Community Plan.

The maturity profiles of the Council's interest bearing investments and borrowings are disclosed in notes 10 and 18 respectively.

Note 29: Capital Management

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

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

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

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

Carterton District Council has the following Council created reserves:

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

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

Self-insurance reserves are built up annually from general rates and are made

available for specific unforeseen events. The release of these funds generally can only be approved by Council.

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

Note 30: Explanation of major variances against budget

Explanations for major variations from Carterton District Council's estimated figures in the 2007/2008 Long Term Council Community Plan are as follows:

Statement of financial performance

The major variance results from an increase in forestry income for the year and an increase in contributions and fees & charges as a result of increased activity in the building and subdivision areas. Expenditure includes significant flood damage clearance work which was not budgeted for.

Statement of financial position

The most significant movement relates to a reduction in borrowings for the 2007 year. This is due to forestry harvest proceeds being applied to forestry borrowings to reduce the forestry borrowings to nil as at 30 June 2007.

Statement of movements in equity

The major movements in equity occurred due to the transfer of asset revaluation reserves to equity as permitted under NZ IFRS 1 together with the current year asset revaluations.

Note 31: Explanation of transition to NZ IFRS

Carterton District Council's financial statements for the year ended 30 June 2007 are the first financial statements that comply with NZ IFRS. Carterton District Council has applied NZ IFRS 1 in preparing these financial statements.

Carterton District Council's transition date is 1 July 2005. Carterton District Council prepared its opening balance sheet at that date. The reporting date of these financial statements is 30 June 2007. The Carterton District Council's NZ IFRS adoption date is 1 July 2006.

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

Exemptions from full retrospective application elected by Carterton District Council

Carterton District Council has elected to apply the following optional exemption from full retrospective application:

- a) Revaluation as deemed cost exemption
Carterton District Council has elected to measure property, plant and equipment using the most recent previous GAAP revaluation as deemed cost at the date of the revaluation.

Carterton District Council is required to make the following mandatory exception from retrospective application:

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

Reconciliation of equity

The following tables show the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2005 and 30 June 2006.

	Previous NZ GAAP 1 July 2005	Effect on Transition 1 July 2005	NZ IFRS 1 July 2005
Assets			
Current assets			
Cash and cash equivalents	3,856,172	-	3,856,172
Special funds	692,878	-	692,878
Trade and other receivables	450,896	(5,880)	445,016
Inventories	2,947	-	2,947
Non-current assets held for sale	73,300	-	73,300
Total current assets	<u>5,076,193</u>	<u>(5,880)</u>	<u>5,070,313</u>
Non-current assets			
Forestry	1,325,033	-	1,325,033
Shares	19,921	10,192	30,113
Intangible assets	-	51,698	51,698
Investment properties	-	904,800	904,800
Property, plant and equipment	105,698,353	(944,608)	104,753,745
Total non-current assets	<u>107,043,307</u>	<u>22,082</u>	<u>107,065,389</u>
Total assets	<u><u>112,119,500</u></u>	<u><u>16,202</u></u>	<u><u>112,135,702</u></u>

	Previous NZ GAAP 1 July 2005	Effect on Transition 1 July 2005	NZ IFRS 1 July 2005
Liabilities			
Current liabilities			
Trade and other payables	807,240	-	807,240
Employee benefit liabilities	180,992	(32,533)	213,525
Funds held on behalf of other entities	15,682	-	15,682
Landfill aftercare provision	120,984	30,724	90,260
Public debt	177,544	-	177,544
Total current liabilities	<u>1,302,442</u>	<u>(1,809)</u>	<u>1,304,251</u>
Non-current liabilities			
Public debt	1,265,194	-	1,265,194
Total non-current liabilities	<u>1,265,194</u>	<u>-</u>	<u>1,265,194</u>
Equity			
Public equity	62,751,366	(46,060,964)	108,812,330
Restricted reserves	753,927	-	753,927
Asset revaluation reserves	46,046,571	46,046,571	-
Total equity	<u>109,551,864</u>	<u>(14,393)</u>	<u>109,566,257</u>
Total liabilities and equity	<u><u>112,119,500</u></u>	<u><u>(16,202)</u></u>	<u><u>112,135,702</u></u>

	Previous NZ GAAP 30 June 2006	Effect on Transition 30 June 2006	NZ IFRS 30 June 2006
Assets			
Current assets			
Cash and cash equivalents	2,883,562	-	2,883,562
Special funds	888,090	-	888,090
Investments	1,167	-	1,167
Trade and other receivables	446,843	-	446,843
Inventories	17,265	-	17,265
Non-current assets held for sale	43,800	-	43,800
Total current assets	<u>4,280,727</u>	<u>-</u>	<u>4,280,727</u>
Non-current assets			
Forestry assets	1,207,788	-	1,207,788
Investments	13,708	(5,262)	8,446
Shares	38,293	514	38,807
Intangible assets	-	46,247	46,247
Investment properties	-	925,000	925,000
Property, plant and equipment	105,976,846	(814,943)	105,161,903
Total non-current assets	<u>107,236,635</u>	<u>151,556</u>	<u>107,388,191</u>
Total assets	<u><u>111,517,362</u></u>	<u><u>151,556</u></u>	<u><u>111,668,918</u></u>

	Previous NZ GAAP 30 June 2006	Effect on Transition 30 June 2006	NZ IFRS 30 June 2006
Liabilities			
Current liabilities			
Trade and other payables	967,691	-	967,691
Employee benefit liabilities	224,439	7,835	216,604
Funds held on behalf of other entities	23,418	-	23,418
Landfill aftercare provision	90,000	24,931	65,069
Public debt	696,913	-	696,913
Total current liabilities	<u>2,002,461</u>	<u>32,766</u>	<u>1,969,695</u>
Non-current liabilities			
Employee benefit liabilities	-	(41,139)	41,139
Public debt	562,602	-	562,602
Total non-current liabilities	<u>562,602</u>	<u>(41,139)</u>	<u>603,741</u>
Equity			
Public equity	60,816,645	(45,798,285)	106,614,930
Restricted reserves	2,357,071	-	2,357,071
Asset revaluation reserves	45,778,583	45,655,102	123,481
Total equity	<u>108,952,299</u>	<u>(143,183)</u>	<u>109,095,482</u>
Total liabilities and equity	<u><u>111,517,362</u></u>	<u><u>(151,556)</u></u>	<u><u>111,668,918</u></u>

Explanatory notes – Reconciliation of equity

Community loans

Under previous NZ GAAP the Go Wairarapa advance had been valued at the original loan principal amount, less any loan repayments made. NZ IAS 39 requires receivables to be initially recognised at fair value and subsequently measured at amortised cost. In accordance with NZ IAS 39 the Go Wairarapa advance has been valued at the net present value of expected future repayments, using interest rates for instruments with a similar credit rating as the discount factor. The effect of this has been a reduction in the receivable carrying value.

Intangible assets

GIS software

Computer software was classified as part of property, plant and equipment under previous NZ GAAP. The net book value of GIS software reclassified as an intangible asset on transition to NZ IFRS is \$51,698 and at 30 June 2006 is \$46,247.

Investment property

Investment property was measured at fair value less the costs of disposal under previous NZ GAAP. NZ IFRS 40 requires investment property to be measured at its fair value. The change in the measurement basis of investment property on transition to NZ IFRS has been an increase in the value of investment property.

Long service leave liability

Under previous NZ GAAP, the long service leave liability was recognised at the balance owing as at balance date. Under NZ IAS 19 Carterton District Council is required to recognise future long service leave entitlements valued at the net present value of expected future payments as at 30 June 2007.

Provisions

NZ IAS 39 requires the provision to be recognised at fair value discounted to present value. The landfill aftercare provision has been adjusted to record the net present value of the provision and expected future payments as at 30 June 2007. The adjustment has been recognised in the statement of financial performance.

Deemed cost

Carterton District Council has applied the deemed cost exemption that is available under NZ IFRS 1, for property, plant and equipment. This exemption allows Carterton District Council to measure an item of property, plant and equipment at its fair value as deemed cost on transition to NZ IFRS. The effect of this change is to transfer revaluation reserves attributed to property, plant and equipment of \$46,046,571 to retained earnings.

Investment property revaluation reserve

Movements in the value of investment property were taken to an investment property revaluation reserve under previous NZ GAAP. NZ IAS 40 requires these movements to be taken to the statement of financial performance. The investment property revaluation reserve has therefore been transferred to retained earnings.

Reconciliation of surplus for the year ended 30 June 2006

	Previous NZ GAAP 30 June 2006	Effect on Transition 30 June 2006	NZ IFRS 30 June 2006
Operating Income			
Rates revenue	4,212,092	-	4,212,092
Rates penalties	43,699	-	43,699
Interest	280,864	-	280,864
Fees & charges	750,523	-	750,523
LTNZ subsidy	955,110	-	955,110
Petrol tax	64,775	-	64,775
Grants & subsidies	32,417	-	32,417
Rentals	179,772	-	179,772
Miscellaneous income	115,047	618	115,665
Contributions	72,547	-	72,547
Commissions	32,719	-	32,719
Recoveries	44,950	-	44,950
Assets vesting in Council	354,614	-	354,614
Forestry harvest	146,589	-	146,589
Profit on sale of assets	3,291	-	3,291
Total operating income	7,289,009	618	7,289,627
Operating Costs			
Governance	642,790	771	643,561
Roads, streets & bridges	2,247,246	-	2,247,246
Urban water services	678,582	-	678,582
Rural water services	183,823	-	183,823
Drainage	671,790	-	671,790
Waste management	506,792	5,793	512,585
Forestry	102,519	-	102,519
Recreational & community services	1,549,761	(733)	1,549,028
Resource management & regulatory services	866,260	-	866,260
Total operating costs	7,449,563	5,831	7,455,394
Operating surplus/(deficit)	(160,554)	(5,213)	(164,767)
Asset revaluations/(devaluations)	(171,021)	(257,468)	(428,489)
Total surplus/(deficit)	(331,575)	(262,681)	(594,256)

Explanatory notes – Reconciliation of surplus

Community loans

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

Investment property valuation

Investment property valuation movements were debited or credited to the investment property revaluation reserve where there was a credit balance. NZ IFRS requires revaluation movements to be recognised in the statement of financial performance.

Long service leave liability

This represents the increase in the NPV of the expected long service leave entitlements, which was not recognised under previous NZ GAAP.

Note Property, and Equipment	32: Plant	Cost/ Revaluation	Accumulated Depreciation	Carrying amount	Current year Additions	Current year Disposals	Current year Gain/(Loss) on sale	Current year Depreciation	Revaluation	Cost	Accumulated Depreciation	Carrying amount
		1 July 2006	1 July 2006	1 July 2006						30 June 2007		30 June 2007
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2007												
<i>Infrastructural assets</i>												
Roads, bridges & footpaths		86,922,244	894,503	86,027,741	970,848	-	-	919,037	-	87,893,092	1,813,540	86,079,552
Water systems		4,104,555	185,623	3,918,932	343,505	-	-	203,369	-	4,448,060	388,992	4,059,068
Sewerage systems		3,967,109	167,236	3,799,873	40,279	-	-	173,582	-	4,007,388	340,817	3,666,571
Stormwater systems		1,789,036	25,834	1,763,202	68,686	-	-	26,670	-	1,857,721	52,504	1,805,217
Landfill		267,700	-	267,700	-	-	-	-	59,234	326,934	-	326,934
Water races		65,259	-	65,259	18,982	-	-	-	-	84,241	-	84,241
		97,115,903	1,273,196	95,842,707	1,442,300	-	-	1,322,658	59,234	98,617,436	2,595,853	96,021,583
<i>Operational assets</i>												
Land		2,997,046	-	2,997,046	-	(32,783)	-	-	2,088,637	5,052,900	-	5,052,900
Buildings		4,520,570	154,723	4,365,847	170,459	-	-	170,670	528,688	4,894,324	-	4,894,324
Fixtures & fittings		318,235	150,430	167,805	7,135	(1,180)	-	24,180	-	324,189	174,610	149,579
Office equipment		303,419	166,944	136,475	6,983	-	-	38,569	-	310,402	205,514	104,888
Library collections		331,453	-	331,453	41,233	-	-	57,017	-	372,686	57,017	315,669
Motor vehicles		695,691	330,667	365,024	-	(2,000)	(991)	64,475	-	676,454	378,896	297,558
Plant & equipment		1,034,847	458,173	576,674	224,804	-	(27)	70,435	-	1,257,140	526,123	731,017
		10,201,261	1,260,937	8,940,324	450,614	(35,963)	(1,018)	425,346	2,617,325	12,888,095	1,342,160	11,545,935
Heritage assets		371,680	-	371,680	-	-	-	9,441	(38,314)	323,927	-	323,927
Work in progress		7,192	-	7,192	5,867	(7,192)	-	-	-	5,867	-	5,867
Total assets		107,696,036	2,534,133	105,161,903	1,898,781	(43,155)	(1,018)	1,757,445	2,638,245	111,835,325	3,938,013	107,897,312

Note 32: Property, Plant and Equipment	Cost/ Revaluation	Accumulated Depreciation	Carrying amount	Current year Additions	Current year Disposals	Current year Gain/(Loss) on sale	Current year Depreciation	Revaluation	Cost	Accumulated Depreciation	Carrying amount
	1 July 2005	1 July 2005	1 July 2005						30 June 2006		30 June 2006
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
30 June 2006											
<i>Infrastructural assets</i>											
Roads, bridges & footpaths	87,806,372	2,138,677	85,667,695	1,254,548	-	-	894,503	-	86,922,244	894,504	86,027,741
Water systems	4,401,464	458,862	3,942,602	161,953	-	-	185,623	-	4,104,555	185,623	3,918,932
Sewerage systems	4,196,624	334,148	3,862,476	104,634	-	-	167,236	-	3,967,109	167,235	3,799,873
Stormwater systems	1,770,226	51,818	1,718,408	70,628	-	-	25,834	-	1,789,036	25,834	1,763,202
Landfill	267,700	-	267,700	-	-	-	-	-	267,700	-	267,700
Water races	54,078	-	54,078	11,180	-	-	-	-	65,259	-	65,259
	98,496,464	2,983,505	95,512,959	1,602,943	-	-	1,273,196	-	97,115,903	1,273,196	95,842,707
<i>Operational assets</i>											
Land	2,921,594	-	2,921,594	75,452	-	-	-	-	2,997,046	-	2,997,046
Buildings	4,606,799	294,480	4,312,319	206,441	-	-	152,913	-	4,520,570	154,723	4,365,847
Fixtures & fittings	265,512	129,262	136,250	52,723	-	-	21,168	-	318,235	150,430	167,805
Office equipment	293,856	137,503	156,353	31,133	(300)	(4,541)	46,170	-	303,419	166,944	136,475
Library collections	326,131	-	326,131	35,322	-	-	30,000	-	331,453	-	331,453
Motor vehicles	847,506	529,741	317,765	141,487	(33,572)	2,836	63,492	-	695,691	330,667	365,024
Plant & equipment	661,967	131,699	530,268	110,847	-	-	64,442	-	1,034,847	458,173	576,674
	9,923,365	1,222,685	8,700,680	653,405	(33,872)	(1,705)	378,185	-	10,201,261	1,260,937	8,940,324
Heritage assets	254,180	-	254,180	-	-	-	5,981	123,481	371,680	-	371,680
Work in progress	3,809	-	3,809	7,192	(3,809)	-	-	-	7,192	-	7,192
Total assets	108,677,818	4,206,190	104,471,628	2,263,540	(37,681)	(1,705)	1,657,362	123,481	107,696,036	2,534,133	105,161,903

Governance

1. Service Mission Statement

Carterton District Council will through a transparent process of civic leadership make policy decisions that recognise the diverse needs of the district environment and community and provide essential infrastructure services, implement and comply with statutory and legislative requirements, facilitate economic development, and where feasible enhance community quality of life.

