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Dear CEO

We recently met or discussed by telephone your Council's finance and policy requirements. This booklet is intended as a follow up to these discussions.

Our services are now quite extensive ... as you can see from the contents of this document and include 'Specialised' reporting in addition to the extensive reportage available upon subscription* to the *'Base Stats with Trendz'* reports.

Last year subscribers obtained from their *'Base Stats'* subscription a 'freebie' ... the *'Affordability and Remuneration'* 'Specialised' reports. This year the free report is the **LGLT** ... the 2011 NZ TLA Council financial sustainability and affordability League Table.

Enclosed is an order form from which you can order the reports that you require. These include:

- The **LGLT** 2011 NZ TLA financial Sustainability/Affordability League Table
- Affordability & Remuneration Reports
- Asset/Depreciation Reports
- LGNZ LNM Depreciation Initiative Reports
- Sustainability & Debt Servicing Reports

If sufficient interest is expressed in ordering these 'Specialised' reports they will be processed for 2011 data and delivered by June 30th 2011.

Kind regards

Larry Mitchell

* **Non-subscribers to the *'Base Stats'* reports may obtain all or any of the listed reports (including the League Table) at the posted prices. Order form enclosed.**

Larry. N. Mitchell

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Products and Professional Services

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‘Base Stats with Trendz’ reports

The ***‘Base Stats with Trendz’*** reports comprise a package of over 200 key statistics for each Council supplied on an annual basis.

The ***‘Base Stats with Trendz’*** reports represent a formidable body of knowledge specific to New Zealand Councils covering all financial and many economic and socio economic statistics. (Full details are at www.kauriglen.co.nz/larry click on **Base Stats with Trendz**). The reports include the comparative financial measures of Council rates, debt, revenues, expenditures and financial position. The ***‘Outcomes-Results’*** module is a set of thirty measures covering Income, Economic and Wealth statistics-reports essential to track your TLA area’s (mini-gdp) City or District economic progress.

Standard single issue market price \$5,500 pa excludes gst.

Three year ‘deal’ concessional price: from \$3,750 excluding gst and modest disbursements.



‘Base Stats with Trendz’ Reports Contents

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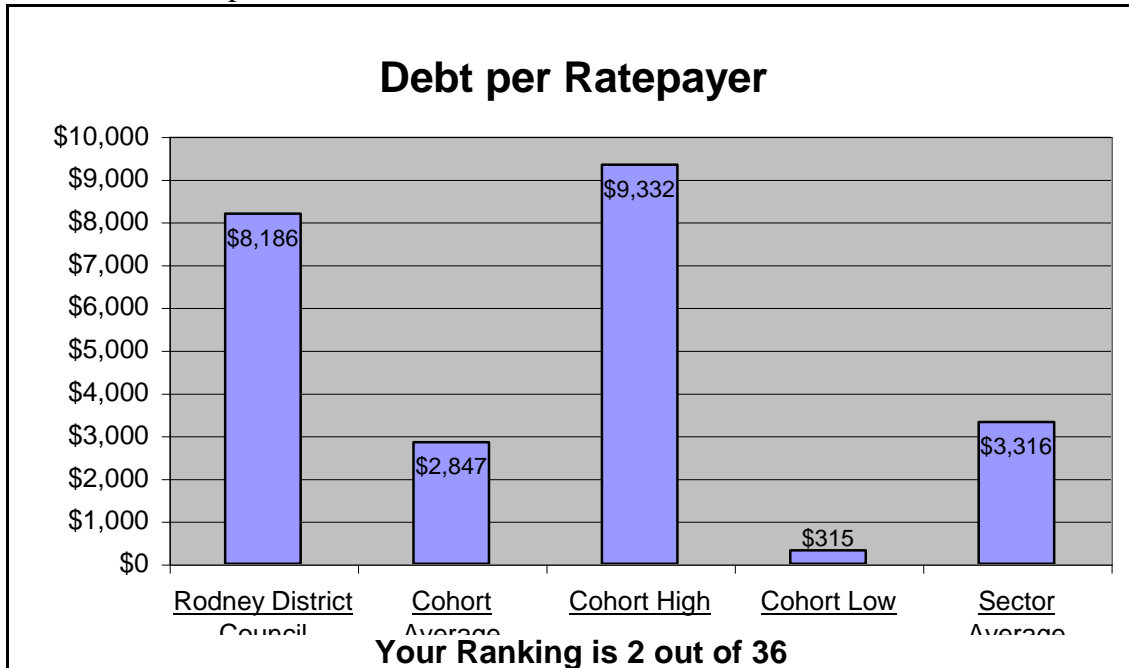


'Base Stats with Trendz' Sample Report

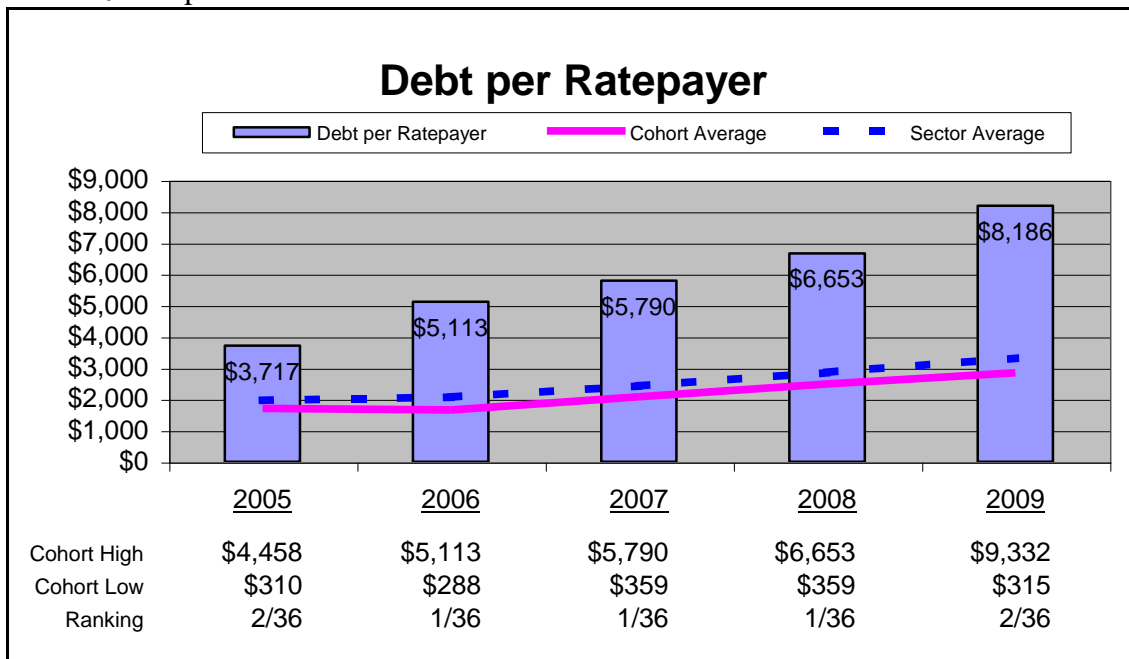
Debt per Ratepayer

Current Liabilities + Term Liabilities / Ratepayer numbers

'Base Stats' Graph



'Trendz' Graph





Affordability & Remuneration (*'Specialised'*) Reports

These extensive (24) reports cover all matters of TLA Affordability and Remuneration. In addition to rates, debt and other economic influences, (for instance household incomes) the reports cover Council payroll. Payroll represents over 20% on average of Council total operating costs and deserves close scrutiny ... as do the other affordability metrics.

