

# OUR PLAN FOR THE CITY 1998/99



# OUR SERVICES

*The section 'Our Plan for the City' breaks the Council's activities down into thirty-eight 'significant activities' and two 'cost centres'.*

*Each area has a short description followed by the performance measures, a financial summary and lists of operating and capital projects.*

*The capital projects are either part of this year's approved programme or are 'carry overs' – that is, work approved, but not completed, last year.*

## OUR ASSETS

*Hutt City Council will manage the City's infrastructure to provide agreed services to defined standards. It will maintain its networks, systems and assets in the lowest cost manner consistent with maintaining their long-term service potential.*

*The Council's Asset Management Plans set out the programmes for the maintenance of infrastructure.*

# 1. ROADING

## DESCRIPTION

The Council provides and maintains sealed roads and footpaths throughout the City. This allows the efficient movement of motor vehicles, cyclists, pedestrians and other forms of transport.

## REASON FOR ACTIVITY

The City's roads and footpaths are treated as a single network for the movement of people and goods around the City and the provision of access to property. Charging road and footpath users directly for the use of these facilities is impractical and the activity therefore requires public funding. Funding for road maintenance and construction comes from rates and loans, and from the central government funding provider, Transfund New Zealand.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with cleanliness, standard and safety of streets and roads.	NRB Communitrak Survey.
At least 80% of Hutt City residents are satisfied with cleanliness, standard and safety of footpaths.	NRB Communitrak Survey.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 1. ROADING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
<b>REVENUE</b>				
95,000	User Charges	65,000	66,488	64,014
1,963,300	Operating Subsidies	1,882,586	1,880,000	1,880,000
	Capital Subsidies	624,300	624,300	624,300
50,000	Miscellaneous	11,000	11,000	11,000
<b>2,108,300</b>	<b>Total Operating Revenue</b>	<b>2,582,886</b>	<b>2,581,788</b>	<b>2,579,314</b>
<b>EXPENDITURE</b>				
	Employee Costs	402,965	402,965	402,965
1,959,683	Supplier Costs	197,300	197,300	197,300
860,804	Support Costs	384,169	407,506	408,004
252,637	Internal Costs/(Recoveries)	139,100	147,550	147,730
133,300	Maintenance Costs	1,784,550	1,784,550	1,784,550
3,533,300	Cyclic Operating Expenditure			
	Interest Expense	2,115,991	2,227,455	1,866,710
565,324	Depreciation	559,846	568,748	580,378
	Cyclic Renewal Depreciation	3,628,272	3,628,272	3,628,272
3,821,039	Cost of Capital			
<b>11,126,087</b>	<b>Total Operating Expenditure</b>	<b>9,212,193</b>	<b>9,364,346</b>	<b>9,015,910</b>
<b>9,017,787</b>	<b>Net (Surplus)/Deficit</b>	<b>6,629,307</b>	<b>6,782,558</b>	<b>6,436,596</b>

## 1. ROADING – FUNDING STATEMENT

<b>9,017,787</b>	<b>Net (Surplus)/Deficit</b>	<b>6,629,307</b>	<b>6,782,558</b>	<b>6,436,596</b>	
(3,821,039)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	3,611,000	3,626,000	3,631,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(3,628,272)	(3,628,272)	(3,628,272)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	17,272	2,272	(2,728)	
	Asset Management Plan Capital Discrete Assets	545,000	450,000	450,000	Schedule 2
1,781,000	Capital Development	1,145,000	740,000	1,835,000	Schedule 3
<b>6,977,748</b>	<b>Total Funding Requirement</b>	<b>8,319,307</b>	<b>7,972,558</b>	<b>8,721,596</b>	
<b>Funding Source:</b>					
5,196,748	Rates Funding	7,253,607	7,406,858	7,060,896	
1,781,000	Loans	1,065,700	565,700	1,660,700	
<b>6,977,748</b>	<b>Total</b>	<b>8,319,307</b>	<b>7,972,558</b>	<b>8,721,596</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Area-Wide Pavement Treatment	\$178,300
(Transfund pays \$78,400; HCC Pays \$99,900)	
Pavement Rehabilitation	\$724,300
(Transfund pays \$352,700; HCC pays \$371,600)	
Resurfacing	\$1,170,500
(Transfund pays \$514,650; HCC pays \$655,850)	

Wainuiomata Hill Road Resurfacing \$150,000  
(Transfund pays \$65,950; HCC pays \$84,050).

Wainuiomata Hill Road Safety Surfacing \$116,000  
(Transfund pays \$51,000; HCC pays \$65,000).

Ava Street Reconstruction (North St to South St) \$186,000  
(Transfund pays \$38,900; HCC pays \$147,100).

Riddlers Crescent (Hutt Rd to Hutt Rd) \$163,500  
(Transfund pays \$31,100; HCC pays \$132,400)

Emerson Street (Cuba St to William St)	\$192,200
(Transfund pays \$37,300; HCC pays \$154,900)	
Tory Street (Jackson St to The Esplanade)	\$139,200
(Transfund pays \$16,800; HCC pays \$122,400).	
Manchester Street (Cuba St to William St)	\$200,400
(Transfund pays \$38,900; HCC pays \$161,500).	
Sherwood Street (Hautana St to Penrose St)	\$239,250
(Transfund pays \$41,000; HCC pays \$198,250).	
Minor Road and Footpath Construction	\$56,000
Footpath Resurfacing	\$70,350
Road and Footpath Reconstruction Programme	
Forward Planning	\$25,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$3,611,000</b>



## SCHEDULE 2: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Estuary Bridge – Scour Protection	\$500,000
(Transfund pays \$219,800; HCC pays \$280,200).	
Eastern Bays Seawall	\$45,000
(Transfund pays \$9,900; HCC pays \$35,100).	
<b>Total Asset Management Plan Capital Discrete Assets</b>	<b>\$545,000</b>

## SCHEDULE 3: CAPITAL DEVELOPMENT

Daly Street Extension	\$785,000
(Transfund pays \$377,000; HCC pays \$408,000).	
Substandard Roads Upgrading	\$250,000
Harbour View Road Retaining Wall	\$40,000
(Transfund pays \$17,600; HCC pays \$22,400).	
Environmental Enhancements	\$70,000
Ava Street (North St to South St)	\$23,500
Emerson Street (Cuba St to William St)	\$23,000
Manchester Street (Cuba St to William St)	\$23,500
<b>Total Capital Development</b>	<b>\$1,145,000</b>





## 2. STREET CLEANING

### DESCRIPTION

*The regular cleaning of the City's streets.*

### REASON FOR ACTIVITY

*There are insufficient incentives for private interests to undertake street cleaning to levels required by the community. The Council therefore acts as a purchaser of the service on behalf of the community, to ensure full coverage of residential and business areas.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with street cleaning around the City.	NRB Communitrak Survey.
 Street Cleaning programmes, carried out on time, within budget and to the appropriate standard.  	Management Reports.

### 2. STREET CLEANING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
85,242	Operating Subsidies	85,242	85,242	85,242
<b>85,242</b>	<b>Total Operating Revenue</b>	<b>85,242</b>	<b>85,242</b>	<b>895,242</b>
	<b>EXPENDITURE</b>			
	Employee Costs	39,495	39,495	39,495
1,192,865	Supplier Costs	1,189,887	1,189,887	1,189,887
87,279	Support Costs	65,351	69,007	69,091
30,000	Maintenance Costs	30,000	30,000	30,000
<b>1,310,144</b>	<b>Total Operating Expenditure</b>	<b>1,324,733</b>	<b>1,328,389</b>	<b>1,328,473</b>
<b>1,224,902</b>	<b>Net (Surplus)/Deficit</b>	<b>1,239,491</b>	<b>1,243,147</b>	<b>1,243,231</b>

### FUNDING STATEMENT

1,224,902	Net (Surplus)/Deficit	1,239,491	1,243,147	1,243,231
1,224,902	Total Funding Requirement	1,239,491	1,243,147	1,243,231
	<b>Funding Source:</b>			
1,224,902	Rates Funding	1,239,491	1,243,147	1,243,231
<b>1,224,902</b>	<b>Total</b>	<b>1,239,491</b>	<b>1,243,147</b>	<b>1,243,231</b>

# 3. TRAFFIC MANAGEMENT

## DESCRIPTION

Motor vehicles, cyclists and pedestrians need to be able to move safely and efficiently around the City. The Council provides and maintains traffic lights, roundabouts, road signs and markings, and traffic calming measures. This traffic control infrastructure is designed, built and maintained through either publicly tendered or negotiated contracts according to the Council's specifications.



## REASON FOR ACTIVITY

The provision of roads is a statutory requirement. The public nature of the road reserve, and the absence of private markets in roading, make it necessary for the Council to provide traffic management on behalf of the community.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with the safety and convenience of movement around the City's streets.	NRB Communitrak Survey.
Maintain the trend of reducing injury accidents through the joint efforts of Council, the Police and other agencies.	Accident data supplied by the Land Transport Safety Authority.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

### 3. TRAFFIC MANAGEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
500	User Charges	500	500	500	
413,748	Operating Subsidies	464,216	464,216	464,216	
431,143	Capital Subsidies	46,381	46,381	46,381	
<b>845,391</b>	<b>Total Operating Revenue</b>	<b>511,097</b>	<b>511,097</b>	<b>511,097</b>	
	<b>EXPENDITURE</b>				
	Employee Costs	226,711	226,711	226,711	
556,361	Supplier Costs	561,011	561,011	561,011	
470,921	Support Costs	190,048	201,496	201,472	
(1,000)	Internal Costs/(Recoveries)	5,211	5,525	5,532	
3,000	Maintenance Costs	53,000	53,000	53,000	
265,000	Cyclic Operating Expenditure				
32,800	One-Off Operating Projects	70,650	50,000	50,000	Schedule 1
	Interest Expense	45,134	47,845	40,096	
129,062	Depreciation	105,373	126,631	223,177	
	Cyclic Renewal Depreciation	465,800	465,800	465,800	
43,465	Cost of Capital				
<b>1,499,609</b>	<b>Total Operating Expenditure</b>	<b>1,722,938</b>	<b>1,738,019</b>	<b>1,827,069</b>	
<b>654,218</b>	<b>Net (Surplus)/Deficit</b>	<b>1,211,841</b>	<b>1,226,922</b>	<b>1,315,972</b>	

### FUNDING STATEMENT

<b>654,218</b>	<b>Net (Surplus)/Deficit</b>	<b>1,211,841</b>	<b>1,226,922</b>	<b>1,315,972</b>	
(43,465)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	550,000	464,000	414,000	Schedule 2
	Less: Funding from Cyclic Renewal Depreciation	(465,800)	(465,800)	(465,800)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(84,200)	1,800	51,800	
861,600	Capital Development	288,000	668,000	2,858,000	Schedule 3
<b>1,472,353</b>	<b>Total Funding Requirement</b>	<b>1,499,841</b>	<b>1,894,922</b>	<b>4,173,972</b>	
	<b>Funding Source:</b>				
1,041,896	Rates Funding	1,258,222	1,273,303	1,362,353	
430,457	Loans	241,619	621,619	2,811,619	
<b>1,472,353</b>	<b>Total</b>	<b>1,499,841</b>	<b>1,894,922</b>	<b>4,173,972</b>	

#### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Road Safety Education Projects	\$50,650
(LTSA pays \$10,000; HCC pays \$40,650)	
Rural Road Delineation	\$20,000
<b>Total One-Off Operating Projects</b>	<b>\$70,650</b>

#### SCHEDULE 2: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Pedestrian Crossing Maintenance	\$48,000
(Transfund pays \$21,104, HCC pays \$26,896)	
Traffic Signal Replacement	\$150,000
(Transfund pays \$65,951, HCC pays \$84,049).	
Street Name Signs	\$20,000
(Transfund pays \$8,794, HCC pays \$11,206).	
Minor Works	\$50,000
(Transfund pays \$21,984, HCC pays \$28,016).	



Pedestrian Crossing Improvements	\$25,000
Rutherford/Melling/Connolly Improvements (Transfund pays \$4,397, HCC pays \$5,603).	\$10,000
Local Area Traffic Management Schemes	\$222,000
Lowry Bay Pedestrian Facility	\$25,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$550,000</b>



### SCHEDULE 3: CAPITAL DEVELOPMENT

Central Area Traffic Improvements	\$145,000
Bus Passenger Shelters (Regional Council pays \$20,000).	\$20,000
<b>Total Capital Development</b>	<b>\$165,000</b>

### CARRY OVERS 97/98

Roading Costs associated with the Queensgate Extension	\$99,000
Local Area Traffic Management	\$24,000
<b>Total Carry Overs 97/98</b>	<b>\$123,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$288,000</b>








# 4. STREETLIGHTING

## DESCRIPTION

*High-quality and energy efficient streetlighting.*

## REASON FOR ACTIVITY

*Private markets will not provide the levels of streetlighting required for public safety and ease of movement. The Council's role is therefore as the asset owner and funder.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with streetlighting around the City.	NRB Communitrak Survey.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 4. STREETLIGHTING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
395,267	Operating Subsidies	466,760	467,000	420,000
73,620	Capital Subsidies			
<b>468,887</b>	<b>Total Operating Revenue</b>	<b>466,760</b>	<b>467,000</b>	<b>420,000</b>
	<b>EXPENDITURE</b>			
	Employee Costs	23,000	23,000	23,000
899,500	Supplier Costs	813,000	813,000	813,000
61,766	Support Costs	69,883	74,007	74,098
5,000	Cyclic Operating Expenditure			
	Interest Expense	52,988	55,440	46,461
	Cyclic Renewal Depreciation	341,050	341,050	341,050
67,470	Cost of Capital			
<b>1,033,736</b>	<b>Total Operating Expenditure</b>	<b>1,299,921</b>	<b>1,306,497</b>	<b>1,297,609</b>
<b>564,849</b>	<b>Net (Surplus)/Deficit</b>	<b>833,161</b>	<b>839,497</b>	<b>877,609</b>

## FUNDING STATEMENT

564,849 (67,470)	<b>Net (Surplus)/Deficit</b> Less: Cost of Capital	833,161	839,497	877,609	
	Cyclic Renewal Capital Non Discrete Assets	344,000	339,000	341,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(341,050)	(341,050)	(341,050)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(2,950)	2,050	50	
270,000	Capital Development	155,000	20,000	20,000	Schedule 2
<b>767,379</b>	<b>Total Funding Requirement</b>	<b>988,161</b>	<b>859,497</b>	<b>897,609</b>	
	<b>Funding Source:</b>				
570,999	Rates Funding	833,161	839,497	877,609	
196,380	Loans	155,000	20,000	20,000	
<b>767,379</b>	<b>Total</b>	<b>988,161</b>	<b>859,497</b>	<b>897,609</b>	



### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Streetlight Maintenance (Transfund pays \$72,546, HCC pays \$92,454).	\$165,000
Pedestrian Access Way Maintenance	\$7,000
Streetlight Standard Replacement (Transfund pays \$2,198, HCC pays \$2,802)	\$5,000
Streetlighting Undergrounding	\$90,000
Streetlighting Upgrading (Transfund pays \$35,000, HCC pays \$42,000).	\$77,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$344,000</b>






### SCHEDULE 2: CAPITAL DEVELOPMENT

Streetlighting Upgrading (Transfund pays \$37,000, HCC pays \$40,000).	\$77,000
Pedestrian Access Way Lighting	\$20,000
<b>Total Capital Development</b>	<b>\$97,000</b>

### CARRY OVERS 97/98

Streetlight Undergrounding	\$58,000
<b>Total Carry Overs 97/98</b>	<b>\$58,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$155,000</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?








# 5. PARKING

## DESCRIPTION

The provision, maintenance and regulation of on-street and off-street carparks in the commercial areas of the City. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the City's commercial areas. On-street carparks are provided and maintained through competitive contract as part of the road reserve. Off-street carparks are purchased as necessary and also maintained by the private sector through the tendering process. Regulation is achieved through payment of parking fees and fines for off-street parking, and enforcement of maximum times or parking fees and fines for on-street carparks. The Council also ensures residents have access to their properties by removing vehicles parked over driveways.

## REASON FOR ACTIVITY

On-street carparks use the road reserve to give immediate access to commercial outlets. The legal status and public nature of the road reserve requires that the Council owns this parking asset. The Council's legal ability to ration carparks through bylaws requires that it be responsible for regulation and enforcement. The Council's role in off-street carparks is currently under review.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the availability and convenience of parking within the Central Area.	NRB Communitrak Survey March/April 1997.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 5. PARKING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
1,280,000	User Charges	1,280,000	1,299,897	1,271,922
<b>1,280,000</b>	<b>Total Operating Revenue</b>	<b>1,280,000</b>	<b>1,299,897</b>	<b>1,271,922</b>
	<b>EXPENDITURE</b>			
	Employee Costs	18,480	18,480	18,480
261,500	Supplier Costs	176,500	176,500	176,500
34,889	Support Costs	71,528	75,847	75,940
505,011	Internal Costs/(Recoveries)	517,000	548,216	548,887
	Maintenance Costs	125,000	125,000	125,000
105,000	Cyclic Operating Expenditure			
	Interest Expense	29,042	30,378	25,458
97,568	Depreciation	83,570	62,238	42,945
	Cyclic Renewal Depreciation	52,000	52,000	52,000
14,192	Cost of Capital			
<b>1,018,160</b>	<b>Total Operating Expenditure</b>	<b>1,073,120</b>	<b>1,088,659</b>	<b>1,065,209</b>
<b>(261,840)</b>	<b>Net (Surplus)/Deficit</b>	<b>(206,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>

## FUNDING STATEMENT

<b>(261,840)</b>	<b>Net (Surplus)/Deficit</b>	<b>(206,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	
(14,192)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	50,000	70,000	70,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(52,000)	(52,000)	(52,000)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	2,000	(18,000)	(18,000)	
	Capital Development	28,000			Schedule 2
<b>(276,032)</b>	<b>Total Funding Requirement</b>	<b>(178,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	
	<b>Funding Source:</b>				
(276,032)	Rates Funding	(206,880)	(211,238)	(206,714)	
0	Loans	28,000	0	0	
<b>(276,032)</b>	<b>Total</b>	<b>(178,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Car Park Resealing	\$50,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$50,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT

Beach Street Carpark Development	\$28,000
<b>Total Capital Development</b>	<b>\$28,000</b>



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*The capital projects are either part of this year's approved programme or are 'carry overs' – that is, work approved, but not completed, last year.*

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*Hutt City Council will manage the City's infrastructure to provide agreed services to defined standards. It will maintain its networks, systems and assets in the lowest cost manner consistent with maintaining their long-term service potential.*

*The Council's Asset Management Plans set out the programmes for the maintenance of infrastructure.*

# 1. ROADING

## DESCRIPTION

The Council provides and maintains sealed roads and footpaths throughout the City. This allows the efficient movement of motor vehicles, cyclists, pedestrians and other forms of transport.

## REASON FOR ACTIVITY

The City's roads and footpaths are treated as a single network for the movement of people and goods around the City and the provision of access to property. Charging road and footpath users directly for the use of these facilities is impractical and the activity therefore requires public funding. Funding for road maintenance and construction comes from rates and loans, and from the central government funding provider, Transfund New Zealand.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with cleanliness, standard and safety of streets and roads.	NRB Communitrak Survey.
At least 80% of Hutt City residents are satisfied with cleanliness, standard and safety of footpaths.	NRB Communitrak Survey.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?



## 1. ROADING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
95,000	User Charges	65,000	66,488	64,014
1,963,300	Operating Subsidies	1,882,586	1,880,000	1,880,000
	Capital Subsidies	624,300	624,300	624,300
50,000	Miscellaneous	11,000	11,000	11,000
<b>2,108,300</b>	<b>Total Operating Revenue</b>	<b>2,582,886</b>	<b>2,581,788</b>	<b>2,579,314</b>
	<b>EXPENDITURE</b>			
	Employee Costs	402,965	402,965	402,965
1,959,683	Supplier Costs	197,300	197,300	197,300
860,804	Support Costs	384,169	407,506	408,004
252,637	Internal Costs/(Recoveries)	139,100	147,550	147,730
133,300	Maintenance Costs	1,784,550	1,784,550	1,784,550
3,533,300	Cyclic Operating Expenditure			
	Interest Expense	2,115,991	2,227,455	1,866,710
565,324	Depreciation	559,846	568,748	580,378
	Cyclic Renewal Depreciation	3,628,272	3,628,272	3,628,272
3,821,039	Cost of Capital			
<b>11,126,087</b>	<b>Total Operating Expenditure</b>	<b>9,212,193</b>	<b>9,364,346</b>	<b>9,015,910</b>
<b>9,017,787</b>	<b>Net (Surplus)/Deficit</b>	<b>6,629,307</b>	<b>6,782,558</b>	<b>6,436,596</b>

## 1. ROADING – FUNDING STATEMENT

<b>9,017,787</b>	<b>Net (Surplus)/Deficit</b>	<b>6,629,307</b>	<b>6,782,558</b>	<b>6,436,596</b>	
(3,821,039)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	3,611,000	3,626,000	3,631,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(3,628,272)	(3,628,272)	(3,628,272)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	17,272	2,272	(2,728)	
	Asset Management Plan Capital Discrete Assets	545,000	450,000	450,000	Schedule 2
1,781,000	Capital Development	1,145,000	740,000	1,835,000	Schedule 3
<b>6,977,748</b>	<b>Total Funding Requirement</b>	<b>8,319,307</b>	<b>7,972,558</b>	<b>8,721,596</b>	
	<b>Funding Source:</b>				
5,196,748	Rates Funding	7,253,607	7,406,858	7,060,896	
1,781,000	Loans	1,065,700	565,700	1,660,700	
<b>6,977,748</b>	<b>Total</b>	<b>8,319,307</b>	<b>7,972,558</b>	<b>8,721,596</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Area-Wide Pavement Treatment	\$178,300
(Transfund pays \$78,400; HCC Pays \$99,900)	
Pavement Rehabilitation	\$724,300
(Transfund pays \$352,700; HCC pays \$371,600)	
Resurfacing	\$1,170,500
(Transfund pays \$514,650; HCC pays \$655,850)	

Wainuiomata Hill Road Resurfacing \$150,000  
(Transfund pays \$65,950; HCC pays \$84,050).

Wainuiomata Hill Road Safety Surfacing \$116,000  
(Transfund pays \$51,000; HCC pays \$65,000).

Ava Street Reconstruction (North St to South St) \$186,000  
(Transfund pays \$38,900; HCC pays \$147,100).

Riddlers Crescent (Hutt Rd to Hutt Rd) \$163,500  
(Transfund pays \$31,100; HCC pays \$132,400)

Emerson Street (Cuba St to William St)	\$192,200
(Transfund pays \$37,300; HCC pays \$154,900)	
Tory Street (Jackson St to The Esplanade)	\$139,200
(Transfund pays \$16,800; HCC pays \$122,400).	
Manchester Street (Cuba St to William St)	\$200,400
(Transfund pays \$38,900; HCC pays \$161,500).	
Sherwood Street (Hautana St to Penrose St)	\$239,250
(Transfund pays \$41,000; HCC pays \$198,250).	
Minor Road and Footpath Construction	\$56,000
Footpath Resurfacing	\$70,350
Road and Footpath Reconstruction Programme	
Forward Planning	\$25,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$3,611,000</b>



## SCHEDULE 2: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Estuary Bridge – Scour Protection	\$500,000
(Transfund pays \$219,800; HCC pays \$280,200).	
Eastern Bays Seawall	\$45,000
(Transfund pays \$9,900; HCC pays \$35,100).	
<b>Total Asset Management Plan Capital Discrete Assets</b>	<b>\$545,000</b>

## SCHEDULE 3: CAPITAL DEVELOPMENT

Daly Street Extension	\$785,000
(Transfund pays \$377,000; HCC pays \$408,000).	
Substandard Roads Upgrading	\$250,000
Harbour View Road Retaining Wall	\$40,000
(Transfund pays \$17,600; HCC pays \$22,400).	
Environmental Enhancements	\$70,000
Ava Street (North St to South St)	\$23,500
Emerson Street (Cuba St to William St)	\$23,000
Manchester Street (Cuba St to William St)	\$23,500
<b>Total Capital Development</b>	<b>\$1,145,000</b>





## 2. STREET CLEANING

### DESCRIPTION

*The regular cleaning of the City's streets.*

### REASON FOR ACTIVITY

*There are insufficient incentives for private interests to undertake street cleaning to levels required by the community. The Council therefore acts as a purchaser of the service on behalf of the community, to ensure full coverage of residential and business areas.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with street cleaning around the City.	NRB Communitrak Survey.
 Street Cleaning programmes, carried out on time, within budget and to the appropriate standard.  	Management Reports.

### 2. STREET CLEANING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
85,242	Operating Subsidies	85,242	85,242	85,242
<b>85,242</b>	<b>Total Operating Revenue</b>	<b>85,242</b>	<b>85,242</b>	<b>895,242</b>
	<b>EXPENDITURE</b>			
	Employee Costs	39,495	39,495	39,495
1,192,865	Supplier Costs	1,189,887	1,189,887	1,189,887
87,279	Support Costs	65,351	69,007	69,091
30,000	Maintenance Costs	30,000	30,000	30,000
<b>1,310,144</b>	<b>Total Operating Expenditure</b>	<b>1,324,733</b>	<b>1,328,389</b>	<b>1,328,473</b>
<b>1,224,902</b>	<b>Net (Surplus)/Deficit</b>	<b>1,239,491</b>	<b>1,243,147</b>	<b>1,243,231</b>

### FUNDING STATEMENT

1,224,902	Net (Surplus)/Deficit	1,239,491	1,243,147	1,243,231
1,224,902	Total Funding Requirement	1,239,491	1,243,147	1,243,231
	<b>Funding Source:</b>			
1,224,902	Rates Funding	1,239,491	1,243,147	1,243,231
<b>1,224,902</b>	<b>Total</b>	<b>1,239,491</b>	<b>1,243,147</b>	<b>1,243,231</b>

# 3. TRAFFIC MANAGEMENT

## DESCRIPTION

Motor vehicles, cyclists and pedestrians need to be able to move safely and efficiently around the City. The Council provides and maintains traffic lights, roundabouts, road signs and markings, and traffic calming measures. This traffic control infrastructure is designed, built and maintained through either publicly tendered or negotiated contracts according to the Council's specifications.



## REASON FOR ACTIVITY

The provision of roads is a statutory requirement. The public nature of the road reserve, and the absence of private markets in roading, make it necessary for the Council to provide traffic management on behalf of the community.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with the safety and convenience of movement around the City's streets.	NRB Communitrak Survey.
Maintain the trend of reducing injury accidents through the joint efforts of Council, the Police and other agencies.	Accident data supplied by the Land Transport Safety Authority.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

### 3. TRAFFIC MANAGEMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
500	User Charges	500	500	500	
413,748	Operating Subsidies	464,216	464,216	464,216	
431,143	Capital Subsidies	46,381	46,381	46,381	
<b>845,391</b>	<b>Total Operating Revenue</b>	<b>511,097</b>	<b>511,097</b>	<b>511,097</b>	
	<b>EXPENDITURE</b>				
	Employee Costs	226,711	226,711	226,711	
556,361	Supplier Costs	561,011	561,011	561,011	
470,921	Support Costs	190,048	201,496	201,472	
(1,000)	Internal Costs/(Recoveries)	5,211	5,525	5,532	
3,000	Maintenance Costs	53,000	53,000	53,000	
265,000	Cyclic Operating Expenditure				
32,800	One-Off Operating Projects	70,650	50,000	50,000	Schedule 1
	Interest Expense	45,134	47,845	40,096	
129,062	Depreciation	105,373	126,631	223,177	
	Cyclic Renewal Depreciation	465,800	465,800	465,800	
43,465	Cost of Capital				
<b>1,499,609</b>	<b>Total Operating Expenditure</b>	<b>1,722,938</b>	<b>1,738,019</b>	<b>1,827,069</b>	
<b>654,218</b>	<b>Net (Surplus)/Deficit</b>	<b>1,211,841</b>	<b>1,226,922</b>	<b>1,315,972</b>	

### FUNDING STATEMENT

<b>654,218</b>	<b>Net (Surplus)/Deficit</b>	<b>1,211,841</b>	<b>1,226,922</b>	<b>1,315,972</b>	
(43,465)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	550,000	464,000	414,000	Schedule 2
	Less: Funding from Cyclic Renewal Depreciation	(465,800)	(465,800)	(465,800)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(84,200)	1,800	51,800	
861,600	Capital Development	288,000	668,000	2,858,000	Schedule 3
<b>1,472,353</b>	<b>Total Funding Requirement</b>	<b>1,499,841</b>	<b>1,894,922</b>	<b>4,173,972</b>	
	<b>Funding Source:</b>				
1,041,896	Rates Funding	1,258,222	1,273,303	1,362,353	
430,457	Loans	241,619	621,619	2,811,619	
<b>1,472,353</b>	<b>Total</b>	<b>1,499,841</b>	<b>1,894,922</b>	<b>4,173,972</b>	

#### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Road Safety Education Projects	\$50,650
(LTSA pays \$10,000; HCC pays \$40,650)	
Rural Road Delineation	\$20,000
<b>Total One-Off Operating Projects</b>	<b>\$70,650</b>

#### SCHEDULE 2: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Pedestrian Crossing Maintenance	\$48,000
(Transfund pays \$21,104, HCC pays \$26,896)	
Traffic Signal Replacement	\$150,000
(Transfund pays \$65,951, HCC pays \$84,049).	
Street Name Signs	\$20,000
(Transfund pays \$8,794, HCC pays \$11,206).	
Minor Works	\$50,000
(Transfund pays \$21,984, HCC pays \$28,016).	

Pedestrian Crossing Improvements	\$25,000
Rutherford/Melling/Connolly Improvements (Transfund pays \$4,397, HCC pays \$5,603).	\$10,000
Local Area Traffic Management Schemes	\$222,000
Lowry Bay Pedestrian Facility	\$25,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$550,000</b>



### SCHEDULE 3: CAPITAL DEVELOPMENT

Central Area Traffic Improvements	\$145,000
Bus Passenger Shelters (Regional Council pays \$20,000).	\$20,000
<b>Total Capital Development</b>	<b>\$165,000</b>

### CARRY OVERS 97/98

Roading Costs associated with the Queensgate Extension	\$99,000
Local Area Traffic Management	\$24,000
<b>Total Carry Overs 97/98</b>	<b>\$123,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$288,000</b>








# 4. STREETLIGHTING

## DESCRIPTION

*High-quality and energy efficient streetlighting.*

## REASON FOR ACTIVITY

*Private markets will not provide the levels of streetlighting required for public safety and ease of movement. The Council's role is therefore as the asset owner and funder.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with streetlighting around the City.	NRB Communitrak Survey.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 4. STREETLIGHTING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
395,267	Operating Subsidies	466,760	467,000	420,000
73,620	Capital Subsidies			
<b>468,887</b>	<b>Total Operating Revenue</b>	<b>466,760</b>	<b>467,000</b>	<b>420,000</b>
	<b>EXPENDITURE</b>			
	Employee Costs	23,000	23,000	23,000
899,500	Supplier Costs	813,000	813,000	813,000
61,766	Support Costs	69,883	74,007	74,098
5,000	Cyclic Operating Expenditure			
	Interest Expense	52,988	55,440	46,461
	Cyclic Renewal Depreciation	341,050	341,050	341,050
67,470	Cost of Capital			
<b>1,033,736</b>	<b>Total Operating Expenditure</b>	<b>1,299,921</b>	<b>1,306,497</b>	<b>1,297,609</b>
<b>564,849</b>	<b>Net (Surplus)/Deficit</b>	<b>833,161</b>	<b>839,497</b>	<b>877,609</b>

## FUNDING STATEMENT

564,849 (67,470)	<b>Net (Surplus)/Deficit</b> Less: Cost of Capital	833,161	839,497	877,609	
	Cyclic Renewal Capital Non Discrete Assets	344,000	339,000	341,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(341,050)	(341,050)	(341,050)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(2,950)	2,050	50	
270,000	Capital Development	155,000	20,000	20,000	Schedule 2
<b>767,379</b>	<b>Total Funding Requirement</b>	<b>988,161</b>	<b>859,497</b>	<b>897,609</b>	
	<b>Funding Source:</b>				
570,999	Rates Funding	833,161	839,497	877,609	
196,380	Loans	155,000	20,000	20,000	
<b>767,379</b>	<b>Total</b>	<b>988,161</b>	<b>859,497</b>	<b>897,609</b>	



### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Streetlight Maintenance (Transfund pays \$72,546, HCC pays \$92,454).	\$165,000
Pedestrian Access Way Maintenance	\$7,000
Streetlight Standard Replacement (Transfund pays \$2,198, HCC pays \$2,802)	\$5,000
Streetlighting Undergrounding	\$90,000
Streetlighting Upgrading (Transfund pays \$35,000, HCC pays \$42,000).	\$77,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$344,000</b>




### SCHEDULE 2: CAPITAL DEVELOPMENT

Streetlighting Upgrading (Transfund pays \$37,000, HCC pays \$40,000).	\$77,000
Pedestrian Access Way Lighting	\$20,000
<b>Total Capital Development</b>	<b>\$97,000</b>

### CARRY OVERS 97/98

Streetlight Undergrounding	\$58,000
<b>Total Carry Overs 97/98</b>	<b>\$58,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$155,000</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?










# 5. PARKING

## DESCRIPTION

The provision, maintenance and regulation of on-street and off-street carparks in the commercial areas of the City. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the City's commercial areas. On-street carparks are provided and maintained through competitive contract as part of the road reserve. Off-street carparks are purchased as necessary and also maintained by the private sector through the tendering process. Regulation is achieved through payment of parking fees and fines for off-street parking, and enforcement of maximum times or parking fees and fines for on-street carparks. The Council also ensures residents have access to their properties by removing vehicles parked over driveways.

## REASON FOR ACTIVITY

On-street carparks use the road reserve to give immediate access to commercial outlets. The legal status and public nature of the road reserve requires that the Council owns this parking asset. The Council's legal ability to ration carparks through bylaws requires that it be responsible for regulation and enforcement. The Council's role in off-street carparks is currently under review.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the availability and convenience of parking within the Central Area.	NRB Communitrak Survey March/April 1997.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 5. PARKING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
1,280,000	User Charges	1,280,000	1,299,897	1,271,922
<b>1,280,000</b>	<b>Total Operating Revenue</b>	<b>1,280,000</b>	<b>1,299,897</b>	<b>1,271,922</b>
	<b>EXPENDITURE</b>			
	Employee Costs	18,480	18,480	18,480
261,500	Supplier Costs	176,500	176,500	176,500
34,889	Support Costs	71,528	75,847	75,940
505,011	Internal Costs/(Recoveries)	517,000	548,216	548,887
	Maintenance Costs	125,000	125,000	125,000
105,000	Cyclic Operating Expenditure			
	Interest Expense	29,042	30,378	25,458
97,568	Depreciation	83,570	62,238	42,945
	Cyclic Renewal Depreciation	52,000	52,000	52,000
14,192	Cost of Capital			
<b>1,018,160</b>	<b>Total Operating Expenditure</b>	<b>1,073,120</b>	<b>1,088,659</b>	<b>1,065,209</b>
<b>(261,840)</b>	<b>Net (Surplus)/Deficit</b>	<b>(206,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>

## FUNDING STATEMENT

<b>(261,840)</b>	<b>Net (Surplus)/Deficit</b>	<b>(206,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	
(14,192)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	50,000	70,000	70,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(52,000)	(52,000)	(52,000)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	2,000	(18,000)	(18,000)	
	Capital Development	28,000			Schedule 2
<b>(276,032)</b>	<b>Total Funding Requirement</b>	<b>(178,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	
	<b>Funding Source:</b>				
(276,032)	Rates Funding	(206,880)	(211,238)	(206,714)	
0	Loans	28,000	0	0	
<b>(276,032)</b>	<b>Total</b>	<b>(178,880)</b>	<b>(211,238)</b>	<b>(206,714)</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS




Car Park Resealing	\$50,000
<b>Total Cyclic Renewal Capital for Non-Discrete Assets</b>	<b>\$50,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT

Beach Street Carpark Development	\$28,000
<b>Total Capital Development</b>	<b>\$28,000</b>



The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?





# 6. REFUSE COLLECTION

## DESCRIPTION

The collection of most residential and some commercial solid waste is achieved through tendering contracts for streetside rubbish bag collection. Rubbish bags are purchased by residents and the revenue from this funds the weekly kerbside pickup. The service is entirely self funding.

## REASON FOR ACTIVITY

The Council's involvement in the activity is historical. Residents and businesses can opt out of the Council controlled service by contracting directly with private sector disposal firms. This allows the private sector to equip itself to deliver the service and informs the Council of the level of community support for its continued involvement.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the refuse collection service.	NRB Communitrak Survey.
 Refuse collection programmes, carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 6. REFUSE COLLECTION – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
600,000	User Charges	580,000	531,643	531,676
<b>600,000</b>	<b>Total Operating Revenue</b>	<b>580,000</b>	<b>531,643</b>	<b>531,676</b>
	<b>EXPENDITURE</b>			
	Employee Costs	25,640	25,640	25,640
492,200	Supplier Costs	479,000	479,000	479,000
38,766	Support Costs	25,696	27,003	27,036
<b>530,966</b>	<b>Total Operating Expenditure</b>	<b>530,336</b>	<b>531,643</b>	<b>531,676</b>
<b>(69,034)</b>	<b>Net (Surplus)/Deficit</b>	<b>(49,664)</b>	<b>0</b>	<b>0</b>

## FUNDING STATEMENT

(69,034)	Net (Surplus)/Deficit	(49,664)	0	0
69,034	Transfers to/(from) Funds	49,664	0	0
<b>0</b>	<b>Total Funding Requirement</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Funding Source:</b>			
0	Rates Funding	0	0	0
<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

# 7. RECYCLING AND WASTE REDUCTION

## DESCRIPTION

Recycling is subsidized by the Council and carried out through tendered contracts. Household waste for recycling is picked up weekly.

## REASON FOR ACTIVITY

If left to private markets the recycling of some forms of waste would not occur. Council wishes recycling to occur to reduce waste occupying landfill space, and to minimise the depletion of natural resources for future generations. The Council also wishes to promote the sustainable use of resources as part of its leadership role in the community.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with the City's recycling facilities.	NRB Communitrak Survey March/April 1997.
Recycling and waste reduction programmes, carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 7. RECYCLING AND WASTE REDUCTION – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
20,000	User Charges		16,658	27,749
<b>20,000</b>	<b>Total Operating Revenue</b>	<b>0</b>	<b>16,658</b>	<b>27,749</b>
	<b>EXPENDITURE</b>			
	Employee Costs	26,694	26,694	26,694
503,500	Supplier Costs	476,500	476,500	476,500
46,519	Support Costs	30,867	32,656	32,696
6,000	Internal Costs/(Recoveries)	6,000	6,348	6,356
15,000	Maintenance Costs	10,000	10,000	10,000
	Interest Expense	790	759	636
3,968	Depreciation	2,683	2,683	2,683
1,576	Cost of Capital			
<b>576,563</b>	<b>Total Operating Expenditure</b>	<b>553,534</b>	<b>555,640</b>	<b>555,565</b>
<b>556,563</b>	<b>Net (Surplus)/Deficit</b>	<b>553,534</b>	<b>538,982</b>	<b>527,816</b>

## FUNDING STATEMENT

556,563	Net (Surplus)/Deficit	553,534	538,982	527,816
(1,576)	Less: Cost of Capital			
(394,034)	Transfers to/(from) Funds	(418,764)		
<b>160,953</b>	<b>Total Funding Requirement</b>	<b>134,770</b>	<b>538,982</b>	<b>527,816</b>
	<b>Funding Source:</b>			
160,953	Rates Funding	134,770	538,982	527,816
<b>160,953</b>	<b>Total</b>	<b>134,770</b>	<b>538,982</b>	<b>527,816</b>

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?









# 8. LANDFILLS

## DESCRIPTION

Hutt City Council owns landfills at Silverstream and Wainuiomata for the disposal of the City's refuse. These are managed to high environmental standards. Emissions to air are controlled by the collection and use of methane, from the breakdown of organic material in the landfill, to produce electricity. Leachate is managed to reduce any environmental impact on groundwater and surface water. Both landfills are operated through competitively tendered contracts and funded through disposal fees.

## REASON FOR ACTIVITY

No private sector operators have yet put forward acceptable proposals for non-Council landfills. Any successful private sector landfills may compete directly with those owned by the Council.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with refuse disposal facilities.	NRB Communitrak Survey March/April 1997.
 Landfill management plans and discharge consents are complied with.	Management Reports.
  Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard. 	Management Reports.
  Capital programmes carried out on time, within budget and to the appropriate standard. 	Management Reports.

## 8. LANDFILLS - STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
2,764,400	User Charges	2,953,000	2,742,763	2,750,482	
<b>2,764,400</b>	<b>Total Operating Revenue</b>	<b>2,953,000</b>	<b>2,742,763</b>	<b>2,750,482</b>	
	<b>EXPENDITURE</b>				
	Employee Costs	112,932	112,932	112,932	
1,665,759	Supplier Costs	2,104,912	2,104,912	2,104,912	
182,201	Support Costs	126,478	134,121	134,285	
54,000	Internal Costs/(Recoveries)	29,135	30,896	30,933	
73,000	Maintenance Costs	73,500	73,500	73,500	
90,000	One-Off Operating Projects	110,000	170,000	170,000	Schedule 1
	Interest Expense	47,273	49,364	41,369	
85,510	Depreciation	53,945	67,038	82,550	
44,568	Cost of Capital				
<b>2,195,038</b>	<b>Total Operating Expenditure</b>	<b>2,658,175</b>	<b>2,742,763</b>	<b>2,750,482</b>	
<b>(569,362)</b>	<b>Net (Surplus)/Deficit</b>	<b>(294,825)</b>	<b>0</b>	<b>0</b>	

## FUNDING STATEMENT

(569,362)	Net (Surplus)/Deficit	(294,825)	0	0	
(44,568)	Less: Cost of Capital				
	Less: Silverstream Landfill Depreciation	(50,163)	0	0	
1,900,000	Capital Development	1,497,500	550,000	1,800,000	Schedule 2
302,000	Transfer to Recycling Reserve	369,100	0	0	
(1,324,757)	Transfer to Silverstream Lanfill Reserve	100,751	0	0	
	Transfer from Silverstream Landfill Reserve	(47,533)	0	0	
<b>263,313</b>	<b>Total Funding Requirement</b>	<b>1,574,830</b>	<b>550,000</b>	<b>1,800,000</b>	
	<b>Funding Source:</b>				
63,313	Rates Funding	77,330	0	0	
200,000	Loans	1,497,500	550,000	1,800,000	
<b>263,313</b>	<b>Total</b>	<b>1,574,830</b>	<b>550,000</b>	<b>1,800,000</b>	



### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Silverstream Landfill Minor Works	\$27,000
Wainuiomata Landfill Minor Works	\$23,000
Decommissioned Landfills	\$60,000
<b>Total One Off Operating Projects</b>	<b>\$110,000</b>





### SCHEDULE 2: CAPITAL DEVELOPMENT

Silverstream Landfill Capital Development	\$1,086,000
<i>N.B. The cost of capital development for Silverstream Landfill is excluded from the capital cap.</i>	
Wainuiomata Landfill Capital Development	\$400,000
<b>Total Capital Development</b>	<b>\$1,486,000</b>

### CARRY OVER 97/98

Wainuiomata Landfill Projects	\$11,500
<b>Total Carry Over 97/98</b>	<b>\$11,500</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$1,497,500</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?