1.1 Scope and Nature of Activity

The budget covering this activity includes remuneration of elected representatives, civic functions and meeting costs, electoral processes, including relevant staff time and overheads associated with providing Council with information necessary for good decision making. Council currently has elected representation of a Mayor elected at large by the district and eight Councillors (four urban and four rural).

The role of the elected Council is to undertake the democratic and governance leadership process including policy matters associated with all activities, public consultation and receiving feedback from ratepayers. The primary responsibility of Council is to determine policy and strategic direction for the Council, and ensure statutory obligations and compliance is implemented. There is a requirement for financial prudence and public consultation in exercising these duties. The Council has three standing committees and various sub-committees, in addition to providing representation on some outside bodies and undertaking advocacy work on behalf of the public.

Council continues to be proactive in seeking co-operative service delivery ventures with neighbouring authorities with a target to encourage cost savings and enhancement of service delivery.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Governance Contributes
Clean land, water and air for present and future generations.	Timely and effective quadruple bottom line decision making. Provide sustainable environmental resource management.
A safe, healthy and educated community.	Encouraging people to be active. Provision of housing for the elderly.
Access to transport and communications systems that best	Consultation and communication. By providing and improving the

meets the diverse needs of the district.	district's roading network.
A buoyant local economy.	Leadership and promotion of the district. Setting strategic direction. Ensuring appropriate Council policies are in place.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Attendance at the Wellington Region Leaders Forums and Zone 4 meetings.
- Member of the Mayors' Taskforce for Jobs and Member of the Wairarapa Workforce Development Trust
- Active participation in quarterly Combined Council meetings.
- Member of Communities for Climate Protection in NZ and EECA
- Member of Wairarapa Planning Committee and the development of the Proposed Wairarapa District Plan.
- Membership on various River Management Scheme Committees.
- Member of Wairarapa Chamber of Commerce.

1.4 The Activity Goals

- To focus upon efficient and effective delivery of services and put in place clear policies and consistent processes for implementation and guidance.
- Undertake effective consultation practices that recognise the diverse needs of the community and ensure equity and fairness in decisions and delivery of services.
- Facilitate economic development and enhance community quality of life where feasible.

1.5 Opportunities for Maori to Contribute

The Local Government Act 2002 Schedule 10 Part 3 (21) requires Council to include a report on the activities which we have undertaken in the year to establish and maintain processes to provide for opportunities for Maori to contribute to the decision-making process of Council.

Consultation and the involvement of Maori in the decision-making process during the last year are detailed below:

Notified resource consent applications were forwarded to the Maori Land Court for comment on behalf of Rangitane O Wairarapa and Ngati Kahungunu Iwi Authorities.

Council representatives attended meetings of RIF (Regional Inter-for a Forum), a group which includes representative from Iwi and Hapu together with Government agencies.

1.6 Significant Asset Acquisitions or Replacement & Variations from the LTCCP

There were no significant asset acquisitions or replacements and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

1.7 Performance Measures

Goal	Performance Target	Achievement
<p>Governance</p> <p>To focus upon efficient and effective delivery of Council services and ensure that clear and comprehensive policies are in place to guide relevant decisions and strategy in Council and the community.</p>	<p>Overall satisfaction with performance of Council in service delivery of at least 80%.</p> <p>Overall satisfaction with performance of elected members of at least 80%.</p> <p>Overall satisfaction with level of public consultation 85%.</p> <p>Overall satisfaction with Council strategy of at least 85%.</p>	<p>1. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p>

Goal	Objective	Performance Target	Achievement
<p>Local Economy</p> <p>To encourage new business to the district and nurture those already here so as to provide maximum opportunities for local employment and economic expansion.</p> <p>To encourage development and diversity</p>	<p>Promote a co-ordinated and positive approach to forest harvesting and timber processing to keep the industry and resources within this area.</p> <p>Provide the infrastructure necessary to support new business development.</p> <p>Support the activities of Go Wairarapa.</p> <p>Encourage high technology businesses to locate in the district and promote education in technology to develop a skilled workforce.</p>	<p>At least ten district businesses a year are officially visited by the Mayor and Chief Executive.</p> <p>Each stage of the CBD Upgrade Project is completed on time and in budget.</p> <p>Funding and strategic input is given to Go Wairarapa.</p> <p>Funding and strategic input is given to Go Wairarapa.</p>	<p>1. Performance target not achieved.</p> <p>2. Contract price 350K, final price 370K due to works not included in original contract price being undertaken. Contract finish delayed due to inclement weather.</p> <p>3. Regular reports received from Go Wairarapa. \$45,000 contributed towards general operating costs of Go Wairarapa and \$50,000 toward the Major Regional Initiative Cuisine School.</p> <p>Refer to 3 above.</p>

<p>in the rural farming and business sector.</p>	<p>Encourage development of an Inland Port at Waingawa.</p> <p>Help rather than hinder through the process of the Resource Management Act.</p> <p>Promote and encourage ongoing development of local horticulture and viticulture activities.</p> <p>Work with Federated Farmers so that farming interests are recognised in policy decisions.</p> <p>Encourage the growth of cottage industry and creative arts/crafts in the rural sector.</p>	<p>A water source and treatment plant is developed at Waingawa Industrial area.</p> <p>A water source and treatment plant is developed at Waingawa Industrial area.</p> <p>Council update the Berl Economic Report every three years.</p> <p>At least ten district businesses a year are officially visited by the Mayor and Chief Executive.</p> <p>Council update the Berl Economic Report every three years.</p> <p>Council works with local interest groups such as Chamber of Commerce and Federated Farmers.</p>	<p>4. Finalisation of the purchase of the Waingawa land yet to occur, therefore this project cannot be progressed.</p> <p>Refer to 4 above.</p> <p>5. Berl Economic Report updated in 2007.</p> <p>Refer to 1 above.</p> <p>Refer to 5 above.</p> <p>6. This performance measure was not achieved.</p>
<p>To facilitate the process of creating a vibrant and cohesive commercial sector in town.</p>	<p>Complete the planned stages of the CBD Upgrade.</p> <p>Promote and assist with town beautification projects.</p> <p>Assist with events and promotions in the town business centre.</p> <p>Provide selected facilities for local business information and advertising.</p>	<p>Each state of CBD Upgrade project is completed on time in budget.</p> <p>A community noticeboard is installed in the CBD by April 2007.</p> <p>Funding is provided to the Balloon Fiesta and Daffodil Carnival.</p> <p>Council assistance is provided to at least three other district events.</p> <p>A community noticeboard is installed in CBD by April 2007.</p>	<p>Refer to 2 above.</p> <p>7. Community Noticeboard erected in Carrington Park October 2006.</p> <p>8. Funding of \$5,000 provided towards Balloon Fiesta and \$12,165 towards Daffodil Carnival.</p> <p>9. Assistance provided to the organising Committees of the Great Wheelbarrow Race, Sports Pro Wairarapa running events, annual Christmas Parade, Carterton Artist Guild.</p> <p>Refer to 7 above.</p>

	Encourage 'business ambassadors' from the district to be active in promoting the visitor market and local business development opportunities.	Funding and strategic input is given to Go Wairarapa.	Refer to 4 above.
To promote Carterton district as an attractive destination and encourage recreational use of the natural resources.	<p>Support and enhance the Daffodil, Scarecrow and Balloon events.</p> <p>Support any new and diverse events to attract visitors to the district.</p> <p>Promote and encourage growth in the hospitality sector with a particular focus upon accommodation, cuisine and vineyard activities.</p> <p>Market and develop the motor camp to encourage visitors to stay in the district.</p> <p>Be active in providing visitor information facilities.</p> <p>Encourage co-ordinated development of a district tourism industry.</p> <p>Assist in creating a Carterton district focus and identity in the performing arts and cottage craft industries.</p> <p>Support Go Wairarapa in activities that are focussed upon bringing visitors to the Wairarapa area, and in particular Carterton district.</p> <p>Support and promote local tourism initiatives and sundry events eg. Wairarapa A & P Show, Gladstone Scarecrow Festival</p>	<p>Funding is provided to the Balloon Fiesta and Daffodil Carnival.</p> <p>Council resources assistance is provided to at three other district events.</p> <p>Funding and strategic input is given to Go Wairarapa.</p> <p>Council work with local interest groups such as Chamber of Commerce and Federated Farmers.</p> <p>A community noticeboard is installed in the CBD by April 2007.</p> <p>Funding and strategic input is given to Go Wairarapa.</p> <p>At least 10 district businesses a year are officially visited by the Mayor and Chief Executive Officer.</p> <p>All new businesses are welcomed by the Mayor.</p> <p>Funding and strategic input is given to Go Wairarapa.</p> <p>Funding is provided to the Balloon Fiesta and Daffodil Carnival.</p> <p>Council resources assistance is provides to at least three other district events.</p>	<p>Refer to 8 above.</p> <p>Refer to 9 above.</p> <p>Refer to 3 above.</p> <p>Refer to 6 above.</p> <p>Refer to 7 above.</p> <p>Refer to 3 above.</p> <p>Refer to 1 above.</p> <p>10. Performance target not achieved.</p> <p>Refer to 3 above.</p> <p>Refer to 8 above.</p> <p>Refer to 9 above.</p>

**GOVERNANCE OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
1,222	Miscellaneous income	7,000	-
1,222	Total income	7,000	-
	<u>OPERATING COSTS</u>		
639,925	Mayor and councillors	626,355	535,171
3,636	Elections	5,158	4,166
643,561	Total operating costs	631,513	539,337
(642,339)	Net cost of service	(624,513)	(539,337)
	<u>CAPITAL</u>		
-	Council Chamber chairs	-	2,200
-	Electronic whiteboard	-	2,100
62,805	Motor vehicle (pool)	-	-
8,856	EECA and climate control study	-	-
1,750	Airconditioning	-	-
73,411	Total	-	4,300

Roads, Streets & Bridges

1. Service Mission Statement

To promote policies and allocate resources in partnership with Transit NZ and regional authorities to achieve a safe, efficient land transport system that maximises local safety and provide economic and social benefits to the community.

1.1 Scope and Nature of Activity

Carterton District Council is required by Section 12 -19 of the Land Transport Management Act to prepare a Statement of Intent each year as part of the National Land Transport Programme setting out the overall intentions and objectives of the Council for the next year. Council's Roading Professional Services are undertaken by a mix of outsourced consultancy (let under the Competitive Pricing Procedures) and in-house professional services that provide local back up to the Consultant together with district knowledge and an audit and monitoring role. The current consultant is Opus International Consultants of Carterton. The general maintenance contract is currently awarded to Fulton Hogan Ltd of Masterton.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Roads, Streets & Bridges Contributes
Access to transport and communication systems that best meet the diverse needs of the district.	Roading, drainage and signage issues get prompt attention from in-house staff and contractors to minimise road transport constraints.
A buoyant local economy.	The local economy is heavily dependent upon effective transport and well maintained roads with good signage for residents and visitors.
A safe, healthy and educated community.	Community safety is enhanced by a well maintained roading network. Ongoing community education programmes promote road safety.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Provision of funding to the Wairarapa Road Safety Council, together with active participation on Council.
- Membership on the Regional Land Transport Committee and Hill Road Committee.
- Implementation of fourth year of the Footpath Upgrade Strategy.
- Development of Combined Road Safety Strategy 2007/09 in conjunction with South Wairarapa District Council.

1.4 The Activity Goals

- To provide a cost effective roading network within the district that can be sustained and developed to meet the requirements of changing land use, population growth and increasing visitor and heavy transport usage.
- To ensure that roads signs and markings are effective in giving direction and warning to road users.
- To maintain and develop safe and adequate footpath facilities.
- To make available timely technical information to the consulting engineer.
- To undertake roading inspection activities and monitor performance of the roading contractor and institute works as instructed by consultants.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

	Actual 2007	Plan 2006	Actual 2006
Pavement Maintenance	120,673	215,000	333,422
Traffic Services	24,805	50,000	31,159
Major Drainage	17,321	105,000	110,948
Reseals	343,174	380,800	294,655
Area Wide Pavement Treatment	297,932	380,000	198,583
Minor Safety Works	77,293	130,000	126,441
Footpath Maintenance	75,350	140,000	91,456
Costley Street	31,621	-	20,819

- Actual spent against projected budgets for Pavement Maintenance, Major Drainage, Area Wide Pavement Treatment and Minor Safety Works reduced to cover additional costs incurred as a result of flood damage during the year.

