

Hauraki District Council

annual report

for the year ended 30 June 1997





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PART A: Introduction and Overview

Preface

The Hauraki District Council is required under the 1989 amendment to the Local Government Act to prepare and adopt a report each year, assessing its performance against its proposed policies, objectives, activities, performance targets, indicative costs, and sources of funds as specified in its Annual Plan for that year.

The Hauraki District Council meets this requirement through the production of an Annual Report

Section 223E of the 1989 amendment to the Local Government Act specifies the detail required in the report, and states that it must be adopted before the end of the fifth month after the close of the financial year.

The relevant excerpt from the 1989 Amendment to the Local Government Act 1974 is shown below.

223E. Annual Report to public concerning performance

- (1) Every local authority shall prepare and adopt in respect of each financial year a report assessing the performance of the local authority against the policies, objectives, activities, performance targets, indicative costs, and sources of funds specified in the report adopted in respect of that financial year under section 223D(1) of this Act.
- (2) The report adopted under subsection (1) of this section shall contain audited financial statements for the local authority for the financial year consisting of-
 - (a) A statement of financial position; and
 - (b) An overall operating statement; and
 - (c) One operating statement in respect of each significant activity; and
 - (d) A statement of cash flows; and
 - (e) Such other statements as may be necessary to fairly reflect the financial position of the local authority, the resources available to it, and the financial results of its operations.
- (3) The report adopted under subsection (1) of this section shall contain audited consolidated financial statements for the financial year in respect of-
 - (a) The local authority; and
 - (b) Each local authority trading enterprise in which the local authority holds equity securities or has a financial interest; and
 - (c) Each other company or organisation that is under the control of the local authority or is a trading enterprise, company, or organisation in which the authority has a significant interest.
- (4) The audited consolidated financial statements under subsection (3) of this section shall consist of-
 - (a) A statement of financial position; and
 - (b) One operating statement in respect of each significant activity; and
 - (c) A statement of cash flows; and
 - (d) Such other statements as may be necessary to fairly reflect their financial position, the resources available to them, and the financial results of their operations.
- (5) The report adopted under subsection (1) of this section shall contain-
 - (a) The auditor's report-
 - (i) On the financial statements specified in subsections (2) to (4) of this section; and
 - (ii) On the performance targets and other measures by which performance has been judged in relation to the objectives; and
 - (iii) On compliance with subsections (7) and (7A) of this section; and
 - (b) Such other information as is necessary to enable an informed assessment of the operations of each entity reported on, including-
 - (5)(b)(i) A comparison between the actual performance of the local authority for the financial year and the projected performance of the local authority for the financial year as set out in the report adopted in respect of the financial year under section 223D(1) of this Act; and
 - (ii) A comparison between the actual performance of each local authority trading enterprise for the financial year and the relevant statement of corporate intent for the financial year. (6)

The report shall include an account of the extent to which the local authority was able to meet, during the year to which the report relates, the equal employment opportunities programme for that year.
- (7) The report shall include, in a form to be determined from time to time by the Minister, information on the remuneration being received by each executive officer appointed under section 119C(1) of this Act.
- (7A) The report shall include, in a form to be determined from time to time by the Minister, information in relation to the cost to the local authority, in the year to which the report relates, of any severance agreement between the local authority and any employee appointed under section 119B(1) or section 119C(1) of this Act, being an agreement under which-
 - (a) The employee has agreed to the termination of the employee's employment; and
 - (b) The local authority has, in respect of the employee's agreement to the termination of his or her employment, agreed to provide any consideration, whether of a monetary nature or otherwise, additional to any entitlement of that employee to-
 - (i) Any final payment of salary; or
 - (ii) Any holiday pay; or
 - (iii) Any superannuation contributions; and
 - (c) The total cost to the local authority of the consideration referred to in paragraph (b) of this subsection, including any liability for taxation, exceeds \$50,000.
- (7B) A determination under subsection (7A) of this section may require that the information in the report include information identifying the specific position held by the employee, or positions held by the employees, as the case may be, in respect of whom the cost has been incurred by the local authority.
- (8) The report adopted under subsection (1) of this section shall be adopted before the end of the fifth month after the close of the financial year to which it relates.
- (9) Where a local authority adopts a report under this section, that local authority-
 - (a) Shall make that report available for public inspection at its offices and libraries; and
 - (b) Shall make copies of that report available to the public-
 - (i) Free of charge; or
 - (ii) At a reasonable charge; and
 - (c) Shall, within 20 working days after its adoption, send copies of that report to-
 - (i) The Secretary; and
 - (ii) The Controller and Auditor-General; and
 - (iii) The Parliamentary Library.



Report from the Mayor and General Manager

LOCAL GOVERNMENT ELECTIONS FOR 1998

The Council is required by legislation to review the membership and basis for the 1998 election within 15 months of the election to be held on the second Saturday in October 1998.

During this reporting period, the review of the elective structure had commenced. The initial view of the Council was that the existing Wards of Waihi, Paeroa and Plains should remain with the boundaries of the Wards unaltered. The Council decided that there was a need to look at the continuation of Community Boards and the number of elected members.

The Council put the following proposition to the three Community Boards for consideration:

- That the number of members per Ward be increased from three to four.
- That the Community Boards be dissolved.
- That the Community Boards be replaced by Ward Committees which would comprise the elected members for each Ward.

That proposition was accepted by the three Community Boards and the discussion document was prepared and advertised as part of the non-statutory process to gauge public reaction. The review is proceeding.

DISTRICT PLAN

During the reporting period, the last of the appeals against the provisions of the Proposed District Plan were resolved by negotiation. Again, thanks to Deputy Mayor John Tregidga and the Committee for the work done and to Mike Maguire, Manager Planning and Environmental Services and his staff. Congratulations on an excellent outcome.

POWER NEW ZEALAND SHAREHOLDING

During the reporting period, the Council was given notice that Utilicorp New Zealand Ltd and Mercury Energy had reached an agreement to take control of Power New Zealand. The put option with Utilicorp New Zealand Ltd remains in place.

GOLD MINING OPERATIONS

The Waihi Gold Mining Company made clear its intentions to seek an extension to the present open cast mining operations within the Waihi township. The application for consent had been lodged and a hearing was expected in October or November 1997.

The slope stability at the Golden Cross Mine owned by Coeur Gold Ltd continued to be investigated. The stability had improved. However, the Coeur Gold Mining Co. had notified its intention to cease mining towards the end of 1997. Discussions had commenced on issues associated with the closing down of the mine.

OFFICE ACCOMMODATION IN PAEROA

The extensions to the Paeroa office building on the corner of William and Marshall Streets were opened on 1 April 1997. The facilities are excellent and good use has been made of the extra space provided.

REPLACEMENT OF WAIHI DRILL HALL

During the reporting period, the Council awaited the outcome of appeals against the resource consent. The decision of the Environment Court was received in June 1997, giving Council the go-ahead with the project.



NO. 3 AMENDMENT TO THE LOCAL GOVERNMENT ACT 1974

Work has proceeded to meet the requirements of the No. 3 Amendment Act to the Local Government Act 1974. A strategic directions document has been widely circulated and comments invited. Seventeen submissions were received and considered in preparing the long term plan and long term financial strategy.

Ten-year forward projections were prepared for the 1997/98 Annual Plan documentation. It is a matter of updating this information and projecting it forward for inclusion in the Council's Strategic Plan.

Work on the review of funding and rating has proceeded. The Council's views of future funding were included in the discussion document.

PAEROA SWIMMING BATHS UPGRADE

The upgrade of the Paeroa swimming baths has been completed and concludes a very successful project. The facility available is excellent, and is much appreciated by the public.

NGATEA WAR MEMORIAL HALL UPGRADE

The project to upgrade the Ngatea War Memorial Hall was completed during the reporting period. The Plains Ward now has an excellent facility. It is a very successful outcome and congratulations both to elected members and staff who were involved in this project.

HUGH HAYWARD DOMAIN

During the reporting period the official function to unveil a sign and rename the Ngatea Domain as the Hugh Hayward Domain was held. We were fortunate that Hugh Hayward, the former Chairman of the Hauraki Plains County Council was present with his family to receive congratulations.

SOLID WASTE DISPOSAL

Planning for the construction of refuse transfer stations in the Paeroa and Plains Wards proceeded during the reporting period. Discussions have been held with Thames Coromandel and Matamata Piako District Councils, with a view to developing a joint strategy for waste collection and disposal, including joint ownership of the proposed landfill at Kaihere.

SEWAGE TREATMENT AND DISPOSAL

Work continued on the preparation for the renewal of consents for various sewage treatment and disposal systems in the District. In particular –

- The Paeroa town sewage emergency discharge application is in the process of preparation. Investigation into disposal options has also been progressed.
- The investigation into the disposal options at Waihi has continued. The wetland proposed has been shelved and other treatment options are being investigated.

POUARUA-MAUKORO DRAINAGE SCHEME

In preparation for the construction of an outlet from the proposed drainage area to the Piako River, the Council took the opportunity to purchase a 40ha farm on Kaihere Road at Ngatea. The land is required to construct a stop bank waterway into the Piako River. Work on the obtaining of consents is progressing.



WATER SUPPLIES

Water meters were installed on the non-residential users on the Paeroa water supply during the reporting period.

The pipeline from the Puriri intake under the Waihou River was renewed to the Plains water supply. Application for the consent for the stream intake supplying the water treatment plant at Waitakaruru continued.

Investigations are continuing into the water storage options to supply the Waitakaruru plant during low flow times. The most likely option is to store water in the metal pit at the Tetley's Quarry.

Work was undertaken to examine the feasibility of this water storage option. At the same time, the opportunity was taken to investigate the future of the quarry operation.

ELECTED MEMBERS AND STAFF

As in previous years, the achievements in the 1996/97 year are attributable to the team work of elected members and staff. We are grateful for the dedication shown by all in working towards successful outcomes for the benefit of the community.

