

Hauraki District Council Annual Plan 2010/11

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Introduction and Overview

What is this Plan about?

This Annual Plan 2010/11 details Council's actions, activities and the subsequent financial and funding statements for the period 1 July 2010 to 30 June 2011.

This document should be read in conjunction with volumes one and two of the Hauraki Community Plan 2009-19. These documents are available at Council service centres and libraries, by calling 07 862 8609 or 0800 734 834 (from within the Hauraki District) or on Council's website, www.hauraki-dc.govt.nz.

The Hauraki Community Plan 2009-19 is Council's key planning document and is a method to inform the community what Council is planning to do over the 10 years of the document. The Hauraki Community Plan 2009-19 contains considerably more detail around the strategic issues supporting the Annual Plan 2010-11 including:

- The relationship between the Annual Plan, the Hauraki Community Plan 2009-19 and other strategic documents.
- Discussions on the key community issues facing the district of climate change, sustainability and the changing demographics of the District.
- Information regarding the balancing of the four well-beings (Social, Economic, Environmental and Cultural).
- Detail on the snapshot of the District following the 2006 census.
- The underlying assumptions forming the foundation of the Hauraki Community Plan 2009-19 and the possible future strategies signalled that may need to be considered in greater detail in the future.
- The rationale behind Council's identified Groups of Activities and the possible impacts on the identified levels of service.
- The significant negative and positive effects each Council activity has.
- The capital works programmed for the coming ten years.
- The general and financial policies for next ten years.

This Annual Plan 2010 is a budgeting statement for one year only, unlike the Hauraki Community Plan 2009-19 which consists of a ten year proposal. It contains a number of capital and operational costs which Council believes needed to be amended or added to the Hauraki Community Plans statements of intent for the 2010/11 financial year. The Annual Plan will next be prepared in 2011/12.

Mayor and Chief Executive's Message

Introduction

On behalf of the Councillors and staff of Hauraki District Council, we are pleased to introduce the Annual Plan for the period 1 July 2010 to 30 June 2011. This document is focusing on the second year of Council's ten year strategic plan, the Hauraki Community Plan 2009-19.

Setting the Scene

From a business as usual perspective, the year ahead looks a positive one. Improved asset management and long term planning has given Council greater confidence in decision-making for the future needs of the District.



From a strategic perspective, the potential local government re-organisations and staff assistance in the implementation of significant projects at a national level affecting the District are expected to be key areas of focus for Council this coming year. As such, this Annual Plan contains only a few minor variations to the 2010/11 projections made for the capital and operational programmes presented in the Hauraki Community Plan 2009-19.

Key Community Issues and Major Capital Works 2010/11

Plains Water Supply

The major focus on infrastructure is the improvements to the Plains water supply over the next few years. The finalisation of the improvements will see the Plains area with a much greater security of water supply to their homes and farms.

New Zealand Cycleway

In 2009, the National Government announced the development of a New Zealand Cycleway project which could potentially assist with generating revenue and employment opportunities in New Zealand. The Hauraki Plains Trail Cycleway was one of seven 'kick start' initiatives that Government pre-approved which involves a cycleway from Kaiaua to Thames, Thames to Paeroa and Paeroa to Waihi. It is expected that the development of the cycleway will see job creation through the design, construction and maintenance stages of the cycle network; the provision of a high quality tourism asset that will enhance Hauraki's competitiveness as a tourism destination; the provision of ongoing employment and economic development opportunities for the local economy and the enhancing of a range of recreation and health opportunities for visitors and locals. We are looking forward to seeing the plans for the cycleway progress over the coming year.

Library Strategic Plan

2010/11 expects to see the finalisation of the Library Strategic Plan. The plan focuses on providing the future direction for libraries in the District, in particular the need to remain ahead of the continually evolving 'user expectations' and the fast pace of evolving technological change. The challenge for Council is to assess which aspects and to what extent services can be provided. How to capitalise on new and existing technologies, while still providing the traditional services our community needs, to the best of Council's ability and at a level of expense that is appropriate to the Hauraki community is key to this strategy.

Introduction and Overview

Regional Policy Statements

The development of the new Regional Policy Statements over the next two years has the potential to have a significant affect on how the District delivers planning and infrastructural services in the future. The Regional Policy Statement is a policy document that enables regional councils to provide broad direction and a framework for resource management within their regions. Council has committed resources to this to ensure its views are heard.

Waihi Discovery Centre

The necessary planning consents for the Waihi Discovery Centre have been granted and the next steps are to finalise the building consents and funding, then construction can proceed. The Centre will be a major drawcard for visitors to the District with the proposed attractions focusing on Waihi's historic heritage and gold mining, both past and present.

Proposed District Boundary adjustments

In late 2009, Council received a petition from the Waihi Beach community, requesting that the Waihi Beach area be included in to Hauraki District. The process of consideration and decision-making on this proposal will be led by the Local Government Commission with the timetable yet to be determined.

As of 1 November 2010, the reorganisation of the Auckland Councils is expected to result in Hauraki District Council taking on the local Governance responsibility for the Kaiaua area. Council does not see at present there being significant change for the residents of Kaiaua, however it will be liaising with residents and ratepayers to assess local community needs. Council is looking forward to having the residents of Kaiaua being part of our Community.

District Plan Review

The Operative District Plan, in general, contains the environmental outcomes sought by Council and its residents and provides the framework for the sustainable management of the environment to assist Council to carry out its functions in order to achieve the purpose of the Resource Management Act 1991.

Council's current District Plan became operative in 1997 and was due for the review to be instigated in 2007. Council began the review in 2005 and after considerable work on the plan during the past few years, the proposed plan is due to be presented for public notification to the community mid 2010. Further information on the notification process and how to make a submission will be available particularly via the HDC News page in the Hauraki Herald and on Council's website www.hauraki-dc.govt.nz. If readers are wishing to know more about the process, email districtplan@auraki-dc.govt.nz or phone 07 862 8609.

Other Key Projects

Other key projects that Council will be involved with in the coming year are:

- Continuing work with Newmont Gold as to the future of mining in Waihi.
- Implementing changes that arise from Central Government including that of the outcomes from the Transparency, Accountability and Financial Management review (TAFM).
- Development of an Iwi Forum for improved consultation between Council and Iwi.
- Implementing the extension to the District kerbside refuse collection and recycling collection with the inclusion of Kerepehi and Turua.

The triennial Local Government Elections will be taking place in October 2010. If you are interested in standing for election for the coming three year term of Council, do not hesitate to contact Council's Electoral Officer to find out more information.

Introduction and Overview

Rates

The proposed District Rate, taking into account all the proposed variations, shows an increase of 4.6% which is a decrease from the 4.9% forecast in the Hauraki Community Plan 2009–19. This was predominately achieved by the savings made in the Roothing activity and by Council taking \$71,000 of the investment income that would normally be applied to the District Community Project Assistance fund, to reduce the District General Rate. The \$71,000 is to meet Council's obligation to Riskpool to fund New Zealand wide liabilities relating to 'leaky homes'.

GST

The Government recently announced in its Budget an increase in GST from 12.5% to 15% effective from 1 October, 2010. Council will be invoicing the 1st instalment of rates prior to 1 October 2010 so that instalment will have GST of 12.5% applied.

Council will be adjusting some fees and charges on 1 October 2010 to take into account the increase in GST.

Final Thoughts

We are hopeful that the economic downturn, evident through 2009/10, is passing and that stronger economic growth will occur during 2010/11. Council has worked hard to keep the rate increase for 2010/11 to a minimum without delaying key infrastructure works. There has been a strong internal focus on efficiencies and minimising costs and we are pleased to be able to present the reduced rate increase that is less than originally expected in 2009.

On a final note, some Councillors may stand down with the pending Council election in October, 2010. If so, we wish to extend our thanks to them in advance for their commitment and hard work during their tenure and wish them all the best in their future endeavours.

J.P. Tregidga
Mayor

L.D. Cavers
Chief Executive

Submission process- what happened?

The Draft Annual Plan 2010/11 consultation process provided an opportunity for the community to comment on what was proposed to be undertaken by Council in the coming year. The majority of these decisions were based on what was decided in the Hauraki Community Plan 2009-19 however, there were some exceptions.

Submissions closed on the 23rd April 2010. 18 submissions were received and covered a range of points. The following decisions were made that altered the Annual Plan and therefore have been reflected in this document:

- \$91,658.99 be given to Positive Paeroa for operational expenditure
- \$5,000 be given to Positive Paeroa for a contribution to their special projects
- As part of the Paeroa discretionary fund, Council will fund an additional sculpture in the Paeroa CBD.
- \$5,000 be provided to the Muddy Feet project
- The annual income from the Tirohia Hall rate of \$12.25 has been removed due to the Tirohia Hall no longer being in operation
- The Karangahake Water Loan Rate of \$84 has been removed from the Annual Plan as is no longer payable.
- An error was corrected regarding the Hugh Hayward Domain skatepark and the completion of the skatepark to be in 2009/10 rather than 2010/11 that was stated.
- An addition to page 10 of the Annual Plan 2010/11 to reference an upcoming RMA discount policy.

Of the submissions received additional to the above amendments made to the Annual Plan 2010/11, some submissions were made in support of the plan; some were seeking rate relief or a reduction in the rates proposed for 2010/11 and some were requesting further consultation take place on the upcoming plans for the Ngatea Library. Other submissions related more to service requests, District Plan or changing the bylaws rather than annual plan matters.

The Hearing for submissions took place on 12th May 2010 at the Hauraki District Council Chambers in Paeroa where elected members considered each submission and heard those persons that wished to speak in support of their written submission. Each submitter was contacted following the adoption of this plan informing them of the discussions and decisions that took place on their submission.

Annual Plan – what is programmed for 2010/11?

The Hauraki Community Plan 2009-19, is the 10 year long term plan for the Hauraki District Council. It came into effect on the 1 July 2009. Every year Council is required to publish an Annual Plan which focuses solely on the coming financial year. This Annual Plan focuses on the period 1 July 2010 to 30 June 2011.

Most of the projects including the programmed capital works for the 2010/11 year were presented in the Hauraki Community Plan 2009-19 for consultation. Those projects and programmes that were approved are listed on page 12.

Based on changes in the current environment, there is greater than expected progress on some programmes and less than expected progress on others; consequently there was the need to propose some variations to what was approved in the Hauraki Community Plan 2009-19.

This section discusses the new projects and variations to the Hauraki Community Plan 2009-19 that have been approved following the consultation process on the Draft Annual Plan 2010/11. It then presents the capital projects and programmes including their subsequent variations if applicable. Following these two sections is information signalling potential changes in levels of service to our District.

Variations from the Hauraki Community Plan 2009-19

PAEROA

Battle of the Streets

As part of the Economic Development activity, \$5,500 has been allocated to assist Paeroa Promotions with the cost of traffic management plans, refuse disposal and portaloos for the Battle of the Streets event held in Paeroa in February each year.

Community Recreation

The mowing budget for the Paeroa Domain for 2010/11 has been increased from \$18,000 to \$23,000. The need for the increased budget is due to the additional costs associated with the maintenance of the upgraded turf on the No. 1 field including irrigation and more specialised turf management.

PLAINS

Hugh Hayward Domain, Ngatea

To continue with the Hugh Hayward Domain Park development, an additional \$100,000 has been provided by Council. This \$100,000 is necessary to complete the park which includes pathways, gardens, furniture, a statue and feature lighting. The fund for this extension to the project has been provided by the Plains Community Facilities and Recreation Development Fund.

Council has altered the timing of the Hugh Hayward Domain skatepark development in Ngatea. It is proposed that \$52,000 from 2010/11 be brought forward to 2009/10 to allow completion of the

Variations from the Hauraki Community Plan 2009-19

skatepark at the same time as the Park project (as indicated below). The remaining \$31,000 from 2011/12 for the project is proposed to subsequently be brought forward to 2009/10.

The playground replacement at Hugh Hayward Domain is proposed to be brought forward to be completed by the 1 November 2010.

An Ashes Columbarium Wall is to be constructed during 2010/11 at a budget of \$15,000, to be funded from the Plains Unallocated Projects Fund.

In previous plans for the Hugh Hayward Domain Park project, it was intended to build a pond and bridge. However, this concept is no longer to take place and instead it has been replaced by a bronze statue depicting a segment of Plains heritage.

North Rugby Club mowing grant

An annual figure of \$5,000 is to be provided to the North Rugby Club for the mowing of the Waitakaruru Domain as of 1st July 2010.

Ngatea Memorial Hall

Due to generous donations from individuals in the community being received the replacement of tables at the Ngatea Memorial Hall has already taken place. The budget allocated for the repair of the tables in 2009/10 is no longer needed; therefore the budget has been delayed until 2016/17 as the expected life of the tables is 7 years.

Kerbside recycling and refuse collection – Kerepehi/Turua

Hauraki District Council commenced a pre-pay refuse collection service and a kerbside recycling service to Paeroa, Ngatea, Waihi, Waikino, Mackaytown, Karangahake, and Whiritoa townships on 1 July 2008.

During December 2009 a survey was carried out with the residents and ratepayers in the Kerepehi and Turua areas to determine the level of demand for the service to be extended to those areas. A total of 149 of 368 survey forms were returned, which represented a 41% result. In Kerepehi 150 forms were distributed, of which 55 respondents (69%) voted for the collection to commence and 25 (31%) voted against. In Turua 218 forms were distributed, of which, 42 (61%) of respondents voted for the collection to commence, 27 (39%) voted against.

As a result the Council will be extending the service to those townships from 1 July, 2010.

Every property in the area served by the extended route will be charged the refuse rate. This rate is currently set at \$44 per annum per rateable unit and supplies funding for the collection of recyclables and fixed costs associated with the provision of the service. In addition to this rate, each property owner purchases pre-paid (yellow) bags as required. These are available at most grocery stores in Hauraki District as well as at Council offices. The bags currently cost \$1.80 each.

A blue recycling bin will also be issued prior to the commencement of the service on 1 July 2010.

Variations from the Hauraki Community Plan 2009-19

Water

The capital expenditure for Kerepehi Water Treatment Plant of \$6.6 million and \$2 million for the Waitakaruru Raw Water Storage as per the below table, is to be provided for in 2010/11.

Project	LTCCP		2010/11 ANNUAL PLAN	
	2009/10 (\$'000)	2010/11 (\$'000)	2009/10 (\$'000)	2010-11 (\$'000)
Plains Upgrades				
Waitakaruru raw water storage	2,910	-	910	2,072
Kerepehi water treatment plant upgrade	7,139	-	500	6,639

A delay to the implementation of these projects has resulted from an extended investigation into possible alternative water storage options. Provision has needed to be made for deferral of most of the expenditure from 2009/10 to 2010/11.

WAIHI

Waihi Ward Reflections publication

Allowance has been made for a further 10 months of the Waihi Ward Reflections page in the Waihi Leader. This page is a monthly page that outlines key projects and processes that Council is involved in, applicable to the Waihi Ward.

Morgan Park, Waihi

The re-levelling of the netball courts at Morgan Park, Waihi has been brought forward from 2010/11 to 2009/10 as a result of differential settlement and the need to upgrade the courts in the interests of players' safety.

Toilets – timing change to capital programme

The programmed works on the Victoria Street, Waihi toilets have now taken place in their entirety in 2010/11, rather than being spread over 2009/10 as well as 2010/11.

Pensioner housing – timing change to capital programme

In the Hauraki Community Plan 2009-19, it was programmed to renovate a pensioner housing flat in Moresby Avenue, Waihi in 2010/11. This work was carried out in March 2010, meaning that the original budget of \$32,000 in 2010/11 was required earlier.

Wastewater

\$37,000 of the \$387,000 forest upgrade provision for Whiritoa Treatment Plant was utilised in the 2009/10 year in which it is provided for. The remaining \$350,000 of budget has been deferred to 2010/11 as the work is not needed at present. An investigation will take place in 2010/11 to assess in greater detail a programme of work for the forest upgrade.

Land Drainage/Stormwater

During 2009/10, concerns have been raised about small areas that have been included in the new rating area for the land drainage asset in the Paeroa Rural Drainage District (the Tirohia Rotokahu area). Work is currently proceeding to consider and address these concerns which may require grants in lieu of rates for the affected areas.

Due to a minor shift in some of the improvement plan items for the Land Drainage and Stormwater activities, there has been a slight deferral of some capital costs from 2009/10 to 2010/11 and 2011/12.