# 9. WATER SUPPLY

## DESCRIPTION

*This activity relates to the supply of high quality drinkable water for domestic and commercial use. The Council purchases bulk water from the Wellington Regional Council, and this accounts for 60% of the total cost of water supply to the City. It then distributes the water around the City through the local pipe network. The maintenance and operation of the City's water supply system is carried out on a contracted basis. High-volume water users are charged by metering their use of water.*

## REASON FOR ACTIVITY

*The Council's ownership of the pipe network is historical. It was considered that a public body was best suited to build and own such a large scale concern.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with the water supply service.	NRB Communitrak Survey.
 100% compliance with NZ Drinking Water Standards.	Drinkable Water Testing Contract Reports.
 Fewer than four unplanned supply cuts per kilometre of water main reported to the Council.	Water Supply Maintenance and Operations Contract Report.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

## 9. WATER SUPPLY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE



Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
2,517,100	User Charges	2,351,000	2,374,779	2,134,694
<b>2,517,100</b>	<b>Total Operating Revenue</b>	<b>2,351,000</b>	<b>2,334,779</b>	<b>2,134,694</b>
	<b>EXPENDITURE</b>			
	Employee Costs	196,920	196,920	196,920
7,579,124	Supplier Costs	7,511,124	7,786,000	7,936,000
468,675	Support Costs	317,758	337,005	337,418
(140,438)	Internal Costs/(Recoveries)	(160,280)	(169,988)	(170,196)
1,246,500	Maintenance Costs	1,234,500	1,234,500	1,234,500
784,000	Cyclic Operating Expenditure			
	Interest Expense	1,089,038	1,146,764	961,041
264,085	Depreciation	456,526	539,613	560,647
	Cyclic Renewal Depreciation	803,500	803,500	803,500
1,193,499	Cost of Capital			
<b>11,395,445</b>	<b>Total Operating Expenditure</b>	<b>11,449,086</b>	<b>11,874,313</b>	<b>11,859,829</b>
<b>8,878,345</b>	<b>Net (Surplus)/Deficit</b>	<b>9,098,086</b>	<b>9,499,535</b>	<b>9,725,135</b>

## FUNDING STATEMENT

<b>8,878,345</b>	<b>Net (Surplus)/Deficit</b>	<b>9,098,086</b>	<b>9,499,535</b>	<b>9,725,135</b>	
(1,193,499)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	784,000	710,000	712,000	Schedule 1
	Less: Funding to/(from Cyclic Renewal Depreciation	(803,500)	(803,500)	(803,500)	
	Transfer to Cyclic Renewal Depreciation Fund	19,500	93,500	91,500	
	Asset Management Plan Capital Discrete Assets			80,000	
2,295,150	Capital Development	2,447,000	360,000	1,120,000	Schedule 2
<b>9,979,996</b>	<b>Total Funding Requirement</b>	<b>11,545,086</b>	<b>9,859,535</b>	<b>10,925,135</b>	
	<b>Funding Source:</b>				
7,684,846	Rates Funding	9,098,086	9,499,535	9,725,135	
2,295,150	Loans	2,447,000	360,000	1,200,000	
<b>9,979,996</b>	<b>Total</b>	<b>11,545,086</b>	<b>9,859,535</b>	<b>10,925,135</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL NON-DISCRETE ASSETS

Minor Works	\$80,000
Bird Grove	\$80,000
Maru Street	\$23,000
Tawhai Street	\$17,000
Emerson Street	\$36,000
Tory Street	\$37,000
Manor Park	\$46,000
Coast Road	\$20,000

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?



Peel Place	\$64,000
Hinau/Marine Parade	\$31,000
Tuatora/Marine Parade	\$21,000
George Street High Pressure Watermain	\$93,000
Kairimu Street (Stokes Valley Road → School)	\$58,000
Aurora Terrace	\$39,000
Arthur Street	\$20,000
Frederick Street	\$31,000
Petrie Street	\$48,000
Logie Street	\$40,000
<b>Total Cyclic Renewal Capital Non-Discrete Assets</b>	<b>\$784,000</b>

## SCHEDULE 2: CAPITAL DEVELOPMENT

Rahui Reservoir	\$2,290,000
Reservoir Auto Shut-Off Valves	\$40,000
<b>Total Capital Development</b>	<b>\$2,330,000</b>

## CARRY OVER 97/98

Rahui Reservoir	\$117,000
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$2,447,000</b>

# 10. WASTEWATER

## DESCRIPTION

The treatment and disposal of household and commercial effluent according to regional and national environmental standards. A new treatment plant is to be operating by 2003 to ensure effluent is treated to higher standards. The maintenance and operation of the wastewater system is carried out on a contracted basis.



## REASON FOR ACTIVITY

Through treating and disposing of wastewater, the Council is protecting both the physical environment and the health of the community.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with wastewater services.	NRB Communitrak Survey.
Fewer than two wastewater reticulation incidents per kilometre of pipeline reported to the Council.	Contract Reports.
Main Pumping Station discharge achieves 100% compliance with relevant resource consent standards.	Incident Reports. Effluent Quality Testing Reports.
Wainuiomata Treatment Station achieves 100% compliance with relevant discharge resource consent standards during normal use.	Management Reports.
Hutt Valley Wastewater Scheme project milestones met.	Management Reports.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 10. WASTEWATER – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
<b>REVENUE</b>				
136,000	User Charges	154,000	149,921	145,448
927,646	UHCC Contribution Operating Subsidy	804,562	804,000	804,000
614,769	UHCC Contribution Capital Subsidy	815,862	727,000	416,000
<b>1,678,415</b>	<b>Total Operating Revenue</b>	<b>1,774,424</b>	<b>1,680,921</b>	<b>1,365,448</b>
<b>EXPENDITURE</b>				
	Employee Costs	233,423	233,423	233,423
1,109,061	Supplier Costs	1,109,061	1,110,000	1,110,000
516,356	Support Costs	299,871	351,386	351,816
(122,706)	Internal Costs/(Recoveries)	(214,523)	(251,376)	(251,684)
2,133,750	Maintenance Costs	2,131,750	2,131,750	2,131,750
930,500	Cyclic Operating Expenditure			
460,000	Interest Expense	1,570,585	1,653,314	1,385,554
1,380,238	Depreciation	969,078	1,049,514	1,093,534
	Cyclic Renewal Depreciation	1,218,200	1,218,200	1,218,200
868,200	Cost of Capital			
<b>7,275,399</b>	<b>Total Operating Expenditure</b>	<b>7,317,445</b>	<b>7,496,211</b>	<b>7,272,593</b>
<b>5,596,984</b>	<b>Net (Surplus)/Deficit</b>	<b>5,543,021</b>	<b>5,815,290</b>	<b>5,907,144</b>

### FUNDING STATEMENT

<b>5,596,984</b>	<b>Net (Surplus)/Deficit</b>	<b>5,543,021</b>	<b>5,815,290</b>	<b>5,907,144</b>	
(868,200)	Less: Cost of Capital				
(1,179,647)	Less: Bulk Wastewater Hutt Valley Depreciation	(788,983)	(788,983)	(788,983)	
	Cyclic Renewal Capital Non Discrete Assets	1,160,000	916,000	966,000	Schedule 1
	Less: Funding to/(from) Cyclic Renewal Depreciation	(1,218,200)	(1,218,200)	(1,218,200)	
	Transfer to Cyclic Renewal Depreciation Fund	58,200	302,200	252,200	
	Asset Management Plan Capital Discrete Assets	345,000	270,000	230,000	Schedule 2
2,652,588	Capital Development	3,262,324	3,699,000	1,000,000	Schedule 3
580,922	Debt Repayment	260,997	260,997	260,997	
(468,140)	Transfers to/(from) Funds				
<b>6,314,507</b>	<b>Total Funding Requirement</b>	<b>8,622,359</b>	<b>9,256,304</b>	<b>6,609,158</b>	
<b>Funding Source:</b>					
4,894,059	Rates Funding	5,830,898	6,014,294	5,794,980	
1,420,448	Loans	2,791,461	3,242,010	814,179	
<b>6,314,507</b>	<b>Total</b>	<b>8,622,359</b>	<b>9,256,304</b>	<b>6,609,158</b>	

### SCHEDULE 1: WASTEWATER CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Randwick Road Rising Main	\$85,000
Tory Street Sewer Renewal	\$177,000
Manchester Street Sewer Renewal	\$290,000
The Esplanade Sewer Renewal (Tory → Oriental)	\$199,000
Emerson Street Renewal	\$241,000

Sherwood Street Sewer Renewal \$168,000

**Total Wastewater Cyclic Renewal Capital for Non-Discrete Assets \$1,160,000**

## SCHEDULE 2: WASTEWATER ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Victoria Street Pumping Station Equipment Replacement	\$45,000
Massey Avenue Pumping Station Equipment Replacement	\$45,000
<b>Total Wastewater Asset Management Plan Capital Discrete Assets</b>	<b>\$90,000</b>

## SCHEDULE 2: BULK WASTEWATER WAINUIOMATA ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Wise Park Pumping Station Equipment Replacement	\$40,000
<b>Bulk Wastewater Wainuiomata Asset Management Plan Capital Discrete Assets</b>	<b>\$40,000</b>

## SCHEDULE 2: BULK WASTEWATER HUTT VALLEY ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Scouring Protection Work of the Hutt Estuary Bridge	\$65,000
Regent Street Pumping Station Equipment Upgrade	\$105,000
Whites Line East Pumping Station Upgrade	\$45,000
<b>Bulk Wastewater Hutt Valley Asset Management Plan Capital Discrete Assets</b>	<b>\$215,000</b>
<b>TOTAL ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS</b>	<b>\$345,000</b>

## SCHEDULE 3: BULK WASTEWATER WAINUIOMATA CAPITAL DEVELOPMENT

Wainuiomata Wastewater Treatment and Disposal	\$848,000
Network Flowmeter	\$30,000
<b>Total Wastewater Wainuiomata Capital Development</b>	<b>\$878,000</b>

## SCHEDULE 3: BULK WASTEWATER HUTT VALLEY CAPITAL DEVELOPMENT

Main Pumping Station Wetwell Walkway	\$65,000
Trade Waste Pumping Station Walkway	\$35,000
<b>Total Bulk Wastewater Hutt Valley Capital Development</b>	<b>\$100,000</b>

## SCHEDULE 3: HUTT VALLEY WASTEWATER SCHEME PROJECT CAPITAL DEVELOPMENT

Project Management, Administration and Seaview Property	\$313,824
Management Structure and Funding	\$10,000
Design, Build And Operate Contract Procurement Process	\$832,000
Consultation, Monitoring and Resource Management Act Processes	\$120,000
Scheme Element Development	\$508,500
<b>Total Wastewater Project Capital Development</b>	<b>\$1,784,324</b>

## CARRY OVER 97/98

Purchase of property at Silverstream for Construction of Excess Flow Management Facility	\$500,000
<b>TOTAL WASTEWATER PROJECT CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$2,284,324</b>
<b>TOTAL CAPITAL DEVELOPMENT</b>	<b>\$3,262,324</b>











# 11. STORMWATER

## DESCRIPTION

Effective drainage systems protect property from flooding damage. Stormwater infrastructure includes pipe networks, streetside gutters, retention dams and open watercourses (streams). These are provided and maintained according to the reasonable costs of managing foreseeable flooding events.

## REASON FOR ACTIVITY

No private markets exist to provide a comprehensive city-wide stormwater system.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with stormwater services.	NRB Communitrak Survey.
 Fewer than four stormwater reticulation incidents per kilometre of public stormwater drain reported to the Council.	Incident Reports.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 11. STORMWATER – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
12,000	Operating Subsidies	12,000	12,000	12,000
<b>12,000</b>	<b>Total Operating Revenue</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>
	<b>EXPENDITURE</b>			
	Employee Costs	177,625	177,625	177,625
247,253	Supplier Costs	248,253	248,253	248,253
427,724	Support Costs	185,367	196,518	196,759
26,720	Internal Costs/(Recoveries)	25,000	26,504	26,536
651,400	Maintenance Costs	651,400	651,400	651,400
165,000	Cyclic Operating Expenditure			
	Interest Expense	975,263	1,026,771	860,482
63,722	Depreciation	57,252	69,620	84,648
	Cyclic Renewal Depreciation	190,600	190,600	190,600
1,027,058	Cost of Capital			
<b>2,608,877</b>	<b>Total Operating Expenditure</b>	<b>2,510,760</b>	<b>2,587,292</b>	<b>2,436,303</b>
<b>2,596,877</b>	<b>Net (Surplus)/Deficit</b>	<b>2,498,760</b>	<b>2,575,292</b>	<b>2,424,303</b>

## FUNDING STATEMENT

<b>2,596,877</b>	<b>Net (Surplus)/Deficit</b>	<b>2,498,760</b>	<b>2,575,292</b>	<b>2,424,303</b>	
(1,027,058)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	198,000	188,000	190,000	Schedule 1
	Less: Funding to/(from) Cyclic Renewal Depreciation	(190,600)	(190,600)	(190,600)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(7,400)	2,600	600	
	Asset Management Plan Capital Discrete Assets		80,000		
290,000	Capital Development	412,000	320,000	650,000	Schedule 2
<b>1,859,819</b>	<b>Total Funding Requirement</b>	<b>2,910,760</b>	<b>2,975,292</b>	<b>3,074,303</b>	
	<b>Funding Source:</b>				
1,569,819	Rates Funding	2,498,760	2,575,292	2,424,303	
290,000	Loans	412,000	400,000	650,000	
<b>1,859,819</b>	<b>Total</b>	<b>2,910,760</b>	<b>2,975,292</b>	<b>3,074,303</b>	



### SCHEDULE 1: CYCLIC RENEWAL CAPITAL NON DISCRETE ASSETS

Minor Works	\$70,000
Stream Improvements	\$35,000
Black Stream/Stanley Street	\$93,000

**Cyclic Renewal Capital Non-Discrete Assets \$198,000**

### SCHEDULE 2: STORMWATER CAPITAL DEVELOPMENT

Hector Street	\$87,000
Esplanade Petone (Bolton → Oriental)	\$230,000
Westminster Road	\$95,000

**Total Stormwater Capital Development \$412,000**

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?











# 12. LIBRARIES

## DESCRIPTION

The Council provides, maintains and manages eight libraries in the City. The City's libraries are run as a single city-wide service. Their primary role is the provision of written and recorded media, chiefly books, video and audio tapes. This material is used for many purposes including entertainment, learning and research.

## REASON FOR ACTIVITY

There is strong public preference for keeping the City's libraries. Reviews are undertaken from time to time to ensure they meet changing public requirements and remain efficient.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Achieve the following number of book issues: Central 690,000 Eastbourne 110,000 Moera 75,000 Naenae 160,000 Petone 175,000 Stokes Valley 110,000 Taita 55,000 Wainuiomata 175,000 <b>Total 1,550,000</b>	Management Reports.
 The following net direct cost per issue: Central \$2.90 Eastbourne \$2.97 Moera \$2.16 Naenae \$2.22 Petone \$2.53 Stokes Valley \$2.55 Taita \$2.66 Wainuiomata \$2.89 <b>Average \$2.72</b>	Operational expenditure against issues.
 At least 80% of Hutt City residents are satisfied with the library service.	NRB Communitrak Survey.
 At least 80% of Hutt City residents use the library service during the year.	NRB Communitrak Survey.
  Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard. 	Management Reports.
  Capital programmes carried out on time, within budget and to the appropriate standard. 	Management Reports.

## LIBRARIES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
148,600	User Charges	141,970	176,306	175,459
24,100	Miscellaneous	22,900		
<b>172,700</b>	<b>Total Operating Revenue</b>	<b>164,870</b>	<b>176,306</b>	<b>175,459</b>
	<b>EXPENDITURE</b>			
1,560,592	Employee Costs	1,484,930	1,484,930	1,484,930
211,785	Supplier Costs	927,883	927,883	927,883
802,106	Support Costs	1,521,216	1,435,731	1,437,487
310,939	Internal Costs/(Recoveries)	280,185	264,440	264,763
39,025	Maintenance Costs	47,000	47,000	47,000
738,000	Cyclic Operating Expenditure			
	Interest Expense	131,186	138,219	115,834
48,450	Depreciation	103,356	109,268	108,402
<b>3,710,897</b>	<b>Total Operating Expenditure</b>	<b>4,495,756</b>	<b>4,407,471</b>	<b>4,386,299</b>
<b>3,538,197</b>	<b>Net (Surplus)/Deficit</b>	<b>4,330,886</b>	<b>4,231,165</b>	<b>4,210,840</b>



## FUNDING STATEMENT

<b>3,538,197</b>	<b>Net (Surplus)/Deficit</b>	<b>4,330,886</b>	<b>4,231,165</b>	<b>4,210,840</b>	
	Asset Management Plan Capital Discrete Assets	20,000	54,000	14,000	Schedule 1
232,500	Capital Development	360,000	51,000	50,000	Schedule 2
(10,000)	Transfers to/(from) Funds				
<b>3,760,697</b>	<b>Total Funding Requirement</b>	<b>4,710,886</b>	<b>4,336,165</b>	<b>4,274,840</b>	
	<b>Funding Source:</b>				
3,538,197	Rates Funding	4,330,886	4,231,165	4,210,840	
222,500	Loans	380,000	105,000	64,000	
<b>3,760,697</b>	<b>Total</b>	<b>4,710,886</b>	<b>4,336,165</b>	<b>4,274,840</b>	

The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?

### SCHEDULE 1: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Lower Hutt War Memorial Library: Replace Switchboard \$20,000

**Total Asset Management Plan Capital Discrete Assets \$20,000**

### SCHEDULE 2: CAPITAL DEVELOPMENT

Lower Hutt War Memorial Library: Information Technology Strategy \$210,000

**Total Capital Development \$210,000**

### CARRY OVER 97/98

Lower Hutt War Memorial Library: Information Technology Strategy \$150,000

**TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER \$360,000**



# 13. MUSEUMS










## DESCRIPTION

The Council operates two museums. The Dowse Art Museum displays craft and other artistic materials. The Petone Settlers Museum specialises in the social history of the lower Hutt Valley and Petone. These institutions are open to the public at no charge, other than for special exhibitions.










## REASON FOR ACTIVITY

There is strong public preference for keeping the City's museums. Reviews are undertaken from time to time to ensure they remain efficient and meet changing public requirements.

## DOWSE

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 80% of users are satisfied with the Dowse Museum.	NRB Communitrak Survey.
 80,000 visitors per year.	From monthly report provided as part of performance contract.
 A net direct cost per visit of \$14.35.	Operational expenditure against visits.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## SETTLERS MUSEUM

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 80% of users are satisfied with the Settlers Museum.	NRB Communitrak Survey.
 23,000 visitors per year.	From monthly report provided as part of performance contract.
 A net direct cost per visit of \$15.95.	Operational expenditure against visits.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 13. MUSEUMS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
53,250	User Charges	55,750	74,744	111,407
105,200	Miscellaneous	210,690	210,690	210,690
<b>158,450</b>	<b>Total Operating Revenue</b>	<b>266,440</b>	<b>285,434</b>	<b>322,097</b>
	<b>EXPENDITURE</b>			
702,274	Employee Costs	741,308	741,308	741,308
529,768	Supplier Costs	604,158	604,158	604,158
207,994	Support Costs	292,003	309,498	309,877
15,200	Internal Costs/(Recoveries)	15,600	16,535	16,555
72,640	Maintenance Costs	67,200	67,200	67,200
48,700	Cyclic Operating Expenditure			
	Interest Expense	67,203	70,628	59,190
51,227	Depreciation	60,614	59,946	59,167
364,636	Cost of Capital			
<b>1,992,439</b>	<b>Total Operating Expenditure</b>	<b>1,848,086</b>	<b>1,869,274</b>	<b>1,857,455</b>
<b>1,833,989</b>	<b>Net (Surplus)/Deficit</b>	<b>1,581,646</b>	<b>1,583,839</b>	<b>1,535,357</b>



## FUNDING STATEMENT

1,833,989	<b>Net (Surplus)/Deficit</b>	1,581,646	1,583,839	1,535,357	
(364,636)	Less: Cost of Capital				
25,500	Capital Development	18,300			Schedule 1
<b>1,494,853</b>	<b>Total Funding Requirement</b>	<b>1,599,946</b>	<b>1,583,839</b>	<b>1,535,357</b>	
	<b>Funding Source:</b>				
1,469,353	Rates Funding	1,581,646	1,583,839	1,535,357	
25,500	Loans	18,300			
<b>1,494,853</b>	<b>Total</b>	<b>1,599,946</b>	<b>1,583,839</b>	<b>1,535,357</b>	

### SCHEDULE 1: CAPITAL DEVELOPMENT

Artworks Acquisitions (Dowse) \$11,000

**Total Capital Development \$11,000**

### CARRY OVER 97/98

Dowse Art Museum Lecture Theatre \$7,300

**Total Carry Over 97/98 \$7,300**

**TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER \$18,300**

The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?

# 14. SWIMMING POOLS

## DESCRIPTION

The Council provides and maintains six swimming pools in the City as part of its portfolio of recreational facilities and programmes. They are provided to encourage and promote health and enjoyment.

## REASON FOR ACTIVITY

There are insufficient incentives for private interests to undertake the provision of the level of swimming pools the community desires. The Council meets the desires of the community by the provision of these facilities.

PERFORMANCE MEASURES	SOURCE OF INFORMATION														
 At least 80% of Hutt City residents are satisfied with pools.	NRB Communitrak Survey March.														
 Achieve the following target number of users: <table border="1" data-bbox="422 936 662 1120"> <tr><td>Huia</td><td>320,000</td></tr> <tr><td>Naenae</td><td>260,000</td></tr> <tr><td>Stokes Valley</td><td>120,000</td></tr> <tr><td>Eastbourne</td><td>30,000</td></tr> <tr><td>McKenzie</td><td>30,000</td></tr> <tr><td>Wainuiomata</td><td>63,000</td></tr> <tr><td><b>Total</b></td><td><b>823,000</b></td></tr> </table>	Huia	320,000	Naenae	260,000	Stokes Valley	120,000	Eastbourne	30,000	McKenzie	30,000	Wainuiomata	63,000	<b>Total</b>	<b>823,000</b>	Monthly reports from the Aquatics Manager as part of the annual performance contract.
Huia	320,000														
Naenae	260,000														
Stokes Valley	120,000														
Eastbourne	30,000														
McKenzie	30,000														
Wainuiomata	63,000														
<b>Total</b>	<b>823,000</b>														
 At least 65% of residents used a pool during the year.	NRB Communitrak Survey March.														
 Achieve the net direct costs per user per annum. <table border="1" data-bbox="422 1258 662 1442"> <tr><td>Huia</td><td>\$1.76</td></tr> <tr><td>Naenae</td><td>\$2.76</td></tr> <tr><td>Stokes Valley</td><td>\$3.30</td></tr> <tr><td>Eastbourne</td><td>\$3.88</td></tr> <tr><td>McKenzie</td><td>\$4.12</td></tr> <tr><td>Wainuiomata</td><td>\$4.93</td></tr> <tr><td><b>Average</b></td><td><b>\$2.71</b></td></tr> </table>	Huia	\$1.76	Naenae	\$2.76	Stokes Valley	\$3.30	Eastbourne	\$3.88	McKenzie	\$4.12	Wainuiomata	\$4.93	<b>Average</b>	<b>\$2.71</b>	Operational expenditure against user numbers.
Huia	\$1.76														
Naenae	\$2.76														
Stokes Valley	\$3.30														
Eastbourne	\$3.88														
McKenzie	\$4.12														
Wainuiomata	\$4.93														
<b>Average</b>	<b>\$2.71</b>														
 Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.  	Management Reports.														
 Capital programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.														
 100% compliance with NZ swimming pool standards.	Management Reports.														

## 14. SWIMMING POOLS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
1,196,882	User Charges	1,043,604	1,080,115	1,105,699
54,946	Miscellaneous	52,000	52,000	52,000
<b>1,251,828</b>	<b>Total Operating Revenue</b>	<b>1,095,604</b>	<b>1,132,115</b>	<b>1,157,699</b>
	<b>EXPENDITURE</b>			
1,320,942	Employee Costs	1,253,725	1,253,725	1,253,725
901,574	Supplier Costs	894,232	894,232	894,232
550,297	Support Costs	495,530	525,409	526,052
80,365	Internal Costs/(Recoveries)	81,725	86,653	86,759
210,366	Maintenance Costs	331,115	331,115	331,115
138,900	Cyclic Operating Expenditure			
	Interest Expense	157,386	165,559	138,746
242,941	Depreciation	229,082	227,621	224,753
507,131	Cost of Capital			
<b>3,952,516</b>	<b>Total Operating Expenditure</b>	<b>3,442,795</b>	<b>3,484,314</b>	<b>3,455,381</b>
<b>2,700,688</b>	<b>Net (Surplus)/Deficit</b>	<b>2,347,191</b>	<b>2,352,199</b>	<b>2,297,682</b>








## FUNDING STATEMENT

2,700,688	Net (Surplus)/Deficit	2,347,191	2,352,199	2,297,682	
(507,131)	Less: Cost of Capital				
733,000	Capital Development	125,500	40,000	25,000	Schedule 1
<b>2,926,557</b>	<b>Total Funding Requirement</b>	<b>2,472,691</b>	<b>2,392,199</b>	<b>2,322,682</b>	
	<b>Funding Source:</b>				
2,193,557	Rates Funding	2,347,191	2,352,199	2,297,682	
733,000	Loans	125,500	40,000	25,000	
<b>2,926,557</b>	<b>Total</b>	<b>2,472,691</b>	<b>2,392,199</b>	<b>2,322,682</b>	

## SCHEDULE 1: CAPITAL DEVELOPMENT

Huia: Install Pump Speed Controls	\$15,000
Naenae: Heat Makeup Boiler	\$15,500
Naenae: Reinject Groundwater	\$50,000
Huia: Showering Facilities	\$45,000
<b>Total Capital Development</b>	<b>\$125,500</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?






# 15. RECREATION PROGRAMMES

## DESCRIPTION

Recreation Programmes are mainly programmes using swimming pools. These include events, children's holiday programmes, leisure education and the support of community recreation activities.

## REASON FOR ACTIVITY

Recreation programmes are designed to meet the physical well-being and life skill needs of Hutt City residents in ways that are not otherwise met.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 300 programmes and events are carried out with an increasing trend in participation across all programmes.	Monthly reporting from Community and Recreation Division.
 At least 80% of Hutt City users are satisfied with recreation programmes.	NRB Communitrak Survey March.
 Recreation programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 15. RECREATION PROGRAMMES - STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
50,000	User Charges	65,500	88,406	107,368	
99,000	Miscellaneous	109,750	109,750	109,750	
<b>149,000</b>	<b>Total Operating Revenue</b>	<b>175,250</b>	<b>198,156</b>	<b>217,118</b>	
	<b>EXPENDITURE</b>				
204,853	Employee Costs	199,550	199,550	199,550	
197,395	Supplier Costs	236,853	236,853	236,853	
96,216	Support Costs	130,242	137,964	138,133	
7,600	Internal Costs/(Recoveries)	7,600	8,051	8,060	
3,000	Maintenance Costs	3,000	3,000	3,000	
45,000	One-Off Operating Projects	45,000	45,000	45,000	Schedule 1
	Interest Expense	398	456	382	
<b>554,064</b>	<b>Total Operating Expenditure</b>	<b>622,643</b>	<b>630,873</b>	<b>630,978</b>	
<b>405,064</b>	<b>Net (Surplus)/Deficit</b>	<b>447,393</b>	<b>432,717</b>	<b>413,860</b>	

## FUNDING STATEMENT

405,064	Net (Surplus)/Deficit	447,393	432,717	413,860
405,064	Total Funding Requirement	447,393	432,717	413,860
<b>Funding Source:</b>				
405,064	Rates Funding	447,393	432,717	413,860
0	Loans	0	0	0
405,064	Total	447,393	432,717	413,860



## SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Walter Nash Stadium Operating Grant	\$45,000
<b>Total One-Off Operating Projects</b>	<b>\$45,000</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?








# 16. PARKS, RESERVES AND BEACHES

## DESCRIPTION

The Council provides and maintains passive recreational facilities in the City for the enjoyment and well-being of the public free of charge. Recreation areas are both natural and created, with significant expenditure on maintenance and on returning areas to their natural state.

## REASON FOR ACTIVITY

The market does not provide such facilities at levels desired by the community.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of Hutt City residents are satisfied with parks, and reserves.	NRB Communitrak Survey.
 Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.  	Management Reports.
 Capital programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 16. PARKS, RESERVES AND BEACHES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
351,372	User Charges	295,200	343,672	340,161
351,372	<b>Total Operating Revenue</b>	295,200	343,672	340,161
	<b>EXPENDITURE</b>			
	Employee Costs	194,910	194,910	194,910
2,868,696	Supplier Costs	2,958,104	2,865,000	2,865,000
366,324	Support Costs	246,834	262,584	262,905
(94,128)	Internal Costs/(Recoveries)	(91,715)	(97,567)	(97,686)
281,580	Maintenance Costs	449,580	449,580	449,580
314,000	Cyclic Operating Expenditure			
	Interest Expense	276,229	290,868	243,761
359,621	Depreciation	210,569	214,517	217,530
	Cyclic Renewal Depreciation	115,500	115,500	115,500
740,485	Cost of Capital			
4,836,578	<b>Total Operating Expenditure</b>	4,360,011	4,295,391	4,251,499
4,485,206	<b>Net (Surplus)/Deficit</b>	4,064,811	3,951,719	3,911,339

## FUNDING STATEMENT

<b>4,485,206</b>	<b>Net (Surplus)/Deficit</b>	<b>4,064,811</b>	<b>3,951,719</b>	<b>3,911,339</b>	
(740,485)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	125,000	115,000	115,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(115,500)	(115,500)	(115,500)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(9,500)	500	500	
	Asset Management Plan Capital Discrete Assets	15,000			Schedule 2
474,500	Capital Development	628,265	645,000	450,000	Schedule 3
(462,000)	Transfers to/(from) Funds	(678,272)			
<b>3,757,221</b>	<b>Total Funding Requirement</b>	<b>4,029,804</b>	<b>4,596,719</b>	<b>4,361,339</b>	
	<b>Funding Source:</b>				
3,744,721	Rates Funding	3,971,539	3,951,719	3,911,339	
12,500	Loans	58,265	645,000	450,000	
<b>3,757,221</b>	<b>Total</b>	<b>4,029,804</b>	<b>4,596,719</b>	<b>4,361,339</b>	



### SCHEDULE 1: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Playgrounds	\$100,000
Walkways Upgrade Programme	\$15,000
Seats, Bins and Signage	\$10,000

**Total Cyclic Renewal Capital for Non-Discrete Assets**  
\$125,000

### SCHEDULE 2: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Riddiford Gardens Bridge	\$15,000
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**Total Asset Management Plan Capital Discrete Assets**  
\$15,000

### SCHEDULE 3: CAPITAL DEVELOPMENT (INCLUDED)

Bollards	\$5,000
Hikoikoi Reserve Development (Funding from Hikoikoi Reserve Fund).	\$250,000
Petone Foreshore Upgrade (Funding from Reserves Purchase and Development Fund).	\$250,000
Hutt River Trail (Funding from Reserves Purchase and Development Fund).	\$10,000
Purchase of Reserve – Wainuiomata (Funding from Reserves Purchase and Development Fund).	\$75,000
<b>Total Capital Development</b>	<b>\$590,000</b>

### CARRY OVER 97/98

Skateboard Park	\$38,265
<b>Total Carry Over 97/98</b>	<b>\$38,265</b>

**TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER** \$628,265

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?












# 17. SPORTSFIELDS

## DESCRIPTION

*The Council provides a range of recreational facilities for use by sports codes around the City. Sportsfields are maintained through maintenance contracts. The quality of the fields is determined by the willingness of each code to pay for a further level of preparation quality beyond an amenity level standard.*

## REASON FOR ACTIVITY

*The community expresses a strong desire to maintain and enhance the number of codes represented by the City's sportsfields. If left to the codes themselves, or other private sector entities, the number and quality of sportsfields in the City would be considerably less than the Community desires.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Sportsfields used at 80% of their carrying capacity.	Management Reports.
 At least 80% of Hutt City residents are satisfied with sportsfields.	NRB Communitrak Survey.
 95% of sportsfields meet the standards agreed with sports codes.	End of season survey of sports codes 1996/97.
   Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	
   Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

## 17. SPORTSFIELDS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 1999/01 \$
	<b>REVENUE</b>			
241,109	User Charges	232,000	256,172	272,648
<b>241,109</b>	<b>Total Operating Revenue</b>	<b>232,000</b>	<b>256,172</b>	<b>272,648</b>
	<b>EXPENDITURE</b>			
	Employee Costs	83,885	83,885	83,885
1,477,246	Supplier Costs	1,468,302	1,468,302	1,468,302
175,551	Support Costs	129,750	137,827	137,995
34,070	Internal Costs/(Recoveries)	34,070	36,191	36,235
103,300	Maintenance Costs	103,300	103,300	103,300
79,000	Cyclic Operating Expenditure			
39,900	One-Off Operating Projects	39,900	15,000	Schedule 1
	Interest Expense	133,795	141,257	118,380
100,465	Depreciation	98,081	99,492	99,684
	Cyclic Renewal Depreciation	50,000	50,000	50,000
247,918	Cost of Capital			
<b>2,257,450</b>	<b>Total Operating Expenditure</b>	<b>2,141,083</b>	<b>2,135,254</b>	<b>2,097,781</b>
<b>2,016,341</b>	<b>Net (Surplus)/Deficit</b>	<b>1,909,083</b>	<b>1,879,082</b>	<b>1,825,133</b>

## FUNDING STATEMENT

<b>2,016,341</b> (247,918)	<b>Net (Surplus)/Deficit</b>	<b>1,909,083</b>	<b>1,879,082</b>	<b>1,825,133</b>	
	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	50,000	50,000	50,000	Schedule 2
	Less: Funding from Cyclic Renewal Depreciation	(50,000)	(50,000)	(50,000)	
	Asset Management Plan Capital Discrete Assets	30,000	30,000	30,000	Schedule 3
104,400	Capital Development	190,000	100,000	90,000	Schedule 4
	Transfers to/(from) Funds	(90,000)			
<b>1,872,823</b>	<b>Total Funding Requirement</b>	<b>2,039,083</b>	<b>2,009,082</b>	<b>1,945,133</b>	
	<b>Funding Source:</b>				
1,768,423	Rates Funding	1,909,083	1,879,082	1,825,133	
104,400	Loans	130,000	130,000	120,000	
<b>1,872,823</b>	<b>Total</b>	<b>2,039,083</b>	<b>2,009,082</b>	<b>1,945,133</b>	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Wellington 2006 Commonwealth Games Bid \$39,900

**Total One-Off Operating Projects \$39,900**

### SCHEDULE 2: CYCLIC RENEWAL CAPITAL FOR NON-DISCRETE ASSETS

Roading Maintenance \$50,000

**Total Cyclic Renewal Capital for Non-Discrete Assets \$50,000**

### SCHEDULE 3: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Petone Recreation Ground Grandstand Steelwork \$30,000

**Total Asset Management Plan Capital Discrete Assets \$30,000**



The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?

## SCHEDULE 4: CAPITAL DEVELOPMENT

Hutt Recreation Ground Drainage and Irrigation  
\$90,000

(Funding from Reserves Purchase and Development Fund).

**Total Capital Development** \$90,000

## CARRY OVER 97/98

Fraser Park – Reorganisation \$100,000

**Total Carry Over 97/98** \$100,000

**TOTAL CAPITAL DEVELOPMENT** \$190,000

# 18. CEMETERIES

## DESCRIPTION

The Council provides and maintains appropriate and culturally acceptable interment services.

## REASON FOR ACTIVITY

The community wishes that proper provision be made for the burial of the dead. The cemeteries provided for this purpose allow open access to the community for the purpose of visiting departed friends and relatives, and therefore need to be maintained.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
80% of Hutt City residents are satisfied with cemeteries.	NRB Communitrak Survey.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes, carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 18. CEMETERIES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
169,000	User Charges	200,540	204,381	203,921
960	Miscellaneous	824	824	824
<b>169,960</b>	<b>Total Operating Revenue</b>	<b>201,364</b>	<b>205,205</b>	<b>204,745</b>
	<b>EXPENDITURE</b>			
	Employee Costs	48,851	48,851	48,851
236,788	Supplier Costs	237,100	236,000	236,000
99,442	Support Costs	67,565	59,930	60,003
4,900	Internal Costs/(Recoveries)	4,900	17,078	17,099
24,895	Maintenance Costs	24,895	24,895	24,895
18,000	Cyclic Operating Expenditure			
	Interest Expense	6,886	7,594	6,365
2,426	Depreciation	2,341	2,659	2,876
	Cyclic Renewal Depreciation	11,500	11,500	11,500
13,974	Cost of Capital			
<b>400,425</b>	<b>Total Operating Expenditure</b>	<b>404,038</b>	<b>408,508</b>	<b>407,589</b>
<b>230,465</b>	<b>Net (Surplus)/Deficit</b>	<b>202,674</b>	<b>203,303</b>	<b>202,843</b>

## FUNDING STATEMENT

230,465	Net (Surplus)/Deficit	202,674	203,303	202,843	
(13,974)	Less: Cost of Capital				
	Cyclic Renewal Capital Non Discrete Assets	20,000	20,000	20,000	Schedule 1
	Less: Funding from Cyclic Renewal Depreciation	(11,500)	(11,500)	(11,500)	
	Transfer to/(from) Cyclic Renewal Depreciation Fund	(8,500)	(8,500)	(8,500)	
100,000	Capital Development	40,000	150,000		Schedule 2
	Debt Repayment	33,040	33,040	33,040	
	Transfers to/(from) Funds	(1,591)			
316,491	<b>Total Funding Requirement</b>	<b>274,123</b>	<b>386,343</b>	<b>235,883</b>	
	<b>Funding Source:</b>				
216,491	Rates Funding	234,123	236,343	235,883	
100,000	Loans	40,000	150,000		
316,491	<b>Total</b>	<b>274,123</b>	<b>386,343</b>	<b>235,883</b>	

### SCHEDULE 1: CYCLIC RENEWAL CAPITAL NON-DISCRETE ASSETS

Paving Reinstatement	\$20,000
<b>Total Cyclic Renewal Capital Non Discrete Assets</b>	<b>\$20,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT

Development of Burial Sites	\$40,000
<b>Total Capital Development</b>	<b>\$40,000</b>

# 19. SOCIAL POLICY

## DESCRIPTION

Social policy development involves research into community needs and consultation with those affected as programmes are developed.

## REASON FOR ACTIVITY

Decisions are best made by those close to the source of a problem. Local authorities frequently have greater knowledge of local needs than does the traditional social provider, Central Government. It is important that communities have a level of government that is able to respond quickly and specifically to their needs. The Council therefore maintains the capacity to quickly respond to problems and issues within the community it represents.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
<input checked="" type="checkbox"/> Social Policy process maintained.	Social Policy monitoring programme.

## 19. SOCIAL POLICY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
0	<b>REVENUE</b>			
	Total Operating Revenue	0	0	0
	<b>EXPENDITURE</b>			
129,024	Employee Costs	71,969	71,969	71,969
68,104	Supplier Costs			
60,263	Support Costs	67,248	71,007	71,094
5,486	Internal Costs/(Recoveries)			
24,296	Depreciation			
120,502	Cost of Capital			
407,675	Total Operating Expenditure	139,217	142,976	143,063
407,675	Net (Surplus)/Deficit	139,217	142,976	143,063

## FUNDING STATEMENT

407,675	Net (Surplus)/Deficit	139,217	142,976	143,063
(120,502)	Less: Cost of Capital			
287,173	Total Funding Requirement	139,217	142,976	143,063
	<b>Funding Source:</b>			
287,173	Rates Funding	139,217	142,976	143,063
287,173	Total	139,217	142,976	143,063

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?





# 20. COMMUNITY DEVELOPMENT

## DESCRIPTION

Community Development is the carrying out of the Council's social policy. This is achieved either directly through the Council's Community Development Services Division, or where applicable, through private contracts. This service includes community houses which are a resource available to the City as a whole, but intended for the use of groups that cannot afford other facilities.

## REASON FOR ACTIVITY

Council has a policy of retaining the capacity to respond to social issues affecting members and groups of the community it represents. Often these members and groups are affected by income and disability problems which, if not addressed by external agencies, would eventually become a cost to the community as a whole.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Contracted community development services meet the terms and conditions described in their contracts.	Management Reports.
 Community development programmes carried out on time, within budget and to the appropriate standard.	
	