B J Morrison J P
Mayor

I K Laurenson
General Manager

PART B: Council Overview

District Statistics

Area:	1144 km ²
Population 1996:	17,184 people
Capital Value:	\$1,664,627,500
Land Value:	\$1,043,257,000
Date of Valuation:	1 Oct 1995
Rateable Assessments:	7869

Council Offices

Principal Office

Street Address: William Street,
Paeroa
Postal Address: P O Box 17, Paeroa
Phone: (07)862 8609 or
(0800)734 834 (within District
freephone)
Fax: (07)862 8607
E-mail: info@hauraki-dc.govt.nz

Plains Service Centre

Orchard Road, Ngatea

Waihi Service Centre

Haszard Street, Waihi

Elected Member Guide

Mayor

Mr B J (Basil) Morrison J P,
38 Hill Street, Paeroa. Ph (07)862 6344

Councillors Paeroa Ward

Mr D F (Des) Johansen	Ph (07)862 8903
Mr J A (John) Poulter	Ph (07)862 3733
Mr J (John) Tregidga	Ph (07)862 8956

Councillors Plains Ward

Mrs C (Molly) Aspin	Ph (07)867 5121
Mr D E (Don) Challis	Ph (07)867 7097
Mr R L (Robin) Povey	Ph (07)867 6852

Councillors Waihi Ward

Mrs D M (Mary) Carmine	Ph (07)863 8740
Mrs J (Joyce) Fawcett	Ph (07)863 7984
Mr F S (Francis) Hansen	Ph (07)863 7569

The Council meets monthly on the third to last Thursday of each month at the Paeroa Office, commencing at 10.00 am. Special meetings are scheduled as required. The Council has three Standing Committees - Works & Services, Planning & Finance, and Hearings. The first two meet on the last Thursday of each month at the Paeroa Office, at 10.00 am and 1.00 pm respectively. The Hearings Committee meets as required. Membership is as follows:

Works and Services Committee

Robin Povey (Chairman)	John Poulter (Deputy Chairman)
Molly Aspin	Don Challis
Francis Hansen	

Planning and Finance Committee

Basil Morrison (Chairman)	John Tregidga (Deputy Chairman)
Molly Aspin	Mary Carmine
Joyce Fawcett	Des Johansen

Hearings Committee

John Tregidga (Chairman)	Mary Carmine (Deputy Chairman)
Robin Povey	

Senior Management

General Manager:

Mr I K (Keith) Laurenson

District Engineer:

Mr R S (Ross) Vincent

Planning & Environmental

Services Manager:

Mr M J (Mike) Maguire

Community Services

Manager:

Mr R G (Gary) Paterson

Corporate Services

Manager:

Mr R H (Rex) Leonhart

Business Units Board of Management:

General Manager (Chairman)

District Engineer

Corporate Services Manager

Construction & Maintenance:

Manager: Mr S (Steve) Schmidt

Technical Services:

Manager: Mr N P (Nigel) Ross

Tetleys Quarry:

Manager: Mr A B (Brian) Trow

Workshop:

Manager: Mr P (Peter) Smith

Elected Member Guide ... c o n t ' d

The Council has three Community Boards that deal with community issues specific to their Ward. The Plains Community Board meets on the first Monday of each month, at 9.00 am in the Plains Service Centre.

The Waihi Community Board meets on the first Tuesday of each month, at 7.30 pm in the Waihi Service Centre. The Paeroa Community Board meets on the first Wednesday of each month, at 1.00 pm in the Paeroa Office. Membership of the Community Boards is as follows:

Paeroa Community Board

Mr J A (John) Poulter (Chairman)	Ph (07)862 3733
Mr J (John) Tregidga (Deputy Chairman)	Ph (07)862 8956
Mr J (John) Budge	Ph (07)862 7177
Mr B P (Bryan) Dunn	Ph (07)862 8746
Mr D F (Des) Johansen	Ph (07)862 8903

Plains Community Board

Mr I D (Ian) Troughton (Chairman)	Ph (07)867 5114
Mrs G M (Gay) Patch (Deputy Chairman)	Ph (07)867 7545
Mrs C (Molly) Aspin	Ph. (07)867 5121
Mr D E (Don) Challis	Ph (07)867 7097
Mrs V J B (Valda) Laurich	Ph (07)867 7033
Mr M K (Murray) McLean	Ph (07)867 7234
Mr R L (Robin) Povey	Ph (07)867 6852

Waihi Community Board

Mr F S (Francis) Hansen (Chairman)	Ph (07)863 7569
Mr D C (Don) Lockwood (Deputy Chairman)	Ph (07)863 8330
Mrs D M (Mary) Carmine	Ph (07)863 8740
Mrs J (Joyce) Fawcett	Ph (07)863 7984
Mr M J (Mike) Hayden	Ph (07)863 7292



Community Board Delegated Functions

- Community Board members remuneration and expenses
- Donations
- Non-Subsidised Roads, Streets & Bridges
- Non-subsidised Street Lighting
- Sewerage Collection and Disposal
- Public Conveniences
- Information Centres
- Water Supply Maintenance
- Water Supply Capital Work
- Reserves and Domains
- Halls
- Industrial Promotion
- Township Amenities
- Museums
- Swimming Baths
- Footpaths
- Cemeteries
- Land Drainage
- Stormwater Disposal
- Non-subsidised Service Lanes
- Non-subsidised Kerb & Channel


Hauraki District Council's Mission...

To ensure the successful...

- Provision of services and facilities;
 - Advocacy on behalf of the community; and
 - Use and management of resources
- ... for all who live in or visit the Hauraki District.

Hauraki District Council's Visions for the Future...

- A range of services and facilities meeting the community's needs and realistic expectations;
- A positive climate which encourages balanced and sustained growth throughout the district;
- An environment which encourages vibrant communities and an enhanced quality of life;
- The wise use and management of all resources for the continued benefit of the district;
- A proactive Council that provides leadership, is results orientated, and communicates effectively with all sectors of the community.



Equal Employment Opportunities

Policy Statement

The Hauraki District Council is committed to the principle of equal opportunity in the recruitment, employment, training and promotion of its employees.

The District Council regards the elimination of any discrimination and the provision of equal opportunities as essential principles in management of its staff resources. Council will ensure there is a positive programme to identify and to eliminate discrimination in the areas of race, colour, ethnic or national origin, age, gender, religion, marital status, family responsibilities, sexual orientation, people with disabilities, where it exists.

Objectives for 1996-97

- (1) To select the best person for the job on the basis of the job requirements and the ability of the person to perform the job.
- (2) To promote employees on the basis of performance and the willingness of the employee to accept greater responsibility.
- (3) To identify and provide appropriate training opportunities to increase knowledge and awareness of equal opportunity.
- (4) To implement an appropriate performance appraisal system to encourage the development of employees and assessment of their individual training requirements.
- (5) Identifying and providing appropriate training programmes to enable employees to best meet the requirements of their current jobs and to develop additional skills with a view to future promotion opportunities.

Achievements for 1996-97

The Equal Employment Opportunities policy was applied consistently throughout the 1996-97 financial year.



PART C: FINANCIAL STATEMENTS

Statement Of Accounting Policies: Year ended 30/6/97

1. Reporting Entity

Hauraki District Council (HDC) is a territorial local authority governed by the Local Government Act 1974.

The group consists of Hauraki District Council and its subsidiary HDC Holdings Ltd (100% owned).

The financial statements and group financial statements of HDC have been prepared in accordance with section 223E of the Local Government Act 1974 which includes the requirement to comply with generally accepted accounting practice.

2. Measurement Base

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

3. Accounting Policies

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

A) Revenue

Rates is recognised as income on the due date for each instalment. Other levies and charges are recognised as income when the goods or services have been supplied. Government grants are recognised as income when conditions associated with the grant approval have been fulfilled.

B) Investments

Investments are valued at the lower of cost and market value.

Fixed interest investments are valued at cost plus accrued interest.

C) Accounts Receivable

Accounts receivable are stated at estimated realisable value after providing for debts where collection is considered doubtful.

D) Stocks/Inventories

Stocks are valued at the lower of cost or net realisable value, less any provisions for damaged or obsolete items.

Quarry metal stocks are valued at the lower of cost, using the cost of extraction including production overheads, and net realisable value.

E) Sinking Funds

Sinking Funds, i.e. funds set aside for the repayment of some of Council's long term debt, are recorded at cost plus accrued interest. Sinking Funds are offset against Term Debt at balance date.



F) Taxation

(i) Income Tax

Council's LATE, HDC Holdings Ltd, is liable to pay tax on its assessable income.

HDC has adopted the liability method of accounting for deferred taxation and has applied this method on a comprehensive basis. The tax expense charged to the Statement of Financial Performance includes both current and deferred taxation and is calculated after providing for non-assessable income and non-deductible costs. Deferred taxation is accounted for in respect of those timing differences expected to reverse in the foreseeable future. A deferred tax benefit relating to tax losses is recognised only if there is a virtual certainty of realisation. Council is subject to tax derived from HDC Holdings Ltd.

(ii) Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis with the exception of receivables and payables, which are stated with GST included. The balance of GST at 30 June 1997 is shown as a creditor in the Statement of Financial Position.

(iii) Fringe Benefit Tax

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

G) Special Funds

In accordance with the Local Government reorganisation scheme Special Funds set up by the former authorities under the Local Government Act 1974, have been set aside for specific purposes. These are disclosed under the category Council Created Reserves.

H) Maintenance and Capital Expenditure

Capital expenditure is expenditure that adds to the service potential or usefulness of an asset for more than one accounting period either by lengthening the asset's useful life or by increasing its capacity. Capital expenditure is debited to asset accounts and allocated to the current and future periods through depreciation.

Maintenance expenditure is debited to expense accounts when incurred and is matched against revenue in that period.

I) Fixed Assets

(i) Fixed Assets are shown in the following major categories:

Operational: These are all tangible assets able to be dealt with as part of the operating strategy (i.e. land, buildings, motor vehicles, plant, furniture and chattels).

Infrastructural: These are the fixed utility systems providing an ongoing service to the Community, but are not generally regarded as tradable, (i.e. roads, bridges, culverts, and reticulation systems, including land and buildings associated with these activities).

Restricted: These cannot be disposed of because of legal or other restrictions, but provide a benefit or service to the Community (e.g. reserves vested under the Reserves Act, endowments and other property held in Trust for specific purposes, community halls, refuse disposal sites). Included under restricted assets are buildings and other improvements located on Council land where under the terms of any lease Council becomes the owner should the lessee default or cease to exist as an organisation. The major items included in this category are sporting facilities.

(ii) Valuation:

1. *Land and Buildings*: All land and buildings are recorded at government valuation as at 1 October 1995, plus additions/development at cost, less disposals. The exception to this is Waihi Beach leasehold land owned by Council which is valued at Government Valuation as at 1 October 1996.

2. *Motor Vehicles, Equipment, Fixtures and Fittings*: All items are recorded at cost or net realisable value.

3. *Forestry*: Council has had its forestry assets professionally valued as at 30 June 1996 by P F Olsen and Company, a recognised forestry valuer. The basis used to value the forests was the expected yield at maturity. A discount factor was then applied to obtain a net present value. Trees are assumed to reach maturity twenty-eight years from the date of planting.

Costs associated with new plantings since the date of valuation have been capitalised. Expenditure on forestry operations has been included in the Cost of Service of Other Activities.

