

ANNUAL REPORT 2006-2007



Adopted 31 October 2007

GISBORNE DISTRICT COUNCIL

ISSN 1174-4573

Cover Picture - by Mikayla Paenga

“My picture is about my family living in Gisborne together, having fun, being alive and enjoying the Gisborne sunshine.

The koru symbolise each person in my family, their life and growth.

The waves around the border is the beach at Whangara, where Nan and Pop live, which is my favourite place to be with my horse.”

6 year old Mikayla was the overall winner of the schools art competition Council ran in conjunction with the Gisborne Herald, and the Tairawhiti Museum.

You will find works by more of the young finalists throughout the community plan documents.

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INTRODUCTION

MAYOR'S and CHIEF EXECUTIVE'S FOREWORD

Tena Kotou Katoa

Thank you for taking the time to find out about the challenges and the achievements of the Gisborne District Council and its communities during the 2006 – 2007 year. It has been a combined effort in a real sense. Some people who began the work are not here to see it completed and others have arrived to carry on and to renew the commitment that the organisation has of service to its people and of working in consultation with its communities.

Firstly, there are the **Township Meetings**. At the beginning of the year we began working with the communities in Te Araroa, Tokomaru Bay and Tolaga Bay, listening to what they want their towns to become. At the end of the year we carried out the same task with the people of Ruatoria, Te Karaka and Patutahi.

The main messages seem to be *"improve our roads and footpaths and help us improve our community facilities"*.

These meetings will help us establish a vision with each community, and ultimately to deliver specific programmes of works through the 2009 – 2019 Community Plan.

Wainui has been in for its share of consultation, with the community working with us on the proposed cycleway, the reticulation of water and wastewater, building development rises and the foredune protection projects. These will all come to fruition as works projected over the next few years.

Probably the highlight of the consultation year was the **Wastewater Project**. After a decade in the planning the Commissioners who dealt with the Resource Consent allowed an adjournment. The adjournment allowed the formation of the Wastewater Review Group to let all parties work together on

a solution that was acceptable to all. As a result of that consultation process, we have achieved a consent for the City's Wastewater Plant, without needing intervention by the Environment Court.

One of the most significant strategic planning exercises of the last ten years is the **Urban Development Strategy**. Consultation on that has just commenced. When we undertook the Urban Coastal Strategy work three years ago, the community told us we needed a strategy for the whole of Gisborne City, not just the coastal fringe, so we are now working with the community to meet their aspirations.

Through a co-operative arrangement with business, individuals and the Police, Council has developed a quick response to graffiti attacks. Council can be advised of around twenty daily graffiti attacks from Thursday to Sundays and with the assistance of the community we set ourselves the target of painting these areas out within twenty-four hours.

Let's not also forget the many goods and services that the Council provides to people, their homes and to the district generally. Many of these like water, sewerage, roads, public places, acting on complaints, environmental stewardship and preventing damage by floods get taken for granted. They shouldn't be, so we invite you to read on and find out what has been achieved across all our activities.



Meng Foon
MAYOR



L.R. McKenzie
CHIEF EXECUTIVE

HIGHLIGHTS

As a unitary authority Gisborne District Council is responsible for providing the district with a wide range of services. Council provides roads, rubbish collection and reticulation services as well as regulatory services such as soil and water conservation, building consents, construction and planning. Council also provides community and economic development services, co-ordinating events and projects like “Live on the Lawn” and “Warmer Homes”. All these services are provided with the intent of improving community wellbeing. This section contains some of the highlights of the past year from 1 July 2006 to 30 June 2007, organised by the six community outcomes.

VIBRANT COMMUNITIES

A vibrant community is a community that has: alive and busy town centres; a variety of events and activities for people to take part; a range of sport, recreation and leisure opportunities; and its heritage and uniqueness celebrated through arts, culture, and spirituality.

Focussing on the Arts

Over the past 12 months Council, via the Community Development Unit, has been supporting the development of the arts organisation Creative Tairāwhiti. The Community Development Unit helped Creative Tairāwhiti to extend its reach to encompass Wairoa and the East Coast, employ a full-time staff member, and move into new office premises. The work done during 2006/07 places the organisation in a strong position to further develop their programmes and initiatives, assisting the growth of artists in the region.

Rural Township Development

In 2005/06 Council began the process of developing Township Plans for towns throughout the Gisborne region. The purpose of the plans is to capture the communities’ long-term visions for their townships, which will guide Council in planning for their future development and viability over the next 20 years.

Earlier this year Township Development Plans for Te Araroa, Tokomaru Bay and Tolaga Bay were released and Council staff will continue to work with the communities to turn the aspirations in the plans into reality. Council, with assistance from APR consultants, is currently preparing Township Development Plans for Patutahi, Ruatoria and Te Karaka.