Usual market price \$1,750 pa

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Proportion Management Salaries to Operating Revenue

Proportion Management Salaries to Wages

Proportion CEO Salaries to Management Salaries

Proportion CEO Salaries to Operating Revenue

Councillor Remuneration to Operating Revenue



Affordability Reports – Rates Sample

Measure: Rates Per Ratepayer to Household Income

Variables: Ratepayer Revenue; Ratepayer Numbers; Household Income

Source: Base Stats 2009

Period: 2008-2009

3 Years

Peer Group	Council Name	\$ Rates per Ratepayer 2008	\$ Rates per Ratepayer 2009	\$ HH Income 2008	\$ HH Income 2009	% Rates per Ratepayer to HH Income 2008	% Rates per Ratepayer to HH Income 2009	% Rates per Ratepayer to HH Income Incr/Decr 2008-2009	% Rates per Ratepayer to HH Income Incr/Decr 2007-2009
Metro	Auckland City	2,276	2,402	76,263	77,636	2.98%	3.09%	3.6%	3.0%
	Christchurch City	1,373	1,487	59,535	60,607	2.31%	2.45%	6.4%	9.4%
	Dunedin City	1,592	1,750	54,963	55,952	2.90%	3.13%	8.0%	10.6%
	Hamilton City	1,744	1,848	63,379	64,520	2.75%	2.86%	4.1%	4.4%
	Hutt City	1,890	1,979	67,223	68,433	2.81%	2.89%	2.9%	0.8%
	Manukau City	1,606	1,515	71,795	73,087	2.24%	2.07%	-7.3%	-2.7%
	North Shore City	2,306	2,436	77,717	79,116	2.97%	3.08%	3.8%	6.5%
	Waitakere City	1,781	2,213	68,055	69,280	2.62%	3.19%	22.1%	23.7%
	Wellington City	2,632	2,805	81,458	82,924	3.23%	3.38%	4.7%	11.1%
City	Invercargill City	1,394	1,463	53,405	54,366	2.61%	2.69%	3.1%	24.6%
	Napier City	1,647	1,717	54,755	55,741	3.01%	3.08%	2.4%	0.4%
	New Plymouth District	1,462	1,581	56,626	57,645	2.58%	2.74%	6.2%	15.7%
	Palmerston North City	1,769	1,956	58,704	59,761	3.01%	3.27%	8.6%	11.7%
	Porirua City	2,092	2,196	72,314	73,616	2.89%	2.98%	3.1%	3.3%
	Rotorua District	2,059	2,227	58,288	59,337	3.53%	3.75%	6.2%	4.3%
	Tauranga District	1,245	1,455	56,937	57,962	2.19%	2.51%	14.8%	15.2%
	Upper Hutt City	1,486	1,556	64,730	65,895	2.29%	2.36%	2.9%	3.9%
	Whangarei District	1,480	1,575	55,794	56,798	2.65%	2.77%	4.6%	9.3%
	Ashburton District	1,236	1,398	55,794	56,798	2.22%	2.46%	11.1%	23.6%
Prov/Rural	Central Hawkes Bay District	1,736	1,873	53,612	54,577	3.24%	3.43%	6.0%	8.5%
	Central Otago District	1,226	1,354	52,885	53,837	2.32%	2.52%	8.5%	13.8%
	Clutha District	1,527	1,612	51,742	52,673	2.95%	3.06%	3.7%	-2.1%
	Far North District	1,637	1,764	48,625	49,500	3.37%	3.56%	5.9%	9.5%
	Franklin District	1,664	1,783	71,484	72,771	2.33%	2.45%	5.2%	5.4%
	Gisborne District	1,643	1,735	52,262	53,203	3.14%	3.26%	3.8%	3.8%
	Hastings District	1,772	1,834	56,833	57,856	3.12%	3.17%	1.6%	3.6%
	Horowhenua District	1,141	1,232	44,677	45,481	2.55%	2.71%	6.0%	6.7%
	Kaipara District	1,021	1,118	49,041	49,924	2.08%	2.24%	7.6%	7.9%
	Kapiti Coast District	1,455	1,533	55,794	56,798	2.61%	2.70%	3.5%	5.0%
	Manawatu District	1,476	1,515	57,768	58,808	2.56%	2.58%	0.8%	3.8%
	Marlborough District	1,656	1,765	56,106	57,116	2.95%	3.09%	4.7%	9.1%
	Masterton District	1,321	1,424	51,431	52,357	2.57%	2.72%	5.9%	9.2%
	Matamata-Piako District	1,568	1,693	60,054	61,135	2.61%	2.77%	6.1%	6.8%
	Nelson City	2,010	2,228	55,171	56,164	3.64%	3.97%	8.9%	13.9%
	Papakura District	1,372	1,501	67,535	68,751	2.03%	2.18%	7.4%	6.0%
	Queenstown Lakes District	1,834	2,013	73,353	74,673	2.50%	2.70%	7.8%	9.4%
	Rodney District	1,954	2,238	67,535	68,751	2.89%	3.26%	12.5%	13.2%
	Ruapehu District	1,700	1,800	49,976	50,876	3.40%	3.54%	4.0%	4.9%
	Selwyn District	952	1,049	70,964	72,241	1.34%	1.45%	8.2%	11.3%
	South Taranaki District	1,646	1,765	56,833	57,856	2.90%	3.05%	5.4%	3.2%
	South Waikato District	1,640	1,711	53,093	54,049	3.09%	3.16%	2.4%	-4.6%
	Southland District	1,325	1,417	58,807	59,866	2.25%	2.37%	5.1%	6.9%
	Taranua District	1,413	1,510	52,158	53,097	2.71%	2.84%	5.0%	8.2%
	Tasman District	1,075	1,122	53,612	54,577	2.01%	2.06%	2.5%	11.1%
	Taupo District	1,693	1,821	58,288	59,337	2.90%	3.07%	5.6%	9.8%
	Thames-Coromandel District	1,825	2,055	48,625	49,500	3.75%	4.15%	10.6%	22.5%
	Timaru District	1,333	1,427	50,495	51,404	2.64%	2.78%	5.1%	5.7%



Affordability Reports – Rates Sample (continued)

Prov/Rural	Waikato District	1,732	1,827	66,392	67,587	2.61%	2.70%	3.7%	7.0%
	Waimakariri District	1,334	1,394	59,950	61,029	2.23%	2.28%	2.6%	2.4%
	Waipa District	1,517	1,637	64,210	65,366	2.36%	2.50%	6.0%	7.9%
	Waitaki District	1,554	1,659	46,547	47,385	3.34%	3.50%	4.9%	7.4%
	Wanganui District	1,631	1,719	47,690	48,548	3.42%	3.54%	3.5%	6.2%
	Western Bay of Plenty District	1,755	1,889	57,872	58,914	3.03%	3.21%	5.7%	5.8%
	Whakatane District	1,683	1,817	58,080	59,125	2.90%	3.07%	6.0%	12.6%
Rural	Buller District	1,117	1,394	43,222	44,000	2.59%	3.17%	22.5%	69.6%
	Carterton District	1,307	1,389	53,197	54,155	2.46%	2.57%	4.5%	7.3%
	Chatham Islands	666	695	59,639	60,713	1.12%	1.14%	2.5%	2.7%
	Gore District	1,366	1,461	50,080	50,981	2.73%	2.86%	5.1%	8.6%
	Grey District	1,253	1,317	51,119	52,039	2.45%	2.53%	3.3%	2.2%
	Hauraki District	1,774	1,838	49,249	50,135	3.60%	3.67%	1.7%	2.5%
	Hurunui District	660	679	53,820	54,789	1.23%	1.24%	1.1%	5.7%
	Kaikoura District	948	1,001	51,638	52,567	1.84%	1.90%	3.8%	-26.8%
	Kawerau District	2,049	2,210	48,521	49,394	4.22%	4.47%	5.9%	8.1%
	MacKenzie District	1,129	1,186	51,015	51,933	2.21%	2.28%	3.2%	3.7%
	Opotiki District	1,216	1,281	45,093	45,905	2.70%	2.79%	3.5%	1.4%
	Otorohanga District	1,637	1,720	59,119	60,183	2.77%	2.86%	3.2%	3.0%
	Rangitikei District	1,557	1,686	50,495	51,404	3.08%	3.28%	6.4%	7.5%
	South Wairarapa District	1,181	1,297	55,794	56,798	2.12%	2.28%	7.9%	9.1%
	Stratford District	1,596	1,663	53,197	54,155	3.00%	3.07%	2.4%	6.8%
	Waimate District	1,296	1,405	45,820	46,645	2.83%	3.01%	6.5%	7.8%
	Wairoa District	1,206	1,309	46,651	47,491	2.59%	2.76%	6.6%	4.3%
	Waitomo District	1,953	2,183	54,132	55,106	3.61%	3.96%	9.8%	22.2%
	Westland District	1,013	1,032	51,950	52,885	1.95%	1.95%	0.1%	-0.2%
	TOTAL	111,815	120,138	4,160,986	4,235,884	2.69%	2.84%	5.5%	7.6%
Metro Group Stats									
	AVERAGE	1,911	2,048	68,932	70,173	2.76%	2.91%	5.3%	7.4%
	MEDIAN	1,781	1,979	68,055	69,280	2.81%	3.08%	4.1%	6.5%
	STD DEVIATION	409	448	8,761	8,918	0.32%	0.41%	7.6%	7.7%
City Group Stats									
	AVERAGE	1,626	1,747	62,282	63,404	2.75%	2.91%	5.8%	9.8%
	MEDIAN	1,486	1,581	58,288	59,337	2.65%	2.77%	4.6%	9.3%
	STD DEVIATION	294	303	9,529	9,701	0.41%	0.42%	3.9%	7.8%
Prov/Rural Group Stats									
	AVERAGE	1,529	1,645	56,663	57,683	2.74%	2.89%	5.6%	7.9%
	MEDIAN	1,600	1,702	55,794	56,798	2.67%	2.81%	5.5%	7.2%
	STD DEVIATION	256	285	7,416	7,550	0.52%	0.55%	2.6%	5.4%
Rural Group Stats									
	AVERAGE	1,312	1,408	51,770	52,701	2.58%	2.73%	5.3%	7.7%
	MEDIAN	1,253	1,389	51,119	52,039	2.59%	2.79%	3.8%	5.7%
	STD DEVIATION	380	416	4,825	4,912	0.77%	0.84%	4.8%	17.4%
Total of all Groups Stats									
	AVERAGE	1,532	1,646	57,111	58,139	2.70%	2.85%	5.5%	8.0%
	MEDIAN	1,557	1,659	55,794	56,798	2.70%	2.86%	5.1%	6.9%
	STD DEVIATION	358	390	8,468	8,621	0.56%	0.61%	4.2%	10.2%