4. *Library Books*: Library Books are valued at depreciated replacement cost, assuming the books are on average half way through their useful life.

5. *Infrastructural*:

Roading and Bridges: Roothing and bridges are valued at replacement value as at 30 June 1993 less depreciation at 50% to recognise that these assets are midway through their economic life. Subsequent additions are valued at cost. Roothing asset valuation was conducted by independent valuers Beca Carter Ferner.

Reticulation Systems: Reticulation systems are valued at depreciated replacement cost as at 30 June 1993 based on estimated useful lives and unexpired service potential. The identification and valuation of the replacement cost for water and sewerage systems was conducted by independent valuers, Opus International Consultants. The identification and valuation of stormwater systems replacement cost was conducted by in-house engineers. Subsequent additions are valued at cost.

6. *Restricted*: Restricted assets are valued at Government Valuation (1 October 1995).

(iii) Depreciation:


1. *Land*: Land is not depreciated.

2. *Other Assets*: All other assets, except infrastructural (excluding bridges) and restricted 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 expected useful life of assets are as follows:

Buildings (50 years)	Motor Vehicles - Cars & Utilities (3-5 years)
Heavy Plant & Machinery (8 years)	Light Plant (2-5 years)
Computer Hardware (3 years)	Communications Equipment (5 years)
Fixtures & Fittings (5-10 years)	Bridges (40-100 years)

Assets purchased partway during the financial year are depreciated on a remaining months basis. Computer software is expensed.

3. *Infrastructural Assets*: Depreciation has not been provided on roads, culverts and stormwater, sewerage, and water reticulation systems as these assets are maintained at operational levels in perpetuity and the cost of this maintenance



is included as a cost of providing the services to which these assets relate.

J) **Power NZ Shares**

During the 1994-95 financial year Council was granted 1,669,680 Power NZ shares under Power NZ's establishment plan. Council entered into a contract with Power NZ that prevents Council from selling its shares for five years.

If Council wishes to sell its shareholding it must consult with the public before any sale takes place. Council has valued its shareholding at \$7.25 per share. This represents the value that the Council transferred its shareholding in Power NZ to a fully owned subsidiary company, HDC Holdings Ltd.

K) **Overhead Allocation**

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

The costs of debt servicing have been allocated directly to the activity for which the loan was initially raised.

L) **Cost of Capital**

Council has charged a cost of capital on the following assets at the rates on the book value of fixed assets as at 1 July 1996.

Plant and Machinery	8.0%
Land and Buildings	8.0%
Office Equipment Including Computers	8.0%
Restricted and Infrastructural	0.0%

The Cost of Capital has been eliminated in the Statement of Operations and Appropriations. No allowance has been made for cost of capital on Restricted or Infrastructural Assets within each significant activity as Council considers it extremely unlikely that the assets will be converted to an alternative use. Accordingly a rate of 0% has been used.

M) **Basis of Consolidation**

The group financial statements include the Hauraki District Council and its subsidiary HDC Holdings Ltd.

The subsidiary has been accounted for using the purchase method. Corresponding assets, liabilities, revenues and expenses are added together. All significant inter-entity transactions are eliminated on consolidation. Comparative figures for 1995-96 are Parent only as the subsidiary was established after 30 June 1996.

N) **Employee Entitlements**

Provision is made in respect of the group's liability for annual leave, long service leave, and retirement gratuities. These have been calculated on an actual entitlement basis at current rates of pay.

O) **Statement of Cashflows**

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Council or group invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the group and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the Council and group.

4. **Changes in Accounting Policies**

There have been no changes in accounting policy. All policies have been applied on a basis consistent with previous years.

Statement of Financial Position

As at 30 June 1997

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group	Budget 1996-97 \$000's
	CURRENT ASSETS				
5,537	Bank	1	3,537	3,543	2,286
3,372	Debtors	2	3,263	3,267	3,190
814	Inventories	3	809	809	603
71	Income Accrued & Prepayments	4	25	27	149
<u>9,794</u>	Total Current Assets		<u>7,634</u>	<u>7,646</u>	<u>6,228</u>
	LESS CURRENT LIABILITIES				
2,297	Creditors	5	2,351	2,357	957
908	Accruals	6	947	947	1,019
122	Current Portion of Term Debt	7	25	25	297
<u>3,327</u>	Total Current Liabilities		<u>3,323</u>	<u>3,329</u>	<u>2,273</u>
6,467	Working Capital		4,311	4,317	3,955
	Non-Current Assets				
130,922	Fixed Assets	8	135,134	135,134	133,452
5,224	Shares in Companies	9	11,664	12,270	5,224
153	Long Term Investments	10	130	130	286
<u>136,299</u>	Total Non-Current Assets		<u>146,928</u>	<u>147,534</u>	<u>138,962</u>
<u>142,766</u>			<u>151,239</u>	<u>151,851</u>	<u>142,917</u>
321	Less Long Term Liabilities	7	279	279	2,332
<u>142,445</u>	NET ASSETS		<u>150,960</u>	<u>151,572</u>	<u>140,585</u>
	Represented by:				
130,894	General Equity	11	139,515	140,127	132,943
4,285	Special Funds/Reserves	12	3,185	3,185	2,793
3,352	Asset Revaluation Reserve	13	4,346	4,346	935
3,914	Forestry Revaluation Reserve	14	3,914	3,914	3,914
<u>142,445</u>	RATEPAYERS EQUITY		<u>150,960</u>	<u>151,572</u>	<u>140,585</u>

.....
BJ Morrison JP
 Mayor

.....
IK Laursen
 General Manager

26 November 1997

Statement of Financial Performance For the year ended 30 June 1997

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group	Budget 1996-97 \$000's
	Income				
8,330	Rates		8,857	8,857	8,555
603	Interest & Commissions		550	561	416
133	Petrol Tax		142	142	120
509	Gain on Sale of Fixed Assets		129	129	20
-	Revaluation of Shares		7,046	7,046	-
325	Dividends		2	922	599
86	Miscellaneous Income		224	224	-
461	Surplus from Quarry Operations		264	264	150
284	Net Plant/Workshop	17	128	128	180
(26)	Surplus from Construction & Maintenance Operations		205	205	25
38	Value of Library Books gifted to Council		-	-	-
3,933	Total Recoveries (ex page 18)		4,387	4,387	4,210
14,676	TOTAL INCOME		21,934	22,865	14,275
	Less				
228	Bad Debts Written Off		112	112	50
84	Deficit from Property	18	255	255	-
88	Deficit from Technical Services Operations		34	34	-
100	Severance Costs		-	-	-
-	Miscellaneous Expenses		-	18	-
12,330	Total Gross Cost of Service (ex page 18)		14,013	14,013	14,003
1,846	TOTAL SURPLUS BEFORE TAXATION		7,520	8,433	222
-	Less Taxation Expense	16	-	301	-
1,846	NET SURPLUS AFTER TAXATION		7,520	8,132	222

Statement of Movements in Equity For the year ended 30 June 1997

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group	Budget 1996-97 \$000's
138,182	Equity as at 1.7.96		142,445	142,445	139,159
1,846	Net Surplus / (Deficit) for the Period		7,520	8,132	222
2,417	Increase/(Decrease) in Revaluation Reserves		995	995	1,204
4,263	Total Recognised Revenue and Expenses		8,515	9,127	1,426
142,445	Equity as at 30.6.97		150,960	151,572	140,585

Statement of Cashflows

For the year ended 30 June 1997

Actual 1995-96 \$000's	Note	Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group	Budget 1996-97 \$000's
Operating Activities				
Cash to be provided from:				
9,278		10,030	10,030	8,777
2,073		2,041	2,041	-
513		583	591	416
326		2	619	599
5,539		5,665	5,665	6,629
76		-	-	-
<u>17,805</u>		<u>18,321</u>	<u>18,946</u>	<u>16,421</u>
Cash to be applied to:				
12,734		14,861	14,874	15,331
2,088		2,090	2,090	-
171		37	37	133
-		43	43	12
<u>14,993</u>		<u>17,031</u>	<u>17,044</u>	<u>15,476</u>
2,812		1,290	1,902	945
Investing Activities				
Cash to be provided from:				
503		57	57	50
58		16	16	-
4		613	7	-
1,595		482	482	-
<u>2,160</u>		<u>1,168</u>	<u>562</u>	<u>50</u>
Cash to be applied to:				
129		1	1	1
2,356		4,271	4,271	7,479
<u>2,485</u>		<u>4,272</u>	<u>4,272</u>	<u>7,480</u>
(325)		(3,104)	(3,710)	(7,430)
Financing Activities				
Cash to be provided from:				
-		-	-	3,735
<u>-</u>		<u>-</u>	<u>-</u>	<u>3,735</u>
Cash to be applied to:				
1,604		186	186	209
<u>1,604</u>		<u>186</u>	<u>186</u>	<u>209</u>
(1,604)		(186)	(186)	3,526
883		(2,000)	(1,994)	(2,959)
4,654		5,537	5,537	5,245
<u>5,537</u>		<u>3,537</u>	<u>3,543</u>	<u>2,286</u>
Represented by:				
183		55	61	-
1		1	1	1
5,353		3,481	3,481	2,285
<u>5,537</u>		<u>3,537</u>	<u>3,543</u>	<u>2,286</u>

Statement of Commitments and Contingencies As at 30 June 1997

<i>Actual 1995-96 \$000's</i>	Note	Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group
Commitments			
60		490	490
Projects commenced but not completed			
Contingencies			
25		-	-
Projects authorised but not commenced			
Guarantees			
250		250	250
Thames Valley Turf Trust			
12		12	12
Waihi Community Marae			
Other			
There is an outstanding legal claim against Council. If this claim is successful Council estimates its legal liability would not exceed \$40,000.			