The Morgan Park stormwater renewal programmed for 2010/11 was completed in 2009 therefore the budget is no longer applicable for the coming year.

During 2009, the Arney Street stormwater line renewal was completed therefore the \$83,000 that was allocated in 2010/11 for this work is no longer required in the upcoming budget.

DISTRICT WIDE

Kaiaua from Franklin District to Hauraki District

As further discussed on page 15, the Kaiaua area, currently part of the Franklin District, is to become part of Hauraki District on 1 November 2010.

As at the date of publishing the Annual Plan 2010/11, there was insufficient information available to be able to accurately incorporate for the Kaiaua area the programme of works, the assets and the liabilities for the eight month period of 1 November, 2010 to 30 June 2011. There has also been insufficient time to be able to incorporate and align the differences in the policies between the two Councils in the lead up to the transition date.

Following the adoption and publication of the Hauraki District Council Annual Plan 2010/11, the financial information for the eight month period 1 November, 2010 to 30 June, 2011 for the Kaiaua area, will be included into the Annual Plan 2010/11 and this will be available on Council's website www.hauraki-dc.govt.nz when completed.

The programme for works for Kaiaua for the 2010/11 has been consulted on by Franklin District Council during its consultation on the Long Term Council Community Plan 2009–19 in 2009.

There is also work needed on the amalgamation of policy documents, strategies, by-laws and the like. The extent of this work is unknown at this stage but until each policy/strategy/by-law is dealt with the current policies strategies and by-laws will continue to apply to their respective areas.

Resource Management Act 1991, Discount Policy

Through an amendment to the Resource Management Act in 2009, it was proposed that regulations regarding a discount policy in accordance with Section 36 AA be introduced. This regulation enables Councils to discount section 36 charges where resource consents are not processed within the required timeframe, and the council is at fault. The Ministry for the Environment are to prepare a default discount policy that sets out how the fault is determined, and what will happen in the event of a dispute. This policy will become a default policy as of the end of July 2010 for all Councils including Hauraki District Council, unless Council chooses to adopt a more generous discounting policy. Council is expected to instigate the default policy; however this will be subject to review.

Riskpool

\$71,000 has been allocated in the budget for the request by Riskpool, a Local Government Insurance Group of which Council is a member, for additional funds. This request is to offset the adverse position Riskpool finds it is facing as a result of costs associated with the claims made against it for weather-tightness issues (leaky building syndrome).

The request made is an interim request and further requests may be required in subsequent years depending on the final outcome of appeals and the outcome of some court cases. This is to be funded from reducing the contribution from Councils Investment Fund to Council's Community Projects Assistance Fund.

Tourism Coromandel

Tourism Coromandel has sought assistance from Council to contribute to a specific marketing campaign proposed for the Rugby World Cup 2011 in conjunction with Thames Coromandel District Council.

The purpose of the campaign is to help the Hauraki/Coromandel region attract additional visitors and capitalise on economic benefits the six-week Rugby World Cup 2011 event will create, not just for Auckland but potentially for neighbouring areas such as the Hauraki/Coromandel.

The strategic focus of this project will not only be on the period of the Rugby World Cup but also be on enhancing the local identity in key rugby playing offshore markets with the intention of increasing market share over the medium term.

In support of this campaign, Council has allocated \$25,000 towards the cost of the marketing campaign to Tourism Coromandel in 2010/11. \$10,000 has already been provided for during 2009/10 towards the initial costs of the campaign.

Roading

There is an overall capital expenditure reduction of \$733,695 in the roading activity. Of this figure 54% is subsidised by New Zealand Transport Agency with \$338,000 being the reduction to Council rates. Overall most of the reductions are based on predictive modelling demonstrating greater life expectancy of low volume roads and more competitive contract rates.

Aquaculture Manager

As identified by the Hauraki Coromandel Development Group, a key area that has been identified as having significant economic development potential in the Hauraki and Coromandel region is aquaculture.

The Government has announced its decision to approve the 1,783 hectare Wilson's Bay Aquaculture Area in the Firth of Thames which opens up a further 520 hectares for shell fish farming. The current production of mussels alone in this area is 22,000 tonnes per annum with this volume predicted to increase to 60,000 tonnes by 2015.

In terms of infrastructure support the aquaculture industry is approaching a crisis point. Unless further wharf and other shore based facilities are provided the industry growth will be significantly hindered and given the rapid expansion of the industry in other regions there is a real risk that investment in development will be shifted to these other regions.

While it is acknowledged that the aquaculture industry is a key player in the development of the infrastructure necessary to support itself there is also a key role that Government (Central and Local)

Variations from the Hauraki Community Plan 2009-19

needs to play. As such it has been identified that an Aquaculture Development Project Manager be appointed with responsibility for ensuring that the region gains the benefits from aquaculture growth. \$20,000 has been included for both 2010/11 and 2011/12 for its share of the cost of an Aquaculture Development project manager.

Graffiti removal

Due to the rising costs of graffiti removal, an extra \$5,000 has been budgeted for the removal of graffiti across the District.

Civil Defence

Waikato Civil Defence and Emergency Management Group

The Co-ordinating Executive Group (CEG) recommended that the Waikato Civil Defence and Emergency Management Group (CDEMG) budget be increased for the purposes of maintaining the website, training, monitoring and evaluating processes and for information management.

The total share between all Waikato Region Authorities is \$34,000. The Hauraki District Council share is \$2,500.

In addition to this budget request, a review conducted by the Ministry of Civil Defence and Emergency Management on the Waikato's Group set up and operations has recommended changes to better carry out obligations imposed on local bodies under the Civil Defence and Emergency Management Act 2002. An initial assessment for the cost on the recommended changes has resulted in a \$6,000 increase for Hauraki District (\$380,000 across the whole region).

Thames Valley Emergency Operating Area

The Thames Valley Emergency Operating Area (EOA) for Civil Defence indicates that a further \$11,500 is required for training, Emergency Operating Centre training and salaries. This cost is to be shared between Thames Coromandel District Council, Matamata Piako District Council and Hauraki District Council. The Hauraki District Council share of the requested increase is a further \$1,500.

Variations from the Hauraki Community Plan 2009-19

Programmed capital works for 2010/11 as per Volume 1 of the Hauraki Community Plan

Roading

Further detail on the capital programme for the Roothing activity can be found on pages 174-181 of the Hauraki Community Plan 2009-19.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Subsidised Roothing		
Resurfacing.	1,441	788
Drainage renewals.	174	174
Kerb and Channel.	69	69
Area Wide Pavement Treatment.	501	443
Bridge repairs.	46	46
Streetlights.	118	95
Minor Improvements.	260	260
Walking and cycling works.	80	80
Seal Extensions.	94	94
Non Subsidised Roothing		
Seal Extensions.	366	366
Kerb and channel.	305	305
New vehicle crossings.	12	12
New street lights.	9	9
Plains unallocated works.	52	52
Footpath replacements.	35	35
Footpaths additional.	75	75
Vehicle crossings.	12	12

Variations from the Hauraki Community Plan 2009-19

Water Capital Projects

Further detail on the capital programme for the Water activity can be found on pages 182-189 of the Hauraki Community Plan 2009-19.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Ohinemuri upgrades		
Renewal of mains.	101	101
Investigation and reconditioning of Waihi Road from the L and P Bottle to Reservoir Road.	36	36
Paeroa upgrades		
Renewal of mains.	104	104
Plains upgrades		
Mains Renewals	347	347
Kerepehi treatment capacity upgrade	-	6,876
Replacement of water meters.	26	26
Raw water storage Waitakaruru	-	2,072
Treated water storage Waitakaruru	486	486
Treated water storage at Kerepehi.	820	820
Waihi upgrades		
Mains upgrades.	104	104
Alternative water source.	4,780	4,780

Wastewater

Further detail is available on the Wastewater activity and its capital programme on pages 190-194 of the Hauraki Community Plan 2009-19, Volume 1.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Upgrade Kerepehi Domain P/S rising main	266	266
Ngatea Mains renewals	44	44
Ngatea slag renewal	35	35
Paeroa replacement pump station controller/sensors	41	41
Cabinet/ancillaries renewal	25	25
Paeroa Mains renewals	169	169
District Wide Telemetry upgrade	26	26
Paeroa slag renewals	35	35
Waihi Mains renewals	164	164
Whiritoa desludge ponds	221	221
Whiritoa mains renewals	33	33

Variations from the Hauraki Community Plan 2009-19

Land Drainage

Further detail is available on the Land Drainage activity and its capital programme on pages 195-201 of the Hauraki Community Plan 2009-19, Volume 1.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Terrace stopbank (between Bush Road and the river, north of Ngatea) renewals on the eastern Plains.	21	21
Maukoro Canal left bank stopbank.	125	125
Waitakaruru Stopbank (left and right bank).	250	250
Kauoitī stopbank reconstruction.	186	186

Stormwater

Further detail is available on the Stormwater activity and its capital programme on pages 202-207 of the Hauraki Community Plan 2009-19.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Arney St, Paeroa.	83	16
Normanby Road, Paeroa.	104	104
Improvement Plan items.	24	20
Miscellaneous upgrades, renewals and improvement plan items in Waihi.	139	136
Continuation of piping of drains programme in Ngatea Township.	57	57
Ngatea improvement plan items.	12	12
Continuation of Turua stormwater improvement programme.	34	9
Turua improvement plan items.	6	5
Continuation of Kerepehi stormwater improvement programme.	23	23
Kerepehi Improvement plan items.	6	5

Community Services and Property

Further detail is available on the Community Services activity and its capital programme on pages 213- 256 of the Hauraki Community Plan 2009-19.

Project	2010/11 LTCCP Total Cost \$000	Forecast Annual Plan 2010/11 Total Cost \$000
Office building renewals.	39	39

Signalling any changes in Levels of Service

Local Government Reorganisation

During 2010/11 the Hauraki District Council will potentially be dealing with two Local Government re-organisation proposals, the first, which is proceeding, involving a portion of Franklin District Council and the second involving the Waihi Beach Ward of the Western Bay of Plenty District Council.

Auckland Governance – Franklin District Council

The Government has passed legislation to establish an Auckland Council from 1 November, 2010. As part of the proposal the Government has decided that the current Franklin District Council will be divided between the new Auckland Council, the Hauraki District Council and the Waikato District Council.

At this stage the proposal is for the catchment area of the Kaiua Coastal Plain and the foothills that presently is situated in the Franklin District Council to be transferred to the Hauraki District Council from 1 November, 2010.

This area constitutes approximately 8,000 hectares with a population of approximately 560 people and 590 rateable properties. The Franklin District Council and the Hauraki District Council have formed project teams to undertake the many legal and procedural matters that must occur for this area to be incorporated in Hauraki District.

The final legislation for the Auckland Governance matters is expected to be passed in early May 2010 and this will allow all the Councils involved to proceed with certainty to ensure the changes are completed by the required date.

A number of transitional arrangements relating to Annual Plans, Long Term Council Community Plans, elections, rating and many other matters will be put into place to ensure that the transition is as smooth as possible for all parties involved.

During the transition period between now and 1 November, 2010 the Council will keep the communities involved in Hauraki and Franklin informed via the newspaper, letters and meetings.

The transition period to allow all the necessary processes to be completed is likely to extend to the publication of the Hauraki District Council Draft Long Term Plan 2012-22 at which time all policies and by-laws from the two Councils are expected to be redrafted so that one set of policies and by-laws applies across the whole Hauraki District Council.

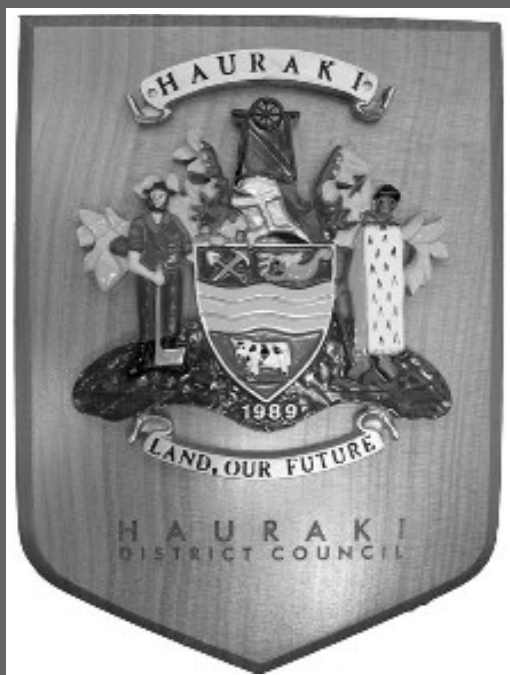
Waihi Beach – Proposal for inclusion of the Waihi Beach Ward into the Hauraki District

The Hauraki District Council has received a petition seeking the inclusion of the Waihi Beach Ward into the Hauraki District Council.

This petition meets the requirements of the Local Government Act, 2002 to require that a proposal be prepared on this basis for consideration. Because the local authorities involved (Hauraki and Western Bay of Plenty Districts, Environment Waikato and Environment Bay of Plenty) could not agree on how the proposal should be dealt with the Act requires that it is dealt with by the Local Government Commission.

The timetable for the Local Government Commission to consider the proposal is unknown at this stage.

Governance and Leadership Group



What is the Governance and Leadership Group?

The purpose of Local Government as defined in the Local Government Act 2002 is to:

- Enable democratic local decision-making and action by and on behalf of communities; and
- Promote the social, economic, environmental and cultural well-being of communities, in the present and for the future

The Hauraki District Council has stated its governance and leadership role in achieving this purpose is to ensure the successful:

- Provision of services and facilities; and
- Advocacy on behalf of the community; and
- Use and management of resources

for all who live in or visit the Hauraki District.

What activities are included in Governance and Leadership?

- Democracy
- Iwi Liaison
- Policy Development
 - Strategic Planning
 - Resource Management Policy Development

Governance & Leadership Group

What are the costs of operating the Governance and Leadership Group?

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
OPERATING EXPENDITURE			
Democracy	1,419	1,444	1,444
Policy Development	743	733	733
Iwi Liaison	48	52	52
	2,210	2,229	2,229
LESS OPERATING REVENUE			
Fees and Charges	1	1	1
General Rates	2,103	2,126	2,126
	2,104	2,127	2,127
OPERATING SURPLUS/(DEFICIT)	(106)	(102)	(102)
FUNDED BY			
Transfers to/(from) General Reserve	(106)	(102)	(102)
	(106)	(102)	(102)

Democracy - Levels of Service

Current Levels of Service	Target 2010/11
<p>Council will conduct all its business in an open and transparent manner.</p> <p><u>Measure and method of measurement</u> All procedural requirements are met in accordance with the Local Government Act 2002, Local Government Official Information and Meetings Act 1987, Standing Orders and other appropriate legislation, <i>as measured by complaints upheld by the ombudsmen.</i></p>	Maintain no complaints being upheld by the ombudsman.
<p><u>Measure and method of measurement</u> Agendas for meetings (other than extra-ordinary meetings) of Council and its committees are publicly available (either via the internet, or in Council service centres or at Council libraries), <i>as measured by Council Secretary's checklist.</i></p>	Agendas are publicly available two clear working days before each meeting.
<p>When making decisions Council will take account of community views.</p> <p><u>Measure and method of measurement</u> All decisions that are deemed to be significant use the decision-making matrix and associated Significance Policy, <i>as measured by Council minutes and associated evidence of decision made.</i></p>	100%
<p>Councillors will provide satisfactory governance and leadership for the community.</p> <p><u>Measure and method of measurement</u> Public satisfaction in Council's Governance and Leadership, <i>as recorded by the triennial residents' survey.</i></p>	>75% of residents satisfied

Governance & Leadership Group

Iwi Liaison - Levels of Service

Current Levels of Service	Target 2010/11
<p>Council will have continuing consultation with Tangata Whenua. <u>Measure and method of measurement</u> Council will continue to develop Memoranda of Understanding (MOU) with Hauraki Iwi, as measured by memorandum signed by Council and Iwi.</p>	One additional MOU
<p>Provide opportunities for Maori to be involved in decision-making processes. <u>Measure and method of measurement</u> Council will consult with Tangata Whenua on all Council applications for wastewater and water consents, as measured by reports to the Consultative Committee on Water and Waste.</p>	Review of each application

Policy Development - Levels of Service

Current Levels of Service	Target 2010/11
<p>Prepare Policies, Plans and Strategies required by legislation <u>Measure and method of measurement</u> All policies, plans and strategies required by legislation be adopted by due dates, as measured by council checklist on each issue.</p>	Maintain 100%
<p>Ensure major decisions are made in a democratically accountable way <u>Measure and method of measurement</u> All issues that are subject to special consultative procedure meet the requirements of the Local Government Act 2002, as measured by council checklist on each issue.</p>	Maintain 100%
<p>Policy development is visible and accountable <u>Measure and method of measurement</u> Key draft policy documents subject to consultation are available on Council's website by the notified date of availability, as measured by website electronic records.</p>	Maintain 100%
<p>Provide local legislation <u>Measure and method of measurement</u> Review of bylaws undertaken and published, as measured by council minutes.</p>	Review of individual bylaws as required Full review in 2018

Network Services Group



What is the Networks Services Group of Activities?

