



October Affordability Marketing Trip Package

This package summarises the contents of the Affordability Reports Version III September 2009.

- Announcing the 2009 edition of the NZLG 'Affordability' Reports;
- Average Wage Per Employee Report;
- Affordability and Remuneration Comparative Data - September 2009 Updated (Version III) Reports;
- Affordability Reports Contents.



22 September 2009

To The Chief Executive Officer

Announcing the 2009 edition of the NZLG 'Affordability' Reports

Affordability ... the ability of ratepayers to pay for Council rates and services and the financial sustainability of New Zealand Local Government territorial authorities continue to be of major operational management, media and public interest.

For example, your Council's rates, debt and payroll expenditures compared to others and to national norms are often the subjects of enquiry.

For performance improvement, budgeting, effectiveness and efficiency measurement as well as for responding to enquiries, your Council can benefit from the information contained in an inexpensive dataset titled the **NZLG 'Affordability' Reports**.

These reports comprise the following topics:

Debt per Capita	Building Consents (rolling 3 yr indicator)
Debt per Ratepayer	Property Land Value
Debt to Total Operating Expenditure	Property Capital Value
Total Debt Schedule	Growth of Employee Numbers
Rates per Capita	Average Wage per Employee
Rates per Ratepayer	Proportion of Wages to Council Operating Expenditure
Rates Per Capita to Household Income	Proportion of Wages to Council Operating Revenue
Total Rate Schedule	Proportion Management Salaries to Operating Expenditure
Average Residential Rates Graph – 'Napier City'	Proportion Management Salaries to Operating Revenue
Disposable Income	Proportion Management Salaries to Wages
Economic Growth (Regional)	Proportion CEO Salaries to Management Salaries
	Proportion CEO Salaries to Operating Revenue
	Councillor Remuneration to Operating Revenue

A sample report (Average Wage Per Employee) is enclosed with this letter.

All of the (24) reports are:

- data rich with ratios and average measures and are
- structured on a comparative basis within standard council groups of similar size and character
- with group, national and other average, median and standard deviations of your Council data for each measure included.

For the sum of \$1,750* you can now receive the 2009 edition of the New Zealand Local Government (TLA's) **'Affordability' Reports**.

To order these reports (delivery by early October 2009) please email to larry@kauriglen.co.nz. Payment is due upon delivery. Further enquiries to Larry on 09 422 0598.

Note: As reported, full time equivalent Council staff numbers are not subject to audit coverage. Please review your staff numbers as they are listed in the sample report enclosed. If you wish to alter these (FTE) numbers then please advise to the undersigned at the time of placing your order.

Kind regards

Larry Mitchell

* Excluding gst and a small handling charge.

Affordability Reports - September 2009

Measure: Average Wage per Employee (* Note: Estimate Column)