Summary Statement of Cost of Service

For the year ended 30 June 1997

Actual 1995-96 \$000's		Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)		
810	Community Facilities	716	717
947	Democracy	927	941
736	Land Drainage	810	681
728	Other Activities	845	832
418	Parks & Reserves	521	536
727	Solid Waste Management	967	802
1,220	Planning & Environmental Services	1,474	1,377
4,375	Roading	4,702	4,257
645	Sewerage	841	1,442
1,724	Water	2,222	2,418
12,330	TOTAL GROSS COST OF SERVICE	14,025	14,003
	Less Recoveries		
213	Community Facilities	191	107
-	Democracy	-	-
-	Land Drainage	8	-
156	Other Activities	165	154
9	Parks & Reserves	10	8
123	Solid Waste Management	169	150
473	Planning & Environmental Services	610	497
1,854	Roading	2,156	1,830
1	Sewerage	7	2
1,104	Water	1,071	1,462
3,933	TOTAL RECOVERIES	4,387	4,210
8,397	NET COST OF SERVICE	9,638	9,793
-	Less Cost of Capital included in support costs allocated to significant activities	12	-
8,397	NET COST OF SERVICE (excluding cost of capital)	9,626	9,793
176	Cost of Capital	194	172
8,573	NET COST OF SERVICE (Including Cost of Capital)	9,820	9,965

Notes to the Financial Statements

For the year ended 30 June 1997

Actual 1995-96 \$000's		Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group
1. Bank			
34	BNZ General Accounts	(145)	(145)
-	National Bank General Accounts	-	6
149	WestpacTrust Waihi Sports Stadium Account	200	200
5,353	Short Term Deposits due to mature within one year	3,481	3,481
1	Petty Cash	1	1
<u>5,537</u>		<u>3,537</u>	<u>3,543</u>
2. Debtors			
1,749	Rates	1,495	1,495
517	Transfund Subsidies	436	436
649	Water by Meter Charges, (including unread meters)	852	852
557	Sundry Debtors	580	584
(100)	less Provision for Doubtful Debts	(100)	(100)
<u>3,372</u>		<u>3,263</u>	<u>3,267</u>
3. Inventories			
687	Quarry Metal Stockpile	719	719
127	Other	90	90
<u>814</u>		<u>809</u>	<u>809</u>
4. Income Accrued & Prepayments			
36	Interest accrued on short term investments	14	14
35	Prepayments	11	13
<u>71</u>		<u>25</u>	<u>27</u>
5. Creditors			
1,714	Trade Creditors	1,500	1,505
33	GST	60	60
79	Bonds & Deposits	100	100
471	Other	691	692
<u>2,297</u>		<u>2,351</u>	<u>2,357</u>
6. Accruals			
150	Accrued interest on public debt	160	160
256	Accrued holiday pay	259	259
462	Provision for Retiring Allowance	484	484
40	Provision for Long Service Leave	44	44
<u>908</u>		<u>947</u>	<u>947</u>

Notes to the Financial Statements

Actual 1995-96 \$000's	Actual 1995-96 \$000's	Actual 1995-96 \$000's		Actual 1996-97 \$000's	Actual 1996-97 \$000's	Actual 1996-97 \$000's	Actual 1996-97 \$000's
			7. Non-Current Liabilities				
<i>Loan Balances</i>	<i>Sinking Funds</i>	<i>Net Loan Balances</i>	Loans outstanding grouped by repayment date	Interest Cost	Loan Balances	Sinking Funds	Net Loan Balances
174	52	122	1996/97	9	-	-	-
63	34	29	1997/98	6	63	38	25
13		13	1998/99	1	13	-	13
13		13	1999/00	1	13	-	13
46		46	2000/01	11	46	-	46
4		4	2001/02	0	4	-	4
5		5	2002/03	0	5	-	5
5		5	2003/04	0	5	-	5
6		6	2004/05	0	6	-	6
5		5	2005/06	0	5	-	5
5		5	2006/07	0	5	-	5
96		96	2007/08 - 2011/12	8	96	-	96
24		24	2012/13 - 2016/17	2	24	-	24
70		70	Rural Housing (1997/98 - 2024/25)	6	57	-	57
529	86	443		44	342	38	304
174	52	122	Less current portion				25
355	34	321					279

Council Loans are secured over either separate general rates or Council Assets. The weighted average interest rate on non-current liabilities (excluding Rural Housing loans) is 7.51%.

Cost or Val'n	Accum. Dep'n	Book Value		Cost or Valuation	Accum. Dep'n	Book Value
			8. Fixed Assets			
6,300	-	6,300	<i>Operational Assets</i>			
4,499	90	4,409	Land	7,621	-	7,621
4,107	2,134	1,973	Buildings	5,845	163	5,682
535	228	307	Plant & Motor Vehicles	4,167	2,368	1,799
1,508	829	679	Library Books	579	252	327
16,949	3,281	13,668	Office Equipment	1,926	1,045	881
3,914	-	3,914		20,138	3,828	16,310
20,863	3,281	17,582	Forestry Plantations	3,914	-	3,914
			Total Operational Assets	24,052	3,828	20,224
			<i>Infrastructural Assets</i>			
134,692	53,282	81,410	Roading	135,215	53,402	81,813
30,405	13,755	16,650	Treatment & Reticulation Systems			
10,675	4,924	5,751	- Water	30,673	13,755	16,918
4,509	1,968	2,541	- Sewerage	10,980	4,924	6,056
180,281	73,929	106,352	- Stormwater	4,646	1,968	2,678
			Total Infrastructural Assets	181,514	74,049	107,465
6,988	-	6,988	<i>Restricted Assets</i>	7,445	-	7,445
208,132	77,210	130,922	Total Fixed Assets	213,011	77,877	135,134

Notes to the Financial Statements

<i>Actual 1995-96 \$000's</i>		Actual 1996-97 \$000's	Actual 1996-97 \$000's	Actual 1996-97 \$000's	Actual 1996-97 \$000's
	9. Shares in Companies	Book Value Parent	Fair Value Parent	Book Value Group	Fair Value Group
133	Shares held in New Zealand Counties Investment Company. 290,021 shares at \$0.46 per share. (30 June 1996 290,021)	133	133	133	133
32	Shares held in New Zealand Municipal Investment Company 31,717 shares at \$1 per share. (30 June 1996 31,717)	32	32	32	32
5,059	Shares held in Power New Zealand. 1,669,680 shares at \$7.25 per share (30 June 1996 1,669,680)	-	-	12,105	12,105
-	Shares held in HDC Holdings Ltd. 11,499,234 shares at \$1.00 per share.	11,499	12,111	-	-
<u>5,224</u>		<u>11,664</u>	<u>12,276</u>	<u>12,270</u>	<u>12,270</u>

Council is the sole beneficial shareholder in HDC Holdings Ltd. One Golden share is held by Utilicorp New Zealand. This share is a redeemable preference share which confers majority voting rights upon its holder in relation to one issue, being the sale of all or any Power New Zealand shares to anyone other than the Hauraki District Council. The Golden Share does not hold any rights to participate in any dividends or surplus on winding up, or to vote on any issue other than as stated above.


<i>Actual 1995-96 \$000's</i>		Actual 1996-97 \$000's	Actual 1996-97 \$000's
	10. Long Term Investments	Book Value Parent	Book Value Group
70	Rural Housing Loans to farmers	57	57
66	Investment with DFC	59	59
14	Loans to Sporting Bodies	12	12
3	Staff Housing Loans	2	2
-	Other	-	-
<u>153</u>		<u>130</u>	<u>130</u>

Notes to the Financial Statements

Actual 1995-96 \$000's		Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group
11. General Equity			
129,334	Balance as at 1.7.96	130,894	130,894
1,846	Surplus for the year	7,520	8,132
(286)	Plus transfers (per note 12)	1,100	1,100
<u>130,894</u>	Balance as at 30.6.97	<u>139,515</u>	<u>140,127</u>
12. Council Created Reserves			
3,999	Balance as at 1.7.96	4,285	4,285
740	Plus transfers to reserves	778	778
338	Plus interest	270	270
(792)	Less transfers from reserves	(2,148)	(2,148)
<u>4,285</u>	Balance as at 30.6.97	<u>3,185</u>	<u>3,185</u>
13. Asset Revaluation Reserve			
935	Balance as at 1.7.96	3,352	3,352
1,685	Net Increase in Valuation of Land	1,030	1,030
745	Net Increase in Valuation of Buildings	-	-
(13)	less reversed on disposals	(36)	(36)
<u>3,352</u>	Balance as at 30.6.97	<u>4,346</u>	<u>4,346</u>
14. Forestry Revaluation Reserve			
3,914	Balance as at 1.7.96	3,914	3,914
-	Plus increase in value of forests	-	-
<u>3,914</u>	Balance as at 30.6.97	<u>3,914</u>	<u>3,914</u>
15. Representation - District Council			
670	Expenditure	640	640
(7)	plus/less overhead/support costs over/under budget	37	37
<u>663</u>		<u>677</u>	<u>677</u>
16. Taxation			
1,846	Operating Surplus before Taxation	7,520	8,433
609	Prima Facie Taxation @ 33%	2,482	2,783
(609)	Less Tax Effect of Permanent Differences	(2,482)	(2,482)
-	Current Taxation Expense	-	301
-	Less Imputation & RWT Credits	-	(307)
<u>-</u>		<u>-</u>	<u>(6)</u>
Comprising:			
-	Current Refund Due	-	(4)
-	Future Taxation Benefits	-	(2)
<u>-</u>		<u>-</u>	<u>(6)</u>

Notes to the Financial Statements

Actual 1995-96 \$000's		Actual 1996-97 \$000's Parent	Actual 1996-97 \$000's Group
17. Net Plant/Workshop Operations			
1,585	Recoveries	1,347	1,347
1,301	less Expenditure	1,219	1,219
284	Net surplus excluding cost of capital	128	128
189	Less cost of capital	158	158
95	Net surplus including cost of capital	(30)	(30)
18. Net Property Operations			
458	Recoveries	440	440
542	less Expenditure	695	695
(84)	Net surplus excluding cost of capital	(255)	(255)
654	Less cost of capital	608	608
(738)	Net surplus including cost of capital	(863)	(863)
19. Cashflow Reconciliation			
\$1,846	Surplus per Statement of Financial Performance	\$7,520	\$8,132
<u>add back noncash Items</u>			
(\$39)	Books gifted to Council	\$0	\$0
\$727	Depreciation	\$736	\$736
\$2,534		\$8,256	\$8,868
<u>Movement in Working Capital</u>			
\$755	Plus: Decrease in Debtors	\$109	\$105
(\$211)	Plus: Decrease in Inventories	\$5	\$5
\$78	Plus: Decrease in Prepayments	\$46	\$44
\$165	Plus: Increase in Creditors (net of Capital)	\$49	\$55
\$787		\$209	\$209
<u>less Items classified as Investing/Financing</u>			
(\$509)	Less: Gain on Sale of Assets/Revaluation	(\$7,046)	(\$7,046)
\$0	Plus writedown of Investments		
(\$509)		(\$7,046)	(\$7,046)
\$2,812		\$1,419	\$2,031
\$2,812	Net Cashflow from Operating Activities	\$1,290	\$1,902



Notes to the Financial Statements

20. Financial Instruments

The group is party to financial instruments as part of its normal operations. These include bank accounts, term deposits, property mortgages, sporting advances, accounts payable and accounts receivable. All of these are recognised in the Statement of Financial Position. Revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

Credit Risk

Council's exposure to credit risk is limited to loss associated with bank accounts, term deposits, property mortgages, sporting advances and accounts receivable. Council minimises its risk by limiting the value of funds that may be invested in any institution in addition to clearly specifying approved institutions.