Network Services are often referred to as infrastructural assets; they are usually network based and have generally been seen to be Council's core activities.

What activities are included in Network Services?

- Roding
- Water
- Wastewater
- Land Drainage
- Stormwater
- Solid Waste

Network Services Group

What are the costs of operating the Network Services Group?

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
OPERATING EXPENDITURE			
Roading	6,471	6,842	6,589
Water	4,698	6,014	6,027
Wastewater	3,458	3,603	3,618
Land Drainage	1,039	1,063	1,064
Stormwater	811	836	832
Solid Waste	1,150	1,194	1,194
	17,627	19,552	19,324
LESS OPERATING REVENUE			
Fees and Charges	659	685	685
External Subsidies	6,416	3,513	2,953
Targeted Rates	9,895	10,646	10,646
General Rates	1,850	1,845	1,750
	18,820	16,689	16,034
OPERATING SURPLUS/(DEFICIT)	1,193	(2,863)	(3,290)
FUNDED BY			
Transfers to/(from) Water Reserve	(20)	(823)	(836)
Transfers to/(from) Wastewater Reserve	(638)	(588)	(603)
Transfers to/(from) Land Drainage Reserves	173	162	161
Transfers to/(from) Stormwater Reserves	8	2	6
Transfers to/(from) General Reserve	3,253	205	(190)
Other General Funding	(1,583)	(1,821)	(1,828)
	1,193	(2,863)	(3,290)
CAPITAL EXPENDITURE			
Property, Plant and Equipment			
Renewals	8,133	4,602	3,884
Level of Service Increases	6,661	4,008	6,007
Capacity Demand Increases	8,167	4,792	12,031
	22,961	13,402	21,922
Internal/External Loan Repayments	269	0	0
Landfill Liability Reductions	0	279	279
CAPITAL FUNDING REQUIRED	23,230	13,681	22,201
FUNDED BY			
Depreciation	6,224	6,525	6,525
Development Contributions	238	238	238
Internal/External Borrowing	13,796	7,214	16,493
Transfers from/(to) Community Facilities Reserves	(145)	(117)	(117)
Transfers from/(to) Water Reserve	(20)	(823)	(836)
Transfers from/(to) Wastewater Reserve	(638)	(588)	(603)
Transfers from/(to) Land Drainage Reserves	173	162	161
Transfers from/(to) Stormwater Reserves	8	2	6
Transfers from General Reserve	3,594	1,068	334
	23,230	13,681	22,201

Network Services Group

Roading Services - Levels of Service

Current Levels of Service	Target 2010/11
<p>Provide access to the network of local roads <u>Measure and method of measurement</u> Time for road access to be restored to communities following a 1 in 10 year climatic event, as measured by the network consultant.</p>	100% of Arterial and Collector roads providing access to communities open within 24 hours. All other roads 72 hours.
<p>Extend pavement life of sealed roads <u>Measure and method of measurement</u> Reseal an average of 40 km of sealed roads per year over a three year rolling average, as measured by the network consultant.</p>	40kms of roads sealed over three year rolling average.
<p>Delivery of a roading network that addresses safety and amenity issues <u>Measure and method of measurement</u> Traffic safety barriers are installed and maintained in effective conditions with NZ Standards, as measured by the network consultant.</p>	100% of all roads.
<p><u>Measure and method of measurement</u> Damage, missing or leaning signs are remedied, as measured by the network consultant.</p>	Within 7 days.
<p><u>Measure and method of measurement</u> All reported potholes are repaired, as measured by the network consultant.</p>	Within 5 days.
<p><u>Measure and method of measurement</u> All programmed new footpaths are installed, as measured by the network consultant.</p>	100% of all footpaths installed

Water Supply Services- Levels of Service

Current Levels of Service	Target 2010/11
<p>Water from all water supplies is safe to drink <u>Measure and method of measurement</u> Number of notifiable illnesses attributable to the management of water supply services, as measured through Council health and safety records, as advised by Ministry of Health.</p>	0
<p>Water supply services are affordable <u>Measure and method of measurement:</u> Average water supply charges per cubic metre, as measured through Councils financial systems.</p>	Rural \$1 – \$1.11 Urban \$1.28
<p>Water supply failures and service requests responded to promptly <u>Measure and method of measurement</u> Percentage of urgent service requests responded to within 4 hours as measured by the service request database.</p>	>90%
<p>A reliable water supply is provided <u>Measure and method of measurement</u> Number of water supply disruptions to properties per annum, as measured through the water supply performance reports.</p>	<270
<p><u>Measure and method of measurement</u> Percentage of customers satisfied or very satisfied with the water supply services, as measured by Council's triennial survey.</p>	>68%

Network Services Group

Wastewater Services - Levels of Service

Current Levels of Service	Target 2010/11
<p>Wastewater services are affordable <u>Measure and method of measurement</u> Charges per average wastewater charges per household per annum, as measured through Council's financial system.</p>	\$565
<p>Sewage is managed without risk to public health <u>Measure and method of measurement</u> Frequency of sewage overflows affecting a single habitable dwelling in a year as measured by Council minutes.</p>	<3
<p>A reliable wastewater service is provided <u>Measure and method of measurement</u> Number of service requests or complaints per year as measured by service request database.</p>	<107
<p><u>Measure and method of measurement</u> Average response time to health and safety issues, as measured by the service request database.</p>	<8 hours
<p><u>Measure and method of measurement:</u> Satisfaction with the quality of wastewater supply, as measured by Council's triennial survey.</p>	>69%

Land Drainage Services - Levels of Service

Current Levels of Service	Target 2010/11
<p>Quality drainage services provided to all customers <u>Measure and method of measurement</u> Percentage of customers satisfied with the drainage services as measured by the Triennial Survey</p>	>70%
<p>Drainage emergencies are responded to <u>Measure and method of measurement</u> Percentage of emergencies and service requests responded to appropriately as measured by the service request database.</p>	>90%
<p>Affordable drainage services are provided* <u>Measure and method of measurement</u> Average cost of providing drainage services per hectare as measured by Council's financial systems.</p>	<\$22.60
<p>Reliable flood defence assets during abnormal flooding are provided <u>Measure and method of measurement</u> Percentage of drainage district flooded by a greater than design event (1 in 10 year event) as measured by investigation reports.</p>	<5%

Network Services Group

Stormwater Services - Levels of Service

Current Levels of Service	Target 2010/11
Quality stormwater services provided to all customers <u>Measure and method of measurement</u> Percentage of customers satisfied with the stormwater services as measured by the triennial survey.	>60%
Stormwater structure obstructions are minimal <u>Measure and method of measurement</u> Number of reported blockages in stormwater drains and structures as measured by the service request database.	<22
Stormwater systems provide protection for residential buildings during 1 in 10 year storm events <u>Measure and method of measurement</u> Number of habitable residential buildings flooded in a less than 1 in 10 year event as measured by the service request database.	<3
Stormwater systems are affordable* <u>Measure and method of measurement</u> Average charge of providing stormwater services per rateable property, per annum as measured by Council's financial systems.	<\$119
Stormwater systems provide efficient and reliable run off removal <u>Measure and method of measurement</u> Percentage of service requests regarding stormwater assets responded to within appropriate time, as measured by service request database.	Maintain >90%

Solid Waste Services - Levels of Service

Current Levels of Service	Target 2010/11
Convenient and accessible waste management services are provided to the community <u>Measure and method of measurement</u> Number of properties within the targeted rating areas who have access to kerbside recycling and refuse bag collection service, as measured by G.I.S. database.	>5300
<u>Measure and method of measurement</u> Percentage of customers satisfied with the refuse collection service, as measured by the triennial survey.	55%
Refuse is regularly collected <u>Measure and method of measurement</u> Number of complaints of missed weekly collections per annum, as measured by service request database.	Maintain <80 Collection and recycling
<u>Measure and method of measurement</u> Volume of refuse transferred to landfill from transfer station, as measured by reports from contractor.	Decreasing

Community Services Group



Karangahake Reserve

What is the Community Services Group?

Community Services provide for the community's need for recreational, social, cultural and amenity activities.

What activities are included in Community Services?

Community Recreation

- Libraries
- Swimming Pools
- Events Centre
- Sports fields and Recreation Reserves
- District Sports Coordinator

Community Facilities

- Halls
- Pensioner Housing
- Public Toilets
- Cemeteries
- Non-Recreation Reserves

Community Services Group

What are the costs of operating the Community Services Group?

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
OPERATING EXPENDITURE			
Community Recreation	2,616	2,759	2,764
Community Facilities	1,196	1,254	1,257
	3,812	4,013	4,021
LESS OPERATING REVENUE			
Fees and Charges	391	405	405
Targeted Rates	1,713	1,798	1,799
General Rates	1,715	1,820	1,828
	3,819	4,023	4,032
OPERATING SURPLUS/(DEFICIT)	7	10	11
FUNDED BY			
Transfers to/(from) Pensioner Housing Reserves	8	12	12
Transfers to/(from) Community Facilities Reserves	(1)	(2)	(1)
	7	10	11
CAPITAL EXPENDITURE			
Property, Plant and Equipment			
Renewals	202	419	388
Level of Service Increases	429	207	351
Capacity Demand Increases	6	0	0
	637	626	739
Internal/External Loan Repayments	81	156	146
CAPITAL FUNDING REQUIRED	718	782	885
FUNDED BY			
Depreciation	336	336	336
Development Contributions	14	14	14
Internal/External Borrowing	361	422	424
Transfers from/(to) Community Facilities Reserves	7	10	11
Transfers from Community Recreational Reserves	-	-	100
	718	782	885

Community Recreation - Levels of Service

Current Levels of Service	Target 2010/11
Libraries	
Customer friendly and effective library operation is provided <u>Measure and method of measurement</u> Percentage of residents and users satisfied with libraries service as measured by Council's triennial survey of residents.	Greater than or equal to 72%
An appropriate range of print, audio-visual and electronic resources are available <u>Measure and method of measurement</u> Range of resources meets expectations of library users as measured by annual review of: a) circulation of collections (resources issued) b) online resources, and c) book stock levels per capita with targets increasing year by year.	a) Greater than a 3% increase over 2009/10 figures and at least 127,841 b) Greater than a 5% increase over 2009/10 figures and at least 2091 hits on Libraries website and subscriptions c) 2.9 books per person
Libraries attract a wide audience <u>Measure and method of measurement</u> Number of library members as measured by the library management system on an annual basis.	>33% of district population
Swimming Pools	
Public swimming pools are compliant <u>Measure and method of measurement</u> Swimming pool water tests are compliant with NZ safety standards during the open season as monitored during the season by lifeguards, and reported back monthly to managers.	Maintain >97% compliant
Public swimming pools are accessible and safe <u>Measure and method of measurement</u> Public pools are open and available as advertised as measured by monthly reports from pool supervisor.	< 3 days unscheduled closure
<u>Measure and method of measurement</u> Patronage is above the respective average for the previous two years as measured daily by lifeguard pool counts.	>5% increase per annum
<u>Measure and method of measurement</u> No reported accidents as a result of staff maintenance issues as measured by monthly reports from pool supervisor.	<5 accidents a year
Sports Fields & Recreational Reserves	
Sports fields are fit for purpose <u>Measure and method of measurement</u> Sports fields are maintained so as to provide a satisfactory surface for sports, as measured by a weekly inspection pertaining to service request complaints.	< 3 complaints per month
Safe park facilities are provided <u>Measure and method of measurement</u> Park facilities are safe and compliant with playground safety standards, as measured by a monthly inspection report.	>95%
Residents are satisfied with services provided by parks and reserves <u>Measure and method of measurement</u> Number of residents satisfied with facilities available at the Districts Parks and Reserves, as measured by the triennial residents' survey.	>95%

Community Services Group

Current Levels of Service	Target 2010/11
Sports Initiatives	
<p>Foster the participation of residents in sports recreation and leisure. <u>Measure and method of measurement:</u> Programmes, training, support and communication are provided to primary and secondary schools within Hauraki at least twice per year. <i>Measured by the Sports Coordinators annual report.</i></p>	Visit or be in contact with: <ul style="list-style-type: none"> ▪ All primary schools at least twice per annum ▪ All secondary schools at least twice per annum
<p><u>Measure and method of measurement</u> Delivery of 5 programmes for children under five year olds through the provision of resources, communication, training and support, as <i>measured by the Sports Coordinators annual report.</i></p>	Maintain delivery of at least 5 programmes for parent and pre school groups within Hauraki District per annum.
<p><u>Measure and method of measurement</u> To coordinate sports/active living related training/advisory sessions to cater for sports clubs, community groups and seniors within the District, as <i>measured by the Sports Coordinators annual report.</i></p>	At least 15 sports/active living related training sessions to be completed per year.

Community Facilities - Levels of Service

Current Levels of Service	Target 2010/11
Halls	
<p>Council managed Halls are clean and well maintained <u>Measure and method of measurement</u> Hall users are satisfied with the cleanliness and maintenance standard of the halls, as <i>measured through recorded complaints on service request database.</i></p>	<8 complaints per month
Pensioner Housing	
<p>Pensioner units are available for the elderly people who meet the eligibility criteria set by Council <u>Measure and method of measurement</u> Units are occupied at all times other than during pre occupancy maintenance and handover, as <i>measured by monitoring of occupancy schedule.</i></p>	97% occupied
<p>Pensioner Units are affordable <u>Measure and method of measurement</u> Rental fees being set at <85% of local, current market rate for single unit/bedsit, as <i>measured by annual review of market rates.</i></p>	Rental fees are <85% of market rates
<p>Pensioner Units are maintained to a comfortable and safe standard <u>Measure and method of measurement:</u> Response to urgent maintenance requests within 2 hours, response to non urgent requests within 7 days, as <i>measured through service request database.</i></p>	>90%
<p><u>Measure and method of measurement</u> Tenants satisfied with standard of comfort, safety and maintenance, as <i>measured by annual tenant's survey.</i></p>	>90%

Community Services Group

Current Levels of Service	Target 2010/11
Public Toilets	
<p>Toilets are safe and clean <u>Measure and method of measurement</u> Public toilets are safe, clean & sufficiently stocked, as measured through recorded complaints on service request database.</p>	<60 complaints per annum
<p>To provide public toilets that are accessible to the whole community <u>Measure and method of measurement</u> Public toilets available in Waihi, Paeroa and Ngatea at all times, as measured through recorded complaints on service request database.</p>	<3 complaints per year
Cemeteries	
<p>High quality cemeteries are provided <u>Measure and method of measurement</u> Cemeteries are well maintained and compliant with the Burial and Cremation Act 1964, as measured by number of complaints actioned regarding maintenance standards.</p>	<24 complaints per annum

Community Development Group



What is the Community Development Group?

Community Development encompasses a wide range of activities that encourage Council and the community to be involved in initiatives to improve social, cultural, economic and environmental aspects of everyday life.

What activities are included in Community Development?

Community Growth

- Economic Development
- Town Promotion
- Visitor Information Centres
- Tourism Coromandel
- Other initiatives

Community Initiatives

- Social Initiatives
- Grants, Donations and Awards

Community Development Group

What are the costs of operating the Community Development Group?

