



P O Box 903
Invercargill

T 0800 732 732
F 0800 732 329
E info@mct.org.nz

www.mct.org.nz

MILFORD COMMUNITY TRUST

FINAL STATEMENT OF INTENT 2009 - 2012

Milford Community Trust

STATEMENT OF INTENT

1. Introduction

The Milford Community Trust was established in 2007 by the Southland District Council and the Department of Conservation with the assistance of Environment Southland for the purposes of providing leadership and governance for the Milford community.

The Trust Deed defines Milford as the developed area of land and adjacent coastal marine area at the end of State Highway 94 at the head of Milford Sound. It defines the Milford community as being the residents of Milford, the holders of concessions from the Crown operating at Milford and Iwi.

The purpose of this Statement of Intent (SOI) is to:

- Set out the proposed activities of the Trust;
- Provide an opportunity for stakeholders to influence the direction of the organisation; and
- Provide a basis for accountability of the Trustees to their stakeholders for the performance of the organisation.

This Statement of Intent covers the three years from 1 July 2009 to 30 June 2012, based on outcomes of a strategic workshop undertaken in November 2008. The statement is updated annually.

2. Objectives of the Trust

The objectives of the Trust are:

- (a) To manage and carry out services and undertake leadership, planning and advocacy for the general benefit of the Milford community so as to ensure as far as possible that the infrastructure of the community and its sense of identity, viability and well-being are maintained and enhanced.
- (b) To liaise with and communicate with all individuals, organisations, groups and other parties with interests in the Milford community for all purposes which are beneficial to the community.
- (c) To represent the interests of the Milford community to ensure that the natural environments and outstanding values of the Milford Sound area are safeguarded and protected for all residents and visitors to the area.
- (d) To monitor and maintain an overview of all activities and services provided within the Milford community.
- (e) To consider and report on all matters either referred to and/or delegated to it from time to time by the Department of Conservation and the Southland District Council and on any matter of interest or concern to the Milford community.

- (f) To access, use or invest funds and enter into arrangements, contracts and other agreements upon such securities or in such manner and upon such terms and conditions that the Trustees deem suitable for the purpose of furthering the objects and purposes of the Trust.
- (g) To carry out such other lawful activities which are incidental or conducive to attaining the objects and purposes of the Trust.

3. Statement on the Trust's Approach to Governance

Establishment

The Milford Community Trust was established in 2007 following a process of consultation with residents, agencies and businesses with interests in Milford in accordance with the special consultation process set out in the Local Government Act 2002. The inaugural meeting of the Trust was held on 18 April 2007.

In terms of the Local Government Act, the Trust is defined as a Council Controlled Organisation reporting to the Southland District Council. The Trust was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. It is seeking registration with the Charities Commission in order to obtain tax exempt status with the IRD.

Trust Structure

In accordance with Section 9 of the Trust Deed, the Trust is governed by a board of seven Trustees. Current representatives from stakeholder groups are shown in the table below:

Designation	Name	Term Expires 30 June
Independent Chair	Jane Taylor	2011
Te Anau Ward Councillor, ex-officio appointment	Diane Ridley	2010
Milford Community Association elected representative	Allan Cosgrove	2010
Milford Community appointee	Roger Wilson	2009
Milford Community appointee	Helen Sands	2009
Milford Community appointee	John Robson	2011
Milford Community appointee	Michael Schuck	2011

Trust Operations

The Trust Deed sets out the way in which business of the Trust is to be conducted. A strong driver is that the local Milford community should determine its own priorities and agree on the funding for these. The Trust strives to regularly review its performance and to be open and accountable to the community through public meetings. The Trustees also undertake to meet the regulatory and stakeholder requirements for governance, reporting and planning, particularly the local government reporting requirements and recognition of the National Park and World Heritage Area status of the Milford Sound *Piopiotahi* area.

Resources Available to the Trust

A Code of Conduct for Trustees and administrative support is available from the Southland District Council.