Credit risk associated with accounts receivable is limited to the unsecured trade debtors. These account for just over 17% of accounts receivable (12% as at 30 June 1996). The remaining debtors are either secured against the land or were payable by Transit New Zealand.

Currency Risk

Council has no exposure to currency risk.

Interest Rate Risk

All term borrowings are of a fixed interest nature. Terms and the weighted average interest rate of all borrowings are detailed in note 7.

21. Related Party Transactions

Councillors had interests in the following specific transactions during the year.

Mr J P Tregidga	Paeroa Paper Plus	Stationery Supplies	\$5,064
Mr D E Challis	Kerepehi Transport	Transport and Contracting	\$51,255
Mr F S Hansen	Green Fingers	Horticultural Services	\$7,338
Mr I D Troughton	I & S Troughton	Transport and Contracting	\$5,183

Council had an interest in the following transactions with its LATE, HDC Holdings Ltd:

Council sold 1,669,680 fully paid ordinary 50 cent Power New Zealand shares at \$7.25 each, at a total cost of \$12,105,180. The sale proceeds were initially left outstanding as a loan.

Council was repaid an on-demand, interest -free loan of \$12,105,180 by way of cash and the issue of share capital in HDC Holdings Ltd.

No related party debts have been written off or forgiven during the year and there are no amounts outstanding at year end.

Notes to the Financial Statements

Actual 1995-96 \$'s		Actual 1996-97 \$'s Parent	Actual 1996-97 \$'s Group
	22. General Manager's Remuneration		
	The General Manager of the Hauraki District Council, appointed under Section 119C(1)(a) of the Local Government Act 1974 received a salary of:	120,098	\$120,098
116,992			
	In terms of his contract the General Manager also receives the following additional benefits:		
419	Telephone	490	490
2,275	Superannuation	NIL	NIL
	The total annual cost, including fringe benefit tax, to the Hauraki District Council of the remuneration package received by the General Manager is calculated at:	120,588	120,588
119,686			
	23. Miscellaneous Expenditure		
	(a) Section 223 of the Local Government Act 1974 requires the disclosure of		
140,230	Insurance Premiums	127,945	127,945
	Ex-gratia payments to any person who suffers any loss of/or damage to, property while rendering assistance to, or performing any action under the control or authority of, the Hauraki District Council.	NIL	NIL
NIL			
1,384	Ceremonies for the public or a section of the public	920	920
	Purchase of insignia and robes of office and civic insignia of any kind	NIL	NIL
NIL			
NIL	Provision of entertainment	NIL	NIL
	Payment of subscriptions, levies, fees or general contributions to any organisations that the Council considers appropriate in connection with its functions, duties and powers	161,810	161,810
172,800			
-	Unauthorised Expenditure	-	-
	(b) Other Disclosures Required		
118,987	Councillors' Fees	126,900	126,900
-	Payments to directors of LATEs	-	7,500
47,000	Audit Fees	52,000	55,600
164,236	Interest Expense	45,843	45,843
599,580	Interest Income	549,602	561,348
324,606	Dividend Income	1,692	922,433

Notes to the Financial Statements

<i>Actual</i> 1995-96		<i>Actual</i> 1996-97 Parent	<i>Actual</i> 1996-97 Group
	24. Staff Numbers		
1	Mayor	1	1
1	General Manager	1	1
12	Community Services	13	13
19	Corporate services	21	21
6	Infrastructural Asset Managers	7	7
11	Planning & Environmental Services	14	14
30	Construction & Maintenance	28	28
10	Quarry	9	9
1	Technical Services	1	1
2	Workshop	2	2
93	TOTAL STAFF	97	97



PART D: Significant Activities

An Introduction....

The Hauraki District Council undertakes a wide range of activities, which have been grouped into Significant Activities to represent the Council's major service outputs as follows:

- Community Facilities
- Drainage
- Other Activities
- Parks and Reserves
- Planning and Environmental Services
- Refuse Collection and Disposal
- Representation
- Roding
- Sewerage
- Water Supply

For each significant activity, the Annual Report sets out:

- A general description of the activity and its goal to provide summary information about the background and extent of the activity.
- The general objectives of the activity.
- The performance measures for the 1996-97 reporting period. These measures are prepared using, as appropriate, the criteria of quantity, quality, cost, timeliness and location.
- The performance achieved against the performance measures.

The Council employs a number of technically qualified staff in such areas as water, sewerage, planning, inspection, roding and a range of other Council activities. They continually monitor and review the quality of processes and outputs in their respective areas to ensure conformance to professional and Council standards. A range of Council's operational work is carried out under contract. The Council's professional staff are fully responsible for total management of these contracts to ensure the appropriate professional and Council standards are complied with. Through this means the Council ensures that the quality of output occurs without recourse in all cases to formal quality measures.

1.0 Community Facilities

Council provides community facilities throughout the District which include:

- Council operated public libraries in Ngatea, Paeroa and Waihi, Council assisted public libraries at Turua and Whiritoa.
- Swimming pools at Paeroa and Ngatea.
- Cemeteries at Waihi and Paeroa.
- Council operated public halls at Ngatea, Paeroa and Waihi. Seven other locally owned and administered halls in the smaller communities.

Goal Statement

To provide and maintain a range of community facilities for the convenience, use and well being of the public.

General Objectives

- (1) To provide library facilities and materials (such as books, magazines and tapes) for information, education and recreation.
 - (2) To operate safe swimming pools.
 - (3) To make cemeteries and public halls available for public use.
-

Performance Measures

- (1) To complete the installation of a District Library computer system by 30 June 1997.
 - (2) To increase Library book issues by 1% over the previous year's levels.
 - (3) 90% of surveyed customers to express satisfaction with the level of service provided by the library concerned.
 - (4) To make safe swimming bath facilities available for use, applying water quality and safety standards.
 - (5) To complete the Paeroa swimming pool upgrade within budget by 30 June 1997.
 - (6) To develop a Management Plan for the future operation and presentation of the Cemetery facilities by 30 June 1997.
 - (7) To install additional headstone berms in the Paeroa Cemetery and seal the entrance roadway by 30 June 1997.
 - (8) To complete the permitting, funding and commence the construction of the replacement of the Waihi Drill Hall.
 - (9) To complete the funding and commence the upgrading project for the Memorial Hall in Ngatea by 30 June 1997.
-

Performance Achieved

- (1) Not achieved. The target was extended to 30/6/98 due to preference of competing priorities.
- (2) Achieved. Issues increased by 1.4% to 109,291.
- (3) Not achieved. Survey was not carried out. (No complaints were received, however.)
- (4) Achieved. 'Ph', chlorine and acidity levels are checked and logged on a daily basis during the 'open' summer season. Levels of quality and safety of water are maintained at the required levels.
- (5) Achieved. A new 25m pool was constructed and commissioned. The upgrade included a solar panel water heating installation and a general 'facelift' to toilets and changing rooms. The water processing machinery was not included in this project. The project was completed within budget.
- (6) Not achieved. Priorities were shifted to the production of the Asset Management Plan and 10yr financial plan. Work on the Management Plan will now develop from the AMP

for Cemeteries.

- (7) Achieved. A further 60 metres of concrete berm was completed in May 1997. A new hexagonal berm has also been made to accommodate 24 more 'Ash Plots'. The roadway was sealed in 1996.
- (8) Not achieved. In abeyance awaiting decisions stemming from submissions made to the Annual Plan.
- (9) Achieved. The upgrade included the replacement of the floor in the main hall and the relocation of the kitchen and lounge to another part of the building. The upgrade was completed in May 1997.

Cost of Service

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
52	Baths-Operational		68	95
192	Baths-Renewal		65	-
80	Cemeteries		87	120
85	Community Assistance		100	96
216	Libraries		223	270
155	Memorial Halls		128	136
30	Domain & Hall Sub Committees		45	-
810	TOTAL GROSS COST OF SERVICE		716	717
	Less Recoveries			
36	Cemetery		34	43
14	Domain & Hall Sub Committees		30	-
24	Library Fines & Book Rentals		24	24
103	Swimming Baths Fund-raising		1	-
8	Swimming Baths		12	17
28	Memorial Hall Charges		90	23
213	TOTAL RECOVERIES		191	107
	NET COST OF SERVICE			
597	(excluding cost of capital)		525	610
57	Cost of Capital		64	56
654	NET COST OF SERVICE (Including Cost of Capital)		589	666

Memorial Hall Charges includes a \$60,000 grant from the New Zealand Lotteries Grants Board which was used to help fund the \$300,000 upgrade to the Ngatea Memorial Hall. Other sources of funding for this project include a \$65,000 loan, a \$125,000 grant from Council, and a \$50,000 transfer from reserves.

2.0 Drainage

Land drainage and urban stormwater control are important functions within the District. On the flat land, a well maintained drainage system is an essential element for farming.

Land drains are generally located on private property and road reserve.

Council controls 684 kilometres of drain in five drainage districts.

Council maintains stormwater systems in urban areas including Paeroa, Waihi, Ngatea, Turua, Kerepehi and Whiritoa

Goal Statement

To provide designated areas with effective land and stormwater drainage.

General Objectives

- (1) To provide an adequate outfall to all rateable properties within the designated areas.
- (2) To maintain the drainage systems to design standards.
- (3) To minimise surface flooding.
- (3) To maintain the urban stormwater systems to within 90% of their rated capacities.

Performance Measures

- (1) To spray not less than 860 kilometres of drain and mechanically clean not less than 140 kilometres of drain - within budget by 30 June 1997.
- (2) To have no more than six sustainable written complaints relating to land drainage.
- (3) To complete the Waihi and Paeroa stormwater management plans by 30 June 1997.
- (4) To have no more than six sustainable written complaints relating to urban stormwater drainage.
- (5) To lodge Resource Consent Applications for the proposed Pouarua-Maukoro Drainage Scheme.

Performance Achieved

- (1) Not achieved. 700km of drains were sprayed which achieved an adequate standard in drains. 125km of drains were mechanically cleaned due to budget constraints. Work completed within the Eastern & Western Plains Districts exceeded budget.
- (2) Achieved. No written complaints have been received.
- (3) Not achieved. Preference of priorities resulted in energies being directed to planning capital works for stormwater. Delays with the completion of the Asset Management Plan resulted in the relevant delays with the development of the Stormwater Management Plan.
- (4) Achieved. No written complaints have been received.
- (5) Not achieved. Priority was given to the investigation and preparation of the Assessment of Environmental Effects.