Remuneration Reports –Sample

Measure: Proportion of Wages to Council Operating Expenditure (* Note: Estimate Column)

Variables: Employee Benefits/Council Operating Expenditure

Source: Base Stats 2009

* = Estimate

Period: 2007-2009

Peer Group	Council Name	\$000	\$000	\$000	\$000	%	%	%
		Wages 2007	Wages 2009	OpEx 2007	OpEx 2009	Wages to OpEx 2007	Wages to OpEx 2009	Increase/ Decrease 2007-2009
Metro	Auckland City	141,385	146,947	704,395	816,867	20%	18%	-10.4%
	Christchurch City	103,267	119,788	691,668	857,681	15%	14%	-6.5%
	Dunedin City	35,717	42,613	295,792	353,732	12%	12%	-0.2%
	Hamilton City	43,257	52,087	142,129	196,206	30%	27%	-12.8%
	Hutt City	18,230	23,972	104,506	123,601	17%	19%	11.2%
	Manukau City	71,501	92,049	360,202	417,255	20%	22%	11.1%
	North Shore City	50,537	61,696	234,259	283,258	22%	22%	1.0%
	Waitakere City	66,558	77,793	206,073	289,800	32%	27%	-16.9%
	Wellington City	67,115	92,103	316,408	353,509	21%	26%	22.8%
City	Invercargill City	* 14,500	18,123	78,528	80,925	18%	22%	21.3%
	Napier City	20,727	23,402	65,818	70,859	31%	33%	4.9%
	New Plymouth District	25,000	28,892	91,715	154,658	27%	19%	-31.5%
	Palmerston North City	29,984	34,635	98,315	100,955	30%	34%	12.5%
	Porirua City	* 14,500	* 20,000	52,202	66,197	28%	30%	8.8%
	Rotorua District	27,676	30,836	86,591	98,122	32%	31%	-1.7%
	Tauranga District	24,603	25,189	137,997	132,406	18%	19%	6.7%
	Upper Hutt City	7,337	8,007	33,236	41,547	22%	19%	-12.7%
	Whangarei District	17,071	18,750	103,293	117,176	17%	16%	-3.2%
Prov/Rural	Ashburton District	5,425	6,891	37,009	50,859	15%	14%	-7.6%
	Central Hawkes Bay District	* 2,500	* 2,840	19,290	24,162	13%	12%	-9.3%
	Central Otago District	4,422	5,558	24,841	29,709	18%	19%	5.1%
	Clutha District	3,633	3,882	27,215	32,726	13%	12%	-11.1%
	Far North District	14,104	14,360	83,231	103,689	17%	14%	-18.3%
	Franklin District	10,000	11,081	55,248	64,826	18%	17%	-5.6%
	Gisborne District	10,528	12,287	70,195	72,664	15%	17%	12.7%
	Hastings District	17,981	21,068	71,960	92,554	25%	23%	-8.9%
	Horowhenua District	3,797	6,031	25,958	36,838	15%	16%	11.9%
	Kaipara District	2,572	3,092	30,953	35,251	8%	9%	5.6%
	Kapiti Coast District	12,037	14,367	42,275	48,142	28%	30%	4.8%
	Manawatu District	4,799	5,567	34,200	33,029	14%	17%	20.1%
	Marlborough District	15,450	15,304	75,152	103,377	21%	15%	-28.0%
	Masterton District	3,965	4,307	25,536	29,676	16%	15%	-6.5%
	Matamata-Piako District	5,290	7,084	32,573	38,523	16%	18%	13.2%
	Nelson City	14,902	12,087	61,688	72,166	24%	17%	-30.7%
	Papakura District	6,377	8,709	31,216	43,033	20%	20%	-0.9%
	Queenstown Lakes District	4,233	6,463	64,038	89,830	7%	7%	8.8%
	Rodney District	26,300	30,453	125,239	155,079	21%	20%	-6.5%
	Ruapehu District	3,890	4,322	22,785	31,906	17%	14%	-20.7%
	Selwyn District	7,712	9,390	36,131	48,970	21%	19%	-10.2%
	South Taranaki District	7,043	9,087	41,298	47,840	17%	19%	11.4%
	South Waikato District	5,015	6,834	21,443	25,335	23%	27%	15.3%
	Southland District	8,598	9,903	49,267	55,444	17%	18%	2.3%
	Taranaki District	3,177	3,659	29,011	58,965	11%	6%	-43.3%
	Tasman District	10,443	12,683	57,860	77,000	18%	16%	-8.7%
	Taupo District	16,182	19,336	56,979	68,636	28%	28%	-0.8%
	Thames-Coromandel District	10,047	12,000	51,395	70,372	20%	17%	-12.8%
	Timaru District	9,774	10,737	52,217	55,518	19%	19%	3.3%



Remuneration Reports –Sample (Continued)