Significant Policies

At the time of this statement, the Trust has developed a comprehensive Communications Policy in relation to its activities. Where appropriate, policy guidance is obtained from relevant Council and other statutory authority policy. It is expected that a full set of all relevant policies will be developed within the period covered by this Statement.

4. The Nature and Scope of the Activities to be Undertaken

Vision

The Trust's vision is:

The long-term sustainability of Milford Sound *Piopiotahi*.

Strategic Goals

The primary goals of the Trust are to:

- Provide leadership and governance for the Milford community in Milford Sound *Piopiotahi*.
- Monitor the adequacy of all arrangements to ensure sustainability.
- Advocate for the general benefit of the Milford community.
- Co-ordinate and communicate with all parties having interests in Milford Sound *Piopiotahi*.

Outputs from the Milford Community Trust activity contribute to the achievement of the principal Outcome 6 of the regional "Our Way Southland" statement, being:

"A treasured environment which we care for and which supports us now and into the future".

Ways in which the Trust's operations can contribute to the principal outcome are as follows:

<i>Intermediate Outcome</i>	<i>Activity's Contribution</i>
6.1 We have an informed community.	Education and promotion is an important function of the Trust.
6.2 We have a healthy, safe and accessible built environment.	The Trust is proactive and has this outcome as one of its cornerstones.
6.3 We have an environment protected from the negative effects of human activities.	The Trust responds to mitigate negative effects of human activities.

Within the over-arching vision and strategic goals, the more specific focus areas for 2009-12 identified in the 2008 strategic review or carried forward from the previous statement are:

Planning:

- Prepare an overall Concept Plan for the Trust's vision and involvement in the development of Milford.
- Prepare a Code of Ethics based on the Trust's values for its role.
- Prepare Significant Policy Statements.
- Planning inputs to the Deep Water Basin design concept and to the DOC Hazard Management Plan.
- Planning to address specific issues: highway safety, fuel supply, control of illegal camping, toilet facilities, community facilities, co-ordinated emergency response.

Communication:

- Communicate the roles of the Trust and other authorities more clearly to the Milford community.
- Communicate the World Heritage Area status and relevance of this to Milford.
- Affirm the Trust role as a voice for the Milford community.
- Maintain closer relationships with Milford infrastructure providers.
- Provide clear information to concessionaires regarding intentions and implementation of the Concept Plan.

Advocacy:

- Advocate on behalf of the Milford community to Central Government, Environment Southland, Department of Conservation, Southland District Council, Iwi and other authorities.

Planned Activities

2009/10:

- Prepare a set of values, significant policy statements and code of ethics.
- Engage Venture Southland to prepare a concept plan for the development of Milford.
- Progress a waste minimisation, recycling and management strategy in conjunction with MSDA and SDC.
- Complete a co-ordinated emergency response plan for fire, medical, civil defence and other events.
- Facilitate the purchase of emergency response equipment.
- Facilitate refurbishment of the gymnasium.
- Facilitate village improvements in conjunction with flood protection works on the Cleddau River delta area.
- Facilitate improvements in the public facilities at Deep Water Basin.
- Advocate for public toilets and shelter at the airport and completion of the walking track to the Lodge.

2010/11:

- Prepare a first generation Asset Management Plan for infrastructure and services in Milford.
- Arrange a waste recycling trial.
- Plan for capital works improvements resulting from agreed strategies.
- Develop the walking track from the airport to Deepwater Basin Road.
- Continue purchase of emergency response equipment.
- Promote progressive development of Deepwater Basin area.
- Promote initiatives which enhance community well-being.
- Promote a natural environment enhancement programme.

2011/12

- Plan for capital works improvements resulting from agreed strategies.
- Promote development of a community centre in conjunction with the proposed Cleddau village development.
- Promote initiatives to ensure that Milford Sound *Piopiota* maintains its reputation as a sought after tourism icon.
- Promote initiatives which enhance community well-being.