CONNECTED COMMUNITIES

A connected community is a community that has affordable, safe and reliable transport networks; access to essential goods and services; people feeling part of their community; and links to its people’s heritage.

Port Road Development

The Hirini Street bypass to Kaiti Beach Road, an essential part of forestry access routes to the port, is undergoing extensive remodelling. The first milestone of this project is now complete, with a \$250,000 underpass linking log storage areas with the port’s main operating precinct. The project is due to be completed in the 2007/08 year, with significant roadworks still to come.

PROSPEROUS COMMUNITIES

A prosperous community is a community that has a high standard of living; a thriving economy providing varied employment opportunities; future prosperity through investment in education and training; pride of self and community; and people who are proud of it and willing and able to care for it for future generations.

House Building Boom

2006/07 has seen unprecedented growth in residential development with work beginning on a number of major subdivisions within and round Gisborne city. Consent numbers have been climbing steadily since 2000, and 2006/07 saw a record number of new dwelling consents with over 200 consents issued, at a value of \$33 million. Hidden within the record number of consents was the development of apartment buildings, which was only counted as one consent.

SAFE and HEALTHY HAVEN

A safe and healthy haven is a community in which people feel safe at night to walk in our city centre; there is security of person and property; footpaths and roads are safe to walk, cycle and drive on; people are free from health risks and harm; people are well and active; and the environment is protected for future generations.

Wastewater

Further progress has been made towards achieving Gisborne's goal of a wastewater plant that is environmentally and economically sustainable, as well as culturally acceptable. The Wastewater Adjournment Review Group (WARG) completed its research into the biological trickling filter system. The findings were positively received by the community and as a result the use of a biological trickling filter, along with further treatments to reduce contaminant levels, was recommended by WARG to the Commissioners. The notices for requirement of designation and resource consent applications were heard in March 2007. Restricted Coastal Activities were recommended for approval by the Minister of Conservation while the designations and remaining resource consents were approved by the Commissioners on 4 July 2007. There were no appeals and the Restricted Coastal Activities have been forwarded to the Minister of Conservation for his decision.

Protecting Our Beach Community

Wainui Beach was under the spotlight in 2006/07. To help protect against erosion a sloping rock wall replaced the existing wall along the Tuahine Crescent end of Wainui Beach. The rock wall will better absorb wave turbulence than the previous log and rail wall. The past year also saw the development of a draft management plan for Lynsar Reserve (the area stretching from Tuahine Point to Makorori Headland). The plan promotes the management of erosion and safeguarding the beach environment through the use of native plantings and dune protection, and will be finalised in 2007/08.

POSITIVE LEADERSHIP

A community with positive leadership has businesses that are leaders in their field; top quality health, education and social services; people who are able to reach their full potential; positive stewardship and improvements in infrastructure; environmental sustainability; and individuals responsible for their environment.

Disabilities Policy

In 2006/07 a working party of councillors and representatives of the disabled community was formed to develop a Disabilities Policy. This policy was adopted as a submission to the 2007/08 Annual Plan.

The policy aims to ensure Council considers the needs of those with disabilities before making decisions. This should lead to improved ramps, carparks and facilities to improve access for the disabled.

Joint Working Party for the Museum

In 2006/07 a joint Working Party was formed to review the Te Tairāwhiti Museum. The members of the Working Party were drawn from Gisborne District Council and the Gisborne Museum of Art and History Trust. The Working Party made a submission of their findings to the 2007/08 Annual Plan, and as a result Council resolved to increase funding to the Museum by an additional \$89,375 to \$570,000 as recommended by the Working Party.

Change in Council's Leadership

Bob Elliott, Chief Executive of Council for the last 18 years, retired at the end of June 2007. Mr Elliott was a strong leader with tremendous local knowledge, who had made significant contributions to Gisborne during his time at Council. Lindsay McKenzie from Environment Southland took on the role in July 2007.

FAIR and ACTIVE DEMOCRACY

A community with a fair and active democracy has people who have confidence in the decision-making process; people inspired to actively take part in community affairs; open and transparent governance; and entrepreneurial spirit.

Extension of Rates Rebate Scheme

In July 2006 central government introduced a nationwide rates rebate scheme targeted at people on a low income who pay rates. The scheme enhanced the rates rebate scheme already in place. Gisborne District Council decided to take a proactive approach in publicising the new rebates to the Gisborne community, and the new scheme was greeted with enthusiasm by ratepayers. As a result the Gisborne region had extensive uptake of the scheme, with 60% of those eligible gaining a rebate for the 2006/07 year, compared to a national average of 39.4%.

Consulting with the Community

2006/07 has been another busy year for consultation, with talks initiated within the community by many areas of Council. The focus has been on communicating with the various communities and stakeholders in a way that suits their needs and preferences. Consultation has ranged from the traditional town meetings for the Annual Plan, to innovative, interactive consultation for the rural township plans, to focus group consultation and interviews with key stakeholders for the urban development strategy. The sustainable hill country project has been another area where council has been working hard to ensure that the community's views are heard.