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
OPERATING EXPENDITURE			
Community Growth	657	713	767
Community Initiatives	561	812	827
	1,218	1,525	1,594
LESS OPERATING REVENUE			
Targeted Rates	422	463	476
General Rates	635	674	726
	1,057	1,137	1,202
OPERATING SURPLUS/(DEFICIT)	(161)	(388)	(392)
FUNDED BY			
Transfers from Community			
Capital Projects Assist. Fund	(161)	(388)	(392)
	(161)	(388)	(392)

Community Growth - Levels of Service

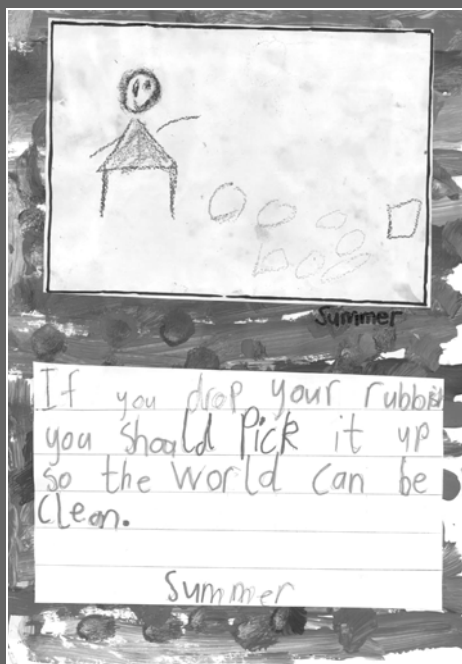
Current Levels of Service	Target 2010/11
<p>Recognise, create and facilitate opportunities for economic development</p> <p><u>Measure and method of measurement</u> Monitoring reports are presented to Council on the activities of Hauraki economic development, on a quarterly basis, as <i>measured by Council minutes</i>.</p>	Reports to Council quarterly
<p>Promote Hauraki as a quality visitor destination</p> <p><u>Measure and method of measurement</u> The number of visitors visiting the area, as <i>measured by the Visitor Information Network and Stats NZ accommodation monitor</i>.</p>	Greater than or equal to 5% increase in visitor nights per annum
<p><u>Measure and method of measurement</u> Customer satisfaction about support for district promotion and economic development, as <i>measured by the triennial residents' survey</i>.</p>	>80%

Community Development Group

Community Initiatives - Levels of Service

Current Levels of Service	Target 2010/11
<p>Council will celebrate the achievements of the Hauraki Community <u>Measure and method of measurement</u> Annual award ceremonies held for Youth and Citizens, as <i>measured by report to Council.</i></p>	Award ceremonies held annually.
<p><u>Measure and method of measurement:</u> The community has the right to nominate award winners and are notified at the nomination period three weeks prior to nominations closing, as <i>measured by HDC News database.</i></p>	Nominations for annual awards ceremony advertised in the HDC News page three weeks prior to the ceremony.
<p>Council will work with social service agencies in the District <u>Measure and method of measurement</u> Provision of a contestable social fund on an annual basis, as <i>measured by reports to Council.</i></p>	Contestable Social Fund applications open by 1st October annually.
<p><u>Measure and method of measurement</u> Participation in Better Futures Hauraki Forum on a continued basis, as <i>measured by reports to Council.</i></p>	Quarterly meetings of the Better Futures Hauraki working party.
<p><u>Measure and method of measurement</u> Continual review of the Positive Ageing Strategy and work towards achieving the goals set within it, as <i>measured by updates to National Positive Ageing Strategy and achievements met.</i></p>	National Positive Ageing strategy Hauraki goals met annually.
<p>Council will encourage youth participation and decision making <u>Measure and method of measurement</u> Regular youth forum meetings are held, as <i>measured by youth forum meeting minutes.</i></p>	Council will hold a youth forum meeting on a monthly basis – or as decided by the youth forum.
<p><u>Measure and method of measurement</u> Annual Youth leadership camp is held, as <i>measured by Council minutes.</i></p>	Youth leadership camp is held in first half of each year.

Regulatory Services Group



Hauraki Youth promoting Sustainability for Hauraki

*Artwork provided by:
Summer de Theiry
Paeroa Central School*

What is the Regulatory Service Group?

Regulatory Services involves a group of responsibilities placed:

- On Council by Central Government to ensure community compliance with national standards and guidelines;
- By Council through policies, plans and by-laws to regulate local issues.

National standards, guidelines and legislative requirements allow and require the Council to develop local compliance standards such as the operative District Plan, by-laws, policies and response plans.

What activities are included in Regulatory Services?

- Resource Management Implementation
- Building Control Services
- Community Protection Services
 - Emergency Management
 - Rural Fire
 - Environmental Health
 - Liquor Licensing
 - Hazard Zone Monitoring
- Animal Control Services

Regulatory Services Group

What are the costs of operating the Regulatory Services Group?

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
OPERATING EXPENDITURE			
RMA Implementation	833	853	853
Building Services	974	994	1,065
Community Protection	622	636	646
Animal Control	374	383	383
	2,803	2,866	2,947
LESS OPERATING REVENUE			
Fees and Charges	1,124	1,166	1,166
General Rates	1,475	1,518	1,599
	2,599	2,684	2,765
OPERATING SURPLUS/(DEFICIT)	(204)	(182)	(182)
FUNDED BY			
Transfers to/(from) General Reserves	(204)	(182)	(182)
	(204)	(182)	(182)

Resource Management Implementation - Levels of Service

Current Levels of Service	Target 2010/11
Resource consent applications should be decided and issued within statutory timeframes <u>Measure and method of measurement</u> Notified resource consent applications decided and issued within 70 working days, as measured by the resource consents database.	100%
<u>Measure and method of measurement</u> Non-notified resource consent decisions not requiring a hearing are issued within 20 working days, as measured by the resource consents database.	95%
Provide a monitoring service which ensures compliance with consent conditions <u>Measure and method of measurement</u> 90% of all Land Use resource consents are monitored for compliance, as measured by the resource consents database.	90% of all new land use consents are checked for compliance within 3 months of issuing.
All LIMs are issued within statutory timeframes <u>Measure and method of measurement</u> 100% of LIMs issued within 10 working days, as measured by the applications database.	100%

Regulatory Services Group

Current Levels of Service	Target 2010/11
<p>The public are satisfied with Resource Consent administrative processes <u>Measure and method of measurement</u> Percent of customers satisfied in customer satisfaction survey every year of 5% of RC applicants, as measured by survey results.</p>	>85% satisfied
<p>Excessive noise complaints will be responded to by Council <u>Measure and method of measurement</u> All Complaints regarding noise are responded to promptly 24hours a day 7 days a week, as measured by the contractors' monthly report.</p>	100%

Building Control Services - Levels of Service

Current Levels of Service	Target 2010/11
<p>Public buildings are audited for compliance with the building warrant of fitness requirements <u>Measure and method of measurement</u> Audits confirm building owners are maintaining compliant building warrant of fitness systems, as measured by an annual audit of records.</p>	10% of WOFs audited per year
<p>Building consent applications will be processed within statutory timeframes <u>Measure and method of measurement</u> Building consent applications not requiring additional information are processed within 20 working days, as measured by the monthly report to Council.</p>	98%
<p>Privately owned swimming pools comply with the Fencing of Swimming Pools Act 1987 <u>Measure and method of measurement</u> High risk properties with Swimming pools on Council's register inspected for compliance with the Fencing of Swimming Pools Act 1987, as measured by quarterly audit of swimming pool register.</p>	Annual inspection of high risk pools - 100%
<p><u>Measure and method of measurement</u> Low risk properties with Swimming pools on Council's register inspected for compliance with the Fencing of Swimming Pools Act 1987, as measured by quarterly audit of swimming pool register.</p>	Annual inspection of low risk pools - 10% Inspected low risk pools determined by random selection.
<p>Ensure quality customer communication, consultation and service are provided <u>Measure and method of measurement</u> Percent of customers satisfied with service rating through the triennial survey of residents to determine level of satisfaction, as measured by triennial survey of residents (excluding 'don't know' answers).</p>	>80% satisfied

Community Protection Services - Levels of Service

Current Levels of Service	Target 2010/11
<p>Provision of Health Premises legislation</p> <p><u>Measure and method of measurement</u> Number of food premises monitored for compliance with appropriate legislation, as measured by quarterly audit of inspection records.</p>	<p>100% Low Risk premises monitored 100% Medium Risk premises monitored</p>
<p><u>Measure and method of measurement</u> Percent of public and school pools monitored annually for compliance with the New Zealand Standard for Public Pools, as measured by quarterly audit of inspection records.</p>	<p>>90%</p>
<p>Implementation of the liquor licence legislation</p> <p><u>Measure and method of measurement</u> Number of new and renewed Liquor Licence Manager's Certificates licenses issued within 1 month of receipt providing no objections and the application is complete, as measured by audit of application records.</p>	<p>Greater than 2009/10 achievement and greater than 81%</p>
<p><u>Measure and method of measurement</u> Percent of new and renewed On- Off and Club Liquor Licences issued within three months of receipt providing no objections received and the application is complete, as measured by audit of application records.</p>	<p>Greater than 2009/10 achievement and greater than 75%</p>
<p>Council is ready for a Civil Defence or Rural Fire Emergency</p> <p><u>Measure and method of measurement</u> Civil Defence equipment is inspected and maintained, as measured by register of equipment.</p>	<p>Twice Annually</p>
<p><u>Measure and method of measurement</u> Rural Fire equipment is inspected and maintained, as measured by register of equipment.</p>	<p>Maintain at least three annually</p>
<p><u>Measure and method of measurement</u> Timeframe for taking over responsibility for a fire is within one hour of receiving official notification, as measured by operations records.</p>	<p>90% taken over within one hour</p>
<p>Open air fires within Hauraki are monitored during restriction periods</p> <p><u>Measure and method of measurement</u> Process all applications for fire permits within 2 working days, as measured by application records.</p>	<p>100% of application processed within 2 working days</p>
<p>Fire restrictions are in place for summer seasons</p> <p><u>Measure and method of measurement</u> Articles are placed in the HDC news page identifying the fire restrictions, as measured by the HDC News database.</p>	<p>100% of notices placed in media at least one week before restrictions</p>
<p><u>Measure and method of measurement</u> Signs are in place in two locations appropriate to the restrictions, as measured through timesheet records.</p>	<p>100% of signs in place on the day the fire restriction starts/ends</p>

Animal Control Services – Levels of service

Current Levels of Service	Target 2010/11
<p>Council will ensure compliance with the Dog Control legislation and by-law and Stock Impounding Act in order to provide Public Safety</p> <p><u>Measure and method of measurement</u> Percentage of known dogs registered at 30 June, each year, as measured by the registration records.</p>	>96%
<p><u>Measure and method of measurement</u> All complaints about wandering stock on public roads responded to within three hours, as measured by the contractors' monthly report.</p>	100% of complaints responded to.
<p><u>Measure and method of measurement</u> Dog attack complaints responded to within two hours, as measured by the contractors' monthly report.</p>	100% of complaints responded to.
<p>The public is aware of their rights and responsibilities of dog and stock ownership</p> <p><u>Measure and method of measurement</u> Number of education articles regarding dog and stock ownership through public news media, as measured by HDC News page database.</p>	4 articles a year

Financial Statements

WHAT CAN AND CAN NOT BE RECYCLED AT THE SUPERMARKET ...

Shopping, oh how I love shopping and spending lots of money on food!

But I now know one way to save your money... look on all the plastic bottles or plastic containers for a triangle with a number in it, and that means that it is recyclable but it has to have the numbers 1 to 7 inside.

Stephanie, Victoria and I went to Woolworths and found information about food prices, based on their packaging and whether the packaging was reusable, recyclable or RUBBISH. We used my family's shopping list to determine a family's grocery list for a month.

I found that recycled packaging is cheaper than packaging that cannot be reused or recycled.

Here are my examples:

You can purchase lasagne pasta in plastic bags or a box. I worked out that lasagne pasta in a plastic bag was \$1.69 for 100g, and in a box it was \$2.76 for 200g... this means that the box is a cheaper option, more value for money, and the box can be recycled. ☺

Tomatoes in a plastic bag are \$4.98 and the tomatoes in a plastic container are \$4.75, with the same amount in each, so the recyclable container is cheaper.

Spaghetti pasta in a plastic bag is \$1.69 for 500g, and in a box it is \$2.29 for 600g, so the box is a cheaper option and recyclable.

Macaroni in a plastic bag is \$2.68 or in a box it is \$2.29 in each packet there is 500g... so that means that if you buy recyclable packaging you will save 39cents.

This was just the start of my investigative project about saving money with recycled packaging!

By Casey Marshall, Year 6, Waihi Central School

*Hauraki Youth promoting
Sustainability in Hauraki*

*Story provided by:
Casey Marshall, Waihi Central School*

What is included in this section?

- Prospective Comprehensive Income Statement
- Prospective Balance Sheet
- Prospective Statement of Movements in Equity
- Prospective Statement of Cashflow
- Prospective Overall Activity Statement and Comprehensive Income Reconciliation
- Balanced Budget Statement
- Notes to the Financial Statements
- Capital Works Schedule

Financial Statements

Prospective Income Statement

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
INCOME			
Fees and Charges	2,175	2,257	2,257
External Subsidies	6,416	3,513	2,953
Targeted Rates	12,029	12,906	12,920
General Rates	7,890	8,259	8,233
Petrol Tax	196	203	203
Development Contributions	253	253	253
Gains/(Losses) on Revaluation of Investment Property and Properties Held for Resale	-	21	21
Quarry Sales	2,889	3,000	2,996
Business Unit Surpluses	168	175	175
TOTAL INCOME	32,016	30,587	30,011
Less			
Total Operating Expenditure	* 25,935	27,595	27,501
Quarry Expenditure	* 2,336	2,426	2,426
Interest Expense	1,016	1,666	1,679
Provision for Bad Debts	53	55	55
TOTAL EXPENDITURE	29,340	31,742	31,661
Net surplus/(deficit) from Operations	2,676	(1,155)	(1,650)
OTHER COMPREHENSIVE INCOME			
Gains/(Losses) on asset revaluations	-	28,726	28,649
COMPREHENSIVE SURPLUS/(DEFICIT)	2,676	27,571	26,999
* Includes Depreciation of:	8,221	8,449	8,449

Financial Statements

Prospective Balance Sheet

	LTCCP 30 June 10 \$000's	LTCCP 30 June 11 \$000's	Forecast 30 June 11 \$000's
Current Assets			
Cash and cash equivalents	30	42	0
Trade and other receivables	6,899	7,164	7,166
Provision for Doubtful Debts	(900)	(935)	(935)
Non-current assets held for resale	0	0	0
Inventories	1,000	1,038	1,038
Other Financial Assets	31	32	32
Total Current Assets	7,060	7,341	7,301
Current Liabilities			
Cash and cash equivalents	0	0	4
Trade and other payables	4,838	5,024	5,024
Landfill Aftercare Provision	80	366	366
Employee Entitlements Provision	1,004	1,043	1,043
Borrowings	28	28	28
Less Total Current Liabilities	5,950	6,461	6,465
Working Capital	1,110	880	836
Non-Current Assets			
Property, Plant And Equipment	473,263	508,740	508,623
Biological Assets - Forestry	707	784	784
Intangible Assets - Computer Software	1,000	921	921
Investment Properties	782	603	603
Investments in Joint Ventures	42	42	42
Other Financial Assets	84	84	84
Total Non-Current Assets	475,878	511,174	511,057
Non-Current Liabilities			
Landfill Aftercare Provision	1,662	1,097	1,097
Employee Entitlements Provision	425	441	441
Borrowings	22,649	30,693	31,104
	24,736	32,231	32,642
NET ASSETS	452,252	479,823	479,251
Represented by:			
General Reserve	377,159	376,392	375,901
Council Created Reserves	5,838	5,450	5,446
Asset Revaluation Reserve	69,255	97,981	97,904
RATEPAYERS EQUITY	452,252	479,823	479,251

Financial Statements

Prospective Statement of Movements in Equity

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
General Reserve			
Balance at the start of the year	374,322	377,159	377,159
Net Surplus/(Deficit) for the year	2,676	(1,155)	(1,650)
Transfers (to)/from Council Created Reserves	161	388	392
Balance at the end of the year	377,159	376,392	375,901
Council Created Reserves			
Balance at the start of the year	5,999	5,838	5,838
Transfers to/(from) Council Created Reserves	(161)	(388)	(392)
Balance at the end of the year	5,838	5,450	5,446
Revaluation Reserves			
Balance at the start of the year	69,255	69,255	69,255
Gains/(Losses) on asset revaluations	-	28,726	28,649
Balance at the end of the year	69,255	97,981	97,904
TOTAL EQUITY AT THE END OF THE YEAR	452,252	479,823	479,251