Cost of Service

<i>Actual 1995-96 \$000's</i>		<i>Note</i>	<i>Actual 1996-97 \$000's</i>	<i>Budget 1996-97 \$000's</i>
	Cost of Service (excl. cost of capital)			
	LAND DRAINAGE			
199	Eastern Plains		221	210
362	Western Plains		269	255
19	Komata North		22	28
10	Opukeko		12	14
38	Tirohia/Rotokohu		57	40
-	Pouua/Maukoro		131	-
628			712	547
	STORMWATER			
55	Paeroa Urban		53	73
-	Plains Urban		-	-
53	Waihi Urban		45	61
108			98	134
736	TOTAL GROSS COST OF SERVICE		810	681
	Less Recoveries			
-	Sundry Recoveries		8	-
-	TOTAL RECOVERIES		8	-
	NET COST OF SERVICE (excluding cost of capital)		802	681
-	Cost of Capital		-	-
736	NET COST OF SERVICE (Including Cost of Capital)		802	681

3.0 Other Activities

These are a range of activities which do not readily fall into the other groupings

- Beautification, involves an ongoing planting programme along traffic routes and in urban areas to enhance the appearance of the District;
- Economic/Business Promotions includes all aspects of promoting economic growth in the District and the function of tourism promotion
- Council subsidises the passenger transport service from Paeroa to Hamilton.

Goal Statement

To undertake a range of other activities that enhance the appearance and services in the district, and the well being of residents.

General Objectives

- (1) To improve the appearance of the District.
- (2) To be prepared for civil emergencies.
- (3) To promote the District as a place in which to live, to visit or to establish business.
- (4) To maintain Council owned commercial forest.
- (5) To operate an Information Centre in Paeroa.
- (6) To meet Council obligations to prevent and control rural fires.
- (7) To provide pensioner housing in Ngatea, Paeroa and Waihi.
- (8) To maintain a public passenger transport service between Paeroa and Hamilton.
- (9) To gather accurate Asset information.

Performance Measures

- (1) To plant at least 60 trees along major traffic routes and maintain existing tree plantings.
- (2) To have a Civil Defence Officer and an operative plan.
- (3) To continue to provide financial support for Tourism Coromandel and fund business promotion activity.
- (4) To prepare a felling and marketing plan for the Waitakaruru Forest.
- (5) To have the Paeroa Information Centre open for a minimum of 310 days in the planning period.
- (6) To have a current rural fire plan approved by the national authority.
- (7) To have pensioner flats 95 % occupied in the planning period.
- (8) To assist (by providing funding) in maintaining an operational Paeroa to Hamilton passenger service.
- (9) To gather sufficient accurate information by 31 December 1996 to enable level one Asset Management Plans to be completed.

Performance Achieved


- (1) Achieved. 60+ trees planted and 400+ existing trees pruned and fertilised.
- (2) Achieved. The combined civil defence area of Thames-Coromandel, Matamata-Piako and Hauraki has a civil defence officer and a civil defence plan.
- (3) Achieved. Financial support has been provided to Tourism Coromandel, and for the purpose of funding business promotion activity.
- (4) Not achieved. The marketing plan was almost complete at 30 June 1997.



- (5) Achieved. The Information Centre provided service for the public for a total of 310 days during the period, July 1 1996 to June 30 1997.
- (6) Achieved. Also 1997/98 plan has been approved and compliance audit is complete.
- (7) Achieved. Pensioner flats were 99 % occupied in the planning period.
- (8) Achieved. The service continues in operation.
- (9) Not achieved. Substantial progress and interaction has been made to ensure 'level one' AMPs are in the area of 90% completed.

Cost of Service

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
-	Abandoned Vehicles		-	5
13	Beautification		19	17
43	Civil Defence		45	45
-	District Promotions		16	28
102	Economic / Business Development		70	87
45	Tourism Coromandel		60	57
43	Forestry		53	63
35	Information Centre		49	42
3	Other		62	-
2	Community Contributions		0	-
37	Rural Fire Control		54	48
141	Pensioner Housing		132	163
34	Sports Co-ordinator		55	51
-	Conservation Initiatives		-	4
44	Disaster Planning Fund		28	25
171	Asset Data Capture		192	185
7	Whiritoa Beach Care		2	5
8	Public Transport		8	7
728	TOTAL GROSS COST OF SERVICE		845	832
	Less Recoveries			
128	Rentals - Pensioner Housing		144	145
10	Forestry Roundwood Sales		3	-
-	District Promotions		0	-
18	Information Centre Recoveries		18	9
156	TOTAL RECOVERIES		165	154
	NET COST OF SERVICE			
572	(excluding cost of capital)		680	678
117	Cost of Capital		117	117
689	NET COST OF SERVICE		797	795
	(Including Cost of Capital)			



4.0 Parks and Reserves

The Council provides and maintains a wide range of parks, reserves and public toilets throughout the District. These reserves are used for sports, passive recreation and scenic purposes. The reserves and facilities provided include 10 domains, 4 parks, 24 other reserves and 12 public toilets.

Goal Statement

To provide a network of parks and reserves for recreation, leisure and aesthetic purposes.

General Objectives

- (1) Effectively maintain and upgrade the existing parks, reserves and associated facilities.
 - (2) To have current management plans for all classified Council parks and reserves.
-

Performance Measures

- (1) To complete management plans for all classified Council parks and reserves by June 1997.
 - (2) To complete a management plan for the regeneration of native vegetation at Waitakaruru Reserve, Mangatarata by 30 June 1997.
 - (3) To complete stage 1 of the improvement of the entrance into the Ngatea Domain by 30 June 1997.
 - (4) Construct a new public convenience in the Victoria St Reserve, Waihi within the approved budget by 30 June 1997.
 - (5) Replace and install additional play equipment in the Morgan Park & Victoria St Playgrounds, Waihi and in the Whiritoa Esplanade Reserve by 30 June 1997 in compliance with the New Zealand Safety Guidelines.
 - (6) Extend carparking facilities & install additional play equipment in accordance with New Zealand Safety Guidelines in Belmont Reserve Paeroa.
-

Performance Achieved

- (1) Not achieved. Efforts have been founded on work required to meet deadlines for the development of the 10yr financial plan.
- (2) Achieved. The Management Plan for the regeneration has been completed by the students of Hauraki Plains College and is being acted upon in a series of stages.
- (3) Achieved. The house removal, excavation of the site for the roadway, alignment, metalling and kerb and channel are completed at the cost of \$33,500.00. Over expenditure of \$12,550.00 was approved by the Community Board.
- (4) Achieved. The new Public Toilet facility was built and completed in March 1997 within budget at a cost of \$52,295.00.
- (5) Achieved. The necessary building permits were obtained and the installations are completed. Inspections were made during progress to ensure compliance.
- (6) Achieved. Extensions to the car parking facilities have been completed. Play equipment was installed in accordance with safety guidelines.

Cost of Service

Actual 1995-96 \$000's	Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
Cost of Service (excl. cost of capital)			
PRINCIPAL RESERVES			
54		76	74
45		45	53
29		41	21
<u>128</u>		<u>162</u>	<u>148</u>
RESERVES			
25		58	47
76		94	93
23		25	28
49		47	66
<u>173</u>		<u>224</u>	<u>234</u>
PUBLIC CONVENIENCES			
38		40	43
32		30	36
47		65	75
<u>117</u>		<u>135</u>	<u>154</u>
<u>418</u>		<u>521</u>	<u>536</u>
TOTAL GROSS COST OF SERVICE			
Less Recoveries			
8		8	7
1		2	1
<u>9</u>		<u>10</u>	<u>8</u>
TOTAL RECOVERIES			
NET COST OF SERVICE			
409		511	528
(excluding cost of capital)			
-		-	-
Cost of Capital			
<u>409</u>		<u>511</u>	<u>528</u>
NET COST OF SERVICE			
(Including Cost of Capital)			

5.0 Planning and Environmental Services

The Council has statutory responsibilities for Resource Management, Environmental Health, Building Construction, Animal Control and Liquor Licensing. These obligations together with general Bylaws administration and Corporate Planning functions are undertaken within the Planning and Environmental Services department

Goal Statement

To develop and implement policies which provide for the wise use and management of the District's resources in a way that sustains the environment and encourages the development of an enhanced quality of life.

General Objectives

- (1) To have planning documents that meet the framework of legislative requirements and reflect the aspirations of the community.
- (2) To have effective and efficient monitoring and enforcement strategies and programmes.
- (3) To deal with all statutory applications within the time frames provided by the appropriate statute.
- (4) To be efficient, innovative and responsive in meeting the resource management and environmental needs of the community.
- (5) To ensure that property management and development within the district meets all statutory requirements.

Performance Measures

- (1) To make a decision on 90 % of all Building Consent Applications within the time periods provided for in the Building Act.
- (2) 75 % of surveyed direct contact customers to express satisfaction with the level of service provided.
- (3) 95 % of all complaints regarding roving dogs to be investigated by the end of the next working day.
- (4) Undertake inspection, for compliance with Food Hygiene requirements, of 100 % of registered food premises in accordance with assessment reports.
- (5) To publish an Approved District Plan by 30 June 1997.
- (6) To identify and report on Key District State of the Environment Indicators by 30 June 1997.
- (7) Investigation of complaints regarding illegal/unauthorised building activity to be commenced within 3 working days of receiving the complaint.
- (8) To prepare by 1 March 1997 a draft long term (10 year) Financial Strategy.
- (9) To prepare asset management plans for all Major Assets by 30 June 1997.

Performance Achieved

- (1) Achieved. Decisions were made on 100% of all Building Consent applications within the prescribed time periods in all but the months of May, June and July, when decisions were made on 93%, 97% and 98% respectively.
- (2) Achieved. 84% of surveyed building consent applicants, 89% of surveyed liquor licence applicants, and 80% of surveyed general clients, expressed satisfaction with the level of service provided.
- (3) Achieved. All complaints (122) of 'Roving' (dogs at large) dogs were investigated within the following 24 hours, for the period July 1 1996 – June 30 1997.
- (4) Achieved. 100% of all registered food premises were inspected for compliance to Food Hygiene requirements in accordance with assessment reports.
- (5) Not achieved. The Environment Court has settled all appeals subject to endorsement.
- (6) Not achieved. Work was stopped pending development of indicators on a national basis.
- (7) Not achieved. No system was in place to measure performance against this target
- (8) Not achieved. The preparation of the draft long-term strategy has been deferred to December 1997.
- (9) Not achieved. Asset Management Plans are currently being prepared for all major assets, substantial progress has been made, but they were not completed by June 30, 1997.

