



SPECIAL MEETING

OF

COUNCIL

*(Adoption of Annual Report for
year ended 30 June 2008)*

THURSDAY

30 OCTOBER 2008

10.00am

WAIROA DISTRICT COUNCIL

SPECIAL MEETING OF COUNCIL
(To Adopt the Annual Report for the Year Ended 30 June 2008)

to be held in the Wairoa District Council Chambers
Queen Street, Wairoa

ON THURSDAY 30 OCTOBER 2008 AT 10.00AM

PART 1

A G E N D A

CHAIRMAN: His Worship the Mayor Mr L Probert

COUNCILLORS

B Cairns, D Caves, D Eaglesome, J Heron, B McKinnon, J Petersen

CIVIC PRAYER

APOLOGIES

CALLS FOR CONFLICTS OF INTEREST

General Items

1-6 **ANNUAL REPORT FOR YEAR ENDED 30JUNE 2008** **F02.10.12**
(Report Under separate cover)

Exclusion of the Public

Recommended: That pursuant to Section 48 (1) of the Local Government Information and Meetings Act 1987, the public be excluded on the following grounds:

That the exclusion of the public from the whole or relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in:

S7 (2)(b) Protect information where the making available of the information-

- (i) Would disclose a trade secret; or
- (ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information;

REPORT TO: COUNCIL	
DATE: 30 October 2008	
SUBJECT: ANNUAL REPORT FOR YEAR ENDED 30 JUNE 2008	FILE REF: F02.10.12
AUTHOR: Russell Snow, Finance Manager	ATTACHMENTS: Annual Report for year ended 30.06.08 (Under Separate Cover)
RELATED COMMUNITY OUTCOME: All Outcomes	RELATED COUNCIL ACTIVITY: Corporate Services

PURPOSE:

To report on the performance of Council against the annual budget and targeted levels of service.

CURRENT SITUATION:

Ernst & Young have completed their Audit requirements in respect of the attached Annual Report.

Council ended the year with a surplus on operations of \$0.453 million, which was \$0.903 million under budget. \$3.095 million included in the Income Statement as revenue is for roading that was capitalised, and incorporated in the Balance Sheet. There was also non-funded depreciation of \$1.886 million.

The Balance Sheet discloses total current assets of \$21.4 million and current liabilities of \$3.0 million, working capital of \$18.4 million, and net assets of \$164.0 million.

In respect of performance achieved, Council is directed to the following areas of the report: -

1. Water Services
2. Solid waste
3. Transport
4. Community Facilities
5. Planning & Regulatory
6. Leadership & Governance
7. Corporate Functions
8. Trading Activities

Council should also note that where the performance measure was by survey that this has a potential error rate of + or – 9.8%.

Performance measures that did not meet the expected level were as detailed below: -

1. *Water Reticulation* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 92%.
2. *Water Supply* – Council failed to achieve the grading of water of Cc as water has not yet been regraded.
3. *Water Supply* – Council failed to achieve agreed level of service within approved budget. The final cost was \$181,454 compared to the budget of \$129,424.
4. *Stormwater & Drainage* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 81% compliance within timeframes.

5. *Stormwater & Drainage* – Council failed to achieve the target of not less than 80% rating the service as “fairly good or better”. Achieved 42% satisfaction level.
6. *Sewerage* - Council has not achieved the level of service for no more than the approved budget. The final cost of \$897,334 exceeds the budget of \$770,620.
7. *Sewerage* - Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 88% compliance within timeframes.
8. *Waste Management* - Council did not achieve the collection of all approved bags, provided they are at the roadside by 7.30am on the day of collection. There was 1 confirmed incident where rubbish bags were not collected. A special collection was undertaken on the following day.
9. *Waste Management* - Council did not achieve the production of a bi-annual newsletter. Only one newsletter plus the survey on waste management was completed.
10. *Waste Management* - Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 83% compliance within timeframes.
11. *Waste Management* - Council failed to achieve the target of not less than 70% rating the service as “fairly good or better”. Achieved 49% satisfaction level.
12. *Transport* – Average NAASRA counts across sealed roadways was 104, which exceeds the target of 100.
13. *Transport* – The target of 5% less than the average of the three previous year fatal and injury accidents was not achieved. There were 2 fatal crashes and 10 injury crashes.
14. *Transport* – The target of less than the average of the three previous year fatal and injury accidents by accident cause was not achieved. Increases in most categories.
15. *Transport* – The target of not more than the number of complaints and requests for service received than the previous year in total and by type. There were 320 in 2008, and 318 in 2007.
16. *Transport* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 79% compliance within timeframes.
17. *Parking* – The target of not more than the number of complaints and requests for service received than the previous year in total and by type is not currently measured separately for parking.
18. *Parking* – The target of not less than 95% of all requests and complaints dealt with within prescribed timeframes is not currently measured separately for parking.
19. *Airport* – The target of all renewals and new capital work planned for the year being completed to a predetermined standard was not achieved. The sealing of the runway safety margin was deferred.
20. *Cemeteries* – Council failed to achieve the target of not less than 80% rating the service as “fairly good or better”. Achieved 69% satisfaction level.
21. *Parks & Reserves* – The target of all renewals and new capital work planned for the year being completed to a predetermined standard was not achieved. Budgeted picnic table renewals were not completed.
22. *Parks & Reserves* – The target that playground safety is fully met for all playgrounds was not achieved. New standards apply as upgrades occur.