- Traffic services underspent as items covered by this function, ie. signs, are only replaced as required. The need for replacements during the 2006/07 not great.
- Actual spent against projected budget for reseals less due to cost savings on tendered price. The length of seal completed specified in Asset Management Plan.
- Actual against projected budget for Footpath Maintenance less due to footpath maintenance in CBD being deferred for inclusion with CBD Re-Vitalisation Stage II.
- Works commenced in Costley Street in 2006 completed during 2006/07 year.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>Provide a cost effective road network within the district that can be sustained and developed to meet requirements of changing land use, population growth and increasing visitor and heavy transport.</p>	<p>Pursue special purpose road funding in all instances where it may be justified.</p> <p>Align maintenance priorities with road conditions, usage and district development.</p> <p>Ensure suitable access is available to provide for urban road development.</p> <p>Plan and provide for roading infrastructure to meet managed urban residential development.</p>	<p>Expenditure on the network is within - 1% + 2% of the agreed level of expenditure with Land Transport NZ.</p> <p>All least two special funding requests are made annually for sealing of district roads.</p> <p>Resident satisfaction measured as 75% satisfaction.</p> <p>Audits of signs show less than 5% of items not complying with compliance standards.</p> <p>Council will provide an in-house resource for inspection of district roads and to undertake a liaison and monitoring role with the road maintenance contractor.</p> <p>Subdivision and infrastructure development meets relevant standards.</p> <p>Compliance is achieved with the Transfund NZ Standards & Guidelines Manual for works undertaken in 2006/07.</p> <p>Subdivision and infrastructure development meets relevant standards.</p> <p>Council will provide an in-house resource for inspection of district roads and to undertake a liaison and monitoring role with the road maintenance contractor.</p>	<ol style="list-style-type: none"> 1. Expenditure (\$x\$1000) – original budget was \$2326. This was revised to \$2500 following flood events in July 2007. Final expenditure \$2440 – ie - 2.5%. 2. Short St, Parkers Rd and Perry’s Road North included in 2006/07 programme. Projects have been programmed for 2009/10 onwards. 3. Resident Satisfaction Survey not completed in 2006/07 year. 4. Full review of signs undertaken in January 2007. No un-complying signs were found. 5. Council employs a Roothing Manager on a permanent part-time basis to undertake this role. 6. All plans supplied by developers are reviewed for compliance with the District Plan and NZS 4404. Inspections are made during construction and following completion prior to issue of the Section 224 Certificate. 7. All operational and capital contracts are prepared using LTNZ Standards. All work is inspected for compliance with relevant contract. <p>Refer to 6 above.</p> <p>Refer to 5 above.</p>

	Consider the regional context to achieve any cost or service benefits in the tender process for roading works and contracts.	Compliance is achieved with the Transfund NZ Standards & Guidelines Manual for works undertaken in 2006/07.	Refer to 7 above.
		<p>Council is represented at all Regional Land Transport Committee meetings and will liaise with Transit NZ quarterly.</p> <p>Council will provide an in-house resource for inspection of district roads and to undertake a liaison and monitoring role with the road maintenance contractor.</p> <p>Maintenance response times are adhered to as prescribed in the roading contract.</p>	<p>8. Cr. D Lowes is Council's representative on the Regional Land Transport Committee.</p> <p>Refer to 5 above.</p> <p>9. Where works are required to be completed by specific time, the completion is monitored by the Roading Manager.</p>
Develop safe, comfortable and reliable road conditions that are maintained to meet the demands of growth in traffic volumes and commuter travel.	<p>Identify, prioritise and address district road work requirements and action upgrade strategies necessary to maintain safe road conditions.</p> <p>Undertake planned and defect maintenance programmes that are enhanced through a process of monitoring and inspection.</p>	<p>Compliance is achieved with the Transfund NZ Standards & Guidelines Manual for works undertaken in 2006/07.</p> <p>Number reported accidents shows a reducing trend over previous years.</p> <p>Road roughness as measured bi-annually is index 80 or less.</p> <p>Maintenance response times are adhered to as prescribed in the roading contract.</p> <p>Council provides funds, representation and support to Wairarapa Road Safety Council.</p> <p>Council will provide an in-house resource for inspection of district roads and to</p>	<p>Refer to 7 above.</p> <p>10. Land Transport NZ's report shows a decrease over time for local roads, however the low overall numbers give high variability.</p> <p>11. Road roughness is measured every three years. Survey to be completed in October 2007. Current average measure is 76.3.</p> <p>Refer to 8 above.</p> <p>12. Council provided a grant of \$7500 to the Wairarapa Road Safety Council. Cr. E Brazendale is Council's representative on the WRSC and its current Chairperson.</p> <p>Refer to 5 above.</p>

	<p>Maintain roading specifications and quality standards to reflect user requirements, community needs and funding restraints for all district roading works.</p> <p>Regular patrol and inspection of roading network.</p> <p>Promote and support road safety initiatives to reduce accidents on the roading network.</p> <p>Maintain safe and adequate footpath facilities.</p>	<p>undertake a liaison and monitoring role with the road maintenance contractor.</p> <p>Maintenance response times are adhered to as prescribed in the roading contract.</p> <p>Expenditure on the network is within - 1% + 2% of the agreed level of expenditure with Land Transport NZ.</p> <p>Compliance achieved with the Transfund NZ Standards & Guidelines Manual for work undertaken in 2006/07.</p> <p>Resident satisfaction measured as 75% satisfaction.</p> <p>At least two special funding requests are made annually for sealing district roads.</p> <p>Council will provide an in house resource for inspection of district roads and to undertake a liaison and monitoring role with the road maintenance contractor.</p> <p>Number of reported accidents shows a reducing trend over previous years.</p> <p>Road roughness as measured bi-annually is index 80 or less.</p> <p>To identify, undertake and complete works within the assigned footpath budget before June 2007.</p> <p>Ensure all developments provide the required footpaths in accordance with NZ Standards and Council's Asset Management Plans.</p>	<p>Refer to 9 above.</p> <p>Refer to 1 above,</p> <p>Refer to 7 above.</p> <p>13. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>Refer to 2 above</p> <p>Refer to 5 above.</p> <p>Refer to 10 above.</p> <p>Refer to 11 above.</p> <p>14. Contract 714.916/03 completed June 2006 for \$67,270. Original budget \$85,000 reviewed down by Council \$65,000.</p> <p>15. Council's policy is that all new subdivisions have a concrete footpath installed as a minimum on one side of the carriageway.</p>
<p>Ensure road signs and markings are effective in giving direction and warning to road users.</p>	<p>Provide and maintain all regulatory and safety advisory signage in accordance with Land Transport Safety Authority requirements.</p>	<p>Audits of signs show less than 5% items not complying with compliance standards.</p>	<p>Refer to 4 above.</p>

	<p>Develop an ongoing programme for the design and installation of destination direction signs on and from SHII, eg. vineyards, attractions, heritage.</p> <p>Ensure the speed and hazard signs or markings are well placed for visible and effective indication to road users.</p> <p>Monitor road use and relevant signage to be proactive in amending or adding signs.</p> <p>Continue a sign maintenance and replacement policy/programme.</p>	<p>95% of regularly signs replaced within three days of notification of fault.</p> <p>No more than four individual complaints per month of inadequate signage.</p> <p>Audits of signs show less than 5% items not complying with compliance standards.</p> <p>No more than four individual complaints per month of inadequate signage.</p> <p>95% of regularly signs replaced within three days of notification of fault.</p> <p>100% compliance of road markings remarked annually.</p> <p>No more than four individual complaints per month of inadequate signage.</p> <p>Audits of signs show less than 5% items not complying with compliance standards.</p> <p>No more than four individual complaints per month of inadequate signage.</p> <p>Council will provide an in-house resource for inspection of district roads and to undertake a liaison and monitoring role with the maintenance contractor.</p> <p>Audits of signs show less than 5% items not complying with compliance standards.</p>	<p>16. No system in place to measure response times. No known instances of regularly signs not being replaced within an acceptable time frame.</p> <p>17. No complaints received during 2006/07 year relating to inadequate signage.</p> <p>Refer to 4 above.</p> <p>Refer to 17 above.</p> <p>Refer to 16 above.</p> <p>18. All markings remarked as part of Road Maintenance Contract. Work completed May 2007.</p> <p>Refer to 17 above.</p> <p>Refer to 4 above.</p> <p>Refer to 17 above.</p> <p>Refer to 5 above.</p> <p>Refer to 4 above.</p>
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	Provide directional signs to civic amenities and town facilities.	95% of regulatory signs replaced within three days of notification of fault. No more than four individual complaints per month of inadequate signage.	Refer to 16 above. Refer to 17 above.
Through a process of facilitation and representation encourage safe and accessible regional road links are provided to access the district.	Encourage Rimutaka Hill Road development and remedial works as opportunities arise and always maintaining 70kph standard. Encourage that all major intersections are marked and where necessary widened to provide traffic turning right off the state highway with a flush median strip for safe stop and waiting. Highlight that new bridges and other areas of the road corridor need separate facilities for the safety of a large and increasing volume of cyclists and pedestrians. Council maintains active representation and funding of the Wairarapa Road Safety Council.	Council is represented at all Regional Land Transport Committee meetings and will liaise quarterly with Transit NZ. Council provides funds, representation and support to the Wairarapa Road Safety Council. Council is represented at all Regional Land Transport Committee meetings and will liaise quarterly with Transit NZ. Council provides funds, representation and support to the Wairarapa Road Safety Council. Council is represented at all Regional Land Transport Committee meetings and will liaise quarterly with Transit NZ. Council provides funds, representation and support to the Wairarapa Road Safety Council.	Refer to 8 above. Refer to 12 above. Refer to 8 above. Refer to 12 above. Refer to 8 above. Refer to 12 above.
To encourage improved and effective transport services to the district that recognises user expectations of comfort, cost effectiveness and convenience.	Support and facilitate the process of introducing improved public transport services. Encourages the Regional Council in its contacts with rail services to demand increasing improvements to service frequency and quality of roll stock (carriages and locomotives). Encourage that rail safety issues are urgently addressed. To urge for a system of communication between trains and stations, and thereby alert station destinations in the events of breakdowns or delays to operating timetable.	Council provides funds, representation and support to the Wairarapa Road Safety Council. Council is represented at all Regional Land Transport Committee meetings and will liaise with Transit NZ quarterly.	Refer to 12 above. Refer to 8 above.

**ROADS, STREETS & BRIDGES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
<u>INCOME</u>			
955,110	Land Transport NZ subsidy	1,412,031	1,251,808
64,775	Petrol tax	55,616	60,000
27,222	Recoveries	19,709	27,600
1,047,107	Total income	1,487,356	1,339,408
<u>OPERATING COSTS</u>			
2,027,200	Subsidised roading	2,216,307	2,014,359
220,046	Unsubsidised roading	711,015	184,111
2,247,246	Total operating costs	2,927,322	2,198,470
(1,200,139)	Net cost of service	(1,439,966)	(859,062)
<u>CAPITAL</u>			
333,422	Pavement maintenance	120,673	215,000
31,159	Traffic services	24,805	50,000
110,948	Major drainage	17,321	105,000
294,655	Reseals	343,174	380,000
198,583	Area wide pavement treatment	297,932	380,000
126,441	Minor safety works	77,293	130,000
91,456	Footpath maintenance	75,350	140,000
20,819	Unsubsidised - Costley Street	31,621	-
-	Lane resealing	-	5,000
33,797	Formation	-	-
13,268	Streetlights	-	-
-	Bridge renewals	-	-
1,254,548	Total	988,169	1,405,000

Urban Water Services

1. Service Mission Statement

Council will provide and maintain a safe and adequate potable water supply for consumers and will conform to the relevant provisions of the New Zealand Drinking Water Standards and recognises the environmental value of the water resource.

1.1 Scope and Nature of Activity

The water supply system comprises approximately 50 kilometres of underground potable water reticulation. The reticulation is supplied from two sources, namely the Kaipatangata Water Treatment Plant and the Frederick Street Bore Supply.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Urban Water Supply Contributes
A buoyant local economy.	A reliable supply of good quality potable water is an important consideration to attracting residential and business growth.
Clean land, water and air for present and future generations.	The Carterton urban water supply is particularly non environmentally invasive.
A safe, healthy and educated community.	Effective and safe water treatment with ongoing system developments is important for community health and wellbeing.

1.3 Council Activities Contributing to Achieving Community Outcomes

- A growing emphasis on water conservation with water metres progressively being installed to connections from the urban supply.
- Development of an additional water bore at the Supplementary supply site in Frederick Street.
- Monitoring of resource consent conditions.
- Advocacy on behalf of the community on the proposed new NZ Drinking Water Standards.
- Network modelling undertaken to gauge future community water requirements and infrastructure needs.

1.4 The Activity Goals

- Provide the quality and quantity of water required to meet the agreed level of compliance with criteria set under the Drinking Water Standards and community requirements.
- To promote and educate in water conservation practices that recognise water as a finite resource which requires efficiency of use.
- Prioritise infrastructural development to target efficient and effective supply and use of the water resource in meeting growth and development.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

	Actual 2007	Plan 2006	Actual 2006
Replace Main High Street	-	25,000	-
Mains Replacement General	66,977	30,000	12,248
Investigate New Water Source	-	45,600	15,709
Domestic Water Metering	168,210	100,000	-
UV Treatment & Bag Upgrade - Kaipatangata	-	175,000	9,939
UV Treatment –Supplementary Supply	-	130,000	-
Development of New Bore – No. 4	49,089	40,000	-
Water Network Modelling	25,217	-	462

- Replacement of High Street Water Main deferred until Stage II CBD Re-Vitalisation completed.
- Main replacement work completed in conjunction with installation of new No. 4 bore.
- Investigation of new water source deferred until Waingawa land purchase finalised.
- Domestic water metering budget overspent due to Council's desire to have installation programme completed by January 2008 in time for new charging regime to be introduced for the 2008/09 year.
- UV Treatment & Bag upgrades deferred pending the finalisation of the new drinking water standards.
- Actual expenditure for Bore – No. 4 more than projected in 2006 Plan due to more work being required than anticipated.
- Water Network Modelling required as part of the Asset Management Plan update and review.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>To provide the quality and quantity of all year water supply to meet the agreed level of compliance with criteria set by Drinking Water Standards and community requirements.</p>	<p>Continue and maintain water testing methodologies and cycles that continually monitor the quality of potable water supplies against Drinking Water Standards.</p> <p>Continue feasibility studies into additional water sources and storage options.</p> <p>Renew and continue in compliance with all resource consents relevant to supply of district water for all sources.</p>	<p>To miss no more than one water testing cycle in a year.</p> <p>To maintain or better Ministry of Health water grading of Ed.</p> <p>Undertake microbiological chemical and turbidity monitoring of the supply and reticulation and demonstrate 100% compliance with the bacteriological requirements of the NZ Drinking Water Standards and resource consent conditions.</p> <p>Continue to investigate new source of supply for Carterton district.</p> <p>Development of Waingawa water supply by 2009.</p> <p>Add new bore into the system by June 2007.</p> <p>Carry out network modelling for future maintenance and development programme.</p> <p>Revise and update Asset Management Plans every three years.</p> <p>To miss no more than one water testing cycle in a year.</p> <p>To maintain or better Ministry of Health water grading of Ed.</p>	<ol style="list-style-type: none"> 1. More than 100% compliance was achieved by having an extra testing cycle. 2. The Ministry of Health's grading for Carterton's water supply is Ed. 3. 100% compliance was achieved. 4. Council has negotiated the purchase of land at Waingawa for this purpose. 5. Funding has been included 2008/09 and 2009/10 budgets for this project. 6. New bore completed in March 2007, testing currently being undertaken to gain approval from Ministry of Health to connect to supply. 7. Hydraulic model has been developed. Information from model used to update Asset Management Plan expenditure profiles for Amended 2006-16 LTCCP. 8. Water Asset Management Plan reviewed and updated during 2006/07 year. <p>Refer to 1 above.</p> <p>Refer to 2 above.</p>