Prov/Rural	Waikato District	10,836	14,023	50,203	56,373	22%	25%	15.2%
	Waimakariri District	8,815	11,393	42,276	49,782	21%	23%	9.8%
	Waipa District	9,921	12,617	45,781	59,147	22%	21%	-1.6%
	Waitaki District	5,471	6,581	31,153	37,852	18%	17%	-1.0%
	Wanganui District	10,317	11,203	85,124	61,928	12%	18%	49.3%
	Western Bay of Plenty District	9,523	11,240	44,925	69,044	21%	16%	-23.2%
	Whakatane District	7,972	10,214	39,221	56,504	20%	18%	-11.1%
Rural	Buller District	* 2,700	* 3,579	17,665	16,929	15%	21%	38.3%
	Carterton District	* 2,000	2,342	9,241	10,031	22%	23%	7.9%
	Chatham Islands	371	458	4,034	4,658	9%	10%	6.9%
	Gore District	3,474	4,094	13,252	15,093	26%	27%	3.5%
	Grey District	3,041	3,439	18,874	20,550	16%	17%	3.9%
	Hauraki District	8,121	8,925	22,880	28,798	35%	31%	-12.7%
	Hurunui District	* 3,900	7,463	19,307	34,306	20%	22%	7.7%
	Kaikoura District	1,411	1,853	6,439	7,703	22%	24%	9.8%
	Kawerau District	2,106	2,687	7,133	7,886	30%	34%	15.4%
	MacKenzie District	1,617	1,930	8,181	9,731	20%	20%	0.3%
	Opotiki District	2,337	2,552	8,074	9,490	29%	27%	-7.1%
	Otorohanga District	2,467	2,781	15,301	13,975	16%	20%	23.4%
	Rangitikei District	2,756	2,063	25,506	27,215	11%	8%	-29.8%
	South Wairarapa District	* 1,900	2,091	14,160	13,255	13%	16%	17.6%
	Stratford District	1,998	2,308	9,917	12,040	20%	19%	-4.9%
	Waimate District	2,933	3,574	9,807	12,193	30%	29%	-2.0%
	Wairoa District	2,484	2,916	24,698	26,237	10%	11%	10.5%
	Waitomo District	2,226	3,105	17,262	21,180	13%	15%	13.7%
	Westland District	* 2,500	6,508	13,201	15,089	19%	43%	127.7%
	TOTAL	2,548	1,348,203	12,896	6,947,862	20%	19%	-1.8%
Metro Group Stats								
	AVERAGE	66,396	78,783	339,492	410,212	21%	21%	0%
	MEDIAN	66,558	77,793	295,792	353,509	20%	22%	0%
	STD DEVIATION	37,178	38,729	218,832	257,539	7%	5%	13%
City Group Stats								
	AVERAGE	20,155	23,093	83,077	95,872	25%	25%	1%
	MEDIAN	20,727	23,402	86,591	98,122	27%	22%	5%
	STD DEVIATION	7,370	8,000	30,619	35,278	6%	7%	15%
Prov/Rural Group Stats								
	AVERAGE	8,696	10,185	47,080	57,965	18%	18%	-2%
	MEDIAN	8,285	10,059	42,276	55,481	18%	17%	-1%
	STD DEVIATION	5,093	5,594	22,234	26,810	5%	5%	17%
Rural Group Stats								
	AVERAGE	2,650	3,404	13,944	16,124	20%	22%	12%
	MEDIAN	2,467	2,781	13,252	13,975	20%	21%	8%
	STD DEVIATION	1,533	2,084	6,386	8,171	7%	9%	31%
Total of all Groups Stats								
	AVERAGE	15,649	18,469	78,944	95,176	20%	20%	2%
	MEDIAN	7,972	9,390	41,298	50,859	20%	19%	1%
	STD DEVIATION	23,791	27,234	125,642	150,404	6%	7%	22%



Asset/Depreciation (*'Specialised'*) Reports

This set of (25) reports concentrates upon all financial aspects of asset management. It covers depreciation, CAPEX and debt and represents an essential information base that **must** be linked to asset management (engineering) plans dealing with affordable and sustainable budget-setting long-term financial planning.

Usual market price \$1,750 pa

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Depreciation to Operating Revenue compared to Wages to Operating Revenue



Asset/Depreciation Reports –Sample

Measure: Capital Expenditure (CAPEX) compared to Operating Expenditure (OpEx)

Variables: Capital Expenditure; Operating Expenditure

Source: Base Stats 2010

Period: 2005-2009

Peer Group	Council Name	% CAPEX to OpEx 2005	% CAPEX to OpEx 2006	% CAPEX to OpEx 2007	% CAPEX to OpEx 2008	% CAPEX to OpEx 2009	% CAPEX to OpEx Average 2005-2009
Metro	Auckland City	36.6%	29.8%	51.4%	54.4%	41.2%	42.7%
	Christchurch City	30.5%	34.9%	22.4%	42.3%	28.0%	31.6%
	Dunedin City	36.1%	27.8%	34.2%	35.7%	41.1%	35.0%
	Hamilton City	40.8%	51.4%	43.3%	43.5%	40.5%	43.9%
	Hutt City	22.4%	39.2%	35.0%	33.2%	20.4%	30.0%
	Manukau City	43.3%	42.3%	53.3%	45.8%	38.0%	44.5%
	North Shore City	72.4%	66.1%	58.8%	69.4%	54.6%	64.3%
	Waitakere City	52.5%	64.1%	19.4%	43.0%	43.1%	44.4%
	Wellington City	33.7%	43.4%	29.6%	28.2%	27.8%	32.5%
	Invercargill City	34.6%	39.5%	38.2%	22.6%	28.4%	32.6%
City	Napier City	53.3%	44.6%	34.3%	27.0%	46.2%	41.1%
	New Plymouth District	38.2%	29.1%	40.3%	44.1%	28.2%	36.0%
	Palmerston North City	49.0%	42.1%	45.5%	33.0%	24.0%	38.7%
	Porirua City	13.5%	15.3%	21.1%	36.1%	30.7%	23.3%
	Rotorua District	45.5%	49.5%	50.8%	34.1%	57.2%	47.4%
	Tauranga District	68.5%	78.8%	63.2%	93.6%	70.5%	74.9%
	Upper Hutt City	11.5%	25.2%	23.6%	21.5%	15.3%	19.4%
	Whangarei District	48.7%	45.0%	48.4%	43.4%	26.8%	42.5%
	Ashburton District	31.2%	47.1%	69.5%	49.9%	40.5%	47.6%
	Central Hawkes Bay District	72.8%	43.5%	40.7%	41.4%	32.4%	46.2%
Prov/Rural	Central Otago District	31.3%	33.5%	40.9%	39.8%	30.8%	35.3%
	Clutha District	51.8%	44.8%	59.1%	57.4%	49.2%	52.5%
	Far North District	47.1%	43.9%	84.0%	57.9%	55.6%	57.7%
	Franklin District	54.2%	42.3%	70.2%	78.7%	64.9%	62.1%
	Gisborne District	30.0%	25.9%	25.0%	23.1%	34.0%	27.6%
	Hastings District	38.8%	41.3%	47.1%	60.2%	72.6%	52.0%
	Horowhenua District	28.5%	24.5%	73.8%	68.5%	39.9%	47.0%
	Kaipara District	44.5%	44.5%	56.6%	46.3%	65.6%	51.5%
	Kapiti Coast District	48.6%	45.0%	41.1%	44.3%	73.4%	50.5%
	Manawatu District	28.9%	42.9%	27.6%	33.3%	29.4%	32.4%
	Marlborough District	57.7%	41.4%	43.2%	40.0%	42.4%	44.9%
	Masterton District	46.0%	36.8%	39.8%	33.0%	60.6%	43.2%
	Matamata-Piako District	36.2%	49.0%	37.6%	36.6%	42.1%	40.3%
	Nelson City	53.9%	32.8%	44.7%	26.5%	50.1%	41.6%
	Papakura District	47.5%	41.3%	68.5%	64.0%	68.3%	57.9%
	Queenstown Lakes District	39.2%	71.2%	80.8%	90.3%	56.9%	67.7%
	Rodney District	123.9%	97.1%	67.5%	69.2%	56.6%	82.9%
	Ruapehu District	22.4%	32.8%	8.1%	43.5%	175.8%	56.5%
	Selwyn District	23.9%	75.2%	103.5%	66.3%	57.8%	65.4%
	South Taranaki District	34.8%	37.5%	37.2%	58.4%	94.1%	52.4%
	South Waikato District	34.0%	34.8%	27.8%	26.7%	33.8%	31.4%
	Southland District	40.9%	30.5%	48.5%	56.2%	47.1%	44.6%
	Taranua District	39.4%	24.6%	35.9%	25.0%	20.2%	29.0%
	Tasman District	49.6%	47.0%	47.0%	38.4%	43.3%	45.1%
	Taupo District	38.4%	45.6%	38.0%	100.1%	92.7%	63.0%
	Thames-Coromandel District	44.8%	39.8%	88.6%	101.0%	52.1%	65.2%
	Timaru District	20.0%	40.4%	47.8%	32.0%	65.3%	41.1%