	

## 20. COMMUNITY DEVELOPMENT - STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
15,193	User Charges	7,000		
15,193	<b>Total Operating Revenue</b>	7,000	0	0
	<b>EXPENDITURE</b>			
	Employee Costs	146,451	146,451	146,451
41,637	Supplier Costs	146,500	145,000	148,000
	Support Costs	127,356	135,014	135,179
13,164	Internal Costs/(Recoveries)			
33,700	Maintenance Costs	7,000	7,000	7,000
	Interest Expense	18,901	19,746	16,548
88,501	<b>Total Operating Expenditure</b>	446,208	453,210	453,177
73,308	<b>Net (Surplus)/Deficit</b>	439,208	453,210	453,177

## FUNDING STATEMENT

73,308	<b>Net (Surplus)/Deficit</b>	439,208	453,210	453,177
11,000	Capital Development			
84,308	<b>Total Funding Requirement</b>	439,208	453,210	453,177
	<b>Funding Source:</b>			
73,308	Rates Funding	439,208	453,210	453,177
11,000	Loans	0	0	0
84,308	<b>Total</b>	439,208	453,210	453,177

# 21. COMMUNITY GRANTS

## DESCRIPTION

The Council distributes grants to community groups, and occasionally to individuals in extreme need, on behalf of the community. These grants are designed to specifically benefit the groups and individuals receiving them, while also benefiting the community in general. The community benefit occurs when all citizens have access to life opportunities and resources.

## REASON FOR ACTIVITY

Community grants are designed to allow groups in the community to achieve their goals where this would not otherwise have been possible due to lack of resources.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
Contracts for service or reporting requirements met.	Management Reports.
Community grants programme carried out on time, within budget and to the appropriate standard.  	

The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?

## 21. COMMUNITY GRANTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
95,000	Operating Subsidies				
<b>95,000</b>	<b>Total Operating Revenue</b>	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>EXPENDITURE</b>				
	Employee Costs	75,832	75,832	75,832	
1,015,300	Supplier Costs	960,400	960,400	960,400	
	Support Costs	73,346	78,008	78,103	
4,000	Internal Costs/(Recoveries)				
151,875	One-Off Operating Projects	151,875	151,875	151,875	Schedule 1
<b>1,171,175</b>	<b>Total Operating Expenditure</b>	<b>1,261,453</b>	<b>1,266,115</b>	<b>1,266,210</b>	
<b>1,076,175</b>	<b>Net (Surplus)/Deficit</b>	<b>1,261,453</b>	<b>1,266,115</b>	<b>1,266,210</b>	

## FUNDING STATEMENT

1,076,175	Net (Surplus)/Deficit	1,261,453	1,266,115	1,266,210
1,076,175	<b>Total Funding Requirement</b>	<b>1,261,453</b>	<b>1,266,115</b>	<b>1,266,210</b>
	<b>Funding Source:</b>			
1,076,175	Rates Funding	1,261,453	1,266,115	1,266,210
<b>1,076,175</b>	<b>Total</b>	<b>1,261,453</b>	<b>1,266,115</b>	<b>1,266,210</b>



## SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Grants and Scholarships	\$151,875
<b>Total One-Off Operating Projects</b>	<b>\$151,875</b>

# 22. COMMERCIAL DEVELOPMENT









## DESCRIPTION

*On behalf of local business communities around the City, the Council acts as a revenue collector to ensure that all local businesses contribute toward the development of their business areas. The business area programmes are designed by the business communities themselves, and the programmes only proceed if there is sufficient support from the local business community.*

## REASON FOR ACTIVITY

*The Council is in a unique position because of its revenue collecting powers under the Rating Powers Act. Its role therefore is simply to prevent ‘free-riders’ from benefiting at the expense of neighbouring businesses.*



PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Hutt 2000. Business Plan milestones met.	Management Reports.
 Jackson Street programme. Business Plan milestones met.	Management Reports.
 Commercial development programme, carried out on time, within budget and to the appropriate standard.  	Management Reports.
 Capital programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

## 22. COMMERCIAL REDEVELOPMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
0	Total Operating Revenue	0	0	0	
	<b>EXPENDITURE</b>				
	Employee Costs	89,962	89,962	89,962	
170,000	Supplier Costs				
42,977	Support Costs	71,172	75,008	75,099	
180,000	One-Off Operating Projects	300,000	300,000	300,000	Schedule 1
	Interest Expense	4,183	4,557	3,819	
1,000	Depreciation	273			
374	Cost of Capital				
394,351	Total Operating Expenditure	465,590	469,526	468,880	
394,351	Net (Surplus)/Deficit	465,590	469,526	468,880	

### FUNDING STATEMENT

394,351	Net (Surplus)/Deficit	465,590	469,526	468,880	
(374)	Less: Cost of Capital				
713,000	Capital Development	679,000			Schedule 2
1,106,977	Total Funding Requirement	1,144,590	469,526	468,880	
	<b>Funding Source:</b>				
393,977	Rates Funding	465,590	469,526	468,880	
713,000	Loans	679,000			
1,106,977	Total	1,144,590	469,526	468,880	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Hutt 2000	\$170,000
Hutt 2000	\$70,000
Jackson Street Programme	\$60,000
<b>Total One-Off Operating Projects</b>	<b>\$300,000</b>

### CARRY OVER 97/98

Central City Programme	\$594,000
<b>Total Carry Over 97/98</b>	<b>\$594,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$679,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT

Suburban Shopping Centres	\$50,000
City of Lights	\$35,000
<b>Total Capital Development</b>	<b>\$85,000</b>

# 23. URBAN DESIGN AND ENVIRONMENTAL PROJECTS






## DESCRIPTION

The Council develops public space in the City in a way that ensures a high standard of design. Designs and projects involve comprehensive consultation with the local community, and projects are developed in compliance with the policies included in the Hutt City Design Framework.


## REASON FOR ACTIVITY


The public space of the City is managed and developed by the Council on behalf of the community. A high standard of design will improve the City's image and attract visitors and investment.




PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Suburban Shopping Centres Project milestones met.	Management Reports.
 Urban design and Design Framework Project milestones met.	Management Reports.
 Urban design and environmental projects programme carried out on time, within budget and to the appropriate standard.  	Management Reports.


The Performance symbols indicate which performance measures are used for each objective.

 Timing – did the programme meet the planned deadlines?

 Budget – was the project within budget?

 Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

 Standard – did the programme meet the appropriate technical standards?

 Effectiveness – were the effectiveness targets met?

 Efficiency – were the efficiency targets met?

## 23. URBAN DESIGN AND ENVIRONMENTAL PROJECTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
20,000	User Charges				
20,000	<b>Total Operating Revenue</b>	0	0	0	
	<b>EXPENDITURE</b>				
276,180	Employee Costs	53,977	53,977	53,977	
45,000	Supplier Costs				
(23,352)	Support Costs	57,977	62,006	62,082	
(10,348)	Internal Costs/(Recoveries)				
15,000	One-Off Operating Projects	25,000	50,000	100,000	Schedule 1
1,584	Depreciation				
859	Cost of Capital				
304,923	<b>Total Operating Expenditure</b>	136,954	165,983	216,059	
284,923	<b>Net (Surplus)/Deficit</b>	136,954	165,983	216,059	

## FUNDING STATEMENT

284,923	Net (Surplus)/Deficit	136,954	165,983	216,059
(859)	Less: Cost of Capital			
374,000	Capital Development	94,000		Schedule 2
(250,000)	Transfers to/(from) Funds	(10,000)		
<b>408,064</b>	<b>Total Funding Requirement</b>	<b>220,954</b>	<b>165,983</b>	<b>216,059</b>
	<b>Funding Source:</b>			
284,064	Rates Funding	136,954	165,983	216,059
124,000	Loans	84,000		
<b>408,064</b>	<b>Total</b>	<b>220,954</b>	<b>165,983</b>	<b>216,059</b>

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Urban Design Projects	\$25,000
<b>Total One-Off Operating Projects</b>	<b>\$25,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT CARRY OVERS

97/98

Suburban Shopping Centre Improvements	\$55,000
Tenths Trust – Pou Pou	\$15,000
Ownership Fitzroy Bay	\$24,000
<b>Total Carry Overs 97/98</b>	<b>\$94,000</b>

# 24. HERITAGE FUND

## DESCRIPTION

The Council will ensure that buildings and sites of architectural, historic or heritage value are preserved by contributing towards feasibility studies, working drawings and earthquake strengthening work. Activities also include the development of a heritage policy for the City, along with heritage projects such as plaques and displays.

## REASON FOR ACTIVITY

The benefits of preserving buildings of architectural, heritage or historic value are to the community as a whole, as the work carried out is often of no benefit to the owner or occupier. The Council therefore purchases the public benefit on behalf of the community. This activity will be carried out within the context provided by a heritage policy. Plaques and displays assist the community to appreciate and value its heritage.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
Contracts for service requirements met.	Management Reports.
Heritage Fund programme carried out on time, within budget and to the appropriate standard.  	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?

## 24. HERITAGE FUND – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98		Forecast 1998/99	Forecast 1999/00	Forecast 2000/01	
\$		\$	\$	\$	
0	<b>REVENUE</b>	0	0	0	
	Total Operating Revenue				
	<b>EXPENDITURE</b>				
	Employee Costs	10,795	10,795	10,795	
	Support Costs	8,109	9,001	9,012	
65,000	One-Off Operating Projects	95,000	75,000	75,000	Schedule 1
65,000	<b>Total Operating Expenditure</b>	<b>113,904</b>	<b>94,796</b>	<b>94,807</b>	
65,000	<b>Net (Surplus)/Deficit</b>	<b>113,904</b>	<b>94,796</b>	<b>94,807</b>	

## FUNDING STATEMENT

65,000	Net (Surplus)/Deficit	113,904	94,796	94,807
65,000	<b>Total Funding Requirement</b>	<b>113,904</b>	<b>94,796</b>	<b>94,807</b>
	<b>Funding Source:</b>			
65,000	Rates Funding	113,904	94,796	94,807
65,000	<b>Total</b>	<b>113,904</b>	<b>94,796</b>	<b>94,807</b>

## SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Earthquake Risk and Heritage Building Fund	\$75,000
Heritage Policy Fund	\$20,000
<b>Total One-Off Operating Projects</b>	<b>\$95,000</b>

# 25. HALLS AND VENUES

## DESCRIPTION

The Council provides hall and venue space around the City for community use. The Council has decided to review the appropriateness of halls and venues in the modern context.

## REASON FOR ACTIVITY

The existence of the Council's halls and venues is historical and under review.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with public halls.	NRB Communitrak Survey.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 25. HALLS AND VENUES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
184,070	User Charges	199,250	193,450	210,745
<b>184,070</b>	<b>Total Operating Revenue</b>	<b>199,250</b>	<b>193,450</b>	<b>210,745</b>
	<b>EXPENDITURE</b>			
	Employee Costs			
227,522	Supplier Costs	240,000	240,000	240,000
68,000	Support Costs	103,767	109,960	110,094
(6,395)	Internal Costs/(Recoveries)	(1,839)	(1,949)	(1,951)
77,000	Maintenance Costs	111,300	40,000	40,000
108,500	Cyclic Operating Expenditure			
6,000	One-Off Operating Projects	16,150		
	Interest Expense	48,871	51,642	43,279
81,257	Depreciation	100,635	97,708	95,442
88,623	Cost of Capital			
<b>650,507</b>	<b>Total Operating Expenditure</b>	<b>618,884</b>	<b>537,362</b>	<b>526,863</b>
<b>466,437</b>	<b>Net (Surplus)/Deficit</b>	<b>419,634</b>	<b>343,911</b>	<b>316,118</b>

Schedule 1



## FUNDING STATEMENT

466,437	Net (Surplus)/Deficit	419,634	343,911	316,118
(88,623)	Less: Cost of Capital			
<b>377,814</b>	<b>Total Funding Requirement</b>	<b>419,634</b>	<b>343,911</b>	<b>316,118</b>
	<b>Funding Source:</b>			
377,814	Rates Funding	419,634	343,911	316,118
	Loans	0	0	0
<b>377,814</b>	<b>Total</b>	<b>419,634</b>	<b>343,911</b>	<b>316,118</b>

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Town Hall – Dressing room and toilet upgrade	\$3,150
Belmont Memorial Hall – Upgrading kitchen & toilet, replacement of entry doors	\$9,500
Horticultural Hall – Upgrade food servery	\$3,500
<b>Total One-Off Operating Projects</b>	<b>\$16,150</b>

# 26. PUBLIC TOILETS

## DESCRIPTION

Public toilets are provided by the Council for people who are travelling, on outings or using nearby facilities where no such amenities exist. They are provided in response to user and ratepayer demand.

## REASON FOR ACTIVITY

The Council's role in providing public toilets is currently being reconsidered. Their chief role appears to be in public health (preventing the fouling of public areas). The Council will ask community opinion on the continuation of the service.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% of Hutt City residents are satisfied with the public toilets provided.	NRB Communitrak Survey.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 26. PUBLIC TOILETS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98		Forecast 1998/99	Forecast 1999/00	Forecast 2000/01
\$		\$	\$	\$
	<b>REVENUE</b>			
0	Total Operating Revenue	0	0	0
	<b>EXPENDITURE</b>			
68,623	Supplier Costs	58,023	58,023	58,023
22,600	Support Costs	30,254	31,657	31,696
10,226	Internal Costs/(Recoveries)	5,110	5,347	5,353
11,000	Maintenance Costs	13,600	13,600	13,600
	Interest Expense	3,690	3,797	3,182
10,144	Depreciation	4,660	5,254	5,333
31,510	Cost of Capital			
<b>154,103</b>	<b>Total Operating Expenditure</b>	<b>115,337</b>	<b>117,678</b>	<b>117,188</b>
<b>154,103</b>	<b>Net (Surplus)/Deficit</b>	<b>115,337</b>	<b>117,678</b>	<b>117,188</b>

## FUNDING STATEMENT

154,103	Net (Surplus)/Deficit	115,337	117,678	117,188	
(31,510)	Less: Cost of Capital				
	Asset Management Plan Capital Discrete Assets			25,000	
90,000	Capital Development	47,000			Schedule 1
<b>212,593</b>	<b>Total Funding Requirement</b>	<b>162,337</b>	<b>117,678</b>	<b>142,188</b>	
	<b>Funding Source:</b>				
122,593	Rates Funding	115,337	117,678	117,188	
90,000	Loans	47,000		25,000	
<b>212,593</b>	<b>Total</b>	<b>162,337</b>	<b>117,678</b>	<b>142,188</b>	

### SCHEDULE 1: CAPITAL DEVELOPMENT

.....  
 New unisex toilet with facilities for the disabled are to be built in Alicetown.

<b>Total Capital Development</b>	<b>\$20,000</b>
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### CARRY OVER 97/98

.....  
 Demolition of the old Parkway toilets pending completion of the new toilets \$27,000

<b>Total Carry Over 97/98</b>	<b>\$27,000</b>
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<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$47,000</b>
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# 27. HOUSING

## DESCRIPTION

The Council provides and maintains housing for elderly people and the socially disadvantaged at market rates. Tenancies which commenced earlier than August 1994 are at lower than market rents.

## REASON FOR ACTIVITY

The Council responded to Central Government incentives to build public housing in the post-war period. Having undertaken a review of the housing stock, the Council decided to sell all but housing for elderly people and the socially disadvantaged as a matter of Council policy.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 91% occupancy for rental housing.	Property Division records.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 27. HOUSING – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
1,566,000	User Charges	1,629,992	1,597,404	1,558,551	
<b>1,566,000</b>	<b>Total Operating Revenue</b>	<b>1,629,992</b>	<b>1,597,404</b>	<b>1,558,551</b>	
	<b>EXPENDITURE</b>				
58,550	Employee Costs	59,700	59,700	59,700	
146,341	Supplier Costs	146,341	146,341	146,341	
120,000	Support Costs	187,502	199,180	199,424	
94,609	Internal Costs/(Recoveries)	110,000	116,851	116,994	
300,767	Maintenance Costs	406,290	350,000	350,000	
128,000	Cyclic Operating Expenditure				
	One-Off Operating Projects	5,000	10,000	10,000	Schedule 1
	Interest Expense	173,736	183,027	153,385	
200,436	Depreciation	226,588	223,645	221,556	
1,213,124	Cost of Capital				
<b>2,261,827</b>	<b>Total Operating Expenditure</b>	<b>1,315,157</b>	<b>1,288,745</b>	<b>1,257,400</b>	
<b>695,827</b>	<b>Net (Surplus)/Deficit</b>	<b>(314,835)</b>	<b>(308,660)</b>	<b>(301,151)</b>	
<b>FUNDING STATEMENT</b>					
695,827	Net (Surplus)/Deficit	(314,835)	(308,660)	(301,151)	
(1,213,124)	Less: Cost of Capital				
	Asset Management Plan Capital Discrete Assets		55,000	85,000	
	Capital Development	40,300			Schedule 2
<b>(517,297)</b>	<b>Total Funding Requirement</b>	<b>(274,535)</b>	<b>(253,660)</b>	<b>(216,151)</b>	
	<b>Funding Source:</b>				
(517,297)	Rates Funding	(314,835)	(308,660)	(301,151)	
0	Loans	40,300	55,000	85,000	
<b>(517,297)</b>	<b>Total</b>	<b>(274,535)</b>	<b>(253,660)</b>	<b>(216,151)</b>	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Naenae Court – 5 new washing machines	\$5,000
<b>Total One-Off Operating Projects</b>	<b>\$5,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT

Kitchen/laundry re-modeling to seven 1950s units	\$34,000
Bauchop Road – Construct carpark bay	\$4,500
Flock Grove – Construct a new fence	\$1,800
<b>Total Capital Development</b>	<b>\$40,300</b>

# 28. COMMERCIAL PROPERTY

## DESCRIPTION

The Council has a number of properties around the City which it occupies, has inherited, or has purchased for the purpose of public works. These are leased at market rates and managed to obtain maximum possible returns. Where these are no longer required for public works or operational purposes, the objective is to sell them as soon as practicable at the highest possible price.



## REASON FOR ACTIVITY

Council is to cease this activity at the earliest possible opportunity.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 90% occupancy for commercial properties.	Property Division Records.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 28. COMMERCIAL PROPERTY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
1,046,920	User Charges	765,204	611,810	576,313	
<b>1,046,920</b>	<b>Total Operating Revenue</b>	<b>765,204</b>	<b>611,810</b>	<b>576,313</b>	
	<b>EXPENDITURE</b>				
	Employee Costs				
593,482	Supplier Costs	554,100	354,000	335,000	
368,600	Support Costs	339,050	359,905	360,345	
(461,243)	Internal Costs/(Recoveries)	(585,893)	(621,931)	(622,692)	
192,300	Maintenance Costs	242,000	140,000	134,000	
14,500	Cyclic Operating Expenditure				
20,000	One-Off Operating Projects	54,500	45,000	45,000	Schedule 1
	Interest Expense	201,939	212,645	178,206	
329,425	Depreciation	266,477	256,492	248,156	
1,763,834	Cost of Capital				
<b>2,820,898</b>	<b>Total Operating Expenditure</b>	<b>1,072,173</b>	<b>746,110</b>	<b>678,015</b>	
<b>1,773,978</b>	<b>Net (Surplus)/Deficit</b>	<b>306,969</b>	<b>134,300</b>	<b>101,702</b>	

### FUNDING STATEMENT

1,773,978	Net (Surplus)/Deficit	306,969	134,300	101,702	
(1,763,834)	Less: Cost of Capital				
107,000	Capital Development	27,000			Schedule 2
<b>117,144</b>	<b>Total Funding Requirement</b>	<b>333,969</b>	<b>134,300</b>	<b>101,702</b>	
	<b>Funding Source:</b>				
10,144	Rates Funding	306,969	134,300	101,702	
107,000	Loans	27,000			
<b>117,144</b>	<b>Total</b>	<b>333,969</b>	<b>134,300</b>	<b>101,702</b>	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Laings Road Administration Building – Security and emergency egress	\$26,500
Laings Road Administration Building – East wing toilets upgrade	\$8,000
Laings Road Administration Building – Re-flooring stairs and level 2 passageway	\$20,000
<b>Total One-Off Operating Projects</b>	<b>\$54,500</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT CARRY OVER 97/98

Ceiling tile and PCB removal upgrade	\$27,000
<b>Total Capital Development Carry Over 97/98</b>	<b>\$27,000</b>
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$27,000</b>

# 29. SEAVIEW MARINA

## DESCRIPTION

The Marina provides rental berths and storage of trailer boats for boat owners. It also provides access to the sea for trailer boats, as well as fishing and other recreational uses.

## REASON FOR ACTIVITY

The Marina area was inherited from the Wellington Harbour Board at the time of local body amalgamation in 1989. The Marina development was seen as a means to satisfy demand for boat mooring and storage while obtaining a return on the area. The current Council policy is to either sell the Marina outright, or to sell long term rights to berths.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
At least 80% occupancy for Marina berths.	Seaview Marina Records.
Renewal and maintenance requirements, as set out in the Asset Management Plan, carried out on time, within budget and to the appropriate standard.	Management Reports.
Capital programmes carried out on time, within budget and to the appropriate standard.	Management Reports.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?



## 29. SEAVIEW MARINA – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
455,500	User Charges	500,000	519,717	534,332	
<b>455,500</b>	<b>Total Operating Revenue</b>	<b>500,000</b>	<b>519,717</b>	<b>534,332</b>	
	<b>EXPENDITURE</b>				
64,500	Employee Costs	67,819	67,819	67,819	
96,500	Supplier Costs	110,800	110,800	110,800	
32,750	Support Costs	57,310	60,860	60,935	
15,500	Internal Costs/(Recoveries)	44,400	47,151	47,208	
20,000	Maintenance Costs	31,000	31,000	31,000	
	One-Off Operating Projects	20,000	20,000	20,000	Schedule 1
	Interest Expense	59,129	62,275	52,189	
496,678	Depreciation	196,763	204,037	210,041	
1,271,305	Cost of Capital				
<b>1,997,233</b>	<b>Total Operating Expenditure</b>	<b>587,221</b>	<b>603,941</b>	<b>599,992</b>	
<b>1,541,733</b>	<b>Net (Surplus)/Deficit</b>	<b>87,221</b>	<b>84,224</b>	<b>65,660</b>	

### FUNDING STATEMENT

1,541,733	<b>Net (Surplus)/Deficit</b>	87,221	84,224	65,660	
(1,271,305)	Less: Cost of Capital				
115,000	Capital Development	160,000	585,000	145,000	Schedule 2
(35,000)	Transfers to/(from) Funds				
<b>350,428</b>	<b>Total Funding Requirement</b>	<b>247,221</b>	<b>669,224</b>	<b>210,660</b>	
	<b>Funding Source:</b>				
270,428	Rates Funding	87,221	84,224	65,660	
80,000	Loans	160,000	585,000	145,000	
<b>350,428</b>	<b>Total</b>	<b>247,221</b>	<b>669,224</b>	<b>210,660</b>	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

New Rip-Rap (rock facing) to end of Central Pier  
\$20,000

**Total One-Off Operating Projects \$20,000**

### SCHEDULE 2: CAPITAL DEVELOPMENT CARRY OVER

97/98

Dockway and ramp control unit \$160,000

**Total Carry Over 97/98 \$160,000**

**TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER \$160,000**

# 30. ELECTED MEMBERS






## DESCRIPTION

*This activity relates to the direct cost of the elected members' decision making processes and the holding of meetings.*







## REASON FOR ACTIVITY

*Councillors are elected to represent the Community and to ensure that the Community's governance, social and material needs are met in those areas appropriate for Local Government action. The appropriate areas for action are generally those for which other providers do not exist or have been delegated by Central Government.*



PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 70% of residents have seen or read any of Council's published information in the year.	NRB Communitrak Survey
 Resident satisfaction with the performance of the Mayor and Councillors is higher than the average for peer local authorities.	NRB Communitrak Survey
 Resident satisfaction with the way rates are spent is higher than the average for peer local authorities.	NRB Communitrak Survey
 At least 80% of residents are satisfied with the service they receive when they contacted Council offices during the year by phone, in person or in writing.	NRB Communitrak Survey
 Average resident satisfaction across all standard community survey questions is higher than the average for peer local authorities.	NRB Communitrak Survey

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

### 30. ELECTED MEMBERS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
0	Total Operating Revenue	0	0	0
	<b>EXPENDITURE</b>			
672,891	Employee Costs	592,787	593,000	600,000
80,600	Supplier Costs	87,600	85,000	85,000
229,266	Support Costs	217,414	230,429	230,711
113,067	Internal Costs/(Recoveries)	89,260	94,603	94,719
10,000	Maintenance Costs	10,000	10,000	10,000
50,000	One-Off Operating Projects	70,000		
1,155,824	<b>Total Operating Expenditure</b>	<b>1,067,061</b>	<b>1,013,033</b>	<b>1,020,430</b>
				Schedule 1
1,155,824	<b>Net (Surplus)/Deficit</b>	<b>1,067,061</b>	<b>1,013,033</b>	<b>1,020,430</b>

### FUNDING STATEMENT

1,155,824	Net (Surplus)/Deficit	1,067,061	1,013,033	1,020,430
1,155,824	<b>Total Funding Requirement</b>	<b>1,067,061</b>	<b>1,013,033</b>	<b>1,020,430</b>
	<b>Funding Source:</b>			
1,155,824	Rates Funding	1,067,061	1,013,033	1,020,430
1,155,824	<b>Total</b>	<b>1,067,061</b>	<b>1,013,033</b>	<b>1,020,430</b>

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

New Ward Committees	\$70,000
<b>Total One-Off Operating Projects</b>	<b>\$70,000</b>

# 31. ADVICE AND SUPPORT SERVICES

## DESCRIPTION

The Council provides and maintains meeting places around the City for Community Boards, and special Council meetings for the purposes of local democracy. The costs of the processes of policy formation, consultation and public accountability through the annual and strategic planning process and the Annual Report are also included here.

## REASON FOR ACTIVITY

The indirect costs of democratic participation are necessary to assist the community and their representatives on Council and Community Boards to make decisions on behalf of the community.



PERFORMANCE MEASURES	SOURCE OF INFORMATION
<input checked="" type="checkbox"/> At least 80% of the Council's report recommendations adopted.	Council minutes.

## 31. ADVICE AND SUPPORT SERVICES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98		Forecast 1998/99	Forecast 1999/00	Forecast 2000/01
\$		\$	\$	\$
	<b>REVENUE</b>			
0	Total Operating Revenue	0	0	0
	<b>EXPENDITURE</b>			
123,600	Supplier Costs	119,600	119,600	119,600
3,297,900	Support Costs	1,789,041	1,794,813	1,797,009
274,874	Internal Costs/(Recoveries)	296,441	297,397	297,761
52,500	One-Off Operating Projects			
3,748,874	Total Operating Expenditure	2,205,082	2,211,810	2,214,370
3,748,874	Net (Surplus)/Deficit	2,205,082	2,211,810	2,214,370

## FUNDING STATEMENT

3,748,874	Net (Surplus)/Deficit	2,205,082	2,211,810	2,214,370
3,748,874	Total Funding Requirement	2,205,082	2,211,810	2,214,370
	<b>Funding Source:</b>			
3,748,874	Rates Funding	2,205,082	2,211,810	2,214,370
3,748,874	Total	2,205,082	2,211,810	2,214,370

The Performance symbols indicate which performance measures are used for each objective.

Timing – did the programme meet the planned deadlines?

Budget – was the project within budget?

Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?

Standard – did the programme meet the appropriate technical standards?

Effectiveness – were the effectiveness targets met?

Efficiency – were the efficiency targets met?









# 32. ENVIRONMENTAL APPROVALS

## DESCRIPTION

Government legislation, regulations and the Council's rules and bylaws require appropriate approvals before carrying out activities which effect the environment. Included in this activity is the Council's resource management and building function, as well as liquor licensing and environmental health approvals.

## REASON FOR ACTIVITY

This is a legal requirement.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 All notified applications submitted for decision within 10 working days. 80% of non-notified consents issued within 5 working days.	Computer database records.
 90% of premises registered or licensed within 30 days of the date of application.	Computer database records.
 80% of users are satisfied with counter service and non-compliance complaints.	Customer surveys.
 All hearing participants are satisfied they have received a fair hearing.	Survey of applicants.
 80% of hearings decisions issued within 10 working days of the hearing.	Computer database records.
 Fewer than 1% of Council's notified resource consent decisions successfully appealed in the Environment Court.	Computer database records.
 90% of applications for building consents determined:  *within 9 working days for consents under \$500,000 in value.  *within 20 working days for consents over \$500,000.	Building Act 1991, Annual Plan, SFG database records.  Building Act 1991, Annual Plan, SFG database records.
 80% user satisfaction with service.	Customer Survey.

## 32. ENVIRONMENTAL APPROVALS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
1,714,200	User Charges	1,761,400	1,822,005	1,830,708
6,000	Miscellaneous	18,000	18,000	18,000
<b>1,720,200</b>	<b>Total Operating Revenue</b>	<b>1,779,400</b>	<b>1,840,005</b>	<b>1,848,708</b>
	<b>EXPENDITURE</b>			
551,274	Employee Costs	467,926	467,926	467,926
122,500	Supplier Costs	190,650	190,650	190,650
232,778	Support Costs	492,940	522,916	523,555
452,606	Internal Costs/(Recoveries)	1,113,541	1,181,255	1,182,701
	One-Off Operating Projects	55,000		
1,231	Depreciation			
581	Cost of Capital			
<b>1,360,970</b>	<b>Total Operating Expenditure</b>	<b>2,320,057</b>	<b>2,362,747</b>	<b>2,364,832</b>
<b>(359,230)</b>	<b>Net (Surplus)/Deficit</b>	<b>540,657</b>	<b>522,742</b>	<b>516,124</b>

Schedule 1

## FUNDING STATEMENT







(359,230)	Net (Surplus)/Deficit	540,657	522,742	516,124
(581)	Less: Cost of Capital			
<b>(359,811)</b>	<b>Total Funding Requirement</b>	<b>540,657</b>	<b>522,742</b>	<b>516,124</b>
	<b>Funding Source:</b>			
(359,811)	Rates Funding	540,657	522,742	516,124
<b>(359,811)</b>	<b>Total</b>	<b>540,657</b>	<b>522,742</b>	<b>516,124</b>

## SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Historical Microfilming	\$55,000
<b>Total One-Off Operating Projects</b>	<b>\$55,000</b>



The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?



# 33. ENVIRONMENTAL POLICY

## DESCRIPTION

*This activity relates to the development of the District Plan and its implementation and enforcement. The Council's environmental interests must also be represented in other authorities' plans and policies. Reserve management plans are also prepared and approved.*

## REASON FOR ACTIVITY

*This is a legal requirement.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 District Plan hearings completed by the end of April 1999.	Divisional records.
 Less than 5% of decisions sought, successfully appealed in the Environment Court.	Computer database records.

## 33. ENVIRONMENTAL POLICY – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
2,000	Operating Subsidies	2,000	2,000	2,000
1,000	Miscellaneous	1,000	1,000	1,000
<b>3,000</b>	<b>Total Operating Revenue</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
	<b>EXPENDITURE</b>			
364,465	Employee Costs	326,847	326,847	326,847
95,500	Supplier Costs	98,000	98,000	98,000
182,868	Support Costs	190,705	202,154	202,401
18,268	Internal Costs/(Recoveries)	14,026	14,868	14,886
327	Depreciation			
145	Cost of Capital			
<b>661,573</b>	<b>Total Operating Expenditure</b>	<b>629,578</b>	<b>641,869</b>	<b>642,134</b>
<b>658,573</b>	<b>Net (Surplus)/Deficit</b>	<b>626,578</b>	<b>638,869</b>	<b>639,134</b>

## FUNDING STATEMENT

658,573	Net (Surplus)/Deficit	626,578	638,869	639,134
(145)	Less: Cost of Capital			
<b>658,428</b>	<b>Total Funding Requirement</b>	<b>626,578</b>	<b>638,869</b>	<b>639,134</b>
	<b>Funding Source:</b>			
658,428	Rates Funding	626,578	638,869	639,134
<b>658,428</b>	<b>Total</b>	<b>626,578</b>	<b>638,869</b>	<b>639,134</b>

# 34. EMERGENCY MANAGEMENT AND RURAL FIRE

## DESCRIPTION

The Council develops and implements a city-wide emergency management plan, and disseminates information on preparedness for emergencies. Plans are also in place for dealing with and preventing rural fires. The Council maintains the in-house capacity to co-ordinate responses to both civil defence and rural fire emergencies.



## REASON FOR ACTIVITY

This is a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act. Private markets have insufficient incentives to provide for a city-wide responses to the threat or eventuality of such emergencies.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
<input checked="" type="checkbox"/> 65% of the community are prepared for an emergency.	NRB Communitrak Survey.
<input checked="" type="checkbox"/> Emergencies responded to in accordance with the Corporate Emergency Plan, Civil Defence Plan and related procedures.	Management Records.
<input checked="" type="checkbox"/> Fire emergencies responded to in accordance with the Fire Plan and related procedures.	Wellington Regional Rural Fire Committee Records.

The Performance symbols indicate which performance measures are used for each objective.

- Timing – did the programme meet the planned deadlines?
- Budget – was the project within budget?
- Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
- Standard – did the programme meet the appropriate technical standards?
- Effectiveness – were the effectiveness targets met?
- Efficiency – were the efficiency targets met?

## 34. EMERGENCY MANAGEMENT & RURAL FIRE – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
30,000	Operating Subsidies	30,000	30,000	30,000
<b>30,000</b>	<b>Total Operating Revenue</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
	<b>EXPENDITURE</b>			
169,642	Employee Costs	171,192	171,192	171,192
80,950	Supplier Costs	81,950	81,950	81,950
72,963	Support Costs	86,373	91,774	91,886
108,243	Internal Costs/(Recoveries)	84,934	90,245	90,355
6,450	Maintenance Costs	6,450	6,450	6,450
	Interest Expense	2,888	3,038	2,546
8,766	Depreciation	7,739	6,394	5,435
5,828	Cost of Capital			
<b>452,842</b>	<b>Total Operating Expenditure</b>	<b>441,526</b>	<b>451,042</b>	<b>449,814</b>
<b>422,842</b>	<b>Net (Surplus)/Deficit</b>	<b>411,526</b>	<b>421,042</b>	<b>419,814</b>

## FUNDING STATEMENT

<b>422,842</b>	<b>Net (Surplus)/Deficit</b>	<b>411,526</b>	<b>421,042</b>	<b>419,814</b>
(5,828)	Less: Cost of Capital			
<b>417,014</b>	<b>Total Funding Requirement</b>	<b>411,526</b>	<b>421,042</b>	<b>419,814</b>
	<b>Funding Source:</b>			
417,014	Rates Funding	411,526	421,042	419,814
<b>417,014</b>	<b>Total</b>	<b>411,526</b>	<b>421,042</b>	<b>419,814</b>






# 35. ENVIRONMENTAL INSPECTIONS & ENFORCEMENT

## DESCRIPTION

*This activity includes regular inspections to ensure compliance with the District Plan, resource consent and building consent conditions and bylaw requirements. Regular inspections of business premises, certification and liquor licensing are also undertaken to promote and protect public health in the City. Noise and hazardous substances are also controlled by this activity.*

## REASON FOR ACTIVITY

*This is a legal requirement. The Council has powers under the Resource Management Act, Building and Health Act to enter into premises and require remedial action where a threat to public health exists. Such powers must rest with publicly accountable bodies and be executed by them or their agents.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 At least 80% of premises owners are satisfied with the inspection service.	Evaluation of survey forms.
 At least 80% of customers are satisfied with requests for service.	Evaluation of survey forms.
 All sites subject to resource consent conditions inspected for compliance within nine months of approval.	Computer database records.

## 35. ENVIRONMENTAL INSPECTIONS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE




Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
45,000	User Charges	83,000	108,625	129,761
8,000	Miscellaneous	9,000	9,000	9,000
<b>53,000</b>	<b>Total Operating Revenue</b>	<b>92,000</b>	<b>117,625</b>	<b>138,761</b>
	<b>EXPENDITURE</b>			
1,190,398	Employee Costs	1,074,506	1,074,506	1,074,506
242,000	Supplier Costs	219,700	219,700	219,700
692,489	Support Costs	597,817	634,426	635,202
(432,523)	Internal Costs/(Recoveries)	(1,051,107)	(1,115,474)	(1,116,839)
20,000	One-Off Operating Projects			
4,200	Maintenance Costs	2,200	2,200	2,200
	Interest Expense	1,038	759	636
21,032	Depreciation	8,523	6,206	5,275
11,171	Cost of Capital			
<b>1,748,767</b>	<b>Total Operating Expenditure</b>	<b>852,677</b>	<b>822,323</b>	<b>820,681</b>
<b>1,695,767</b>	<b>Net (Surplus)/Deficit</b>	<b>760,677</b>	<b>704,698</b>	<b>681,919</b>



## FUNDING STATEMENT

<b>1,695,767</b>	<b>Net (Surplus)/Deficit</b>	<b>760,677</b>	<b>704,698</b>	<b>681,919</b>
(11,171)	Less: Cost of Capital			
3,000	Capital Development			
<b>1,687,596</b>	<b>Total Funding Requirement</b>	<b>760,677</b>	<b>704,698</b>	<b>681,919</b>
	<b>Funding Source:</b>			
1,684,596	Rates Funding	760,677	704,698	681,919
3,000	Loans			
<b>1,687,596</b>	<b>Total</b>	<b>760,677</b>	<b>704,698</b>	<b>681,919</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

# 36. ANIMAL CONTROL

## DESCRIPTION

*Animal Control is concerned with the control of animals and stock in the City, and public education about the control of animals. A large part of the Council's activity involves dogs and dog registrations.*

## REASON FOR ACTIVITY

*This is a legal requirement.*

### PERFORMANCE MEASURES

### SOURCE OF INFORMATION



At least 80% of Hutt City residents are satisfied with animal control.

NRB Communitrak Survey.

## 36. ANIMAL CONTROL - STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
490,000	User Charges	50,000	40,912	43,274
8,000	Miscellaneous	8,000	10,000	10,000
<b>58,000</b>	<b>Total Operating Revenue</b>	<b>58,000</b>	<b>50,912</b>	<b>53,274</b>
	<b>EXPENDITURE</b>			
251,336	Employee Costs	232,559	232,559	232,559
76,426	Supplier Costs	123,926	123,926	123,926
130,056	Support Costs	118,525	125,876	126,030
(387,850)	Internal Costs/(Recoveries)	(410,450)	(435,907)	(436,441)
5,000	Maintenance Costs	5,000	5,000	5,000
	Interest Expense	34	34	34
2,355	Depreciation	1,890	2,580	2,503
1,087	Cost of Capital			
<b>78,410</b>	<b>Total Operating Expenditure</b>	<b>71,484</b>	<b>54,068</b>	<b>53,611</b>
<b>20,410</b>	<b>Net (Surplus)/Deficit</b>	<b>13,484</b>	<b>3,156</b>	<b>337</b>

## FUNDING STATEMENT

<b>20,410</b>	<b>Net (Surplus)/Deficit</b>	<b>13,484</b>	<b>3,156</b>	<b>337</b>
(1,087)	Less: Cost of Capital			
15,000	Capital Development	25,000		Schedule 1
<b>34,323</b>	<b>Total Funding Requirement</b>	<b>38,484</b>	<b>3,156</b>	<b>337</b>
	<b>Funding Source:</b>			
19,323	Rates Funding	13,484	3,156	337
15,000	Loans	25,000		
<b>34,323</b>	<b>Total</b>	<b>38,484</b>	<b>3,156</b>	<b>337</b>

## SCHEDULE 1: CAPITAL DEVELOPMENT

Monitored Burglar Alarm	\$10,000
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<b>Total Capital Development</b>	<b>\$10,000</b>
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## CARRY OVER 97/98

New dog pound, Meachan Stret	\$15,000
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<b>Total Carry Over 97/98</b>	<b>\$15,000</b>
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<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER</b>	<b>\$25,000</b>
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The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?







# 37. ECONOMIC DEVELOPMENT

## DESCRIPTION

*The Council assists the business community and the community in general, where its co-ordination and effort is of benefit to the economic well-being of the City. Such activity provides an interface between the Council and business, to ensure the Council's management of its services meets the needs of business. Grants are made to groups that demonstrate the ability to carry out a measurable programme for training long-term unemployed people, assisting them to return to the work force. A contribution is made to regional economic development programmes.*

## REASON FOR ACTIVITY

*Individual businesses frequently have insufficient incentives to explore opportunities that benefit the City as a whole as well as themselves. Employment training grants ensure that the long term unemployed do not miss opportunities that would see them return to the work force.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Economic Development Plan milestones met.	Management Reports.
 Employment training providers performance measures achieved.	Management Reports.
 Five Cities Group milestones met.	Management Reports.
 Community Development programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 37. ECONOMIC DEVELOPMENT – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98		Forecast 1998/99	Forecast 1999/00	Forecast 2000/01	
\$		\$	\$	\$	
	<b>REVENUE</b>				
0	Total Operating Revenue	0	0	0	
	<b>EXPENDITURE</b>				
	Employee Costs	71,969	71,969	71,969	
107,446	Support Costs	49,071	52,005	52,069	
140,000	One-Off Operating Projects	150,000	140,000	140,000	Schedule 1
247,446	Total Operating Expenditure	271,040	263,974	264,038	
247,446	Net (Surplus)/Deficit	271,040	263,974	264,038	



### FUNDING STATEMENT

247,446	Net (Surplus)/Deficit	271,040	263,974	264,038
(20,000)	Less: Unfunded Project			
227,446	Total Funding Requirement	271,040	263,974	264,038
	<b>Funding Source:</b>			
227,446	Rates Funding	271,040	263,974	264,038
227,446	Total	271,040	263,974	264,038

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Employment Initiatives Fund	\$100,000
Five Cities Regional Economic Development Group	\$40,000
Economic Development Projects	\$10,000
<b>Total One-Off Operating Projects</b>	<b>\$150,000</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?










# 38. PROMOTIONS AND VISITOR INFORMATION

## DESCRIPTION

*This activity promotes the City as a whole. Its primary focus is to attract visitors to the City. It also acts as a source of information for both visitors and residents. This is achieved through the provision of visitor information services and special promotional events.*

## REASON FOR ACTIVITY

*No individual business has sufficient incentives to promote the City as a whole.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 80% of Hutt City residents are satisfied with the Visitor Information Centre	NRB Communitrak Survey.
 Maintain an increasing trend in Hutt City visitation	Management Reports.
 Maintain an increasing trend in event attendance	Management Reports.
 Promotions and Visitor Information programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.
 Capital programmes carried out on time, within budget and to the appropriate standard.  	Management Reports.