<p>To promote and educate in water conservation practices that recognise water as a finite resource which require efficiency of use.</p>	<p>Reconcile the available supply of water to demand through a policy of priorities and equities that identifies and addresses the needs of all community sectors.</p> <p>Prioritise the water resource to the health needs of the community.</p> <p>Complete a four year programme to install meters to all treated water supplies.</p>	<p>Undertake microbiological chemical and turbidity monitoring of the supply and reticulation and demonstrate 100% compliance with the bacteriological requirements of the NZ Drinking Water Standards and resource consent conditions.</p> <p>Provide a supply having a minimum pressure of 200kpa 95% of the time.</p> <p>Introduce water restrictions during high demand periods.</p> <p>Complete Domestic Water Metering Programme by January 2008.</p> <p>Carry out network modelling for future maintenance and development programmes.</p> <p>Employ a Water Sheriff in summer months to educate the community and police restrictions.</p> <p>Individual supply disruptions for 95% of the time shall not exceed 8 hours duration and no disruption to exceed 24 hours.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p> <p>To maintain or better Ministry of Health water grading of Ed.</p> <p>Provide a supply having a minimum pressure of 200 kpa 95% of the time.</p>	<p>Refer to 3 above.</p> <p>9. This has been achieved 95 % of the time by having the Supplementary Supply as back up and by having a standby generator for power failures.</p> <p>10. Water restrictions were introduced on 21 January 2007 and were lifted on 27 April 2007.</p> <p>11. As at the 30 June 2007, 200 water metres are still to be installed. The installation programme will be completed by January 2008.</p> <p>Refer 7 above.</p> <p>12. Council's "Water Sheriff" resigned in Spring 2006, the Council's water reticulation staff policed restrictions from 21 January to 27 April 2007.</p> <p>13. There were no individual supply disruptions exceeding a three hour duration during the year.</p> <p>14. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>Refer to 2 above.</p> <p>Refer to 9 above.</p>
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	<p>Evaluate options for monitoring and allocation of water supplies.</p>	<p>Individual supply disruptions for 95% of the time shall not exceed 8 hours duration and no disruption to exceed 24 hours.</p> <p>Total supply disruptions not to exceed 48 hours over a 5 day period.</p> <p>Complete Domestic Water Metering Programme by January 2008.</p> <p>Carry out network modelling for future maintenance and development programmes.</p>	<p>Refer to 13 above.</p> <p>15. There were no total supply disruptions during the year.</p> <p>Refer to 11 above.</p> <p>Refer to 7 above.</p>
<p>Develop, implement and continually review Asset Management Plans to provide a realistic programme for infrastructure maintenance and development.</p>	<p>Ensure that all activities necessary to the maintenance and development of community assets are identified and programmed according to need and priority.</p> <p>Ensure that maximum effective use is made of existing infrastructure.</p> <p>Evaluate all infrastructure extensions and development against benefits of cost and essential community requirements.</p> <p>Develop and maintain effective systems for the efficient management of projects and planning of preventive maintenance programmes.</p> <p>Establish processes of consultation and performance measurement relevant to infrastructural services.</p> <p>Review Asset Management Plans at least once every three years.</p>	<p>Carry out network modelling for future maintenance and development programmes.</p> <p>Revise and update Asset Management Plans every three years.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p> <p>Carry out network modelling for future maintenance and development programmes.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p> <p>Carry out network modelling for future maintenance and development programmes.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p> <p>To achieve an 85% community potable water satisfaction rating measured by annual survey.</p>	<p>Refer to 7 above.</p> <p>Refer to 8 above.</p> <p>Refer to 14 above.</p> <p>Refer to 7 above.</p> <p>Refer to 14 above.</p> <p>Refer to 7 above.</p> <p>Refer to 14 above.</p> <p>Refer to 14 above.</p> <p>Refer to 14 above.</p>

**URBAN WATER SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
15,814	Fees & charges	22,387	2,000
3,878	Recoveries	7,339	10,000
19,692	Total income	29,726	12,000
	<u>OPERATING COSTS</u>		
316,181	Urban reticulation	457,107	416,943
86,864	Urban underground services	98,962	67,346
41,780	Urban headworks	43,160	36,526
233,757	Urban filtration plant	137,067	142,868
678,582	Total operating costs	736,296	663,683
(658,890)	Net cost of service	(706,570)	(651,683)

URBAN WATER SERVICES OPERATING STATEMENT - CONTINUED

<u>CAPITAL</u>			
12,248	Mains replacement	66,977	25,000
462	Network model & flow monitoring	25,217	-
4,063	Generator & chlorine analyser	3,046	-
-	Domestic water metering	168,210	100,000
-	Development - Bore #4	49,089	40,000
84,164	Water reticulation	-	-
6,939	Treatment	-	175,000
6,842	Development & additional storage	-	-
15,709	Investigation new water source	-	45,600
2,135	Capacity increase	-	-
1,288	New mains	-	30,000
2,162	Backflow prevention	-	5,000
1,519	Mains condition assessment report	-	-
42,657	Construct production bore	-	-
32,783	Waingawa reservoir	-	-
-	Supplementary UV treatment	-	130,000
<u>212,971</u>	Total	<u>312,539</u>	<u>550,600</u>

Rural Water Services

1. Service Mission Statement

Council will provide water for stock, industrial users at Waingawa, non-potable domestic users and other rural users at reasonable cost through an open water race system and with regard to the use and practices that protect the environmental eco-system.

1.1 Scope & Nature of Activity

Council operates two water race systems totalling over 300 km in length that service the Carrington and Taratahi rural areas. Water is drawn from the Waingawa and Mangaterere Rivers.

Water race supply water is for stock use and for non potable domestic and industrial users in addition to providing stormwater control and use for rural fire purposes.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Rural Water Services Contributes
A buoyant local economy.	An effective supply of water through the water race system is essential to the economic viability of much farmland.
Clean land, water and air for present and future generations.	The water race network is over 100 years old and has become an important environmental ecosystem. Water races are critical for rural stormwater run-off thereby enhancing land use and preventing soil erosion.
A safe, healthy and educated community.	The network is an essential source of water for rural fire fighting.

1.3 Council Activities Contributing to Achieving Outcomes

- Monitoring resource consent conditions.
- Provision of water for stock farming, horticulture and viticulture businesses.

1.4 The Activity Goals

- To ensure a continued supply of water at an adequate flow to all Class 'A' water race users.
- To supply water to various reserves to support endangered and threatened native freshwater fish, birds and water fowl as required under the Wildlife Act 1953.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

There were no significant asset acquisitions or replacements and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

1.6 Performance Measures

Goal	Performance Target	Achievement
<p>To ensure a continued supply of water at an adequate flow to all Class 'A' water race users and supply water to various reserves to support endangered and threatened native freshwater fish, birds and water fowl as required under the Wildlife Act 1953 and protect waterways for fish harvesting of creek plans.</p>	<p>Water shortage is responded to within 24 hours of notification.</p> <p>Significant system blockages or breakages are addressed within six hours.</p> <p>A new classification and charging methodology is determined for the water race system and ready for implementation in 2007/08 year.</p> <p>The Water Race Management Committee meets at least three times a year and is encouraged and supported by Council.</p> <p>The voluntary Code of Practice for the management and environmentally effective maintenance of water race systems is considered for enforcement by bylaw.</p> <p>New water race maintenance plans and policies are finalised for 2007/08 year.</p> <p>Council avoids further intake restrictions for the water race network.</p> <p>No water race works or strategies impact upon the sustainability of reserves, flora or wildlife.</p>	<p>This was achieved within the 24 hours timeframe.</p> <p>This was achieved within the six hour timeframe.</p> <p>Work is continuing on this project and is expected to be completed during 2007/08 for implementation in the 2008/09 year.</p> <p>The Water Race Management Committee met once during the year.</p> <p>The Voluntary Code of Practice for Water Races has not been formalised into a bylaw. The Water Race Committee is yet to decide whether a bylaw is warranted.</p> <p>Water race maintenance plans and policies have not been put into effect. This will occur on completion of the classification and charging methodology review.</p> <p>Council through resource consent processes will vigorously oppose any water take restrictions promulgated by the Greater Wellington Regional Council.</p> <p>Water race works completed during the year did not impact upon the sustainability of reserves, flora or wildlife.</p>

**RURAL WATER SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
-	Miscellaneous income	-	-
-	Total income	-	-
	<u>OPERATING COSTS</u>		
134,804	Taratahi water race	151,761	144,653
49,019	Carrington water race	45,673	46,947
183,823	Total operating costs	197,434	191,600
(183,823)	Net cost of service	(197,434)	(191,600)
	<u>CAPITAL</u>		
11,180	Water races	18,983	21,700
11,180	Total	18,983	21,700

Drainage - Stormwater

1. Activity Mission Statement

Council will provide and maintain an environmentally sensitive stormwater system based on a five year event return period in a manner that meets urban requirements and minimises the potential for damage to property during significant rainfall events.

1.1 Nature and Scope of Activity

The stormwater system comprises a combination of street kerb collection and channel systems, piped drains and open drains. The length of piped drains is approximately 10 kilometres and the open drain system (excluding natural water courses) is over five kilometres.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Stormwater Contributes
Access to transport and communication systems that best meet the diverse needs of the district.	Effective stormwater clearance maintains safe access to the roading network.
Clean land, water and air for present and future generations.	The stormwater system is essential to dissipate rainwater and prevent flooding of land and property.
A safe, healthy and educated community.	Regular maintenance and cleaning of the stormwater system prevents blockages and potential risks to health and safety.

1.3 Council Activities Contributing to Achieving Outcomes

- Stormwater remedial works completed in the Rhodes/Kent Street area and Rutland/Richmond Road area to address stormwater issues during periods of prolonged rainfall.

1.4 The Activity Goals

- Provide for the run-off and diversion of water from the urban roading system.
- Minimise the potential for damage to dwellings whilst acknowledging that localised flooding of property may occur and enhance the performance of the stormwater system with ongoing reference to the Stormwater Management Plan.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

	Actual 2007	Plan 2006	Actual 2006
Stormwater – Waikakariki Stream	5,687	8,400	20,270
Stormwater – East Side	26,998	25,000	
Stormwater – Kent/Rhodes/High Streets	51,679	38,000	

- Works completed to take stormwater out of urban area. Actual spent against projected for Kent/Rhodes/High Street due to extent of work being greater than anticipated.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>To provide and maintain effective and efficient system for the conveyance of stormwater within the Carterton urban area.</p>	<p>To provide and maintain a stormwater system based on a five year minimum return period which minimises the potential for residential dwelling damage during rainfall events.</p>	<p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>To respond and clean any significant blockages within one hour of notification.</p> <p>Lobby the Regional Council to undertake remedial works to limit back up in stormwater system due to a build up of metal in rivers.</p>	<p>1. This was achieved throughout the year, except for July 2006 when the district experienced prolonged torrential rain which raised watertables preventing the dissipation surface water as quickly as what would normally occur.</p> <p>2. This was achieved mainly due to regular maintenance of the stormwater system.</p> <p>3. Ongoing dialogue takes place with the Greater Regional Council staff on this matter.</p>
	<p>To protect the roading network through the avoidance of stormwater ponding in urban areas.</p>	<p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>To not receive more than five individual complaints in any ponding event.</p>	<p>Refer to 1 above.</p> <p>4. This performance target was achieved.</p>
	<p>To implement the recommendations of the Stormwater Asset Management Plans in a planned and timely manner.</p>	<p>Meet all conditions of the operative Management Plan and resource consent.</p>	<p>5. All conditions have been met.</p>
	<p>Maintain a programme of planned maintenance and contingency procedures to minimise the impacts of heavy rainfall events.</p>	<p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>Meet all conditions of the operative Management Plan and resource consent.</p>	<p>Refer to 1 above.</p> <p>Refer to 5 above.</p>
	<p>To continue to maintain stormwater drainage infrastructure in a manner that satisfies regulatory requirements and resource consent conditions.</p>	<p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>Meet all conditions of the operative Management Plan and resource consent.</p>	<p>Refer to 1 above.</p> <p>Refer to 5 above.</p>

	<p>Continue to undertake monitoring to ensure that resource consent conditions and regulatory requirements are satisfied.</p> <p>Identify flood prone areas and constraints on building development in compliance with the requirements of the Building Act.</p>	<p>Continue and complete budgeted east side programme of works.</p> <p>Meet all conditions of the operative Management Plan and resource consent.</p> <p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>Continue and complete budgeted east side programme of works.</p>	<p>6. \$27,000 spent to 30 June 2007 installing new open drain across a Richmond Road property and new concrete culvert across Richmond Road.</p> <p>Refer to 5 above.</p> <p>Refer to 1 above.</p> <p>Refer to 6 above.</p>
<p>To manage stormwater in rural areas to ensure as far as practical that all residents have unimpeded access to their properties.</p>	<p>To work with the Regional Council to ensure appropriate catchment practices are in place.</p> <p>Control the discharge of water from roadside watertables and drains in a manner that minimises the risk of damage to roads.</p> <p>Maintain the stormwater capacity of the rural water race system.</p>	<p>Lobby the Regional Council to undertake remedial works to limit back up in the stormwater system due to a build up of metal in the rivers.</p> <p>To respond and clear any significant system blockages within one hour of notification.</p> <p>To not receive more than five individual complaints in any ponding event.</p> <p>Lobby the Regional Council to undertake remedial works to limit back up in the stormwater system due to a build up in the rivers.</p> <p>To maintain the system in such a manner that all surface flooding dissipates within six hours of a normal rainfall event ceasing.</p> <p>To respond and clear any significant system blockages within one hour of notification.</p> <p>Lobby the Regional Council to undertake remedial works to limit back up in the stormwater system due to a build up in the rivers.</p>	<p>Refer to 3 above.</p> <p>Refer to 2 above.</p> <p>Refer to 5 above.</p> <p>Refer to 3 above.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>Refer to 3 above.</p>

Drainage – Sewerage

1. Service Mission Statement

Council will provide and maintain an efficient and environmentally effective system for the collection and treatment of sewerage that complies with current resource consents and meets Public Health requirements and environmental protection with considerations to benefit the residents and environs of Carterton District.