Asset/Depreciation Reports –Sample (Continued)

Prov/Rural	Waikato District	36.4%	57.8%	82.3%	59.9%	57.7%	58.8%
	Waimakariri District	53.8%	86.8%	56.7%	39.8%	49.3%	57.3%
	Waipa District	25.1%	59.7%	25.7%	37.3%	49.0%	39.4%
	Waitaki District	15.3%	28.3%	66.6%	63.3%	39.2%	42.5%
	Wanganui District	26.7%	25.9%	59.8%	54.7%	24.6%	38.3%
	Western Bay of Plenty District	45.5%	77.1%	133.8%	42.2%	33.4%	66.4%
	Whakatane District	12.9%	14.4%	40.6%	34.2%	32.1%	26.8%
Rural	Buller District	23.9%	41.2%	40.2%	99.7%	94.5%	59.9%
	Carterton District	32.6%	25.4%	20.3%	29.9%	40.0%	29.6%
	Chatham Islands	89.7%	20.4%	45.1%	52.7%	78.3%	57.3%
	Gore District	24.9%	34.4%	23.3%	35.9%	24.2%	28.5%
	Grey District	52.8%	42.7%	57.7%	41.0%	80.1%	54.9%
	Hauraki District	52.1%	49.9%	54.0%	37.2%	32.0%	45.0%
	Hurunui District	46.6%	26.6%	26.6%	33.1%	20.5%	30.7%
	Kaikoura District	49.9%	52.4%	40.6%	26.1%	43.2%	42.5%
	Kawerau District	13.0%	15.4%	14.9%	14.9%	10.0%	13.7%
	MacKenzie District	51.3%	27.6%	44.7%	50.0%	46.1%	43.9%
	Opotiki District	21.7%	20.6%	24.6%	21.8%	15.5%	20.8%
	Otorohanga District	55.7%	53.8%	24.8%	37.3%	26.9%	39.7%
	Rangitikei District	23.0%	40.7%	32.6%	45.2%	49.6%	38.2%
	South Wairarapa District	24.2%	38.4%	46.7%	28.7%	26.1%	32.8%
	Stratford District	18.8%	30.3%	32.0%	43.1%	160.0%	56.8%
	Waimate District	23.4%	22.0%	23.3%	24.6%	19.1%	22.5%
	Wairoa District	31.5%	27.6%	31.8%	19.5%	17.2%	25.5%
	Waitomo District	115.4%	26.4%	47.3%	44.5%	48.5%	56.4%
	Westland District	26.3%	35.8%	40.2%	52.9%	36.1%	38.3%
	TOTAL	41.2%	42.0%	44.7%	47.1%	42.1%	43.4%
Metro Group Stats							
	AVERAGE	40.9%	44.3%	38.6%	44.0%	37.2%	41.0%
	MEDIAN	36.6%	42.3%	35.0%	43.0%	40.5%	42.7%
	STD DEVIATION	14.5%	13.8%	14.0%	12.2%	10.2%	10.6%
City Group Stats							
	AVERAGE	40.3%	41.0%	40.6%	39.5%	36.4%	39.6%
	MEDIAN	45.5%	42.1%	40.3%	34.1%	28.4%	38.7%
	STD DEVIATION	18.4%	18.0%	13.3%	21.8%	17.8%	16.0%
Prov/Rural Group Stats							
	AVERAGE	41.0%	44.6%	54.6%	51.1%	53.7%	49.0%
	MEDIAN	39.0%	41.9%	47.4%	45.3%	49.3%	47.3%
	STD DEVIATION	19.1%	17.9%	24.8%	19.9%	27.1%	12.8%
Rural Group Stats							
	AVERAGE	40.9%	33.2%	35.3%	38.9%	45.7%	38.8%
	MEDIAN	31.5%	30.3%	32.6%	37.2%	36.1%	38.3%
	STD DEVIATION	25.9%	11.3%	12.1%	18.5%	36.2%	13.8%
Total of all Groups Stats							
	AVERAGE	40.9%	41.2%	45.9%	45.6%	47.4%	44.2%
	MEDIAN	38.4%	40.7%	41.1%	42.2%	42.1%	43.2%
	STD DEVIATION	20.2%	16.4%	21.3%	19.5%	28.0%	13.9%

Comments: Data Quality Mark ...

A fascinating result when the numbers of this measure are 'reflected upon'. The overall very high level of capex as a proportion of operating expenditure for Councils revealed would be rare amongst private sector entities and reflects the preoccupation of NZ local government councils with very high, mostly growth-related investment in public assets ... over the last five years.

Findings: A range of values ranges from the (relative) lows of the bigger Councils (41% average) to the highs of the mediums (49%) of Councils creating their capital assets. It is revealing to compare this level over the last 5 year period of 2005 to 2009 with earlier decades (much lower) and to speculate upon what the next ten (recessionary) years may show. Indications from 2010-2020 ten year plans indicate more of the same is planned ... whether this will be 'feasible' with future possibly of necessity lower relative expenditure levels is another story. It would pay all Councils to conduct tests of their LTP's ... using these measures.



LGNZ LNM Depreciation Assignment Initiative Reports

These reports, first developed in September of 2010 in consultation with a group of thirteen TLA's and with LGNZ's support, focused on the issues concerning the accuracy of the amounts of depreciation being provided by Councils.

Usual market price \$1,250 pa

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Capital Expenditure to Depreciation
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Depreciation to Operating Expenditure (see sample enclosed)

Sustainability and Debt Servicing Reports

A new addition to the '**Base Stats**' data sets, the Sustainability and Debt Servicing Reports are a volume of 13 reports all fundamental to setting and controlling your Council's debt servicing (interest) costs.

Usual market price \$1,750 pa

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Debt Servicing Costs (Interest) to Total Debt
Debt Servicing Costs (Interest) to Operating Expenditure
Debt Servicing Costs (Interest) to Ratepayer Numbers
Debt Servicing Costs (Interest) to Total Assets
Debt Servicing Costs (Interest) to Infrastructural Assets
Debt Servicing Costs (Interest) to Rates
Debt Servicing Costs (Interest) to Ratepayers Equity
CAPEX to Depreciation (see sample enclosed)
Proportion of Debt Servicing per Ratepayer to Average Residential Rates
Current Asset divided by Current Liabilities
Current Liabilities divided by Total Liabilities
Surplus/Deficit divided by Operating Revenue
Surplus/Deficit divided by Ratepayer Numbers



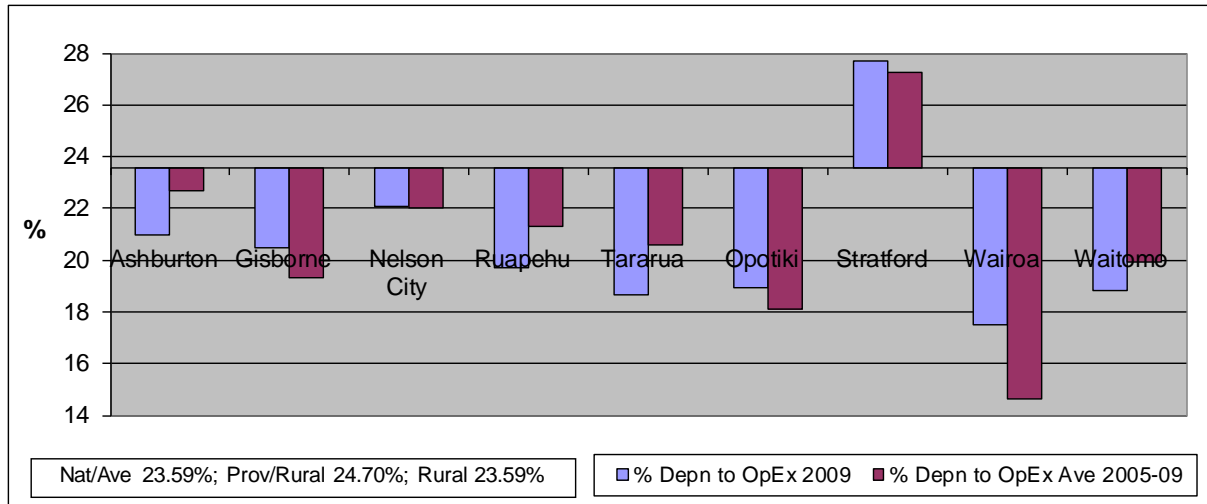
LGNZ LNM Depreciation Initiative – Sample