Variables: Employee Benefits/FTE Numbers (not audited) * = Estimate

Source: Wages 04 StatsNZ; Wages 08 Base Stats & FTE's Base Stats

Period: 2004-2008

Peer Group	Council Name	\$000 Wages 2004	\$000 Wages 2008	Count FTE's 2004	Count FTE'S 2008	\$ Average Wage per Employee 2004	\$ Average Wage per Employee 2008	% increase 2004- 2008
Metro	Auckland City	93,234	131,896	1770	1,666	\$52,675	\$79,169	50.3%
	Christchurch City	85,646	114,000	1543	1,715	\$55,506	\$66,472	19.8%
	Dunedin City	30,677	39,308	630	682	\$48,694	\$57,636	18.4%
	Hamilton City	33,855	49,312	660	726	\$51,295	\$67,923	32.4%
	Hutt City	15,622	21,399	315	373	\$49,594	\$57,370	15.7%
	Manukau City	56,461	85,733	910	786	\$62,045	\$109,075	75.8%
	North Shore City	40,295	59,392	656	720	\$61,425	\$82,489	34.3%
	Waitakere City	42,960	74,765	555	765	\$77,405	\$97,732	26.3%
	Wellington City	65,588	83,648	1426	1,440	\$45,994	\$58,089	26.3%
	Invercargill City	11,692	15,979	235	239	\$49,753	\$66,858	34.4%
City	Napier City	16,033	22,005	300	300	\$53,443	\$73,350	37.2%
	New Plymouth District	20,561	26,532	416	466	\$49,425	\$56,936	15.2%
	Palmerston North City	21,540	33,222	470	600	\$45,830	\$55,370	20.8%
	Porirua City	12,176	* 19,000	250	250	\$48,704	\$76,000	56.0%
	Rotorua District	22,600	29,247	430	524	\$52,558	\$55,815	6.2%
	Tauranga District	19,002	26,255	357	368	\$53,227	\$71,345	34.0%
	Upper Hutt City	5,848	8,050	109	109	\$53,651	\$73,853	37.7%
	Whangarei District	11,394	19,196	232	380	\$49,112	\$50,516	2.9%
	Ashburton District	4,104	6,066	79	114	\$51,949	\$53,211	2.4%
	Central Hawkes Bay District	1,694	* 3,000	32	34	\$52,938	\$88,235	66.7%
Prov/Rural	Central Otago District	2,941	4,900	53	58	\$55,491	\$84,483	52.2%
	Clutha District	3,316	3,780	46	46	\$72,087	\$82,174	14.0%
	Far North District	8,644	14,108	171	230	\$50,550	\$61,339	21.3%
	Franklin District	7,343	10,502	120	110	\$61,192	\$95,473	56.0%
	Gisborne District	11,780	11,731	250	250	\$47,120	\$46,924	-0.4%
	Hastings District	12,206	19,262	246	350	\$49,618	\$55,034	10.9%
	Horowhenua District	3,124	5,407	56	75	\$55,786	\$72,093	29.2%
	Kaipara District	2,232	2,831	35	48	\$63,771	\$58,979	-7.5%
	Kapiti Coast District	9,304	13,629	180	240	\$51,689	\$56,788	9.9%
	Manawatu District	3,842	4,593	74	73	\$51,919	\$62,918	21.2%
	Marlborough District	10,449	13,509	178	210	\$58,702	\$64,329	9.6%
	Masterton District	3,461	4,197	65	77	\$53,246	\$54,506	2.4%
	Matamata-Piako District	6,687	5,665	125	120	\$53,496	\$47,208	-11.8%
	Nelson City	9,122	10,928	164	196	\$55,622	\$55,755	0.2%
	Papakura District	3,596	7,143	64	66	\$56,188	\$108,227	92.6%
	Queenstown Lakes District	2,959	5,376	20	108	\$147,950	\$49,778	-66.4%
	Rodney District	18,108	28,240	297	448	\$60,970	\$63,036	3.4%
	Ruapehu District	3,390	4,069	68	63	\$49,853	\$64,587	29.6%
	Selwyn District	4,355	7,429	89	160	\$48,933	\$46,431	-5.1%
	South Taranaki District	5,581	7,699	88	130	\$63,420	\$59,223	-6.6%
	South Waikato District	5,348	5,762	90	90	\$59,422	\$64,022	7.7%
	Southland District	7,375	9,240	105	119	\$70,238	\$77,647	10.5%
	Tararua District	2,927	3,551	50	65	\$58,540	\$54,631	-6.7%
	Tasman District	7,873	11,701	136	151	\$57,890	\$77,490	33.9%
	Taupo District	12,419	18,041	261	288	\$47,582	\$62,642	31.7%
	Thames-Coromandel District	6,461	11,223	171	194	\$37,784	\$57,851	53.1%
	Timaru District	7,285	10,414	205	181	\$35,537	\$57,536	61.9%
	Waikato District	8,704	12,858	155	156	\$56,155	\$82,423	46.8%
	Waimakariri District	6,746	9,523	132	166	\$51,106	\$57,367	12.3%
	Waipa District	6,945	10,678	150	167	\$46,300	\$63,940	38.1%
	Waitaki District	4,127	6,046	68	68	\$60,691	\$88,912	46.5%
	Wanganui District	11,082	10,909	193	222	\$57,420	\$49,140	-14.4%
	Western Bay of Plenty District	6,687	10,334	106	164	\$63,085	\$63,012	-0.1%
	Whakatane District	7,192	8,710	130	164	\$55,323	\$53,110	-4.0%

Affordability Reports - September 2009

Measure: Average Wage per Employee (* Note: Estimate Column)