23. *Parks & Reserves* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. Achieved 80% compliance within timeframes.
24. *Library* – The target of not less than 4,500 members in 2007, and increasing annually has not been met.
25. *Community Support* – Council failed to achieve agreed level of service within approved budget. The final cost was \$395,262, compared to the budget of \$350,290.
26. *Community Support* – Council had a target of 80% approval by residents with value for money through rates support on community facilities. The survey indicated only 44% support level of satisfaction of this target.
27. *Resource Planning* – Council had a target that no actions would be taken for land use in contravention of the District Plan, or non-compliance with conditions for land use consent. The target was not met.
28. *Resource Planning* – Council had a target of 100% of applications for consent being dealt with within specified timeframes. Council achieved 94% compliance with this target.
29. *Environmental Health* – The target of no license being suspended or revoked was not achieved with one license suspended during the year.
30. *Environmental Health* – The target that no less than 75% of all food workers are trained in food safety could not be measured.
31. *Environmental Health* – The target of no complaints about unreasonable noise was not achieved.
32. *Environmental Health* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. No measure was developed to evaluate this target.
33. *Dog Control* – The target of having all known dogs registered by 30th June 2008 was not achieved.
34. *Dog Control* – The target of no complaints or instances of dogs attacking persons or animals was not achieved.
35. *Dog Control* – The target of no complaints or instances of dogs rushing at persons, animals or vehicles was not achieved.
36. *Dog Control* – The target of no dogs causing serious injury was not achieved.
37. *Dog Control* – The target of no dogs running at large and an immediate disturbance or threat to wildlife was not achieved.
38. *Dog Control* – The target of no dogs running at large among, or worrying stock or poultry was not achieved.
39. *Dog Control* – Council failed to achieve the target of not less than 70% rating the service as “fairly good or better”. Achieved 56% satisfaction level.
40. *Livestock Control* – The target of at least 10% less complaints received about wandering stock than in the previous year was not achieved. There were the same number of complaints as for previous year.
41. *Livestock Control* – The target of at least 10% less stock being impounded was not achieved. No measure was developed.

42. *Livestock Control* – The target of at least 10% less complaints received about other animal nuisances was not achieved. There was a decrease of 8% in complaints.
43. *Livestock Control* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. No measure was developed to evaluate this target.
44. *Livestock Control* – Council failed to achieve the target of not less than 70% rating the service as “fairly good or better”. Achieved 69% satisfaction level.
45. *Building Inspection* – The target for the number of consents still needing code of compliance certificates was 997. This was not achieved with 1143 consents outstanding.
46. *Building Inspection* – The target of no unfenced or non-complying swimming pools was not measured.
47. *Building Inspection* – The target of no illegal or unauthorised buildings being identified was not achieved. There were 3 buildings identified as being illegal or unauthorised, and notices were issued.
48. *Building Inspection* – The target of 100% of consents issued within prescribed timeframes was not achieved. 95.37% of consents were issued within 20 days.
49. *Liquor Control* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. No measure was developed to evaluate this target.
50. *Bylaw Enforcement* – Council failed to achieve the target of no occasions where Council had to formally enforce compliance with any of its bylaws, or institute legal action.
51. *Bylaw Enforcement* – Council failed to achieve the target of not less than 95% of all requests and complaints dealt with within prescribed timeframes. No measure was developed to evaluate this target.
52. *Safer Community Council* – The target of continuously reducing number of offences in total and by type was not achieved as no data available from the Police.
53. *Safer Community Council* – Council did not achieve the agreed level of service within approved budget for the year. This activity has since been restructured.
54. *Emergency Management* – Council did not achieve the target of ensuring that the community rescue teams and warden groups are established and trained. No training of the community rescue teams and warden groups was conducted.
55. *Maori Liaison* – The target of Marae having a nominated representative on the Wairoa District Council Maori Standing Committee was not achieved. The policy is under review.
56. *Maori Liaison* – The target that all recommendations of nomination and appointment are forwarded to a full meeting of council was not achieved. The policy is under review.
57. *Maori Liaison* – The target that Councillor nominations for representation are forwarded to and approved by the Maori Committee was not achieved. The policy is under review.
58. *Maori Liaison* – The target that Meetings of the Maori Committee are scheduled, advertised and conducted on the advertised day was not achieved. The policy is under review.
59. *Maori Liaison* – The target that opportunities are provided for the Maori Committee to gain an understanding of Council business and operations was not achieved. The policy is under review.
60. *Economic Development* – The target of an increase of 5% in visitors to the Visitor Information Centre was not achieved. There was a 10.84% reduction in visitors.