Measure: Depreciation Expense (Deprⁿ) to Council Operating Expenditure (OpEx)

Variables: Depreciation; Council Operating Expenditure

Source: Base Stats 2010

Period: 2005-2009



Peer Group	Council Name	% Depr ⁿ to OpEx 2005	% Depr ⁿ to OpEx 2006	% Depr ⁿ to OpEx 2007	% Depr ⁿ to OpEx 2008	% Depr ⁿ to OpEx 2009	% Depr ⁿ to OpEx Average 2005-2009
Metro	Auckland City	19.92%	15.35%	18.78%	19.24%	20.26%	18.71%
	Christchurch City	18.21%	20.94%	20.45%	22.20%	21.71%	20.70%
	Dunedin City	16.64%	19.85%	19.03%	18.33%	17.87%	18.34%
	Hamilton City	25.70%	27.10%	25.43%	23.83%	21.88%	24.79%
	Hutt City	20.51%	21.45%	21.61%	21.52%	21.95%	21.41%
	Manukau City	24.00%	24.22%	24.97%	24.88%	22.63%	24.14%
	North Shore City	22.62%	20.22%	19.96%	19.49%	19.05%	20.27%
	Waitakere City	16.98%	17.26%	17.22%	16.25%	14.78%	16.50%
	Wellington City	18.12%	19.40%	19.82%	19.49%	21.37%	19.64%
City	Invercargill City	29.85%	21.50%	16.09%	20.02%	26.71%	22.83%
	Napier City	22.33%	21.96%	22.39%	22.39%	24.81%	22.77%
	New Plymouth District	20.56%	22.65%	23.43%	21.54%	16.75%	20.99%
	Palmerston North City	19.37%	20.06%	18.27%	12.48%	23.14%	18.66%
	Porirua City	19.31%	23.20%	25.42%	22.20%	18.53%	21.73%
	Rotorua District	20.05%	24.52%	28.47%	25.22%	24.92%	24.64%
	Tauranga District	22.58%	18.59%	18.06%	21.24%	23.19%	20.73%
	Upper Hutt City	24.11%	20.56%	21.15%	22.94%	25.63%	22.88%
	Whangarei District	23.89%	21.85%	24.14%	27.35%	25.27%	24.50%
Prov/Rural	Ashburton District	22.33%	24.85%	24.58%	20.58%	20.96%	22.66%
	Central Hawkes Bay District	36.51%	38.53%	40.43%	40.89%	42.33%	39.74%
	Central Otago District	25.14%	25.95%	27.06%	25.17%	26.93%	26.05%
	Clutha District	37.79%	38.01%	42.02%	40.97%	41.15%	39.99%
	Far North District	20.68%	23.32%	74.44%	19.90%	21.10%	31.89%
	Franklin District	25.13%	22.09%	23.66%	25.61%	22.90%	23.88%
	Gisborne District	17.78%	20.42%	17.82%	20.15%	20.47%	19.33%
	Hastings District	26.28%	26.04%	26.53%	26.83%	26.47%	26.43%
	Horowhenua District	23.24%	24.10%	26.83%	24.43%	24.30%	24.58%
	Kaipara District	34.28%	33.46%	31.63%	33.48%	32.85%	33.14%
	Kapiti Coast District	21.77%	22.46%	21.82%	22.73%	22.82%	22.32%
	Manawatu District	15.72%	25.08%	25.20%	28.08%	22.16%	23.25%
	Marlborough District	18.57%	17.85%	16.88%	15.81%	18.35%	17.49%
	Masteron District	25.70%	27.75%	25.10%	26.69%	29.34%	26.92%
	Matamata-Piako District	26.25%	25.76%	28.24%	28.14%	27.17%	27.11%
	Nelson City	23.13%	21.70%	21.55%	21.58%	22.07%	22.01%



LGNZ LNM Depreciation Initiative – Sample (continued)

Prov/Rural	Papakura District	20.78%	25.58%	24.35%	24.13%	25.08%	23.98%
	Queenstown Lakes District	21.84%	20.57%	20.52%	21.28%	19.19%	20.68%
	Rodney District	25.28%	23.60%	24.62%	24.33%	23.99%	24.37%
	Ruapehu District	21.09%	22.00%	19.06%	24.72%	19.68%	21.31%
	Selwyn District	28.83%	32.70%	25.86%	23.60%	26.86%	27.57%
	South Taranaki District	21.91%	26.81%	22.05%	23.88%	23.07%	23.54%
	South Waikato District	19.90%	19.42%	21.12%	19.26%	21.01%	20.14%
	Southland District	27.84%	31.87%	32.08%	32.99%	33.07%	31.57%
	Taranua District	23.62%	16.18%	29.18%	15.38%	18.64%	20.60%
	Tasman District	17.28%	18.12%	25.06%	20.99%	19.98%	20.29%
	Taupo District	18.17%	19.72%	19.44%	18.59%	20.51%	19.28%
	Thames-Coromandel District	18.61%	20.17%	20.12%	20.57%	20.12%	19.92%
	Timaru District	38.26%	25.75%	26.59%	23.65%	32.46%	29.34%
	Waikato District	19.38%	21.36%	30.95%	25.99%	24.91%	24.52%
	Waimakariri District	20.81%	23.44%	22.15%	21.65%	21.15%	21.84%
	Waipa District	25.13%	25.84%	28.25%	25.91%	21.03%	25.23%
	Waitaki District	21.62%	20.49%	32.55%	25.94%	33.43%	26.81%
	Wanganui District	20.25%	13.89%	12.20%	22.85%	12.42%	16.32%
	Western Bay of Plenty District	18.63%	26.01%	25.43%	23.07%	20.30%	22.69%
	Whakatane District	16.85%	18.94%	24.34%	23.46%	29.05%	22.53%
Rural	Buller District	16.98%	18.36%	19.95%	21.94%	26.97%	20.84%
	Carterton District	19.72%	22.46%	19.19%	20.21%	23.85%	21.08%
	Chatham Islands	20.87%	15.83%	34.38%	29.56%	32.70%	26.67%
	Gore District	26.46%	26.75%	26.86%	24.67%	24.96%	25.94%
	Grey District	28.26%	30.33%	28.61%	32.22%	32.71%	30.43%
	Hauraki District	23.26%	22.47%	26.81%	26.04%	27.24%	25.17%
	Hurunui District	24.22%	23.76%	23.76%	22.65%	15.36%	21.95%
	Kaikoura District	20.14%	19.99%	18.08%	18.12%	21.34%	19.53%
	Kawerau District	25.77%	24.14%	24.02%	27.76%	25.96%	25.53%
	MacKenzie District	28.25%	27.87%	27.71%	28.24%	27.50%	27.91%
	Opotiki District	16.54%	17.96%	19.11%	17.92%	18.96%	18.10%
	Otorohanga District	20.32%	23.94%	18.63%	23.11%	24.34%	22.07%
	Rangitikei District	18.32%	29.72%	30.76%	35.01%	32.95%	29.35%
	South Wairarapa District	21.50%	21.30%	21.41%	25.04%	26.05%	23.06%
	Stratford District	26.28%	26.42%	28.86%	27.09%	27.67%	27.27%
	Waimate District	18.59%	22.84%	27.29%	25.58%	22.05%	23.27%
	Wairoa District	13.01%	11.09%	17.18%	14.35%	17.50%	14.62%
	Waitomo District	31.48%	11.31%	20.34%	17.67%	18.81%	19.92%
	Westland District	22.85%	23.64%	25.45%	32.90%	23.02%	25.57%
	TOTAL	21.06%	20.93%	22.54%	21.79%	21.71%	21.61%
Metro Group Stats							
	AVERAGE	20.30%	20.64%	20.81%	20.58%	20.17%	20.50%
	MEDIAN	19.92%	20.22%	19.96%	19.49%	21.37%	20.27%
	STD DEVIATION	3.20%	3.48%	2.77%	2.75%	2.54%	2.67%
City Group Stats							
	AVERAGE	22.45%	21.65%	21.93%	21.71%	23.22%	22.19%
	MEDIAN	22.33%	21.85%	22.39%	22.20%	24.81%	22.77%
	STD DEVIATION	3.32%	1.76%	3.96%	4.10%	3.38%	1.90%
Prov/Rural Group Stats							
	AVERAGE	23.51%	24.16%	26.66%	24.54%	24.65%	24.70%
	MEDIAN	21.87%	23.52%	25.08%	23.77%	22.86%	23.71%
	STD DEVIATION	5.72%	5.50%	10.09%	5.55%	6.29%	5.36%
Rural Group Stats							
	AVERAGE	22.25%	22.12%	24.13%	24.74%	24.73%	23.59%
	MEDIAN	21.50%	22.84%	24.02%	25.04%	24.96%	23.27%
	STD DEVIATION	4.72%	5.41%	4.92%	5.60%	5.04%	4.06%