## 38. PROMOTIONS AND VISITOR INFORMATION – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98		Forecast 1998/99	Forecast 1999/00	Forecast 2000/01	
\$		\$	\$	\$	
	<b>REVENUE</b>				
0	Total Operating Revenue	0	0	0	
	<b>EXPENDITURE</b>				
	Employee Costs	17,992	17,992	17,992	
	Support Costs	30,555	32,003	32,042	
305,000	One-Off Operating Projects	305,000	325,000	325,000	Schedule 1
305,000	Total Operating Expenditure	353,547	374,995	375,034	
305,000	Net (Surplus)/Deficit	353,547	374,995	375,034	

## FUNDING STATEMENT

305,000	Net (Surplus)/Deficit	353,547	374,995	375,034	
50,000	Capital Development	157,000			Schedule 2
	Transfers to/(from) Funds	(127,000)			
355,000	Total Funding Requirement	383,547	374,995	375,034	
	<b>Funding Source:</b>				
305,000	Rates Funding	353,547	374,995	375,034	
50,000	Loans	30,000			
355,000	Total	383,547	374,995	375,034	



### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Hutt City Tourism and Promotions Trust	\$200,000
International Co-operating Cities	\$30,000
Events and Promotions	\$75,000
<b>Total One-Off Operating Projects</b>	<b>\$305,000</b>

### SCHEDULE 2: CAPITAL DEVELOPMENT



Minoh/Norbury House	127,000
<b>Total Capital Development</b>	<b>\$127,000</b>

### CARRY OVER 97/98

Little Theatre Study	\$30,000
<b>Total Carry Over 97/98</b>	<b>\$30,000</b>

**TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVER \$157,000**

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?



# 39. MANAGING THE INVESTMENTS







## DESCRIPTION

The Council has set up three Local Authority Trading Enterprises (LATEs) to ensure that operations in those areas are accountable and efficient. The Council will look after its shareholdings in the LATEs, ensuring that they operate in an efficient, effective and profitable manner. The LATEs are:

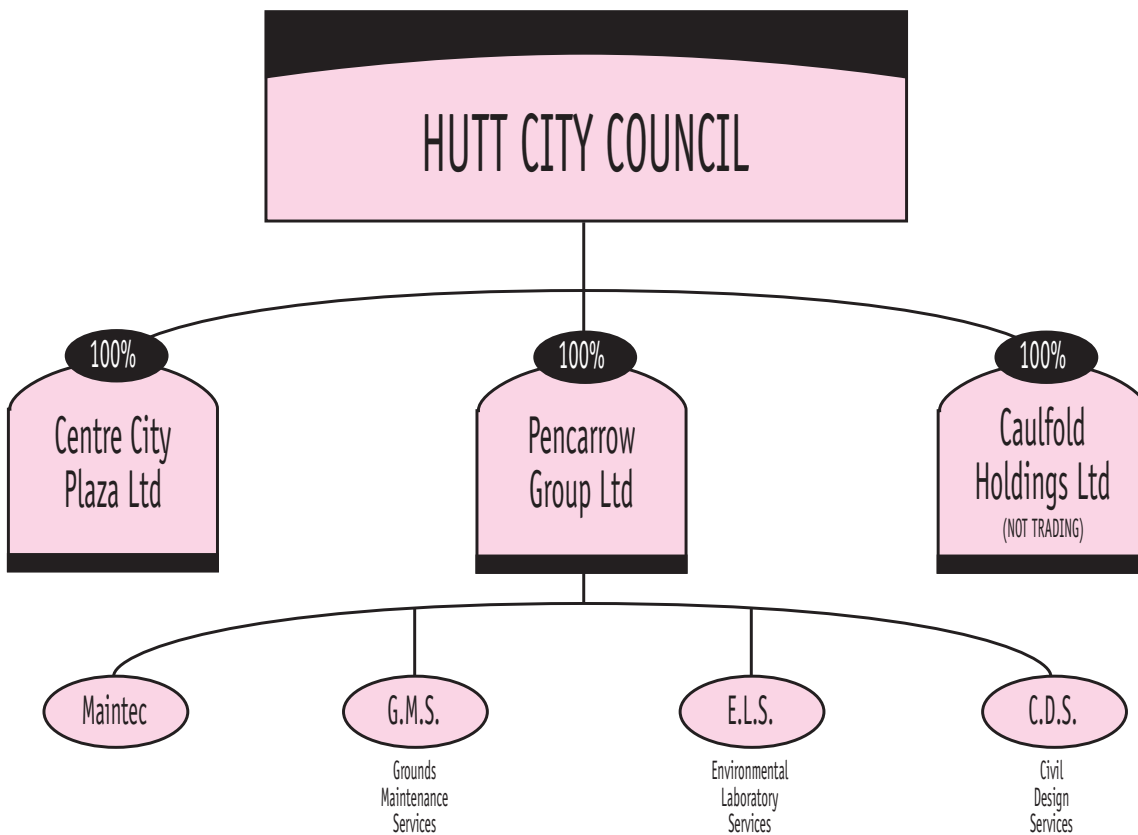
- *Pencarrow Group Limited: this was set up to provide services to the Council in an arm's length, contestable manner in the areas of infrastructure and asset maintenance, design and laboratory services.*
- *Centre City Plaza Limited: this is a property company which owns and operates the Centre City Plaza Development, a retail, cinema and parking complex in Hutt City's CBD.*
- *Caulfold Holdings Limited: this is a property company which formerly owned and leased Stage 1 of the Centre City Plaza Development.*

## REASON FOR ACTIVITY

The LATEs allow the Council to operate in a more accountable, contestable and efficient way when it purchases the services provided by the LATEs and their subsidiaries.

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Pencarrow Group will achieve a rate of return on capital of 8.4% before taxation.	Pencarrow Quarterly Accounts.
 Pencarrow Group will increase its non Hutt City Council revenue to 30% or more of its total revenues.	Pencarrow Quarterly Accounts.
 Pencarrow Group will meet its reporting obligation to Council.	Pencarrow Quarterly Accounts.
 Centre City Plaza Ltd will achieve a rate of return on capital 2% before taxation.	Quarterly Financial Reports.
 Centre City Plaza Ltd will meet its reporting obligations to Council.	Quarterly Financial Reports.
 Caulfold Holdings Ltd will meet its reporting obligations to Council.	Quarterly Financial Reports.

## HUTT CITY COUNCIL'S CORPORATE HOLDINGS



The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

### 39. MANAGING INVESTMENTS – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$
	<b>REVENUE</b>			
249,000	Dividends from LATEs	310,000	260,000	10,000
	Gain on Disposal of Assets		600,000	2,500,000
<b>249,000</b>	<b>Total Operating Revenue</b>	<b>310,000</b>	<b>860,000</b>	<b>2,510,000</b>
	<b>EXPENDITURE</b>			
0	Interest Expense	904,265	0	0
	<b>Total Operating Expenditure</b>	<b>904,265</b>	<b>0</b>	<b>0</b>
<b>(249,000)</b>	<b>Net (Surplus)/Deficit</b>	<b>594,265</b>	<b>(860,000)</b>	<b>(2,510,000)</b>

### FUNDING STATEMENT

(249,000)	Net (Surplus)/Deficit	594,265	(860,000)	(2,510,000)
(249,000)	Total Funding Requirement	594,265	(860,000)	(2,510,000)
	<b>Funding Source:</b>			
(249,000)	Rates Funding	594,265	(860,000)	(2,510,000)
<b>(249,000)</b>	<b>Total</b>	<b>594,265</b>	<b>(860,000)</b>	<b>(2,510,000)</b>

# 40. COUNCIL MANAGEMENT SERVICES







## DESCRIPTION

*The activities undertaken by Council Management Services include:*

- |  |  |
|--|--|
| <b>1. Office of the Chief Executive</b><br><i>Strategic Planning</i><br><i>Legal Counsel</i><br><i>Economic Advice</i>   | <b>4. Information Management</b><br><i>Information Technology</i><br><i>Corporate Information</i><br><i>Records</i><br><i>Archives</i><br><i>Engineering Records</i><br><i>Land Information Services</i> |
| <b>2. Customer Services</b>  | <b>5. Management Services</b><br><i>City Secretariat</i><br><i>Mayor's Office</i><br><i>Human Resources</i><br><i>Support Services</i><br><i>Corporate Library</i>                                       |
| <b>3. Finance</b><br><i>Rates</i><br><i>Estimation</i><br><i>Collection</i><br><i>Debt Management</i><br><i>Financial Accounting</i><br><i>Management Accounting</i><br><i>Payroll</i> | <b>6. City Services Group Administration</b>   |

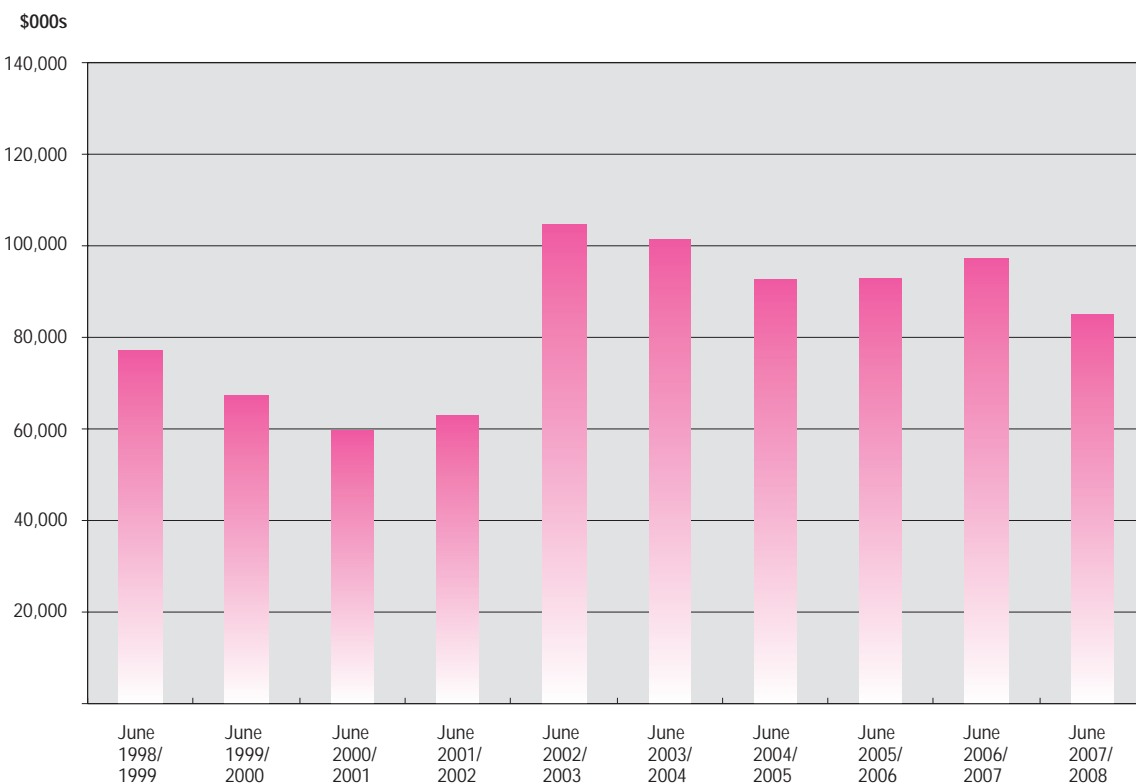
## REASON FOR ACTIVITY

*Council Management Services are necessary for the proper management of the City. The main areas are: Customer Services, Strategic Planning, Risk Management, Financial Reporting and Management of Information. Behind these are a number of supporting services which ensure that all activities can perform in a cost efficient manner.*

PERFORMANCE MEASURES	SOURCE OF INFORMATION
 Achieve a balanced operating budget, specifically in 1998/99 an operating surplus of \$4.240 million.	Annual Plan Quarterly Account Annual Accounts
 Achieve a balanced cash flow, rate funding depreciation and loan funding capital expenditure. This will exclude, however, fund transfer items, capital subsidies and asset sales, which will be used to retire debt.	Annual Plan Quarterly Account Annual Accounts
 Manage net debt to levels no greater than in the debt profile. Specifically in the 1998/99 financial year closing net debt will not exceed \$76.069 million.	Annual Plan Quarterly Account Annual Accounts
 A total rate increase of no more than inflation as measured by the most recent actual Consumer Price Index	Annual Plan
 Capital expenditure, excluding carry overs, the Hutt Valley and Wainuiomata Wastewater Schemes, the Silverstream Landfill, Hikoikoi Reserve and Korokoro Gateway Projects will not exceed \$7.232 million in 1998/99 dollars. Specifically in 1998/99 capped capital expenditure will total \$7.185 million.	Annual Plan Quarterly Account Annual Accounts
 The programme of asset sales to generate \$75 million by 2003/04 will be continued. Specifically in the 1998/99 financial year, asset sales will total \$4 million.	Annual Plan Quarterly Account Annual Accounts



## DEBT PROFILE



The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

## 40. COUNCIL MANAGEMENT SERVICES – STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 1997/98 \$		Forecast 1998/99 \$	Forecast 1999/00 \$	Forecast 2000/01 \$	
	<b>REVENUE</b>				
877,550	User Charges	1,068,000	1,068,000	1,068,000	
450,000	Interest on Investments	1,500,000	1,000,000	1,000,000	
935,457	Miscellaneous	622,000	563,000	565,000	
<b>2,263,007</b>	<b>Total Operating Revenue</b>	<b>3,190,000</b>	<b>2,631,000</b>	<b>2,633,000</b>	
	<b>EXPENDITURE</b>				
7,328,551	Employee Costs	5,705,479	5,721,000	5,721,000	
5,350,585	Supplier Costs	5,717,604	5,752,000	5,752,000	
(11,166,929)	Support Costs	(9,400,991)	(9,653,495)	(9,665,306)	
10,722	Internal Costs/(Recoveries)	(24,944)	(347,509)	(347,934)	
286,306	Maintenance Costs	403,370	370,000	370,000	
10,500	Cyclic Operating Expenditure				
85,900	One-Off Operating Projects	39,500	40,000	45,000	Schedule 1
20,000	Loss on Disposal of Assets	10,155			
8,267,794	Interest Expense	0			
977,182	Depreciation	719,827	749,004	758,240	
(13,464,154)	Cost of Capital				
<b>(2,293,543)</b>	<b>Total Operating Expenditure</b>	<b>3,170,000</b>	<b>2,631,000</b>	<b>2,633,000</b>	
<b>(4,556,550)</b>	<b>Net (Surplus)/Deficit Before Tax</b>	<b>(20,000)</b>	<b>0</b>	<b>0</b>	
	Tax Expense	20,000	0	0	
<b>(4,556,550)</b>	<b>Net (Surplus)/Deficit After Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## FUNDING STATEMENT

(4,556,550)	Net (Surplus)/Deficit After Tax	0	0	0	
(301,761)	Less: Cost of Capital				
13,765,915	Less: Cost of Capital Credit				
(2,420,000)	Less: Net Book Value of Asset Sales				
2,420,000	Plus: Cash Held for Debt Repayment				
79,823	Transfer to/(from) Funds	200,000	200,000	200,000	
	Asset Management Plan Capital Discrete Assets	610,700			Schedule 2
1,992,300	Capital Development	1,350,300	1,074,000	914,000	Schedule 3
620,000	Debt Repayment	3,140,125	3,888,887	6,191,382	
<b>11,599,727</b>	<b>Total Funding Requirement</b>	<b>5,301,125</b>	<b>5,162,887</b>	<b>7,305,382</b>	
	<b>Funding Source:</b>				
9,607,427	Rates Funding	3,340,125	4,088,887	6,391,382	
1,992,300	Loans	1,961,000	1,074,000	914,000	
<b>11,599,727</b>	<b>Total</b>	<b>5,301,125</b>	<b>5,162,887</b>	<b>7,305,382</b>	

### SCHEDULE 1: ONE-OFF OPERATING PROJECTS

Core Land Project (GIS)	\$20,000
New Zealand Representatives Grant	\$2,500
Plants	\$2,000
Internet Site	\$15,000
<b>Total One-Off Operating Projects</b>	<b>\$39,500</b>

### SCHEDULE 2: ASSET MANAGEMENT PLAN CAPITAL DISCRETE ASSETS

Information Management (Ground Information Systems)	
External Disk to provide additional storage	\$4,000
Map Objects for Internet access	\$11,300
Arc/View Unix for GIS distribution	\$5,000
Information Management (Archives Management)	
Microfilm Reader	\$1,400

Shelving for archives	\$4,000
.....	
Information Management (Engineering Records)	
Microfilm Reader	\$1,400
Cabinets for storing plans	\$2,600
.....	
Information Management (Administration)	
Microsoft Select (Office & Win 95 etc) allow for new purchases during 98/99	\$20,000
Enhancements to SFG modules during 98/99, as justified	\$100,000
PC Replacement and new equipment purchase	\$120,000
Printer replacement and new purchases	\$40,000
CD Stacker for Computer room to provide central access to information CDs	\$14,000
Allowance for changes to network during 98/99 i.e. new connections	\$30,000
Allowance to maintain the PBX switch	\$20,000
.....	
Management Services	\$237,000
.....	
<b>Total Asset Management Plan Capital Discrete Assets</b>	<b>\$610,700</b>

## CARRY OVERS 97/98


Customer Services Project PABX to be installed	\$232,000
.....	
Customer Services Project	\$93,000
.....	
Information Document Management Filing Systems	\$42,300
Information Management Local Government Software and Implementation	\$405,000
.....	
Information Management GIS Asset Management System	\$16,000
.....	
City Services Group Manager Health and Safety	\$47,000
.....	
<b>Total Carry Overs 97/98</b>	<b>\$835,300</b>
.....	
<b>TOTAL CAPITAL DEVELOPMENT INCLUDING CARRY OVERS</b>	<b>\$1,350,300</b>



## SCHEDULE 3: CAPITAL DEVELOPMENT

Corporate Activities	\$100,000
.....	
Information Management (Ground Information Systems)	
Air Conditioner	\$6,000
.....	
Information Management (Administration)	
Inmagic (Corporate Library & Archives software) allow for one upgrade during 98/99	\$3,000
Allow purchase of other new non-Microsoft software as justified, during 98/99	\$30,000
Intranet establishment to allow development and implementation of an Intranet	\$60,000
Move SFG Financials to Oracle database	\$100,000
Purchase extra hardware or software for Election	\$10,000
.....	
Mayor's Office	
Health and Safety Equipment	\$2,000
.....	
Corporate Activity	\$200,000
.....	
City Secretariat Administration	
Health and Safety Equipment	\$4,000
.....	
<b>Total Capital Development</b>	<b>\$515,000</b>

The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

# STATEMENT OF SIGNIFICANT CHANGES IN POLICIES OR ACTIVITIES

*In accordance with section 223D of the Local Government Act 1974 the Council is required to declare any significant changes in policies or activities planned for the next three years.*

## CHANGES IN POLICIES

*This Annual Plan follows the policies set out in the Council's new Funding Policy and Long Term Financial Strategy. Although they are similar in nature and scope to previous policies, readers are encouraged to read these two additional volumes alongside this one. Significant issues to note in particular are: the Long Term Financial Strategy, the Funding Policy, the Borrowing Management Policy and the Investment Policy.*

## CHANGES IN ACTIVITIES

*No significant changes in activities are proposed for this financial year. The only additional area of operations is the extension to the Naenae swimming pool.*

*In the long term there will be significant changes to the operation, management and funding of wastewater. Readers are encouraged to look at the material in the Strategic Plan on wastewater. However the project will not have a substantial impact till the 2002/2003.*

*Other than those changes mentioned specifically, the activities engaged in by Council will not change significantly over the next three years.*

## CHANGES TO PERFORMANCE TARGETS

*While the performance measures follow those used last year fairly closely they have been expanded to cover the newly defined 40 Significant Activities. Some measures have also been rewritten and clarified. No significant changes are planned for performance measures in the next three years.*

## CHANGES TO THE RATING SYSTEM

*The changes to the rating system initiated last*

*year included some rates that were described as transitional. In particular:*

- the Wainuiomata general rate*
- the business differential*
- the business transitional rate.*

*This plan brings an end to a different rate for Wainuiomata, reduces the business differential and the transitional rate.*

*This year's plan alters the Uniform Annual Charges and the Uniform Annual General Charge. The 'From the Council' section in this volume contains a general introduction to these changes and Volume 2 Funding Policy has more detailed information.*

*The Council intends to further reduce the business differential within the next three years.*

## CHANGES TO FEES AND CHARGES

*The Local Government No. 3 Amendment Act requires Council to look at the costs and benefits of each significant activity and, where specific users can be identified, charge the users for each service. In order to comply with the legislation Council has reviewed all its fees and charges this year.*

*The fees and charges section in Volume 2 provides a comprehensive guide to Council services. Fees and charges that have changed since last year are in italics.*

*There is no intention to significantly change fees and charges in the next three years.*

## CHANGES TO THE LOCAL AUTHORITY TRADING ENTERPRISES

*The Council operates two Local Authority Trading Enterprises: Centre City Plaza and Pencarrow Group. The Long-Term Financial Strategy assumes the sale of these businesses in the financial years 1999/2000 and 2000/2001 respectively.*

*Caulfold Holdings Limited is a non-trading company.*

# FINANCIAL STATEMENTS





# STATEMENT OF ACCOUNTING POLICIES

## 1. ENTITY STATEMENT

The Hutt City Council first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name of the Council was changed to The Hutt City Council by a special Act of Parliament on 8 October 1991.

The activities of the Local Authority Trading Enterprises (LATEs) owned by the Council are included only to the extent of the forecast dividend to be paid to the Council.

## 2. MEASUREMENT BASE

The measurement base is historical cost. Reliance is placed on the fact that the Council is a going concern. Accrual accounting is used to recognize and match the cost of services provided with revenues earned.

## 3. STATUTORY BASE

This Annual Plan and Budget has been prepared pursuant to s223D of the Local Government Act 1974 and sections 31 and 32 of the Transit New Zealand Act 1989. For the purposes of the former Act, the outputs are deemed to be significant activities. Generally accepted accounting practices have been applied in relevant areas.

## 4. REVENUE

Rates and levies are recognized as revenue when assessments are due. Grants and subsidies are recognized as revenue in the period in which they are due. User charges are recognized as revenue when invoiced.

## 5. CAPITAL EXPENDITURE

Assets of a capital nature with each item costing more than \$1,000, have been capitalized and items costing \$1,000 or less have been expensed.

## 6. DEPRECIATION

All assets, except for a significant portion of infrastructural assets, library books, art and museum collections and land are depreciated on a straight line basis over their estimated economic life. The charge for depreciation is part of operating expenditure.

Roads, streetlights and most water, wastewater and stormwater assets are not depreciated. Instead, provisions have been made for cyclical maintenance. Adequate provision is made to ensure that the assets concerned maintain their service potential.

It is not considered appropriate to depreciate art and museum collections or land.

	Estimated Economic Life (Years)
<b>Infrastructural Assets</b>	
Bridges/Road Structures	80
Other Road Structures	15-30
Sea Walls	40
Traffic Signals	20
Bus Shelters	15
Bulk Wastewater Drains	80
Bulk Wastewater Sewers	80
Pumping Stations, Reservoirs, Area Meters and Valves	80-100
<b>Infrastructural Assets</b>	
Buildings	80-100
Office Equipment	10
Computer Equipment	4
Plant	3-10
<b>Restricted Assets</b>	
Buildings	80-100

## 7. OVERHEAD ALLOCATION

The costs of all internal services have been allocated to the significant activities.

## 8. GOODS AND SERVICES TAX

The budgets are exclusive of GST.

## 9. CHANGES IN ACCOUNTING POLICIES

*There are no significant changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.*

## 10. PROSPECTIVE FINANCIAL INFORMATION

*As from 1 September 1996 an updated Financial Reporting Standard (FRS) No. 29 for Prospective Financial Information came into effect. This was approved by the Accounting Standards Review Board for the purposes of the Public Finance Act 1989.*

*Prospective financial information disclosed in the Annual Plan must comply with this standard. Previously Local Authorities were exempt.*

*Prospective Financial Information is based on assumptions about the future. It relates to events and actions which have not yet occurred and may not occur. The actual results achieved are likely to vary from the information presented and the variations may be significant.*

*Prospective Financial Information is presented in the following two forms:*

- *a forecast – this is Prospective Financial Information prepared on the basis of assumptions as to future events and actions that are expected to take place*
- *a projection – this is Prospective Financial Information prepared on the basis of one or more hypothetical but realistic assumptions, that reflect possible courses of action.*

*The Prospective Financial Information disclosed in this Annual Plan was prepared using the following assumptions:*

- *an inflation rate of 2% in 1998/99*
- *an inflation rate of 0% in 1999/2000 and 2000/2001*
- *no significant change to the services provided in the 1998/99 year.*

*Prospective Financial Information for the 1998/99 financial year was prepared, in general, using actual financial results for the six months ended 31 December 1997.*

*The purpose of disclosing Prospective Financial Information is to enable the ratepayers, residents and any other interested parties to obtain*

*information about the expected future financial performance, position and cashflow of The Hutt City Council.*

*All information regarding future year plans involves known and unknown risks, uncertainties and other factors which may cause actual results, performance and achievements to be materially different from those expressed or implied by such forward looking statements.*

*Such factors include, among other things:*

- *major natural disasters*
- *Government intervention and law changes*
- *changes in Councillors and any resulting effects on future policy*
- *the sale or splitting out of specific operations of Council*
- *other unforeseen factors.*

*Given these uncertainties readers are cautioned not to place undue reliance on these statements.*

## 11. CHANGES TO FINANCIAL INFORMATION

*There have been many changes to the way the financial statements have been presented:*

- *the Cost of Capital Charge is no longer used*
- *interest costs have been allocated directly to activities*
- *cyclic renewal depreciation is included in the operating statements. This is to reflect the renewal costs for infrastructural assets and complies with the determination issued by the Office of the Auditor General*
- *the Council's shareholding in the Local Government Insurance Corporation is now shown as an interest in a Local Authority Trading Enterprise*
- *support cost allocations have been changed to reflect more appropriate cost drivers. Where possible the 1997/98 figures have been restated to give a basis for comparison.*



# STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

FOR THE YEAR ENDING 30 JUNE 1999

Parent Forecast 1997/98 \$		Parent Forecast 1998/99 \$	Parent Projected 1999/00 \$	Parent Projected 2000/01 \$
	<b>REVENUE</b>			
56,194,000	Rates Funding	56,194,000	56,194,000	56,194,000
15,597,646	User Charges	15,481,910	15,368,368	15,194,833
2,996,557	Operating Subsidies	2,942,804	2,940,458	2,893,458
504,763	Capital Subsidies	670,681	670,681	670,681
927,646	UHCC Contribution Operating Subsidy	804,562	804,000	804,000
614,769	UHCC Contribution Capital Subsidy	815,862	727,000	416,000
450,000	Interest on Investments	1,500,000	1,000,000	1,000,000
249,000	Dividends from LATEs	310,000	260,000	10,000
	Gain on Disposal of Assets		600,000	2,500,000
1,291,663	Miscellaneous	1,065,164	985,264	987,264
<b>78,826,044</b>	<b>Total Operating Revenue</b>	<b>79,784,983</b>	<b>79,549,771</b>	<b>80,670,237</b>
	<b>EXPENDITURE</b>			
14,845,472	Employee Costs	14,728,806	14,744,540	14,751,540
32,261,809	Supplier Costs	31,355,558	31,060,181	31,194,181
5,967,479	Maintenance Costs	8,358,000	8,095,040	8,089,040
7,385,900	Cyclic Operating Expenditure			
1,298,975	One-Off Operating Projects	1,552,575	1,436,875	1,476,875
8,727,794	Interest Expense	8,117,861	7,594,191	6,364,288
5,550,320	Depreciation	4,525,691	4,750,910	4,934,952
20,000	Loss on Disposal of Assets	10,155		
	Cyclic Renewal Depreciation	6,876,422	6,876,422	6,876,422
	Cost of Capital			
<b>76,057,749</b>	<b>Total Operating Expenditure</b>	<b>75,525,068</b>	<b>74,558,159</b>	<b>73,687,299</b>
<b>(2,768,295)</b>	<b>Net (Surplus)/Deficit Before Tax</b>	<b>(4,259,915)</b>	<b>(4,991,612)</b>	<b>(6,982,938)</b>
	Tax Expense	20,000		
<b>(2,768,295)</b>	<b>Net (Surplus)/Deficit After Tax</b>	<b>(4,239,915)</b>	<b>(4,991,612)</b>	<b>(6,982,938)</b>

## NOTE TO THE STATEMENT OF PROSPECTIVE FINANCIAL PERFORMANCE

Forecast 30-Jun-98 \$000s	Application of Net Operating Surplus	Forecast 30-Jun-99 \$000s
	<b>Source of Funds</b>	
2,768	Net Operating Surplus	4,240
1,108	Add: Fund Transfers	654
5,550	Add: Depreciation	4,526
2,420	Net Book Value on Disposals	4,000
20	Add Five Cities Project Deficit	
<b>11,866</b>	<b>Total Funds Available</b>	<b>13,420</b>
	<b>Applied to:</b>	
5,572	Debt Repayment	7,121
575	UHCC Capital Contributions	816
505	Capital Subsidies	671
2,794	Fund Transfers for Capital Expenditure	812
2,420	Cash from Asset Sales for Debt Repayment	4,000
<b>11,866</b>	<b>Total Funds Applied</b>	<b>13,420</b>



# STATEMENT OF PROSPECTIVE FINANCIAL POSITION

AS AT 30 JUNE 1999

Parent Forecast 1997/98 \$000s		Parent Forecast 1998/99 \$000s	Parent Projected 1999/00 \$000s	Parent Projected 2000/01 \$000s
396,902	Accumulated Funds	401,142	406,129	413,107
88	Restricted Reserves			
4,883	Council Created Reserves	3,137	2,910	3,114
64,997	Asset Revaluation Reserve	64,997	64,997	64,997
<b>466,870</b>	<b>PUBLIC EQUITY</b>	<b>469,276</b>	<b>474,036</b>	<b>481,218</b>
	<b>Current Assets</b>			
18,357	Sinking Funds	22,412	16,000	11,000
8,680	Cash and On Call Deposits	11,537	6,188	5,791
8,700	Other Current Assets	2,762	6,000	6,000
<b>35,737</b>	<b>Total Current Assets</b>	<b>36,711</b>	<b>28,188</b>	<b>22,791</b>
	<b>Non-Current Assets</b>			
518,066	Fixed Assets	521,467	527,654	534,699
10,000	Work in Progress	10,000	10,000	10,000
2,000	Sinking Funds	2,000	2,000	2,000
15,234	Investment in Subsidiaries	15,824	8,500	2,000
1,000	Other Non-Current Assets	1,017	1,000	1,000
<b>546,300</b>	<b>Total Non-Current Assets</b>	<b>550,308</b>	<b>549,154</b>	<b>549,699</b>
<b>582,037</b>	<b>TOTAL ASSETS</b>	<b>587,019</b>	<b>577,342</b>	<b>572,491</b>
	<b>Current Liabilities</b>			
18,961	Public Debt	18,892	18,892	18,892
18,254	Other Current Liabilities	16,586	19,359	19,846
<b>37,215</b>	<b>Total Current Liabilities</b>	<b>35,478</b>	<b>38,251</b>	<b>38,738</b>
	<b>Non-Current Liabilities</b>			
76,952	Public Debt	81,589	64,355	51,834
1,000	Other Non-Current Liabilities	676	700	700
<b>77,952</b>	<b>Total Non-Current Liabilities</b>	<b>82,265</b>	<b>65,055</b>	<b>52,534</b>
<b>115,167</b>	<b>TOTAL LIABILITIES</b>	<b>117,743</b>	<b>103,306</b>	<b>91,272</b>
<b>466,870</b>	<b>NET ASSETS</b>	<b>469,276</b>	<b>474,036</b>	<b>481,218</b>

# STATEMENT OF PROSPECTIVE CASH FLOWS

FOR THE YEAR ENDING 30 JUNE 1999



Forecasted 30-Jun-98 \$000s		Forecasted 30-Jun-99 \$000s	Projected 30-Jun-00 \$000s	Projected 30-Jun-01 \$000s
	<b>Cash Flow from Operating Activities</b>			
	<b>Cash was provided from:</b>			
56,194	Rates	56,194	56,194	56,194
21,592	User Charges and Other Income	21,781	21,495	20,966
450	Interest Received	1,500	1,000	1,000
9,500	Regional Council Rates	9,500	9,500	9,500
<b>87,736</b>		<b>88,974</b>	<b>88,189</b>	<b>87,660</b>
	<b>Cash was applied to:</b>			
58,690	Payments to Suppliers and Employees	53,495	55,341	55,517
0	Tax Paid	20		
8,728	Interest Paid	8,118	7,594	6,365
9,500	Regional Council Rates	9,500	9,500	9,500
2,500	Goods and Services Tax (Net)	2,500	2,500	2,500
<b>79,418</b>		<b>73,633</b>	<b>74,935</b>	<b>73,882</b>
<b>8,318</b>	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>15,341</b>	<b>13,253</b>	<b>13,778</b>
	<b>Cash Flow from Investing Activities</b>			
	<b>Cash was provided from:</b>			
2,420	Sale of Assets	4,000	14,000	9,900
249	Dividends	310	260	10
21,629	Contribution from Sinking Funds	7,893	6,412	5,000
500	Repayment of Loans by Third Parties	500		
<b>24,798</b>		<b>12,703</b>	<b>20,672</b>	<b>14,910</b>
	<b>Cash was applied to:</b>			
11,607	Purchase/Construction of Assets	21,634	11,863	10,004
6,445	Contributions to Sinking Funds	7,121	8,412	5,000
1,000	Other Investments and Payments	1,000	1,000	1,000
<b>19,052</b>		<b>29,755</b>	<b>21,275</b>	<b>16,004</b>
<b>5,746</b>	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(17,052)</b>	<b>(603)</b>	<b>(1,094)</b>
	<b>Cash Flow from Financing Activities</b>			
	<b>Cash was provided from:</b>			
3,356	New Loans	12,460	11,476	9,811
550	Renewal Loans	11,000		
<b>3,906</b>		<b>23,460</b>	<b>11,476</b>	<b>9,811</b>
	<b>Cash was applied to:</b>			
18,961	Repayment of Debt	18,892	29,475	22,893
<b>18,961</b>		<b>18,892</b>	<b>29,475</b>	<b>22,893</b>
<b>(15,055)</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>4,568</b>	<b>(17,999)</b>	<b>(13,082)</b>
(991)	Net Increase/(Decrease) in Cash Held	2,857	(5,348)	(397)
12,671	Plus Cash/ Bank Balance as at 1 July	11,680	14,537	9,188
<b>11,680</b>	<b>CASH/BANK BALANCE as at 30 JUNE</b>	<b>14,537</b>	<b>9,188</b>	<b>8,791</b>
	<b>Made up of:</b>			
8,680	Cash and On-Call Deposits	11,538	6,188	5,791
3,000	Short Term Deposits	3,000	3,000	3,000
<b>11,680</b>	<b>CASH/BANK BALANCE as at 30 JUNE</b>	<b>14,537</b>	<b>9,188</b>	<b>8,791</b>

## STATEMENT OF PROSPECTIVE CASH FLOWS (CONTINUED)

FOR THE YEAR ENDING 30 JUNE 1999

### Reconciliation of Net Operating Surplus with Cash Flow from Operating Activities

2,768	Net Operating Surplus	4,240
	<i>Add (less) Non Cash Items</i>	
20	Depreciation	4,526
0	Loss on Sale of Assets	10
	<i>Less Items Classified as Investing Activities</i>	
0	Cyclic Renewal Depreciation	6,876
(249)	Less Dividends from LATEs	(310)
<b>2,539</b>		<b>15,341</b>

# CAPITAL EXPENDITURE

FOR THE YEAR ENDING 30 JUNE 1999

Forecast 30-Jun-98 \$000s		Forecast 30-Jun-99 \$000s
	<b>Capital Funding from:</b>	
3,356	New Loans	9,723
	Loans for Capital Expenditure 97/98 Carried Over	2,721
2,896	Funds Transfers	812
4,275	Sinking Fund Withdrawals	
505	Subsidies	671
575	Upper Hutt City Contributions	816
<b>11,607</b>	<b>Total Capital Expenditure</b>	<b>14,742</b>
	<b>Capital Expenditure Limit:</b>	
	Non AMP Capital Available	5,666
	Asset Management Plan Required Capital	1,566
<b>7,132</b>	<b>Base Capital</b>	<b>7,232</b>
130	Traffic Capital Fully Subsidised WRC	20
540	Hikoikoi/Petone/Hutt River/Hutt Recoveries	802
2,332	Hutt Valley Wastewater Project	1,784
0	Wainuiomata Wastewater	878
171	Bulk Wastewater Hutt Valley	100
1,700	Silverstream Landfill	1,086
	Capital Expenditure 97/98 Carried Over	2,887
<b>12,005</b>	<b>Total Limit 1998/99</b>	<b>14,789</b>
(11,607)	Less Capital Expenditure	(14,742)
<b>398</b>	<b>Total Limit Surplus/(Deficit) Expenditure</b>	<b>47</b>
	<b>Cyclic Renewal Capital Funding Summary</b>	
	Cyclic Renewal Depreciation Funded	6,876
	Less AMP Cyclic Capital Expenditure	(6,892)
	Current Year Surplus/(Deficit)	(16)





# STATEMENT OF PROSPECTIVE CASH REQUIREMENT

FOR THE YEAR ENDING 30 JUNE 1999

Forecast 30-Jun-98 \$000s		Forecast 30-Jun-99 \$000s
	<b>CASH REQUIREMENT</b>	
(21,591)	Operating Revenue	(21,781)
(450)	Interest	(1,500)
(249)	Dividends from LATEs	(310)
(1,108)	Funds Transfers (Nett)	(654)
14,845	Employee Costs	14,729
32,262	Supplier Costs	31,390
5,967	Maintenance Projects	8,324
1,299	One-off Projects	1,553
8,728	Interest Expenditure	8,118
0	Tax Expense	20
6,445	Contribution to Sinking Funds	7,121
7,386	Cyclic Renewal Capital	6,892
11,607	Capital Expenditure	14,742
(20)	Miscellaneous	10
<b>65,122</b>	<b>TOTAL CASH REQUIREMENT</b>	<b>68,654</b>
	<b>FUNDED BY:</b>	
56,194	Rates	56,194
3,356	Loans	9,723
	Loans for Capital Expenditure 97/98 Carried Over	2,721
	Loan for Cyclic Renewal Depreciation Fund Deficit	16
5,572	Sinking Funds	
<b>65,122</b>	<b>TOTAL FUNDING</b>	<b>68,654</b>

## DEBT PROJECTION – FOR THE YEAR ENDING 30 JUNE 1999

Revised Forecast 1997/98 \$000	Forecast 1997/98 \$000		Forecast Gross Debt \$000	Forecast Sinking Funds \$000	Net Debt \$000
80,060	79,171	Projected Opening Debt 1 July 1998	95,913	20,357	75,556
(18,961)	(18,961)	Less Debt Repayment	(18,892)	0	(18,892)
7,631	3,356	Plus New Loans for Capital Projects	9,723	0	9,723
		Loans for Capital Expenditure 97/98 Carried Over	2,721	0	2,721
		Loan for Cyclic Depreciation Fund Deficit	16	0	16
11,000	550	Plus Renewal Loans	11,000	0	11,000
7,961	21,629	Sinking Fund Withdrawals	0	(7,893)	7,893
(5,572)	(6,445)	Sinking Fund Contributions	0	7,121	(7,121)
(876)	(1,324)	Accrued Interest to Sinking Funds	0	827	(827)
(2,420)	(2,420)	Cash Held from Asset Sales for Debt Repayment	0	4,000	(4,000)
<b>78,823</b>	<b>75,556</b>	<b>Projected Closing Debt at 30 June 1999</b>	<b>100,481</b>	<b>24,412</b>	<b>76,069</b>



# STATEMENT OF PROSPECTIVE CASH REQUIREMENTS BY OUTPUT

FOR THE YEAR ENDING 30 JUNE 1999

Forecasted 30-Jun-98 \$000s	Forecasted 30-Jun-99 \$000s	Projected 30-Jun-00 \$000s	Projected 30-Jun-01 \$000s
Roading	8,319	7,973	8,922
Street Cleaning	1,239	1,243	1,243
Traffic Management	1,500	1,895	4,174
Streetlighting	988	859	898
Parking	(179)	(211)	(207)
Refuse Collection			
Recycling and Waste Reduction	135	539	528
Landfills	1,575	550	1,800
Water Supply	11,545	9,860	10,925
Wastewater	8,622	9,256	6,609
Stormwater	2,911	2,975	3,074
Libraries	4,711	4,336	4,275
Museums	1,500	1,584	1,535
Swimming Pools	2,473	2,392	2,323
Recreation Programmes	447	433	414
Parks and Reserves and Beaches	4,030	4,597	4,361
Sportsfields	2,039	2,009	1,945
Cemeteries	274	386	236
Social Policy	139	143	143
Community Development	439	453	453
Community Grants	1,261	1,266	1,268
Commercial Redevelopment	1,145	470	469
Urban Design and Environmental Projects	221	166	216
Heritage Fund	114	95	95
Halls and Venues	420	344	316
Public Toilets	162	118	142
Housing	(275)	(254)	(216)
Commercial Property	334	134	102
Seaview Marina	247	669	211
Elected Members Costs	1,067	1,013	1,020
Advisory and Support Services	2,205	2,212	2,214
District (Statutory) Planning	541	523	516
Policy Planning	627	639	639
Emergency Management & Rural Fire	412	421	420
Environmental Health	761	705	682
Animal Control	38	3	
Economic Development	271	264	264
Promotions and Visitor Information	384	375	375
Managing Investments	594	(860)	(2,510)
Council Management Services	5,301	5,163	7,305
<b>TOTAL CASH REQUIREMENT</b>	<b>68,638</b>	<b>64,737</b>	<b>66,978</b>
<b>FUNDED BY:</b>			
Rates	56,194	56,194	56,194
New Loans	9,723	8,543	10,784
Loans for Capital Expenditure 97/98 Carried Over	2,721		
<b>TOTAL FUNDING</b>	<b>66,638</b>	<b>64,737</b>	<b>66,978</b>

# STATEMENT OF PROSPECTIVE COST OF SERVICES

FOR THE YEAR ENDING 30 JUNE 1999

	Forecasted 30-Jun-99 \$000s	Projected 30-Jun-00 \$000s	Projected 30-Jun-01 \$000s
<b>Rates Revenue</b>	<b>56,186</b>	<b>56,194</b>	<b>56,194</b>
Roading	6,629	6,783	6,437
Street Cleaning	1,239	1,243	1,243
Traffic Management	1,212	1,227	1,316
Streetlighting	833	839	878
Parking	(207)	(211)	(207)
Refuse Collection	(50)		
Recycling and Waste Reduction	554	539	528
Landfills	(295)		
Water Supply	9,098	9,500	9,725
Wastewater	5,543	5,815	5,907
Stormwater	2,499	2,575	2,424
Libraries	4,331	4,231	4,211
Museums	1,582	1,584	1,535
Swimming Pools	2,347	2,352	2,298
Recreation Programmes	447	433	414
Parks and Reserves and Beaches	4,065	3,952	3,911
Sportsfields	1,909	1,879	1,825
Cemeteries	203	203	203
Social Policy	139	143	143
Community Development	439	453	453
Community Grants	1,261	1,266	1,266
Commercial Redevelopment	466	470	469
Urban Design and Environmental Projects	137	166	216
Heritage Fund	114	95	95
Halls and Venues	420	344	316
Public Toilets	115	118	117
Housing	(315)	(309)	(301)
Commercial Property	307	134	102
Seaview Marina	87	84	66
Elected Members Costs	1,067	1,013	1,020
Advisory and Support Services	2,205	2,212	2,214
District (Statutory) Planning	541	523	516
Policy Planning	627	639	639
Emergency Management and Rural Fire	412	421	420
Environmental Health	761	705	682
Animal Control	13	3	
Economic Development	271	264	264
Promotions and Visitor Information	354	375	375
Managing Investments	594	(860)	(2,510)
<b>NET OPERATING EXPENDITURE</b>	<b>51,954</b>	<b>51,202</b>	<b>49,211</b>
<b>OPERATING SURPLUS AFTER TAXATION</b>	<b>4,240</b>	<b>4,992</b>	<b>6,983</b>



## STATEMENT OF PROSPECTIVE MOVEMENTS IN EQUITY

FOR THE YEAR ENDING 30 JUNE 1999

Forecasted 30-Jun-98 \$000s		Forecasted 30-Jun-99 \$000s	Projected 30-Jun-00 \$000s	Projected 30-Jun-01 \$000s
464,877	<b>Total Equity at Beginning of Year</b>	466,870	469,276	474,036
2,768	Net Surplus/ (Deficit) for the Year	4,240	4,987	6,978
(1,108)	Funds Transfers	158		
333	Other Movements	(2,095)	(227)	204
	Adjustment in Investments Subsidiaries	590		
	Increase in Asset Revaluation Reserves			
1,993	<b>Total Recognised Revenue and Expenses for the Year</b>	2,894	4,760	7,183
466,870	<b>Total Equity as at 30 June 1999</b>	469,276	474,036	481,218

# POLICY STATEMENTS



# INVESTMENT POLICY

*This section is an outline of the Council's Investment Policy. The full document is contained in the Council's Treasury Policy which can be obtained on request from the Council.*

*The Council maintains investments in the following financial assets:*

- *equity investments including shareholdings and loan advances to Local Authority Trading Enterprises (LATEs), trading and service enterprises, charitable trusts and incorporated societies including community advances where the primary objective is social rather than financial return*
- *property investments, including deferred payment licenses*
- *treasury instruments incorporating longer term and liquidity investments.*

## EQUITY INVESTMENTS AND LOAN ADVANCES

*Investments include shareholdings in, and advances to, LATEs, charitable trusts, incorporated societies, community groups and other long term investments which are consistent with the Council's Strategic Plan.*

*The Corporate Business Working Group reviews performance of these investments to ensure strategic and economic objectives are being achieved.*

*Advances and loans are only provided to organizations where the Council has a significant interest. In default, the assets of the organization would revert to the Council.*

*All dividend income from the Council's equity investments is included in the consolidated revenue account.*

*Any disposition of investments requires Council approval. The proceeds from the sale of significant investments are used to repay Council borrowing.*

## PROPERTY INVESTMENTS

*The Council owns property to achieve its*

*strategic objectives. Property is only retained where it relates to a primary output of the Council and is essential to the delivery of a service. The Council reviews property ownership by assessing the benefits of continued ownership in comparison with other arrangements, in terms of financial viability. The Council follows a similar assessment criterion in relation to new property investments.*

*From time to time, and subject to Council approval, the Council finances the sale of property through deferred payment or mortgage arrangements. Loans are provided on a commercial basis and have a first charge over the property.*

*The Corporate Business Working Group reviews the performance of its property investments. All income, including rentals and ground rent from property investments is included in the consolidated revenue account.*

*Any disposition of property requires Council approval. The proceeds from the sale of property are used to repay borrowing.*

## TREASURY INVESTMENTS

*The Council maintains treasury investments in order to:*

- *invest amounts allocated to special funds, trusts, sinking funds and reserves*
- *invest funds allocated for approved future expenditure, to implement strategic initiatives or to support inter-generational allocations*
- *invest proceeds from the sale of assets*
- *invest surplus cash, and working capital funds.*

## INVESTMENT OBJECTIVES

*The Manager, Finance and the Treasurer set the overall investment strategy by reviewing cash flow forecasts incorporating plans for approved expenditure and strategic initiatives. They evaluate also the outlook for interest rates and the shape of the yield curve.*

The Council's primary investment objective is the protection of its investment. Only creditworthy partners are acceptable. Creditworthy partners are selected on the basis of their current Standard and Poors (S&P) rating, and this must be a long term rating of A+ or better. Credit ratings are monitored on a monthly basis by the Treasurer.