1.1 Scope and Nature of Activity

The sewerage system comprises approximately 30 kilometres of piped reticulation and a four stage sewerage treatment plant located at Dalefield Road.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Sewerage Contributes
A buoyant local economy.	Catering for Treatment Plant expansion and reviewing or extending town reticulation encourages urban residential and commercial growth.
Clean land, water and air for present and future generations.	Recent upgrades to the sewerage treatment facilities are particularly focussed upon environmental wellbeing factors.
A safe, healthy and educated community.	Ongoing investment and improvements in sewerage treatment and reticulation is beneficial to the health and safety of the community.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Monitoring of resource consent conditions.
- There was no discharge to the Mangaterere Stream from 1 January – 31 March 2007.
- Sewerage hydraulic model developed to determine the future infrastructural needs of the district.

1.4 The Activity Goals

- To meet the conditions and requirements of the operative resource consents in place and to implement and monitor appropriate standards and controls that ensure effluent treatment and disposal throughout the district is managed to meet desired environmental outcomes and public health needs together with community and Iwi expectations.
- To progressively reduce stormwater infiltration and to replace relevant sections of the main sewer trunk pipe that runs under SHII from the Treatment Plants to the northern end of town.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

	Actual 2007	Plan 2006	Actual 2006
Wetlands Development	7,641	24,684	-
Sewerage Network Modelling	-	15,000	21,796
Land Investigation	-	30,550	-
Sewer Main Replacement	32,637	-	74,498

- Actual spent against projected budget for wetlands due to less works being necessary than originally anticipated.
- Sewerage Network Modelling and Land Investigation deferred as a result of Asset Management Plan review and update.
- Sewer main replaced in Memorial Square as part of CBD Re-Vitalisation Stage 1 together with miscellaneous sections of pipe throughout the urban area.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>Develop and maintain infrastructure and treatment facilities to meet the relevant regulatory requirements and resource consents in place.</p>	<p>Implement all necessary monitoring and control mechanisms to ensure that resource consent and regulatory standards or requirements are achieved.</p> <p>Plan system maintenance and development programmes that enhance efficiency and effectiveness of treatment facilities.</p> <p>Seek additional land for expansion of the treatment system.</p>	<p>Meet resource consent criteria with no breach of conditions.</p> <p>To have zero discharge to Mangaterere Stream from 1 January to 31 March unless under provision of the resource consent.</p> <p>No significant sewerage issues raised by the DHB or Ministry of Health.</p> <p>Carry out network modelling this year to determine and prioritise future maintenance and development programmes.</p> <p>Investigate purchase of additional land to increase plant capacity by April 2007.</p>	<ol style="list-style-type: none"> 1. All resource consent conditions were met during the year. 2. There was no discharge to the Mangaterere Stream from 1 January through to 31 March 2007 as required by resource consent. 3. No sewerage issued were raised by the DHB or Ministry of Health during the year. 4. Development of hydraulic model finalised during 2006/07 year. Funds included 2007/08 year to calibrate model. 5. Investigations not commenced during year. Project on hold until 2008/09 year.
<p>To provide a level of wastewater service that is consistent with the available infrastructure and consider system development when it is justified by demand and cost benefit.</p>	<p>All new connections for dwellings in an area provided with a reticulated wastewater system are to be linked to the existing infrastructure.</p> <p>Infrastructural extensions or developments are to be evaluated against the economic and social benefits to the community.</p>	<p>Carry out network modelling this year to determine and prioritise future maintenance and development programmes.</p> <p>To obtain a minimum of 85% satisfaction in the resident satisfaction survey.</p> <p>Carry out network modelling this year to determine and prioritise future maintenance and development programmes.</p> <p>The Sewerage Asset Management Plan is updated by September 2006 and future sewerage expenditure profiles reviewed for affordability.</p>	<p>Refer to 4 above.</p> <ol style="list-style-type: none"> 6. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08. <p>Refer to 4 above.</p> <ol style="list-style-type: none"> 7. Sewerage Asset Management Plan updated during 2006/07 year. Updated expenditure profiles used for Amended 2006-16 LTCCP.

	Explore opportunities for effluent treatment facilities at Waingawa.	Carry out network modelling this year to determine and prioritise future maintenance and development programmes.	Refer to 4 above.
To define, implement and monitor appropriate standards and controls to ensure effluent treatment and disposal throughout the district is managed to meet desired environmental outcomes and community and Iwi expectations.	<p>Maintain policies that establish standards and specifications for effluent treatment and disposal in all sectors of the community.</p> <p>Introduce an enforceable district Trade Waste Policy and fee structure to manage relevant treatment and disposal requirements.</p> <p>Meet community expectations for environmental standards in effluent treatment.</p>	<p>Meet resource consent criteria with no breaches of conditions.</p> <p>No significant sewerage issues raised by the DHB or Ministry of Health.</p> <p>With neighbouring Council's introduce Trade Waste Bylaws.</p> <p>With neighbouring Council's introduce Trade Waste Bylaws.</p> <p>To obtain a minimum of 85% satisfaction in the resident satisfaction survey.</p>	<p>Refer to 1 above.</p> <p>Refer to 3 above.</p> <p>8. This measure has not been achieved during year.</p> <p>Refer to 8 above.</p> <p>Refer to 6 above.</p>
To provide an effective and meaningful consultation process in determining all sewerage and effluent system standards or developments.	Maintain a methodology and practice for consultation with the community on performance matters relating to effluent and sewerage.	To obtain a minimum of 85% satisfaction in the resident satisfaction survey.	Refer to 6 above.

**DRAINAGE OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
13,947	Fees & charges	36,184	20,000
1,147	Contributions	-	-
10,155	Miscellaneous income	18,027	1,000
25,249	Total income	54,211	21,000
	<u>OPERATING COSTS</u>		
569,194	Sewerage	672,866	529,609
102,596	Stormwater	124,744	75,071
671,790	Total operating costs	797,610	604,680
(646,541)	Net cost of service	(743,399)	(583,680)

DRAINAGE OPERATING STATEMENT – CONTINUED

		<u>CAPITAL</u>	
11,730	Sewerage main replacement	16,702	-
62,768	Sewerage reticulation	15,935	-
-	Wetlands	7,641	24,684
20,270	Stormwater - Waikakariki Stream	5,687	8,400
-	Stormwater - East Side works	26,998	25,000
-	Stormwater - Kent/High/Rhodes Street	51,679	38,000
21,796	Network modelling & monitoring infiltration	-	15,000
-	Solid waste structural	-	2,925
-	Land investigation	-	30,550
3,517	Regular inflow & infiltration control	-	-
1,893	Flow monitoring study	-	-
2,870	Increase capacity	-	-
60	Pump station upgrades	-	-
5,880	Stormwater - Frederick Street upgrade	-	-
44,478	Stormwater - Reticulation	-	-
-	Trade waste bylaw	-	-
175,262	Total	124,642	144,559

Waste Management

1. Service Mission Statement

Council will facilitate the collection, management and disposal of solid waste within the district in an integrated manner that meets the public health needs and environmental concerns of residents whilst complying with consent requirements.

1.1 Scope and Nature of Activity

Waste management within Carterton comprises the undertaking of a domestic residential bag and recycling collection on a weekly basis, daily clearance of street rubbish bins, and operation of the Transfer Station.

Waste management is operated on a contractual basis for Council. The Council recognises the need to identify and plan for the management and minimization of waste in the longer term and is a committed member of Waste Management Wairarapa, a joint committee comprising Masterton, Carterton and South Wairarapa District Councils'.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Waste Management Contributes
A buoyant local economy.	Provide a waste disposal solution to assist commercial and industrial development.
Clean land, water and air for present and future generations.	Manage and minimise environmental effects that can be caused through waste disposal.
A safe, healthy and educated community.	Provide the community with effective and safe refuse collection and recycling facilities. Maintain ongoing public waste minimisation education and recycling promotion initiatives.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Member of Waste Management Wairarapa.
- Active involvement in Wellington Region Environmental Agency.
- Monitor Transfer Station resource consents.
- Provision of recycling depot at behind clock tower.
- Upgrade of Transfer Station and installation of weighbridge.

1.4 Activity Goals

- To ensure that solid waste is managed in accordance with the public health needs of the community and the resource consent conditions.
- To manage and facilitate a cost effective and efficient urban refuse collection service, and encourage waste reduction and minimisation through focus upon re-use and recycling strategies associated with education programmes to achieve minimum waste requiring disposal in a landfill by 2015.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

	Actual 2007	Plan 2006	Actual 2006
Upgrade Transfer Station	125,216	80,000	-
Concrete Pad Polydome	-	20,000	-
Install Recycling Shed	-	18,000	-
Weighbridge	73,081	53,000	-

Variation due to a changed approach towards the handling of waste in the Carterton district. Variation between the projected against actual for the Transfer Station upgrade and weighbridge installation due to more works required than originally anticipated.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>To maintain and facilitate provision of cost effective and efficient urban domestic refuse collection service, and encourage waste reduction and minimisation through a focus upon re-use and recycling programmes.</p>	<p>Manage and monitor a well defined contract providing for refuse collection and disposal services.</p> <p>Maintain community education programmes.</p> <p>Promote the implementation and provision of appropriate recycling facilities.</p>	<p>Monitor complaints and not receive more than five complaints on any one rubbish collection day.</p> <p>The community satisfaction survey achieves a minimum 85% satisfaction response.</p> <p>Council distribute 26 rubbish bags to each household and achieve uninterrupted services for a weekly domestic household bag and recycled products collection.</p> <p>To respond within four hours of being notified of litter in streets.</p> <p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and education in waste minimisation.</p> <p>Council distribute 26 rubbish bags to each household and achieve uninterrupted services for a weekly domestic household bag and recycled products collection.</p> <p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and education in waste minimisation.</p>	<p>1. No complaints have been received during 2006/07 year.</p> <p>2. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>3. Rubbish bags were delivered July 2006 and Council's Contractors have achieved an uninterrupted service throughout the year.</p> <p>4. Council has a dedicated worker assigned to street cleaning and litter control who responds to litter complaints in four hours.</p> <p>5. No waste minimisation or education strategies were development by Waste Management Wairarapa during the 2006/07 year.</p> <p>Refer to 3 above.</p> <p>Refer to 5 above.</p>

	<p>Promote industrial waste reduction and minimisation strategies.</p> <p>Council will comply with all conditions of the operative resource consent.</p>	<p>Council will work towards the policies and objectives contained in the Wairarapa Waste Management Strategy.</p> <p>Council in conjunction with Wairarapa Management Wairarapa develop a plan and policies by April 2007 for the disposal of hazardous and industrial waste.</p> <p>Council will undertake defined monitoring programmes and will meet and conform with all conditions of the current consents that are held for the landfill area.</p> <p>The Transfer Station is operated within consent conditions and monitoring of the old landfill site meets resource consent requirements.</p>	<p>6. Council adopted the Solid Waste Management Plan in February 2005. Progress on implementing the actions in the plan will occur over the life of the Plan.</p> <p>7. Waste Management Wairarapa has not developed a Plan for Disposal of Hazardous & Industrial Waste. Midwest Disposal Ltd contractors for the disposal of the district's waste undertake the disposal of some special wastes on application.</p> <p>8. Regular monitoring and reporting programmes have been carried out as per consent conditions.</p> <p>Refer to 8 above.</p>
<p>To investigate, identify and implement effective and efficient long term disposal options for relevant residential waste and hazardous waste.</p>	<p>Continue to work co-operatively with the Masterton and South Wairarapa District Councils' through Waste Management Wairarapa to secure and maintain appropriate and cost effective disposal options for residual waste.</p> <p>Promote strategies and actions that encourage the management of waste in an equitable manner through the region.</p>	<p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and education in waste minimisation.</p> <p>Council will work towards the policies and objectives contained in the Wairarapa Waste Management Strategy.</p> <p>The community satisfaction survey achieves a minimum 85% satisfaction response.</p> <p>Council will work towards the policies and objectives contained in the Wairarapa Waste Management Strategy.</p>	<p>Refer to 5 above.</p> <p>Refer to 6 above.</p> <p>Refer to 2 above.</p> <p>Refer to 6 above.</p>
<p>Identify a solution for long term waste disposal in 2004.</p>	<p>Continue to seek regional waste minimisation solutions.</p>	<p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and</p>	<p>Refer to 5 above.</p>

	<p>Pursue waste export options to truck outside of the Wairarapa.</p> <p>Empower Joint Council Waste Management governance/operating structure.</p>	<p>education in waste minimisation. Council will work towards the policies and objectives contained in the Wairarapa Waste Management Strategy.</p> <p>A new Waste Management Committee of the three Councils' will be established by December 2006.</p>	<p>Refer to 6 above.</p> <p>9. Performance measure not achieved 2006/07 year. Future of Wairarapa Management Wairarapa under review.</p>
<p>To aim for a target of zero waste requiring disposal in a landfill by 2015.</p>	<p>To continue education and resource minimisation initiatives for the recycling of waste.</p> <p>To develop and implement strategies towards a target close to achieving zero waste requiring landfill disposal by 2015.</p>	<p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and education in waste minimisation.</p> <p>Council will work with Waste Management Wairarapa and neighbouring authorities for ongoing improvement to recycling strategies and education in waste minimisation.</p> <p>Council will work towards the policies and objectives contained in the Wairarapa Waste Management Strategy.</p>	<p>Refer to 5 above.</p> <p>Refer to 5 above.</p> <p>Refer to 6 above.</p>

**WASTE MANAGEMENT OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
<u>INCOME</u>			
174,470	Fees & charges	217,673	170,000
12,575	Miscellaneous income	1,885	8,000
-	Grants & subsidies	-	-
187,045	Total income	219,558	178,000
<u>OPERATING COSTS</u>			
303,114	Landfill	341,560	316,066
209,471	Refuse collection	274,966	223,016
512,585	Total operating costs	616,526	539,082
(325,540)	Net cost of service	(396,968)	(361,082)
<u>CAPITAL</u>			
-	Upgrade transfer station	125,215	70,000
-	Concrete pad - polydrome	-	20,000
-	Weighbridge	73,081	53,000
-	Instal recycling shed	-	18,000
-	Total	198,296	161,000

Forestry

1. Service Mission Statement

To maintain and develop the Council's forestry blocks in a sustainable and environmentally conscious manner with a view to maximising financial returns to the Council for use in providing assets to the community.