Sustainability and Debt Servicing Reports – Sample

Variables: Capital Expenditure; Depreciation

Source: Base Stats 2010

Period: 2005-2009

Peer Group		CAPEX to Dep ⁿ 2005	CAPEX to Dep ⁿ 2006	CAPEX to Dep ⁿ 2007	CAPEX to Dep ⁿ 2008	CAPEX to Dep ⁿ 2009	% CAPEX to Dep ⁿ Average 2005-2009
Metro	Auckland City	1.8	1.9	2.7	2.8	2.0	2.28
	Christchurch City	1.7	1.7	1.1	1.9	1.3	1.53
	Dunedin City	2.2	1.4	1.8	1.9	2.3	1.92
	Hamilton City	1.6	1.9	1.7	1.8	1.9	1.77
	Hutt City	1.1	1.8	1.6	1.5	0.9	1.40
	Manukau City	1.8	1.7	2.1	1.8	1.7	1.84
	North Shore City	3.2	3.3	2.9	3.6	2.9	3.17
	Waitakere City	3.1	3.7	1.1	2.6	2.9	2.70
	Wellington City	1.9	2.2	1.5	1.4	1.3	1.67
City	Invercargill City	1.2	1.8	2.4	1.1	1.1	1.51
	Napier City	2.4	2.0	1.5	1.2	1.9	1.80
	New Plymouth District	1.9	1.3	1.7	2.0	1.7	1.72
	Palmerston North City	2.5	2.1	2.5	2.6	1.0	2.16
	Porirua City	0.7	0.7	0.8	1.6	1.7	1.09
	Rotorua District	2.3	2.0	1.8	1.4	2.3	1.94
	Tauranga District	3.0	4.2	3.5	4.4	3.0	3.64
	Upper Hutt City	0.5	1.2	1.1	0.9	0.6	0.87
	Whangarei District	2.0	2.1	2.0	1.6	1.1	1.75
Prov/Rural	Ashburton District	1.4	1.9	2.8	2.4	1.93	2.10
	Central Hawkes Bay District	2.0	1.1	1.0	1.0	0.77	1.18
	Central Otago District	1.2	1.3	1.5	1.6	1.14	1.35
	Clutha District	1.4	1.2	1.4	1.4	1.20	1.31
	Far North District	2.3	1.9	1.1	2.9	2.64	2.17
	Franklin District	2.2	1.9	3.0	3.1	2.83	2.59
	Gisborne District	1.7	1.3	1.4	1.1	1.66	1.43
	Hastings District	1.5	1.6	1.8	2.2	2.74	1.97
	Horowhenua District	1.2	1.0	2.7	2.8	1.64	1.89
	Kaipara District	1.3	1.3	1.8	1.4	2.00	1.56
	Kapiti Coast District	2.2	2.0	1.9	1.9	3.21	2.26
	Manawatu District	1.8	1.7	1.1	1.2	1.33	1.43
	Marlborough District	3.1	2.3	2.6	2.5	2.31	2.57
	Masterton District	1.8	1.3	1.6	1.2	2.07	1.60
	Matamata-Piako District	1.4	1.9	1.3	1.3	1.55	1.49
	Nelson City	2.3	1.5	2.1	1.2	2.62	1.95
	Papakura District	2.3	1.6	2.8	2.7	2.72	2.42
	Queenstown Lakes District	1.8	3.5	3.9	4.2	2.96	3.28
	Rodney District	4.9	4.1	2.7	2.8	2.36	3.39
	Ruapehu District	1.1	1.5	0.4	1.8	1.38	1.22



Sustainability and Debt Servicing Reports – Sample (continued)

Prov/Rural	Selwyn District	0.8	2.3	4.0	2.8	2.15	2.42
	South Taranaki District	1.6	1.4	1.7	2.4	4.08	2.24
	South Waikato District	1.7	1.8	1.3	1.4	1.61	1.56
	Southland District	1.5	1.0	1.5	1.7	1.42	1.41
	Tararua District	1.7	1.5	1.2	1.6	1.08	1.43
	Tasman District	2.9	2.6	1.9	1.8	2.17	2.27
	Taupo District	2.1	2.3	2.0	5.4	4.52	3.26
	Thames-Coromandel District	2.4	2.0	4.4	4.9	2.59	3.26
	Timaru District	0.5	1.6	1.8	1.4	2.01	1.45
	Waikato District	1.9	2.7	2.7	2.3	2.32	2.37
	Waimakariri District	2.6	3.7	2.6	1.8	2.33	2.60
	Waipa District	1.0	2.3	0.9	1.4	2.33	1.60
	Waitaki District	0.7	1.4	2.0	2.4	1.17	1.55
	Wanganui District	1.3	1.9	4.9	2.4	1.98	2.49
	Western Bay of Plenty District	2.4	3.0	5.3	1.8	1.65	2.83
	Whakatane District	0.8	0.8	1.7	1.5	1.11	1.15
Rural	Buller District	1.4	2.2	2.0	4.5	3.50	2.74
	Carterton District	1.7	1.1	1.1	1.5	1.68	1.40
	Chatham Islands	4.3	1.3	1.3	1.8	2.40	2.22
	Gore District	0.9	1.3	0.9	1.5	0.97	1.10
	Grey District	1.9	1.4	2.0	1.3	2.45	1.80
	Hauraki District	2.2	2.2	2.0	1.4	1.17	1.82
	Hurunui District	1.9	1.1	1.1	1.5	1.34	1.39
	Kaikoura District	2.5	2.6	2.2	1.4	2.03	2.16
	Kawerau District	0.5	0.6	0.6	0.5	0.38	0.54
	MacKenzie District	1.8	1.0	1.6	1.8	1.68	1.57
	Opotiki District	1.3	1.1	1.3	1.2	0.82	1.16
	Otorohanga District	2.7	2.2	1.3	1.6	1.11	1.81
	Rangitikei District	1.3	1.4	1.1	1.3	1.51	1.30
	South Wairarapa District	1.1	1.8	2.2	1.1	1.00	1.45
	Stratford District	0.7	1.2	1.1	1.6	1.84	1.30
	Waimate District	1.3	1.0	0.9	1.0	0.86	0.98
	Wairoa District	2.4	2.5	1.9	1.4	0.99	1.82
	Waitomo District	3.7	2.3	2.3	2.5	2.58	2.68
	Westland District	1.2	1.5	1.6	1.6	1.6	1.48
	TOTAL	134.3	135.2	141.3	145.1	136.9	138.5
Metro Group Stats							
	AVERAGE	2.0	2.2	1.9	2.2	1.9	2.0
	MEDIAN	1.8	1.9	1.7	1.9	1.9	1.8
	STD DEVIATION	0.7	0.8	0.6	0.7	0.7	0.6
City Group Stats							
	AVERAGE	1.8	1.9	1.9	1.9	1.6	1.8
	MEDIAN	2.0	2.0	1.8	1.6	1.7	1.8
	STD DEVIATION	0.9	1.0	0.8	1.1	0.8	0.8
Prov/Rural Group Stats							
	AVERAGE	1.8	1.9	2.2	2.2	2.1	2.0
	MEDIAN	1.7	1.8	1.8	1.8	2.0	2.0
	STD DEVIATION	0.8	0.8	1.1	1.0	0.8	0.7
Rural Group Stats							
	AVERAGE	1.8	1.6	1.5	1.6	1.6	1.6
	MEDIAN	1.7	1.4	1.3	1.5	1.5	1.5
	STD DEVIATION	1.0	0.6	0.5	0.8	0.8	0.6