Variables: Employee Benefits/FTE Numbers (not audited) * = Estimate

Source: Wages 04 StatsNZ; Wages 08 Base Stats & FTE's Base Stats

Period: 2004-2008

Peer Group	Council Name	\$000 Wages 2004	\$000 Wages 2008	Count FTE's 2004	Count FTE'S 2008	\$ Average Wage per Employee 2004	\$ Average Wage per Employee 2008	% increase 2004- 2008
Rural	Buller District	2,052	* 3,500	38	48	\$54,000	\$72,917	35.0%
	Carterton District	1,676	2,248	34	30	\$49,294	\$74,933	52.0%
	Chatham Islands	289	424	3	5	\$96,333	\$84,800	-12.0%
	Gore District	3,418	3,761	68	72	\$50,265	\$52,236	3.9%
	Grey District	2,434	3,102	50	51	\$48,680	\$60,824	24.9%
	Hauraki District	5,474	8,744	106	136	\$51,642	\$64,294	24.5%
	Hurunui District	3,295	6,732	87	107	\$37,874	\$62,916	66.1%
	Kaikoura District	965	1,526	15	27	\$64,333	\$56,519	-12.1%
	Kawerau District	1,283	2,507	42	52	\$30,548	\$48,212	57.8%
	MacKenzie District	1,277	1,797	15	19	\$85,133	\$94,579	11.1%
	Opotiki District	1,730	2,524	40	40	\$43,250	\$63,100	45.9%
	Otorohanga District	2,135	2,650	38	36	\$56,184	\$73,611	31.0%
	Rangitikei District	2,425	2,942	57	45	\$42,544	\$65,378	53.7%
	South Wairarapa District	1,426	1,995	23	20	\$62,000	\$99,750	60.9%
	Stratford District	1,775	2,095	26	32	\$68,269	\$65,469	-4.1%
	Waimate District	2,120	3,303	37	37	\$57,297	\$89,270	55.8%
	Wairoa District	1,888	2,514	33	34	\$57,212	\$73,941	29.2%
	Waitomo District	1,612	2,761	24	25	\$67,167	\$110,440	64.4%
	Westland District	1,734	5,689	6	35	\$289,000	\$162,543	-43.8%
	TOTAL	883,601	1,252,807	16,458	18,361	4,340,923	5,072,183	16.8%
Metro Group Stats								
	AVERAGE	51,593	73,273	941	986	56,070	75,106	33.2%
	MEDIAN	42,960	74,765	660	765	52,675	67,923	26.3%
	STD DEVIATION	25,888	35,305	510	487	9,696	18,616	19.1%
City Group Stats								
	AVERAGE	15,650	22,165	311	360	50,634	64,449	27.2%
	MEDIAN	16,033	22,005	300	368	49,753	66,858	34.0%
	STD DEVIATION	5,706	7,620	117	154	2,711	9,760	17.2%
Prov/Rural Group Stats								
	AVERAGE	6,650	9,252	124	150	57,488	65,013	17.8%
	MEDIAN	6,687	8,975	113	141	55,556	61,991	10.7%
	STD DEVIATION	3,579	5,241	71	90	17,204	14,874	29.5%
Rural Group Stats								
	AVERAGE	2,053	3,201	39	45	69,001	77,670	28.7%
	MEDIAN	1,775	2,650	37	36	56,184	72,917	31.0%
	STD DEVIATION	1,104	1,942	26	31	55,483	26,301	31.1%
Total of all Groups Stats								
	AVERAGE	12,104	17,162	225	252	59,465	69,482	23.7%
	MEDIAN	6,461	8,710	106	130	53,496	64,022	24.5%
	STD DEVIATION	17,962	25,271	335	344	31,014	19,088	27.8%



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13 October 2009

Affordability and Remuneration Comparative Data September 2009 Updated (Version III) Reports

This publication numbering 24 reports contains your Council's vital comparative statistics of affordability and remuneration data.

Affordability of council services includes debt, debt servicing and rating levels added to which is extensive Remuneration information ... all are invariably areas of intense management and public interest.

This information does not attempt to duplicate other HR information. The data is a necessary first step to more detailed benchmarking and cost-effectiveness initiatives.

This comprehensive information has value and usefulness which lies in the following:

- **Comparisons** of all data are reported for all other NZ TLA's and your peer groups (no other current survey or service provides this information);
- **Allows enquiries** (FAQ's) from elected members, the media and the public to be readily addressed;
- **Facilitates** strategic long-term financial and other planning by providing benchmark and achievable ranges of feasible budgetary targets;
- **Records a five year history** of data for review and incorporation into council plans and documents;
- **A modest price of \$1,750 ...** or 2.5% of the 2009 average council employee's annual salary (\$69,482).

Whilst every effort has been taken to provide accurate and complete information subscribers are strongly advised to review their own data before use. All data has been extracted from audited or official and generally reliable sources. NO input or moderation of the data has been required from TLA units. FTE (not audited) numbers have been provided on 'a best endeavours' basis.

Any and all enquiries welcomed, addressed to Larry. N. Mitchell Finance & Policy Analyst (local government).

Phone 09 422 0598 Email larry@kauriglen.co.nz Website www.kauriglen.co.nz

Kind regards

Larry Mitchell



Affordability Reports Contents

- Debt per Capita
- Debt per Ratepayer
- Debt to Total Operating Expenditure
- Total Debt Schedule
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- Rates per Ratepayer
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- Total Rate Schedule
- Average Residential Rates Graph – Napier City'
- Disposable Income
- Economic Growth (Regional)
- Building Consents (rolling 3 yr indicator)
- Property Land Value
- Property Capital Value
- Growth of Employee Numbers
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- Proportion of Wages to Council Operating Expenditure
- Proportion of Wages to Council Operating Revenue
- Proportion Management Salaries to Operating Expenditure
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- Proportion CEO Salaries to Management Salaries
- Proportion CEO Salaries to Operating Revenue
- Councillor Remuneration to Operating Revenue