1.1 Scope & Nature of Activity

Council's forestry assets comprise of a block approximating 350 hectares of forest in the Kaipatangata area in the western hills of the district, and miscellaneous small roadside blocks located in the Admiral/Clifton Grove area. The forest was planted during a period from about 1972 through to the early eighties and was funded through loans provided for afforestation purposes. Harvesting has commenced, with harvested blocks being replanted to provide revenue for the future.

1.2 Community Outcomes to which the Activity Relates

Community Outcomes	How Forestry Contributes
A buoyant local economy.	Provides revenue for community promotion and facilities.
Clean land, water and air for future and present generations.	Enhances the hill environment visually and limits soil erosion. Protects the main town potable water catchment.

1.3 Council Activities Contributing to Community Outcomes

- Harvested blocks are replanted to minimise soil erosion and provide revenue for the Carterton community when trees have matured and are felled.
- Loans repaid, forestry income hence forth available to be used for projects which benefit the Carterton community.

1.4 Activity Goals

- To manage the Council's afforestation block with a view to promoting maximum growth and establish a programme of replanting of land after harvest of current timber resource.
- Use future revenue from the forest assets to maximum benefit of the district's community.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

- Projected capital expenditure of \$32,000 included in 2006 Plan for reforestation after harvesting. Reforestation undertaken as part of operating costs.

1.6 Performance Measures

Goal	Performance Measure	Achievement
To maintain the Council's afforestation block with a view to promoting maximum growth and establish a programme of replanting of land after harvest of current timber resource.	<p>Council provides funding and an ongoing review of maintenance for the afforestation block so as to ensure maximum returns on harvest programme.</p> <p>Pertinent roadside forest reserves recently harvested will be replanted this year.</p>	<p>Management fee of \$5062.50 paid to Forest Enterprises Ltd for the management of the Kaipatangata Forestry Block in 2006/07.</p> <p>The roadside reserves of Admiral Road, Admiral Station and Clifton Grove Road were planted during 2006/07.</p>
Use future revenue from the forest asset to the maximum benefit of the district community.	Another harvest at Kaipatangata will be undertaken in summer 2006/07 with the proceeds targeted to funding CBD development and loan repayments.	Block harvested in 2006/07 year. Income has been applied to the full repayment of forestry loans, amounting to \$627,616.92. The balance of funds has been deposited in Council's Major Projects Fund.

**FORESTRY OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
20	Fees & charges	-	-
146,589	Harvesting income	840,880	149,341
9,070	Miscellaneous income	-	-
155,679	Total income	840,880	149,341
	<u>OPERATING COSTS</u>		
2,692	Clifton Grove	1,899	-
99,827	Kaipatangata	622,193	40,042
102,519	Total operating costs	624,092	40,042
53,160	Net cost of service	216,788	109,299
	<u>CAPITAL</u>		
-	Reforestation	-	32,900
-	Total	-	32,900

Recreation & Community Services

1. Service Mission Statement

Council will maintain and improve the quality of life of individuals and groups of people within the district by fostering and encouraging physical, social, recreational and mental well-being.

1.1 Scope & Nature of Activity

Parks and reserves – facilities for residents and visitors to the district in order to cater for both passive recreational demands. Beautification of the district through bedding displays, tree-planting programmes, CBD hanging baskets and provision of play equipment.

Holiday Park – Carterton Holiday Park situated in Belvedere Road next to Howard Booth Park caters for campers, caravan and motor-home users in addition to the provision low to mid range cabin/unit accommodation.

Cemetery – Clareville Cemetery comprises 15.26 hectares of land, with approximately 4.1 hectares of this land currently being utilised for cemetery purposes.

Swimming Pool – Situated in Pembroke Street, the Carterton Pool Complex comprises three pools and associated outdoor area. The Council has also allowed the Carterton Swimming Club to build a Heated Indoor Pool complex on the site.
Housing for the Elderly – Council owns housing complexes in Porritt Place, Dudson Place, Wakelin Street and Fisher Place.

1.2 Council Outcomes to which the Activity Relates

Community Outcomes	How Recreation & Community Services Contributes
A buoyant local economy.	Provide vibrant urban and rural parks and reserves that assist in promoting the district and CBD. Promote and enhance the district via the Carterton Holiday Park.
Clean land, water and air for present and future generations.	Use environmentally friendly parks and reserves maintenance techniques.
A safe, healthy and educated community.	Make available and encourage use of safe play and sporting facilities and provide clean civic amenities. Work co-operatively with the Wairarapa DHB and other health service providers to benefit the health status in the community.

1.3 Council Activities Contributing to Community Outcomes

- Provision of Funding:
 - To Go Wairarapa
 - To Wairarapa Healthy Homes
 - To Keep Carterton Beautiful
 - To Carterton Information Centre & Gallery
 - To Sport Wairarapa
 - To Active Wairarapa
- Member and active participant of Active Wairarapa.
- Facilities upgraded at Carterton Holiday Park to maintain Four Star Quality Mark Rating.
- New play equipment installed at South End Park.

1.4 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

There were no significant asset acquisitions or replacements and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

1.5 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>Swimming Pool</p> <p>To provide a safe aquatic recreation facility which is promoted for use by the community and visitors.</p>	<p>Ensure the availability of efficient supervision and an effective safety programme.</p> <p>Establish a marketing strategy for the pool complex and improve the directional signage to the facility.</p> <p>Manage pool water quality to ensure consistent compliance with health and safety standards.</p> <p>Promote training and education programmes in water recreation activities and safety.</p> <p>Encourage that additional services be provided to enhance the social and leisure attractions of the complex</p>	<p>Aquatic complex management contract and safety programme is reviewed annually.</p> <p>One community free day is provided per season. The pools do not breach compliance with the appropriate NZ Standards.</p> <p>Water quality monitoring records are maintained over the swimming season.</p> <p>There are no more than four individual complaints in any month.</p> <p>Include regular water education features in Council's newsletter.</p> <p>Continue to facilitate discussions towards joint venture proposals for the Aquatic Complex.</p>	<p>1. Management Contract reviewed let prior to 2006/07 season opening on 20 November 2006.</p> <p>2. This performance target was not achieved.</p> <p>3. During season water testing is carried out 3 – 4 times per day with readings recorded.</p> <p>4. During the season there have been no oral complaints or any complaints registered in the complaint register.</p> <p>5. This performance target was not achieved.</p> <p>6. Discussions undertaken regarding joint purchasing of chlorine. Due to quantity of chlorine used by both organisations no benefits would be achieved. As possible joint initiatives arise these will be discussed.</p>
<p>To investigate ways in which the operation of the Aquatic Complex can be made more efficient and cost effective.</p>	<p>Review the current structure of management, maintenance and supervision services.</p> <p>Investigate the feasibility of combined operations (eg. regional perspective) and joint ventures (eg. indoor/outdoor pools).</p> <p>Regularly review pool complex Funding Policy and Pricing Strategy.</p>	<p>Aquatic complex management contract and safety programme is reviewed annually.</p> <p>Continue to facilitate discussions towards joint venture proposals for the Aquatic Complex.</p> <p>Continue to facilitate discussions towards joint venture proposals for the Aquatic Complex.</p> <p>Review pool marketing and pricing strategy before April 2007.</p>	<p>Refer to 1 above.</p> <p>Refer to 6 above.</p> <p>Refer to 6 above.</p> <p>7. Review of marketing pool pricing strategy undertaken 2006/07 year. New fee schedule included in Amended 2006-</p>

	<p>Examine options for alternative source of funding eg. corporate/trusts.</p> <p>Evaluate options for flexible opening hours to cater for diverse weather situations.</p> <p>Explore diversification of services to encourage use of the facility and improve cost recovery.</p>	<p>Continue to facilitate discussions towards joint venture proposals for the Aquatic Complex.</p> <p>Review pool marketing and pricing strategy before April 2007.</p> <p>Review pool marketing and pricing strategy before April 2007.</p> <p>Continue to facilitate discussions towards joint venture proposals for the Aquatic Complex.</p>	<p>16 LTCCP.</p> <p>Refer to 6 above.</p> <p>Refer to 7 above.</p> <p>Refer to 7 above.</p> <p>Refer to 6 above.</p>
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Goal	Objective	Performance Target	Achievement
<p>Parks & Reserves</p> <p>To prepare Management Plans for all parks and reserves which project a 10 year window of administration, policies, maintenance and development.</p>	<p>Review parks and reserve development options and undertake feasibility studies/cost benefit analysis.</p> <p>Identify and plan for additional parks and reserve amenities that may be required to cater for district growth and development.</p>	<p>All annual actions identified in the Parks & Reserves Management Plans are completed.</p> <p>The Management Plans are review every three years.</p> <p>All annual actions identified in the Parks & Reserves Management Plans are completed.</p> <p>The Management Plans are review every three years.</p> <p>South End Park development is completed by December 2006.</p>	<p>1. Where actions have been identified in Reserve Management Plans these have been completed, ie. mowing lengths.</p> <p>2. Reserve Management Plans will be reviewed during 2007/08 year.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>3. The following development work was completed at South End Park by December 2006.</p> <ul style="list-style-type: none"> ▪ BMX track has been upgraded. ▪ New trees planted. ▪ Two sets of play equipment together with 'Soft Fall Matting'

	<p>Recognise parks and reserves as Council's core business and an essential ingredient to the identity of the Carterton district.</p> <p>Plan and maintain to a high standard of amenity services and visual appearance for parks and reserves to encourage community use and attract visitors.</p> <p>Promote the use of parks and reserves for suitable sporting, social and leisure activities.</p> <p>Develop and promote selected sites as entertainment venue.</p> <p>Provide safe and accessible play areas</p>	<p>Development/car park plans are determined for Admiral Reserve by February 2007.</p> <p>Commence development of Gladstone River Reserve by September 2006.</p> <p>There are no more than four individual complaints about Parks & Reserves in a month.</p> <p>There are no injuries from park equipment that require medical attention.</p> <p>Implement an updated rural and urban reserve maintenance and promotion programme by 30 June 2007.</p> <p>Implement an updated rural and urban reserve maintenance and promotion programme by 30 June 2007.</p>	<p>have been erected.</p> <ul style="list-style-type: none"> ▪ Seating and rubbish receptacles installed. <p>Additional funding has been allocated for the 2007/08 year.</p> <p>4. Preliminary investigations have taken place. Development funding included in 2007/08 Annual Plan.</p> <p>5. The following development works was completed at the Gladstone River Reserve by September 2006.</p> <ul style="list-style-type: none"> ▪ Site surveyed and fenced. ▪ Table, seating and rubbish receptacle provided. ▪ Trees for winter planting ordered. ▪ Improved signage erected. <p>6. There have been no oral complaints or any complaints registered in the complaint register.</p> <p>7. There have been no injuries reported.</p> <p>8. This will be part of the Reserve Management Plan review being undertaken in 2007/08.</p> <p>Refer to 8 above.</p>
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	<p>for all children which are furnished with quality equipment.</p> <p>Maintain colourful town centre reserves and plantings to assist in making the town attractive and encourage a vibrant commercial sector.</p>	<p>Prepare Rural Reserve Strategy by 30 June 2007.</p> <p>There are no more than four individual complaints about Parks & Reserves in a month.</p> <p>There are no injuries from park equipment that require medical attention.</p> <p>All annual actions identified in the Parks & Reserves Management Plans are completed.</p> <p>There are no more than four individual complaints about Parks & Reserves in a month.</p>	<p>Refer to 8 above.</p> <p>Refer to 6 above.</p> <p>Refer to 7 above.</p> <p>Refer to 1 above.</p> <p>Refer to 6 above.</p>
<p>To manage, maintain and develop reserves in the most cost effective and efficient manner.</p>	<p>Review all methods, frequencies and resources assigned to maintenance of parks and reserves and evaluate the benefit of alternatives eg. a contract for mowing activities.</p> <p>Encourage community participation in the physical development and maintenance of parks and reserves, eg. road reserve frontage.</p> <p>Investigate cost effective options for in-house plant propagation and/or external procurement.</p> <p>Review and prioritise the 'Task Force Green' work programme.</p> <p>Ensure there is a transparent fund allocation process for maintenance and</p>	<p>The Management Plans are reviewed every three years.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>The Management Plans are reviewed every three years.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>The Management Plans are reviewed every three years.</p> <p>Prepare Rural Reserve Development Strategy by 30 June 2007.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>Implement an updated rural and urban reserve maintenance promotion</p>	<p>Refer to 2 above.</p> <p>Refer to 8 above.</p> <p>Refer to 2 above.</p> <p>Refer to 8 above.</p> <p>Refer to 2 above.</p> <p>Refer to 8 above.</p> <p>Refer to 8 above.</p> <p>Refer to 8 above.</p>

	<p>beautification projects relevant to non-council assets.</p>	<p>programme by 30 June 2007.</p>	
<p>To maintain attractive and functional urban areas of reserve that provide for town beautification and community sporting, leisure and recreational interests.</p>	<p>Promote public awareness of parks and reserves and encourage use of facilities.</p> <p>Regularly review sporting venues and facilities towards more effective use of resources and reserve areas, eg Carrington Park.</p> <p>Reduce the risk of vandalism in reserve areas through civic pride and involvement and proactive reserve management programmes eg. lighting and security.</p> <p>Maintain floral hanging baskets in the commercial sector of town.</p> <p>Promote the allocation of designated areas for youth.</p>	<p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>Adopt a new park and amenity marketing and signage plan by April 2007.</p> <p>The Management Plans are reviewed every three years.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>Adopt a new park and amenity marketing and signage plan by April 2007.</p> <p>All annual actions identified in the Parks & Reserves Management Plans are completed.</p> <p>The Management Plans are review every three years.</p> <p>All annual actions identified in the Parks and Reserves Management Plans are completed.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>Adopt a new park and amenity marketing and signage plan by April 2007.</p>	<p>Refer to 8 above.</p> <p>9. Park & Amenity Marketing and Signage Plan completed by April 2007.</p> <p>Refer to 2 above.</p> <p>Refer to 8 above,</p> <p>Refer to 9 above.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>Refer to 1 above.</p> <p>Refer to 8 above.</p> <p>Refer to 9 above.</p>
<p>To continue and maintain a rural reserve development programme which makes the district attractive and encourage economic development.</p>	<p>Promote "The Cliffs" riverside reserve and encourage recreational use of the area.</p> <p>Encourage development of camping facilities in the Gladstone area.</p>	<p>Commence development of Gladstone River Reserve by September 2006.</p> <p>Adopt a new park and amenity marketing and signage strategy by April 2007.</p> <p>Commence development of Gladstone River Reserve by September 2006.</p> <p>Adopt a new park and amenity</p>	<p>Refer to 5 above.</p> <p>Refer to 9 above.</p> <p>Refer to 5 above.</p>