Financial Statements

Prospective Statement of Cashflow

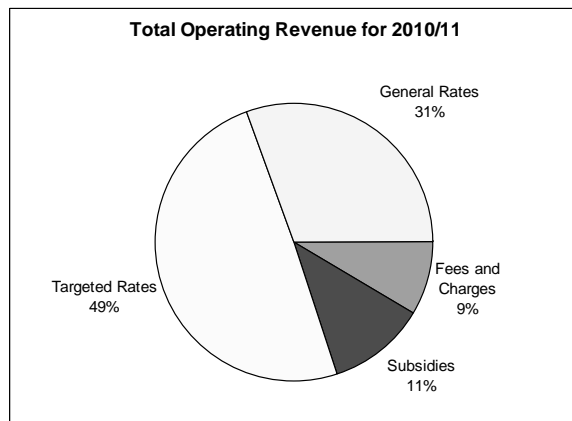
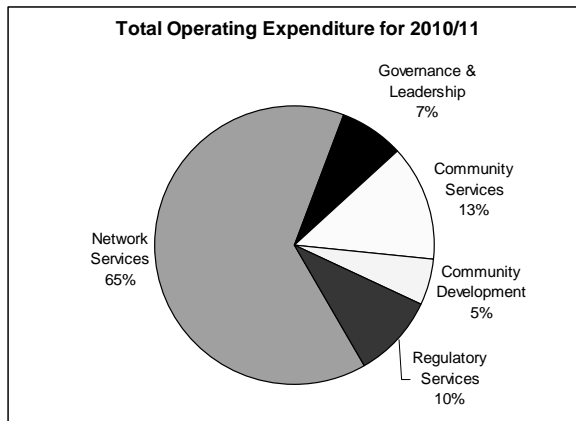
	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
Operating Activities			
Cash to be provided from:			
Rates	19,916	20,929	20,917
Development Contributions	253	253	253
Fees, Charges and Subsidies	11,791	9,092	8,528
	<u>31,960</u>	<u>30,274</u>	<u>29,698</u>
Cash to be applied to:			
Employees and Suppliers	20,018	21,337	21,245
Interest on Loans	1,016	1,666	1,679
Net Taxes paid	31	32	32
	<u>21,065</u>	<u>23,035</u>	<u>22,956</u>
Net Cash flows from Operating Activities	10,895	7,239	6,742
Investing Activities			
Cash to be provided from:			
Decrease in Investments	-	-	-
Sale of Assets	1,550	200	200
	<u>1,550</u>	<u>200</u>	<u>200</u>
Cash to be applied to:			
Acquisition of Investments	62	76	76
Operating & Infrastructural Asset Acquisitions	25,103	15,122	23,721
	<u>25,165</u>	<u>15,198</u>	<u>23,797</u>
Net Cash flows from Investing Activities	(23,615)	(14,998)	(23,597)
Financing Activities			
Cash to be provided from:			
Lease Receipts	28	28	28
Loans Raised	12,750	8,050	17,100
	<u>12,778</u>	<u>8,078</u>	<u>17,128</u>
Cash to be applied to:			
Lease Payments	28	28	28
Landfill Liability Reduction	-	279	279
Loan Repayments	-	-	-
	<u>28</u>	<u>307</u>	<u>307</u>
Net Cash flows from Financing Activities	12,750	7,771	16,821
NET CHANGE IN CASH HOLDINGS	30	12	(34)
Plus Opening Cash	-	30	30
CLOSING CASH BALANCE	<u>30</u>	<u>42</u>	<u>(4)</u>
Represented by:			
Cash at Bank	29	41	(5)
Petty Cash	1	1	1
	<u>30</u>	<u>42</u>	<u>(4)</u>

Financial Statements

Prospective Overall Activity Statement and Comprehensive Income Reconciliation

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
TOTAL OPERATING REVENUE (Activity Cost of Service Statements)			
Networks	18,820	16,689	16,034
Leadership	2,104	2,127	2,127
Community Services	3,819	4,023	4,032
Community Development	1,057	1,137	1,202
Regulatory	2,599	2,684	2,765
Total Operating Revenue	28,399	26,660	26,160
Reconciling Items			
Gains/(Losses) on Revaluation of Investment Property and Properties Held for Resale	-	21	21
Quarry Sales	2,889	3,000	2,996
Development Contributions	253	253	253
Rates funding Community Capital Works	111	275	203
Business Unit Surpluses	168	175	175
Petrol Tax	196	203	203
	3,617	3,927	3,851
TOTAL OPERATING REVENUE (Statement of Comprehensive Income)	32,016	30,587	30,011
TOTAL OPERATING EXPENDITURE (Activity Cost of Service Statements)			
Networks	17,627	19,552	19,324
Leadership	2,210	2,229	2,229
Community Services	3,812	4,013	4,021
Community Development	1,218	1,525	1,594
Regulatory	2,803	2,866	2,947
	27,670	30,185	30,115
Less Internal Interest	1,735	2,590	2,614
Total Operating Expenditure	25,935	27,595	27,501
Reconciling Items			
Quarry Expenditure	2,336	2,426	2,426
Interest Expense	1,016	1,666	1,679
Provision for Bad Debts	53	55	55
	3,405	4,147	4,160
TOTAL OPERATING EXPENDITURE (Statement of Comprehensive Income)	29,340	31,742	31,661
NET SURPLUS/(DEFICIT) FROM OPERATIONS (Activity Cost of Service Statements)			
Networks	1,193	(2,863)	(3,290)
Leadership	(106)	(102)	(102)
Community Services	7	10	11
Community Development	(161)	(388)	(392)
Regulatory	(204)	(182)	(182)
	729	(3,525)	(3,955)
Add internal Interest	1,735	2,590	2,614
Add revenue Rconciling Items	3,617	3,927	3,851
Less expenditure reconciling items	(3,405)	(4,147)	(4,160)
NET SURPLUS/(DEFICIT) FROM OPERATIONS (Statement of Comprehensive Income)	2,676	(1,155)	(1,650)

Financial Statements



Balanced Budget Statement

Council is required to operate a balanced budget for each activity, ie: Council's projected revenues in any particular year must be set at a level to meet that year's projected operating expenditure.

Council can resolve not to balance its budget as long as Council can demonstrate it is acting prudently.

The main exception available to Council in underfunding expenditure in any year is where there have been past surpluses or there will be future year's surpluses.

In a number of activities Council has considered it is prudent not to fully fund operating expenses because of past/future year surpluses.

Examples include where there is cyclical expenditure, eg: the election of Council occurs every three years. This is funded over the 3 year period rather than seeing a spike in funding in one year. In this case there is under funding for one year and surplus funding for the other two years. Similarly there is expenditure in creating/reviewing the District Plan. This is a document that has a ten year life with the bulk of the expenditure occurring in the first years of development. Council considers it is more equitable to fund the creation of this document evenly over the ten year period rather than in the year the expenditure is incurred.

The two main activities that are underfunding are water and wastewater. These activities have past and/or future year surpluses that can be used to offset the operating deficits forecast for the next few years. Council considers it is prudent to take a longer term view to funding activities such as these as they have very long life assets and have incurred or are going to incur significant capital expenditures over the next few years. Additionally Council has considered the potential risk to the ongoing provision of service by under funding the activity and assessed that risk as negligible so is comfortable the longer term funding view is the most prudent course of action to take.

Financial Statements

Prospective Movement in Public Debt

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
Opening Balance	9,877	22,677	22,677
Less Repayments	-	-	-
Plus New Loans Drawn Down	12,800	8,044	8,455
Term Debt	<u>22,677</u>	<u>30,721</u>	<u>31,132</u>
Interest Expense as a percentage of Rates Revenue	5.1%	7.9%	7.9%
Interest Expense as a percentage of Total Revenue	3.2%	5.4%	5.6%
Long Term Liabilities per Rating Unit	\$ 2,350	\$ 3,168	\$ 3,211

Notes to the Financial Statements

Note 1: Statement of Accounting Policies for the Forecast Year 2010/11

1. Projected Financial Statements

The forecast financial statements have been prepared in accordance with the requirements of the Local Government Act 2002. The accounting principles established by the New Zealand Institute of Chartered Accountants have been applied in the preparation of this Annual Plan.

These financial statements constitute a forecast in terms of Financial Reporting Standard No. 42. Actual results for the periods covered are likely to vary from this forecast. The financial information contained within this document is prospective financial information in terms of accounting standard FRS42. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Hauraki District Council for the 2010/11 financial year. It may not be appropriate for the information disclosed in this Annual Plan to be used for purposes other than those for which it is prepared.

In relation to that standard, the financial information for the 2010/11 financial year is considered to be a "forecast". The actual results achieved for the same period are likely to vary from the information presented, and may vary materially depending upon the circumstances that arise during that period. Events and circumstances may not occur as expected or may not have been predicted or Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based. The forecasts are based on the best information available as at 10 March 2010.

2. Reporting Entity

Hauraki District Council (HDC) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of HDC is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, HDC has designated itself as public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

3. Measurement Base

The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position on a fair value basis, modified by the revaluation of certain fixed assets, have been followed.

The financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000).

Statement of Compliance

The financial information contained within this report is prepared in accordance with generally accepted accounting practice in New Zealand and the requirements of section 93, and audited under section 94, of the Local Government Act 2002.

The financial statements comply with applicable Financial Reporting Standards, which include New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). The financial statements incorporated in the Annual Plan have been prepared in compliance with FRS-42; Prospective Financial Statements.

This set of financial statements has been prepared based on NZ IFRS.

The financial statements have been authorised for issue by Council resolution on 17 March 2010.

Standards and interpretation issued and not yet adopted

There are no standards, interpretations, and amendments that have been issued, but are not yet effective, that HDC has not yet applied.

4. Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The following accounting policies, which materially affect the measurement of results and financial position, have been applied:

Subsidiaries

HDC has no subsidiaries.

Associates

HDC has no associates.

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. HDC accounts for its interest in a jointly controlled operation using the equity method.

Revenue

Revenue is measured at the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Metered Water Rates Revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Other revenue

HDC receives government grants from New Zealand Transport Agency, which subsidises part of HDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods are recognised when a product is sold to the customer. The recorded revenue is the gross amount of the sale.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in HDC are recognised as revenue when control over the asset is obtained.

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Development contributions

The revenue recognition point for development and financial contributions is at the later of the point when HDC is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

In cases where contributions are collected in advance to fund a service that is not currently provided in an area, the contribution is initially recognised as revenue in advance, for example where no water supply is available in

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an area and a new water supply scheme is planned that will be funded in part from the development contributions.

Construction contracts

During the life of this Plan HDC does not foresee itself engaging in Construction Contracts as a Contractor, apart from minor public works.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where HDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the HDC's decision.

Taxation

Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable, which are stated with GST included. The forecast balance of GST at the end of each forecast year is included in Accounts Payable in the Statement of Financial Position.

Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

Fringe Benefit Tax

Where a fringe benefit tax liability arises this has been charged to operating expenditure.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, HDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether HDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Trade and other receivables

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

Loans, including loans to community organisations made by HDC at nil, or below-market interest rates are initially recognised at the present value of their expected future cash

flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of financial performance as a grant.

A provision for impairment of receivables is established when there is objective evidence that HDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows and in case of Community Loans, discounted using the effective interest method.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis, are measured at the current replacement cost.

Inventories held for re-sale are measured at the lower of cost and net re-sale value.

Financial assets

HDC classifies its financial assets into four categories - the classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the statement of financial performance.

Purchases and sales of investments are recognised on trade-date, the date on which HDC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the HDC has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. HDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

Financial assets at fair value through profit or loss

This category has two sub-categories - financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the statement of financial performance. Currently, HDC does not hold any financial assets in this category.

Loans and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance. Loans and receivables are classified as "trade and other receivables" in the statement of financial position.

Impairment of a loan or a receivable is established when there is objective evidence that HDC will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into

bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. When the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due). For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that the HDC will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired. Impairment losses are *Quoted and unquoted equity investments*.

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the statement of financial performance) is removed from equity and recognised in the statement of financial performance. Impairment losses recognised in the statement of financial performance on equity investments are not reversed through the statement of financial performance.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that HDC has the positive intention and ability to hold to maturity. After initial recognition they are measured at amortised cost using the effective interest method. Gains

and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.

HDC does not forecast any assets in this category during the forecast period.

Financial assets at fair value through equity

Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above. This category encompasses investments that HDC intends to hold long-term but which may be realised before maturity and shareholdings, that HDC holds for strategic purposes. After initial recognition these investments are measured at their fair value.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the statement of financial performance. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in statement of financial performance even though the asset has not been de-recognised. On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the statement of financial performance.

Impairment of financial assets

At each balance sheet date HDC assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of financial performance.

Accounting for derivative financial instruments and hedging activities

HDC does not currently use derivative financial instruments to hedge exposure to interest rate risks arising from financing activities. In accordance with its Investment and Liability Management policies, HDC does not hold or issue derivative financial instruments for trading purposes.

Non-current assets held for sale

The only assets included in this category are property held for sale.

Council has capitalised the cost of the land, design/survey fees, power and telephone reticulation, and other expenses directly associated with the project. Council considers the amounts capitalised to be less than net realisable value

Expenditure incurred on the development of roading, including footpaths and kerb and channelling, wastewater and water reticulation and stormwater have not been included. The cost of these assets has been added to the appropriate infrastructural classification.

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

This category of assets includes:

- Operational assets, being tangible assets such as land, buildings, library books, plant and equipment, and motor vehicles.
- Restricted assets, being property, owned by HDC which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions, such as parks and reserves, landfill post closure.

- Infrastructure Assets, being the fixed utility systems owned by HDC. Each infrastructural asset class includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and wastewater pump stations. These are generally not regarded as tradable.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Subsequent recognition

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to HDC and the cost of the item can be measured reliably.

Land and buildings and restricted assets are carried at fair values which reflect the current market values, which is the amount that would be expected from an orderly sale. Land and Buildings are re-valued every three years

All land is currently recorded at rating valuation as at 1 July 2006, and all buildings are valued at 1 July 2008 plus additions/development at cost, less disposals. Land valuations have been confirmed by Valuation and Management Services Ltd, and building valuations were completed by Townshend Cullen Ltd, both qualified valuers, as being suitable for financial reporting.

Infrastructural assets are also carried at fair value, which is deemed to be depreciated replacement cost because the assets are of a specialised nature. The depreciated replacement costs are determined on the basis of valuations prepared every three years. The revaluation process involves assessing the current optimised replacement cost on a brownfields basis, using highest and best use basis and remaining useful lives.

Roading assets were valued by the independent valuers, Opus International Consultants Limited as at 30 June 2008. Water, Wastewater, Stormwater and Drainage Assets were valued by the independent valuers, Opus International Ltd as at 1 July 2008. Land under roads was valued by the independent valuers, Opus International Consultants Ltd as at 30 June 2002 using the average market value of land by ward and land use category.

All additions since the latest valuation are brought into the accounts at cost and depreciated in the year following construction.

Motor vehicles, office equipment and work in progress are carried at cost less accumulated depreciation.

The changes in the value of each class of property, plant and equipment as a result of the revaluations are recorded in a revaluation reserve. HDC maintains a revaluation reserve for assets. Where cumulative decreases exceed cumulative increases in the value of a class of assets, the net amount is recognised as an expense in the statement of comprehensive income. Any revaluation increase is credited to the asset class revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously charged as an expense in the statement of comprehensive income. Any accumulated depreciation at the date of the revaluation is transferred to the gross carrying amount of the asset and the asset cost restated to the re-valued amount.

Library books are valued annually and are valued at depreciated replacement cost as at 30 June 2009 by Council staff.

Impairment

Asset carrying values are reviewed at the end of each year to determine whether there is any indication that the assets have suffered an impairment loss or increase in fair value. If any such indication exists, the fair value of the asset is estimated in order to determine the extent of the impairment loss or gain (if any). If the fair value of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its fair value. An impairment loss is recognised as a revaluation decrease and any gain in value as a revaluation increase for all classes of assets other than motor vehicles and office

equipment. For the non-re-valued asset classes of motor vehicles and office equipment, impairment losses are recognised as an expense in the statement of comprehensive income.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance. When re-valued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

Land and Assets under Construction: Land and assets under construction are not depreciated.