61. *Economic Development* – The target of an annual reduction the number of unemployed compared with June 2007 was not achieved. Unemployment was 313 in June 2008, and 199 in June 2007. The AFFCO beef chain was laid off earlier than in previous years.
62. *Economic Development* – The target of 150 new houses built or retrofits was not achieved.
63. *Economic Development* – The target of 100% more staff employed in the forestry and wood-processing industry was not achieved.
64. *Economic Development* – The target of land productivity lifting by 5% per annum was not achieved.
65. *Economic Development* – the target of a 10% lift in visitor nights for tourists and a 10% increase in spending by tourists was not achieved.
66. *Property Management* – The target of providing the level of service for not more than the budget was not achieved.
67. *Commercial Property* – The target of providing the level of service for not more than the budget was not achieved, due to the sale of Clyde Court retail complex.
68. *Council Controlled Organisations* – Quality Roding and Services (Wairoa) Ltd. did not achieve the target net profit for the year of \$670,000. The net profit was \$381,904 pre-tax and \$238,427 post-tax.
69. *Council Controlled Organisations* – Quality Roding and Services (Wairoa) Ltd. did not achieve the target to provide a dividend of 50% of tax-paid profit.
70. *Council Controlled Organisations* – Quality Roding and Services (Wairoa) Ltd. did not achieve the target return on equity of 13.20%. The actual return was 5.10 %.

In reviewing the performance for 2008, it should be noted that while some performance targets were not achieved, there is a high level of expectation, with performance of 100% anticipated in some cases. The failure to meet those targets may be as the result of only one failure. Some targets could not be measured, and for Maori Liaison the policy was under review. Council achieved 79.83% of the performance targets, with 277 out of 347 targets being met.

Reserve Funds

Included, as Note 19 is the Schedule of Reserves together with movements during the year: -

Investment Balances (excluding accruals)

Call Account	6,715,592
Investment Account	11,944,597
	18,660,189

Reserve Balance

Special Fund Reserves	14,598,154
Sinking Fund Reserves	67,787
	14,665,941

Excess Funds

Less Commitments	3,994,248
	3,237,456
Balance	756,792

Included below is a summary of transactions through the District Development Fund: -

District Development Fund

Opening Balance 01.07.07	895,822
Interest	208,849
Transfers Inward	1,517,041
Transfers Outward	<u>-962,322</u>
Closing Balance 30.06.08	<u><u>1,659,390</u></u>

Transfers Inward

Land	113,100
Buildings	931,822
Profit 2006-07	<u>472,119</u>
	<u><u>1,517,041</u></u>

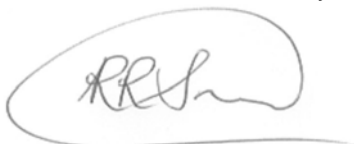
Transfers Outward

Camping Ground - complete fencing	3,395
Parks & Reserves - Reinstate playground (carryover)	4,674
Roading - subsidised renewals (council share)	51,607
District Roding - new footpaths	168,232
Pensioner Housing - repainting	19,614
Emergency Mgmt - Appliance replacement	45,536
Bylaw review	7,966
Mahia Sewage consultancy (to be repl by loan 08/09)	72,347
Office extension - Roger Main Building/Aircon	44,208
Resource Planning projects	13,458
Wairoa Stormwater (to be repl by loan)	202,714
Mahia Stormwater	49,660
Digital Scanning - Building Control	18,597
Roding - Ruawharowharo (council share)	10,313
Rural Roding (subsidise rates)	<u>250,000</u>
	<u><u>962,322</u></u>

In conclusion the report provides a summary of Council's achievements during the past year and should any Councillor require clarification of anything in the report please contact the Finance Manager.

Recommended:

- (1) The report be received.
- (2) The Annual Report for the year ended 30 June 2008 is adopted.
- (3) Transfers from and to reserves as provided for in the Annual Report for the year ended 30 June 2008 are approved.



R R Snow
FINANCE MANAGER