Cost of Service

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
187	Animal Control		215	222
182	Corporate Planning		189	148
438	Consents		646	562
413	Monitoring		424	445
1,220	TOTAL GROSS COST OF SERVICE		1,474	1,377
	Less Recoveries			
154	Dog Registration Fees		150	150
2	Impounding Fees		3	4
0	District Plan Sales		0	5
67	Resource Consents, LIMs & PIMs		146	63
69	Building Consents		108	113
-	Liquor Licences		-	-
181	Monitoring Recoveries		203	162
473	TOTAL RECOVERIES		610	497
	NET COST OF SERVICE			
747	(excluding cost of capital)		864	880
1	Cost of Capital		1	-
748	NET COST OF SERVICE		865	880
	(Including Cost of Capital)			

6.0 Refuse Collection and Disposal

Refuse collections are carried out by contract in the urban communities of Ngatea, Paeroa, Karangahake, Mackaytown, Waikino, Waihi and Whiritoa.

Refuse disposal sites are located at Waihi, Paeroa, and Kaihere Road at Ngatea.

Goal Statement

To provide an effective and efficient system of waste collection and disposal for inhabitants of the District.

General Objectives

- (1) To provide refuse collection service to designated areas.
 - (2) To operate the existing landfill refuse sites in an efficient and effective manner.
 - (3) To continue to investigate and develop future refuse disposal options for the District, including the use of the New Hauraki Landfill and the participation of other Local Authorities.
 - (4) To develop a strategy on waste minimisation and recycling.
-

Performance Measures

- (1) To have no more than 10 sustainable written complaints relating to compliance with the quantity and quality standards in the refuse collection contracts.
 - (2) To maintain the disposal sites within budget and with no more than four sustainable written complaints from the public.
 - (3) To obtain resource consents for the refuse disposal facilities at Waihi, Paeroa and Ngatea by the 30 June 1997.
 - (4) To commission transfer stations at Ngatea & Paeroa by 30 June 1997.
 - (5) To report on the requirement for a refuse transfer station at Whiritoa by 30 June 1997.
 - (6) To close the Paeroa and Ngatea refuse disposal sites by 30 June 1997.
 - (7) To review, update and republish the Council Solid Waste Management Strategy.
-

Performance Achieved

- (1) Not achieved. No formal analysis in place. System analysis in progress.
- (2) Not achieved. No written complaints received. Paeroa & Waihi exceeded budget.
- (3) Not achieved. It is now proposed to obtain consents for closed sites instead of operating sites.
- (4) Not achieved. The Paeroa refuse transfer station should be commissioned by December 1997. The Ngatea refuse transfer station is in abeyance pending the outcome of an application through the Resource Management consent process for a designated site.
- (5) Achieved. Reported to the Waihi Community Board at their March 1997 meeting.
- (6) Not achieved. Sites will now be closed by December 1997 due to delays in commissioning refuse transfer stations.
- (7) Not achieved. The target was deferred to 30 June 1998.

Cost of Service

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
	COLLECTION			
5	Karangahake		3	5
22	Ngatea		15	22
50	Paeroa		58	58
48	Waihi		65	55
5	Waikino		4	6
17	Whiritoa		16	20
147			161	166
	DISPOSAL (CURRENT TIPSITES)			
164	Paeroa		215	205
117	Plains		91	122
192	Waihi		247	216
473			553	543
	TRANSFER STATIONS			
2			81	-
-	Landfill Operations		118	-
16	Recycling/Waste Minimisation		14	34
89	Solid Waste Investigations		40	59
727	TOTAL GROSS COST OF SERVICE		967	802
	Less Recoveries			
123	Sundry Recoveries		169	150
123	TOTAL RECOVERIES		169	150
	NET COST OF SERVICE (excluding cost of capital)		798	652
604				
0	Cost of Capital		0	-
604	NET COST OF SERVICE (Including Cost of Capital)		798	652

7.0 Representation

The statutory elected bodies are the Hauraki District Council and the Community Boards of Paeroa, Plains and Waihi.

The Council operates four standing committees being; Planning and Finance; Works and Services; Solid Waste Management and Hearings.

The Council has delegated to Community Boards, the responsibility and opportunity to undertake 21 functions. These are listed on Page 8.

There are 15 sub-committees of the Community Boards. These are established for special purposes such as land drainage and reserves management.

Goal Statement

To exercise the democratic process of Local Government.

General Objectives

- (1) To hold regular meetings of the Council Standing Committees and Community Boards.
- (2) To ensure information is made available to the public.

Performance Measures

- (1) Hold Council meetings monthly in accordance with standing orders and legislative requirements.
- (2) Hold Planning and Finance, Works and Services, and Solid Waste Management Committee meetings monthly, except in January, in accordance with standing orders.
- (3) Hold Hearings Committee meetings as required to meet Resource Management Act requirements.
- (4) Preparation of the Annual Report on Council's 1996-97 performance by November 1997.
- (5) Adopt the 1997-98 Annual Plan by 1 July 1997.
- (6) Annual Plan and Annual Report to be made available to the public at no cost.
- (7) At least one information circular to accompany rates assessments.
- (8) Minutes and Agenda of Council/Committees and Community Boards to be available for public inspection.

Performance Achieved

- (1) Achieved. Meetings were held monthly per legislative requirements.
- (2) Achieved. Meetings were held on a monthly basis in accordance with standing orders, except during the month of January.
- (3) Achieved. Meetings were held as needed and in accordance with the requirements of the Resource management Act.
- (4) Achieved. The Annual Report will be presented to Council for adoption on 27 November 1997.
- (5) Not achieved. Delays due to staffing problems resulted in the Annual Plan finally being adopted on July 31, 1997.
- (6) Achieved. Copies of the Annual Plan and Annual Report are available, free of charge, to the public at the Council offices in Ngatea, Paeroa and Waihi.
- (7) Achieved. An information circular accompanied the February '97 rates assessment. Further copies are available, free of charge, to the public at the Council offices in Ngatea, Paeroa and Waihi.
- (8) Achieved. Copies of the minutes and Agendas of the Council, Committees and Community Boards are made available for public inspection at the Council offices in Ngatea, Paeroa and Waihi on an 'each month' basis.

Cost of Service

<i>Actual 1995-96 \$000's</i>		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
663	District Council	15	677	684
81	Paeroa Community Board		72	76
107	Plains Community Board		99	101
96	Waihi Community Board		79	80
<u>947</u>	TOTAL GROSS COST OF SERVICE		<u>927</u>	<u>941</u>
	Less Recoveries			
-	Fees and Charges		-	-
<u>-</u>	TOTAL RECOVERIES		<u>-</u>	<u>-</u>
	NET COST OF SERVICE (excluding cost of capital)		<u>927</u>	<u>941</u>
0.0	Cost of Capital		(0)	-
<u>947</u>	NET COST OF SERVICE (Including Cost of Capital)		<u>927</u>	<u>941</u>

8.0 Roothing

The District has 596 kilometres of roads of which 441 kilometres are sealed.

The urban length of road is 105 kilometres with 98 kilometres sealed while the rural length is 491 kilometres with 343 kilometres sealed.

Within the rooothing programme 125 bridges and large culverts are maintained.

The rooothing programme includes activities carried out within the road reserve from general maintenance activities to improvements such as seal extension and major re-construction.

Also included within the rooothing function are non-subsidised works which do not qualify for Transit New Zealand subsidy these include footpaths and in some instances kerb and channel

Goal Statement

To provide, maintain and develop a network of roads, streets and bridges that facilitates safe, comfortable and efficient travel in and through the district.

General Objectives

- (1) To complete subsidised and non-subsidised programmes on time and within budget.

Performance Measures

- (1) To complete the following Transit New Zealand Subsidised Works within budget by 30 June 1997 and complying with TNZ standards and regulations:

	1996/97
	km
General Maintenance Programme	-
Reseals	26.0
Second Coat Seals	17.0
Sealed Smoothing	6.6
Maintain Traffic Services and Bridges	-
Approved Minor Safety Projects	-

- (2) Reseals to be undertaken at an average cost of \$ 15,000 per kilometre.
- (3) To complete the following non-subsidised works within budget by 30 June 1997:

Community Board approved projects.
The final portion of the district capital works programme.
Other non-subsidised district funded projects.

Performance Achieved

- (1) The following Transit New Zealand Subsidised Works were completed within budget by 30 June 1997 and complying with TNZ standards and regulations:

	1996/97	1996/97	
	km	\$/km	
Reseals	26.9	15,218	Achieved
Second Coat Seals	19.9	18,043	Achieved
Sealed Smoothing	5.1	130,266	Not achieved
Minor Safety Projects	-		

General Maintenance and Bridge Maintenance programmes were completed within guidelines but exceeded budget.

- (2) Not achieved. -See above
- (3) Not achieved. The Community Board approved projects were completed within budget overall, however Margaret, Dobson & Adams St kerb & channel works were incomplete at 30 June 1997. The final portion of

the district capital works programme and other non-subsidised district funded projects were completed but exceeded the overall budget.

Cost of Service

Actual 1995-96 \$000's		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Cost of Service (excl. cost of capital)			
	SUBSIDISED ROADING			
2,151	General Maintenance		1,838	1,725
140	Bridge Repairs		97	84
91	Street Cleaning		72	57
46	Maintenance Management		54	53
-	Professional Services		272	-
186	Traffic Services		113	119
139	Street Lighting		130	126
390	Reseals		769	546
566	Shape Correction		672	900
99	Minor Safety Projects		81	89
203	Administration		203	196
1	Loan Interest		1	1
4,012			4,302	3,896
	NON SUBSIDISED ROADING			
16	District		20	-
62	Paeroa		88	79
48	Plains		34	35
95	Waihi		118	104
23	Freshlook		20	23
119	Bridge Depreciation		120	120
363			400	361
4,375	TOTAL GROSS COST OF SERVICE		4,702	4,257
	Less Recoveries			
1,839	Government Subsidies - District		2,149	1,815
1	Vehicle Crossings		-	-
14	Miscellaneous		7	15
1,854	TOTAL RECOVERIES		2,156	1,830
	NET COST OF SERVICE			
2,521	(excluding cost of capital)		2,546	2,427
-	Cost of Capital		-	-
2,521	NET COST OF SERVICE		2,546	2,427
	(Including Cost of Capital)			

9.0 Sewerage

The District has six urban areas reticulated with sewage disposal and treatment schemes. These are located in Turua, Ngatea, Kerepehi, Paeroa, Waihi and Whiritoa.

Treatment in the cases of Turua, Ngatea, Kerepehi and Waihi is by oxidation ponds while in Paeroa mechanical aeration and treatment is used. At Whiritoa, primary treatment is by oxidation ponds while the disposal of the effluent is land based.