All other assets are depreciated on a straight line basis that will spread the cost of the asset, less any residual value, over the expected useful life of the asset. The useful lives of assets have been identified on a component-by-component basis. A summary of the range of expected useful lives of assets follows:

Roading:

- Seal (3 - 60 years)
- Base course (5 - 100 years)
- Surface Water Channels (75 years)
- Culverts (50 years)
- Footpaths (75 years)
- Bridges (30 – 100 years)
- Streetlighting (25 years)
- Signs (12.5 – 20 years)

Buildings

- Structure (80 years)
- Roof cladding (30 years)
- Electrical/Mechanical (25 years)
- Plumbing (30 years)
- Internal wall linings (25 years)

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- Lifts (25 years)
- Air Conditioners (15 years)
- Site Improvements (25 years)

Other Assets

- Water Reticulation (60-120 years)
- Water Treatment (10-100 years)
- Wastewater (10-100 years)
- Computer Hardware (3 years)
- Stormwater/Drainage (20-200 years)
- Fixtures & Fitting (5-10 years)
- Communications Equipment (5 years)
- Heavy Plant & Machinery (8 years)
- Light Plant (2-5 years)
- Motor Vehicles—Cars & Utilities (3-5 years)

Assets purchased during the financial year are depreciated on a remaining month's basis.

HDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the HDC's social housing policy. These properties are accounted for as property, plant and equipment.

Intangible Assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by HDC, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Easements

HDC has no easements as prescribed for this category.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in statement of financial performance. The useful lives of major classes of intangible assets have been estimated as follows:

Computer software 3 - 5 years (20 - 33%)

Forestry assets

Forestry assets are independently re-valued by PF Olsen & Company, a registered forest valuer annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the statement of financial performance.

The costs to maintain the forestry assets are included in the statement of financial performance.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, HDC measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are

recognised in the statement of financial performance.

Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For re-valued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of financial performance.

For assets not carried at a re-valued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a re-valued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a re-valued amount the reversal of an impairment loss is recognised in the statement of financial performance.

Employee benefits

Short-term benefits

Employee benefits that HDC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

HDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that HDC anticipates it will be used by staff to cover those future absences.

Long-term benefits

Long service leave and retirement leave entitlements that are payable beyond 12 months have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of 6% and an inflation factor of 4% were used. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

Superannuation schemes

HDC has not engaged into a defined contribution scheme. Payments to defined contributions schemes are expensed.

Provisions

HDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Landfill aftercare provision

Hauraki District Council has responsibility under resource consents to provide ongoing maintenance and monitoring of three closed landfills. The cash outflows for landfill post closure are expected to occur over the next 20 years. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a discount rate of 7.5%.

Financial guarantee contracts

A financial guarantee contract is a contract that requires HDC to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability HDC will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation, however if HDC assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Equity

Equity is the community's interest in HDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Retained earnings
- Restricted reserves
- Fair value
- Asset revaluation reserves

Council created reserves

Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Council created reserves are those subject to specific conditions accepted as binding by HDC and which may not be revised by HDC without approval by Council. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. HDC's objectives, policies and processes for managing capital are described in Council's Investment and Liability Management Policies.

Cost allocation

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual/estimated usage, staff numbers and floor area.

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The cost of Support Services has been fully allocated over the significant activities.

The costs of debt servicing have been allocated to the internal treasury function, which charges and pays interest to each separately rated activity on the basis of its opening cash position.

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the forecast period:

Classification of property

Council owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

Critical accounting estimates and assumptions

In preparing these financial statements HDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the reporting period are discussed below.

5. Key Financial Assumptions from the Hauraki Community Plan 2009-19

The assumptions listed below have been used in the preparation of the forecast included in this plan. There have been no changes to those adopted in 2009 by Council for the Hauraki Community Plan 2009-19.

Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty
<p>Inflation Council has included allowances for inflation in this LTCCP. Council has used inflation projections prepared by BERL (Business and Economic Research Limited) on behalf of Local Government specifically for the purposes of inclusion in local government's long term plans.</p> <p>Separate inflation projections have been used for individual cost categories for each year of the 10 year projections.</p> <p>Council assumes that there will be no significant movements in currency.</p> <p>For details of the indices used please refer to the table at the foot of this section.</p>	<p>That inflation will be significantly higher or lower than forecast.</p>	<p>Medium</p>	<p>Inflation is affected by external economic factors.</p> <p>Council's costs and the income required to fund those costs will change by the difference between the actual rate of inflation and the rate of inflation used in the forecast.</p> <p>Council has relied on the current parameters the Reserve Bank is required to operate under in terms of inflation being held within the range of 1.5% to 3%.</p> <p>A 1% increase in inflation would increase operating costs by approximately \$170,000 and asset acquisitions by approximately \$120,000.</p>
<p>Emissions Trading Scheme Inflation Impact Council has added 1.1% to the general inflation indices provided by BERL/ BERL has suggested this is the most likely impact of the ETX on inflation.</p>	<p>The effect of the ETS will be higher or lower than 1.1%</p> <p>That the ETS is significantly revised or postponed.</p>	<p>High</p> <p>High</p>	<p>Currently the ETS is evolving and is not a mature policy. The likelihood of significant change to the policy is high. The financial effect of this risk is difficult to ascertain.</p> <p>As above.</p>
<p>Interest Interest on External Term Debt is assumed to be 6.3% for the first two years of the Plan and 7% for the last eight years of the Plan.</p> <p>Interest on Investments is assumed to be 5.3% for the first two years of the Plan and 6% for the last eight years of the Plan.</p>	<p>That interest rates will change from those used in the calculations.</p>	<p>Medium</p>	<p>Council considers interest rates will be slightly lower in the short term based on expectations from financial commentators. The assumption for years 1 and 2 has been reduced to 6.3%. Council's medium to longer term view is that interest rates will settle around 7%. Interest rates are influenced by international economic factors. Council will manage this through interest-rate risk management instruments authorised in the Borrowing Management Policy for external debt and by using internal borrowing as much as possible.</p>

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Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty
New Zealand Transport Agency (NZTA) Council currently receives subsidy income at a rate of 54% from NZTA for qualifying roading expenditure. This rate has been used for all years in the 10 year plan.	That the rate of subsidy will change from the current rate.	Medium	The rate of subsidy may be influenced by general economic pressures and changes in national roading priorities. A 1% reduction in subsidy would amount to a reduction in income of \$50,000.
Carbon Credits and Liabilities At the time of writing there is no guidance relating to the accounting treatment of emission units. Council has not accounted for emission units or emission unit liabilities in the financial statements.	That Council will have to purchase emission units	High	Currently the ETS is evolving and is not a mature policy. The likelihood of significant change to the policy is high. The financial effect of this risk is difficult to ascertain.
Revaluation Land was last re-valued as at 30 th June 2006. Infrastructure Assets and buildings were last re-valued as at 30 th June/1 July 2008. The projections provide for changes in asset valuations every three years based on capital works, retired assets and the amount of inflation over that period of time.	That the cost of constructing/replacing assets will be significantly higher or lower than forecast. That assets are not replaced at the times indicated in the plan.	Medium	The value of Council's assets and subsequent depreciation expense may change as a result of changes in valuation methodologies or cost changes being significantly different to those projected.
Vested Assets No vesting of assets has been included in the plan.	That Council will have assets vested thereby increasing the depreciation expense in subsequent years.	High	Vested assets fluctuate considerably from year to year but historical levels have not been significant. Financial effect of uncertainty is unable to be quantified but is expected to be low.
Funding Sources Sources of funds are as per the Revenue and Financing Policy.	That some user charges may not be achievable. Council is not able to obtain lines of credit	Low Low	Levels of charges have been set at previously achieved levels. Council is able to offer lenders excellent security over funds advanced. The effect would be that the capital works programme would not be able to be carried out until sufficient funds were raised from other sources.
Capital Works Costs On average, costs of major capital works will not vary significantly from costs estimated at the concept stage.	That some project costs turn out greater than estimates resulting in increased debt levels.	Medium in years one to three but higher further out.	Council has a higher level of confidence regarding the costs of capital projects in the short-term but less certainty in the longer term due to possible fluctuations in the economy, growth patterns, consent conditions, etc.

Financial Statements

Forecasting Assumption	Risk	Level of uncertainty in that Risk	Reasons and financial effect of uncertainty																								
<p>Asset Life Useful lives of assets are as recorded in asset management plans or based upon professional advice – refer to the Accounting Policies in Note 1.</p> <p>The useful lives of capital additions are based on an average percentage basis of the lives used for existing assets.</p>	Assets wear out significantly earlier than estimated.	Low	<p>Asset life is based upon estimates of engineers and valuers.</p> <p><u>Asset Replacements</u> Capital projects could be brought forward in event of early expiration of assets affecting interest costs (depreciation expense may also increase.) The negative impacts would be at least partially offset by other assets lasting longer than estimated.</p>																								
<p>Unfunded replacement of Non-Council owned community assets or Council owned but not run Council will not be called upon to replace any significant community assets.</p> <p>Namely:</p> <table border="0"> <tr> <td>Kaihere Hall</td> <td>Kaihere</td> </tr> <tr> <td>Karangahake Hall</td> <td>Karangahake</td> </tr> <tr> <td>Kerepehi Hall</td> <td>Kerepehi</td> </tr> <tr> <td>Mangatarata Hall</td> <td>Mangatarata</td> </tr> <tr> <td>Netherton Hall</td> <td>Netherton</td> </tr> <tr> <td>Patetonga Hall</td> <td>Patetonga</td> </tr> <tr> <td>Tirohia Hall</td> <td>Tirohia</td> </tr> <tr> <td>Turua hall</td> <td>Turua</td> </tr> <tr> <td>Waikino Hall</td> <td>Waikino</td> </tr> <tr> <td>Waimata Hall</td> <td>Waimata</td> </tr> <tr> <td>Waitakaruru Hall</td> <td>Waitakaruru</td> </tr> <tr> <td>Waitewheta Hall</td> <td>Waitewheta</td> </tr> </table>	Kaihere Hall	Kaihere	Karangahake Hall	Karangahake	Kerepehi Hall	Kerepehi	Mangatarata Hall	Mangatarata	Netherton Hall	Netherton	Patetonga Hall	Patetonga	Tirohia Hall	Tirohia	Turua hall	Turua	Waikino Hall	Waikino	Waimata Hall	Waimata	Waitakaruru Hall	Waitakaruru	Waitewheta Hall	Waitewheta	That Council will be called upon to replace assets that it does not currently own, or fund depreciation on.	Medium	Council currently funds for the partial replacement of one community owned sporting facility. There are also 12 rural community halls that are owned but not operated by Council. These halls do not have depreciation funded. The chance of being called upon to assist with replacement in a loss event is medium. The financial impact is difficult to be determined.
Kaihere Hall	Kaihere																										
Karangahake Hall	Karangahake																										
Kerepehi Hall	Kerepehi																										
Mangatarata Hall	Mangatarata																										
Netherton Hall	Netherton																										
Patetonga Hall	Patetonga																										
Tirohia Hall	Tirohia																										
Turua hall	Turua																										
Waikino Hall	Waikino																										
Waimata Hall	Waimata																										
Waitakaruru Hall	Waitakaruru																										
Waitewheta Hall	Waitewheta																										
<p>Financial Sustainability That's Council will fully fund it's expenditure and maintain rate and debt at sustainable levels</p>	<p>That to fund its operating and capital programmes Council has to borrow at a level that is not able to be funded in the future.</p> <p>That ratepayers will not be able to pay any increases in rates forecast in the plan.</p>	<p>Low</p> <p>Low</p>	<p>Council has set maximum levels of debt and interest in its borrowing management policy.</p> <p>A significant deterioration in the economy could result in ratepayers not being able to afford the rate levels set by Council. This would result in either services having to be decreased, or Council needing additional borrowing.</p>																								

Table: Inflation forecast

Inflationary forecasts remain the same as adopted through the Hauraki Community Plan 2009-19. These can be found on page 26 of volume two of that plan.

Financial Statements

Capital Works Schedule

LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
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Network Services

Roading

Subsidised Roding			
Resurfacing	1,331	1,441	788
Emergency Reinstatement	3,498	-	-
Drainage Renewals	170	174	174
Kerb and Channel	175	69	69
Area Wide Pavement Treatment	535	501	443
Bridge Repairs	44	46	46
Streetlights	113	118	95
Minor Improvements	257	260	260
Walking & Cycling Works	86	80	80
Seal Extensions	-	94	94
Non-Subsidised Roding			
Seal Extensions	-	366	366
Kerb and Channel	-	305	305
New Vehicle Crossings	12	12	12
New Street Lights	9	9	9
Plains Unallocated Works	50	52	52
Footpath Replacements	34	35	35
Footpaths Additional	73	75	75
Vehicle Crossings	12	12	12

Water

Kaimanawa			
Other	11	41	41
Karangahake			
Other	12	10	10
Ohinemuri			
Mains Renewals	-	101	101
Waihi Road - Bottle to Reservoir Road investigate/recondition	36	36	36
Other	40	53	53

Financial Statements

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
Paeroa			
Mains Renewals	100	104	104
Other	92	73	73
Plains			
Mains Renewals	334	347	347
Meter Replacements	25	26	26
Kerepehi Treatment Upgrade	7,139	-	6,876
Kerepehi Treated Water Storage	351	820	820
Waitakaruru Raw Water Storage	2,910	-	2,072
Waitakaruru Treated Water Storage	-	486	486
Waitakaruru Treatment - UV	600	-	-
Replace standby pump - Waihou	130	-	-
Upgrade Waihou intake	319	-	-
Replacement of bore at Chlorine Shed	150	-	-
Deep Groundwater Investigation	150	-	-
Other	344	324	323
Waihi			
Mains Upgrading	100	104	104
Interim upgrades for disinfection compliance	198	-	-
Alternative source	100	4,780	4,780
Other	157	101	101
Waikino			
Other	41	8	8
Wastewater			
Kerepehi			
Upgrade Domain P/S rising main	-	266	266
Other	77	25	25
Ngatea			
Replacement pumps	44	-	-
Mains Renewals	47	44	44
Slag Renewal	-	35	35
Other	115	81	81
Paeroa			
Replacement pump station controller/sensors (Multismart)	40	41	41
Cabinet/ancillaries renewal	24	25	25
Mains Renewals	163	169	169
District Wide Telemetry Upgrade	48	26	26
Booster pump - WWTP outlet	50	-	-
Slag Renewals	32	35	35
Other	157	128	128
Turua			
Mains Renewals	33	-	-
Other	97	47	47
Waihi			
Victoria St - Renewal of main pump and upsizing	72	-	-
Mains Renewals	158	164	164
Victoria St Rising Main construction	530	-	-
Other	229	94	94

Financial Statements

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
Waitakaruru			
Other	9	-	-
Whiritoa			
WWTP forest irrigation extension	387	-	363
Mains Renewals	31	32	32
Inlet Screens at WWTP	52	-	-
Other	71	41	41
General			
Miscellaneous	-	-	-
Land Drainage			
Eastern Plains			
Terrace Stopbank Renewals	-	21	21
Improvement Plan Items - Ld Dge	39	5	12
Other	8	-	-
Western Plains			
Maukoro Stopbank LB	-	125	125
Waitakaruru Stopbank RB	-	125	125
Improvement Plan Items	78	9	22
North Miranda Stopbank	50	-	-
Waitakaruru LB Stopbank	-	125	125
Komata North			
Miscellaneous	5	1	3
Opukeko			
Miscellaneous	3	-	-
Tirohia-Rotokohu			
Kauoitī Stopbank Reconstruction	-	186	186
Other	5	1	3
Stormwater			
Paeroa Urban Stormwater			
Racecourse Detention	40	-	-
Railway Reserve	160	-	-
Arney St	-	83	16
Normanby Rd	-	104	104
Criterion Pump Upgrade	10	-	-
Improvement Plan Items	54	24	20
Miscellaneous Renewals	-	-	-
Other	10	-	(1)
Waihi Urban Stormwater			
Miscellaneous Upgrades	34	35	35
Morgan Park S/Water Line Renewal	-	52	52
Miscellaneous Renewals	27	28	28
Improvement Plan Items	54	24	20
Other	-	-	-
Ngatea Urban Stormwater			
Piping Ngatea Township	55	57	57
Ngatea Urban Pump Upgrades	-	-	-
Improvement Plan Items	27	12	10
Turua Urban Stormwater			
Improvements	33	34	34
Improvement Plan Items	14	6	5
Kerepehi Urban Stormwater			
Improvements	22	23	23
Improvement Plan Items	14	6	5
Beach Outfalls			
Beach Outfalls	15	-	-

