

**NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY MEETING OF THE GORE DISTRICT COUNCIL WILL BE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 14 OCTOBER 2008, FOLLOWING THE CONCLUSION OF THE FINANCE AND POLICY COMMITTEE MEETING**

**Stephen Parry  
CHIEF EXECUTIVE**

**8 October 2008**

## ***A G E N D A***

### 1. ADOPTION OF 2007/08 ANNUAL REPORT

(Memo from General Manager, Corporate Services – 08.10.08)

Enclosed is the final annual report for the year ended 30 June 2008 for consideration and adoption by the Council.

Detailed below are some pertinent points of clarification relating to the results:

1. The surplus for the year is \$672,000, compared to a budget surplus of \$4,000. As explained during the year, this includes funding from outside sources of \$492,000 as part of the purchase of the former Smith's City building, so the "real" surplus is \$180,000. The \$492,000 is shown in the other revenue figure of \$599,000.
2. Also included in the other revenue figure, are recoveries from the wind farm hearing process of \$258,000, along with additional land transport subsidies resulting from works undertaken during the year which had been budgeted for completion in 2007.
3. Other expenses include the costs of the wind farm hearings recovered of \$258,000.

By way of overall summary, if the Council was to remove the one-off items of the former Smith's City building funding and the wind farm hearings, it is very pleasing to note that total revenues are within 3% of the budgeted amount and operating expenses are within 1.76% of the budgeted amount. This is an extremely pleasing result and is testament to the levels of control in place and also the inherent accuracy of the budgeting process within the Council.

From a Council wide perspective, the final rating result, after allowing for all items of capital expenditure and reserve movements, is a surplus of \$77,000, due principally to the water section which has a surplus of \$64,000 where revenue has exceeded budget by \$35,000 and operating costs have been under spent by \$2,900. As previously reported to monthly meetings, there have been over-runs in the regulatory division (\$34,000 due to reduced revenue from our now more permissive District Plan) and the aquatic division (\$45,000 due to issues with staffing rosters and some additional maintenance requirements) but these have been off-set by savings across a number of the other sections within the Council.

As referred to previously, the 2008 year ended with an extremely pleasing result and reflects well on the Council and staff with a rating surplus of \$77,000 comparing most favourably with a rates struck figure of \$9,377,000, ie final surplus being a favourable variance of 0.82%.

#### **RECOMMENDATION**

**THAT as the water activity is funded by a special targeted rate, the water activity surplus of \$64,000 be carried forwarded to off set rating requirements for the water activity in the 2009/10 and subsequent rating years,**

**AND THAT the annual report for the year ended 30 June 2008, as tabled, be adopted.**