Within the above credit constraints, the Council also seeks to:

- maximize investment return
- ensure investments are liquid
- manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

The following principles form the key assumptions of the operating parameters contained in the investment framework:

- credit risk is minimized by setting maximum limits for each broad class of non-Government issuer, and by limiting investments to registered banks, strongly rated State Owned Enterprises, and corporates within prescribed limits
- liquidity risk is minimized by ensuring that all investments must be capable of being liquidated in a readily available secondary market. Furthermore, the Council maintains \$4 million, or 25% of the sinking fund pool, with a maturity of less than one year.

## INTEREST RATE RISK MANAGEMENT

The Council's investments are affected by changes in interest rates, impacting on the return and capital value of its fixed rate investments.

The interest rate risk management strategy is set by monitoring the interest rate markets on a regular basis, evaluating the outlook and determining the interest rate profile to adopt for investments.

The interest rate risk management strategy is carried out by reviewing rolling cash flow forecasts and using risk management instruments to protect investment returns and/or to change the interest rate and maturity profile.

After Council approval, interest rate risk management instruments may be used for:

- forward rate agreements
- interest rate swaps

- purchase of interest rate options products including floors, bond options and swap options
- interest rate collar type strategies.

Selling interest rate options for the purpose of generating premium income is not permitted.

## SINKING FUNDS

After 1 July 1998 under the new Local Government Amendment (No 3) Act 1996, the Council is not required to use specific borrowing mechanisms, and therefore will use its discretion in determining whether a sinking fund mechanism is appropriate. Council operates sinking funds and nominated commissioners administer the outstanding loans. The sinking fund commissioners are the Mayor and Deputy Mayor. Sinking funds are managed as part of the Council's overall investment portfolio.

A statement of sinking funds is prepared annually by the sinking fund commissioners and reported to the Council.





# BORROWING MANAGEMENT POLICY

*This section is an outline of the Council's Borrowing Management Policy. The full document is contained in the Council's Treasury Policy which can be obtained on request from the Council.*

*The Council borrows as it considers appropriate, exercising its flexible and diversified borrowing powers within the Local Government Amendment Act (No. 3) 1996. The Council approves borrowing by resolution during the Annual Planning process. Projected debt levels are obtained from detailed cash flow forecasts prepared during the Strategic and Annual Planning process.*

*The Council raises borrowing for the following primary purposes:*

- general debt to fund Council's balance sheet, and from time to time its liquidity requirements*
- specific debt associated with 'special one-off' projects and capital expenditure*
- to fund assets with inter-generational qualities.*

*Council is able to borrow through a variety of market mechanisms including the issue of stock, debentures and direct bank borrowing or through accessing the capital markets directly.*

*Council offers rates as security for general borrowing programmes.*

*In evaluating new borrowings (in relation to source, term, size and pricing) the Manager Finance and the Treasurer will take into account the following:*

- the size and the economic life of the project*
- the impact of the new debt on the borrowing limits*
- relevant margins under each borrowing source*
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time*
- prevailing interest rates relative to term for both stock issuance and bank borrowing and*

*management's view of future interest rate movements*

- available term from bank and stock issuance*
- ensuring that the implied finance terms within the specific debt (e.g. project finance) are at least as favourable as the Council could achieve in its own right*
- legal documentation and financial covenants.*

*The gross interest expense of all borrowings will not exceed 20% of annual revenue.*

# STAFFING SUMMARY 1998/1999

*In full time equivalents.*

	Part Time Projected	Full Time Projected	Total Projected	Actual 1997/98
Chief Executive's Group	–	7.0	7.0	7.0
City Development Group	1.6	48.0	49.6	49.8
City Services Group	57.0	143.0	200.0	199.4
City Environment Group	2.0	58.0	60.0	62.8
<b>Total</b>	<b>60.6</b>	<b>256.0</b>	<b>316.6</b>	<b>319.0</b>



# YEAR 2000 COMPLIANCE

*Hutt City Council has a year 2000 project to ensure the compliance of all our computers, fax machines, answer phones, security and other electronic systems.*

*As part of this project an independent consultant was engaged to confirm all control equipment associated with the provision of water supply, wastewater and stormwater services is year 2000 compliant.*

*In addition, the majority of our infrastructural sites have manual back up systems to enable continued operation in the event of failure of the primary control systems.*

*We are also undertaking an audit of all our suppliers to ensure their systems will continue to operate normally in the year 2000.*

# TRANSIT NEW ZEALAND FUNDING

The information set out below is provided to meet the requirements of Sections 31 and 32 of the Transit New Zealand Act, 1989.

The figures shown are included in the roading and traffic management output summary.

Surpluses and deficits relating to these activities are dealt with as follows:

- any operating surplus is firstly applied to fund capital expenditure
- after funding capital expenditure, any remaining surplus is used to reduce the net funding requirement from rates
- any operating deficit is funded from rates.



## PROFESSIONAL SERVICES BUSINESS UNIT – OPERATING STATEMENT

Revenue/Sales from:	\$000
In-house Professional Services for Transit New Zealand Financially Assisted Roading	233
Other activities	1,599
<b>Total revenue</b>	<b>1,832</b>
Less:	
Operating costs	1,832
<b>Net surplus</b>	<b>-</b>

# EQUAL EMPLOYMENT OPPORTUNITIES

*Everyone has the right to equal employment opportunities. Hutt City Council is committed to the principle of equal employment opportunities in recruiting, employing, training and promoting its employees.*

## KEY PRINCIPLES

- *To provide fair and proper treatment for employees*
- *To eliminate inequality in the employment of any person or group of persons*
- *To ensure that no preference or discrimination is made on the basis of gender, transgender, marital status, religious or ethical belief or its absence, colour, race, ethnicity, nationality, health, disability, age, sexual orientation, pregnancy, political opinion, employee association involvement, employment status, beneficiary status, family status or the identity of a partner or relative*
- *To require supervisors and managers to be responsible and accountable for the implementation and integration of equal employment opportunities.*

## GOALS

- *To integrate equal employment principles and practices into Hutt City Council*
- *To realize the business benefits to the Council of valuing and fully utilizing its human resources*

## PROGRAMME

*In each year the Council will develop an equal employment programme which will:*

- *Inform and raise the awareness of all staff on equal employment issues*
- *Monitor the working environment to ensure that it is free of all discrimination*
- *Ensure that employment related decisions are based on skill and abilities and made on merit*
- *Encourage the fullest use of individual talents and skills.*

## PERFORMANCE MEASURE



*Equal employment opportunities programme milestones met.*

# THE TREATY OF WAITANGI

*The Hutt City Council has an obligation to take into account the principles of the Treaty of Waitangi and to recognize and provide for the relationship between Maori, their culture, and their traditions, land and taonga.*

*The obligation to consult includes recognizing those who have mana whenua, or inherited rights of land ownership. Within Hutt City this is the Wellington Tenth Trust and the Council also recognizes the Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui. Both these groups represent the Taranaki tribes within the Wellington region.*

*Consultation may also extend to those who do not have mana whenua, represented in the Hutt Valley by Taura Here ki Rimutaka on behalf of twenty three tribal groups within the greater Wellington region.*

*A Code of Conduct and Memorandum of Understanding has been established which governs the relationship between Te Atiawa and the elected Council.*

## KEY PRINCIPLES

- *to use the Code of Conduct and Memorandum of Understanding to promote consultation effectively*
- *to continue with the established contractual arrangements with Te Atiawa*
- *to pursue Council's statutory obligations under Part II of the Resource Management Act 1991.*



## GOALS

- *to maintain consultation and involvement with the Te Atiawa*
- *to consult the Taura Here ki Rimutaka.*

## PROGRAMME







- *promoting an understanding of the Code of Conduct and Memorandum of Understanding*
- *working to maintain the arrangements with the Runanganui o Taranaki Whanui ki te Upoko o te Ika a Maui, the Wellington Tenth Trust and the Taura Here ki Rimutaka*
- *ensuring that all parties are kept informed of Council developments and given the opportunity to take part in Council affairs.*

## PERFORMANCE MEASURES

-  *Maori consultative group established by 30 June 1999.*
-  *Bicultural Policy approved by 30 June 1999.*



The Performance symbols indicate which performance measures are used for each objective.

-  Timing – did the programme meet the planned deadlines?
-  Budget – was the project within budget?
-  Resident satisfaction – were at least 80% of residents surveyed satisfied with the programme?
-  Standard – did the programme meet the appropriate technical standards?
-  Effectiveness – were the effectiveness targets met?
-  Efficiency – were the efficiency targets met?

# COMPLIANCE

## COSTS/BENEFIT ANALYSIS

*These documents have been prepared in accordance with the principles of financial management set out in s122C of the Local Government Act 1974.*

*One of these principles is that the benefits and costs of different options should be assessed in determining any long term financial strategy, funding policy, investment policy, or borrowing management policy and in making any decision with significant financial consequences (including a decision to take no action).*

*In some cases the cost/benefit analysis has been applied at an abstract level, relying on the accumulated knowledge and experience of elected members and management. In other cases the analysis has been more concrete, using specially prepared information. Overall, the extent to which costs and benefits have been quantified, different options considered and considerations recorded reflects the tolerances allowed under s122I of the Local Government Act 1974.*

## PLANS FOR THE TWO FINANCIAL YEARS FOLLOWING 1998/99

*Apart from those areas highlighted in the Statement of Significant Changes in Policies or Activities, the Council, for the two financial years following 1998/99, is not planning any major departures from:*

- *the significant policies and objectives*
- *the nature and scope of the significant activities undertaken*
- *the measures used to judge service performance*

*as set out in this Annual Plan.*

*The indicative costs, sources of funds, borrowing needs and borrowing programme for the two financial years following 1998/99 are contained in the Long Term Financial Strategy, Volume 3 of this Annual Plan 1998/99.*

## STATUTORY COMPLIANCE CHECKLIST

*The Council has avoided unnecessary repetition in the documents which are included in this year's Annual Plan. However, all the statutory requirements for the Long Term Financial Strategy and Funding Policy have been met, and may be located with the help of the following compliance checklist:*

### STATUTORY REQUIREMENT

### LOCATION OF COMPLIANCE

Content of Long Term Financial Strategy (s122L and s122M Local Government Act 1974)

Estimated expenses necessary to meet the identified needs of the local authority over the period of the strategy: [s122L(a)]

Long Term Financial Strategy  
Volume 3, Annual Plan 1998-99  
Statements of Financial Performance – Expenditure  
(District wide and by activity/cost centre)

Reasons why activities giving rise to the estimated expenses are to be engaged in: [s122L(b)]

Funding Policy  
Volume 2, Annual Plan 1998-99  
Analysis of the 39 significant activities of the Council  
First section of each activity analysis

STATUTORY REQUIREMENT	LOCATION OF COMPLIANCE
Proposed sources of funds to cover the estimated expenses: [s122L(c)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statements of Financial Performance – Revenue (District wide and by activity/cost centre)
Estimated cashflow projections for the period of the strategy, including the results of any planned asset sales and changes in working capital: [s122L(d)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statement of Cashflows
Estimates in relation to the creation and realisation of reserves, investments, and assets: [s122L(e)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statement of Financial Position
Estimated changes in the level of equity over the period of the strategy [s122L(f)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statement of Financial Position
Estimated long-term borrowing requirements for the period of the strategy: [s122L(g)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statement of Financial Position and Debt Worksheet
Estimates of commitments and contingencies for future events that the local authority could reasonably expect to occur and are associated with the actions that the local authority could reasonably expect to take: [s122L(h)]	Long Term Financial Strategy Volume 3, Annual Plan 1998-99
Such other financial and non-financial information as is necessary to meet the requirements of s 122C(1) of this Act. [s122L(i)]	Volumes 1 and 3, Draft Annual Plan 1998-99 Introduction sections
All the significant forecasting assumptions and risks underlying the financial estimates provided under s122L, and where significant forecasting assumptions involve a high level of uncertainty, the fact of that uncertainty and an estimate of the potential effects of that uncertainty on the financial estimates provided. [s122M]	Long Term Financial Strategy Volume 3, Draft Annual Plan 1998-99 Introduction section
<p>Content of Funding Policy <i>Section 1220 Local Government Act</i> <i>The funding policy shall show the manner in which s122C(1)(d) has been complied with and, in so doing, shall show, for each function of the local authority,–</i></p> <p>(a) <i>The allocation in any relevant year of the costs of that function, or, significant component, and</i></p> <p>(b) <i>The rationale, in terms of s122C(1)(d) for any allocation of costs including, where that allocation has been determined wholly or partly by the considerations specified in s122G(b), the specific issues of fairness and equity taken into account; and</i></p> <p>(c) <i>Where the allocation of costs differs from that identified under s122E(1)(a), a general description of the effect of that difference in terms of the allocation of costs between persons or categories of persons.</i> [s1220(1)]</p>	Funding Policy Volume 2, Draft Annual Plan 1998-99 Analysis of the 39 significant activities of the Council
The funding policy shall show, for the district as a whole, the mix of funding mechanisms (being funding mechanisms described in s1220(3)) required to meet the total funding requirements of the local authority for that year, and shall explain how those funding mechanisms will achieve the allocations of costs described under ss1220(1)(a). [1220(2)]	<p>This particular item has been dealt with in general terms in the introductory section to the Funding Policy, by reference back to the activity analysis.</p> <p>Funding Policy Volume 2, Annual Plan 1998-99 Shown graphically using pie chart</p> <p>Also, by reference to the Long Term Financial Strategy Volume 3, Annual Plan 1998-99 Statement of financial performance – Revenue</p>





# 1. ROADING

## DESCRIPTION

*The Council provides and maintains sealed roads and footpaths throughout the City by means of competitively tendered contracts. This activity allows for the efficient movement of motor vehicles, cyclists, pedestrians and other forms of transport.*

## REASON FOR ACTIVITY

*The City's roads and footpaths are treated as a single network for the movement of people and goods around the City and the provision of access to property. Charging road and footpath users directly for the use of these facilities is impractical and the activity therefore requires public funding. Funding for road maintenance and construction comes from rates and loans, and from the central government funding provider, Transfund New Zealand.*

## BENEFIT ANALYSIS

### s122E(1)(a) – Indicative Allocation of Costs

#### Principle(s) applied:

#### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

#### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 65%**

**Total Public Benefit: 35%**

Roading has a number of characteristics that determine the nature and distribution of its benefits. These are:

1. It provides a strip of commonly owned land along

which people and goods can move without having to enter into complex transactions with individual land owners. This common strip is generally non-rival and practically non-excludable and the benefits of it go to the community in general (s122F(b)). There are negligible operating costs associated with this aspect of the road network. The costs lie in the purchase price of the land, and the opportunity cost of keeping the community's resources in that form (cost of capital).

2. The bulk of the operating costs occur as a result of maintenance of the 'chip seal' and the road structure, (or 'carriageway'). Carriageway technology is provided almost exclusively for the motorist. The benefits, therefore, are received by an identifiable group within the community – the more you use the road, the more you benefit.

Road surfaces are technically excludable through the vehicle registration regime. They are also rival, in that they are worn out as each vehicle passes over them (exponentially according to the weight of the vehicle). When congested, every extra vehicle that goes on to the road imposes a cost on all the other vehicles present. In this sense, the carriageway aspect is not a pure public good and fits best with the principle under s122F(c) of the Act.

3. Footpaths, like carriageways, are designed for a certain mode of transport – mainly pedestrians. Unlike the carriageway, however, they are not easily worn out through use, are more difficult to exclude from use and are rarely congested.
4. Use of the road reserve, in particular the strip either side of the carriageway is, at this stage, open to all. The non-rivalness and non-excludability of this adds to the public good.
5. Existence values are also present in that people express considerable concern to Council over the state of roads in their localities.
6. Major arterial routes generally pay more than their own way in fuel tax and road user charges. At the other extreme, cul de sacs will never do so. The roading system is a network, however, and individual components cannot be treated in isolation. Central Government draws off around \$800 million per annum in fuel tax without an explicit purpose or use. Local authorities contribute around \$250 million in rates to their local roads. A better outcome would be to have all approved carriageway costs funded from road user sources rather than rates.

Hutt City Council already maximises its roading 'subsidy' from Transfund. The level of rates funding must continue if the Council is to maintain and improve its roading network. Applying the principles of the Act suggests that the Council should seek the replacement of rates funding for approved carriageway expenditure with Transfund money.

A greater contribution from Transfund would also eliminate the need for any rates differentiation, on the basis that commercial traffic accounts for approximately 50 percent of traffic counts around the City and a proportion greater than 50 percent by axle weight.

It is noted that Government is currently reviewing delivery of roading and local government's role in it. The above analysis is based on the status quo.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding <sup>1</sup> :	29%
Total Public Funding:	71%

#### PROPOSED FUNDING:

Total Private Funding:	30%
Total Public Funding:	70%

### REASON FOR REVENUE DISTRIBUTION

The discrepancy between the indicative and proposed allocation of costs is due to the Council's inability to obtain more private funding from Transfund at this time.

#### The modifications applied are:

##### s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	60%
Residential rate	39%
Rural rate	1%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

Roading use, and in particular vehicle weights, accounts for the cost of roading. The greater number and greater weight of vehicle movements within the city are for business purposes. The public funding distribution is weighted in favour of the business sector.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	1	1	1
Operating subsidies	20	20	20
Miscellaneous	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business	47	47	47
Residential	31	31	31
Rural	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 2. STREET CLEANING

### DESCRIPTION

*The regular cleaning of the City's streets.*

### REASON FOR ACTIVITY

*There are insufficient incentives for private interests to undertake street cleaning to levels required by the community. The Council therefore acts as a purchaser of the service on behalf of the community, to ensure full coverage of residential and business areas.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 20%**

**Total Public Benefit: 80%**

Various unavoidable factors make street cleaning necessary. Natural phenomena such as weather create mess in the form of leaves and dust. Human mess such as litter counts as an exacerbator principle under s122F(d).

It not possible to identify the exacerbator in most cases, however, and even large penalties would not generate enough net revenue to fund street cleaning, even while reducing the need for it.

It has been asked whether the cost of street cleaning in commercial areas should be significantly borne by the business community. This is probably more fair and



1. Private funding – Transfund subsidies. These user charges are collected by Central Government through vehicle registration, road user charges and fuel tax.

efficient than charging the community at large. Not all people use the commercial areas equally and where the cost is placed on the business owners, it:

1. provides incentives for businesses to reduce packaging
2. offers the opportunity for business owners to pass on the cost to those who actually use the shopping area
3. gives businesses the incentive to seek from the Council the level of service they require.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding: 6%  
Total Public Funding: 94%

#### PROPOSED FUNDING:

Total Private Funding: 16%  
Total Public Funding: 84%

### REASON FOR REVENUE DISTRIBUTION

The proposed cost allocation is in recognition of:

1. the private benefit to motorists and other road users who are compensated by Transfund subsidies, while meeting Transfund requirements;
2. the impracticability of recovering the costs imposed by exacerbators.

### The modifications applied are:

#### s122G(a)

*The obligation of the local authority to act in the interests of its residents and ratepayers:*

#### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

### PUBLIC FUNDING DISTRIBUTION

Business rate 49%  
Residential rate 50%  
Rural rate 1%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The costs of street cleaning in residential areas should be borne by residents. In commercial areas these costs should be borne by businesses. Significantly larger amounts of litter are discarded in commercial areas and these are usually serviced daily, as opposed to every 3-12 weeks for residential streets. This means that the public funding distribution should be larger in commercial areas.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Operating subsidies	6	6	6
<b>Public funding</b>			
<b>General rate</b>			
Business	46	46	46
Residential	47	47	47
Rural	1	1	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

### 3. TRAFFIC MANAGEMENT

#### DESCRIPTION

*Motor vehicles, cyclists and pedestrians need to be able to move safely and efficiently around the City. The Council provides and maintains traffic lights, roundabouts, road signs and markings, and traffic calming measures. This traffic control infrastructure is designed, built and maintained through either publicly tendered or negotiated contracts according to the Council's specifications.*

#### REASON FOR ACTIVITY

*The public nature of the road reserve, and the absence of private markets in roading, make it necessary for the Council to provide traffic management on behalf of the community.*

#### BENEFIT ANALYSIS

##### s122E(1)(a) – Indicative Allocation of Costs

Principle(s) applied:

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 40%**  
**Total Public Benefit: 60%**

Benefit levels have been assessed as 40 percent private and 60 percent public. Works subsidised by Transfund, the Wellington Regional Council and the Land Transport Safety Authority are regarded to be of private benefit to users of the road, with the balance relating to cyclists and pedestrians throughout the whole city.

The Transfund subsidy meets the costs of the private benefits to, and the negative effects caused by, vehicle users.

#### REVENUE DISTRIBUTION

##### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs and Practicality and Efficiency Modifications

CURRENT FUNDING:

Total Private Funding: 35%  
 Total Public Funding: 65%

PROPOSED FUNDING:

Total Private Funding: 35%  
 Total Public Funding: 65%

##### REASON FOR REVENUE DISTRIBUTION

The proposed cost allocation was agreed as 35 percent private funding and 65 percent public funding. This reflects current funding levels, while recognizing the difficulties associated with attempting to collect the additional 5 percent from both Transfund and individuals.

The modifications applied are:

s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

##### PUBLIC FUNDING DISTRIBUTION

Business rate 60%  
 Residential rate 39%  
 Rural rate 1%

##### REASON FOR PUBLIC FUNDING DISTRIBUTION

In recognition of the greater use made of the city's roads by commercial traffic.

##### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None

##### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Operating subsidies	27	27	27
<b>Public funding</b>			
<b>General rate</b>			
Business	44	44	44
Residential	29	29	29
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 4. STREETLIGHTING

### DESCRIPTION

*High-quality and energy efficient streetlighting.*

### REASON FOR ACTIVITY

*Private markets will not provide the levels of streetlighting required for public safety and ease of movement. The Council's role is therefore as the asset owner and funder.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

<b>Total Private Benefit:</b>	<b>0%</b>
<b>Total Public Benefit:</b>	<b>100%</b>

The level of benefit is assessed as 100 percent public, given that streetlighting is provided to certain standards for traffic and pedestrian safety in a way that is both non-rival and non-excludable. Motorists, however, are an identifiable group of beneficiaries best dealt with through the Transfund subsidy.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	41%
Total Public Funding:	59%

##### PROPOSED FUNDING:

Total Private Funding:	40%
Total Public Funding:	60%

#### REASON FOR REVENUE DISTRIBUTION

Benefits to motorists and the community in general are non-excludable and non-rival for both groups. The presence of the Transfund 'subsidy', however, is considered to be a direct purchasing of those benefits on behalf of motorists in particular. The Transfund revenue makes up the difference between the indicative and the proposed allocation of costs.

##### The modifications applied are:

##### s122G(a)

*The obligation of the local authority to act in the interests of its residents and ratepayers:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

##### 122H(c)

*The extent to which it is efficient and effective to fund any expenditure need by a funding mechanism that is separate from those used to fund any other expenditure of the local authority:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

## FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Operating subsidies	35	35	35
<b>Public funding</b>			
<b>General rate</b>			
Business	28	23	19
Residential	37	42	46
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 5. PARKING

### DESCRIPTION

*The provision, maintenance and regulation of on-street and off-street carparks in the commercial areas of the City. The location and regulation of carparks is designed to ensure fair, easy and efficient access to the city's commercial areas. On-street carparks are provided and maintained through competitive contract as part of the road reserve. Off-street carparks are purchased as necessary and also maintained by the private sector through the tendering process. Regulation is achieved through payment of parking fees and fines for off-street parking, and enforcement of maximum times or parking fees and fines for on-street carparks. The Council also ensures residents have access to their properties by removing vehicles parked over driveways.*

### REASON FOR ACTIVITY

*On-street carparks use the road reserve to give immediate access to commercial outlets. The legal status and public nature of the road reserve requires that the Council owns this parking asset. The Council's legal ability to ration carparks through bylaws requires that it be responsible for regulation and enforcement. The Council's role in off-street carparks is currently under review.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure*



should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

Total Private Benefit:	100%
Total Public Benefit:	0%

Parking fees are seen as a short term rental on a plot of lan, making them a private good, as they are both rival and excludable.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	122%
Total Public Funding:	-22%

#### PROPOSED FUNDING:

Total Private Funding:	122%
Total Public Funding:	-22%

Note: The surplus in this significant activity is applied to the general revenue of the Council.

### REASON FOR REVENUE DISTRIBUTION

The proposed cost allocation was agreed as 122 percent private funding and a contribution of 22 percent to public funding which provides a return on capital invested.

#### The modifications applied are:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	0%
Residential rate	0%
Rural rate	0%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

No public funding is required.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	119	119	119
<b>Public funding</b>			
<b>General rate</b>			
Business	-4	-4	-4
Residential	-15	-15	-15
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 6. REFUSE COLLECTION

### DESCRIPTION

The collection of most residential and some commercial solid waste is achieved through tendering contracts for streetside rubbish bag collection. Rubbish bags are purchased by residents and the revenue from this funds the weekly kerbside pickup. The service is entirely self funding.

### REASON FOR ACTIVITY

The Council's involvement in the activity is historical. Residents and businesses can opt out of the Council controlled service by contracting directly with private sector disposal firms. This allows the private sector to equip itself to deliver the service and informs the Council of the level of community support for its continued involvement.

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

Total Private Benefit:	100%
Total Public Benefit:	0%

The correction or minimising of the negative effects of individual actions lead to public health benefits that are non-excludable and non-refundable. The issue is one of exacerbation.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

#### PROPOSED FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

**REASON FOR REVENUE DISTRIBUTION**

It was considered appropriate to remain with the existing funding policy because this is viewed as a charge on exacerbators and is considered an efficient method of collection.

**The modifications applied are:**

None

**FINAL COST ALLOCATION (%)**

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	100	100	100
<b>Public funding</b>			
<b>General rate</b>			
Business	0	0	0
Residential	0	0	0
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

**7. RECYCLING AND WASTE REDUCTION**

**DESCRIPTION**

*Recycling is subsidized by the Council and carried out through tendered contracts. Household waste for recycling is picked up weekly.*

**REASON FOR ACTIVITY**

*If left to private markets the recycling of some forms of waste would not occur. The Council wishes recycling to occur to reduce waste occupying landfill space, and to minimise the depletion of natural resources for future generations. The Council also wishes to promote the sustainable use of resources as part of its leadership role in the Community.*

**BENEFIT ANALYSIS**

**s122E(1)(a) – Indicative Allocation of Costs**

**Principle(s) applied:**

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 10%**  
**Total Public Benefit: 90%**

Both refuse collection and the treatment of recyclables involve minimising the negative effects of private actions. The Council is also attempting to promote good environmental behaviour by encouraging the community to minimise waste. At present, markets do not exist for all recyclables. The





value of the recycled material is less than its collection and processing costs and therefore the activity requires some form of public intervention to ensure it takes place. Reducing the volume of waste going into landfills, thereby prolonging landfill life, is also an un-accounted-for benefit.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	11%
Total Public Funding:	89%

#### PROPOSED FUNDING:

Total Private Funding:	10%
Total Public Funding:	90%

### REASON FOR REVENUE DISTRIBUTION

Recycling and waste reduction were considered to be of major benefit to the public and funding should accurately reflect the benefit figures. The economic analysis was accepted as a basis for the policy.

#### The modifications applied are:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The Council funds recycling and waste reduction. Its contribution is to purchase, on behalf of the Community, the public benefit of sustainable natural resource management. The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	0	0	0
Transfer from Funds	63	49	36
<b>Private funding</b>			
<b>General rate</b>			
Business	16	18	18
Residential	21	33	45
Rural	0	0	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 8. LANDFILLS

### DESCRIPTION

Hutt City Council owns landfills at Silverstream and Wainuiomata for the disposal of the City's refuse. These are managed to high environmental standards. Emissions to air are controlled by the collection and use of methane, from the biological breakdown of landfill, to produce electricity. Leachate is managed to reduce any environmental impact on groundwater and surface water. Both landfills are operated through competitively tendered contracts and funded through disposal fees.

### REASON FOR ACTIVITY

No private sector operators have yet put forward acceptable proposals for non-Council landfills. Any successful private sector landfills may compete directly with those owned by the Council.

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

Total Private Benefit: 100%

Total Public Benefit: 0%

Refuse disposal involves the control or minimization of the negative effects of individual actions, as opposed to the maximisation of a public good. The applicable principle is therefore s122F(d).

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 100%

Total Public Funding: 0%

##### PROPOSED FUNDING:

Total Private Funding: 100%

Total Public Funding: 0%

#### REASON FOR REVENUE DISTRIBUTION

s122E(b) and (c)

*The activity is of private benefit to those disposing of refuse.*

#### The modifications applied are:

None

#### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	100	100	100
<b>Public funding</b>			
General rate			
Business	0	0	0
Residential	0	0	0
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 9. WATER SUPPLY

### DESCRIPTION

*This activity relates to the supply of high quality drinkable water for domestic and commercial use. The Council purchases bulk water from the Wellington Regional Council, and this accounts for 60% of the total cost of water supply to the City. It then distributes the water around the City through the local pipe network. The maintenance and operation of the City's water supply system is carried out on a contracted basis. High-volume water users are charged by metering their use of water.*

### REASON FOR ACTIVITY

*The Council's ownership of the pipe network is historical. It was considered that a public body was best suited to build and own such a large scale concern.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 80%**  
**Total Public Benefit: 20%**

The public health benefits lie in the treatment of the water, and in having a sealed reticulation system made from safe materials. The treated water is both excludable

and rival.

Third party benefits do exist, however, in the avoidance of infectious waterborne diseases. This, as the minimization of a 'bad', cannot easily be ascribed to identifiable exacerbators, making collective action necessary. Expenditures on the public health component include the costs associated with treatment, and the marginal cost of 'healthy' pipe technology, for example, the extra expense of having non-asbestos pipes. The cost of using healthy pipe technology, combined with the cost of hygienic headworks, is significant.

Fire fighting capacity costs are available to all within the reticulated area. Once the capacity is provided, newcomers can be accommodated at negligible extra cost. In this sense it is non-rival. It is also neither practicable nor desirable to exclude people from this benefit. Fire fighting capacity, therefore, is a public good. This is quantified at 30 percent of capacity costs.

In the absence of metering, the uniform annual charge (UAC) can be seen as a proxy for user charges. It is proposed that the public health benefits, along with fire fighting benefits, should be funded from general revenues rather than the UAC.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

##### PROPOSED FUNDING:

Total Private Funding:	80%
Total Public Funding:	20%

### REASON FOR REVENUE DISTRIBUTION

Using a Uniform Annual Charge to collect this revenue is the most efficient proxy mechanism for funding the private benefits, while a capital rate is appropriate for funding the public benefits.

#### The modifications applied are:

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

**MODIFICATIONS OF PUBLIC FUNDING DISTRIBUTION**

s122H(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

**FINAL COST ALLOCATION (%) \$10,201,946**

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Water by Meter Fees	21	17	13
Uniform Charges	79	78	77
<b>Public funding</b>			
<b>General rate</b>			
Business	0	1	2
Residential	0	4	8
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

**10. WASTEWATER**

**DESCRIPTION**

*This activity allows the treatment and disposal of household and commercial effluent according to regional and national environmental standards. A new treatment plant is to be built by 2003 to ensure effluent is treated to higher standards. The maintenance and operation of the wastewater system is carried out on a contracted basis.*

**REASON FOR ACTIVITY**

*Through treating and disposing of wastewater, the Council is protecting both the physical environment and the health of the community.*

**BENEFIT ANALYSIS**

**s122E(1)(a) – Indicative Allocation of Costs**

**Principle(s) applied:**

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 100%**

**Total Public Benefit: 0%**

Services which constitute a public 'good' are often things that the market won't supply in sufficient quantities.

Wastewater, like any other form of pollution, is something we want less of. The private sector would be more than happy to supply wastewater infrastructure, so any market failure lies in its monopoly characteristics.

The clause most applicable when thinking about services such as wastewater is s122F(d). In this sense, wastewater is not a public good at all, but rather an exacerbator issue.

Current funding is consistent with a high, or total, private benefit component if the uniform annual charge is treated as a proxy for user charges. At present there are no legal means by which we can directly charge for all wastewater costs.

**REVENUE DISTRIBUTION**

**s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications**

**CURRENT FUNDING:**

Total Private Funding: 57%



Total Public Funding:	43%
PROPOSED FUNDING:	
Total Private Funding:	100%
Total Public Funding:	0%

### REASON FOR REVENUE DISTRIBUTION

It was agreed that moving towards a total Uniform Annual Charge, as well as Trade Waste Charges, creates the most efficient proxy mechanisms for direct charging.

#### The modifications applied are:

s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

### SOURCE OF FUNDS

Trade Waste Charges and a Uniform Annual Charge.

FINAL COST ALLOCATION (%) \$5,957,705			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	2	2	2
UHCC contribution	12	12	12
Uniform charges	86	86	86
<b>Public funding</b>			
<b>General rate</b>			
Business	0	0	0
Residential	0	0	0
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 11. STORMWATER

### DESCRIPTION

*Effective drainage systems protect property from flooding damage. Stormwater infrastructure includes pipe networks, streetside gutters, retention dams and open watercourses (streams). These are provided and maintained according to the reasonable costs of managing foreseeable flooding events.*

### REASON FOR ACTIVITY

*No private markets exist to provide a comprehensive city-wide stormwater system.*

### BENEFIT ANALYSIS

s122E(1)(a) – Indicative Allocation of Costs

Principle(s) applied:

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 40%**

**Total Public Benefit: 60%**

Stormwater reticulation, watercourses, major storm events and watercourse quality management, while partly for private benefit, are mainly for public benefit. This benefit can be seen in terms of dealing with public spaces and the public stormwater system, managing damage from severe flooding for the benefit of the community and conducting monitoring and pollution control for the community at large. These attributes are generally non-excludable and non-rival. Private benefit exists, however, in that buildings and pavements

increase the need for the expenditure. There are economies of scale associated with the provision of an overall system.

The chief applicable principle is s122F(b), with s122(d) for the negative effects of development. The system benefits the community in general and costs are not driven by individuals.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	1%
Total Public Funding:	99%

#### PROPOSED FUNDING:

Total Private Funding:	1%
Total Public Funding:	99%

### REASON FOR REVENUE DISTRIBUTION

Economies of scale mean that it is often cheaper to provide an overall system rather than operate individually. Rates are a useful proxy for the costs imposed by development. With developers' contributions, capital value rates take care of the private component efficiently because they are a good proxy for costs imposed on the system through land area and building coverage.

#### The modifications applied are:

##### s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The private benefits of stormwater reflect the fact that properties with high percentages of building coverage and properties with large land areas produce greater run-off than other properties. Capital value rates reflect this in that they tax both large buildings and large land components. The private benefit aspect is most effectively paid for from capital value rates. The distribution of public funding is based purely on property valuations as there is no prima facie reason to differentiate the rate.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

#### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### SOURCE OF FUNDS

General rate.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Operating subsidies	1	1	1
<b>Public funding</b>			
<b>General rate</b>			
Business	42	35	28
Residential	57	63	70
Rural	0	1	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 12. LIBRARIES

### DESCRIPTION

*The Council provides, maintains and manages eight libraries in the City. The City's libraries are run as a single city-wide service. Their primary role is the provision of written and recorded media, chiefly books, video and audio tapes. This material is used for many purposes including entertainment, learning and research.*

### REASON FOR ACTIVITY

*There is strong public preference for keeping the City's libraries. Reviews are undertaken from time to time to ensure they meet changing public requirements and remain efficient.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 30%**  
**Total Public Benefit: 70%**

It is usually argued that making literature and knowledge resources available to all has benefits for both the individual and society. It promotes social cohesion and allows individuals to fulfil their potential. This argument may well be true but it is virtually impossible to prove in any objective manner. It is, therefore, a matter for the subjective judgements of councillors. Such judgements are an unavoidable necessity and specifically catered for under s122I(4) (b) of the Act.

What is quite clear, however, is the strong community preference for libraries. The mere hint of a library closure sparks strong community protest. This suggests that, even while many people do not use the libraries, they value them – either for their existence, or as an option should they ever want to use them. The fact that a majority of the community is willing to part with rates money to have a local library implies that they receive either existence or option benefits. It is logical that people only pay when they receive something of equal or greater value to them, although that value is always subjective.