	<p>Develop the Gladstone Road riverside reserve.</p> <p>Maintain an ongoing programme of sowing wildflower seeds on roadside reserves.</p> <p>Review and decide upon parking to develop the Admiral Reserve.</p> <p>Encourage Department of Conservation to promote access to Mount Dick lookout.</p> <p>Review all 'paper roads' towards potential use for recreational and reserve purposes.</p> <p>Ensure all attractions have easy to follow directional signs from the State Highway.</p>	<p>marketing and signage strategy by April 2007.</p> <p>Commence development of Gladstone River Reserve by September 2006.</p> <p>Adopt a new park and amenity marketing and signage strategy by April 2007.</p> <p>All annual actions identified in the Parks & Reserves Management Plans are completed.</p> <p>Development/car park plans are determined for Admiral Reserve by February 2007.</p> <p>Adopt a new park and amenity marketing and signage plan by April 2007.</p> <p>Implement an updated rural and urban reserve maintenance promotion programme by 30 June 2007.</p> <p>Adopt a new park and amenity marketing and signage plan by April 2007.</p>	<p>Refer to 9 above.</p> <p>Refer to 5 above.</p> <p>Refer to 9 above.</p> <p>Refer to 1 above.</p> <p>Refer to 4 above.</p> <p>Refer to 9 above.</p> <p>Refer to 8 above.</p> <p>Refer to 9 above.</p>
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Goal	Objective	Performance Target	Achievement
<p>Cemetery</p> <p>To recognise and maintain Clareville Cemetery as a heritage park and district attraction.</p>	<p>Continue to provide cost effective cemetery services within policies determined by Council.</p>	<p>All annual actions identified in the relevant Management Plans are completed.</p> <p>The Management Plans are reviewed every three years.</p> <p>Cemetery berm extensions are completed by June 2007.</p> <p>There are no more than four individual complaints about each facility in a</p>	<ol style="list-style-type: none"> 1. Where actions have been identified in Reserve Management Plans these have been completed. 2. Reserve Management Plans will be reviewed during 2007/08 year. 3. Two new concrete berms, each approximately 40m long have been installed in new extension to Cemetery by June 2007. 4. There have been no oral complaints or any complaints registered in the

	<p>Maintain a high standard of grounds upkeep and maintenance.</p> <p>Provide attractive berms for cremation burials.</p> <p>Encourage community participation in beautification and development of the cemetery.</p> <p>Continue a programme to maintain and, where feasible, restore old grave sites.</p> <p>Extend facilities by use of surplus land in the cemetery area.</p>	<p>month.</p> <p>All annual actions identified in the relevant Management Plans are completed.</p> <p>The Management Plans are reviewed every three years.</p> <p>There are no more than four individual complaints about each facility in a month.</p> <p>Cemetery berm extensions are completed by June 2007.</p> <p>Council performance achieves 85% satisfaction rating in Annual Community Survey.</p> <p>All annual actions identified in the relevant management plans are completed.</p> <p>All annual actions identified in the relevant management plans are completed.</p> <p>The Management Plans are reviewed every three years.</p>	<p>complaints register.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>Refer to 4 above.</p> <p>Refer to 3 above.</p> <p>5. Resident Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>Refer to 1 above.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p>
<p>Motor Camp</p> <p>To develop and promote the Motor Camp to realise its commercial potential and attract visitors to the district.</p>	<p>Prepare a marketing and promotion programme for the camp and its facilities.</p> <p>Install more effective road signage to promote and locate the site.</p> <p>Develop campervan facilities on surplus</p>	<p>Motor camp is self-funding by end of 2007/08 year.</p> <p>Motor camp income is increased by 5% per annum.</p> <p>All annual actions identified in the relevant management plans are completed.</p> <p>There are no more than four individual complaints about each facility in a month.</p>	<p>1. This performance measure was not achieved. It is a Council's goal to achieve this target in near future.</p> <p>2. This has been achieved with last year's takings being \$73460.22 as compared with income for the 2006/07 year of \$94532.91.</p> <p>3. Where actions have been identified in Reserve Management Plans these have been completed.</p> <p>4. There have been no oral complaints or any complaints registered in the complaints register.</p>

Goal	Objective	Performance Target	Achievement
<p>Civic Amenities</p> <p>To promote, protect and preserve our structural amenities and assets in a cost effective and sustainable manner for the use of the Carterton District community and visitors.</p>	<p>Support the Facility Focus Group in their consideration towards a new Civic Centre.</p> <p>Commit funding to development of a future civic facility.</p> <p>Regularly review the maintenance plans and service provision for district toilet and restroom facilities to ensure sustainable cost and quality standards are implemented.</p> <p>Determine a plan for usage of the new Holloway Street commercial building.</p> <p>Provide pensioner and retirement housing which is managed in a business like and financially self sustaining manner.</p> <p>Investigate sale of Borough farm to provide funding options.</p>	<p>Council work with the Facility Focus Group to finalise Civic Centre design by February 2007.</p> <p>Council work with the Facility Focus Group to finalise Civic Centre design by February 2007.</p> <p>All annual action identified in the relevant management plans are completed.</p> <p>The Management Plans are reviewed every three years.</p> <p>Plans for the commercial building in Holloway Street are finished by March 2007.</p> <p>Council work with the Facility Focus Group to finalise Civic Centre design by February 2007.</p> <p>All annual action identified in the relevant management plans are completed.</p> <p>The Management Plans are reviewed every three years.</p> <p>There are no more than four individual complaints about each facility in a month.</p> <p>Former Borough Farm is placed on the market by September 2006.</p>	<p>1. Project put on hold for 2006/07 year to enable Council to further consult with the community on its financial contribution to this project during consultation on the Amended 2006-16 LTCCP.</p> <p>Refer to 1 above.</p> <p>2. Where actions have been identified in Reserve Management Plans these have been completed.</p> <p>3. Reserve Management Plans will be reviewed during 2007/08 year.</p> <p>Refer to 1 above.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>Refer to 3 above.</p> <p>4. There have been no oral complaints or any complaints registered in the complaints register.</p> <p>5. The former Borough Farm was not put on the market by September 2006 due to Council delaying the decision on how its financial contribution to the proposed new Community Facility would be funded.</p>

Cultural Services

1. Service Mission Statement

Council will deliver as a co-operative partner in the Wairarapa Library Service a comprehensive professional service that is consistent, equitable and user friendly.

1.1 Scope & Nature of Activity

The primary role of the Wairarapa Library Service is to provide residents in Carterton and South Wairarapa with written and recorded material, such as books, CDs, magazines and access to electronic information. This information is used by a diverse range of the population for entertainment, learning and research.

The Carterton Public Library has a book stock of 28,830 items with the Wairarapa Library Service having approximately 67,629 books available to the public.

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Cultural Services Contributes
Access to transport and communication systems that best meet the needs of the district.	Provides public access to communication through information technology.
A buoyant local economy.	Advocates reading and learning and facilitates public access to information and knowledge.
A safe, healthy and educated community.	Promotes cultural activities and public events.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Funder and active participant in promulgation of the Arts, Cultural & Heritage Strategy developed in conjunction with neighbouring district councils' and Aratoi.
- Provision of school holiday programmes via the Library for youth and young adults.
- Signatory to the "Peoples Network" (public internet service) pilot scheme initiated by National Library of NZ. Roll out of the pilot is proposed in late 2007.
- Provision of annual scholarships to UCOL and Taratahi Agricultural Training Centre.
- Representation on UCOL's Wairarapa Regional Advisory Committee.
- Council representation on Board of Wairarapa Cultural Trust and funding assistance.
- Provision of funding to NZ Arts Festival organisers towards a local event.
- Administrator of the Creative Communities Funding scheme for the district.

1.4 Activity Goals

- To provide a comprehensive range of library services to meet the District's needs for formal education, research, personal development and recreation.
- To promote arts and culture in the district.

1.5 Significant Asset Acquisition or Replacement & Variations from the LTCCP

There were no significant asset acquisitions or replacements, and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

1.6 Performance Measures

Goal	Objective	Performance Target	Achievement
<p>To provide an enhanced Library Service that adjusts to meet the challenges of technology advances and community development and interests.</p>	<p>Maintain an effective book collection that is continually reviewed to focus upon community demand and expectations.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The annual issues of the Wairarapa Library Service to increase by 2% per annum.</p> <p>The number of registered borrowers belonging to the Wairarapa Library Service to increase by 2% per annum.</p> <p>The Library Collection meets 95% of the Wairarapa Library Service Collection Development Policy.</p>	<p>1. Customer Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>2. Issues rose by 2.28% to 30 June 2007. 206,094 issues to end of 2006 compared with 210,799 issues to 30 June 2007.</p> <p>3. The number of registered borrowers increased by 4.3%. There were 6,057 borrowers at 30 June 2006 compared with 6,318 borrowers at 30 June 2007.</p> <p>4. The Policy was not met due to the commencement of a booking weeding programme being partly completed at 30 June 2007. This is expected to rectify itself once the weeding has been completed at the end of the 2007 year.</p>
	<p>Develop and extend public access to information through the use of technology and displays.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in the district heritage.</p>	<p>Refer to 4 above.</p> <p>5. The Library provided support to the Carterton Historical Society, Phoenix Theatre and local primary schools in relation to the 150th Jubilee celebrations. The Library entered a float in the 150th parade.</p>
	<p>Improve the quality and range of library services by enhancing co-operative links with other library facilities.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Continue to provide and expand the combined service approach to Library services.</p>	<p>Refer to 1 above.</p> <p>Refer to 1 above.</p> <p>6. The focus over the 2006/07 year has been the development of the WLS website as a joint source for all the libraries participating in the Wairarapa Library Service.</p>

	<p>Introduce specialised book collections that reflect local issues and interest.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The annual issues of the Wairarapa Library Service to increase by 2% per annum.</p> <p>The number of registered borrowers belonging to the Wairarapa Library Service to increase by 2% per annum.</p> <p>The Library Collection meets 95% of the Wairarapa Library Service Collection Development Policy.</p>	<p>The Wairarapa Library Service as part of the Wairarapa/Tararua region has signed up to the Peoples Network (pubic internet access) pilot scheme. Roll out of the pilot is proposed in late 2007.</p> <p>Refer to 4 above.</p> <p>Refer to 2 above.</p> <p>Refer to 3 above.</p> <p>Refer to 4 above..</p>
	<p>Continue to expand the library collection into visual/aural assets other than books, eg. compact discs, educational videos, etc.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The library collection meets 95% of the Wairarapa Library Service Collection Development Policy.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p>	<p>Refer to 1 above.</p> <p>Refer to 4 above.</p> <p>Refer to 6 above.</p>
	<p>Provide a service that recognises and caters for ethnic groups in the community.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The number of registered borrowers belonging to the Wairarapa Library Service to increase by 2% per annum.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in district heritage.</p>	<p>Refer to 1 above.</p> <p>Refer to 3 above.</p> <p>Refer to 5 above.</p>

<p>To be proactive in using the library facilities to promote arts and culture in the district.</p>	<p>Develop and implement technological feature that improve the public access, use of, and appreciation of the district library range of services.</p> <p>Establish strategic and cultural links with relevant organisations within the community.</p> <p>Investigate ways in which the library venue can be used to promote cultural and social activities in the community.</p>	<p>Monitor Library membership against community demographics.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The number of registered borrowers belonging to the Wairarapa Library Service to increase by 2% per annum.</p> <p>Continue to promote and expand the combined service approach to Library services.</p> <p>Monitor Library membership against community demographics.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in district heritage.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>Continue to promote and expand the combined service approach to Library services.</p> <p>Monitor Library membership against community demographics.</p>	<p>Refer to 1 above.</p> <p>Refer to 4 above.</p> <p>Refer to 6 above.</p> <p>Refer to 1 above.</p> <p>Refer to 6 above.</p> <p>Refer to 1 above.</p> <p>Refer to 1 above.</p> <p>Refer to 5 above</p> <p>Refer to 6 above.</p> <p>Refer to 5 above.</p> <p>Refer to 1 above.</p> <p>Refer to 1 above.</p> <p>Refer to 5 above.</p>
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<p>To provide the public with an information service to communicate relevant Council and community matters.</p>	<p>Encourage use of the library facilities to exhibit and promote artistic work from the community.</p> <p>Organise educations and holiday programmes for young people.</p> <p>Promote an interest in historical and heritage matters pertinent to the district.</p> <p>Develop social and cultural services using technology and electronic links to relevant organisations.</p> <p>Provide the public with access to electronic mail and internet technology.</p>	<p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in district heritage.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>The library will provide school age holiday programmes in the relevant periods.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in district heritage.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>Provide information and assistance to community groups establishing arts and cultural events in the district, and promote interest in district heritage.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>Monitor Library membership against community demographics.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p>	<p>Refer to 5 above.</p> <p>Refer to 6 above</p> <p>7. The Library provided the following school holiday programmes during the year: EC Summer Reading Programme, Winter Warmers Reading Programme and Maths is Fun. All three programmes were well supported by young people.</p> <p>Refer to 5 above.</p> <p>Refer to 1 above.</p> <p>Refer to 5 above.</p> <p>Refer to 6 above.</p> <p>Refer to 1 above.</p> <p>Refer to 1 above.</p>
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	<p>Utilise the library archives to store, and readily access community records and documentation.</p> <p>Display visitor information and assist in promotion of the district.</p> <p>Co-ordinate the dissemination of information into the community concerning Council issues and performance.</p> <p>Undertake community surveys and reviews as necessary to obtain input into the strategy and decision making process required in matters of local government.</p> <p>Ensure the public, community groups and the media are kept advised of pertinent Council and community events, issues and achievements.</p>	<p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>The library collection meets 95% of the Wairarapa Library Service Collection Development Policy.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p> <p>Customer satisfaction with Library services is equal to or greater than 95% monitored by annual survey.</p> <p>The library continues its programme of technological improvements and computer access and the range and availability of information to the public.</p>	<p>Refer to 6 above.</p> <p>Refer to 4 above.</p> <p>Refer to 6 above.</p> <p>Refer to 6 above.</p> <p>Refer to 6 above.</p> <p>Refer to 1 above.</p> <p>Refer to 6 above.</p>
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**RECREATIONAL & COMMUNITY SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
<u>INCOME</u>			
114,720	Fees & charges	138,961	127,465
19,655	Miscellaneous income	51,235	13,860
157,033	Rentals	153,377	160,046
5,610	Recoveries	6,222	-
31,357	Grants & subsidies	34,682	81,130
328,375	Total income	384,477	382,501
<u>OPERATING COSTS</u>			
150,287	Community grants & recreational funding	111,507	114,493
-	Community development	7,475	62,000
160,515	Promotions & economic development	182,228	191,600
99,781	Swimming pool	111,127	101,668
247,500	Cultural services	289,273	262,645
16,451	Halls	15,949	19,855
488,804	Parks & reserves	519,172	475,793
109,517	Cemetery	109,007	101,573
110,410	Caravan park	115,996	98,140
142,397	Housing for the elderly	149,837	129,316
23,366	Employment schemes	14,290	17,954
1,549,028	Total operating costs	1,625,861	1,575,037
(1,220,653)	Net cost of service	(1,241,384)	(1,192,536)