Financial Statements

	LTCCP	LTCCP	Forecast
	2009-10	2010-11	2010-11
	\$000's	\$000's	\$000's

Community Services

Parks and Reserves

Paeroa Domain			
Furniture & Lighting	-	11	11
Internal Road Resealing	-	35	35
Hugh Hayward Domain			
HH Domain : Trsfr Play Equip to Turua	-	-	12
HH Domain : Skateboard Pk Extn	-	52	52
HH Domain - Park Project PPP	250	-	100
HH Domain - Relocated playground (park area)	-	57	57
HH Domain Playground Equip - addl equip	-	-	32
HH Domain Hi Pressure Washing Sys. Grd Stand	-	5	5
Morgan Park			
Netball Courts Relevel	-	41	-
Playground Upgrade	-	16	16
Skateboard Upgrade	20	-	-
Paeroa Reserves			
Railway Reserve - Lighting	-	10	10
Main Street Promotion Banners	-	6	6
New Skateboard Park	80	-	-
Edward Place Res - Play Equipmt - New & Replc	-	21	21
Various Playgrounds - Exercise Equipmt	5	-	-
Town Entrances Beautification	20	21	21
Waihi Reserves			
Main Street Gardens - Replant	-	52	52
Town Promo Replacement Buntings	6	-	-
Pohutukawa Reserve Upgrade	7	10	10
Town Centre - Way Indicators	-	5	5
Waitete Stream Walkway	-	10	10
Library			
New Books	137	142	142
New Computer System	-	-	-
Other	10	59	59
Halls			
Waihi Events Centre			
Repaint Exterior	-	21	21
Gymnasium Investigation	7	-	-
Paeroa War Memorial Hall			
Ventilation System	20	-	-
Floor Resealing	-	11	11
Ngatea War Memorial Hall			
Tables and Chairs	8	8	8
Waihi Memorial Hall			
Trestles	5	-	-
Tables	-	5	5
Sound System	5	-	-
Replace Carpet	9	-	-
Public Toilets			
New Toilet Blocks			
Replace floor Haszard st toilets	10	-	-
Replace floor Victoria st toilets	10	-	10

Financial Statements

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
Cemeteries			
Waihi Cemetery			
Drainage & Beach Rd Bdy Fence	22	-	-
Ashes Gardens	6	-	-
Pools			
Paeroa Pool			
Cover Replacement	-	28	28
Other			
Property Development			
Waihi Library Extension	710	-	-
Paeroa Dog Pound	85	-	-
Office Building Renewals	34	39	39
Pensioner Housing Renewals	37	92	60
Plant	339	738	738
Office Equipment	100	104	104
FMIS Implementation	200	121	121
TOTAL CAPITAL EXPENDITURE	25,103	15,122	23,723

Funding Statements

What is included in this section?

- Introduction and Overview
- Revenue and Financing Policy
- Funding Impact Statement
- Rating Policy
- Rating Policy in Practice
- Summary of Rating Changes



BY GRAHAM Photo: Mike Thomas (Creative Commons Attribution-NonCommercial-ShareAlike license)

Our class visited Leache's Quarry to collect information about our topic Recycling. My favorite part was watching a Compactor machine gather rubbish. It would squash the rubbish in a clamp machine and all the liquid would travel through pipes to a pond of methane gas. This can be turned into electricity.

REDUCE. REUSE. RECYCLE

*Hauraki Youth promoting
Sustainability in Hauraki*

*Story provided by
Graham Te Taeira, Paeroa Central School*

Funding Statements

Funding Impact Statement

	LTCCP 2009-10 \$000's	LTCCP 2010-11 \$000's	Forecast 2010-11 \$000's
General Rates			
General Rates	7,890	8,259	8,233
Targeted Rates			
Paeroa Community Facilities	847	875	880
Paeroa Community Facilities Business	221	226	227
Plains Community Facilities	499	517	521
Plains Community Facilities Business	32	34	34
Waihi Community Facilities	878	953	957
Waihi Community Facilities Business	118	128	128
Komata North Drainage	42	43	43
Opukeko Drainage	16	17	17
Tirohia Rotokohu Drainage	69	71	71
Eastern Plains Drainage	235	242	242
Western Plains Drainage	668	668	668
Refuse Collection	213	217	217
Positive Paeroa	-	-	-
Go Waihi	-	-	-
Paeroa Urban Stormwater	306	315	315
Ngatea Urban Stormwater	112	114	114
Turua Urban Stormwater	24	26	26
Kerepehi Urban Stormwater	28	29	29
Waihi Urban Stormwater	201	204	204
Whiritoa Urban Stormwater	24	23	23
Wastewater	2,818	3,013	3,013
Water	4,678	5,191	5,191
Total Targeted Rates	12,029	12,906	12,920
Fees and Charges			
Solid Waste Disposal Fees	657	683	683
Building Services Fees	438	455	455
Dog Registration	193	198	198
Health and Liquor Licensing Fees	139	145	145
RMA Implementation Fees	325	338	338
Cemetery Fees	48	50	50
Community Hall Fees	28	29	29
Information Centre Recoveries	-	-	-
Library Fees	44	46	46
Pensioner Housing Rentals	239	248	248
Swimming Pool Fees	18	18	18
Other	46	47	47
Total Fees and Charges	2,175	2,257	2,257
External Subsidies			
Transfund Subsidies	6,364	3,459	2,899
Recycling Subsidies	52	54	54
	6,416	3,513	2,953
External Loans	12,750	8,050	17,100
Business Unit Surpluses			
Quarry	553	574	570
Construction and Maintenance	159	165	165
Technical Services	7	7	7
Workshop	2	2	2

The Rating Policy included below forms part of the Funding Impact Statement.

Rating Policy

Introduction

This Rating Policy should be read in conjunction with Council's Revenue and Financing Policy.

At various points in this policy a level of rate or charge is specified. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be in the coming year.

These figures are not the actual level of rates that will be assessed in the coming year, and the actual figure will not be known until the council's rating information database and the special consultative procedure are completed.

In previous Annual Plans the figures included in this policy have included GST. In this Annual Plan all values stated in this policy do not include GST. All the rates outlined below will be set plus GST at the prevailing rate.

General Rates

Council proposes to set a Uniform Annual General Charge, and a Differential General Rate based on Capital Value, for the purpose of funding leadership, libraries, solid waste disposal, roading, regulatory services, sports, halls, drainage, stormwater, community growth, community initiatives, and other sundry activities.

Uniform Annual General Charge

Council sets on each rating unit within the Hauraki District, a Uniform Annual General Charge.

In the 2010/11 year this charge is estimated to be \$302.22 (2009/10 \$264.89).

The revenue sought is approximately \$2,581,000 (2009/10 \$2,251,000).

Differential General Rate

Council proposes to set on each rating unit within the Hauraki District, a capital value general rate. The capital value general rate will be set on a differential basis based on land use.

The categories are:

- Residential and Rural Land Use - all rating units used primarily for residential, recreational, cultural or primarily or predominately for the purposes of agriculture, viticulture, horticulture or silviculture.
- Commercial, Industrial and Utility Land Use - all rating units used for commercial or industrial purposes, including utility networks.
- Mineral Extraction Land Use - all mineral value rating units that are not used in gold mining.
- Mining Land Use - all mineral value rating units that are used in gold mining.

Funding Statements

The 2010/11 estimated rates (in cents per dollar of capital value) per category are:

Category	Estimated Rate in the Dollar	Revenue Sought	Revenue Sought 2010/11	Revenue Sought 2009/10
Residential and Rural	.11042	85%	\$4,611,000	\$4,602,000
Commercial, Industrial and Utility	.16564	11%	\$581,000	\$581,000
Mineral Extraction	1.18022	1%	\$45,000	\$45,000
Mining	13.13715	3%	\$184,000	\$176,000

Targeted Rates

Community Facilities

Council proposes to set targeted rates for each ward, based on an annual charge per rating unit for the purpose of fully and partially funding activities within the ward. These activities include grants and donations, domains, halls, footpaths and street-cleaning, information and visitors' centres, swimming pools, reserves, the Positive Paeroa Co-ordinator and Go Waihi, Waihi urban stormwater and other sundry activities. The charges will be set on a uniform basis per category with the categories based on the matter location.

The categories are:

- Paeroa Ward – all rating units situated within the Paeroa Ward.
- Plains Ward – all rating units situated within the Plains Ward.
- Waihi Ward – all rating units situated within the Waihi Ward.

Annual Charges

Council proposes to set on each rating unit within each of the wards the following annual charges.

The 2010/11 estimated charges are:

Category	Annual Charge	Revenue Sought 2010/11	Revenue Sought 2009/10
Paeroa Ward	\$327.11	\$879,000	\$846,000
Plains Ward	\$248.89	\$522,000	\$499,000
Waihi Ward	\$256.89	\$958,000	\$879,000

Community Facilities - Business

Council proposes to set targeted rates for each ward, based on a differential annual charge per separately used or inhabited part of a commercial and industrial rating unit for the purpose of fully and partially funding activities within the ward. These activities include car-parks, street cleaning, information and visitor centres, the Positive Paeroa Coordinator, Positively Promoting the Plains and Go Waihi, town centre improvements, and main street gardens. The rate funding of these activities comes partly from this targeted rate, partly from the ward based Community Facilities targeted rate and also from General rates.

The charges will be set on a differential basis on categories based on location and land use. These rates will only be assessed on separately used or inhabited commercial and industrial parts of commercial and industrial rating units. Council sets its Community Facilities Business Rate on the basis of separately used and inhabited parts.

Funding Statements

For the purposes of this rate separately used and inhabited parts refers to the ability to use part or parts of the rating unit for independent trading operations. A separately used and inhabited part will be classified where the property has been set-up to accommodate, or is accommodating, separate businesses.

Separately used or inhabited commercial and industrial parts of commercial and industrial rating units in the rural areas of the Paeroa and Waihi Wards will be assessed an annual charge equivalent to half the annual charge assessed on urban rating units. In the Plains Ward the rural rate assessed is equivalent to 58% of the annual charge assessed on urban rating units. This is due to Positively Promoting the Plains being funded equally by urban and rural rating units.

The categories are:

- Paeroa Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5001, 5002, 5003 and 5004.
- Paeroa Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Paeroa Ward but outside the valuation rolls 5001, 5002, 5003 and 5004.
- Plains Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation roll 4771.
- Plains Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Plains Ward but outside the valuation roll 4771.
- Waihi Ward Urban – all rating units used principally for commercial and industrial purposes situated within the valuation rolls 5020 and 5030.
- Waihi Ward Rural – all rating units used principally for commercial and industrial purposes situated within the Waihi Ward but outside the valuation rolls 5020 and 5030.

Annual Charges

Council proposes to set on each separately used or inhabited part of a rating unit within each of the wards the following annual charges.

The 2010/11 estimated charges are:

Category		Annual Charge	Revenue Sought 2010/11	Revenue Sought 2009/10
Paeroa Ward	- Urban	\$968.89	\$220,000	\$214,000
	- Rural	\$484.44	\$7,000	\$7,000
Plains Ward	- Urban	\$372.44	\$19,000	\$20,000
	- Rural	\$209.33	\$15,000	\$12,000
Waihi Ward	- Urban	\$715.56	\$122,000	\$111,000
	- Rural	\$357.78	\$7,000	\$6,000

Community Halls

Council proposes to set targeted rates on all rating units in Community Hall Rating Areas for the purpose of funding community halls. A separate targeted rate will be set for each Community Hall Rating Area.

Funding Statements

Land Value Rates

Council proposes to set targeted rates, based on land value, on each of the following categories based on location.

The categories are:

- Kaihere Hall – all rating units situated within the Kaihere Hall Rating Area,
- Patetonga Hall – all rating units situated within the Patetonga Hall Rating Area.

The 2010/11 estimated rates (in cents per dollar of land value) are:

Category	LV Rate In the dollar	Revenue Sought 2010/11	Revenue Sought 2009/10
Kaihere Hall	.00223	\$1,950	\$1,950
Patetonga Hall	.00152	\$1,500	\$1,500

Annual Charges

Council proposes to set targeted rates, based on an annual charge per separately used or inhabited part of a rating unit, on each of the following categories based on location.

The categories are:

- Hikutaia Hall – all rating units situated within the Hikutaia Hall Rating Area within the Hauraki District.
- Karangahake Hall – all rating units situated within the Karangahake Hall Rating Area.
- Kerepehi Hall – all rating units situated within the Kerepehi Hall Rating Area.
- Netherton Hall – all rating units situated within the proposed Netherton Hall Rating Area.
- Tirohia Hall – all rating units situated within the Tirohia Hall Rating Area.
- Turua Hall – all rating units situated within the Turua Hall Rating Area.
- Waikino Hall – all rating units situated within the Waikino Hall Rating Area.
- Waitakaruru Hall – all rating units situated within the Waitakaruru Hall Rating Area.

In the 2010/11 year the estimated charges are:

Category	Annual Charge	Revenue Sought 2010/11	Revenue Sought 2009/10
Hikutaia Hall	\$20.00	\$2,500	\$2,400
Karangahake Hall	\$13.33	\$1,900	\$1,900
Kerepehi Hall	\$8.89	\$2,500	\$2,500
Netherton Hall	\$17.78	\$2,850	\$2,850
Turua Hall	\$16.00	\$6,500	\$6,400
Waikino Hall	\$20.00	\$4,100	\$4,100
Waitakaruru Hall	\$20.00	\$4,700	\$4,700

Funding Statements

Land Drainage

Council proposes to set targeted rates for each of the Drainage Districts for the purpose of funding drainage activity within those drainage districts.

Drainage Rates (D Rates)

Council proposes to set land value rates on each rating unit within the following categories based on location for the purpose of funding drainage activity.

The categories are:

- Eastern Plains – all rating units situated within the Eastern Plains Drainage District (as shown in document 465387), excluding those Residential, Commercial & Industrial, and Community land use rating units within the townships of Kerepehi and Turua
- Western Plains – all rating units situated within the Western Plains Drainage District (as shown in document 465398), excluding those Residential, Commercial & Industrial, and Community land use rating units within the town of Ngatea
- Komata North Drainage District – all land situated within the Komata North Drainage District (as shown in document 465388).
- Opukeko Drainage District – all land situated within the Opukeko Drainage District (as shown in document 465390) excluding those Residential, Commercial & Industrial, and Community land use rating units within the town of Paeroa
- Tirohia-Rotokohu Drainage District – all land situated within the Tirohia-Rotokohu Drainage District (as shown in document 465353) excluding those Residential, Commercial & Industrial, and Community land use rating units within the town of Paeroa

The 2010/11 estimated rates (in cents per dollar of land value) are:

Category	LV Rate In the dollar	Revenue Sought 2010/11	Revenue Sought 2009/10
Eastern Plains D Rate	.03970	\$242,000	\$235,000
Western Plains D Rate	.07771	\$527,000	\$527,000
Komata North D Rate	.05907	\$43,000	\$42,000
Opukeko D Rate	.08676	\$17,000	\$16,000
Tirohia-Rotokohu D Rate	.09635	\$71,000	\$69,000

Flood Protection Rates (F Rates)

Council proposes to set land value rates on a differential basis on each rating unit within the following categories based on the extent of the service provided for the purpose of funding flood protection activity.

The categories are:

- Flood Protection Class 1 (F1) – all rating units situated within the Western Plains Drainage District Flood Protection Area 1 (as shown in document 465398).
- Flood Protection Class 2 (F2) – all rating units situated within the Western Plains Drainage District Flood Protection Area 2 (as shown in document 465398).

Funding Statements

The 2010/11 estimated rate (in cents per dollar of land value) is:

Category	LV Rate In the dollar	Revenue Sought 2010/11	Revenue Sought 2009/10
Western Plains F1	.1567	\$92,000	\$86,000
Western Plains F2	.1044	\$25,000	\$23,000

Pump Rates (P Rates)

Council proposes to set a land area rate on a uniform basis on all land within the following category based on provision of service, for the purpose of funding the replacement of drainage pumps.

- Western Plains Class P – all land serviced by the Hopai West, Martinovich, Central, North and Rawerawe West pump stations.

The 2010/11 estimated rates (in dollars per hectare of land area) are:

Category	Rate per Hectare	Revenue Sought 2010/11	Revenue Sought 2009/10
Western Plains Class P	\$19.40	\$32,000	\$32,000

Urban Stormwater

Council proposes to set targeted rates on all non-rural land use rating units in the towns of Paeroa, Ngatea, Kerepehi, Turua, Waihi, and Whiritoa for the purpose of funding the urban stormwater activity.