Existence and option benefits are a more defensible argument for the presence of public good characteristics than is social cohesion through literacy. Such benefits are both non-excludable and non-rival.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	6%
Total Public Funding:	94%

##### PROPOSED FUNDING:

Total Private Funding:	6%
Total Public Funding:	94%

#### REASON FOR REVENUE DISTRIBUTION

The present cost allocation is considered appropriate given the high public support for libraries. Council also acknowledges that price sensitivity is an issue because higher charges may mean that some people will no longer use the libraries.

#### The modifications applied are:

##### s122G (c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G (d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories*

of persons, with achieving the indicated allocation of costs at the earliest reasonable date.

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

#### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	3	4	4
Miscellaneous	1	1	1
<b>Public funding</b>			
<b>General rate</b>			
Business rate	41	34	27
Residential rate	54	60	67
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 13. MUSEUMS

### DESCRIPTION

The Council operates two museums. The Dowse Art Museum displays craft and other artistic materials. The Petone Settlers Museum specialises in the social history of the lower Hutt Valley and Petone. These institutions are open to the public at no charge, other than for special exhibitions.

### REASON FOR ACTIVITY

There is strong public preference for keeping the city's museums. Reviews are undertaken from time to time to ensure they remain efficient and meet changing public requirements.

### BENEFIT ANALYSIS

#### DOWSE

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

##### s122F(c)

The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

**Total Private Benefit: 30%**

**Total Public Benefit: 70%**

Museums fit much better with s122F(b) (the public goods clause) than can be said for the direct use of libraries. Museum expenditure is generally independent of the number benefiting from the service, making it non-rival. It is excludable, however, and the direct user benefits as an individual.

The presence of existence and option benefits appears to be less apparent than it is with libraries, in that the public





have shown ambivalence toward the Dowse. It should be noted, however, that prestige benefits, which are a subset of existence benefits, are significant. To many outside the City, the Dowse is Hutt's primary attraction and commands considerable respect as an arts institution.

Charging an entry fee may dissuade some patrons. The issue of charging is a trade-off between the net revenue gained and the loss to the community if some people choose not to use the service.

## SETTLERS

### s122E(1)(a) – Indicative Allocation of Costs

#### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(b)

*The principle that, to the extent that any expenditure—*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,—*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

<b>Total Private Benefit:</b>	<b>30%</b>
<b>Total Public Benefit:</b>	<b>70%</b>

The benefits of the Settlers Museum appear different to those of the Dowse. The Settlers has a heritage aspect, the benefits of which are inter-generational, non-excludable and non-rival. The private sector is unlikely to provide such a service.

Private benefits will be found in the direct enjoyment people receive in visiting. The same argument regarding a small charge, \$2 for instance, applies here as it does to the Dowse.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c)-Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### DOWSE

##### CURRENT FUNDING:

Total Private Funding:	11%
Total Public Funding:	89%

##### PROPOSED FUNDING:

Total Private Funding:	20%
Total Public Funding:	80%

#### SETTLERS

##### CURRENT FUNDING:

Total Private Funding:	4%
Total Public Funding:	96%

##### PROPOSED FUNDING:

Total Private Funding:	5%
Total Public Funding:	95%

#### REASON FOR REVENUE DISTRIBUTION

##### DOWSE

The proposed funding should be regarded as transitional and signals the Council's intention to move towards higher cost recovery, incrementally, as the market can stand it.

##### SETTLERS

The facility has historic and symbolic value which is related to the service it provides and warrants 95 percent public funding.

#### THE MODIFICATIONS APPLIED ARE:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

## FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	3	4	6
Miscellaneous	11	11	11
<b>Public funding</b>			
<b>General rate</b>			
Business rate	36	30	24
Residential rate	49	54	58
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 14. SWIMMING POOLS

### DESCRIPTION

*The Council provides and maintains six swimming pools in the City as part of its portfolio of recreational facilities and programmes. They are provided to encourage and promote health and enjoyment.*

### REASON FOR ACTIVITY

*There are insufficient incentives for private interests to undertake the provision of the level of swimming pools the community desires. The Council meets the desires of the community by the provision of these facilities.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs.

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 40%**

**Total Public Benefit: 60%**

Like libraries, swimming pools enjoy widespread and vociferous public support, implying significant existence and option benefits. The Hillary Commission has noted, however, that pools are largely patronised by middle and upper income groups.

They do constitute a valuable service, in that they provide a perfect environment in which to learn to swim. It is difficult to describe this as a benefit to the community in general, however, as opposed to an individual benefit. It should also be noted that many



people swim for fitness reasons and that this is in direct competition with private sector gyms.

The issue of the level of public benefit is a subjective one, and relates to the presence of existence and option benefits.

The public benefits lie largely in existence and option benefits, while the direct benefits are paid for through pool charges. It is estimated that the marginal cost of pool use is around 50c. The \$3 charge, therefore, covers significant amounts of the fixed costs which, in the short run<sup>2</sup>, make up the bulk of swimming pool costs. The Council could take a purely revenue maximising approach to pool charges. This, however, needs to be balanced with social objectives such as not preventing low income families from using pools.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	36%
Total Public Funding:	64%

#### PROPOSED FUNDING:

Total Private Funding:	35%
Total Public Funding:	65%

### Reason for Allocation of Costs Modification or Alternative

The current cost allocation was considered appropriate given that price sensitivity is an issue with swimming pools. Affordability for lower income groups is also considered a sufficient reason to maintain pool charges at their current level.

### The modifications applied are:

#### s122G b

*The fairness and equity of any allocation of costs:*

#### s122G c

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

#### s122H b

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

#### s122H c

*The extent to which it is efficient and effective to fund any expenditure need by a funding mechanism that is separate from those used to fund any other expenditure of the local authority:*

### Issue of fairness and equity taken into account:

The current charging regime places a considerable cost on those on low incomes and, in particular, families.

## PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

## REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

## MODIFICATION OF PUBLIC FUNDING DISTRIBUTION s122G d

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

## FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	30	31	32
Miscellaneous	2	2	2
<b>Public funding</b>			
<b>General rate</b>			
Business rate	29	24	19
Residential rate	39	42	46
Rural rate	0	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

2. The 'short run' is defined as the period in which the provider cannot vary its quantity of plant and equipment, i.e. its fixed cost.

## 15. RECREATION PROGRAMMES

### DESCRIPTION

Recreation Programmes are mainly programmes using swimming pools. These include events, children's holiday programmes, leisure education and the support of community recreation activities.

### REASON FOR ACTIVITY

Recreation programmes are designed to meet the physical well-being and life skill needs of Hutt City residents in ways that are not otherwise met.

### BENEFIT ANALYSIS

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs and Practicality & Efficiency Modifications

##### Principle(s) applied:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

##### s122F(c)

The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

**Total Private Benefit: 40%**

**Total Public Benefit: 60%**

Recreation programmes have a set of obvious, direct, rival and excludable private benefits that go to those using the programmes. Any indirect public benefits lie in meeting the specific recreational and life skill aspirations of Hutt City residents.

### REVENUE DISTRIBUTION

#### Revenue Distribution: s122E(1)(b) and (c) –

#### Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 27%

Total Public Funding: 73%

##### PROPOSED FUNDING:

Total Private Funding: 60%

Total Public Funding: 40%

#### REASON FOR REVENUE DISTRIBUTION

It was agreed that the level of cost recovery should rise, over time, to reflect the benefit apportionment. The degree of charging will reflect the price sensitivity of demand for the service.

#### The modifications applied are:

##### s122G d

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

##### s122H a

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate 18%

Residential rate 80%

Rural rate 2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G d

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.



FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	11	14	17
Miscellaneous	17	17	17
<b>Public funding</b>			
<b>General rate</b>			
Business rate	31	24	19
Residential rate	41	44	46
Rural rate	0	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 16. PARKS, RESERVES AND BEACHES

### DESCRIPTION

*The Council provides and maintains passive recreational facilities in the City for the enjoyment and well-being of the public free of charge. Recreation areas are both natural and created, with significant expenditure on maintenance and on returning areas to their natural state.*

### REASON FOR ACTIVITY

*The market does not provide such facilities at levels desired by the community.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

The major public good characteristic of parks, reserves and beaches is their non-rivalness. It is technically feasible to exclude people from their use. Given that costs are generally independent of the number of users, however, pricing would only serve as revenue collection exercise, rather than a rationing mechanism, as is the case with private goods.

## REVENUE DISTRIBUTION

### s122E(1)(b) and c – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	9%
Total Public Funding:	91%

#### PROPOSED FUNDING:

Total Private Funding:	10%
Total Public Funding:	90%

### REASON FOR REVENUE DISTRIBUTION

The cost allocation should appropriately reflect the private and public benefit.

#### The modifications applied are:

None.

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

s122G d

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	7	8	8
<b>Public funding</b>			
<b>General rate</b>			
Business rate	39	33	26
Residential rate	53	59	64
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 17. SPORTSFIELDS

### DESCRIPTION

*The Council provides a range of recreational facilities for use by sports codes around the City. Sportsfields are maintained through maintenance contracts. The quality of the fields is determined by the willingness of each code to pay for a further level of preparation quality beyond an amenity level standard.*

### REASON FOR ACTIVITY

*The community expresses a strong desire to maintain and enhance the number of codes represented by the City's sportsfields. If left to the codes themselves, or other private sector entities, the number and quality of sportsfields in the City would be considerably less than the community desires.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

<b>Total Private Benefit:</b>	<b>30%</b>
<b>Total Public Benefit:</b>	<b>70%</b>

The major cost of sportsfields lies in maintaining them to the standard required by the sports code using them. By some estimates this accounts for 68 percent of the costs. The codes represent identifiable groups within the community and the fields are both rival and excludable.



The public good aspect is based on strong community support (existence and option benefits) for sportsgrounds.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	12%
Total Public Funding:	88%

#### PROPOSED FUNDING:

Total Private Funding:	15%
Total Public Funding:	85%

### REASON FOR REVENUE DISTRIBUTION

The Council is currently testing the willingness of codes to pay for the use of the sportsfields. The level of cost recovery is therefore planned to rise from 12 percent in 1997/98 to 15 percent in 1998/99. The remaining 85 percent purchases the public's preference to have these fields in place, and is therefore deemed a public good.

#### The modifications applied are:

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	11	12	13
<b>Public funding</b>			
<b>General rate</b>			
Business rate	38	31	25
Residential rate	50	56	61
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 18. CEMETERIES

### DESCRIPTION

*The Council provides and maintains appropriate and culturally acceptable interment services.*

### REASON FOR ACTIVITY

*The community wishes that proper provision be made for the burial of the dead. The cemeteries provided for this purpose allow open access to the community for the purpose of visiting departed friends and relatives, and therefore need to be maintained.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 100%**

**Total Public Benefit: 0%**

The inter-generational clause s122F(a) applies, in that the Council maintains plots in perpetuity. This could be addressed, in opposition to the thinking above, by means of financial contributions that pay for the maintenance of the plot in perpetuity. It is noted that the Council has resolved:

*That cemetery charges be set at a level that recovers the full cost of providing the service including ongoing maintenance and administration. (CS97/10/3)*

To maintain a plot in perpetuity, an additional one-off payment of \$350-\$450 would have to be made. If invested this would produce sufficient interest<sup>3</sup> to maintain the plot over its lifetime. This would increase total burial costs (including funeral costs) by 9-12 percent.

At \$25 a year to maintain a plot, a lump sum of \$382 paid at burial time will produce roughly the necessary \$25 dollars. This is an estimate made on conservative assumptions. Assuming a 2 percent difference between borrowing and deposit rates it could save the Council between \$50,000 and \$100,000 per annum in interest costs.

This proposal meets the inter-generational equity

principle under s122F(a). It can also be carried on in perpetuity.

Plots are both rival and excludable and are of primary importance to an identifiable group – the relatives of the deceased. Any public benefit, therefore, must indirectly go to the wider public. The nature of this benefit needs to be isolated and assessed in proportion to the total benefit of cemeteries.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	44%
Total Public Funding:	56%

##### PROPOSED FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

#### REASON FOR REVENUE DISTRIBUTION

To reflect the private good and inter-generational aspects of the service.

##### The modifications applied are:

None

#### PUBLIC FUNDING DISTRIBUTION

Business rate	0%
Residential rate	0%
Rural rate	0%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

No public funding is required.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None

#### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	46	46	46
<b>Public funding</b>			
<b>General rate</b>			
Business rate	23	19	15
Residential rate	31	35	38
Rural rate	0	0	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>



<sup>3</sup> Measured in net-present value terms.



## 19. SOCIAL POLICY

### DESCRIPTION

*Social policy development involves research into community needs and consultation with those affected as programmes are developed.*

### REASON FOR ACTIVITY

*Decisions are best made by those close to the source of a problem. Local authorities frequently have greater knowledge of local needs than does the traditional social provider, Central Government. It is important that communities have a level of government that is able to respond quickly and specifically to their needs. The Council therefore maintains the capacity to quickly respond to problems and issues within the community it represents.*

### BENEFIT ANALYSIS:

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

The Council's Social Policy framework is a frame of reference for the Council's policies in general. On this basis the benefits can be said to accrue to the community in general. It is also non-rival and non-excludable. The activity, therefore, is subject to s122F(b).

Benefits will occur over a longer period. It is, therefore, also subject to s122F (a).

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding: 0%  
Total Public Funding: 100%

#### PROPOSED FUNDING:

Total Private Funding: 0%  
Total Public Funding: 100%

### REASON FOR REVENUE DISTRIBUTION

No modifications are required as the activity is considered purely of public benefit.

#### The modifications applied are:

None.

### PUBLIC FUNDING DISTRIBUTION

Business rate 18%  
Residential rate 80%  
Rural rate 2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

#### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 20. COMMUNITY DEVELOPMENT

### DESCRIPTION

Community Development is the carrying out of the Council's social policy. This is achieved either directly through the Council's Community Development Services Division, or where applicable, through private contracts. This service includes community houses which are a resource available to the City as a whole, but intended for the use of groups that cannot afford other facilities.

### REASON FOR ACTIVITY

Council has a policy of retaining the capacity to respond to social issues affecting members and groups of the community it represents. Often these members and groups are affected by income and disability problems which, if not addressed by external agencies, would eventually become a cost to the community as a whole.

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs.

##### Principle(s) applied:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

##### s122F(c)

The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

**Total Private Benefit: 30%**

**Total Public Benefit: 70%**

The private benefit component reflects the fact that the service is delivered to identifiable individuals and groups. The direct benefit of the activity is both rival, in that if

one group receives it another cannot, and excludable, in that the Council can withhold the service from beneficiaries if it chooses.

Community development does, however, have community-wide benefits. High levels of support exist for devoting resources to this activity, suggesting significant existence values.

Community houses largely benefit the part of the City in which they are located, although they are also of benefit and are a resource to the city as a whole.

The fact that the service is targeted at parts of the community which are unable to achieve their objectives without the Council's help, suggests 100 percent public funding.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

##### PROPOSED FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

#### REASON FOR REVENUE DISTRIBUTION

Ability to pay.

#### The modifications applied are:

##### s122G(a)

The obligation of the local authority to act in the interests of its residents and ratepayers:

##### s122G(b)

The fairness and equity of any allocation of costs:

##### s122G(c)

Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:

#### Issue of fairness and equity taken into account:

The part of the community this actively seeks to benefit is significantly less able to afford to fund that benefit than the community in general.

#### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.



**MODIFICATION OF PUBLIC FUNDING DISTRIBUTION**

122G d

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	2	2	2
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	28
Residential rate	55	62	69
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

**21. COMMUNITY GRANTS**

**DESCRIPTION**

*The Council distributes grants to community groups, and occasionally to individuals in extreme need, on behalf of the community. These grants are designed to specifically benefit the groups and individuals receiving them, while also benefiting the community in general. The community benefit occurs when all citizens have access to life opportunities and resources.*

**REASON FOR ACTIVITY**

*Community grants are designed to allow groups in the community to achieve their goals where this would not otherwise have been possible due to lack of resources.*

**BENEFIT ANALYSIS**

**s122E(1)(a) – Indicative Allocation of Costs**

**Principle(s) applied:**

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 0%**  
**Total Public Benefit: 100%**

There are two ways of looking at this activity. Recipients of the grants can be seen as identifiable individuals or groups, and the benefits are both rival and excludable. On this basis alone 100% of the benefits would be private. Alternatively, the Council policy of providing or distributing these grants is on behalf of the whole community. This is either because the community

benefits in a way that is non-excludable, and/or non-rival, or because the community values the benefit the grants provide to certain members, which will also be non-excludable and non-rival.

While the 'direct' benefits are largely private, there is a community preference for funding this activity. It is considered, therefore, that the activity is defined as distributing grants on behalf of rate-payers. This point, and the fact that the service is targeted at parts of the community which are unable to achieve their objectives without the Council's help, suggests 100 percent public funding.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	8%
Total Public Funding:	92%

#### PROPOSED FUNDING:

Total Private Funding:	10%
Total Public Funding:	90%

### REASON FOR REVENUE DISTRIBUTION

There is a clear public mandate to use funding for rate relief and in support of community organisations, and there is a statutory requirement to rebate rates. No private funding is available at the appropriate level to allow the groups affected to achieve their goals. The activity is purchased on behalf of the community as a whole and is therefore deemed a public good. The distribution of costs reflects its public good status and is based on property valuation.

#### The modifications applied are:

##### s 122G (b)

*The fairness and equity of any allocation of costs:*

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

#### Issue of fairness and equity taken into account:

The part of the community this actively seeks to benefit is significantly less able to afford to fund that benefit than the community in general.

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

#### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>



4. Activities that have public good characteristics but are limited to a small group or small area are known as 'Club Goods'.

5. Operating Costs – interest on loans, which is paid for from the CBD Works and Services rate.

## 22. COMMERCIAL DEVELOPMENT

### DESCRIPTION

*On behalf of local business communities around the City, the Council acts as a revenue collector to ensure that all local businesses contribute toward the development of their business areas. The business area programmes are designed by the business communities themselves, and the programmes only proceed if there is sufficient support from the local business community.*

### REASON FOR ACTIVITY

*The Council is in a unique position because of its revenue collecting powers under the Rating Powers Act. Its role therefore is simply to prevent 'free-riders' from benefiting at the expense of neighbouring businesses.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**  
**Total Public Benefit: 100%**

Only the debt servicing cost of Central City Programmes comes under this analysis, as the expenditure is all for capital works. These will be distributed on a benefit received, or policy basis. The interest costs are, however, paid by the Central Business District (CBD) retailers.

The Council's role in this activity is purely as a tax collector. By using its tax collecting powers, the Council prevents individual businesses in the CBD from refusing

to contribute to the scheme, while still receiving its benefits. The policy thus prevents what is known as 'free-riding'.

The potential for free-riding infers that the programmes are at least non-excludable within their boundaries. The benefits of the activities, however are geographically limited<sup>4</sup>. This means that the further you are from the area concerned, the more the benefits diminish. In acknowledgement of this, the outer CBD properties pay half the rate, per dollar of property value, of the inner CBD properties.

All funding comes from the areas concerned and is treated as 'public' funding.

The inter-generational aspect arises from the capital expenditure of the activity. This will produce benefits out over several years.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 0%  
 Total Public Funding: 100%<sup>5</sup>

##### PROPOSED FUNDING:

Total Private Funding: 0%  
 Total Public Funding: 100%

#### REASON FOR REVENUE DISTRIBUTION

Even though the effects of the programs are very local, their benefit is to the local business district in general. It is treated therefore as a localised public good. The costs are distributed according to property value within the areas affected.

#### The modifications applied are:

None

#### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>Separate rate</b>			
Business rate	100	100	100
Residential rate	0	0	0
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 23. URBAN DESIGN AND ENVIRONMENTAL PROJECTS

### DESCRIPTION

The Council develops public space in the City in a way that ensures a high standard of design. Designs and projects involve comprehensive consultation with the local community and projects are developed in compliance with the policies included in the Hutt City Design Framework.

### REASON FOR ACTIVITY

The public space of the City is managed and developed by the Council on behalf of the community. A high standard of design will improve the City's image and attract visitors and investment.

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

Street beautification is as close to a pure public good as anything the Council delivers. The benefits of the activity are non-excludable and generally non-rival. The applicable principle is, therefore, s122F(b). Inter-generational considerations also apply in that much of the benefit occurs over periods much longer than one year.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding: 0%

Total Public Funding: 100%

#### PROPOSED FUNDING:

Total Private Funding: 0%

Total Public Funding: 100%

#### The modifications applied are:

None.

### REASON FOR REVENUE DISTRIBUTION

The requirements of the Urban Design Framework and the nature of the Environmental Projects are for the benefit of the whole city. It is not possible or desirable to exclude people from enjoying those benefits. The activity is therefore a public good, and its costs are funded by way of valuation based rates.

### PUBLIC FUNDING DISTRIBUTION

Business rate 70%

Residential rate 30%

Rural rate 0%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The majority of costs arising from this activity occur in the City's business areas.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

#### s122G(d)

Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	70	70	70
Residential rate	30	30	30
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 24. HERITAGE FUND

### DESCRIPTION

*The Council will ensure that buildings and sites of architectural, historic or heritage value are preserved by contributing towards feasibility studies, working drawings and earthquake strengthening work. Activities also include the development of a heritage policy for the City, along with heritage projects such as plaques and displays.*

### REASON FOR ACTIVITY

*The benefits of preserving buildings of architectural, heritage or historic value are to the community as a whole, as the work carried out is often of no benefit to the owner or occupier. The Council therefore purchases the public benefit on behalf of the community. This activity will be carried out within the context provided by a heritage policy. Plaques and displays assist the community to appreciate and value its heritage.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**  
**Total Public Benefit: 100%**

The inter-generational aspect (s122F(a)) is obvious, as any expenditure is intended for the benefit of future generations. Any cultural, heritage and aesthetic benefits

are both non-rival and non-excludable and the activity is one of the purer public goods the Council provides.

The existence of private benefits is doubtful. The Council's objective is to ensure such sites and buildings are preserved through contributing to such activities as earthquake strengthening. Private owners have insufficient incentives to do so.

Ideally the Council's contribution would be enough to ensure preservation and no more. In this way the Council is purchasing the public benefit, while the owner invests up to the level of their own private benefit.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 0%  
 Total Public Funding: 100%

##### PROPOSED FUNDING:

Total Private Funding: 0%  
 Total Public Funding: 100%

##### The modifications applied are:

None.

#### REASON FOR REVENUE DISTRIBUTION

The public good nature of the activity makes 100% public funding appropriate.

#### PUBLIC FUNDING DISTRIBUTION

Business rate 18%  
 Residential rate 80%  
 Rural rate 2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The public funding distribution is based purely on property valuations. This is because the assessed public good nature of the public benefits makes it contradictory to ascribe benefit to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

## 25. HALLS AND VENUES

FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

### DESCRIPTION

*The Council provides hall and venue space around the City for community use. The Council has decided to review the appropriateness of halls and venues in the modern context.*

### REASON FOR ACTIVITY

*The existence of the Council's halls and venues is historical and under review.*

### BENEFIT ANALYSIS

#### §122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### §122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### §122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 90%**

**Total Public Benefit: 10%**

The activity is rival and excludable, with many private sector substitutes being offered. The level of cost recovery should increase to reflect this.

Public benefits arguably exist, in that some groups serving the community's interest could not afford to pay the market price for hall rental, and a subsidy can provide benefits to the public. There might also be benefits in having 'neutral territory' on which some community groups can meet.





## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	35%
Total Public Funding:	65%

#### PROPOSED FUNDING:

Total Private Funding:	50%
Total Public Funding:	50%

### REASON FOR REVENUE DISTRIBUTION

The Council is raising rental fees from 35 percent to 50 percent of costs in the 1998/99 year. This is to test public opinion on the question of the continuation of such venues. Until the review is complete the remaining 50 percent will be funded from rates.

#### The modifications applied are:

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	31	36	40
<b>Public funding</b>			
<b>General rate</b>			
Business rate	29	23	17
Residential rate	40	40	42
Rural rate	0	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 26. PUBLIC TOILETS

### DESCRIPTION

Public toilets are provided by the Council for people who are travelling, on outings or using nearby facilities where no such amenities exist. They are provided in response to user and ratepayer demand.

### REASON FOR ACTIVITY

The Council's role in providing public toilets is currently being reconsidered. Their chief role appears to be in public health (preventing the fouling of public areas). The Council will ask community opinion on the continuation of the service.

### BENEFIT ANALYSIS:

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

##### s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 35%**  
**Total Public Benefit: 65%**

It was acknowledged that to encourage greater use of

public toilets, the standard would need to be improved. The private sector also provides public toilets in such areas as shopping malls and fast-food outlets.

The provision of public toilets is an activity intended to minimise a public bad. The fouling of public areas is impossible to prevent, and public toilets are seen as an effective alternative.

The issue of charging may defeat the purpose of providing public toilets in the first place.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

##### PROPOSED FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

#### REASON FOR REVENUE DISTRIBUTION

The issue of charging may defeat the purpose of providing public toilets in the first place. Any charges made would not produce sufficient revenue to meet such costs as the installation of payment mechanisms and the prevention of vandalism and theft. Insofar as the service remains, it can only be funded via the general rate.

#### The modifications applied are:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.



FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 27. HOUSING

### DESCRIPTION

*The Council provides and maintains housing for elderly people and the socially disadvantaged at market rates. Tenancies which commenced earlier than August 1994 are at lower than market rents.*

### REASON FOR ACTIVITY

*The Council responded to Central Government incentives to build public housing in the post-war period. Having undertaken a review of the housing stock, the Council decided to sell all but housing for elderly people and the socially disadvantaged as a matter of Council policy.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 100%**

**Total Public Benefit: 0%**

The percentage figures above represent the cash requirement only. They do not include the cost of capital. Given that the housing could be sold and the proceeds used to retire debt, the true situation is a 31 percent subsidy. This amounts to \$700,000. Housing is both rival and excludable.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 70%  
Total Public Funding: 30%

##### PROPOSED FUNDING:

Total Private Funding: 70%  
Total Public Funding: 30%

#### REASON FOR REVENUE DISTRIBUTION

The subsidisation of pensioner housing is a policy of the Council on behalf of its community. It is considered that the community as a whole should meet this cost.

## 28. COMMERCIAL PROPERTY

### The modifications applied are:

s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are unable to be ascribed to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	115	115	115
<b>Public funding</b>			
<b>General rate</b>			
Business rate	-6	-6	-5
Residential rate	-9	-9	-10
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

### DESCRIPTION

*The Council has a number of properties around the City which it occupies, has inherited, or has purchased for the purpose of public works. These are leased at market rates and managed to obtain maximum possible returns. Where these are no longer required for public works or operational purposes, the objective is to sell them as soon as practicable at the highest possible price.*

### REASON FOR ACTIVITY

*Council is to cease this activity at the earliest possible opportunity.*

### BENEFIT ANALYSIS:

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

<b>Total Private Benefit:</b>	<b>100%</b>
<b>Total Public Benefit:</b>	<b>0%</b>

Commercial property is a private good and full costs are recovered.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

##### PROPOSED FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

### REASON FOR REVENUE DISTRIBUTION

Commercial property is a private good and full costs are recovered.

### The modifications applied are:

None



## 29. SEAVIEW MARINA

### PUBLIC FUNDING DISTRIBUTION

Business rate	0%
Residential rate	0%
Rural rate	0%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

There is no public funding for this activity.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	83	86	88
Miscellaneous	6	6	6
<b>Public funding</b>			
<b>General rate</b>			
Business rate	5	3	2
Residential rate	6	5	4
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

### DESCRIPTION

The Marina provides rental berths and storage of trailer boats for boat owners. It also provides access to the sea for trailer boats, as well as fishing and other recreational uses.

### REASON FOR ACTIVITY

The Marina area was inherited from the Wellington Harbour Board at the time of local body amalgamation in 1989. The Marina development was seen as a means to satisfy demand for boat mooring and storage while obtaining a return on the area. The current Council policy is to either sell the Marina outright, or to sell long term rights to berths.

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

##### s122F(c)

The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

**Total Private Benefit: 95%**

**Total Public Benefit: 5%**

Public benefit occurs when non-boat owners visit the marina for interest and aesthetic values. This aspect is non-rival.

The marina also provides access to the harbour for model boat owners. While generally non-rival, this is an excludable activity.

The Council has a policy to fully recover the operating

costs of the marina through user charges.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	63%
Total Public Funding:	37%

#### PROPOSED FUNDING:

Total Private Funding:	100%
Total Public Funding:	0%

### REASON FOR REVENUE DISTRIBUTION

The activity is treated as a private good in respect of full costs recovery as only insignificant costs are associated with public good aspects.

#### The modifications applied are:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	0%
Residential rate	0%
Rural rate	0%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

No public funding is required.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

None.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	78	83	89
<b>Public funding</b>			
<b>General rate</b>			
Business rate	9	6	3
Residential rate	13	11	8
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 30. ELECTED MEMBERS

### DESCRIPTION

*This activity relates to the direct cost of the elected members' decision making processes and the holding of meetings.*

### REASON FOR ACTIVITY

*Councillors are elected to represent the Community and to ensure that the Community's governance, social and material needs are met in those areas appropriate for Local Government action. The appropriate areas for action are generally those for which other providers do not exist or have been delegated by Central Government.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

The benefits of democratic participation are both non-excludable and non-rival.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

##### PROPOSED FUNDING:

Total Private Funding:	0%
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Total Public Funding: 100%

#### REASON FOR REVENUE DISTRIBUTION

It was agreed that the current cost allocation is appropriate given the public good nature of this activity.

#### The modification applied are:

None.

#### PUBLIC FUNDING DISTRIBUTION

Business rate 18%  
Residential rate 80%  
Rural rate 2%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 31. ADVICE AND SUPPORT SERVICES

### DESCRIPTION

*The Council provides and maintains meeting places around the City for Community Boards, and special Council meetings for the purposes of local democracy. The costs of the processes of policy formation, consultation and public accountability through the annual and strategic planning process and the Annual Report are also included.*

### REASON FOR ACTIVITY

*The indirect costs of democratic participation are necessary to assist the community and their representatives on Council and Community Boards to make decisions on behalf of the community.*

### BENEFIT ANALYSIS

#### s122E(1) (a) – Indicative Allocation of Costs

##### Principle(s) applied:

s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**  
**Total Public Benefit: 100%**

The benefits of democratic participation are both non-excludable and non-rival.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 0%  
Total Public Funding: 100%

PROPOSED FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

REASON FOR REVENUE DISTRIBUTION

It was agreed that the current cost allocation is appropriate given the public good nature of this activity.

The modification applied are:

None.

PUBLIC FUNDING DISTRIBUTION

Business rate	18%
Residential rate	80%
Rural rate	2%

REASON FOR PUBLIC FUNDING DISTRIBUTION

The distribution of public funding is based purely on property valuations. This is appropriate because public benefits are by definition unable to be ascribed to individuals or groups.

MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

s122G(d)

Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
Private funding	0	0	0
Public funding			
General rate			
Business rate	42	35	29
Residential rate	57	64	70
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

32. ENVIRONMENTAL APPROVALS

DESCRIPTION

Government legislation, regulations and the Council's rules and bylaws require appropriate approvals before carrying out activities which effect the environment. Included in this activity is the Council's resource management and building function, as well as liquor licensing and environment health approvals.

REASON FOR ACTIVITY

This is a legal requirement.

BENEFIT ANALYSIS

s122E(1)(a) – Indicative Allocation of Costs

Principle(s) applied:

s122F(b)

The principle that, to the extent that any expenditure –

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally –

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

s122F(c)

The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:

s122F(d)

The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.

Total Private Benefit: 70%

Total Public Benefit: 30%

Answering general public enquiries accounts for a large percentage of the cost of this activity. It is not possible to assess this cost and outline it to the applicant before the process takes place. This part of the process is





considered to be the dissemination of public information. The cost of issuing individual consents is under review and they may be adjusted in the near future.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding:	57%
Total Public Funding:	43%

#### PROPOSED FUNDING:

Total Private Funding:	60%
Total Public Funding:	40%

### REASON FOR REVENUE DISTRIBUTION

As in benefit analysis above.

#### The modifications applied are:

##### s122G(a)

*The obligation of the local authority to act in the interests of its residents and ratepayers:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	80%
Residential rate	19%
Rural rate	1%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The majority of development, for which the Plan exists, occurs in the business sector.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	57	58	59
<b>Public funding</b>			
<b>General rate</b>			
Business rate	34	34	33
Residential rate	9	8	8
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 33. ENVIRONMENTAL POLICY

### DESCRIPTION

*This activity relates to the development of the District Plan and its implementation and enforcement. The Council's environmental interests must also be represented in other authorities' plans and policies. Reserve management plans are also prepared and approved.*

### REASON FOR ACTIVITY

*This is a legal requirement.*

### BENEFIT ANALYSIS:

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(a)

*The principle that the costs of any expenditure should be recovered at the time that the benefits of that expenditure accrue:*

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 60%**

**Total Public Benefit: 40%**

District planning has a mixture of private and public benefits, as well as encouraging optimal resource use over time.

A District Plan exists to achieve sustainable management of natural and physical resources. The Plan is determined by the community in terms of the Resource Management Act. It therefore applies to and represents the

environmental aspirations of the Community as a whole. These benefits are non-rival and non-excludable.

The Plan also exists to control the negative effects of resource use. This is an exacerbation issue and is therefore treated as a private good component.

An inter-generational effect occurs in that the Plan remains in force long after it is written.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

##### PROPOSED FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

It was agreed that the current cost allocation is appropriate for this activity.

#### REASON FOR REVENUE DISTRIBUTION

The District Plan has a distinct group of beneficiaries – these are resource users requiring notified consents. The Plan also allows a more general group of beneficiaries to carry out development activities under a non-ratified consent, or under the rules where no consent is required. Once the Plan is written, however, the costs of the activity are not altered by consent applicants. It is impossible to determine the beneficiaries during the Plan formation process. For this reason it is funded through the general rate. Beneficiaries of reserves are seen to be community-wide as are responses to other authorities' plans and policies.

#### THE MODIFICATIONS APPLIED ARE:

##### s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	80%
Residential rate	19%
Rural rate	1%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The majority of development, for which the Plan exists, occurs in the business sector.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*



The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
Miscellaneous	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	80	80	80
Residential rate	20	20	20
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 34. EMERGENCY MANAGEMENT AND RURAL FIRE

### DESCRIPTION

The Council develops and implements a city-wide emergency management plan, and disseminates information on preparedness for emergencies. Plans are also in place for dealing with and preventing rural fires. The Council maintains the in-house capacity to co-ordinate responses to both civil defence and rural fire emergencies.

### REASON FOR ACTIVITY

This is a legal requirement under the Forest and Rural Fires Act and the Civil Defence Act. Private markets have insufficient incentives to provide for a city-wide responses to the threat or eventuality of such emergencies.

### BENEFIT ANALYSIS:

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

The principle that, to the extent that any expenditure–

(i) Is independent of the number of persons who benefit; or

(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or

(iii) Generates benefits to the community generally,–

the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:

##### s122F(d)

The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

Emergency management is both non-rival and non-excludable. The activity also has regional and national benefits, in that resources are shared in emergencies with effects beyond the local boundaries.

Rural Fire applies largely to Council owned land and therefore any benefits apply to the community. Exacerbators, where they

are identifiable, are dealt with through the courts and any compensation is obtained in that manner.

## REVENUE DISTRIBUTION

### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

#### CURRENT FUNDING:

Total Private Funding: 7%  
Total Public Funding: 93%

#### PROPOSED FUNDING:

Total Private Funding: 7%  
Total Public Funding: 93%

### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
Operating subsidies	7	7	7
<b>Public funding</b>			
<b>General rate</b>			
Business rate	39	33	27
Residential rate	53	59	65
Rural rate	1	1	1
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>



### REASON FOR REVENUE DISTRIBUTION

The current cost allocation, which includes a grant from the Ministry of Internal Affairs, is appropriate for this activity, given the across boundary potential for use of local resources. Given the strong public good nature of the activity it is appropriate that this be funded through the general rate.

#### The modifications applied are:

None

### PUBLIC FUNDING DISTRIBUTION

Business rate 18%  
Residential rate 80%  
Rural rate 2%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The public funding distribution is based purely on property valuations. This is because the assessed public good nature of the public benefits makes it contradictory to ascribe benefit to individuals or groups.

### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

#### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

## 35. ENVIRONMENTAL INSPECTIONS & ENFORCEMENT

### DESCRIPTION

*This activity includes regular inspections to ensure compliance with the District Plan, resource consent and building consent conditions and bylaw requirements. Regular inspections of business premises, certification and liquor licensing are also undertaken to promote and protect public health in the City. Noise and hazardous substances are also controlled by this activity.*

### REASON FOR ACTIVITY

*This is a legal requirement. The Council has powers under the Resource Management Act, Building Act and Health Act to enter into premises and require remedial action where a threat to the environment or public health exists. Such powers must rest with publicly accountable bodies and be executed by them or their agents.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 80%**  
**Total Public Benefit: 20%**

Like many other activities so far, Environmental Health minimises negative affects. The correctly applied principle is, therefore, s122F(d).

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs and Practicality & Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 60%  
 Total Public Funding: 40%

##### PROPOSED FUNDING:

Total Private Funding: 62%  
 Total Public Funding: 38%

### REASON FOR REVENUE DISTRIBUTION

The current cost allocation, with income derived from rates and licenses, is appropriate for this activity. There are statutory limitations on recoveries and the Council is unable to recover full costs related to administration of the Sale of Liquor Act due to retention of fees by the Liquor Licensing Authority.

#### The modifications applied are:

s122H(a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

### PUBLIC FUNDING DISTRIBUTION

Business rate	80%
Residential rate	19%
Rural rate	1%

### REASON FOR PUBLIC FUNDING DISTRIBUTION

The majority of the residual costs of environmental health arise in the business community. It is appropriate therefore that it should meet these through their rates.

### FINAL COST ALLOCATION (%) \$5,957,705

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	60	61	62
Miscellaneous	1	1	1
<b>Public funding</b>			
<b>General rate</b>			
Business	17	14	11
Residential	22	24	26
Rural	0	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 36. ANIMAL CONTROL

### DESCRIPTION

*Animal Control is concerned with the control of animals and stock in the City, and public education about the control of animals. A large part of the Council's activity involves dogs and dog registrations.*

### REASON FOR ACTIVITY

*This is a legal requirement.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

Principle(s) applied:

s122F(d)

*The principle that the costs of any expenditure to control negative effects that are contributed to by the actions or inaction of any persons or categories of persons should be allocated to those persons or categories of persons in a way that matches the extent to which they contribute to the need for that expenditure.*

**Total Private Benefit: 100%**  
**Total Public Benefit: 0%**

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

CURRENT FUNDING:

Total Private Funding: 96%  
 Total Public Funding: 4%

PROPOSED FUNDING:

Total Private Funding: 95%  
 Total Public Funding: 5%

#### REASON FOR REVENUE DISTRIBUTION

The current cost allocation, with income derived almost completely from licenses and a small component (related to the control of livestock etc) funded from rates, is appropriate for this activity. The next Annual Plan round should address the matter of hearings related to animal control and the question of where costs associated with these hearings should appropriately lie.

The 5 percent publicly funded aspect of the activity is for responses to call-outs for unregistered animals, or where the owner cannot be found.

The modifications applied are:

s122H (a)

*The extent to which any funding mechanism or combination of funding mechanisms lawfully available to the local authority can achieve any allocation of costs:*

s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate	0%
Residential rate	20%
Rural rate	80%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

The 5 percent extraordinary call-outs are primarily for stock control in the rural areas.

#### FINAL COST ALLOCATION (%)

	1998-99	1999-00	2000-01
<b>Private funding</b>			
User charges	95	94	94
Miscellaneous	2	2	2
<b>Public funding</b>			
<b>General rate</b>			
Business rate	0	0	0
Residential rate	1	1	1
Rural rate	2	3	3
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 37. ECONOMIC DEVELOPMENT

### DESCRIPTION

*The Council assists the business community and the community in general, where its co-ordination and effort is of benefit to the economic well-being of the City. Such activity provides an interface between the Council and business, to ensure the Council's management of its services meets the needs of business. Grants are made to groups that demonstrate the ability to carry out a measurable programme for training long-term unemployed people, assisting them to return to the work force. A contribution is made to regional economic development programmes.*

### REASON FOR ACTIVITY

*Individual businesses frequently have insufficient incentives to explore opportunities that benefit the City as a whole as well as themselves. Employment training grants ensure that the long term unemployed do not miss opportunities that would see them return to the work force.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

##### s122F(c)

*The principle that the costs of any expenditure should be recovered from persons or categories of persons in a manner that matches the extent to which the direct benefits of that expenditure accrue to those persons or categories of persons:*

**Total Private Benefit: 20%**  
**Total Public Benefit: 80%**

Most of the effort in this activity goes into developing and disseminating information for prospective investors and honing the Council's policies into an investment friendly form. These activities are generally non-excludable and non-rival and exist for the betterment of the city as a whole. This suggests a high level of public good attribute.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 0%  
Total Public Funding: 100%

##### PROPOSED FUNDING:

Total Private Funding: 0%  
Total Public Funding: 100%

#### REASON FOR REVENUE DISTRIBUTION

Because of the impracticality of identifying and charging beneficiaries direct, there needs to be 100 percent public funding.

#### The modifications applied are:

##### s122G(c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

##### s122H(b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

#### PUBLIC FUNDING DISTRIBUTION

Business rate 100%  
Residential rate 0%  
Rural rate 0%

#### REASON FOR PUBLIC FUNDING DISTRIBUTION

It is considered that the benefits are non-excludable and non-rival within the business community.

#### MODIFICATION OF PUBLIC FUNDING DISTRIBUTION

##### s122G(d)

*Balancing the avoidance of significant adjustment difficulties for any persons or categories of persons arising from sudden and significant changes in the total costs allocated to those persons or categories of persons, with achieving the indicated allocation of costs at the earliest reasonable date.*

The avoidance of significant adjustment difficulties requires that the rates burden eventually reflect property value. This will be achieved over a period of five years.