5. Ratio of Total Assets: Equity

Total assets are defined to include cash, investment and bank balances, accounts receivable, investments, prepayments, fixed assets (net of accumulated depreciation), intangible assets (net of accumulated amortisation), loans (none), etc.

Total equity is defined to include accumulated funds and retained earnings.

The ratio of total assets to total equity is planned at 1:1.

6. Accounting Policies

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method, less any provision for impairment.

Cash and Cash Equivalents

These include cash on hand, cheque account funds deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less. There are no cash and cash equivalents on hand. All funding is currently conducted with assistance of the Southland District Council.

Revenue Recognition

Revenue is measured at the fair value of consideration received. Interest income is recognised using the effective interest method.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method.

Goods and Services Tax

The accounts have been prepared on a GST exclusive basis.

Financial Instrument Risks

The Trust has policies to manage the risks associated with financial instruments. These policies currently fall within the Southland District Council treasury policies and do not allow any transactions that are speculative in nature to be entered into.

Tax Status

The Trust is exempt from income tax as it is a Charitable Trust established under the Charities Act.

7. Key Performance Targets

The Trust has two levels of indicators:

- (a) The first relates to the achievement of objectives set by the Trust and carried through to the Long Term Council Community Plan (LTCCP). These are agreed through a public consultation process undertaken by the Southland District Council. These targets can be changed only through a formal review of the LTCCP.
- (b) The second set are generic internal performance measures:

Level of service	Key performance indicator	Target	Confirmation source
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year.	2 (April to consult re SOI and November for strategic planning)	Agenda/minute records on file.
Keep the Milford community informed about Trust plans and outcomes.	Community newsletters (February, June, October each year)	3	Agenda/minute records on file.
Provide leadership and advocacy on major issues.	Percentage of concessionaires satisfied with Trust decision-making and leadership.	85%	Feedback to community association representative.
Response to issues raised by the community.	Percentage of issues responded to within two months.	85%	Records on file

8. Information to be Reported to Council

In each year the Trust will comply with all reporting requirements under the Local Government Act 2002 (particularly Sections 66 to 69 of that Act). In particular, it will provide:

- A draft statement of intent detailing all matters required under the Local Government Act 2002 by 1 March each year for consideration prior to commencement of the new financial year.
- A half yearly report by February each year (specific dates as set by Council).
- An annual report by September each year (specific dates as set by Council).

Copies of Council's reports are forwarded to the other major stakeholder authorities: Department of Conservation and Environment Southland.

9. Activities for which Investment by Council is sought

The Trust seeks Council funding for undertaking work that will provide leadership and governance in Milford as follows:

Activity Description			
	2009/10	2010/11	2011/12
Chairperson's fee, up to a maximum of:	\$12,339	\$12,339	\$12,339

Note: Council establishment assistance with the Chairperson's fee expires at the end of the current Chair's contract in 2011. Council will provide support staff and resources along the same lines as provided to Council's community boards at no cost to the Trust.

10. Activities for which Other Investment is sought

The Trust seeks funding from Milford concessionaires as follows:

Activity Description			
	2009/10	2010/11	2011/12
Operational Costs:			
Governance Costs	\$32,161	\$32,161	\$32,161
Emergency response operations	\$8,500	\$8,500	\$8,500
Consultant inputs to projects	\$20,000	\$20,000	\$20,000
Capital projects:			
Emergency response equipment	\$54,000	\$15,000	\$15,000
Landscape design for foreshore carpark area	\$20,000		
Totals	\$134,661	\$75,661	\$75,661

It is proposed that the total annual concession charged will be the average of the three years noted above plus GST. This will be reviewed annually. For 2009/10, the total amount being sought from concessionaires is \$107,244, including GST.

Governance costs include a local contribution to Chairperson's fees, Trustees' fees, mileage allowances if applicable, insurance, accommodation costs and general meeting costs.