RECREATIONAL & COMMUNITY SERVICES OPERATING STATEMENT - CONTINUED

<u>CAPITAL</u>			
2,594	Parks & reserves	5,305	7,500
187,714	Promotions & economic development	163,003	150,000
17,784	Swimming baths	4,191	15,300
16,803	Caravan park	25,887	38,000
45,359	Library	41,233	42,700
3,716	Housing for the elderly	2,143	6,500
5,232	Cemetery	-	4,500
23,559	Reserves	-	-
<u>22,979</u>	Security system	<u>-</u>	<u>-</u>
325,740	Total	241,762	264,500

RESOURCE MANAGEMENT & REGULATORY SERVICES

1. Service Mission Statement

Council will provide cost effective planning and regulatory services that meet legislative responsibilities, respect the natural environment and help rather than hinder district and community development.

1.1 Scope & Nature of Activities

Council has a range of responsibilities in the regulatory and resource management area. These responsibilities include:

Building Inspection – Building inspection, control and enforcement activities including plumbing and drainage, dangerous goods and fencing of swimming pools.

Environmental Health – To improve, promote and protect public health by the enforcement and licensing under relevant statutes, regulations and bylaws.
Resource Management – Undertaking environmental, land use and development control including administration of the District Plan, processing resource consents and monitoring of environmental effects and conditions in respect of such consent.

Animal & Dog Control – Maintain a register of dogs, apply registration fees and effect control of animals and dogs in public places to prevent nuisances and ensure public safety.

Emergency Management & Civil Defence – Council is responsible for planning for the District to be in a position to respond to emergencies.

Rural Fire – Council is required to maintain a rural fire organisation capable of responding to rural fire events as required by the Forest and Rural Fire Act 2002.

1.2 Community Outcomes to which the Activity Contributes

Community Outcome	How Resource Management & Regulatory Services Contributes
Clean land, water and air for present and future generations.	Ensure minimal adverse effect on the environment through appropriate monitoring, testing and inspection programmes.
A safe, healthy and educated community.	Ensure structural integrity of new buildings. Provide GIS and planning information for both Council requirements and the public at large.

1.3 Council Activities Contributing to Achieving Community Outcomes

- Membership and funding support to the Wairarapa Rural Fire Board.
- Commencement of installation of RAPID fire numbering to properties in rural Carterton.
- Membership of the Civil Defence & Emergency Management Group for the Wellington Region.
- Member of the Wairarapa Planning Committee and the development of the Wairarapa Combined District Plan.
- Provide training for elected members sitting on the Hearings Committee.

1.4 Activity Goals

- To fulfil statutory requirements and to provide an adequate and effective planning and regulatory service to meet the needs and development of the Carterton District.
- To provide relevant policies and processes that encourages orderly development of the district and to subsequently monitor the effects of such development.
- To ensure that effective emergency management systems and processes are in place.

1.5 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

There were no significant asset acquisitions or replacements and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

1.6 Performance Measure

Goal	Objective	Performance Target	Achievement
To provide focussed and efficient regulatory services.	<p>Meet all legislative and statutory requirements.</p> <p>Respond quickly to community measurements.</p> <p>Provide the infrastructure for effective emergency management.</p>	<p>Consent conditions are complied with prior to issue of a completion certificate.</p> <p>All consent and permit processes are completed within the statutory timeframes.</p> <p>Consent/licenses and associated inspectorial services are carried out without legal challenge.</p> <p>All consents and permits are processed in the statutory timeframe unless paused for a valid reason.</p> <p>Response time for urgent regulatory callouts is within 12 hours.</p> <p>Planning and regulatory services achieve a 75% satisfaction rating in the annual community survey.</p> <p>Meet compliance with new emergency management legislation and standards.</p> <p>Planning and regulatory services achieve a 75% satisfaction rating in the annual community survey.</p>	<p>1. There have been no legal challenges to consent/licenses and associated inspectorial services carried out during the 2006/07 year.</p> <p>2. Building Consents – 477 issued – 100% issued within statutory timeframe. LIM's – 120 issued – 98% issued within statutory timeframe. Resource Consents – 96 issued – 52% issued within statutory timeframe.</p> <p>Refer to 1 above.</p> <p>Refer to 2 above.</p> <p>3. All responses to urgent regulatory callouts completed within 12 hours.</p> <p>4. Customer Satisfaction Survey not completed in 2006/07. Survey to be undertaken every two years commencing in 2007/08.</p> <p>5. Council operates under the Wellington Region Civil Defence Emergency Management Group Plan. Management legislation and standards are being met.</p> <p>Refer to 4 above.</p>
To provide for non-invasive and appropriate coastal development which is focussed upon cluster type subdivision with minimum environmental and visual impact.	<p>Formalise a consultation process to consider coastal resource management issues with all relevant interest groups.</p> <p>Administer the Wairarapa Coastal Strategy for relevant decision making.</p>	<p>Council abides by the policies and processes of the Wairarapa Coastal Strategy.</p>	<p>6. All land subdivision and land use applications which relate to coastal land are considered against the policies in the Wairarapa Coastal Strategy. In addition some sections of the Wairarapa Coastal Strategy have been included in the Proposed Wairarapa Combined District Plan.</p>
To provide an area of suitable size and characteristics that allows for the	<p>Encourage new industry and employment opportunities to the district.</p>	<p>Applications for resource consents are considered in compliance with rules and</p>	<p>7. All applications for resource consent are considered against the rules and</p>

<p>establishment or expansion of industry.</p>	<p>Utilise and develop upon existing infrastructure.</p> <p>Locate major industry and provide suitable buffer zones such that it has minimal impact upon urban and residential areas.</p> <p>Introduce an expanded industrial development zone in an area of Waingawa.</p>	<p>policies as provided by the District Plan.</p> <p>Planning and regulatory services achieve a 75% satisfaction rating in the annual community survey.</p> <p>Applications for resource consents are considered in compliance with rules and policies as provided by the District Plan.</p> <p>Applications for resource consents are considered in compliance with rules and policies as provided by the District Plan.</p> <p>Applications for resource consents are considered in compliance with rules and policies as provided by the District Plan.</p>	<p>policies in the District Plan. This can be confirmed by the information contained in the Planner's report for each application under Section 42A RMA 1991.</p> <p>Refer to 4 above.</p> <p>Refer to 7 above.</p> <p>Refer to 7 above.</p> <p>Refer to 7 above.</p>
<p>Apply an appropriate cost recovery for Council services associated with resource management and development that are deemed to have 'private benefit' to individuals or groups.</p>	<p>Regularly review funding strategy for resource consent services.</p> <p>Apply headworks fee structures to assist in funding infrastructural development.</p>	<p>All consent and permit processes are completed within the statutory timeframes.</p> <p>Planning and regulatory services achieve a 75% satisfaction rating in the annual community survey.</p> <p>Applications for resource consents are considered in compliance with rules and policies as provided by the District Plan.</p>	<p>Refer to 2 above.</p> <p>Refer to 4 above.</p> <p>Refer to 7 above.</p>

**RESOURCE MANAGEMENT & REGULATORY SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
10,000	Rentals	8,889	10,000
71,400	Contributions	342,088	10,000
430,939	Fees & charges	642,619	355,650
39,480	Miscellaneous income	48,215	3,200
8,240	Recoveries	9,980	4,000
1,061	Grants & subsidies	1,306	1,000
561,120	Total income	1,053,097	383,850
	<u>OPERATING COSTS</u>		
26,713	Civil defence	30,348	25,205
73,546	Environmental health	77,160	59,514
178,772	Resource management	235,312	119,215
137,350	District plan	143,605	63,159
132,005	Animal & dog control	133,050	115,721
51,008	Rural fire	69,214	44,939
30,237	Agency functions	88,373	3,200
30,183	Liquor licensing	27,724	23,254
206,235	Building inspection	278,635	151,254
211	Waiohine crushing plant	187	500
866,260	Total operating costs	1,083,608	605,961
(305,140)	Net cost of service	(30,511)	(222,111)

RESOURCE MANAGEMENT & REGULATORY SERVICES OPERATING STATEMENT - CONTINUED

<u>CAPITAL</u>			
4,344	Computer equipment & software	4,700	7,000
-	Environmental & health vehicle	-	30,000
14,637	Rural fire equipment	-	20,000
9,488	Geographic information system	-	-
1,865	Health inspections	-	-
2,326	Animal & dog control	-	-
<hr/> 32,660	Total	<hr/> 4,700	<hr/> 57,000

Council Administration & Support Services

1. Service Mission Statement

Council will provide efficient and effective administrative services to advise and act upon Council policy decisions and to provide resources for all Council services and functions.

1.1 Nature & Scope of Activities

The following services provide the necessary support for the function of Council and Council's significant activities:

- Finance & Administration
- Customer Services
- IT Services
- Research & Clerical Support
- Property Maintenance
- Operations Works & Services and Equipment Maintenance Workshop

1.2 Community Outcomes to which the Activity Contributes

Community Outcomes	How Council Administration Services Contributes
Access to transport and communication systems that best meet the diverse needs of the district.	Make effective information technology available.
A buoyant local economy.	Action Council Annual Plan and manage the approved budgets. Provide accounting and financial management of revenue and budgets.
Clean land, water and air for present and future generations.	Provide Operations resources/plant/equipment for maintenance and works.
A safe, healthy and educated community.	Manage and provide services for Council staff. Provide customer service. Provide administrative support to the elected Council. Undertake research and prepare reports for Council.

1.3 Performance Measures

Performance Targets	Achievements
That all accounts, documentation and internal processes meet statutory obligations and any requirements identified by Audit NZ.	This target was achieved except for the 2006 – 16 LTCCP.
To provide cost effective computer systems and other equipment and technology that maximises the efficiency of Council activities.	All computer hardware and software is purchased to maximise efficiency of Council services.
Meet the statutory or stated requirements in preparation, notification and processing of Council reports, plans and agendas.	This target was achieved except for the 2006-16 LTCCP.
Issue timely financial status reports to elected representatives and staff.	Management reports are issued on a monthly basis to Managers and Elected Members.
Efficiently and safely complete Annual Plan projects and works.	Annual Plan projects and works completed efficiently and safely.
Customers are treated with courtesy and respect and all effort is made to assist them.	Achieved.
That Council is committed to equal employment opportunities (EEO) and robust occupational health and safety practices (OSH) and will be a good employer with fair and equitable personnel policies.	Achieved.

1.4 Significant Asset Acquisitions or Replacement and Variations from the LTCCP

There were no significant asset acquisitions or replacements and no significant variations between the LTCCP's projections of capital expenditure and the actual expenditure during the year.

**ADMINISTRATION & SUPPORT SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
<u>INCOME</u>			
1,576,037	Internal recoveries	1,668,903	969,753
12,740	Rentals	18,086	-
43,699	Rates penalties	45,220	33,000
32,719	Commission	34,881	31,000
280,863	Interest	227,898	259,480
613	Fees & charges	152	-
23,507	Miscellaneous income	7,781	7,000
-	Revaluation gains	3,955	-
354,614	Assets vesting in council	-	-
3,291	Profit on sale of assets	-	-
2,328,083	Total income	2,006,876	1,300,233
<u>OPERATING COSTS</u>			
1,029,849	Administration	1,104,581	829,350
313,978	Operations overhead	297,559	240,421
205,039	Planning & regulatory	199,042	170,398
-	Garage	42,325	44,464
27,171	Human resources	25,396	15,600
1,576,037	Total operating costs	1,668,903	1,300,233
752,046	Net cost of service	337,973	-

ADMINISTRATION & SUPPORT SERVICES OPERATING STATEMENT - CONTINUED

CAPITAL

5,349	Office equipment & computer upgrade	1,611	1,200
8,864	Computers & software	521	13,500
7,192	Capital work in progress	5,867	-
-	Linux server upgrade	2,562	8,000
-	Office furniture	267	-
-	Photometer	1,014	-
-	Mig welder	1,307	2,000
-	Printer - regulatory	1,241	1,000
2,017	Airconditioning	-	-
604	Workstation	-	-
5,765	Laptop for regulatory manager	-	-
5,255	Road cones	-	-
31,500	1.5 ton digger	-	-
50,470	3.5 ton truck with Hiab	-	-
28,211	Team leader vehicle	-	-
2,976	Laptop for operations manager	-	-
1,537	Pocket chlorometer	-	-
852	Weedeater	-	-
733	Side discharge push lawnmower	-	-
1,278	Chainsaw - operations	-	-
1,869	Chainsaw - water races	-	-
7,278	Depot upgrade	-	-
-		-	-
161,750	Total	14,390	25,700

**CBU FOR IN-HOUSE PROFESSIONAL SERVICES OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

Actual 2005/2006 \$		Actual 2006/2007 \$	Budget 2006/2007 \$
	<u>INCOME</u>		
43,558	Total revenue	40,037	40,107
	<u>OPERATING COSTS</u>		
43,558	Total operating costs	40,037	40,107
-	Net cost of service	-	-