FINAL COST ALLOCATION (%)			
	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	100	100	100
Residential rate	0	0	0
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

## 38. PROMOTIONS AND VISITOR INFORMATION

### DESCRIPTION

*This activity promotes the City as a whole. Its primary focus is to attract visitors to the City. It also acts as a source of information for both visitors and residents. This is achieved through the provision of visitor information services and special promotional events.*

### REASON FOR ACTIVITY

*No individual business has sufficient incentives to promote the City as a whole.*

### BENEFIT ANALYSIS

#### s122E(1)(a) – Indicative Allocation of Costs

##### Principle(s) applied:

##### s122F(b)

*The principle that, to the extent that any expenditure–*

*(i) Is independent of the number of persons who benefit; or*

*(ii) Generates benefits that do not accrue to identifiable persons or groups of persons; or*

*(iii) Generates benefits to the community generally,–*

*the costs of that expenditure should be allocated in a manner consistent with economic efficiency and appropriate to the nature and distribution of the benefits generated, which manner may require the use of rating mechanisms under the Rating Powers Act 1988:*

**Total Private Benefit: 0%**

**Total Public Benefit: 100%**

The economic growth of the City cannot be said to benefit any one group in the community. It must, therefore, be assumed to benefit the City as a whole. The primary incidence of any benefits, however, is less likely to accrue to salary and wage earners than to businesses. It is considered more efficient to allocate these costs to businesses in the first instance.

### REVENUE DISTRIBUTION

#### s122E(1)(b) and (c) – Modified or Alternative Allocation of Costs, and Practicality and Efficiency Modifications

##### CURRENT FUNDING:

Total Private Funding: 0%

Total Public Funding: 100%





PROPOSED FUNDING:

Total Private Funding:	0%
Total Public Funding:	100%

**REASON FOR REVENUE DISTRIBUTION**

The cost allocation is 100 percent public, based on the Council's contribution, which then helps to attract private sponsorship. Economic growth is of general benefit to the whole city.

**The modifications applied are:**

s122G (c)

*Any lawful policy of the local authority, to the extent that the costs of any expenditure may be allocated in a way that effectively and appropriately promotes that policy:*

s122H (b)

*The efficiency, including the costs, of the different funding mechanisms available to the local authority:*

**PUBLIC FUNDING DISTRIBUTION**

Business rate	100%
Residential rate	0%
Rural rate	0%

**REASON FOR PUBLIC FUNDING DISTRIBUTION**

Economic efficiency.

**FINAL COST ALLOCATION (%)**

	1998-99	1999-00	2000-01
<b>Private funding</b>			
	0	0	0
<b>Public funding</b>			
<b>General rate</b>			
Business rate	100	100	100
Residential rate	0	0	0
Rural rate	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>

# PUBLIC DOCUMENTS LEADING TO THE FUNDING POLICY



## PUBLIC DOCUMENTS LEADING TO THE FUNDING POLICY

Committee	Meeting Date	Issues/Reports	Report Date	File Ref	Author
Revenue Review Subcommittee	12-Mar-96	Role Of Chairperson			
Revenue Review Subcommittee	12-Mar-96	Appointment Of Chairperson			
Revenue Review Subcommittee	12-Mar-96	Timetable For Review			
Revenue Review Subcommittee	12-Mar-96	Implementation Study For Revenue Distribution	11-Mar-96	AD70-01	Economist
Revenue Review Subcommittee	11-Apr-96	Terms Of Reference And Chairperson's Job Description			
Revenue Review Subcommittee	11-Apr-96	Separation Of Activities And Timeline For Revenue Review	4-Apr-96	AD70-01	Economist
Revenue Review Subcommittee	12-Aug-96	Funding Review Process			
Revenue Review Subcommittee	12-Aug-96	Benefit Assessment Of Council Activities	7-Aug-96	AD7-02	Economist
Revenue Review Subcommittee	24-Sep-96	Resource Document	Sep/Oct 96		Economist
Revenue Review Subcommittee	2-Oct-96	Communication Strategy For Revenue Review	25-Sep-96	AD70-02	Communication Mgr/ Economist
Revenue Review Working Group	19-Feb-97	Revenue Review: Distribution Of Costs Across Sectors & Effects Of Rating System Change	12-Feb-97	FN40-01-01	Economist
Revenue Review Working Group	12-Mar-97	Rating Issues	6-Mar-97	FN40-01-01	Economist
Revenue Review Working Group	26-Mar-97	1997-98 Rating Issues	20-Mar-97	FN40-01-01	Economist
Council	15-Apr-97	Rev Review Minutes 12 Mar & 26 Mar: 1997-98 Rating Issues			
Revenue Review Working Group	23-Apr-97	1997/98 Rating Differentials	21-Apr-97	FN70-00	Treasurer
Council	30-Apr-97	1997/98 Rating Special Order Resolutions	22-Apr-97	FN70-00	Treasurer

## PUBLIC DOCUMENTS LEADING TO THE FUNDING POLICY

Committee	Meeting Date	Issues/Reports	Report Date	File Ref	Author
Revenue Review Working Group	25-Jun-97	Rating System Options	19-Jun-97	FN40-01	Economist
Revenue Review Working Group	2-Jul-97	Rating System Options	2-Jul-97	FN40-01	Economist
Council	7-Jul-97	Submissions On Rating Issues	22-Apr-97	AP97-7-1	Manager Of Plans
Council	8-Jul-97	Confirmation Of 1997/98 Rating Special Order Resolutions		FN70-00	Treasurer
Council	29-Jul-97	Making Of Rates For Year Ending 30 June 1998.		FN70-00	Treasurer
Council	19-Aug-97	Strategic Plan 1997		AD18-14-2	Manager Of Plans
Council	1-Sep-97	Strategic Plan 1997 Revised Report		AD18-14-2	Manager Of Plans
Council	1-Sep-97	Strategic Planning Review		AD18-60-08	Economist
Workshop	10-Sep-97	Core Services Review			
Workshop	23-Sep-97	Strategic Plan			
Strategic Plan & Annual Plan Working Group	23-Sep-97	Funding Policy Development (Assessment Of Benefits, Allocation Of Costs)	17-Sep-97	FN1-40-00	Economist
Workshop	22-Oct-97	Strategic Plan			
Workshop	4-Nov-97	Strategic Plan			
Workshop	12-Dec-97	Strategic Plan			
Strategic Plan & Annual Plan Working Group	22-Dec-97	Strategic Plan Activities (benefit analysis & cost distribution, draft strategic objectives)	17-Dec-97	AD18-15-1	Chief Executive
Strategic Plan & Annual Plan Working Group	9-11-Jun-98	Hutt City Council Draft Annual Plan Volumes 1-3	16-Apr-98	FN1-40-00	Council



# STATEMENT OF ACCOUNTING POLICIES

## 1. ENTITY STATEMENT

*The Hutt City Council was first formed as Lower Hutt City Council on 1 November 1989 by the amalgamation of five local authorities. The name of the Council was changed to The Hutt City Council by a special Act of Parliament on 8 October 1991.*

*The activities of the Local Authority Trading Enterprises (LATEs) owned by the Council are included only to the extent of the forecast dividend to be paid to the Council.*

## 2. MEASUREMENT BASE

*The measurement is historical cost. Reliance is placed on the fact that the Council is a going concern. Accrual accounting is used to recognize and match the cost of services provided with revenues earned.*

## 3. STATUTORY BASE

*This Long Term Financial Strategy has been prepared pursuant to s223D of the Local Government Act 1974 and s3 and 32 of the Transit New Zealand Act 1989. For the purposes of the former Act, the outputs are deemed to be significant activities. Generally accepted accounting practices have been applied in relevant areas.*

## 4. REVENUE

*Rates and levies are recognized as revenue when assessments are due. Grants and subsidies are recognized as revenue in the period in which they are due. User charges are recognized as revenue when invoiced.*

## 5. CAPITAL EXPENDITURE

*Assets of a capital nature with each item costing more than \$1000, have been capitalized and items costing \$1000 or less have been expensed.*

## 6. DEPRECIATION

*All assets, except for a significant portion of infrastructural assets, library books, art and museum collections and land are depreciated on a straight line basis over their estimated economic life. The charge for depreciation is part of operating expenditure.*

*Roads, streetlights and most water, wastewater and stormwater assets are not depreciated. Instead, provisions have been made for cyclical maintenance. Adequate provision is made to ensure that the assets concerned maintain their service potential.*

*It is not considered appropriate to depreciate art and museum collections or land.*

	Estimated Economic Life (Years)
<b>Infrastructural Assets</b>	
Bridges/Road Structures	80
Other Road Structures	15-30
Sea Walls	40
Traffic Signals	20
Bus Shelters	15
Bulk Wastewater Drains	80
Bulk Wastewater Sewers	80
Pumping Stations, Reservoirs, Area Meters and Valves	80-100
<b>Infrastructural Assets</b>	
Buildings	80-100
Office Equipment	10
Computer Equipment	4
Plant	3-10
<b>Restricted Assets</b>	
Buildings	80-100

## 7. OVERHEAD ALLOCATION

*The costs of all internal services have been allocated to the significant activities.*

## 8. GOODS AND SERVICES TAX

*The budgets are exclusive of GST.*

## 9. CHANGES IN ACCOUNTING POLICIES

*There are no significant changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.*

## 10. PROSPECTIVE FINANCIAL INFORMATION

*As from 1 September 1996 an updated Financial Reporting Standard (FRS) No 29 for Prospective Financial Information came into effect. This was approved by the Accounting Standards Review Board for the purposes of the Public Finance Act 1989.*

*The impact on Local Authorities is that prospective financial information disclosed in the Annual Plan must comply to this standard. Previously Local Authorities were exempt.*

*Prospective Financial Information is based on assumptions about the future. It relates to events and actions which have not yet occurred and may not occur. The actual results achieved are likely to vary from the information presented and the variations may be significant.*

*The Prospective Financial Information disclosed in this Long Term Financial Strategy was prepared on the assumption that there is no significant change to the services provided.*

*Prospective Financial Information for the 1998/99 financial year was prepared, in general, using actual financial results for the six months ended 31 December 1997.*

*The purpose of disclosing Prospective Financial Information is to enable the ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cashflow of the Hutt City Council.*

*All information regarding future year plans constitute forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance and achievements of the Council to be materially different from any future results, performance or*

*achievements expressed or implied by such forward looking statements.*

*Such factors include, among other things, the following:*

*General economic and business conditions:*

- *major natural disasters*
- *Government intervention and law changes*
- *changes in Councillors and any resulting effects on future policy*
- *the sale or splitting out of specific operations of Council*
- *other unforeseen factors.*

*Given these uncertainties readers of these statements are cautioned not to place undue reliance on these statements.*

## 11. CHANGES TO FINANCIAL INFORMATION

*There have been many changes to the way the financial statements have been presented:*

- *the Cost of Capital Charge is no longer used*
- *interest costs have been allocated directly to activities*
- *cyclic renewal depreciation is included in the operating statements. This is to reflect the renewal costs for infrastructural assets and complies with the determination issued by the Office of the Auditor General*
- *the Council's shareholding in Local Government Insurance Corporation is now shown as an interest in a Local Authority Trading Enterprise*
- *support cost allocations have been changed to reflect more appropriate cost drivers. Where possible the 1997/98 figures have been restated to give a basis for comparison.*



## STATEMENT OF FINANCIAL PERFORMANCE

### LONG TERM FINANCIAL STRATEGY

Actual	Annual Plan		Forecast	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
Year Ended	Year Ended		Annual Plan	Forecast	Forecast	Projection	Projection	Projection	Projection	Projection	Projection	Projection
30-Jun-97	30-Jun-98		Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
\$000s	\$000s		30-Jun-99	30-Jun-00	30-Jun-01	30-Jun-02	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08
			\$ 000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>Revenue</b>												
55,136	56,194	General Rates & Other Rate Charges	56,194	56,194	56,194	57,473	63,472	66,945	66,945	66,945	68,945	68,945
14,153	15,597	User Charges	15,482	15,369	15,195	15,399	15,790	16,059	15,957	15,670	15,673	15,640
1,120	520	Penalties	555	555	555	555	555	555	555	555	555	555
3,061	2,997	Operating Subsidies	2,943	2,940	2,893	2,845	2,850	2,860	2,839	2,839	2,839	2,839
482	505	Capital Subsidies	670	670	670	670	670	670	670	670	670	670
1,766	615	UHCC Capital Contribution	816	727	416	415	20,381	353	1,101	5,025	6,739	104
	928	UHCC Operating contribution	804	804	804	804	2,100	2,100	2,100	2,100	2,100	2,100
2,786	450	Interest Earned	1,500	1,000	1,000	750	750	750	700	700	700	700
300	249	Dividends from LATEs	310	260	10	10	10	10	10	10	10	10
(1)	(20)	Gain/(Loss) on Disposal of Assets	(10)	600	2,500							
3,117	770	Other Revenue	510	430	432	432	432	432	432	432	432	435
<b>81,920</b>	<b>78,806</b>	<b>Total Operating Revenue</b>	<b>79,774</b>	<b>79,549</b>	<b>80,670</b>	<b>79,354</b>	<b>107,010</b>	<b>90,734</b>	<b>91,309</b>	<b>94,946</b>	<b>98,662</b>	<b>91,995</b>
<b>Expenditure</b>												
14,647	14,846	1 Employee Costs	14,729	14,746	14,753	14,753	14,743	14,743	14,743	14,743	14,743	14,743
41,104	32,262	2 Supplier Costs	31,356	31,063	31,198	31,246	31,216	31,143	31,093	30,891	30,891	30,891
		3 Support Costs										
6,741	5,967	4 Maintenance Costs – Renewal										
	7,386	5 Maintenance Costs – Discrete	8,358	8,095	8,089	8,095	12,173	12,163	12,143	12,103	12,083	12,103
1,723	1,299	6 One-Off Projects	1,553	1,437	1,477	1,557	1,452	1,412	1,457	1,467	1,467	1,517
8,490	8,728	7 Interest Expenditure	8,118	7,594	6,365	5,910	7,682	9,178	8,556	8,114	8,219	7,839
4,897	5,550	8 Depreciation	4,524	4,750	4,934	5,171	6,237	7,378	7,529	7,654	8,160	8,537
		COC										
		Cyclic Renewal Depreciation	6,876	6,876	6,876	6,876	6,876	6,876	6,876	6,876	6,876	6,876
<b>77,602</b>	<b>76,038</b>	<b>Total Operating Expenditure</b>	<b>75,514</b>	<b>74,562</b>	<b>73,691</b>	<b>73,609</b>	<b>80,379</b>	<b>82,894</b>	<b>82,397</b>	<b>81,849</b>	<b>82,439</b>	<b>82,506</b>
<b>4,318</b>	<b>2,768</b>	<b>Operating Surplus/(Deficit)</b>	<b>4,260</b>	<b>4,987</b>	<b>6,978</b>	<b>5,745</b>	<b>26,631</b>	<b>7,840</b>	<b>8,912</b>	<b>13,097</b>	<b>16,223</b>	<b>9,489</b>

# STATEMENT OF FINANCIAL PERFORMANCE

## LONG TERM FINANCIAL STRATEGY

Actual Year Ended 30-Jun-97 \$000s	Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Annual Plan Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
(2,030)		Net adjustments for:										
(4,522)		• fixed assets										
		• Investment property										
<b>(2,234)</b>	<b>2,768</b>	<b>Surplus(deficit) before taxation</b>	<b>4,260</b>	<b>4,987</b>	<b>6,978</b>	<b>5,745</b>	<b>26,631</b>	<b>7,840</b>	<b>8,912</b>	<b>13,097</b>	<b>16,223</b>	<b>9,489</b>
(16)		Less: Tax Expense	(20)									
<b>(2,250)</b>	<b>2,768</b>	<b>Net Surplus/(deficit) after tax</b>	<b>4,240</b>	<b>4,987</b>	<b>6,978</b>	<b>5,745</b>	<b>26,631</b>	<b>7,840</b>	<b>8,912</b>	<b>13,097</b>	<b>16,223</b>	<b>9,489</b>
		Rates increase	0.00%	0.00%	0.00%	2.28%	10.44%	5.47%	0.00%	0.00%	2.99%	0.00%



## STATEMENT OF FINANCIAL POSITION

### LONG TERM FINANCIAL STRATEGY

Actual Year Ended 30-Jun-97 \$000s	Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
		<b>Equity</b>										
394,134	396,903	Accumulated Funds	401,142	406,129	413,107	418,852	445,483	453,323	462,235	475,332	491,555	501,044
637	88	Restricted Reserves										
5,109	4,883	Council Created Reserves	3,137	2,910	3,114	3,243	2,954	3,149	3,372	3,591	3,827	4,079
64,997	64,997	Revaluation Reserves	64,997	64,997	64,997	64,997	64,997	64,997	64,997	64,997	64,997	64,997
<b>464,877</b>	<b>466,871</b>	<b>Total Equity</b>	<b>469,276</b>	<b>474,036</b>	<b>481,218</b>	<b>487,092</b>	<b>513,434</b>	<b>521,469</b>	<b>530,604</b>	<b>543,920</b>	<b>560,379</b>	<b>570,120</b>
		<b>Represented by:</b>										
29,797	18,357	Sinking Fund investments	22,412	16,000	11,000	9,000	8,000	7,000	6,000	5,000	4,000	3,000
9,671	8,680	Cash	11,537	6,188	5,791	10,338	10,383	12,986	12,062	12,159	13,665	13,775
8,384	8,700	Other	2,762	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
<b>47,852</b>	<b>35,737</b>	<b>Current Assets</b>	<b>36,711</b>	<b>28,188</b>	<b>22,791</b>	<b>25,338</b>	<b>24,383</b>	<b>25,986</b>	<b>24,062</b>	<b>23,159</b>	<b>23,665</b>	<b>22,775</b>
		<b>Non-Current Assets</b>										
516,978	518,066	Fixed Assets	521,467	527,654	534,699	540,253	608,950	609,879	609,301	623,811	642,815	640,653
10,148	10,000	Work in Progress	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
2,000	2,000	Sinking Funds	2,000	2,000	2,000	2,000	2,000	1,000	1,000	1,000	1,000	1,000
15,234	15,234	Investments in Subsidiaries	15,824	8,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
3,017	1,000	Other Non Current Assets	1,017	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>547,377</b>	<b>546,300</b>	<b>Total Non-Current Assets</b>	<b>550,308</b>	<b>549,154</b>	<b>549,699</b>	<b>555,253</b>	<b>623,950</b>	<b>623,879</b>	<b>623,301</b>	<b>637,811</b>	<b>656,815</b>	<b>654,653</b>
<b>595,229</b>	<b>582,037</b>	<b>Total Assets</b>	<b>587,019</b>	<b>577,342</b>	<b>572,491</b>	<b>580,591</b>	<b>648,333</b>	<b>649,865</b>	<b>647,363</b>	<b>660,971</b>	<b>680,480</b>	<b>677,428</b>
		<b>Liabilities</b>										
		<b>Current liabilities</b>										
18,894	18,961	Public Debt-Current Portion	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892
18,708	18,253	Other Current Liabilities	16,586	19,359	19,846	20,542	20,619	19,228	17,526	18,582	18,319	18,037
<b>37,602</b>	<b>37,214</b>	<b>Total Current Liabilities</b>	<b>35,478</b>	<b>37,950</b>	<b>38,638</b>	<b>39,464</b>	<b>39,511</b>	<b>38,120</b>	<b>36,418</b>	<b>37,474</b>	<b>37,211</b>	<b>36,929</b>
		<b>Non-current liabilities</b>										
92,074	76,952	Public Debt – term portion	81,589	64,355	51,834	53,366	94,688	89,576	79,641	78,876	82,190	69,679
676	1,000	Other non current	676	700	700	700	700	700	700	700	700	700
<b>92,750</b>	<b>77,952</b>	<b>Total Non Current Liabilities</b>	<b>82,265</b>	<b>65,055</b>	<b>52,534</b>	<b>54,066</b>	<b>95,388</b>	<b>90,276</b>	<b>80,341</b>	<b>79,576</b>	<b>82,890</b>	<b>70,379</b>
<b>130,352</b>	<b>115,166</b>	<b>Total Liabilities</b>	<b>117,743</b>	<b>103,306</b>	<b>91,272</b>	<b>93,500</b>	<b>134,899</b>	<b>128,396</b>	<b>116,759</b>	<b>117,050</b>	<b>120,101</b>	<b>107,308</b>
<b>464,877</b>	<b>466,871</b>	<b>Net Assets</b>	<b>469,276</b>	<b>474,036</b>	<b>481,218</b>	<b>487,092</b>	<b>513,434</b>	<b>521,469</b>	<b>530,604</b>	<b>543,920</b>	<b>560,379</b>	<b>570,120</b>

## STATEMENT OF MOVEMENTS IN EQUITY

### LONG TERM FINANCIAL STRATEGY

Actual Year Ended 30-Jun-97 \$000s	Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
447,556	464,877	<b>Total Equity at Beginning of Year</b>	466,870	469,276	474,036	481,218	487,092	513,434	521,469	530,604	543,920	560,379
(2,250)	2,768	Net Surplus/(Deficit) for the Year	4,240	4,987	6,978	5,745	26,631	7,840	8,912	13,097	16,223	9,489
256		Change in Asset Revaluation Reserves										
19,316	(775)	Other Movements	(1,833)	(227)	204	128	(289)	195	223	219	236	252
		Total Recognised Revenue and Expenses for Year										
17,322	1,993		2,406	4,760	7,183	5,873	26,343	8,035	9,135	13,317	16,458	9,741
<b>464,877</b>	<b>466,870</b>	<b>Total Equity at End of Year</b>	<b>469,276</b>	<b>474,036</b>	<b>481,218</b>	<b>487,092</b>	<b>513,434</b>	<b>521,469</b>	<b>530,604</b>	<b>543,920</b>	<b>560,379</b>	<b>570,120</b>

## STATEMENT OF CASH FLOWS

### LONG TERM FINANCIAL STRATEGY

Actual Year Ended 30-Jun-97 \$000s	Forecast Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
<b>Cash Flows from Operating Activities</b>												
<b>Cash was provided from:</b>												
55,744	56,194	General rates and other rate charges	56,194	56,194	56,194	57,473	63,472	66,945	66,945	66,945	68,945	68,945
24,918	21,592	User Charges and other income	21,780	21,495	20,966	21,121	42,778	23,029	23,654	27,291	29,007	22,340
1,756	450	Interest Received	1,500	1,000	1,000	750	750	750	700	700	700	700
9,502	9,500	Regional Council rates	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500
<b>91,920</b>	<b>87,736</b>		<b>88,974</b>	<b>88,189</b>	<b>87,660</b>	<b>88,844</b>	<b>116,500</b>	<b>100,224</b>	<b>100,799</b>	<b>104,436</b>	<b>108,152</b>	<b>101,485</b>
<b>Cash was applied to:</b>												
61,493	58,690	Payments to Suppliers & Employees	53,495	55,341	55,517	55,651	59,584	59,461	59,436	59,204	59,184	59,254
8,989	8,728	Interest paid	8,188	7,594	6,365	5,910	7,682	9,178	8,556	8,114	8,219	7,839
		Tax paid	20									
9,846	9,500	Regional Council Rates	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500
2,225	2,500	GST (Net)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b>82,553</b>	<b>79,418</b>		<b>73,633</b>	<b>74,935</b>	<b>73,882</b>	<b>73,561</b>	<b>79,266</b>	<b>80,639</b>	<b>79,992</b>	<b>79,318</b>	<b>79,403</b>	<b>79,093</b>
<b>9,367</b>	<b>8,318</b>	<b>Net Cash Inflows(Outflows) from Operating Activities</b>	<b>15,341</b>	<b>13,253</b>	<b>13,778</b>	<b>15,282</b>	<b>37,234</b>	<b>19,585</b>	<b>20,807</b>	<b>25,118</b>	<b>28,749</b>	<b>22,392</b>
<b>Cash Flows from Investing Activities</b>												
<b>Cash was provided from:</b>												
12,252	2,420	Sale of Fixed Assets	4,000	14,000	9,900	1,000	1,000	1,000		600	400	
1,117	21,629	Contributions from Sinking Funds	7,893	6,412	5,000	2,000	1,000	1,000	1,000	1,000	1,000	1,000
15,382		Repayments by associated entities										
493	500	Repayment of Loans by third parties	500									
300	249	Dividends received	310	260	10	10	10	10	10	10	10	10
<b>29,544</b>	<b>24,798</b>		<b>12,703</b>	<b>20,672</b>	<b>14,910</b>	<b>3,010</b>	<b>2,010</b>	<b>2,010</b>	<b>1,010</b>	<b>1,610</b>	<b>1,410</b>	<b>1,010</b>
<b>Cash was applied to:</b>												
5,970	11,607	Purchase/Construction of Fixed Assets	21,634	11,863	10,004	11,778	78,262	11,635	10,576	23,636	29,738	8,551
14,348	6,445	Contributions to Sinking Funds	7,121	8,412	5,000	2,000	1,000	1,000	1,000	1,000	1,000	1,000
20,722		Investment in LATEs										
1,072	1,000	Other investments and payments	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>42,112</b>	<b>19,052</b>		<b>29,755</b>	<b>21,275</b>	<b>16,004</b>	<b>14,778</b>	<b>80,262</b>	<b>13,635</b>	<b>12,576</b>	<b>25,636</b>	<b>31,738</b>	<b>10,551</b>
<b>(12,568)</b>	<b>5,746</b>	<b>Net Cash Inflows(Outflows) from Investing Activities</b>	<b>(17,052)</b>	<b>(603)</b>	<b>(1,094)</b>	<b>(11,768)</b>	<b>(78,252)</b>	<b>(11,625)</b>	<b>(11,566)</b>	<b>(24,026)</b>	<b>(30,328)</b>	<b>(9,541)</b>

# STATEMENT OF CASH FLOWS

## LONG TERM FINANCIAL STRATEGY

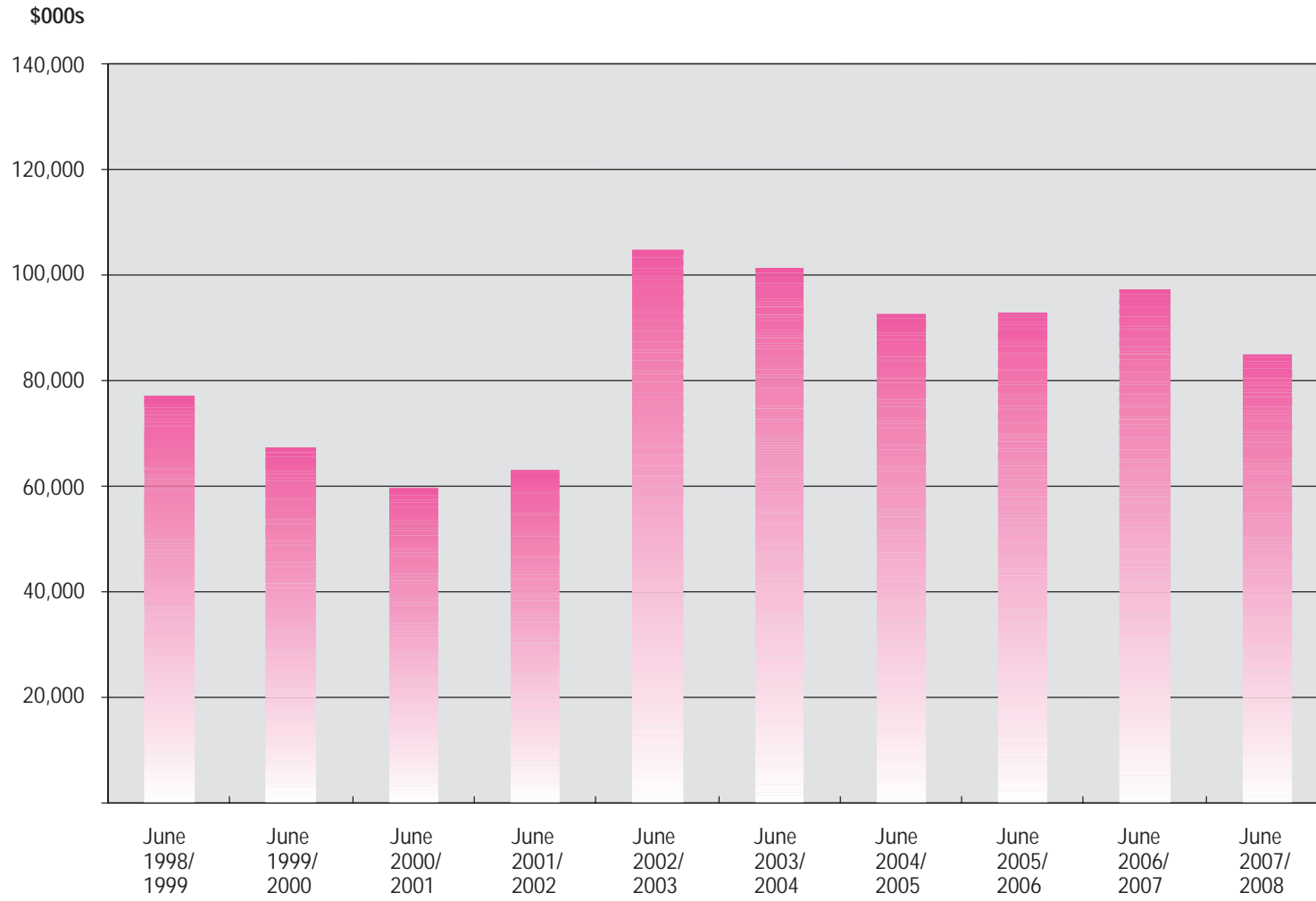
Actual Year Ended 30-Jun-97 \$000s	Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
<b>Cash Flows From Financing Activities</b>												
<b>Cash was provided from:</b>												
25,382	3,906	Funds Raised from Public Debt	23,460	11,476	9,811	11,573	78,246	11,582	10,505	23,495	29,545	8,260
<b>25,382</b>	<b>3,906</b>		<b>23,460</b>	<b>11,476</b>	<b>9,811</b>	<b>11,573</b>	<b>78,246</b>	<b>11,582</b>	<b>10,505</b>	<b>23,495</b>	<b>29,545</b>	<b>8,260</b>
<b>Cash was applied to:</b>												
16,885	18,961	Repayment of Public Debt	18,892	29,475	22,893	10,541	37,184	16,939	20,670	24,490	26,461	21,001
<b>16,885</b>	<b>18,961</b>		<b>18,892</b>	<b>29,475</b>	<b>22,893</b>	<b>10,541</b>	<b>37,184</b>	<b>16,939</b>	<b>20,670</b>	<b>24,490</b>	<b>26,461</b>	<b>21,001</b>
8,497	(15,055)	<b>Net Cash Inflows (Outflows) from Financing Activities</b>	4,568	(17,999)	(13,082)	1,032	41,062	(5,357)	(10,165)	(995)	3,084	(12,741)
5,296	(991)	Net Increase(Decrease) In Cash Held	2,857	(5,348)	(397)	4,547	45	2,603	(924)	97	1,505	110
7,375	12,671	Plus Cash/Bank Balance as at year beginning	11,680	14,537	9,186	8,791	13,338	13,383	15,986	15,062	15,159	16,665
<b>12,671</b>	<b>11,680</b>	<b>Cash/Bank Balance as at year end</b>	<b>14,537</b>	<b>9,188</b>	<b>8,791</b>	<b>13,338</b>	<b>13,338</b>	<b>15,986</b>	<b>15,062</b>	<b>15,159</b>	<b>16,665</b>	<b>16,775</b>
<b>Made up of:</b>												
9,671	8,680	Cash	11,537	6,188	5,791	10,338	10,383	12,986	12,062	12,159	13,665	13,775
3,000	3,000	On call deposits	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
<b>12,671</b>	<b>11,680</b>	<b>Cash/Bank Balance As At Year End</b>	<b>14,537</b>	<b>9,188</b>	<b>8,791</b>	<b>13,338</b>	<b>13,383</b>	<b>15,986</b>	<b>15,062</b>	<b>15,159</b>	<b>16,665</b>	<b>16,775</b>

# BORROWING PROGRAMME AND DEBT PROJECTION

## LONG TERM FINANCIAL STRATEGY

Actual Year Ended 30-Jun-97 \$000s	Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
		<b>Debt</b>										
		<b>Opening Debt</b>										
(16,121)	(29,797)	Sinking Funds	(20,357)	(24,412)	(16,000)	(11,000)	(9,000)	(8,000)	(7,000)	(6,000)	(5,000)	(4,000)
16,530	18,894	Current	18,961	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892
85,941	90,074	Non-Current	76,952	81,589	64,355	51,834	53,366	94,688	89,576	79,641	78,876	82,190
<b>86,350</b>	<b>79,171</b>	<b>Total</b>	<b>75,556</b>	<b>76,069</b>	<b>67,247</b>	<b>59,726</b>	<b>63,258</b>	<b>105,580</b>	<b>101,468</b>	<b>92,533</b>	<b>92,768</b>	<b>97,082</b>
		<b>Increased By</b>										
6,902		Capital Asset Management Plan Discrete	1,568	939	914	555	216	367	110	250	105	490
1,166	10,308	Capital Development	7,689	3,988	7,597	8,418	3,830	9,415	2,795	3,645	7,665	6,595
		Adjustment between years		2,300	(1,500)	(1,700)	3,000	(2,500)	4,100	3,400	(500)	100
<b>8,068</b>	<b>10,308</b>	<b>Total Capped Capital</b>	<b>9,257</b>	<b>7,227</b>	<b>7,011</b>	<b>7,273</b>	<b>7,046</b>	<b>7,282</b>	<b>7,005</b>	<b>7,295</b>	<b>7,270</b>	<b>7,185</b>
2,543	2,503	Non-Cap Hutt Wastewater	3,262	3,699	1,000	1,000	68,100	3,800	3,200	15,800	21,975	675
		Non-Cap State Highway 2				2,200	2,200					
624	1,700	Non-Cap Silverstream Landfill	1,098	550	1,800	1,100	900	500	300	400	300	400
	540	Reserve funded capital	970	745	540	480	240	230	230	230	230	230
	130	Fully subsidised projects	155	20	20	20	20	15				
<b>3,167</b>	<b>4,873</b>	<b>Total Uncapped Capital</b>	<b>5,485</b>	<b>5,014</b>	<b>3,360</b>	<b>4,800</b>	<b>71,460</b>	<b>4,545</b>	<b>3,730</b>	<b>16,430</b>	<b>22,505</b>	<b>1,305</b>
<b>11,235</b>	<b>15,181</b>	<b>Total Capital</b>	<b>14,742</b>	<b>12,241</b>	<b>10,371</b>	<b>12,073</b>	<b>78,506</b>	<b>11,827</b>	<b>10,735</b>	<b>23,725</b>	<b>29,775</b>	<b>8,490</b>
		<b>Decreased By</b>										
624	1,830	Fund Transfers	812	1,295	2,340	1,580	1,140	730	530	630	530	630
1,700	2,420	Asset Sales	4,000	2,000	1,000	1,000	1,000	1,000		600	400	
15,382		Asset sales – LATES		12,000	8,900							
1,766	615	Upper Hutt City Council Capital	816	727	416	415	20,381	353	1,101	5,025	6,739	104
482	505	Capital Subsidies	670	670	670	670	670	670	670	670	670	670
		Cyclic renewal fund	16	(378)	(367)	(295)	(244)	(192)	(159)	(89)	(37)	61
		Renewal Loans repaid	(18,892)									
		Renewal Loans raised	11,000									
	30,702	Contributions From Sinking	7,893									
(13,676)	(6,445)	Contributions To Sinking Funds	(2,596)	8,412	5,000	2,000	1,000	1,000	1,000	1,000	1,000	1,000
(4,073)	(6,874)	Other Transfers/ Sinking Fund Interest	1,862				7,000	6,000	10,000	9,000	9,000	10,000
4,897	5,550	Depreciation	4,524	4,750	4,934	5,171	6,237	7,378	7,529	7,654	8,160	8,537
<b>7,102</b>	<b>28,303</b>	<b>Total</b>	<b>10,105</b>	<b>29,475</b>	<b>22,893</b>	<b>10,541</b>	<b>37,184</b>	<b>16,939</b>	<b>20,670</b>	<b>24,490</b>	<b>26,461</b>	<b>21,001</b>
		<b>Closing Debt</b>										
(29,797)	(20,357)	Sinking Funds	(24,412)	(16,000)	(11,000)	(9,000)	(8,000)	(7,000)	(6,000)	(5,000)	(4,000)	(3,000)
18,894	18,961	Current	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892	18,892
90,074	76,952	Non-Current	81,589	64,355	51,834	53,366	94,688	89,576	79,641	78,876	82,190	69,679
<b>79,171</b>	<b>75,556</b>	<b>Total</b>	<b>76,069</b>	<b>67,247</b>	<b>59,726</b>	<b>63,258</b>	<b>105,580</b>	<b>101,468</b>	<b>92,533</b>	<b>92,768</b>	<b>97,082</b>	<b>85,571</b>

# DEBT PROFILE



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 1. ROADING

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
95	General Rates & Other Rate Charges	65	66	64	63	67	70	69	68	68	67
	User Charges										
	Penalties										
1,963	Operating Subsidies	1,883	1,880	1,880	1,800	1,880	1,880	1,880	1,880	1,880	1,880
	Capital Subsidies	624	624	624	624	624	624	624	624	624	624
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
50	Other Revenue	11	11	11	11	11	11	11	11	11	11
<b>2,108</b>	<b>Total Operating Revenue</b>	<b>2,583</b>	<b>2,581</b>	<b>2,579</b>	<b>2,578</b>	<b>2,582</b>	<b>2,585</b>	<b>2,584</b>	<b>2,583</b>	<b>2,583</b>	<b>2,582</b>
	<b>Operating Costs</b>										
	Employee Costs	403	403	403	403	403	403	403	403	403	403
1,960	Supplier Costs	197	197	197	197	197	197	197	197	197	197
	Support Costs	523	555	556	571	572	572	574	574	575	576
3,533	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
133	Maintenance Costs	1,785	1,785	1,785	1,785	1,785	1,785	1,785	1,785	1,785	1,785
	One-Off Projects										
	Interest Expenditure	2,116	2,227	1,867	1,733	2,253	2,692	2,510	2,380	2,411	2,229
548	Depreciation	560	569	580	595	601	602	602	602	602	602
	COC										
	Cyclic Renewal Depreciation	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628	3,628
<b>6,174</b>	<b>Total Operating Costs</b>	<b>9,212</b>	<b>9,365</b>	<b>9,016</b>	<b>8,913</b>	<b>9,440</b>	<b>9,879</b>	<b>9,699</b>	<b>9,569</b>	<b>9,601</b>	<b>9,491</b>
<b>(4,066)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(6,629)</b>	<b>(6,783)</b>	<b>(6,437)</b>	<b>(6,335)</b>	<b>(6,858)</b>	<b>(7,293)</b>	<b>(7,115)</b>	<b>(6,986)</b>	<b>(7,018)</b>	<b>(6,908)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 2. STREET CLEANING

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 Notes \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s	
	<b>Operating Revenue</b>										
	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
85	85	85	85	85	85	85	85	85	85	85	85
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
85	85	85	85	85	85	85	85	85	85	85	85
	<b>Total Operating Revenue</b>										
	<b>Operating Costs</b>										
	Employee Costs										
1,193	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190	1,190
	Supplier Costs										
	Support Costs										
30	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal										
	Maintenance Costs										
	One-Off Projects										
	Interest Expenditure										
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
1,223	1,324	1,328	1,328	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,331
	<b>Total Operating Costs</b>										
(1,138)	(1,239)	(1,243)	(1,243)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,245)	(1,246)
	<b>Operating Surplus/(Deficit)</b>										





## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 3. TRAFFIC MANAGEMENT

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
<b>Operating Revenue</b>										
	General Rates & Other Rate Charges									
1	User Charges									
	Penalties									
548	Operating Subsidies									
431	464	464	464	464	464	464	464	464	464	464
	UHCC Capital Contribution									
	46	46	46	46	46	46	46	46	46	46
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATES									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
<b>980</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>	<b>510</b>
<b>Operating Costs</b>										
	Employee Costs									
556	227	227	227	227	227	227	227	227	227	227
	Supplier Costs									
	561	561	561	561	561	561	561	561	561	561
	Support Costs									
	195	207	207	213	213	213	214	214	214	215
265	Maintenance Costs – Renewal									
3	Maintenance Costs									
162	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	53	53	53	53	53	53	53	53	53	53
	One-Off Projects									
	71	50	50	50	50	50	50	50	50	50
	Interest Expenditure									
	45	48	40	37	48	58	54	51	52	49
75	Depreciation									
	105	127	223	393	489	655	809	794	780	767
	COC									
	Cyclic Renewal Depreciation									
1,061	466	466	466	466	466	466	466	466	466	466
	<b>Total Operating Costs</b>									
	<b>1,723</b>	<b>1,738</b>	<b>1,827</b>	<b>2,000</b>	<b>2,107</b>	<b>2,283</b>	<b>2,433</b>	<b>2,416</b>	<b>2,403</b>	<b>2,388</b>
<b>(81)</b>	<b>Operating Surplus/(Deficit)</b>									
	<b>(1,213)</b>	<b>(1,228)</b>	<b>(1,317)</b>	<b>(1,490)</b>	<b>(1,597)</b>	<b>(1,773)</b>	<b>(1,923)</b>	<b>(1,906)</b>	<b>(1,893)</b>	<b>(1,878)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 5. PARKING

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
1,120	General Rates & Other Rate Charges										
	User Charges	1,280	1,300	1,272	1,274	1,273	1,272	1,267	1,261	1,260	1,258
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>1,120</b>	<b>Total Operating Revenue</b>	<b>1,280</b>	<b>1,300</b>	<b>1,272</b>	<b>1,274</b>	<b>1,273</b>	<b>1,272</b>	<b>1,267</b>	<b>1,261</b>	<b>1,260</b>	<b>1,258</b>
	<b>Operating Costs</b>										
–	Employee Costs	19	19	19	19	19	19	19	19	19	19
238	Supplier Costs	177	177	177	177	177	177	177	177	177	177
	Support Costs	588	624	625	642	643	643	645	645	646	647
45	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs	125	125	125	125	125	125	125	125	125	125
	One-Off Projects										
	Interest Expenditure	29	30	25	24	31	37	34	32	33	31
115	Depreciation	84	62	43	30	20	14	10	7	5	3
	COC										
	Cyclic Renewal Depreciation	52	52	52	52	52	52	52	52	52	52
<b>398</b>	<b>Total Operating Costs</b>	<b>1,074</b>	<b>1,090</b>	<b>1,066</b>	<b>1,068</b>	<b>1,067</b>	<b>1,067</b>	<b>1,062</b>	<b>1,057</b>	<b>1,057</b>	<b>1,055</b>
<b>722</b>	<b>Operating Surplus/(Deficit)</b>	<b>206</b>	<b>210</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>205</b>	<b>204</b>	<b>204</b>	<b>203</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 6. REFUSE COLLECTION