The operational and project costs are those which the Milford Community Trust considers will provide benefit for all concessionaires at Milford and should be recovered from the Milford concessionaires through the Implied Concession Activity Fee, apportioned as per the Department of Conservation apportionment of cost schedule.

Other Project Funding:

In addition to the above operational and project costs, there are also costs associated with other significant projects that fall either directly or indirectly under the influence of the Milford Community Trust but have all or a majority of proposed funding through means other than apportioned implied concessionaires fees. There may also be a portion of public good associated with these projects.

These projects include: Cleddau river flood protection, Cleddau village development, Deepwater Basin redevelopment, waste minimisation and recycling, walking tracks, airport toilets and foreshore redevelopment.

The timing of some of the projects, for example the village development, is dependent on the completion of the flood protection work. Total project estimates and expected timings are shown in Appendix A to this Statement.

Other project funding is planned to be sourced from DOC, Airport users, Milford Sound Infrastructure, the public, private/commercial sources, Southland District Council and Environment Southland.

Future budgeted costs are indicative only and will be reviewed annually by the Trustees.

11. Estimate of Value of Stakeholders Investment

The net value of the stakeholders investment in the Trust is estimated to be valued at \$100. This value shall be reassessed by the Trustees on completion of the annual accounts or at any other time determined by the Trustees. The method of assessment will use the value of stakeholders funds as determined in the annual accounts as a guide.

12. Other Matters

No distribution of a dividend (accumulated profits and capital reserves) to shareholders is intended within the period of the Statement or succeeding years, noting the Trust's status as a charitable organisation.

Any subscription for, purchase or otherwise acquiring shares in any company or other organisation requires the prior approval of the Trustees.

Appendix

Milford LTCCP Estimates	Estimate \$'000											
	Total	Previous	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
OPERATIONAL COSTS												
MCT Operations												
Leadership - SDC contribution			12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4	12.4
Leadership - local contribution			25.2	25.2	25.2	25.2	25.2	25.2	25.2	25.2	25.2	25.2
Planning			1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Advocacy			5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Cleddau River Bank Protection												
Ongoing inspections & mtce						30.0	30.0	30.0	30.0	30.0	30.0	30.0
Emergency Response Arrangements												
Training			4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Equipment mtce			4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Consultants												
Professional project advice			20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Total Operational Costs	-	-	73.0	73.0	73.0	103.0	103.0	103.0	103.0	103.0	103.0	103.0
PROJECT COSTS												
Cleddau Protection												
Planning	6,300.0											
Consents		250.0										
Construction			500.0									
Cleddau Village Development												
Roading & U/G infrastructure	3,000.0		200.0	2,300.0	500.0							
Outstanding MSI account	128.0		128.0									
Deepwater Basin Redevelopment												
Kayakers ramp/ ablution facilities	600.0				600.0							
Overflow parking area	500.0				500.0							
Fishermen's wharfs												
Marina												
Waste Minimisation & Recycling												
Professional advice	47.0		10.0									
Recycling trial				7.0								
Facilities establishment					30.0							
Emergency Response Improvements												
Radio/ paging equipment	114.0		29.0									
Fire pump			10.0									
PPE			15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Walking Tracks												
Connection to Lodge, 150m	15.0		15.0									
Airport to Deepwater Rd, 600m	50.0			50.0								
Bowen Falls	1,000.0					1,000.0						
Public Toilets												
Airport toilets & shelter	200.0		200.0									
Novaloo at car park	100.0					100.0						
Foreshore Development												
Landscaping & walkway design for car park foreshore area	20.0		20.0									
Total capital costs	12,074.0	250.0	1,127.0	7,372.0	2,195.0	1,115.0	15.0	15.0	15.0	15.0	15.0	15.0
Key:			134.6	75.6	75.6	Funded by concessionaires levies						
						= report on costs to come						
						Funded by other authorities or by other means yet to be determined						