Working with Central Government

Council also continues to ensure communities' interests are considered in decisions of central government, for example negotiating with the Ministry of Agriculture and Forestry to ensure the new East Coast Forestry Project grant system is clearer and has more certainty for East Coast land owners.

FINANCIAL REPORT

The Income Statement shows an overall operating surplus of \$4,359,000 compared to a budgeted surplus of \$9,802,000. The operational Net Cost of Service on page 96 shows net cost of \$42,557,000, against a budget of \$39,727,000, a variance of 7.1%. This is mainly due to the decision by GDC not to proceed with the construction of the Mander Road Landfill and subsequent write-off of all costs (\$4,895,032).

Some capital work was deferred with only \$17,178,000 from a budget of \$21,912,000 being undertaken.

Public debt has been reduced from \$30 million to \$24 million. However, as noted above, significant capital work has been deferred. If all of this capital work was completed by 30 June 2007, the public debt balance would be approximately \$28 million.

Tauwhareparae Farms

The farming activities returned a net operating loss after tax of \$379,000.

COUNCIL'S FINANCIAL STATISTICS

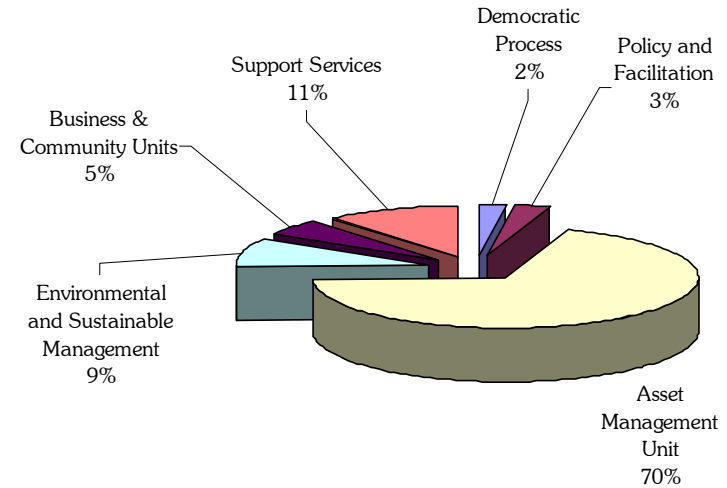
	ACTUAL 2003	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007
Proportion rates to total income	58%	53%	49%	53%	52%
Average rates per rateable property (Residential City)	\$1,679	\$1,812	\$1,827	\$1,995	\$2,071
Net public debt (as a % of total assets)	5.93%	3.36%	2.22%	1.98%	1.37%
Public debt (per rateable property)	\$1,658	\$1,601	\$1,571	\$1,422	\$1,134

Council's Five Year Financial Performance Summary

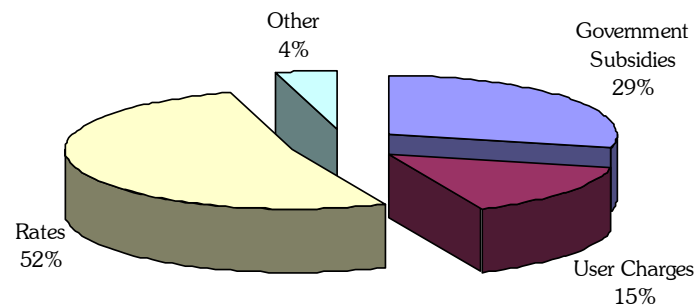
	2003 \$000 NZ GAAP	2004 \$000 NZ GAAP	2005 \$000 NZ GAAP	2006 \$000 NZ GAAP	2007 \$000 NZ IFRS
Rates (GST exclusive)	29,707	31,717	33,710	35,131	37,114
Net Surplus / (Deficit)	471	9,578	14,317	4,485	4,359
Working Capital	941	1,088	5,017*	5,439	2,647*
Net Public Debt	36,129	32,002	32,002	30,000	24,000
Total Assets	607,478	954,397	1,440,365	1,516,231	1,746,662

* excludes current portion of public debt as this will be refinanced.

Expenditure



Income



General Statistics

AREA AND POPULATION	2006	2007
Area sq km	8,331	8,331
Population (based on 2006 Census)	43,971	44,460
Rateable Properties - number of	21,094	21,164
Non Rateable Properties - number of	1,207	1,247
Gross Capital Value	8,364,028,200	8,449,372,200
Net Capital Value (i.e. capital value of rateable property)	7,920,991,900	7,995,690,500
Gross Land Value	5,435,707,700	5,444,427,700
Net Land Value	5,274,061,000	5,281,447,600