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
600	General Rates & Other Rate Charges										
	User Charges	580	532	532	533	533	533	533	533	533	533
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
600	<b>Total Operating Revenue</b>	580	532	532	533	533	533	533	533	533	533
	<b>Operating Costs</b>										
492	Employee Costs	26	26	26	26	26	26	26	26	26	26
	Supplier Costs	479	479	479	479	479	479	479	479	479	479
	Support Costs	25	27	27	28	28	28	28	28	28	28
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs										
	One-Off Projects										
–	Interest Expenditure	–	–	–	–	–	–	–	–	–	–
	Depreciation	–	–	–	–	–	–	–	–	–	–
	COC										
	Cyclic Renewal Depreciation	–	–	–	–	–	–	–	–	–	–
492	<b>Total Operating Costs</b>	530	532	532	533	533	533	533	533	533	533
108	<b>Operating Surplus/(Deficit)</b>	50	–	–	–	–	–	–	–	–	–



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 7. RECYCLING AND WASTE REDUCTION

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
20	General Rates & Other Rate Charges										
	User Charges		17	28	39	50	56	56	56	56	56
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
20	<b>Total Operating Revenue</b>		17	28	39	50	56	56	56	56	56
	<b>Operating Costs</b>										
504	Employee Costs	27	27	27	27	27	27	27	27	27	27
	Supplier Costs	477	477	477	477	477	477	477	477	477	477
	Support Costs	37	39	39	40	40	40	40	40	40	40
15	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs	10	10	10	10	10	10	10	10	10	10
	One-Off Projects										
	Interest Expenditure	1	1	1	1	1	1	1	1	1	1
2	Depreciation	2	2	1	1	1	1	1	1	0	0
	COC										
	Cyclic Renewal Depreciation										
521	<b>Total Operating Costs</b>	553	555	555	556	556	556	556	556	556	556
(501)	<b>Operating Surplus/(Deficit)</b>	(553)	(539)	(527)	(517)	(506)	(500)	(500)	(500)	(500)	(500)

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 8. LANDFILLS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
2,814	General Rates & Other Rate Charges										
	User Charges	2,953	2,743	2,751	2,772	2,796	2,814	2,815	2,815	2,819	2,820
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
2,814	<b>Total Operating Revenue</b>	2,953	2,743	2,751	2,772	2,796	2,814	2,815	2,815	2,819	2,820
	<b>Operating Costs</b>										
	Employee Costs	113	113	113	113	113	113	113	120	113	113
1,666	Supplier Costs	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105	2,105
	Support Costs	156	165	165	170	170	170	171	171	171	171
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
73	Maintenance Costs	74	74	74	74	74	74	74	74	74	74
90	One-Off Projects	110	170	170	170	170	170	170	170	170	170
	Interest Expenditure	47	49	41	38	50	60	56	53	53	51
30	Depreciation	53	67	83	102	114	122	126	129	133	136
	COC										
	Cyclic Renewal Depreciation										
1,859	<b>Total Operating Costs</b>	2,658	2,743	2,751	2,772	2,796	2,814	2,815	2,815	2,819	2,820
955	<b>Operating Surplus/(Deficit)</b>	295									

## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 9. WATER SUPPLY

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
2,517	General Rates & Other Rate Charges										
	User Charges	2,351	2,375	2,135	2,021	1,935	1,971	1,945	1,922	1,930	1,936
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
2,517	<b>Total Operating Revenue</b>	2,351	2,375	2,135	2,021	1,935	1,971	1,945	1,922	1,930	1,936
	<b>Operating Costs</b>										
	Employee Costs	197	197	197	197	197	197	197	197	197	197
7,579	Supplier Costs	7,511	7,786	7,936	8,016	7,986	7,988	7,938	7,886	7,886	7,886
	Support Costs	157	167	167	172	172	172	173	173	173	173
784	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1,247	Maintenance Costs	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234
	One-Off Projects										
	Interest Expenditure	1,089	1,147	961	892	1,160	1,386	1,292	1,225	1,241	1,184
273	Depreciation	457	540	561	572	544	537	522	495	526	620
	COC										
	Cyclic Renewal Depreciation	804	804	804	804	804	804	804	804	804	804
9,883	<b>Total Operating Costs</b>	11,449	11,874	11,859	11,886	12,096	12,318	12,159	12,013	12,050	12,097
(7,366)	<b>Operating Surplus/(Deficit)</b>	(9,098)	(9,499)	(9,725)	(9,866)	(10,161)	(10,347)	(10,214)	(10,091)	(10,131)	(10,162)

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 10. WASTEWATER

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
136	General Rates & Other Rate Charges	154	150	145	144	252	278	276	278	287	290
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
615	UHCC Capital Contribution	816	727	416	415	20,381	353	1,101	5,025	6,739	104
928	UHCC Operating contribution	804	804	804	804	2,100	2,100	2,100	2,100	2,100	2,100
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>1,679</b>	<b>Total Operating Revenue</b>	<b>1,774</b>	<b>1,681</b>	<b>1,366</b>	<b>1,363</b>	<b>22,734</b>	<b>2,731</b>	<b>3,477</b>	<b>7,403</b>	<b>9,125</b>	<b>2,494</b>
	<b>Operating Costs</b>										
	Employee Costs	233	233	233	233	233	233	233	233	233	233
1,109	Supplier Costs	1,109	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110
	Support Costs	86	100	100	103	103	103	103	103	104	104
1,031	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2,134	Maintenance Costs	2,132	2,132	2,132	2,132	6,230	6,230	6,230	6,230	6,230	6,230
	One-Off Projects										
	Interest Expenditure	1,570	1,653	1,386	1,287	1,672	1,998	1,863	1,766	1,789	1,707
906	Depreciation	969	1,050	1,094	1,098	2,053	3,017	3,032	3,217	3,663	3,886
	COC										
	Cyclic Renewal Depreciation	1,218	1,218	1,218	1,218	1,218	1,218	1,218	1,218	1,218	1,218
<b>5,180</b>	<b>Total Operating Costs</b>	<b>7,318</b>	<b>7,496</b>	<b>7,272</b>	<b>7,181</b>	<b>12,619</b>	<b>13,909</b>	<b>13,789</b>	<b>13,878</b>	<b>14,347</b>	<b>14,487</b>
<b>(3,501)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(5,544)</b>	<b>(5,815)</b>	<b>(5,906)</b>	<b>(5,818)</b>	<b>10,114</b>	<b>(11,178)</b>	<b>(10,313)</b>	<b>(6,475)</b>	<b>(5,222)</b>	<b>(11,994)</b>





## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 11. STORMWATER

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
12	Operating Subsidies	12	12	12	12	12	12	12	12	12	12
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
12	<b>Total Operating Revenue</b>	12	12	12	12	12	12	12	12	12	12
	<b>Operating Costs</b>										
	Employee Costs	178	178	178	178	178	178	178	178	178	178
247	Supplier Costs	248	249	249	249	249	249	249	249	249	249
	Support Costs	210	223	223	229	230	230	231	231	231	231
165	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
651	Maintenance Costs	651	651	651	651	651	651	651	651	651	651
	One-Off Projects										
	Interest Expenditure	975	1,027	860	799	1,039	1,241	1,157	1,097	1,111	1,060
48	Depreciation	58	70	85	104	131	165	183	194	240	316
	COC										
	Cyclic Renewal Depreciation	191	191	191	191	191	191	191	191	191	191
1,111	<b>Total Operating Costs</b>	2,511	2,588	2,437	2,401	2,668	2,904	2,839	2,790	2,851	2,876
(1,099)	<b>Operating Surplus/(Deficit)</b>	(2,499)	(2,576)	(2,425)	(2,389)	(2,656)	(2,892)	(2,827)	(2,778)	(2,839)	(2,864)

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 12. LIBRARIES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
149	General Rates & Other Rate Charges	142	176	175	221	223	269	269	268	268	268
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
24	Other Revenue	23									
<b>173</b>	<b>Total Operating Revenue</b>	<b>165</b>	<b>176</b>	<b>175</b>	<b>221</b>	<b>223</b>	<b>269</b>	<b>269</b>	<b>268</b>	<b>268</b>	<b>268</b>
	<b>Operating Costs</b>										
1,561	Employee Costs	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485
212	Supplier Costs	928	928	928	928	928	928	928	928	928	928
	Support Costs	1,801	1,700	1,702	1,749	1,752	1,751	1,758	1,757	1,760	1,763
738	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
39	Maintenance Costs	47	47	47	47	47	47	47	47	47	47
	One-Off Projects										
	Interest Expenditure	131	138	116	108	140	167	156	148	150	143
97	Depreciation	104	109	108	107	106	106	105	104	104	103
	COC										
	Cyclic Renewal Depreciation										
<b>2,647</b>	<b>Total Operating Costs</b>	<b>4,497</b>	<b>4,408</b>	<b>4,386</b>	<b>4,424</b>	<b>4,458</b>	<b>4,484</b>	<b>4,479</b>	<b>4,469</b>	<b>4,473</b>	<b>4,469</b>
<b>(2,474)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(4,332)</b>	<b>(4,231)</b>	<b>(4,211)</b>	<b>(4,203)</b>	<b>(4,235)</b>	<b>(4,215)</b>	<b>(4,210)</b>	<b>(4,201)</b>	<b>(4,205)</b>	<b>(4,201)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 13. MUSEUMS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
53	General Rates & Other Rate Charges										
	User Charges	56	75	111	149	160	161	160	160	160	160
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
105	Other Revenue	211	211	211	211	211	211	211	211	211	211
<b>158</b>	<b>Total Operating Revenue</b>	<b>267</b>	<b>286</b>	<b>322</b>	<b>360</b>	<b>371</b>	<b>372</b>	<b>371</b>	<b>371</b>	<b>371</b>	<b>371</b>
	<b>Operating Costs</b>										
702	Employee Costs	741	741	741	741	741	741	741	741	741	741
530	Supplier Costs	604	604	604	604	604	604	604	604	604	604
	Support Costs	307	326	326	335	336	336	337	337	338	338
49	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
73	Maintenance Costs	67	67	67	67	67	67	67	67	67	67
	One-Off Projects										
	Interest Expenditure	67	71	59	55	71	85	80	75	76	73
61	Depreciation	61	60	59	58	58	58	57	57	56	56
	COC										
	Cyclic Renewal Depreciation										
<b>1,415</b>	<b>Total Operating Costs</b>	<b>1,847</b>	<b>1,869</b>	<b>1,857</b>	<b>1,861</b>	<b>1,877</b>	<b>1,891</b>	<b>1,886</b>	<b>1,881</b>	<b>1,882</b>	<b>1,879</b>
<b>(1,257)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(1,580)</b>	<b>(1,583)</b>	<b>(1,534)</b>	<b>(1,501)</b>	<b>(1,507)</b>	<b>(1,519)</b>	<b>(1,515)</b>	<b>(1,510)</b>	<b>(1,511)</b>	<b>(1,508)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 14. SWIMMING POOLS

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
1,197	1,044	1,080	1,106	1,142	1,189	1,234	1,229	1,225	1,225	1,221
55	52	52	52	52	52	52	52	52	52	52
<b>1,252</b>	<b>1,096</b>	<b>1,132</b>	<b>1,158</b>	<b>1,194</b>	<b>1,241</b>	<b>1,286</b>	<b>1,281</b>	<b>1,277</b>	<b>1,277</b>	<b>1,273</b>
	<b>Operating Costs</b>									
1,321	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254
902	894	894	894	894	894	894	894	894	894	894
	577	612	613	630	631	630	633	633	634	635
139	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
210	331	331	331	331	331	331	331	331	331	331
	157	166	139	129	167	200	187	177	179	171
227	230	228	225	222	219	216	213	210	208	205
<b>2,799</b>	<b>3,443</b>	<b>3,484</b>	<b>3,455</b>	<b>3,459</b>	<b>3,496</b>	<b>3,526</b>	<b>3,512</b>	<b>3,499</b>	<b>3,500</b>	<b>3,490</b>
<b>(1,547)</b>	<b>(2,347)</b>	<b>(2,352)</b>	<b>(2,298)</b>	<b>(2,266)</b>	<b>(2,255)</b>	<b>(2,240)</b>	<b>(2,231)</b>	<b>(2,222)</b>	<b>(2,223)</b>	<b>(2,216)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 15. RECREATION PROGRAMMES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
50	General Rates & Other Rate Charges										
	User Charges	66	88	107	121	134	146	146	146	146	146
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
99	Other Revenue	109	109	109	109	109	109	109	109	109	109
<b>149</b>	<b>Total Operating Revenue</b>	<b>175</b>	<b>197</b>	<b>216</b>	<b>230</b>	<b>243</b>	<b>255</b>	<b>255</b>	<b>255</b>	<b>255</b>	<b>255</b>
	<b>Operating Costs</b>										
205	Employee Costs	200	200	200	200	200	200	200	200	200	200
197	Supplier Costs	237	237	237	237	237	237	237	237	237	237
	Support Costs	138	146	146	150	150	150	151	151	151	151
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3	Maintenance Costs	3	3	3	3	3	3	3	3	3	3
45	One-Off Projects	45	45	45	45	45	45	45	45	45	45
	Interest Expenditure						1	1			
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
<b>450</b>	<b>Total Operating Costs</b>	<b>623</b>	<b>631</b>	<b>632</b>	<b>636</b>	<b>636</b>	<b>636</b>	<b>636</b>	<b>636</b>	<b>637</b>	<b>637</b>
<b>(301)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(448)</b>	<b>(434)</b>	<b>(415)</b>	<b>(406)</b>	<b>(393)</b>	<b>(381)</b>	<b>(381)</b>	<b>(381)</b>	<b>(381)</b>	<b>(381)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 16. PARKS, RESERVES AND BEACHES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
351	General Rates & Other Rate Charges	295	344	340	382	388	437	434	432	433	431
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>351</b>	<b>Total Operating Revenue</b>	<b>295</b>	<b>344</b>	<b>340</b>	<b>382</b>	<b>388</b>	<b>437</b>	<b>434</b>	<b>432</b>	<b>433</b>	<b>431</b>
	<b>Operating Costs</b>										
	Employee Costs	195	195	195	195	195	195	195	195	195	195
2,869	Supplier Costs	2,958	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865	2,865
	Support Costs	156	165	165	170	170	170	171	171	171	171
314	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
282	Maintenance Costs	450	450	450	450	450	450	450	450	450	450
	One-Off Projects										
	Interest Expenditure	276	291	244	226	294	352	328	311	315	300
207	Depreciation	211	215	218	219	220	219	219	218	217	217
	COC										
	Cyclic Renewal Depreciation	116	116	116	116	116	116	116	116	116	116
<b>3,672</b>	<b>Total Operating Costs</b>	<b>4,361</b>	<b>4,296</b>	<b>4,252</b>	<b>4,241</b>	<b>4,310</b>	<b>4,366</b>	<b>4,342</b>	<b>4,325</b>	<b>4,329</b>	<b>4,314</b>
<b>(3,321)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(4,066)</b>	<b>(3,952)</b>	<b>(3,912)</b>	<b>(3,859)</b>	<b>(3,922)</b>	<b>(3,930)</b>	<b>(3,908)</b>	<b>(3,892)</b>	<b>(3,896)</b>	<b>(3,882)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 17. SPORTSFIELDS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
241	General Rates & Other Rate Charges										
	User Charges	232	256	273	293	319	323	322	320	321	320
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>241</b>	<b>Total Operating Revenue</b>	<b>232</b>	<b>256</b>	<b>273</b>	<b>293</b>	<b>319</b>	<b>323</b>	<b>322</b>	<b>320</b>	<b>321</b>	<b>320</b>
	<b>Operating Costs</b>										
	Employee Costs	84	84	84	84	84	84	84	84	84	84
1,477	Supplier Costs	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468
	Support Costs	164	174	174	179	179	179	180	180	180	180
79	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
103	Maintenance Costs	103	103	103	103	103	103	103	103	103	103
40	One-Off Projects	40	15								
	Interest Expenditure	134	141	118	110	143	171	159	151	153	146
98	Depreciation	99	99	100	100	100	100	100	100	100	100
	COC										
	Cyclic Renewal Depreciation	50	50	50	50	50	50	50	50	50	50
<b>1,797</b>	<b>Total Operating Costs</b>	<b>2,142</b>	<b>2,135</b>	<b>2,097</b>	<b>2,094</b>	<b>2,127</b>	<b>2,155</b>	<b>2,144</b>	<b>2,136</b>	<b>2,138</b>	<b>2,132</b>
<b>(1,556)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(1,910)</b>	<b>(1,879)</b>	<b>(1,825)</b>	<b>(1,801)</b>	<b>(1,808)</b>	<b>(1,832)</b>	<b>(1,823)</b>	<b>(1,816)</b>	<b>(1,818)</b>	<b>(1,812)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 18. CEMETERIES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
169	General Rates & Other Rate Charges	201	204	204	205	206	207	207	208	209	209
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
1	Other Revenue	1	1	1	1	1	1	1	1	1	1
<b>170</b>	<b>Total Operating Revenue</b>	<b>202</b>	<b>205</b>	<b>205</b>	<b>206</b>	<b>207</b>	<b>208</b>	<b>208</b>	<b>209</b>	<b>210</b>	<b>210</b>
	<b>Operating Costs</b>										
237	Employee Costs	49	49	49	49	49	49	49	49	49	49
	Supplier Costs	237	237	237	237	237	237	237	237	237	237
	Support Costs	73	77	77	79	79	79	80	80	80	80
18	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
25	Maintenance Costs	25	25	25	25	25	25	25	25	25	25
	One-Off Projects										
	Interest Expenditure	7	8	6	6	8	9	9	8	8	8
2	Depreciation	2	3	3	3	3	3	4	6	8	9
	COC										
	Cyclic Renewal Depreciation	12	12	12	12	12	12	12	12	12	12
<b>282</b>	<b>Total Operating Costs</b>	<b>405</b>	<b>409</b>	<b>408</b>	<b>410</b>	<b>412</b>	<b>413</b>	<b>414</b>	<b>415</b>	<b>418</b>	<b>419</b>
<b>(112)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(202)</b>	<b>(203)</b>	<b>(203)</b>	<b>(204)</b>	<b>(205)</b>	<b>(206)</b>	<b>(206)</b>	<b>(207)</b>	<b>(208)</b>	<b>(208)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 19. SOCIAL POLICY

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
	-	-	-	-	-	-	-	-	-	-
	<b>Total Operating Revenue</b>									
	<b>Operating Costs</b>									
129	72	72	72	72	72	72	72	72	72	72
68										
	67	71	71	73	73	73	73	73	74	74
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
	Maintenance Costs									
	One-Off Projects									
	Interest Expenditure									
	Depreciation									
	COC									
	Cyclic Renewal Depreciation									
197	139	143	143	145	145	145	145	145	146	146
	<b>Total Operating Costs</b>									
(197)	(139)	(143)	(143)	(145)	(145)	(145)	(145)	(145)	(146)	(146)
	<b>Operating Surplus/(Deficit)</b>									

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 20. COMMUNITY DEVELOPMENT

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
15	General Rates & Other Rate Charges										
	User Charges	7									
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>15</b>	<b>Total Operating Revenue</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Operating Costs</b>										
42	Employee Costs	146	146	146	146	146	146	146	146	146	146
	Supplier Costs	147	145	148	150	150	150	150	150	150	150
	Support Costs	127	135	135	139	139	139	140	140	140	140
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
34	Maintenance Costs	7	7	7	7	7	7	7	7	7	7
	One-Off Projects										
	Interest Expenditure	19	20	17	15	20	24	22	21	21	20
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
<b>76</b>	<b>Total Operating Costs</b>	<b>446</b>	<b>453</b>	<b>453</b>	<b>457</b>	<b>462</b>	<b>466</b>	<b>465</b>	<b>464</b>	<b>464</b>	<b>463</b>
<b>(61)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(439)</b>	<b>(453)</b>	<b>(453)</b>	<b>(457)</b>	<b>(462)</b>	<b>(466)</b>	<b>(465)</b>	<b>(464)</b>	<b>(464)</b>	<b>(463)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 21. COMMUNITY GRANTS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
95	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
95	<b>Total Operating Revenue</b>	-	-	-	-	-	-	-	-	-	-
	<b>Operating Costs</b>										
	Employee Costs	76	76	76	76	76	76	76	76	76	76
1,015	Supplier Costs	960	960	960	960	960	960	960	960	960	960
	Support Costs	74	78	78	80	80	80	81	81	81	81
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs										
152	One-Off Projects	152	152	152	152	152	152	152	152	152	152
	Interest Expenditure										
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
1,167	<b>Total Operating Costs</b>	1,262	1,266	1,266	1,268	1,268	1,268	1,269	1,269	1,269	1,269
(1,072)	<b>Operating Surplus/(Deficit)</b>	(1,262)	(1,266)	(1,266)	(1,268)	(1,268)	(1,268)	(1,269)	(1,269)	(1,269)	(1,269)



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 23. URBAN DESIGN AND ENVIRONMENT PROJECT

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
20	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>20</b>	<b>Total Operating Revenue</b>	-	-	-	-	-	-	-	-	-	-
	<b>Operating Costs</b>										
276	Employee Costs	54	54	54	54	54	54	54	54	54	54
45	Supplier Costs										
	Support Costs	58	62	62	64	64	64	64	64	64	64
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs										
15	One-Off Projects	25	50	100	100	50	25	25	80	80	80
	Interest Expenditure										
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
<b>336</b>	<b>Total Operating Costs</b>	<b>137</b>	<b>166</b>	<b>216</b>	<b>218</b>	<b>168</b>	<b>143</b>	<b>143</b>	<b>198</b>	<b>198</b>	<b>198</b>
<b>(316)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(137)</b>	<b>(166)</b>	<b>(216)</b>	<b>(218)</b>	<b>(168)</b>	<b>(143)</b>	<b>(143)</b>	<b>(198)</b>	<b>(198)</b>	<b>(198)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 25. HALLS AND VENUES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
184	General Rates & Other Rate Charges										
	User Charges	199	193	211	240	257	281	268	276	265	273
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>184</b>	<b>Total Operating Revenue</b>	<b>199</b>	<b>193</b>	<b>211</b>	<b>240</b>	<b>257</b>	<b>281</b>	<b>268</b>	<b>276</b>	<b>265</b>	<b>273</b>
	<b>Operating Costs</b>										
227	Employee Costs										
	Supplier Costs	240	240	240	240	240	240	240	240	240	240
	Support Costs	102	108	108	111	111	111	112	112	112	112
109	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
77	Maintenance Costs	111	40	40	60	40	60	40	60	40	60
6	One-Off Projects	16									
	Interest Expenditure	49	52	43	40	52	62	58	55	56	53
102	Depreciation	100	98	95	93	91	89	87	85	83	81
	COC										
	Cyclic Renewal Depreciation										
<b>521</b>	<b>Total Operating Costs</b>	<b>618</b>	<b>537</b>	<b>527</b>	<b>545</b>	<b>535</b>	<b>563</b>	<b>537</b>	<b>552</b>	<b>531</b>	<b>546</b>
<b>(337)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(419)</b>	<b>(344)</b>	<b>(316)</b>	<b>(305)</b>	<b>(278)</b>	<b>(281)</b>	<b>(268)</b>	<b>(276)</b>	<b>(265)</b>	<b>(273)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 26. PUBLIC TOILETS

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
<b>Operating Revenue</b>										
–	–	–	–	–	–	–	–	–	–	–
<b>Operating Costs</b>										
69	58	58	58	58	58	58	58	58	58	58
11	14	14	14	14	14	14	14	14	14	14
4	5	5	5	6	6	6	6	6	6	6
84	116	118	118	119	120	121	121	120	120	120
(84)	(116)	(118)	(118)	(119)	(120)	(121)	(121)	(120)	(120)	(120)





## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 27. HOUSING

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
1,566	General Rates & Other Rate Charges										
	User Charges	1,630	1,597	1,559	1,553	1,604	1,645	1,625	1,608	1,608	1,594
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>1,566</b>	<b>Total Operating Revenue</b>	<b>1,630</b>	<b>1,597</b>	<b>1,559</b>	<b>1,553</b>	<b>1,604</b>	<b>1,645</b>	<b>1,625</b>	<b>1,608</b>	<b>1,608</b>	<b>1,594</b>
	<b>Operating Costs</b>										
59	Employee Costs	60	60	60	60	60	60	60	60	60	60
146	Supplier Costs	146	146	146	146	146	146	146	146	146	146
	Support Costs	298	316	316	325	326	326	327	327	327	328
128	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
300	Maintenance Costs	406	350	350	350	350	350	350	350	350	350
	One-Off Projects	5	10	10	10	10	10	10	10	10	10
	Interest Expenditure	174	183	153	142	185	221	206	196	198	189
229	Depreciation	226	224	222	219	217	215	212	209	206	203
	COC										
	Cyclic Renewal Depreciation										
<b>862</b>	<b>Total Operating Costs</b>	<b>1,315</b>	<b>1,289</b>	<b>1,257</b>	<b>1,253</b>	<b>1,294</b>	<b>1,327</b>	<b>1,311</b>	<b>1,297</b>	<b>1,297</b>	<b>1,286</b>
<b>704</b>	<b>Operating Surplus/(Deficit)</b>	<b>315</b>	<b>309</b>	<b>301</b>	<b>300</b>	<b>310</b>	<b>318</b>	<b>314</b>	<b>311</b>	<b>311</b>	<b>308</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 28. COMMERCIAL PROPERTY

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
1,047	764	612	576	541	610	552	526	297	292	275
<b>1,047</b>	<b>764</b>	<b>612</b>	<b>576</b>	<b>541</b>	<b>610</b>	<b>552</b>	<b>526</b>	<b>297</b>	<b>292</b>	<b>275</b>
	<b>Operating Costs</b>									
593	554	354	335	300	300	225	225	75	75	75
	(247)	(262)	(262)	(270)	(270)	(270)	(271)	(271)	(271)	(272)
15	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
192	242	140	134	120	120	90	90	30	30	30
20	55	45	45	45	45	25	25	25	25	25
	202	213	178	165	215	257	240	227	230	220
271	265	256	248	240	232	225	217	210	204	197
<b>1,091</b>	<b>1,071</b>	<b>746</b>	<b>678</b>	<b>601</b>	<b>642</b>	<b>552</b>	<b>526</b>	<b>297</b>	<b>292</b>	<b>275</b>
<b>(44)</b>	<b>(307)</b>	<b>(134)</b>	<b>(102)</b>	<b>(60)</b>	<b>(32)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 29. SEAVIEW MARINA

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
456	General Rates & Other Rate Charges										
	User Charges	501	520	534	571	626	640	638	625	618	608
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>456</b>	<b>Total Operating Revenue</b>	<b>501</b>	<b>520</b>	<b>534</b>	<b>571</b>	<b>626</b>	<b>640</b>	<b>638</b>	<b>625</b>	<b>618</b>	<b>608</b>
	<b>Operating Costs</b>										
65	Employee Costs	68	68	68	68	68	68	68	68	68	68
97	Supplier Costs	111	111	111	111	111	111	111	111	111	111
	Support Costs	102	108	108	111	111	111	112	112	112	112
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
20	Maintenance Costs	31	31	31	31	31	31	31	31	31	31
	One-Off Projects	20	20	20	20	20	20	20	20	20	20
	Interest Expenditure	59	62	52	48	63	75	70	67	67	64
200	Depreciation	198	204	210	217	222	224	226	217	209	201
	COC										
	Cyclic Renewal Depreciation										
<b>381</b>	<b>Total Operating Costs</b>	<b>588</b>	<b>604</b>	<b>600</b>	<b>607</b>	<b>626</b>	<b>640</b>	<b>638</b>	<b>625</b>	<b>618</b>	<b>608</b>
<b>75</b>	<b>Operating Surplus/(Deficit)</b>	<b>(87)</b>	<b>(85)</b>	<b>(66)</b>	<b>(36)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 30. ELECTED MEMBERS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
-	<b>Total Operating Revenue</b>	-	-	-	-	-	-	-	-	-	-
	<b>Operating Costs</b>										
673	Employee Costs	593	593	600	600	590	590	590	590	590	590
81	Supplier Costs	88	85	85	85	85	85	85	85	85	85
	Support Costs	306	325	325	334	335	335	336	336	337	337
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10	Maintenance Costs	10	10	10	10	10	10	10	10	10	10
50	One-Off Projects	70			50			50		50	
	Interest Expenditure										
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
814	<b>Total Operating Costs</b>	1,067	1,013	1,020	1,079	1,020	1,020	1,071	1,021	1,022	1,072
(814)	<b>Operating Surplus/(Deficit)</b>	(1,067)	(1,013)	(1,020)	(1,079)	(1,020)	(1,020)	(1,071)	(1,021)	(1,022)	(1,072)



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 31. ADVICE AND SUPPORT SERVICES

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
-	-	-	-	-	-	-	-	-	-	-
	<b>Total Operating Revenue</b>									
	<b>Operating Costs</b>									
	Employee Costs									
124	120	120	120	120	120	120	120	120	120	120
	Supplier Costs									
	2,085	2,092	2,095	2,153	2,156	2,155	2,163	2,162	2,166	2,170
	Support Costs									
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
	Maintenance Costs									
53	One-Off Projects									
	Interest Expenditure									
	Depreciation									
	COC									
	Cyclic Renewal Depreciation									
177	2,205	2,212	2,215	2,273	2,276	2,275	2,283	2,282	2,286	2,290
	<b>Total Operating Costs</b>									
(177)	(2,205)	(2,212)	(2,215)	(2,273)	(2,276)	(2,275)	(2,283)	(2,282)	(2,286)	(2,290)
	<b>Operating Surplus/(Deficit)</b>									

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 32. ENVIRONMENTAL APPROVALS

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
1,714	General Rates & Other Rate Charges										
	User Charges	1,761	1,822	1,831	1,884	1,886	1,886	1,891	1,890	1,893	1,895
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
6	Other Revenue	18	18	18	18	18	18	18	18	18	18
<b>1,720</b>	<b>Total Operating Revenue</b>	<b>1,779</b>	<b>1,840</b>	<b>1,849</b>	<b>1,902</b>	<b>1,904</b>	<b>1,904</b>	<b>1,909</b>	<b>1,908</b>	<b>1,911</b>	<b>1,913</b>
	<b>Operating Costs</b>										
551	Employee Costs	468	468	468	468	468	468	468	468	468	468
122	Supplier Costs	191	191	191	191	191	191	191	191	191	191
	Support Costs	1,606	1,704	1,706	1,753	1,756	1,755	1,762	1,761	1,764	1,767
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs										
	One-Off Projects	55									
	Interest Expenditure										
	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
<b>673</b>	<b>Total Operating Costs</b>	<b>2,320</b>	<b>2,363</b>	<b>2,365</b>	<b>2,412</b>	<b>2,415</b>	<b>2,414</b>	<b>2,421</b>	<b>2,420</b>	<b>2,423</b>	<b>2,426</b>
<b>1,047</b>	<b>Operating Surplus/(Deficit)</b>	<b>(541)</b>	<b>(523)</b>	<b>(517)</b>	<b>(510)</b>	<b>(511)</b>	<b>(511)</b>	<b>(512)</b>	<b>(512)</b>	<b>(513)</b>	<b>(513)</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 33. ENVIRONMENTAL POLICY

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
<b>Operating Revenue</b>										
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
2	2	2	2	2	2	2	2	2	2	2
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
1	1	1	1	1	1	1	1	1	1	1
3	3	3	3	3	3	3	3	3	3	3
<b>Operating Costs</b>										
364	327	327	327	327	327	327	327	327	327	327
96	98	98	98	98	98	98	98	98	98	98
	205	217	217	223	224	224	224	224	225	225
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
	Maintenance Costs									
	One-Off Projects									
	Interest Expenditure									
	Depreciation									
	COC									
	Cyclic Renewal Depreciation									
460	630	642	642	648	649	649	649	649	650	650
(457)	(627)	(639)	(639)	(645)	(646)	(646)	(646)	(646)	(647)	(647)
<b>Operating Surplus/(Deficit)</b>										

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 34. EMERGENCY MANAGEMENT AND RURAL FIRE

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s	
	<b>Operating Revenue</b>										
	General Rates & Other Rate Charges										
	User Charges										
	Penalties										
30	30	30	30	30	30	30	30	30	30	30	30
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
	Other Revenue										
<b>30</b>	<b>Total Operating Revenue</b>										
	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
	<b>Operating Costs</b>										
170	Employee Costs										
81	Supplier Costs										
	Support Costs										
	Maintenance Costs – Renewal										
6	Maintenance Costs										
	One-Off Projects										
	Interest Expenditure										
9	Depreciation										
	COC										
	Cyclic Renewal Depreciation										
<b>266</b>	<b>Total Operating Costs</b>										
	<b>441</b>	<b>450</b>	<b>450</b>	<b>455</b>	<b>456</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>455</b>
<b>(236)</b>	<b>Operating Surplus/(Deficit)</b>										
	<b>(411)</b>	<b>(420)</b>	<b>(420)</b>	<b>(425)</b>	<b>(426)</b>	<b>(425)</b>	<b>(425)</b>	<b>(425)</b>	<b>(425)</b>	<b>(425)</b>	<b>(425)</b>





## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 35. ENVIRONMENTAL INSPECTIONS & ENFORCEMENT

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
45	General Rates & Other Rate Charges										
	User Charges	83	109	130	145	174	174	173	173	173	173
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
8	Other Revenue	9	9	9	9	9	9	9	9	9	9
<b>53</b>	<b>Total Operating Revenue</b>	<b>92</b>	<b>118</b>	<b>139</b>	<b>154</b>	<b>183</b>	<b>183</b>	<b>182</b>	<b>182</b>	<b>182</b>	<b>182</b>
	<b>Operating Costs</b>										
1,190	Employee Costs	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
242	Supplier Costs	220	220	220	220	220	220	220	220	220	220
	Support Costs	(453)	(481)	(482)	(495)	(496)	(496)	(497)	(497)	(498)	(499)
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4	Maintenance Costs	2	2	2	2	2	2	2	2	2	2
20	One-Off Projects										
	Interest Expenditure	1	1	1	1	1	1	1	1	1	1
8	Depreciation	7	6	5	4	4	3	3	2	2	2
	COC										
	Cyclic Renewal Depreciation										
<b>1,464</b>	<b>Total Operating Costs</b>	<b>852</b>	<b>823</b>	<b>821</b>	<b>807</b>	<b>806</b>	<b>806</b>	<b>803</b>	<b>803</b>	<b>802</b>	<b>801</b>
<b>(1,411)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(760)</b>	<b>(705)</b>	<b>(683)</b>	<b>(653)</b>	<b>(623)</b>	<b>(623)</b>	<b>(621)</b>	<b>(621)</b>	<b>(620)</b>	<b>(619)</b>

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 36. ANIMAL CONTROL

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
50	General Rates & Other Rate Charges										
	User Charges	51	41	43	40	40	42	41	41	40	39
	Penalties										
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
	Interest Earned										
	Dividends from LATEs										
	Gain/(Loss) on Disposal of Assets										
8	Other Revenue	8	10	10	10	10	10	10	10	10	10
<b>58</b>	<b>Total Operating Revenue</b>	<b>59</b>	<b>51</b>	<b>53</b>	<b>50</b>	<b>50</b>	<b>52</b>	<b>51</b>	<b>51</b>	<b>50</b>	<b>49</b>
	<b>Operating Costs</b>										
251	Employee Costs	233	233	233	233	233	233	233	233	233	233
76	Supplier Costs	124	124	124	124	124	124	124	124	124	124
	Support Costs	(292)	(310)	(310)	(319)	(319)	(319)	(321)	(320)	(321)	(322)
	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5	Maintenance Costs	5	5	5	5	5	5	5	5	5	5
	One-Off Projects										
	Interest Expenditure	–	–	–	–	–	–	–	–	–	–
2	Depreciation	2	3	3	2	2	2	2	2	2	2
	COC										
	Cyclic Renewal Depreciation	–	–	–	–	–	–	–	–	–	–
<b>334</b>	<b>Total Operating Costs</b>	<b>72</b>	<b>55</b>	<b>54</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>44</b>	<b>44</b>	<b>43</b>	<b>42</b>
<b>(276)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(13)</b>	<b>(4)</b>	<b>(1)</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 37. ECONOMIC DEVELOPMENT

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
-	-	-	-	-	-	-	-	-	-	-
	<b>Total Operating Revenue</b>									
	<b>Operating Costs</b>									
	72	72	72	72	72	72	72	72	72	72
	Employee Costs									
	Supplier Costs									
	49	52	52	54	54	54	54	54	54	54
	Support Costs									
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
140	150	140	140	150	150	150	150	150	150	150
	Maintenance Costs									
	One-Off Projects									
	Interest Expenditure									
	Depreciation									
	COC									
	Cyclic Renewal Depreciation									
140	271	264	264	276	276	276	276	276	276	276
	<b>Total Operating Costs</b>									
(140)	(271)	(264)	(264)	(276)	(276)	(276)	(276)	(276)	(276)	(276)
	<b>Operating Surplus/(Deficit)</b>									

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 38. PROMOTIONS AND VISITOR INFORMATION

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
-	-	-	-	-	-	-	-	-	-	-
	<b>Total Operating Revenue</b>									
	<b>Operating Costs</b>									
	18	18	18	18	18	18	18	18	18	18
	Employee Costs									
	Supplier Costs									
	30	32	32	33	33	33	33	33	33	33
	Support Costs									
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
	Maintenance Costs									
305	305	325	325	330	330	335	335	340	340	340
	One-Off Projects									
	Interest Expenditure									
	Depreciation									
	COC									
305	353	375	375	381	381	386	386	391	391	391
	Cyclic Renewal Depreciation									
	<b>Total Operating Costs</b>									
(305)	(353)	(375)	(375)	(381)	(381)	(386)	(386)	(391)	(391)	(391)
	<b>Operating Surplus/(Deficit)</b>									



## STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

### 39. MANAGING THE INVESTMENTS

Annual Plan Year Ended 30-Jun-98 \$000s	Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>									
	General Rates & Other Rate Charges									
	User Charges									
	Penalties									
	Operating Subsidies									
	Capital Subsidies									
	UHCC Capital Contribution									
	UHCC Operating contribution									
	310	260	10	10	10	10	10	10	10	10
235		600	2,500							
	Interest Earned									
	Dividends from LATEs									
	Gain/(Loss) on Disposal of Assets									
	Other Revenue									
235	<b>310</b>	<b>860</b>	<b>2,510</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
	<b>Total Operating Revenue</b>									
	<b>Operating Costs</b>									
	Employee Costs									
	Supplier Costs									
	Support Costs									
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Maintenance Costs – Renewal									
	Maintenance Costs									
	One-Off Projects									
	904									
	Interest Expenditure									
	Depreciation									
	COC									
	Cyclic Renewal Depreciation									
-	<b>904</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Operating Costs</b>									
235	<b>(594)</b>	<b>860</b>	<b>2,510</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
	<b>Operating Surplus/(Deficit)</b>									

# STATEMENT OF FINANCIAL PERFORMANCE – LONG TERM FINANCIAL STRATEGY

## 40. COUNCIL MANAGEMENT SERVICES

Annual Plan Year Ended 30-Jun-98 \$000s		Forecast Year Ended 30-Jun-99 \$ 000s	Forecast Year Ended 30-Jun-00 \$000s	Forecast Year Ended 30-Jun-01 \$000s	Projection Year Ended 30-Jun-02 \$000s	Projection Year Ended 30-Jun-03 \$000s	Projection Year Ended 30-Jun-04 \$000s	Projection Year Ended 30-Jun-05 \$000s	Projection Year Ended 30-Jun-06 \$000s	Projection Year Ended 30-Jun-07 \$000s	Projection Year Ended 30-Jun-08 \$000s
	<b>Operating Revenue</b>										
878	General Rates & Other Rate Charges										
	User Charges	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068	1,068
520	Penalties	555	555	555	555	555	555	555	555	555	555
	Operating Subsidies										
	Capital Subsidies										
	UHCC Capital Contribution										
	UHCC Operating contribution										
450	Interest Earned	1,500	1,000	1,000	750	750	750	700	700	700	700
14	Dividends from LATEs										
(20)	Gain/(Loss) on Disposal of Assets	(10)									
421	Other Revenue	67	8	10	10	10	10	10	10	10	10
<b>2,263</b>	<b>Total Operating Revenue</b>	<b>3,180</b>	<b>2,631</b>	<b>2,633</b>	<b>2,383</b>	<b>2,383</b>	<b>2,383</b>	<b>2,333</b>	<b>2,333</b>	<b>2,333</b>	<b>2,333</b>
	<b>Operating Costs</b>										
7,329	Employee Costs	5,705	5,721	5,721	5,721	5,721	5,721	5,721	5,721	5,721	5,721
5,351	Supplier Costs	5,718	5,752	5,752	5,752	5,752	5,752	5,752	5,752	5,752	5,752
	Support Costs	(9,425)	(10,001)	(10,013)	(10,290)	(10,304)	(10,302)	(10,341)	(10,337)	(10,354)	(10,373)
11	Maintenance Costs – Renewal	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
286	Maintenance Costs	403	370	370	370	370	370	370	370	370	370
86	One-Off Projects	40	40	45	50	45	45	40	40	40	40
8,268	Interest Expenditure										
670	Depreciation	719	749	758	780	799	797	791	787	804	823
	COC										
	Cyclic Renewal Depreciation										
<b>22,001</b>	<b>Total Operating Costs</b>	<b>3,160</b>	<b>2,631</b>	<b>2,633</b>	<b>2,383</b>	<b>2,383</b>	<b>2,383</b>	<b>2,333</b>	<b>2,333</b>	<b>2,333</b>	<b>2,333</b>
<b>(19,738)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(20)</b>									