Goal Statement

To ensure that all sewage within the reticulated areas of the District is collected, treated and disposed of in an efficient manner that complies with Public Health Standards and specific Resource Consent conditions.

General Objectives

- (1) To operate and maintain the existing sewage treatment plants in an efficient manner, with current Resource Consents for each plant.
- (2) To maintain the pump stations and reticulation in such a state that sewage is transported from source to treatment plant.

Performance Measures

- (1) That no more than the following number of dry weather sewer overflows occur as a result of blockages or failure of the public sewerage scheme:

	1996/97
Turua	3
Ngatea	6
Paeroa	26
Kerepehi	3
Waihi	12
Whiritoa	3
- (2) To effect repairs within twenty-four hours of public advice or staff awareness of a reticulation fault in Council's system that prevents transportation of sewage from source to treatment plant.
- (3) That operational costs finish the year within the approved budget.
- (4) To renew the Resource Consents for Kerepehi and Turua Sewerage Treatment Plants by 30 June 1997 and develop a program of renewal for all plants by 1 December 1997.

Performance Achieved

- (1) Achieved. The numbers of dry weather overflows were as follows.

	1996/97
Turua	0
Ngatea	2
Paeroa	10
Kerepehi	1
Waihi	3
Whiritoa	0

- (2) Substantially Achieved. 24 calls logged on – 22 completed within performance requirement (91.7%) – 2 outside performance requirement (8.3%).

- (3) Not Achieved. Although the total gross cost of service was within budget, operational expenditure exceeded budget by 0.5% (\$3,305.00)
- (4) Not achieved. Environment Waikato has not yet processed the consent applications.

Cost of Service

<i>Actual 1995-96 \$000's</i>		<i>Note</i>	<i>Actual 1996-97 \$000's</i>	<i>Budget 1996-97 \$000's</i>
	Cost of Service (excl. cost of capital)			
49	Kerepehi		36	37
55	Ngatea		64	67
353	Paeroa		449	1,008
19	Turua		37	50
96	Waihi		167	174
11	Waitakaruru		12	13
62	Whiritoa		76	93
645	TOTAL GROSS COST OF SERVICE		841	1,442
	Less Recoveries			
1	Connection Fees		7	2
1	TOTAL RECOVERIES		7	2
	NET COST OF SERVICE (excluding cost of capital)		834	1,440
-	Cost of Capital		-	-
644	NET COST OF SERVICE (Including Cost of Capital)		834	1,440

10.0 Water

The District has reticulated water supplies ranging from a major supply with three sources supplying most of the Plains ward to a small supply to the Karangahake area.

Two of the three water sources on the Plains supply and that to the Paeroa and Waihi urban areas are fully treated while the remaining supplies have varying degrees of treatment.

Goal Statement

To collect, treat and distribute sufficient potable water to meet all reasonable requirements of the District's consumers connected to a water supply system.

General Objectives

- (1) To take water in compliance with the Resource Management Act.
- (2) To treat water to a potable standard.
- (3) To distribute water to all connected consumers.
- (4) To supply sufficient water to meet normal demands at an adequate pressure.

Performance Measures

- (1) That the aggregate monthly compliance with volume controls of all current water take rights is achieved 90% of the time.
- (2) That the aggregate total of the following routine tests meet the following parameters:

Faecal coliform tests	< 1.1/100ml
Regular Chlorine tests	0.3- 5.0 mg/l
Regular pH tests	{6.5 - 8.0}

90 % of the time.
- (3) That no more than 700 breaks in mains and services occur district wide.
- (4) That 90% of breaks in the reticulation are repaired within 12 hours of Council receiving notification of the break.
- (5) That a computerised network analysis of all reticulation systems be completed by 30 June 1997.
- (6) To replace the Waihou River crossing by 30 June 1997 within the approved budget.

Performance Achieved

- (1) Not achieved. The aggregate monthly compliance with volume controls of all current water take rights was achieved 74% of the time.
- (2) Achieved. The aggregate total of the following routine tests met the parameters more than 90% of the time:

Faecal coliform tests	98%
Regular Chlorine tests	94%
Regular pH tests	91%

of the time.
- (3) Achieved. There were 579 recorded breaks in mains and services.
- (4) Achieved. 99% of breaks (576) in the reticulation were repaired within 12 hours of Council receiving notification of the break. 3 were not.
- (5) Achieved. All water supplies have computerised network simulations models developed.
- (6) Achieved. The crossing was replaced by 13 November

1996. Costs of \$226,000 were within the allocated budget of \$350,000.

Cost of Service

<i>Actual 1995-96 \$000's</i>		<i>Note</i>	<i>Actual 1996-97 \$000's</i>	<i>Budget 1996-97 \$000's</i>
	Cost of Service (excl. cost of capital)			
37	Kaimanawa		38	45
31	Karangahake		37	40
74	Ohinemuri		63	71
197	Paeroa		262	244
1,134	Plains		1,529	1,754
218	Waihi		267	236
33	Waikino		26	28
1,724	TOTAL GROSS COST OF SERVICE		2,222	2,418
	Less Recoveries			
1,066	Meter Charges		1,052	1,462
38	Miscellaneous Charges		19	-
1,104	TOTAL RECOVERIES		1,071	1,462
	NET COST OF SERVICE			
620	(excluding cost of capital)		1,151	956
-	Cost of Capital		-	-
620	NET COST OF SERVICE		1,151	956
	(Including Cost of Capital)			

PART E: BUSINESS UNITS & LATES

The Hauraki District Council operates four Business Units and owns one LATE (Local Authority Trading Enterprise).

The following information provides an overview of the Business Unit activities - Roading In-house Professional Services, Workshop, Construction and Maintenance, and the Quarry - and the LATE, known as HDC Holdings Ltd.

11.0 HDC Holdings Ltd

Hauraki District Council Holdings is a Local Authority Trading Enterprise established to assist with the management of the Council's investment in its Power New Zealand shareholding.

This statement reflects the net result of the operations of the LATE.

Goal Statement

To operate as a successful business.

General Objectives

- (1) To carry out business in an efficient, effective and profitable manner.
- (2) Manage all assets and liabilities on a prudent and conservative basis.
- (3) Demonstrate corporate responsibility.

Performance Measures

- | | | |
|-----|--|-------|
| (1) | Ratio of Shareholders' Funds to Total Assets | 100% |
| (2) | Maintain a dividend rate on redeemable preference shares which is not greater than | 83.5% |
| (3) | Any profits not required to service dividend commitments on the redeemable preference share will be distributed. | |

Performance Achieved

- | | | |
|-----|---|--------|
| (1) | Not achieved. Ratio of Shareholders' Funds to Total Assets | 99.95% |
| (2) | No redeemable preference shares were issued. | Nil |
| (3) | Not achieved. No dividends have been declared. Surplus profits have been used to repay the interest free loan to Council. | |

12.0 Roading: In-house Professional Services

The Transit New Zealand Act requires Council to separately identify and record the costs of Professional Services provided by Council staff in respect of the subsidised roading activity. The Professional Services Business Unit not only provides a service in respect of the roading activity but also provides a project design service for other service delivery functions of Council, e.g. water, sewerage and drainage systems.

The data included for this activity is for information purposes only. The significant activities included in this annual plan include expenditure as a result of service provided from this business unit. Its goal is to operate the unit as a successful consultancy business.

Goal Statement

To operate the Professional Services Business Unit as a successful consultancy business.

General Objectives

- (1) To provide its clients with effective and timely engineering and works management services to Council.

Performance Measures

- (1) To provide technical reports and engineering designs within budget and on time.
- (2) To provide designs of projects on an output basis as required in accordance with Transit NZ and New Zealand Standards

Performance Achieved

- (1) Achieved. Technical reports and engineering designs were provided within budget and on time.
- (2) Achieved. Designs were provided on an output basis in accordance with Transit NZ and New Zealand Standards

Cost of Service

<i>Actual 1995-96 \$000's</i>		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Revenue			
61	Ex Roading Programme		35	25
64	Other Council Services		55	74
125	TOTAL Revenue		90	99
	Expenditure			
204	Operating Costs		121	99
9	Depreciation		3	-
213	TOTAL EXPENDITURE		124	99
	NET SURPLUS / (DEFICIT) (excluding cost of capital)		(34)	-
(88)				
2	Cost of Capital		1	-
(90)	NET SURPLUS / (DEFICIT) (Including Cost of Capital)		(35)	-

13.0 Construction & Maintenance

The Construction and Maintenance Business Unit provides contract services in respect of Council functions except for roading and refuse collection.

The data included for this activity is for information purposes only. The significant activities included in this annual plan include expenditure as a result of service provided from this business unit.

Goal Statement

To operate the Construction and Maintenance Business Unit as a successful contracting business.

General Objectives

- (1) To provide the clients with a quality, cost effective and timely delivery of services.

Performance Measures

- (1) To deliver services on time and to the customer's satisfaction.
- (2) To achieve a 1 % net surplus on operations.

Performance Achieved

- (1) Achieved. Services were delivered on time and to the customer's satisfaction.
- (2) Achieved. A 6 % net surplus on operations was achieved

Cost of Service

<i>Actual 1995-96 \$000's</i>		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Revenue			
1,486	Ex Roading Programme		222	175
4,005	Other Council Services		3,466	3,000
5,491	TOTAL Revenue		3,688	3,175
	Expenditure			
5,517	Operating Costs		3,483	3,150
(26)	NET SURPLUS / (DEFICIT) (excluding cost of capital)		205	25
0	Cost of Capital		2	-
(26)	NET SURPLUS / (DEFICIT) (Including Cost of Capital)		203	25

14.0 Tetley's Quarry

This statement reflects the net result of the operations of Council's quarry. The quarry supplies Council with metal as well as supplying contractors and industry.

Goal Statement

To operate Tetley's Quarry as a competitive producer of quarry products.

General Objectives

- (1) To operate Council's Quarry operation on a commercial basis which ensures good quality products are available at a competitive price.

Performance Measures

- (1) To provide a continuous supply of various grades of roading metal.
- (2) To achieve a 11 % net surplus on operations.

Performance Achieved

- (1) Achieved. A continuous supply of various grades of roading metal was maintained.
- (2) Achieved. A 15 % net surplus on operations was achieved.

Cost of Service

<i>Actual 1995-96 \$000's</i>		Note	Actual 1996-97 \$000's	Budget 1996-97 \$000's
	Revenue			
1,819	Sales of Metal & Delivery Recovery		1,725	1,400
	Expenditure			
1,358	Extraction & Operating Costs		1,461	1,250
	NET SURPLUS (excluding cost of capital)		264	150
1	Cost of Capital		2	-
	NET SURPLUS (Including Cost of Capital)		263	150