LGLT ... the League Table

The 2011 LGLT “measurement of Council financial sustainability and community affordability issues”

The Local Government League Table (**LGLT**) contains a ranking for all 73 TLA Councils in terms of their relative/comparative position with respect to Council financial sustainability and the local community’s affordability status.

The 10 measures (described in the **LGLT** report) plus five additional judgements are combined to form the League Table.

Usual market price \$2,700 pa



LGLT ... the League Table – Sample

Other Factors Scoring Report (Page 1 of 2)

Council Name	Earthquake	Leaky Buildings	Audit Opinion 2010	Commercial Assets/Debt	Financial Assets	Investment Property	Very High Debt	Other Factors
				Good	Bad	Fair		
Ashburton District				B	F	G		●
Auckland City		LB		G	G	G	Yes	●
Buller District				B	B	G		●
Carterton District			Performance	B	B	B		●
Central Hawkes Bay District			Bank Covenant Rooding Co.	B	F	B		●
Central Otago District				G	F	F		●
Chatham Islands				B	B	B		●
Christchurch City	EQ	LB		G	G	G	Yes	●
Clutha District				G	B	B		●
Dunedin City		LB		F	F	F	Yes	●
Far North District		LB		F	F	G		●
Franklin District				B	F	B		●
Gisborne District				F	B	F		●
Gore District				B	B	B		●
Grey District			Performance	F	F	F		●
Hamilton City		LB		F	G	G	Yes	●
Hastings District				B	B	B		●
Hauraki District				B	B	F		●
Horowhenua District				B	B	F		●
Hurunui District				B	B	B		●
Hutt City				B	G	B		●
Invercargill City		LB		B	B	G		●
Kaikoura District				F	B	G		●
Kaipara District				B	G	B	Yes	●
Kapiti Coast District		LB		B	F	B		●
Kawerau District				B	F	B		●
MacKenzie District				B	G	G		●
Manawatu District				F	G	F		●
Manukau City		LB		G	G	G		●
Marlborough District				G	G	G		●
Masterton District				F	G	G		●
Matamata-Piako District				F	G	G		●



Depreciation Assignment ... driving down depreciation expense

NZ TLA Council depreciation has reached a point where, on average it represents (at 22% of operating expense) the largest overhead/expense in Council's statements of financial performance. A methodology has been developed to determine if your Council has taken advantage of the many strategies of depreciation expense relief. There is often, for most Councils ample scope for implementation of these policies and can lead to a reduction of the excessive rating burden caused by over estimates of Council depreciation expense.

The Depreciation assignment involves both forensic and reporting of findings phases ... and if justified an implementation project. Usually three consulting days (at \$1,350 per day) is required to scope and diagnose the issues. Assistance with implementation can be quoted on a case by case basis.

All enquiries to Larry Mitchell 09 422 0598.

Kiwi DC “A Top Performer” ... or other proposition – use of ‘Base Stats’ data

The use of the ‘**Base Stats**’ information resource, (over 500 data points/elements per Council per annum) in the context of testing various propositions can lead to very useful results.

One example involves the proposition that the body of stats and a scrutiny of a Council's financial and economic position supports (or not!) the view that the Council is a Top Performer.

Other similar positions might include for instance that Kiwi DC's debt level maximums are both sustainable and prudent ... or that the Kiwi DC payroll and staff numbers are appropriate to the scale and nature of its operations ... and so on.

Market price based on costings of similar assignments circa \$15,000



The '10 Biggies' a Face-to-Face hands on Presentation

A NZ District Council “Reality and Health” check ...

The '10 Biggies' analysis and the 1hr 30min presentation suits new Councillor briefings, funding reviews, long term financial planning etc and provides a snapshot of a Council's circumstances, its limits of financial and other plans.

The following is a list of topic headings covered. The presentation and discussions that follow use the comparative (ranked) '**Base Stats with Trendz**' reportage and findings of these topics ...

- Ability to Pay...Income factors
- Ability to Pay...Economic factors
- Difficulty Factors
- Financial position
- Rating levels
- Debt levels
- Roothing
- Niceties to Amenities
- Organisational dynamics...representation, systems and staffing
- Local Issues (if any)

Note: Pricing of the '10 Biggies' presentation is 'on request'. Costs are nominal to subscribers of the various '**Base Stats with Trendz**' Options. Indicative cost is \$2,500 for a standard presentation. Workshop with discussions (usually takes half a day).



About Larry Mitchell

Larry has over 30 years active experience of commerce, chartered accounting and more recently public sector finance and policy. Holder of both a New Zealand and Canadian passport, Larry runs his own consultancy (Larry.N.Mitchell and Associates) business from Puhoi, 40 km north of Auckland, New Zealand.

Larry practices both in New Zealand and overseas as a local government finance & policy analyst specialising in:

- the provision of useful and relevant data to inform Council's activities and their long term council community plans;
- the development of sector reporting, his '**Base Stats with Trendz**' reports and '**Outcomes-Results**' performance measurement reporting and;
- in devising practical financial, rating, debt funding and outcome ... Itccp processes including the development of their performance measurement and improvement.

Larry has presented at many previous conferences relating to the public and local government sectors. He continues to be committed to involving finance people at the centre of all Council affairs including showing leadership within the Itccp Outcomes processes. This commitment extends to supporting community-based bottom-up developments for both Council and Community outcomes so that they make significant and measurable economic and financial progress leading to social and cultural well-being improvements.

Larry travels extensively, principally of late in North America (Canada) and the Middle East conducting local government and business development assignments. Larry services the New Zealand local government sector with financial and policy advice. He markets the '**Base Stats with Trendz**' statistical reports to over 30 Councils.

Larry graduated B Com. in 1967 (Accounting, Economics and English) then served as a pilot in the RNZAF before taking up public accountancy. Following over twenty years experience as a partner in Coopers and Lybrand's Auckland office in 1996 he graduated Master of Public Policy in public sector finance. Larry has authored numerous research papers including those concerned with public sector organisational performance measurement, benchmarking and more recently the quality of community 'data'.

Recent assignments include investigations of NZ local authority depreciation policies, development of a district boundary based mini-gdp and the NZ TLA financial sustainability League Table.

See www.kauriglen.co.nz/larry for full references and product descriptions.



Purchase Order Form

Specialised Reports	Price	Yes/No
2011 NZLG financial Sustainability/Affordability League Table	\$2,700	
Affordability & Remuneration Reports	\$1,750	
Asset/Depreciation Reports	\$1,750	
LGNZ LNM Depreciation Initiative Reports	\$1,250	
Sustainability & Debt Servicing Reports	\$1,750	

Name of Council: _____

Person to contact and administer/receive all enquiries and documentation:

Name: _____

Postal delivery address: _____

Telephone: _____ Email: _____

Purchase Order Number: _____ Copy required.

Acceptance Approval Signature/Stamp: _____

Email to larry@kauriglen.co.nz

Note: Any enquiries to Larry 09 422 0598 or larry@kauriglen.co.nz