Land Value Rates

Council proposes to set land value targeted rates on each rating unit within the following categories based on land use, provision of service, and location.

The categories are:

- Residential, Commercial & Industrial, and Community land use rating units within the town of Paeroa that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets
- Residential, Commercial & Industrial, and Community land use rating units within the town of Ngatea that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets
- Residential, Commercial & Industrial, and Community land use rating units within the town of Kerepehi that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets
- Residential, Commercial & Industrial, and Community land use rating units within the town of Turua that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets
- Residential, Commercial & Industrial, and Community land use rating units within the town of Waihi that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets
- Residential, Commercial & Industrial, and Community land use rating units within the town of Whiritoa that receive a level of protection from stormwater flooding by being able to discharge directly, or indirectly, to Council stormwater or drainage assets

Funding Statements

2010/11 estimated rates (in cents per dollar of land value) are:

Category	LV Rate In the dollar	Revenue Sought 2010/11	Revenue Sought 2009/10
Paeroa	.15351	\$316,000	\$307,000
Ngatea	.16388	\$114,000	\$114,000
Kerepehi	.13405	\$29,000	\$28,000
Turua	.12973	\$27,000	\$24,000
Waihi	.07788	\$209,000	\$209,000
Whiritoa	.01706	\$24,000	\$24,000

Water Supply

Council proposes to set targeted rates for water supply based on, the volume of water supplied and, the number of connections to the supply on all rating units connected to a water supply, for the purpose of funding the water supply activity. The water volume rate is on a differential basis based on location, and the extent of the provision of service. Water supply rates are billed separately twice yearly on varying dates in the various water supply areas. Council also proposes to set a per rating unit targeted rate for the purpose of repaying the Karangahake Water Loan.

Annual Charges

Council proposes to set an annual charge per connection to a water supply on each rating unit within the following category based on the provision of a service.

- Connected – all rating units with a connection to a Council water supply.

The 2010/11 estimated annual charge is \$71.11 (2009/10 \$62.22) per Metered Connection.

Every metered connection will be charged the annual charge in conjunction with their usage charges for water consumed.

Water Volume Rates (Metered Supply)

Council proposes to set a targeted rate on a differential basis per unit of water supplied to each rating unit within the following categories based on location and level of service provided.

The categories are:

- Category One – all rating units connected to the Paeroa, Plains, and Waihi water supplies within the urban settlements of Paeroa, Waihi, Ngatea, Kerepehi, Turua, and Waitakaruru.
- Category Two – all rating units within rural areas connected to the Paeroa, Plains and Waihi water supplies.
- Category Three – all rating units connected to the Kaimanawa, Karangahake, Ohinemuri, and Waikino water supplies
- Category Four – rating units connected to a Council raw water main that receives completely untreated water.

The 2010/11 estimated rates (in cents per cubic metre of water supplied) are:

- Category One – 112.89c (2009/10 103.11c)
- Category Two – 97.78c (2009/10 88c)
- Category Three - 88c (2009/10 78.22c)

Funding Statements

➤ Category Four - 40c (2009/10 35.56c)

The revenue sought from water supply targeted rate annual charges and water volume rates is approximately \$5,191,000 (2009/10 \$4,677,000).

During the life of the 2009-19 LTCCP Council intends to introduce steps in the water volume rates, based on the consumption per rating unit.

Wastewater

Council proposes to set targeted rates for wastewater based on, an annual charge per rating unit for unconnected rating units, or per water closet/ urinal (pan) for connected rating units. Rating units used primarily as a residence for one household will only be charged one pan charge. The targeted rates are for the purpose of funding the wastewater activity.

Annual Charges

Council proposes to set an annual charge on a differential basis on the following categories based on location, provision of service, and land use.

The categories are:

- District Unconnected – All rating units not connected to the Kerepehi, Ngatea, Paeroa, Turua, Waitakaruru, Waihi or Whiritoa Wastewater schemes with a boundary within 30 metres of a wastewater main belonging to one of those schemes.
- District Connected – All rating units connected to the Kerepehi, Ngatea, Paeroa, Turua, Waitakaruru, Waihi or Whiritoa Wastewater schemes.

The 2010/11 estimated annual charges are:

Category	Uniform Charge	Revenue Sought 2010/11	Revenue Sought 2009/10
District Unconnected	\$251.11	\$167,000	\$158,000

For District Connected rating units a scale of charges will apply:

Rating units used primarily as a residence for one household will be treated as having one pan.

Number of Pans	% of residential annual charge	District connected
Up to & including 2 Pans	100%	\$520 per pan
Up to & including 4 Pans	75%	\$376.89 per pan
Up to & including 6 Pans	67%	\$336.89 per pan
Up to & including 8 Pans	62.5%	\$313.78 per pan
Up to & including 10 Pans	60%	\$301.33 per pan
Up to & including 15 Pans	48%	\$240.89 per pan
Up to & including 20 Pans	42.5%	\$213.33 per pan
Over 20 Pans	37%	\$185.78 per pan
Approximate revenue sought 2010/11		\$2,849,000
Approximate revenue sought 2009/10		\$2,662,000

There may be further reductions in pan charges for educational establishments dependant upon regulations made under section 25 of the Local Government (Rating) Act 2002. Council's proposed remission policy on Wastewater charging for Educational Establishments should be read in conjunction with this policy.

Funding Statements

Refuse Collection Targeted Rates

Council proposes to set targeted rates for refuse collection and kerbside recycling based on a uniform charge per separately used or inhabited part of a rating unit serviced by a Council funded refuse collection.

The targeted rates are for the purpose of funding the kerbside recycling activity, and the administration of the refuse collection activity. The annual charge is on a differential basis (based on location and the provision of service).

Annual Charges

Council proposes to set an annual charge per separately used or inhabited part of a rating unit on a differential basis (based location and the provision of service). Whiritoa rating units have an increased number of collections per year.

The categories are:

- District Collected – all rating units serviced by Council's kerbside recycling collection excluding those in the Whiritoa township.
- Whiritoa Collected – all rating units serviced by Council's kerbside recycling collection in the Whiritoa township.

The 2010/11 estimated annual charges are:

Category	Uniform charge	Revenue Sought 2010/11	Revenue Sought 2009/10
District Collected	\$39.11	\$197,000	\$193,000
Whiritoa Collected	\$49.78	\$22,000	\$22,000

Penalties for Late Payments and Due Date of Payments

Payment Dates and Methods

The above rates are payable at the Council Offices at William Street, Paeroa, Orchard Rd, Ngatea and Seddon St, Waihi between 8.00am and 4.30pm Monday to Friday. Payments may also be made by way of Direct Debits and Automatic Payments. Direct Credits in the form of telephone and internet banking services are also accepted.

Excluding water supply targeted rates, the above rates are by way of three instalments, the dates of such instalments being:

Instalment Number	Instalment date	Last date before penalty	Penalty added
One	20 October 2010	27 October 2010	28 October 2010
Two	20 February 2011	23 February 2011	24 February 2011
Three	20 May 2011	25 May 2011	26 May 2011

Water supply targeted rates are by way of two instalments per year with instalment dates for the various water supply areas being staggered throughout the year. The instalment date for water rates is the invoice date.

Penalties for Late Payment

The following penalties will be added to outstanding rates (excluding water supply rates):

- An additional charge on unpaid rates of 10% of the instalment amount will be added on the day following the last date on which the instalment is payable without incurring additional charges (as described above).
- An additional charge of 10% will be added to all rates assessed in a previous year which remain unpaid on 1 September 2010.
- A further additional charge of 10% will be added to all rates assessed in a previous year which remain unpaid on 1 March 2011.

The following penalties will be applied to water supply rates:

- An additional charge of 5% will be added to all current and previous years' rates outstanding on the day following the last date for payment of the first instalment.
- An additional charge of 5% will be added to all current and previous years' rates outstanding on the day following the last date for payment of the second instalment.

Rating Policy in Practice

Included below are examples of the rating implication for rural and residential properties of a defined capital and land value in each of the three ward of the Hauraki District.

These examples have been provided to enable the readers of this plan greater insight into the effect of the proposals outlined in this Plan. It should be noted that these are indicative examples only, the actual rates may vary.

Every three years Council's rating valuer is required to update the property values Council uses for setting value based rates. The rates set for 2010/11 will be the first set using the latest values. Different properties, and classes of properties, increase in value by different proportions over time. The revaluation affects the split of value based rates between individual properties, it does not change the total amount of rates collected by Council.

The "2010/11 Pre Revaluation" column shows what the rates for the sample properties would have been if there had been no revaluation. This allows readers to see the effects on the sample properties of the expenditure and funding changes made in the 2010/11 Annual Plan.

The "2010/11 Proposed" column shows the combined effect of the Annual Plan changes and the effects of shifts caused by the revaluation.

The sample property values shown include 12.5% GST. GST has been included at this rate for ease of comparison between 2009/10 and 2010/11 excluding the effect of GST changes.

Funding Statements

Please note: these are sample properties only

	2009/10 Actual	2010/11 Pre Revaluation	2010/11 Proposed
RURAL PROPERTIES			
PLAINS			
L.V.	\$1,925,000	\$1,600,000	
C.V.	\$2,255,000	\$1,910,000	
Capital Value General Rate	\$2,603.71	\$2,603.71	\$2,801.16
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$268.00	\$280.00	\$280.00
SUB TOTAL	<u>\$3,169.71</u>	<u>\$3,223.71</u>	<u>\$3,421.16</u>
Drainage	\$1,678.40	\$1,678.40	\$1,682.77
TOTAL	<u>\$4,848.11</u>	<u>\$4,902.11</u>	<u>\$5,103.93</u>
PAEROA			
L.V.	\$1,800,000	\$1,470,000	
C.V.	\$2,100,000	\$1,765,000	
Capital Value General Rate	\$2,406.05	\$2,406.05	\$2,608.62
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$356.00	\$368.00	\$368.00
SUB TOTAL	<u>\$3,060.05</u>	<u>\$3,114.05</u>	<u>\$3,316.62</u>
Hall	\$22.50	\$22.50	\$22.50
Drainage	\$1,830.15	\$1,885.05	\$1,951.15
TOTAL	<u>\$4,912.70</u>	<u>\$5,021.60</u>	<u>\$5,290.27</u>
WAIHI			
L.V.	\$2,250,000	\$1,900,000	
C.V.	\$2,550,000	\$2,175,000	
Capital Value General Rate	\$2,964.96	\$2,964.96	\$3,167.61
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$267.00	\$289.00	\$289.00
SUB TOTAL	<u>\$3,529.96</u>	<u>\$3,593.96</u>	<u>\$3,796.61</u>
TOTAL	<u>\$3,529.96</u>	<u>\$3,593.96</u>	<u>\$3,796.61</u>

Funding Statements

		2009/10	2010/11 Pre Revaluation	2010/11 Proposed
RESIDENTIAL PROPERTIES				
NGATEA				
L.V.	\$113,000		\$130,000	
C.V.	\$290,000		\$295,000	
	Capital Value General Rate	\$402.14	\$402.14	\$360.24
	UAGC	\$298.00	\$340.00	\$340.00
	UAC Ward	\$268.00	\$280.00	\$280.00
	SUB TOTAL	\$968.14	\$1,022.14	\$980.24
	Wastewater	\$535.00	\$565.00	\$565.00
	Refuse Collection	\$43.00	\$44.00	\$44.00
	Stormwater	\$208.52	\$212.69	\$208.33
	TOTAL	\$1,754.66	\$1,843.83	\$1,797.56
PAEROA				
L.V.	\$180,000		\$180,000	
C.V.	\$310,000		\$335,000	
	Capital Value General Rate	\$456.67	\$456.67	\$385.08
	UAGC	\$298.00	\$340.00	\$340.00
	UAC Ward	\$356.00	\$368.00	\$368.00
	SUB TOTAL	\$1,110.67	\$1,164.67	\$1,093.08
	Wastewater	\$535.00	\$565.00	\$565.00
	Refuse Collection	\$43.00	\$44.00	\$44.00
	Stormwater	\$310.86	\$320.19	\$310.86
	TOTAL	\$1,999.53	\$2,093.86	\$2,012.94
WAIHI				
L.V.	\$124,000		\$170,000	
C.V.	\$285,000		\$290,000	
	Capital Value General Rate	\$395.33	\$395.33	\$354.03
	UAGC	\$298.00	\$340.00	\$340.00
	UAC Ward	\$267.00	\$289.00	\$289.00
	SUB TOTAL	\$960.33	\$1,024.33	\$983.03
	Wastewater	\$535.00	\$565.00	\$565.00
	Refuse Collection	\$43.00	\$44.00	\$44.00
	Stormwater	\$124.44	\$125.68	\$108.65
	TOTAL	\$1,662.77	\$1,759.01	\$1,700.68

Funding Statements

	2009/10	2010/11 Pre Revaluation	2010/11 Proposed
COMMERCIAL & INDUSTRIAL PROPERTIES			
NGATEA			
L.V.	\$205,000	\$220,000	
C.V.	\$470,000	\$450,000	
Capital Value General Rate	\$920.16	\$920.16	\$875.80
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$268.00	\$280.00	\$280.00
UAC Ward Business	\$407.00	\$419.00	\$419.00
SUB TOTAL	\$1,893.16	\$1,959.16	\$1,914.80
Wastewater	\$1,070.00	\$1,130.00	\$1,130.00
Refuse Collection	\$43.00	\$44.00	\$44.00
Stormwater	\$352.88	\$359.94	\$377.94
TOTAL	\$3,359.04	\$3,493.10	\$3,466.74
PAEROA			
L.V.	\$210,000	\$173,000	
C.V.	\$500,000	\$389,000	
Capital Value General Rate	\$795.43	\$795.43	\$931.70
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$356.00	\$368.00	\$368.00
UAC Ward Business	\$1,066.00	\$1,090.00	\$1,090.00
SUB TOTAL	\$2,515.43	\$2,593.43	\$2,729.70
Wastewater	\$535.00	\$565.00	\$565.00
Refuse Collection	\$43.00	\$44.00	\$44.00
Stormwater	\$298.77	\$307.73	\$362.67
TOTAL	\$3,392.20	\$3,510.16	\$3,701.37
WAIHI			
L.V.	\$205,000	\$293,000	
C.V.	\$600,000	\$600,000	
Capital Value General Rate	\$1,226.88	\$1,226.88	\$1,118.04
UAGC	\$298.00	\$340.00	\$340.00
UAC Ward	\$267.00	\$289.00	\$289.00
UAC Ward Business	\$742.00	\$805.00	\$805.00
SUB TOTAL	\$2,533.88	\$2,660.88	\$2,552.04
Wastewater	\$535.00	\$565.00	\$565.00
Refuse Collection	\$43.00	\$44.00	\$44.00
Stormwater	\$214.48	\$216.62	\$179.62
TOTAL	\$3,326.36	\$3,486.50	\$3,340.66

Summary of Rating Changes

Rate Changes - Excluding Inflation

	LTCCP 2010-11	Forecast 2010-11
Total District Rate	4.9%	4.6%
<i>Comprising</i>		
Uniform Annual General Charge	\$38	\$37
District Capital Value Rate	1%	0%
Paeroa Community Facilities	(\$78)	\$9
Paeroa Community Facilities Business	\$164	\$15
Plains Community Facilities	(\$15)	\$8
Plains Community Facilities Business	\$52	\$11
Waihi Community Facilities	(\$88)	\$19
Waihi Community Facilities Business	\$308	\$56
District Wastewater	\$27	\$27
Komata North Drainage	3%	3%
Opukeko Drainage	5%	5%
Tirohia Rotokohu Drainage	3%	3%
Eastern Plains Drainage	3%	3%
Western Plains Drainage	0%	0%
Paeroa Urban Stormwater	3%	3%
Ngatea Urban Stormwater	2%	2%
Turua Urban Stormwater	9%	9%
Kerepehi Urban Stormwater	3%	3%
Waihi Urban Stormwater	1%	1%
Whiritoa Urban Stormwater	-2%	-2%
Refuse Collection District	\$5	\$0
Refuse Collection Whiritoa	(\$4)	\$0
Water (per m3) - Urban	\$0.25	\$0.09
Water (per m3) - Rural - Paeroa/Plains/Waihi	\$0.10	\$0.09
Water (per m3) - Rural - Other	\$0.09	\$0.09
Water Annual Charge	\$8.89	\$8.89